SENATE—*Thursday, July 10, 1997*

The Senate met at 9:30 a.m., and was called to order by the President pro tempore [Mr. THURMOND].

PRAYER

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

Almighty God, we thank You for this moment of quiet in which we can reaffirm who we are, whose we are and why we are here. Once again we commit ourselves to You as Sovereign Lord of our lives and our Nation. Our ultimate goal is to please and serve You. You have called us to be servant-leaders who glorify You in seeking to know and to do Your will in the unfolding of Your vision for America.

We spread out before you the specific decisions that must be made today. We claim Your presence all through the day. Guide our thinking and our speaking. May our convictions be based on undeniable truth which has been refined by You.

Bless the women and men of this Senate as they work together to find the best solutions to the problem before our Nation. Help them to draw on the supernatural resources of Your spirit. Give them divine wisdom, penetrating discernment, and indomitable courage.

When the day draws to a close may our deepest joy be that we received Your best for us and worked together for what is best for our Nation. In the name of our Lord and Saviour. Amen.

RECOGNITION OF THE ACTING MAJORITY LEADER

The PRESIDENT pro tempore. The able acting majority leader, Senator COCHRAN of Mississippi, is recognized.

SCHEDULE

Mr. COCHRAN. Mr. President, this morning the Senate will resume consideration of S. 936, the defense authorization bill, and begin 90 minutes of debate on the Grams second-degree amendment to the Cochran amendment regarding supercomputer export controls. At approximately 11 a.m. the Senate will vote on or in relation to the Grams amendment, to be followed by a vote on or in relation to the Cochran amendment. Following that, the Senate will continue consideration of amendments to the defense authorization bill with rollcall votes occurring throughout the day.

As the majority leader announced last night, the scheduled cloture vote will be postponed temporarily today, and an assessment will be made later today of the progress being made on the defense bill. With the cooperation of all Members, that cloture vote may not be necessary if good progress is made on the bill.

It is the intention of the majority leader that action on the defense authorization bill be completed this week. Senators should anticipate a busy session today that will extend into the evening. Work is anticipated as well on Friday, if necessary, to finish this important legislation. That announcement is made by me at the request of the majority leader for the information of all Senators.

Mr. President, as contained in this announcement, there is now 90 minutes that is available on the Grams amendment. If the Chair wants to make the announcement, I will yield the floor temporarily for that.

RESERVATION OF LEADER TIME

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

NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 1998

The PRESIDING OFFICER. Under the previous order, the Senate will now resume consideration of S. 936, which the clerk will report.

The assistant legislative clerk read as follows:

A bill (S. 936) to authorize appropriations for fiscal year 1998 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes.

The Senate resumed consideration of the bill.

Pending:

Cochran/Durbin amendment No. 420, to require a license to export computers with composite theoretical performance equal to or greater than 2,000 million theoretical operations per second.

Grams amendment No. 422 (to amendment No. 420), to require the Comptroller General of the United States to conduct a study on the availability and potential risks relating to the sale of certain computers.

Coverdell (for Inhofe/Coverdell/Cleland) amendment No. 423, to define depot-level maintenance and repair, to limit contracting for depot-level maintenance and repair at installations approved for closure or realignment in 1995, and to modify authorities and requirements relating to the performance of core logistics functions.

Wellstone amendment No. 669, to provide funds for the bioassay testing of veterans exposed to ionizing radiation during military service.

Wellstone modified amendment No. 668, to require the Secretary of Defense to transfer $400,000,000 to the Secretary of Veterans Affairs to provide funds for veterans' health care and other purposes.

Wellstone modified amendment No. 666, to provide for the transfer of funds for Federal Pell Grants.

Murkowski modified amendment No. 753, to require the Secretary of Defense to submit a report to Congress on the options available to the Department of Defense for the disposal of chemical weapons and agents.

Kyl modified amendment No. 607, to impose a limitation on the use of Cooperative Threat Reduction funds for destruction of chemical weapons.

Kyl amendment No. 605, to advise the President and Congress regarding the safety, security, and reliability of United States Nuclear weapons stockpile.

Dodd amendment No. 762, to establish a plan to provide appropriate health care to Persian Gulf veterans who suffer from a Gulf War illness.

Dodd amendment No. 763, to express the sense of the Congress in gratitude to Governor Chris Patten for his efforts to develop democracy in Hong Kong.

Reid amendment No. 772, to authorize the Secretary of Defense to make available $2,000,000 for the development and deployment of counter-landmine technologies.

Levin amendment No. 778, to revise the requirements for procurement of products of Federal Prison Industries to meet needs of Federal agencies.

Mr. THURMOND addressed the Chair.

The PRESIDING OFFICER. The able Senator from South Carolina is recognized.

Mr. THURMOND. Mr. President, I just want to tell the Senators that we are going to finish this bill this week. If they want their amendments adopted, they better come in and have them considered and debated and acted on. We do not want any further delays. And we want to get time agreements, too. No use to spend hours and hours on one amendment. We ought to get a very limited time on each amendment so we can finish this bill. That is very important. I want Senators to know that we expect to proceed along that line.

AMENDMENT NO. 422

The PRESIDING OFFICER. The Senate will now resume consideration of Grams amendment No. 422 on which there shall be 90 minutes for debate equally divided.

Who yields time?

Mr. COCHRAN addressed the Chair.

The PRESIDING OFFICER. The Senator from Mississippi.

Mr. COCHRAN. Who controls time under the order?

The PRESIDING OFFICER. The Senator from Mississippi controls 45 minutes and the Senator from Minnesota controls 45 minutes.

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

AUTHENTICATED U.S. GOVERNMENT INFORMATION GPO

Mr. COCHRAN. Mr. President, I yield myself such time as I may consume.

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

Mr. COCHRAN. Mr. President, to refresh the memory of Senators about this amendment that is now the pending business, at an early stage in the consideration of this authorization bill I offered an amendment for myself and on behalf of the distinguished Senator from Illinois [Mr. DURBIN] to modify the administration's existing policy relating to the export by U.S. companies of supercomputers in the global marketplace.

The reason this amendment was considered important for the consideration of the Senate on this bill is that it, first of all, involves exporting technology that no other country in the world has. Unlike many of our arms sales, defense equipment or technology sales around the world, whether to friendly allies or those who may not be so friendly, computer technology has evolved here in the United States to the point that we have the corner on the market. No one can compete with us in many areas of supercomputer technology. The Japanese have developed an impressive capacity in this area as well.

But one thing has come to our attention in the subcommittee that I chair on Governmental Affairs, the Subcommittee on International Security, Proliferation and Federal Services. We have had a series of hearings that began the first month of this year. We have had at least one hearing every month. And we have explored one aspect of weapons proliferation.

It was at a hearing that we had recently on the exporting of technology that we learned that the United States was a proliferator of weapons technology that was threatening the security of the United States, and putting at risk United States servicemen, servicewomen, other interests, and other assets and interests throughout the world, because we were giving countries like Russia and China and others the capacity to improve the lethality, the accuracy, and the capabilities of nuclear weapons systems through the exporting of technology that they were using to simulate tests, which they would not otherwise be able to do, and to upgrade the quality and accuracy of their missile delivery systems and weapons systems.

This does not make good sense. Japan's export control policy is more restrictive than our policy. The President came into office after a campaign which involved a lot of discussion about changes in the world security situation. We all rejoiced in the past two administrations when so much progress was made in terms of reducing the threat to the security of the United States because of the changes going on in the Soviet Union and Eastern Europe.

The fact is, that we were able to relax somewhat when those weapons systems were no longer targeted at us. But the fact remains that there is a tremendous potential threat, not only in Russia but some of the other states of the former Soviet Union for the development at some future date of an attitude that may put our security relationship at greater risk than it is today. And so we do have an interest in refraining from doing those things ourselves that end up unwittingly or carelessly investing in others the capability to develop modern, more lethal, and more dangerous weapons systems that could threaten our security interests.

One other aspect of this is that part of our hearings have been involving the sale of weapons systems by countries like Russia and China. We had a whole series of witnesses come before our committee talking about this as a problem now, selling missiles, for example, to Iran, selling nuclear weapons technology to countries like India and Pakistan and others.

But we see emerging around the world a new capacity on the part of many of these countries that we do not trust at all to have those kinds of systems that can inflict great damage, destroy assets that we have, and people, troops that we have in the Middle East or in South Korea, sailors who are on ships around the world who are now vulnerable to cruise missiles in the Mediterranean that we never had to worry about before because of this proliferation of missiles and technologies and weapons systems.

So that is the big issue here. So that is why we have suggested that the administration's new policy—when they came into office they said we are going to open up and take the controls off of our exports so we can take advantage of the new security situation around the world, let our businesses enjoy a more relaxed atmosphere. That is all fine. But what we have learned in the last 18 months of this new policy—it was put into place in October 1995—the new policy has resulted in supercomputers coming into the possession of the Chinese Academy of Sciences which has a component that is involved in the modernization of the Chinese nuclear weapons program and systems. They now have seven supercomputers that came from the United States that they are using, they potentially are using, to develop a more modern weapons capability in nuclear weapons.

The Russian chief of atomic energy boasted recently that his operation, the group of people he has under his control in his laboratories—Chelyabinsk 20 and Arzamas 16—these are locations where they do work on nuclear weapons systems in Russia that they now have a supercomputer capability previously unknown, compliments of the United States.

This is a sad state of affairs because of a policy that is much more relaxed now. And I want to describe the details of it. That is why we have these 90 minutes reserved here so Senators will understand how serious a threat this is and what it means in practical terms.

We have seen the administration develop this new policy that identifies countries in categories. They call it a four-tier system.

Tier 1 countries are our best friends, NATO Allies. There are no restrictions. Tier 2 are those countries where it is more lenient still. Tier 3 and Tier 4. Tier 4, there is a complete embargo on the exporting of computer technology of all capability. You cannot sell computers under our new system to these Tier 4 countries. They are Iran, Libya, North Korea, Cuba, a couple of others.

Tier 3 are those countries where, depending upon the capability of the computer, there are restrictions. There are no restrictions for the PCs, the personal computers, no restrictions. But when you get up into these high-end computer systems there are restrictions, you have to get an export license from the Department of Commerce. And the way you decide whether you need a license or not is to decide if the end use of the computer is going to be for a military purpose or a civilian purpose or if the user is a military entity or a civilian entity.

The problem with the administration's policy is the Commerce Department does not tell our exporters whether the end use or the user is military or civilian. They leave it up to our exporter to find that out for themselves. That is the problem. That is what this amendment is about. We are trying to change one part of this policy to require the Federal Government to approve the sale—in the case of these countries in Tier 3, China, Russia, and a number of others—where the potential for use of this technology for military purposes has become so apparent and real.

Now, I am not suggesting that our computer companies are carelessly and negligently and wholesale selling these high-end computers, these advanced computers, without careful analysis of who their customers are. Some of them are making a very conscientious effort to ensure that. But what they cannot do and they do not have the capacity to decide, that in the reality of this new situation there are front companies being developed—in the case of China, for example, in Hong Kong and maybe other places, as well, and I cannot discuss all of this because some of it is classified—but there are companies that have been established, whether by governments or government-related industries, who are able now to purchase U.S. computers because they are a civilian company, and then turn around and sell it to a company that is

affiliated with one of these governments. That is what has happened, apparently.

So do we want to continue to leave to the capabilities of a computer exporter the responsibility of making these determinations, by understanding what is a front company and what is not? They do not have the resource to do that. Our intelligence community, however, and the resources of our Federal Government are much more nearly able to make this kind of determination.

Under Secretary Reinsch at Commerce talked about this policy at hearings in our committee, and you could tell that Commerce realized that changes had to be made in the way they were monitoring and supervising and implementing this new policy. After our hearing, they started making changes. They started putting out a list, for example, of entities around the world that they think are suspicious enough or they have evidence enough so they can say you cannot tell this entity or that entity in these Tier 3 countries because we know that puts at risk the potential use of this technology for nuclear weapons purpose or other weapons of mass destruction purpose. So they are making some changes. The fact is they left a lot of things off the list, they left a lot of entities off the list that we know in the past have purchased or wound up having these technologies.

So it creates a situation where a change needs to be made right now. This is the change that we think is best. We are pleased to have the cosponsorship on this amendment of distinguished leaders in the area of proliferation here in the Senate. Senator THURMOND, who is chairman of the Armed Services Committee, supports our amendment. Senator WARNER supports our amendment. Senator GLENN, who has previously served as chairman of this proliferation subcommittee and chairman of the full Committee on Governmental Affairs, and been a leader in this effort his entire career in the Senate, and he announced yesterday—and put a statement in the RECORD, which we invite Senators to look at—that he is supporting this amendment. Senator DURBIN of Illinois was in the hearing and has taken an active role in trying to understand and deal with this emerging problem. It has emerged full-blown into one of the most serious threats to our Nation's security, and it has been done because of the way this policy has played out and the way the problem has increased. So we think that Senators ought to look carefully at this.

Let me just say this chart tries to explain how a small area of the computer industry and the hardware that are involved are affected by this amendment. The diagonal lines here that say Chelyabinsk-70 and Arzamas-16 are nuclear weapon labs in the Soviet Union, and the Chinese Academy of Sciences that we know wound up with United States computers that can be used now throughout China for the purpose of developing new modern weapons of mass destruction. This represents numbers of total computers, 6.34 percent of the total U.S. computer export markets affected, and targeted only those computers going to those Tier 3 countries with lethality or capability of 2,000 MTOPS to 7,000 MTOPS. These are millions of theoretical operations per second. That is how you measure the capability or speed of computation of computers. That is the way the Commerce Department has broken this down and divided up these up so that they reflect the capabilities of these computers. A PC has a capability of 250 MTOPS. We are talking about advanced computers, very expensive, and, of course, the computer industry is competing with each other to make these sales.

This is another point: If you were running a big computer company—IBM, Cray computer, whatever the names are—you do not want to have to go to the Secretary of Commerce and tell them you are thinking about making a sale or you have a customer on your screen that you think you can sell a big, heavy-duty, new, modern, expensive computer to, you do not want to tell anybody about it. If you are a salesman, you do not want that word out on the street. You do not want somebody at Commerce looking into it and asking a bunch of questions of you. You would like to go in and make the sale. If the customer is ready to buy your computer, you want to go in, sign the deal, and make the sale. Of course, you have a responsibility under the new policy to satisfy yourself about who the end user is, what the end-use purpose is, and so you hurry to get that done. No matter how conscientious you are, you might not do as good a job with that, particularly if you have a competitor who is trying to make the same sale.

So we are in a situation where the competition of the U.S. market and economic system is working against our interests in protecting our national security and maybe taking a little bit more time and understanding what the potential is for this sale in terms of coming back at us in a new, advanced missile that has capabilities never before possible because of U.S. computer manufacturers selling in these markets to the countries that have the money to buy them. You are talking about the big countries. I am particularly concerned about Russia and China, specifically. We are developing, we hope, better relationships with both countries. We are working to improve our relationships around the world, make this a more stable, safer, peaceful world. That effort has to continue.

What we are doing today, in calling it to the attention of the Senate today, is not at all designed to sour or make that process more difficult, but we have to recognize that this is still a dangerous relationship in many respects. These are the countries that have the greatest capability in the world today, and past attitudes among some in those countries that do not have our interests at heart, do not have our security uppermost in their mind, who may be capable of diverting some of these technologies for uses such as the development of new generations of weapons of mass destruction which not only they but some of their friends end up with in the due course of business.

I have gotten calls and we have had visits from some in the computer industry saying this amendment is not necessary; it is not necessary to put this in the law. Why don't we just change the policy? Well, we can't change the policy. We are the Congress. The executive branch makes policies. They issue regulations.

One of the Senators asked me in a formal colloquy yesterday why we needed to put this in a bill. Well, it is the only way that Congress has available to it to participate in the policy-making process in helping to do our part to ensure that our Nation's security is protected. We cannot issue a regulation, we cannot modify a policy other than doing it the way we are doing it right now.

Now, the Senator from Minnesota, who is my good friend, has an alternative. He wants to do things other than change the policy. He wants to ask GAO to investigate it. We are already having GAO investigate this and gather more information. We are continuing to discuss with GAO other areas where we might get information that will be more helpful to the Congress in understanding what our options are. He suggests that Commerce ought to publish a list of prohibited purchasers. That list is good for as long as the ink is drying, but no further. What if a change occurs and they have not gotten a new list out with modifications, and you see nobody is on the list with the name of a company that you have been contacted by and you make the sale or you try to make the sale, and you decide this is a civilian company. There was nobody in uniform who came to see you, so your assumption is that it is a civilian. Well, the names change, these identities change, the purposes of companies change, the contacts and relationships of companies, particularly in this part of the world we are talking about, can change.

So you are going to invite them to start changing things. If they see they are on the list, they will probably dissolve their corporation if their purpose was to be a front for the People's Liberation Army, and some of these companies are. How is an innocent U.S. exporter to know? You cannot have all

these agents and assets to detect this kind of thing on the payroll of the company. But the U.S. Government has resources, and they have a better opportunity to make these determinations.

What we are simply saying is—not as the Senator from Minnesota wants us to do, which is nothing. His amendment just absolutely guts the effort to change the policy. It says there will be no change in policy as we are suggesting here. There will be no change. We will leave it up to the Commerce Department to improve its policy by making a list, and we will ask the GAO to look into this more. That is not good enough. I am hoping the Senate will vote down the Grams amendment and support the Cochran-Durbin amendment.

The cosponsors, I hope Senators will consider, who are on this bill right now, and I do not have a last count, but we are well into the double digits. Around 20 Senators have cosponsored this amendment. It is a strong statement of support for change that is needed now to protect our Nation's security. If we fool around and argue about this and are mealymouthed and don't want to hurt anybody's feelings or scare any of the computer companies, they don't want to get Congress to agree on any sale and they want to use their best efforts—I am not suggesting they don't, but they don't have the capacity, they don't have the expertise, they don't have the reach, the broad reach of the U.S. Government and its intelligence community to make these determinations.

So for these few computers with MTOPS between 2,000 and 7,000, for these few countries in tier 3, we are suggesting that any sale has to be first approved by the Commerce Department to ensure that the end use is civilian and that the end user is civilian and not military. That is all this is. Every other computer sale and administration policy can continue without any new restraint whatever.

I am hopeful the Senate will review this situation carefully, Mr. President.

I reserve the balance of my time.

Mr. GRAMS. Mr. President, I rise to continue the debate this morning on the Grams-Boxer amendment to the Cochran-Durbin amendment. I urge my colleagues today to support what I believe is a very reasonable compromise to a very controversial issue.

Mr. President, I ask unanimous consent that Senators D'AMATO, BOND, GREGG, and FEINSTEIN be added as cosponsors to this amendment.

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

Mr. GRAMS. Mr. President, I understand that there is a lot of concern in this body about United States computer sales being diverted for military use to either China or Russia. None of us wants that to occur. But we have to consider whether the Cochran amendment solves the problem. I believe that it does not.

The Cochran amendment would require export licenses for all midlevel computers. Now, these are not supercomputers, these are not high-end computers. You are going to hear that term, but they are not supercomputers. These are midlevel computers, and they are shipped to China, Russia, Israel, and 47 other countries. We talk about the Third Tier countries. They involve 51 nations, like Russia, China, India, Pakistan, Saudi Arabia, Israel, Romania, and the Baltic States. Some of our future NATO Allies could also be involved. Mr. President, export licenses do not solve end-user problems. These are diversions that would not have been caught during the export license procedure. Export licenses do require end-user certification, but if the end user chooses to ignore the agreement, or if the computer is stolen, that possibility will not be evident in the licensing process. In my judgment, the current system works.

Just yesterday, Secretary of Defense Bill Cohen sent us a letter opposing the Cochran amendment. He said the current law and system can deal with unauthorized exports and diversions. This is from the department that has been very conservative on all export decontrol matters. Secretary Cohen further states that we should focus our controls on technology that can make a national security difference, not that which is widely available around the world and is obsolete.

Yes, Mr. President, there have been three diversions, but that was out of 1,400 sales. But, no, this is not the right way to address those problems. The right way is to force the administration to publish as many military end users as possible and then to work with the industry to identify all military end users. We have been able to identify diversions through our capable intelligence sources. Mr. President, there is no evidence that there are dozens of computers out there used by military end users. It is just not there.

Further, I don't believe that the industry irresponsibly ignores available information about military end users. They have too much at stake. A company which violates export control laws takes a very big risk. The penalties are prohibition of all exports for 20 years or more, 10 years in prison, and up to a $5,000 fine for each violation. This doesn't include the blemish that would remain on the company's reputation or the great difficulty that company would have in the future seeking an export license. No company, Mr. President, can afford that risk.

What we would be doing here this morning is handing this midlevel computer business over to the Japanese and other allies. Now, again, I want to emphasize that these are midlevel computers, they are not supercomputers. Next year, they will be the kind of systems that we will be able to have in our offices here in the Senate, or what you could find in a small company or in a doctor's office. These are not the computers that are sought after for nuclear weapons production or design. Again, we are looking at midlevel computers, between 2,000 and 7,000 MTOPS, which are widely available around the world.

Supercomputers, which are sought after for weapons design, start at the 20,000 MTOPS level and go all the way up to 650,000 this year, and they will go beyond the 1 million MTOPS level next year. By the way, China already produces a computer at 13,000 MTOPS. No other country considers these computers to be anything but generally available and will step in to take over the business that the Cochran amendment will hand to them. The question is, is that what we want?

Also, anyone can purchase upgrades, by the way, to raise a PC, a current PC, above the 2,000 MTOPS level. We can't control the box. We can't control the chips around the world that can be put in it. We can't control the upgrades. There is no way to control these low-level PC's under the 2,000 MTOPS threshold, again, since they are available in nearly every country in the world.

Further, the chips that make up these computers are also available and produced around the world. They were decontrolled during the Bush administration. Our chip producers have markets throughout the world, and they need to maintain them to remain competitive. Chip producers cannot control who receives their end product.

Also, how do you prohibit a foreign national from using a computer even above the 7,000 level here in the United States and taking the results back, or faxing it back?

Our friend Jack Kemp has written to us also this week stating that the Cochran amendment would "establish a policy that is destined to fail and would hurt American computer manufacturers without protecting our national security. The American high-technology sector is critical to the future of this country and must be protected from overly intrusive Government restrictions."

I wish there was something we could do to effectively control some of these exports, but it is just not possible at these lower levels. We cannot convince our allies to reverse 2 years of their own decontrol. In fact, Europe has tabled a decontrol proposal at 10,000 MTOPS, which proves that they have no intention of even respecting our 7,000 level. We cannot pull all the PC's and upgrades off the retail shelves, and we cannot close our borders to prevent all foreign nationals from entering this country and using our computers.

We must concentrate our resources on keeping computers above the 7,000 level from reaching military end users; that's for sure. But I fear that an increased license burden in the administration would steer resources away from efforts to locate diversions and investigate them.

Now, Mr. President, in an earlier statement, I also countered a claim that an export license requirement would not slow down these computer sales. I have heard that someone made the comment that an export license would take 10 days. Well, anyone who knows how the licensing process works knows that it can take many, many months to obtain one. This will only earn our industry a reputation as an unreliable supplier, and it will cost us sales and it will cost us many, many U.S. jobs. The administration admits that a computer license application averages 107 days to reach a decision. I have seen it take far longer. Even 107 days, by the way, is enough to convince the end user to go out and seek a buyer in another country.

Since so many of the Tier 3 countries are emerging markets, we need to be in there early to maintain a foothold for future sales. When we hear about the 6.3 percent of sales to Tier 3 countries, that is misleading. It is in an area where the market is expanding rapidly. If we leave our companies out of those markets, they will not be there to compete in the future. They will not be there to provide sales and jobs for the United States.

Another argument I have heard is that there is no foreign availability over 3,500 MTOPS. Well, last year, NEC of Japan tried to sell a supercomputer to the United States Government at a level between 30,000 and 50,000 MTOPS. They match our speeds all the way to the top.

Mr. President, I believe that all of us are proud of our computer industry, that our industry remains the state of the art in so many areas, particularly in the levels above 7,000. We have made progress to facilitate exports without compromising our national security, progress which began back in the Reagan and Bush administrations, but here is an effort today to reverse all of that progress.

Our industry has to survive on exports, and it has to pursue commercial business with these 50 countries to remain competitive. All computer sales over the 7,000 MTOPS level do require license now. We have not sold any computers above that level. And, again, the 7,000 MTOPS are not supercomputers—they are not—they are midlevel computers. We have not sold any computers above that level to Tier 3 countries; nor do our allies, to my knowledge. However, we should not restrict the sales of these midlevel and, again, generally available computers to commercial end users. We should simply maintain the current licensing requirement for the questionable end users. I firmly believe that there will be improved cooperation between the Government and industry on end-user information, particularly those for Russia and China.

Now, I also commend the Commerce Department for starting to publish information on end users and to examine all sales that are made to the Tier 3 countries within these computer speeds.

The Grams-Boxer amendment requests the GAO to determine whether these sales affect our national security. That is very important. It will look into the issue of foreign availability. It will also require the publication of a military end-user list, and it requires Commerce to improve its assistance to the industry on identifying those military end users.

There will be some that vote today solely to express their dissatisfaction with China's alleged military sales to our adversaries. Let me remind you once again that there is no evidence that U.S. computers were involved in any of those cases. I also urge you to look at the merits of this issue. Pure and simple, the Cochran amendment would hand the sales of midlevel computers over to the Japanese and the Europeans at the expense of an industry that we have sought to protect and to promote and an industry that we are proud of.

As chairman of the International Finance Subcommittee of Banking, the committee that has jurisdiction over this issue, I strongly, this morning, urge my colleagues to vote for my substitute and let us continue this debate in the normal manner, through committee consideration. At the same time, the administration should step up its efforts to express to the Chinese and the Russians our grave concerns regarding efforts to divert commercial sales to military end users without knowledge of the United States seller.

Mr. President, I appreciate the efforts of my colleague from Mississippi to address these diversions. I want to work with him in my role as chairman of the subcommittee of jurisdiction to ensure that the current system does work or on how we can improve it once we have better information regarding the extent of the problem.

I urge the support of my colleagues for the Grams-Boxer substitute as a compromise to this very, very controversial issue. Thank you very much.

Mr. DURBIN addressed the Chair.

The PRESIDING OFFICER. Who yields time?

Mr. DURBIN. Mr. President, I am a cosponsor with the Senator from Mississippi, and he has allotted the remaining time to me for this debate.

The PRESIDING OFFICER. The Senator from Illinois is recognized.

Mr. DURBIN. Thank you, Mr. President. There is a quotation attributed to Vladimir Lenin. I am not sure he said it, but it has been repeated often enough that it is possible he did. It is illustrative of the challenge we face in this debate. It is reported that Lenin said: "A capitalist will sell you the rope that you use to hang him."

The suggestion from this founder of communism was that countries like the United States with a passion for capitalism and sales will occasionally get too overheated and end up selling the very product that can be used against him. Lenin's quotation goes back almost 80 years; yet, it is apropos of the debate today in 1997. We are talking about the sale of a supercomputer to a country that can use it against us. How should we take care to prevent that from happening? What safeguards should we establish?

You have read in the newspapers over the last few years the sad commentary of people entrusted at the highest levels of Government in the United States with classified and secret information, with access to technology, who have literally betrayed the United States and have sold that information to one of our adversaries. Ultimately, many of them have been caught and prosecuted and have served time, as they should, for betraying their Nation and giving away something very critical to the defense of this country to one of our adversaries.

At the basis of this debate is this same question: Are we giving away, through sales, a precious resource that can be used against us? Are we handing over a capability to a country that may not have the same interest or the best interest of the United States at heart?

That is why Senator COCHRAN and I have offered this amendment. Let me say at the outset for those who are critical of the amendment, we are not saying that the United States cannot make sales of these supercomputers to any country, Tier 1, 2, or 3; but we are saying, if you are going to sell these supercomputers to one group of countries that we want to take care do not misuse them, then please come to the Government, come to the Department of Commerce and make certain that the party buying the computer in that country, whether it is China, Russia, or another Tier 3 country, is an end user or party that will use it for peaceful purposes.

Is that some outrageous suggestion—that before we sell this great capability, this supercomputer capability, to some entity in China or Russia that we take care not to sell it to the wrong person? I think most Americans would say, "Why would we have a Government, if you aren't going to do something that basic to protect us?" Is there reason to be concerned about this?

Think about what we are selling. One supercomputer that was sold to Russia

increased their computer capability 10 times. We took our genius, our technology, put it up for sale, and they bought it. And with that purchase they not only bought the technology, they bought a new capability—I am sorry to report capability which can be used for negative reasons, for reasons inconsistent with American policy, and as easily for peaceful reasons.

Some have said, "Don't do the Cochran-Durbin amendment. It just involves too many sales. It would restrict too many supercomputer sales."

Senator COCHRAN made this point. When you look at the sales to Tier 3 countries, which are the only countries affected by this amendment, there were 91 sales in the 15 months of new trade policy by the Clinton administration; 6.3 percent of the computers in question are at issue here. Is that too much to ask? That when we start to sell 6.3 percent of our computer sales to certain countries, we say, "Pause. Hold back. Let's review and make sure that the entity buying them in the other country is a peaceful entity, that in fact it won't be used against the United States."

We have sold 47 supercomputers to China, another 20 to Hong Kong, and many to Russia as well. What have we learned about these sales?

I am sorry to report that four silicon graphic machines that were sold to Russia are now being used at Russia's nuclear weapons labs; one silicon graphics machine in the Chinese Academy of Sciences, which on its face sounds harmless but it is a key part of China's nuclear weapons complex; one Sun Microsystems machine we sold, we learned last week, is now running in a Chinese military facility after being diverted from Hong Kong.

What Senator COCHRAN and I are saying is, is it worth our effort and time to take care not to let these computers fall into the wrong hands? But, if you listen to the voices of business and the supercomputer industry, you would think that our suggestion was to stop sales of supercomputers. But it is not. In fact, it wouldn't affect 93 percent of the sales already, and for the other 6.3 percent all we are asking is for time for review.

We received a letter in opposition to our amendment from the Secretary of Commerce, a man whom I admire very much. But I would have to say to the Department of Commerce and to the Department of Defense that it is not unreasonable for us to ask you to set up a mechanism to make sure these computers don't end up in the wrong hands.

I have received a publication from the U.S. Chamber of Commerce. Not surprisingly they don't want any restrictions on this trade. They want U.S. companies to be able to sell whenever and to whomever they choose, and they don't want the restriction of the Cochran-Durbin amendment. But I would say to my colleagues that it is a little disingenuous for them to argue that if we do not allow the sale of supercomputers which can be misused against the United States that we endanger American jobs. There is something larger at stake than American jobs. What is at stake here is American security. I would think that every worker in the computer industry or outside would want to make certain that, No. 1, we provide for the common defense. If I recall, that is part of a document that all of us consider to be illustrative of the goals of America.

Let's address this issue about whether or not the Cochran-Durbin amendment in going after the 2,000 MTOPS model is talking about a garden variety of PC's which people can pick up at the corner computer store and are today available in Senate offices. As one of my colleagues said, it is a common thing that shouldn't be restricted. From what we are told 10,000 MTOPS is not common to them. The computers that are being sold right now are at a level of 200 MTOPS or 250 MTOPS. And even assuming that this industry, which is burgeoning and increasing its capability dramatically, should continue to increase the capability of these computers, Senator COCHRAN and I estimate that it will be more than 4 years before they all reach the end of the MTOPS stage. At least until that time shouldn't we take care, be cautious, and be concerned about the danger of selling this capability? I think we should. I think it is a serious mistake for us to assume that if we do not sell these computers to our potential enemies some other country will.

When we asked the Department of Commerce and the Department of Defense this question they said, "Well, the only country likely to step in, if the United States doesn't sell the computers, is Japan." Incidentally, Japan has more restrictive export controls than the United States. So I wonder if we are really thinking very seriously about the potential ramifications.

It is very shortsighted to celebrate the sale of a computer to a country overseas, to celebrate the jobs that are created, and to ignore the reality that that computer may give a potential enemy capability—capability to manufacture, capability to test through computers nuclear weaponry, chemical weaponry, and biological weaponry. All of these things I think should be of great concern to all of us.

With all due respect to my colleague, the Senator from Minnesota, I would say that his amendment does little to address the core problem here. To call for a study? Well, we have been at this for 15 months. If you want to know what has happened, we can give you the statistics. We can tell you what has occurred in terms of the sales actually made to China, to Russia, and through Hong Kong back to China. We know things have happened that we never wanted to happen. The idea that we can somehow evaluate this and then let those know who are interested really strikes me as a very weak approach.

Let me just say that the bottom line is that I know industry is in the business of selling. I think our Government and the Senate should be in the interest of not only encouraging sales but encouraging responsible sales.

When Senator COCHRAN and I come forward and say that for 6.3 percent of computers we want to make certain there is a review, that the end users cannot use that technology against us, I think that is a reasonable request.

I sat through the hearing. I wish some of my colleagues who oppose this amendment could have sat through it as well. I think they would have come away with the same impression that I did. The current liberal trade policy of supercomputers is going to create a situation which could one day come back and haunt America. We are giving to those in China, Russia, and other countries capabilities which we have worked hard to create and capabilities which unfortunately they may misuse.

We spend so much time in this body discussing the proliferation of weapons. We watch every move that the People's Republic of China makes for fear that they are proliferating these weapons around the world. We have classified and unclassified briefings on the subject. And when it comes to the sale of hardware and technology, we step aside and say it is another story. It is not. It is the same story. It is the same concern, and should be expressed as such.

I hope my colleagues will take a hard look at this. It is not often that I break with the Clinton administration on foreign policy. But I think Senator COCHRAN is right. I think this policy should be subject to thorough review, and I think his amendment, which I am happy to cosponsor, is a step in the direction to make sure that we don't turn loose to the world supercomputer technology and one day come to regret it.

I reserve the remainder of my time.

Mr. GRAMS addressed the Chair.

The PRESIDING OFFICER. Who yields time?

Mr. GRAMS. I yield time to my colleague from California who is also a cosponsor of the amendment.

The PRESIDING OFFICER. The Senator from California.

Mrs. BOXER. Mr. President, thank you, very much.

Mr. President, will you tell me when I have used 10 minutes? Then I will wrap it up because I know the Senator from Missouri is waiting. We are very proud that he is here to speak in behalf of the Grams-Boxer amendment. I am also proud to say that Senator DASCHLE, the Democratic leader has endorsed the Grams-Boxer amendment.

Mr. President, my colleague from Illinois started off his argument by quoting Lenin. He said Lenin said that "The capitalist will sell you the rope that you need to hang him." I never agreed with Lenin, and I don't agree now.

But, in addition, I really do believe that the Cochran amendment, as drafted, amounts to us hanging ourselves. What do I mean by this? I do not believe the Cochran amendment does anything to protect our national security. Rather, it harms it, I believe, a very substantial way, our international competitiveness in an industry that is leading America into prosperous times.

This is a view that is shared by Defense Secretary William Cohen, by Commerce Secretary William Daley, and our National Security Adviser, Sandy Berger. This bipartisan team has told us very directly that the Cochran amendment is harmful. I truly hope our colleagues will take a deep breath, step back and review these letters.

Mr. President, I ask unanimous consent that letters from the Secretary of Defense, the Secretary of Commerce, and the National Security Adviser be printed in the RECORD.

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

THE SECRETARY OF DEFENSE,
Washington, DC, July 9, 1997.

Hon. TRENT LOTT,
Majority Leader, U.S. Senate,
Washington, DC.

DEAR MR. MAJORITY LEADER. I am writing to express my opposition to the Cochran-Durbin and Spence-Dellums amendments to the Fiscal Year 1998 Defense Authorization Act regarding supercomputer export controls.

While I understand the concerns that motivated these amendments, I believe they are unnecessary and would undermine the flexibility that we need to adapt to changing security requirements and technology trends. I am a strong advocate for effective export controls. To be most effective, we must focus our limited export control resources on the export of goods and technologies that can make a significant difference for national security and nonproliferation reasons. Therefore, in order to best serve our security interests, we need to maintain a system that allows us to adjust our controls when technology advances and when technology becomes widely available. Putting specific control levels into statute is not an appropriate means to meet these often fast-changing challenges.

We have a system and adequate authority under current law that can deal appropriately with unauthorized exports and diversions. In this regard, the Administration is aggressively and intensively addressing recently reported unauthorized computer shipments to Russia and China, using the full range of law enforcement and diplomatic tools available.

We remain committed to working with Congress to address these important matters in a manner that maintains the flexibility we need to preserve our security interests.

Sincerely,

BILL COHEN.

THE WHITE HOUSE,
Washington,

Hon. TRENT LOTT,
The Senate,
Washington, D.C.

DEAR TRENT: I want to convey the Administration's strong opposition to Cochran-Durbin and Spence-Dellums floor amendments to the FY 1998 Defense Authorization Act concerning export licensing requirements for high performance computers.

First, we believe it is a mistake to set these export control limits in concrete by mandating them in statute, particularly in view of the rapid growth in computing power available worldwide. The amendment drastically undercuts our flexibility to adjust controls to keep pace with technological change—an extraordinarily rapid pace in the highly competitive area of computers—and with our ongoing evaluations of evolving security requirements.

Second, there is no need to legislate a revision to this policy. There are adequate administrative and enforcement means under current law to address problems that arise with U.S. computer exports. For example, with regard to the reported unauthorized computer shipments to Russia, both the Departments of Commerce and Justice are intensively investigating the shipments, and we are actively addressing the issue through diplomatic means. We also are issuing additional administrative guidance to U.S. exporters regarding impermissible end-users of proliferation concern. The Department of Commerce is reviewing all computer exports above 2,000 MTOPS (Millions of Theoretical Operations per Second) made since January 1996, including those countries in Tier Three such as China, India, and Israel. If problems are identified with any of these shipments, we have the legal and administrative means to address them and I can assure you we will use that authority.

The Administration remains willing to work with the appropriate committees of the Congress to address concerns regarding export controls.

Sincerely,

SAMUEL R. BERGER,
Assistant to the President for
National Security Affairs.

THE SECRETARY OF COMMERCE,
Washington, DC, July 8, 1997.

Hon. TRENT LOTT,
Majority Leader, U.S. Senate,
Washington, DC.

DEAR SENATOR LOTT: I am writing to urge you to oppose the amendment to the Defense Authorization Act for 1998 authored by Senator Cochran concerning exports of high performance computers and support instead the alternative proposed by Senator Grams, which would provide an objective assessment of the effect of computer sales on our national security. The Administration opposes the Cochran amendment because it reflects a fundamental misunderstanding of the role of computer technology in the global marketplace and will seriously hurt the competitiveness of the computer industry without enhancing our national security.

The Cochran amendment seeks to roll back the President's decision in 1995 to permit the export of computers with a performance capability of 2,000 to 7,000 Million Theoretical Operators Per Second (MTOPS) to civilian end users in 50 countries, including China, Russia, India, Israel, and Pakistan, without advance approval from the government. The amendment would require individual government approval for each such export. (The President's policy currently requires individual approval for all exports of computers with a performance capability above 7,000 MTOPS to all end-users in those countries, as well as for all exports or re-exports with a CTP greater than 2,000 MTOPS to military and proliferation end-users in Computer Tier 3 countries as defined in part 744 of the Export Administration Regulations.)

The President's decision was based on an extensive government review of advancements in computer technology and of our national security requirements that concluded (1) that computers with capabilities in this range would become widely available between 1995 and mid-1997, and (2) that critical defense applications that justified export controls were clustered at levels above 7,000 MTOPS. Information we have acquired since the decision supports those conclusions and suggests that, if anything, its forecast of foreign availability of these computers was conservative. The amendment would lock us into an export control policy that is already outdated and which could only be changed by legislation.

The Cochran amendment's proposed control levels are outdated because of the rapid pace of development of computer technology and the widespread availability of the semiconductors that run these machines. In late 1995, single processors with a performance capability between 400 and 600 MTOPS were available, while today such processors are commercially available at over 1000 MTOPS. At the beginning of the Clinton Administration, machines performing at over 195 MTOPS were defined as "supercomputers." Today, many desktop PCs exceed that level. These computers are not controlled for export and are manufactured in many countries throughout the world. It is relatively simple to upgrade existing machines to higher levels by adding processors. In addition, connecting lower level PCs that are not controlled for export—known as "distributed parallel processing"—can permit them to function with the capability of a single larger machine.

Attempting to stop the spread of computers to selected countries at the Cochran amendment levels would be exceptionally difficult and not the best use of our nonproliferation resources. We can control proliferation of weapons of mass destruction more effectively by concentrating our resources on "choke point" goods and technologies—those items without which a weapon cannot be built or delivered. Those items, by virtue of their specialized use, often have a limited number of producers and can be effectively controlled through multilateral agreements. Such items also can be controlled through unilateral action if necessary.

At the same time, I want to make clear that the Department of Commerce takes violations of our export control law and regulations very seriously and is prosecuting them aggressively. We have sufficient authority in current law to do that and are also taking a number of steps to help industry better meet its responsibilities. The Bureau of Export Administration (BXA) is reviewing all computer exports in the 2,000–7,000 MTOPS category; where there are concerns, BXA has initiated investigations; where investigations show that a U.S. law may have been broken, BXA has promptly referred the matter to a U.S. Attorney's office for prosecution; BXA has published the names of organizations and other entities involved in activities of proliferation concern (such as nuclear proliferation) to whom dual use exports will

require a license; and BXA is re-doubling efforts to educate companies on their obligations to know their customers.

I hope you will vote against the Cochran amendment and for the Grams substitute. If you have questions about the technology or our policy, I would be delighted to arrange a briefing for you.

Sincerely,

WILLIAM M. DALEY.

Mrs. BOXER. Mr. President, let me share with my colleagues part of the letter the Secretary of Defense has written in opposition to the Cochran-Durbin amendment and the Spence-Dellums amendment. Secretary Cohen says, "I believe they are unnecessary and would undermine the flexibility that we need to adapt to the changing security requirements and technology trends." He goes on to say, "We have a system and adequate authority under current law that can deal appropriately with unauthorized exports and diversions."

The Secretary of Commerce is very strong on this point. He says the Cochran amendment's proposed control levels are outdated because of the rapid pace of development of computer technology, and the widespread availability of the semiconductors required to run those machines.

From the National Security Adviser, Samuel Berger, we hear this. "We [referring to the Administration] believe it is a mistake to set these export control limits in concrete by mandating amendment of statutes, particularly in view of the rapid growth in computing power available worldwide."

He continues, "[the Cochran amendment] drastically undercuts our flexibility to adjust controls to keep pace with technological change * * *."

I think what we see here in this debate is the bipartisan effort here to ask our colleagues in the Senate to really look at the Cochran amendment and to realize that it will really simply hurt us.

It reminds me of someone who wakes up in the morning feeling great, everything is going well, and then they just knock themselves in the face, knock themselves out. For what reason? There is absolutely no reason.

There is no reason to put these controls back on these midlevel computers. The current policy that is in place did not occur in a vacuum. The decision to decontrol was based on the collective wisdom and judgment of the Department of Commerce, the Department of Defense, the State Department, intelligence agencies, and the Arms Control and Disarmament Agency. And the decision to decontrol the chips, that run the computers, was made by the Bush administration. Why were those decisions made? They were made because computers in the 2,000 through 7,000 MTOPS ranges are midlevel computers that are widely available. They are not supercomputers.

Let me repeat this because I know there is a lot of confusion on this issue. Computers in the 2,000 MTOPS through 7,000 MTOPS range are not supercomputers. In fact, many computer servers will top the 2,000 MTOPS threshold next year.

A server is the central computer in an office, and it holds information which all of the other computers in the office can access. It is expected that next year a number of law firms, distribution centers, dentist's offices, doctor's offices, car dealers, police departments, and even congressional offices will be using servers at the 2,000 MTOPS level. Yet, if the Cochran-Durbin amendment were adopted, we would reimpose export controls on computers that we may be using right here in the Senate next year.

Technology is advancing, as Secretary Cohen noted. It is being developed and is moving forward at a very rapid pace, not only in this country, but in other countries as well. We cannot stop it, nor can we slow it down.

So it seems to me, Mr. President, our export policy should move forward, to keep pace with technology rather than move backward. By reimposing export controls on midlevel computers, as called for in the Cochran amendment, we would in fact, however, be moving backward. Moving backward, Mr. President, without a clear national security rationale for so doing. That is not coming from Senator BOXER or Senator GRAMS or Senator BOND. It is coming from Secretary of Defense William Cohen. It is coming from Samuel Berger, the National Security Adviser.

Our goal as policymakers should be to establish export policies which are efficient, effective and competitive while also ensuring that our national security objectives are maintained. Current law achieves that objective.

Does this mean we should allow companies to sell any computer at any level to any country notwithstanding our national security interests? Of course not. Our national security interests are paramount. They are paramount. Our export policies absolutely must ensure that our foreign policy and security objectives, particularly as they relate to nonproliferation and counterterrorism, are maintained.

The Cochran-Durbin amendment, however, restricts our export competitiveness without furthering our national security objectives. Let me explain why the Cochran-Durbin amendment will not further our national security objectives.

First, the independent study conducted in 1995 concluded that exports of computers in the 2,000 to 7,000 range, destined for civilian use, posed no national security risk. The Cochran amendment, however, would severely restrict the sale of these computers to foreign commercial users because, as my colleague Senator GRAMS has so clearly stated, it takes an average of 107 days for the appropriate agencies—Commerce, Defense, State, and others—to issue export licenses on these mid-level computers. to buy a midlevel computer if you were a person who went into the store in, let us say, a city in Israel; that is one of the Tier 3 countries that would be impacted here.

Let me pose a question, and I think anyone can answer it. If you were a businessman in, let us say, Israel, that is one of the Tier 3 countries that would be impacted under the Cochran amendment, and wanted to purchase a computer from a United States manufacturer, but you were told that the United States manufacturer from whom you wanted to purchase the computer would have to wait an average of 107 days to get an export license to ship the computer, would you purchase that computer from the United States manufacturer, or would you opt to purchase a similar computer from a Japanese manufacturer? Clearly, the answer is that you would purchase from the Japanese manufacturer and not the American manufacturer.

Now, if there was any national security reason for this, I would be standing here arguing for it. But I do not see what national security objective is furthered when an Israeli dentist cannot go buy a computer for his office. I frankly do not see it. Second, we also know that sophisticated advanced nuclear weaponry design is not conducted on midlevel computers in the 2,000 through 7,000 range. And again, as my colleague Senator GRAMS, has clearly stated, the computers are just boxes. It is the chip inside the computer which makes the difference, and those chips were decontrolled under the Bush administration.

Third, and I alluded to this earlier, we know the Japanese make these computers. We also know companies in France, Taiwan, the United Kingdom, and Germany all manufacture computers in the 2,000 through 7,000 MTOPS range.

And how about this? China is producing computers at the 13,000 MTOPS level, far above the level which the Cochran amendment seeks to control.

So what are we doing here? We are hurting one of the most robust and important industries in our country, and there is no reason to do it. We cannot control the uncontrollable. If we were the only ones in the world that made these computers, this debate would be worth having, but we are not.

The PRESIDING OFFICER. The Chair will inform the Senator from California that she has now consumed 10 minutes.

Mrs. BOXER. I thank the Chair. Will you tell me when I have used 3 more minutes and then I will yield the floor.

The PRESIDING OFFICER. The Senator from California.

Mrs. BOXER. So we cannot turn back the hands of time. All of those countries make these computers already.

We are hurting ourselves for no rational purpose.

Finally, in analyzing this issue, I think it is also important to consider whether we as Senators have the expertise to determine what makes a supercomputer. I really believe we do not have that expertise among us. The Secretary of Defense has all of that expertise at his disposal. The National Security Adviser has all of that expertise at his disposal. The Secretary of Commerce has all of that expertise at his disposal. And each opposes the Cochran amendment. So I do not think that any of us, individually or collectively, possess the knowledge to make that kind of determination. I think the fact that we have Senators referring to a 2,000 MTOPS computer as supercomputer evidences that fact. We know that 2,000 MTOP computers are not supercomputers because the experts have concluded otherwise.

So I hope that my colleagues will join the Democratic leader and will join us and vote for the Grams-Boxer amendment. I think we should study this issue further and defer to the Secretary of Defense and to the intelligence agencies. I think that would set us on the appropriate course.

I thank my colleague for his generosity, and I yield back to him.

The PRESIDING OFFICER. Who yields time?

Mr. GRAMS addressed the Chair.

The PRESIDING OFFICER. The Senator from Minnesota.

Mr. GRAMS. Mr. President, I thank my colleague from California for that excellent statement, and I appreciate her support on this amendment as well.

Mr. President, I would like to now yield time to the Senator from Missouri [Mr. BOND] for whatever time he may consume.

The PRESIDING OFFICER. The Senator from Missouri.

Mr. BOND. Mr. President, I thank the distinguished manager of the amendment.

As a former chairman of the Banking Subcommittee on International Finance, it is a pleasure to rise in support of the amendment offered by the current chair of that subcommittee and the current ranking member. We spent a lot of time in the International Finance Subcommittee trying to figure out what export controls work and what controls do not work.

Let me tell you something, Mr. President. The one thing that we have learned is we do not spend enough time in dealing with the truly cutting-edge technology, the major supercomputers that need to be controlled. And why? Because we spend too much time on things that are readily available in Radio Shack in the United States or similar stores throughout the world. Why are we wasting our time trying to control something that any attaché from an Embassy can walk into a store here in the United States and pick up and send home or can be found in a store in almost any major city in the world.

Two years ago, the Clinton administration put to an end the requirement that a U.S. exporter of computer technology attain a Commerce Department license prior to selling computer equipment with a capacity greater than 2,000 MTOPS to any Third Tier nation—2,000. We need to keep these numbers in mind and, unfortunately, there are a lot of numbers going to be thrown around. We are talking about the range of 2,000 to 7,000.

Now, the administration arrived at this decision at the conclusion of a detailed study by a professor at Stanford University conducted in association with the Department of Defense and the Department of Commerce. These parties concluded that the marginal benefit to national security cannot justify requiring U.S. exporters of technology at this level to be licensed for sale to nonmilitary users. Acting on the conclusions of this very credible source and with the concurrence of the Defense and Commerce Departments, the administration rolled back the regulatory requirement that the first-degree amendment of the distinguished Senators from Mississippi and Illinois would seek to reimpose. In spite of my great respect for my esteemed colleagues from Mississippi and Illinois, let me say that rolling back the decontrols is unwise and misdirected policy, and I hope that our colleagues will join us in supporting the second-degree amendment.

The policy of the legislative change in the first-degree amendment quite simply cannot be policed, it cannot be enforced, it is ineffective, and it does little to contribute to our national security. I might add, "harsh letter to follow." I think if you would take those four points—it cannot be policed, it cannot be enforced, it is ineffective, and does not contribute to our national security—it does harm our economic competitiveness. It does take away jobs from Americans.

The question here is about computer technology, but it is also about computer chips. Dozens of computer chips with a typical capacity of 650 MTOPS are available commercially all over the world—650 MTOPS. I happened to stop by the candy desk, and I picked up four pieces of candy. Each one of these could hold a computer chip wrapped in a couple of layers of protective shipping material. Four 650 MTOPS chips would give you the capacity of 2,600 MTOPS—600 MTOPS above the level. If these were four computer chips, that would give you more computing power than the minimum amount to be licensed in sales under this first-degree amendment. I am told that anyone with the know-how, basic electronic know-how, can fashion these chips together in a computer with capacity that is far greater than that which would be regulated under this amendment.

I cite this example to show that it is nearly impossible to prevent the transport of certain technology particularly when it can be carried out of the country in somebody's pocket. It is simply fruitless to attempt to control technology at this level through export control measures.

Now, the proponents and my friend from Illinois have talked about sales of supercomputers to our adversaries. If that is what we were talking about, if we were talking truly about supercomputers, I would be on their side because I do not think we ought to be selling supercomputers. Supercomputers that do military work these days are 20,000 MTOPS to 650,000 MTOPS. They are talking about computers 10 times, 10 times the range that would be covered by this regulation.

Now, the Senator from Illinois said that the servers we have in our offices are about 200 to 250 MTOPS. I just checked with the computer center, and the Pentium server that we have in our office to do such sophisticated things as handle the mail and try to get the split infinitives out of the letters my staff prepares for me and handle memoranda and keep the books in our office is a 1,500 MTOPS computer. That server is 1,500, just under the level that would be regulated. And we do the high-technology stuff like keep the mail and send e-mail messages. I have even learned how to use it. That is how simple it is.

With little benefit to national security, the first-degree amendment's proponents are preparing to deliver a serious blow to the American computer industry. With very little to show for it, the advocates of this amendment are advocating the subjection of the entire computer industry to a cumbersome bureaucratic process and a significant regulatory burden. Our competitors certainly will not be joining us in this effort. To the contrary. When they have concluded their celebration and breaking open the champagne bottles to celebrate their capture of this market, they will use this opportunity to leave our manufacturers in the dust. While perhaps our most dynamic industry is forced to comply with added regulatory obstacles, our competitors will be selling to our country's former customers.

This amendment, Mr. President, is a blow because it is not regulating the sale of supercomputers. The technology we fear will be employed to upgrade weapons systems. The amendment actually regulates the sale of technology on the level of an office server or an office workstation, a tremendous market for our manufacturers. In a short period of time, this amendment will be regulating personal computers and we

will be doing it by legislation that will have to be changed. You know how quickly we change things around here. Not that quickly.

Many levels of technology far below that which pose national security risks will be subjected to this policy. Leadership in the computer industry is incredibly important to the prosperity of this country. We cannot afford to foreclose those markets. The disadvantage to our producers on the world market cannot be understated. The potential loss of U.S. jobs cannot be underestimated. And the risk to our leadership in the industry should not be jeopardized in this manner.

I do not take lightly the reports of technology being diverted to unauthorized military users. This is a serious matter that requires our attention. That is why it is important to study the 1995 decontrol and evaluate its effectiveness. I believe that we will find that it was unlikely that these transfers could have been prevented and that they are an inevitable byproduct of the world market. But, should it be concluded that decontrol is a threat, corrective measures can and should be taken in a prompt fashion. They can be taken administratively. However, to backtrack today with a legislative enactment would be a mistaken rush to judgment and risks placing our companies at a significant competitive disadvantage.

It has already been pointed out, and I believe the Senator from California has offered into the RECORD the opposition of the Department of Commerce, the Department of Defense, the administration, and several of my colleagues. I note just one provision in the letter from our former colleague, the former Senator from Maine now the Secretary of Defense, Bill Cohen. He says in that letter:

> I am a strong advocate for effective export controls. To be most effective, we must focus our limited export control resources on the export of goods and technologies that can make a significant difference for national security and nonproliferation reasons.

Mr. President, that is the gist of this whole thing. We should not be focusing our efforts on things that are readily available commercially. I agree with the Secretary of Defense that we ought to concentrate our efforts on the true supercomputers and make sure that those, not office workstations, are kept out of the hands of potential adversaries.

We need to be selling to countries like Israel workstations and office things, personal computers, that would, if the first-degree amendment were adopted, be subject to a lengthy licensing process.

Mr. President, I urge my colleagues to support the second-degree amendment of the chairman of the subcommittee, my friend from Minnesota. I thank the Chair and I yield the floor.

Mrs. FEINSTEIN. Mr. President I rise today in opposition to the Cochran/Durbin amendment to the Defense Authorization bill. The amendment would bar the sale of many types of computers, denying export opportunities for American firms, shifting high-technology sales to international competitors and flooding the Commerce Department with export applications for routine computer sales.

Rather than impose new restrictions, the Senate should adopt a substitute amendment, offered by Senator ROD GRAMS of Minnesota and my California colleague BARBARA BOXER. The Grams/Boxer substitute would:

Require the Commerce Department to improve its licensing process and provide more information to exporters, assisting exporters to identify suspicious potential purchasers and avoid questionable sales.

Require the General Accounting Office to study the impact of proposed export restrictions and the impact of foreign availability of computers on U.S. exports.

Rather than restrict a broad range of computer exports, the Grams/Boxer substitute amendment will help the administration and exporters distinguish between the potentially damaging sales that place us at risk and the routine computer sales.

EXPORT CONTROLS MUST APPLY TO THE RIGHT COMPUTERS

Since the 1940's, the United States has controlled the export of dual-use technology, advanced technology which has both defense and nondefense applications. These restrictions are appropriate, because we all want to keep critical military technology out of the hands of potentially hostile militaries.

However, technology advances rapidly. What was called a supercomputer only a few years ago, represents only routine computing power today. We cannot lock up U.S. exports and deny the administration the necessary flexibility to respond to evolving technology and worldwide competition.

In 1993, the administration conducted a thorough review, involving the Departments of State, Defense, and Commerce, intelligence agencies and the Arms Control and Disarmament Agency. The resulting U.S. policy permits the export of computers capable of 2,000 to 7,000 million theoretical operations per second [MTOPS] for Tier 3 countries. Among the more than 50 tier 3 countries are the countries of the former Soviet Union, Israel, Saudi Arabia, India, and China.

Export restrictions must be based on an objective review of a computer's computing power and the computing needs of the potential computer application. As Defense Secretary Cohen stated, "we need to maintain a system that allows us to adjust our controls when technology advances and when technology becomes widely available. Putting specific control levels into state is not an appropriate means to meet these often fast-changing challenges."

THE COCHRAN/DURBIN AMENDMENT IS OVERBROAD

The Cochran/Durbin amendment would prohibit the export of computer of 2,000 to 7,000 MTOPS from being exported to any Tier 3 country without an export license. The amendment is overbroad and will deny sales for U.S. companies and undermine our long-term national security needs.

The amendment will restrict the sale and export of ordinary work stations and computers, not just supercomputers. Many low-level work stations currently exceed the 2,000 MTOPS level, and are found in offices, ranging from law firms to auto dealerships, across the country. By 1998, personal computers will exceed the 2,000 MTOPS level and would be subject to the amendment's licensing requirement. At a time when many have urged the complete abolition of the Commerce Department, the Cochran amendment will trigger a flood of export applications for new categories of common computers.

THE RESTRICTIONS WILL NOT INCREASE NATIONAL SECURITY

The proposed amendment will not enhance U.S. national security. In 1995, the administration's review concluded computers of 2,000 to 7,000 MTOPS were widely available throughout the world and no longer considered to be a critical choke point for technologies used in the design, testing, or production of weapons of mass destruction.

However, if U.S. firms are denied the sales, manufacturers in other countries are prepared to fill the void. Computers in the 2,000 to 7,000 MTOPS range are manufactured in Japan, as well as 4 European companies. China reportedly produces a 13,000 MTOPS computer, while Russia and India also already produce computers more powerful than those the amendment would seek to control. The proposed restrictions will not keep technology out of the hands of countries posing national security concerns. The proposed restriction will be ineffective, denying many legitimate transactions for valid purposes, while allowing military testing proceeds through other means.

EXPORTERS NEED MORE INFORMATION

Under current law, the manufacturers of computers are caught because the Commerce Department cannot release the name or circumstances when an export license application is rejected. The notice of the rejection of a license is only provided to the individual exporting applicant.

As a result, when a U.S. exporter's application is rejected, the suspicious purchaser is encouraged to pursue alternative sellers and provide false information to support the sale. If potential U.S. exporter could receive more

information, potential sales to suspicious purchasers could be detected earlier.

CONCLUSION

I urge my colleagues to reject the Cochran amendment. The amendment will impose unnecessary restrictions on routine computer exports and undermine our national security in the long-run by shifting more sales to international competitors, many with weak or no export control laws at all.

Rather than impose new restrictions, the administration should provide more information to potential exporters to assist in the identification of suspicious potential purchasers.

The Grams/Boxer substitute will offer the appropriate incentives, while providing the administration with the authority to distinguish between sales that jeopardize national security and those that do not. While the administration needs flexibility to focus attention and resources on priority export applications, the Cochran amendment will divert attention and resources away from high-priority areas, truly placing our national security at risk. The Cochran amendment should be rejected.

Mr. KERREY. Mr. President, I rise today in support of the Grams second-degree amendment. Today, America leads the world in the development and production of high performance computers and our commercial interests in promoting exports of these machines is strong. To restrict the export of computers at the level set by the Cochran amendment would unnecessarily hurt our companies without promoting our national security.

I, like all other Senators, am concerned about how the export of advanced technology affects our national security. Recent press stories have made it all too clear that potential adversaries wish to acquire American technology to assist their military efforts. In addressing this issue, however, policymakers must strike a balance between the interests of American companies and what is required to ensure our national security. This is never an easy task and is made more difficult with the rapid ace of development in the computer industry. We need to be diligent in our efforts to try and match our policies to what is occurring in that industry.

Supercomputers are integral to the development of advanced weapons development. Therefore, our policy which restricts the export of the most powerful computers is necessary and warranted. However, the performance level of the computers that the Cochran amendment seeks to control does not reach the extreme speeds of true supercomputers. The Cochran amendment imposes controls on computers operating at 2,000 to 7,000 million theoretical operations per second [MTOPS].

Today, a computer that operates at 2,000 MTOPS is considered a mid-level workstation. The next generation of chips may allow Senators to have machines capable of that speed on their own desks by the end of next year. High performance computers start at 10,000 MTOPS and go up to 1,000,000 MTOPS. Supercomputers are machines that operate above 20,000 MTOPS and require validated export licenses under the current policy.

In 1995, an extensive Government review of computer technology determined that critical defense applications required machines that operated above the 7,000 MTOPS level. Further, it was determined that machines that operate below the 7,000 MTOPS level would soon become widely available from foreign suppliers. The administration then proposed its current policy, which has strong restrictions on the sale of computers that operate above the 7,000 MTOPS and lesser restrictions on machines that operate below that level. This decision was reviewed and approved by the Defense Department, the State Department, ACDA, and the intelligence agencies. Information gathered by our intelligence community since that decision was made support keeping the export policy in its current form.

Today, companies in Germany, Italy, France, India, Japan, and Poland are selling computers that operate in the 2,000 to 7,000 MTOPS level. And the performance level of the computers foreign companies produce continues to grow. Even if availability of these machines were a legitimate risk to national security, which it is not, restrictions on American companies seeking to export computers in this range would have little or no effect on the ability of foreign militaries to acquire this technology.

Further, simply placing license requirements on the sale of these computers would place American companies at an unfair disadvantage. We all know that sales of technology or any commodity depend on the speed of delivery. Foreign customers will not wait a week for an American company to receive a license if another vendor can deliver the same quality machine tomorrow.

Critics of the current policy believe its implementation has allowed computers to be diverted to illegitimate end users. The Commerce Department has not informed companies what foreign customers should or should not receive this type of computers and places the burden on the companies to acquire this information. However, how well a policy is implemented does not necessarily reflect on the prudence of the policy. If there have been problems in how our current export policy is implemented, recent changes made by the administration and measures imposed by the Grams amendment should help fix them.

I agree with Senator GRAMS that we should continue to evaluate our computer export policy and how foreign availability affects U.S. exports. We should also make it easier for companies to know which foreign companies, militaries, and nuclear end users should not receive our technology. I believe the current policy has been set at a level which both promotes American commercial interests and helps protect our national security. I urge my colleagues to join me in supporting the Grams amendment.

The PRESIDING OFFICER. Who yields time?

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from Mississippi.

Mr. COCHRAN. How much time remains on both sides, Mr. President?

The PRESIDING OFFICER. The Chair will advise the Senator from Mississippi that 8 minutes 53 seconds remain under his control of time, and 9 minutes 42 seconds remain under the control of the time of the Senator from Minnesota.

Mr. COCHRAN. Mr. President, does the distinguished Senator from South Carolina wish time on the amendment?

Mr. THURMOND. Mr. President, on behalf of Senator COCHRAN, I ask unanimous consent that the Senator from Maine, SUSAN COLLINS, be added as a cosponsor of the Cochran amendment.

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

The Senator from Mississippi.

Mr. COCHRAN. Mr. President, I yield myself such time as I may consume.

The PRESIDING OFFICER. The Senator from Mississippi.

Mr. COCHRAN. Mr. President, I thank the distinguished chairman of the Armed Services Committee for his contribution to the understanding of this issue and for his cosponsorship personally of the amendment and his announcement that the distinguished Senator from Maine, Senator COLLINS, is now a cosponsor of the amendment. This indicates that we have a broad base of cosponsors for the Cochran amendment, which means, if you are for the Cochran amendment, you would vote against the Grams and Boxer substitute for the Cochran amendment, because their amendment undermines the effort to impose a change in the current policy to require simply that our Department of Commerce approve sales of computer technology and computers by U.S. firms to overseas customers that have a computing capability of between 2,000 MTOPS and 7,000 MTOPS, if they are certain kinds of countries called Tier 3 countries, to ensure that they are not military users or that the computers will not be put to a military use.

The problem with the current policy is that the Department of Commerce is leaving it up to the U.S. exporters to make this determination now. Some have gotten into trouble because some,

like Silicon Graphics in California, are now under a grand jury investigation because of sales made to questionable users in violation of the current policy. The question is whether they knew or should have known that the end use was going to be military or the end user was going to be military; whether they exercised that degree of diligence required by the current policy.

Do we want to continue that kind of policy that puts at risk all of our computer companies when engaged in these international sales? I say no. It is time to put the onus, not on the computer company trying to make a sale abroad, but on the Department of Commerce, which has the responsibility of administering its own policies. But they are shifting their burden to the exporter, away from the Government, and this is causing difficulty. It has resulted in seven very sophisticated, high-end supercomputers being used now by the Chinese Academy of Sciences, an arm of which is involved in the modernization of the Chinese nuclear weapon program and capabilities. In Russia, the chairman of the equivalent to the Atomic Energy Commission there, boasted that they now have a supercomputer with a potential previously unknown, because of U.S. technology exports to Russia. That is the entity that modernizes and maintains the nuclear weapons of Russia.

What we are unwittingly doing by carrying forward and going forward with this policy with no change, which is what the Grams amendment basically suggests, it says make a list, tell everybody who they should not sell to—you cannot do that. You cannot possibly make a list and put down all the fronts for the People's Liberation Army or others who might be involved in either developing new weapons of mass destruction or exporting the technology for these weapons: North Korea, Iran, other countries and nation-states that we know now are developing more and more sophisticated and lethal weapons of mass destruction capability, with delivery systems. We know that is going on.

Here we are providing the technology to do simulations that they cannot do now without our technology. They cannot buy this. They cannot buy this from any other country except the United States. And we are leaving it up to U.S. exporters, saying our policy depends upon the good intentions and the capabilities of our U.S. civilian companies to determine these end uses and end users, who they are, what they are going to do with the technology, whether or not they are going to transship it to some other entity.

There are facts on the record, as a result of hearings held in our subcommittee that has been looking at proliferation issues all year, that are overwhelming and completely persuasive on this point. This policy ought to be changed. The only way Congress can influence change is by adopting a change, by doing so in this amendment. We cannot issue a regulation. We cannot make an administrative policy change here in the Senate. We can ask them to do it. We have already done that and it has not resulted in the change that is necessary. It is simply if you were a suspicious end user, we want the Department of Commerce to certify that it is OK to make that sale.

The Senator from California correctly discusses whether or not some of our closest allies are going to be adversely affected by this amendment. Israel has been purchasing computer technology under existing policy with licenses from the Department of Commerce. That is going to continue. That is not going to change. There is not going to be any slowdown in the process if someone is a trusted ally or friend. We don't even require licenses for our NATO allies. They are Tier 1 countries. But the Tier 3 countries—that includes China, Russia, and a lot of other countries—do have to have the approval of the Department of Commerce under our amendment if the computer capability is within a certain range.

These are not PC's. The Senator from Missouri, and my dear friend, suggests that this is like the PC's on our desk, at our workstations in our offices. He is talking about the Pentium server, that is the network, the hardware for the entire network. I know he did not mean to misrepresent it, but you have to understand what he's talking about. He has acted like an attaché walks into Radio Shack and buys one of these computers that has an MTOPS speed and capability that would be described in this amendment. That is not true. You cannot do that.

First of all, an attaché could not afford it. These are expensive. The fact is, we are talking about only 6.34 percent of the total supercomputer sales that would be affected by this amendment. Mr. President, 95 percent of all of the sales have been approved within 30 days that do require licenses. The Senator from Minnesota said it is over 100 days you had to wait to get approval. That is not borne out by the facts, by the testimony before our subcommittee by the people at the Department of Commerce.

So I am hopeful that Senators will think carefully about what we are trying to do. I know the computer companies are putting a lot of pressure on, sending everybody messages and phone calls and the rest. I would not want to have to go through another process. But we are talking about only such a small part of the market, a small part of those manufactured workstations and other large pieces of hardware that have the potential to be used to upgrade lethal weapons systems and missile systems to make them more accurate, to make them more lethal, to make them competitive with the U.S. arsenal that is designed to protect us. And we are going to put at risk our own system of national defense? We can't do that.

Mr. President, I urge Senators to vote against the Grams-Boxer amendment and then vote for the Cochran-Durbin amendment.

The PRESIDING OFFICER. Who yields time? The Senator from Minnesota.

Mr. GRAMS. Mr. President, I inquire how much time is remaining?

The PRESIDING OFFICER. The Senator from Minnesota has 9 minutes 42 seconds remaining, the Senator from Mississippi has 25 seconds.

Mr. GRAMS. Mr. President, I want to make one brief comment before I ask to yield time to my colleague from New York.

I want to say our friend and colleague from Mississippi has a well-intended amendment, but it is aimed at the wrong level. These are not supercomputers, as they continue to try to say. These are midlevel computers. If you are talking supercomputer, a low-end supercomputer starts at 20,000 MTOPS and goes now to 650,000, and next year it will be over a million; so these are not supercomputers.

Mr. President, I now would like to yield up to 7 minutes to my friend from New York.

The PRESIDING OFFICER. The Senator from New York is recognized to speak for up to 7 minutes.

Mr. D'AMATO. Mr. President, let me first say there are very few colleagues for whom I have greater respect and who are more knowledgeable in the areas of national security than the distinguished senior Senator from Mississippi, Senator COCHRAN. Indeed, he raises a very valid and natural concern that we have with respect to nuclear proliferation and the ability to enhance systems by way of the computer, the supercomputer in particular, and the need for proper balance in terms of export controls. That has been something which the Banking Committee has had jurisdiction over and has grappled with over the years. So, while I am sympathetic to the concerns that are raised, I just have to think that the issues of computer sales to foreign countries, as Senator COCHRAN has made clear to the Senate, is one that is so important that it really deserves much more analysis and much more debate than can be allowed for this floor amendment.

Indeed, as the chairman of the Banking Committee's International Finance Subcommittee, I believe that Senator GRAMS has offered an amendment that is worthy of our support, because what it would do, it would allow the entire Senate to ascertain, by way of the kind of comprehensive analysis that we need by the General Accounting Office as it

relates to what security needs may be open at the present time, what concerns are related to the sales of the high MTOPS computers to Tier 3 countries and what impact they may or may not have on this legislation that has been proposed.

I think Senator GRAMS' amendment is the proper way to proceed, to give us an opportunity, not to just dive in after 45 minutes or 1 hour's worth of debate. We need the careful scrutiny, the careful study, to ascertain is there an availability of these computers to such an extent that this really becomes a meaningless impediment to our own trade? Will there be other countries in Europe and other areas that will rush to fill the vacuum? That is what I have been told. That may not be correct, but let's ascertain, let's find out. That is what Senator GRAMS' second-degree amendment would accomplish.

It seems to me that makes sense. It would require the Commerce Committee to publish a list of questionable military and nuclear end users, with certain exceptions when sources and methods would be jeopardized. That is what we have to know.

Let me depart just for a moment, if I might. If we want to do something as it relates to nuclear proliferation, let's say to some of those countries who are looking to get most-favored-nation trading status, or continue it, that you cannot be exporting—when we know they are exporting—the kind of missile systems and delivery systems which China is today exporting.

That becomes something of a controversy. Let's find out how many of my colleagues are going to be willing to stand up to the business interests who look the other way and don't look at our national security interests or don't look at the abuse of human rights and the crackdown on religious freedoms that take place now or the forced sterilization of people. That is what is going on in China. They present, Mr. President, a very real and clear and present danger to the security of the world and to world peace by exporting to Iran and to other countries delivery systems and all kinds of enhancement of weapons systems which will endanger world peace.

If we really want to do something, let's take that up, but to simply come forward at this point in time without the proper kind of analysis—again, Senator GRAMS should be commended because his second-degree amendment would say, "OK, let's make a detailed analysis," and not come down on the floor and raise this. I think this is what we have to do.

So not only on a jurisdictional basis would I have problems supporting the Cochran amendment, but basically on the basis of fact. I don't think we should just raise jurisdiction and say, "That's within my committee, and, therefore, I want it to come through my committee." I sometimes get upset about that. If it is good legislation, so what if it didn't come through the committee process properly, particularly when we are talking about matters of national security. So I don't just raise that, but it does need the kind of careful thought, careful analysis that Senator GRAMS' amendment calls for.

For that reason, I hope that we support overwhelmingly this cautious approach to making analysis of whether or not the export of the MTOPS to Tier 3 countries should go through another process with Government bureaucrats analyzing and never coming to a decision. I think that would be a mistake.

Again, let's take a look at China: $50 billion surplus in trade, and yet she does what she wants, and she claims she wants friendship with us. I think on the altar of the almighty dollar, we just continue business as usual. I am more concerned about saying to them, "You can't be our friend on one hand, you can't be enjoying a $50 billion trade surplus with us and then have a half a billion dollar industry that your generals are running," and we say, "Oh, no, don't rock the boat."

Do we really want to stop nuclear proliferation? Do we want to stop the export of deadly weapons systems? Let's do it when we have some clout, and we do have some clout. But I am afraid we will succumb to those who say, "Oh, we can't do this, we'll lose a lot of jobs here in this country if we stand up to that kind of activity."

Mr. President, I yield the floor.

Mr. GRAMS addressed the Chair.

The PRESIDING OFFICER (Mr. BURNS). The Senator from Minnesota.

Mr. GRAMS. Mr. President, I yield another minute to my colleague from California and coauthor of this amendment.

The PRESIDING OFFICER. The Senator from California is recognized.

Mrs. BOXER. Mr. President, I want to say to my colleague, it has been a pleasure working with him and his staff. I think that what we are offering here is a very wise alternative to an unwise policy. I am looking at the Tier 3 countries, and my colleague from Mississippi said there is no difference in what will happen to Israel under this amendment than under current law. It isn't true. Tier 3 includes Israel, Romania, who wants to join NATO, Latvia, and other countries. If a business wanted to buy a computer that fell in the 2,000 to 7,000 MTOPS range, which we have already established is mid-level computer, and we are going to have them right here in the Congress next year, then that business would have to wait an average of 107 days.

Mr. President, this Cochran amendment is kind of a "Back to the Future" amendment. It might have some application if it was offered many years ago, but it doesn't have any application now. I think the Grams-Boxer amendment, which has so much support from Secretary Cohen, from Sandy Berger, from Secretary Daley, from so many Senators on both sides of the aisle, I think that is the appropriate course to take. I really hope that our colleagues have listened, and I hope that the Grams-Boxer amendment prevails. I yield back to my colleague.

Mr. GRAMS. Mr. President, how much time is remaining?

The PRESIDING OFFICER. The Senator from Minnesota has 55 seconds, and the Senator from Mississippi has 25 seconds.

Mr. GRAMS. Mr. President, in wrapping up the debate this morning, I want to, again, say that I believe the controls we have in place are working. We are taking a step backward if we approve the Cochran-Durbin amendment. The rest of the world is moving forward very fast. Anybody who has bought a computer in the last 2 years knows that technology has already passed them, and they have to look at a new system. But between the 2,000 and the 7,000 MTOPS level, computers are going to become so commonplace that any commercial industry or any office in this country will be able to buy them next year. These are well intended controls but, again, as I say, placed on the wrong levels. These are not supercomputers. These are not computers that countries would be looking for military end use. These are computers that are more for business and office use. I believe that putting any kind of restrictions or recontrolling these would be a step backward in our efforts to provide jobs and assistance.

Mr. President, I yield back the remainder of my time.

Mr. COCHRAN addressed the Chair.

The PRESIDING OFFICER. The Senator from Mississippi.

Mr. COCHRAN. Mr. President, at the outset of the debate, I made a speech that lasted about 20 minutes. It is in the RECORD, so I am not going to make it again. I will try to make it in 25 seconds.

We are limiting export controls in a very small area of lethal computer technology. Please vote against the Grams-Boxer weakening amendment and support the Cochran-Durbin-Thurmond-Glenn amendment.

The PRESIDING OFFICER. All time has expired. The question is on agreeing to the second-degree amendment No. 422. The yeas and nays have been ordered. The clerk will call the roll.

The bill clerk called the roll.

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

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

The result was announced—yeas 72, nays 27, as follows:

Rollcall Vote No. 166 Leg.]

YEAS—72

Akaka	Faircloth	Leahy
Allard	Feinstein	Levin
Ashcroft	Frist	Lieberman
Baucus	Gorton	McCain
Bennett	Graham	McConnell
Biden	Gramm	Moseley-Braun
Bingaman	Grams	Moynihan
Bond	Grassley	Murkowski
Boxer	Gregg	Murray
Breaux	Hagel	Nickles
Brownback	Harkin	Reed
Bryan	Hatch	Reid
Bumpers	Helms	Robb
Byrd	Hollings	Rockefeller
Campbell	Hutchison	Roth
Chafee	Jeffords	Santorum
Cleland	Johnson	Sarbanes
Conrad	Kempthorne	Shelby
Craig	Kennedy	Smith (OR)
D'Amato	Kerrey	Thomas
Daschle	Kerry	Torricelli
Domenici	Kohl	Warner
Dorgan	Landrieu	Wellstone
Enzi	Lautenberg	Wyden

NAYS—27

Abraham	Feingold	Mack
Burns	Ford	Roberts
Coats	Glenn	Sessions
Cochran	Hutchinson	Smith (NH)
Collins	Inhofe	Snowe
Coverdell	Inouye	Specter
DeWine	Kyl	Stevens
Dodd	Lott	Thompson
Durbin	Lugar	Thurmond

NOT VOTING—1

Mikulski

The amendment (No. 422) was agreed to.

Mr. THURMOND. I move to reconsider the vote.

Mr. FORD. I move to lay it on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 420, AS AMENDED

The PRESIDING OFFICER. The question is on agreeing to Cochran amendment numbered 420, as amended.

The amendment (No. 420), as amended, was agreed to.

Mr. COCHRAN. I move to reconsider the vote.

Mr. THURMOND. I move to lay it on the table.

The motion to lay on the table was agreed to.

Mr. THURMOND. Mr. President, I ask unanimous consent that at 1:15 p.m. Senator MURRAY be recognized and that debate on the Murray amendment No. 593 be limited to 45 minutes, to be equally divided in the usual form, and following the conclusion or yielding back of time, the Senate proceed to vote on or in relation to the Murray amendment.

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

Mr. THURMOND. I further ask unanimous consent that no amendments be in order to the Murray amendment.

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

Mr. ROBERTS. Mr. President, I ask unanimous consent to proceed as in morning business for 10 minutes.

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

Mr. ROBERTS. Mr. President, I thank the Chair.

(The remarks of Mr. ROBERTS pertaining to the introduction of S. 1000 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

AMENDMENT NO. 668

Mr. WELLSTONE. Mr. President, I call up amendment 668.

The PRESIDING OFFICER. The Senator has that right. The amendment numbered 668 is now the pending question.

Mr. WELLSTONE. Mr. President, I offer this amendment on behalf of myself and Senator HARKIN.

Mr. President, let me begin by asking unanimous consent that letters from the Disabled American Veterans, the Paralyzed Veterans of America, and the Vietnam Veterans of America be printed in the RECORD in support of this amendment.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

DISABLED AMERICAN VETERANS,
Washington, DC, July 9, 1997.

Hon. PAUL DAVID WELLSTONE,
U.S. Senate,
Washington, DC.

DEAR SENATOR WELLSTONE: On behalf of the more than one million members of the Disabled American veterans (DAV), I express our strong support for your efforts to provide funding to enable Brookhaven National Laboratory to conduct internal dose reconstruction of veterans exposed to ionizing radiation (atomic veterans) and to transfer some $400 million to the Department of veterans Affairs (VA) budget for health care.

The DAV believes that $16.959 billion is inadequate—by at least $600 million—to enable VA to provide quality and timely health care to veterans. Your amendment would greatly enhance VA's ability to provide adequate health care to our Nation's sick and disable veterans.

Additionally, according to the VA, very few atomic veterans or their survivors have been successful in establishing that the veteran's disability, recognized as a "radiogenic disease," is the result of the veteran's exposure to ionizing radiation in service. The main reason for the high failure rate is due to the current, inadequate and inaccurate method of reconstructing dose estimates which routinely indicate minimal radiation exposure.

Senator Wellstone, your amendment would ensure that America's atomic veterans will have available to them Fission Tracking Analysis, a more accurate method of dose reconstruction. Surely, fairness and equity in the adjudication of atomic veterans' claims is the very least that our Nation owes to these brave veterans who were used to advance our country's knowledge of the effects of ionizing radiation, unbeknownst to them.

Again, you have the full support of the more than one million members of the DAV in your efforts to ensure that the VA has adequate funding to care for America's sick and disabled veterans and to ensure that atomic veterans are provided with accurate internal dose reconstruction to support their claims.

Sincerely,

DAVID W. GORMAN,
Executive Director.

PARALYZED VETERANS OF AMERICA,
Washington, DC, July 9, 1997.

Hon. PAUL DAVID WELLSTONE,
U.S. Senate, Washington, DC.

DEAR SENATOR WELLSTONE: On behalf of the members of Paralyzed Veterans of America, please accept our full support for your efforts to increase needed funding for health care benefits and services provided by the Department of Veterans Affairs (VA).

As you well know, the proposed FY 1998 VA budget calls for unprecedented reductions in current and proposed appropriations for the health care system. The actual appropriation request freezes VA discretionary funding at a level far below current levels. The only relief given to VA over that period of time comes from a very uncertain plan allowing VA to keep fees and reimbursements from private insurance companies to help cover increasing health care costs. Even with this budget gimmick, VA hospitals will remain seriously under funded next year and in future years under the proposal.

Again, we appreciate your efforts to correct this serious funding shortfall, and urge all members of the Senate to support your amendment.

Sincerely yours,

GORDON H. MANSFIELD,
Executive Director.

VIETNAM VETERANS OF AMERICA, INC.,
Washington, DC, July 9, 1997.

Hon. PAUL WELLSTONE,
U.S. Senate, Washington, DC.

DEAR SENATOR WELLSTONE: On behalf of Vietnam Veterans of America (VVA), I want to thank you for your efforts to secure additional funding for veterans medical care. VVA is pleased to support your amendment to the DOD Authorization bill which would transfer $400 million to VA medical care.

As you know, the veterans community remains very concerned about the impacts of discretionary spending cuts on VA medical care and benefits processing. Both programs are in a state of major transition, implementing significant reforms and procedural improvements which will—in time—create enhanced efficiencies. The Senate and House budget reconciliation bills, as well as the appropriation bill moving through the House right now and soon to be considered in the Senate, are placing veterans health care in jeopardy by depending upon VA's ability to collect insurance monies for over $600 million over VA's FY 1998 health care budget. This is a very tenuous plan, as the program is untested and the targeted amount seems overly optimistic.

As it currently stands, VA's FY 1998 budget offers the veterans community no guarantee that the national commitment to provide care to our disabled and low-income veterans will be honored. Again, VVA appreciates your strong advocacy for veterans programs and urges the Senate to adopt your amendment. Veterans benefits, after all, are an ongoing cost of our national defense.

Sincerely,

GEORGE C. DUGGINS,
National President.

Mr. WELLSTONE. Mr. President, these letters are extremely important. They are from three very fine veterans organizations: The DAV, the PVA, and the Vietnam Veterans of America. The reason they are concerned, and, for that matter, all of the veterans community is concerned, is that in the budget resolution what we ended up putting into effect was a cut in veterans health care benefits.

Mr. President, the portion of those cuts that directly affect veterans health care is $400 million. What this amendment does is simply authorize the Secretary of Defense the ability to be able to transfer this $400 million into the veterans health care.

Mr. President, let me just say to colleagues that this is a huge issue. I am positive that if my colleagues, Democrats and Republicans alike, get a chance to talk with the veterans organizations and veterans communities in their States, they will find out that people are really indignant about this because it was never clear—I don't think it was clear to any of us—that, in fact, we were voting for actual cuts, actual cuts in veterans health care.

What this amendment does, it says, look, we have $2.6 billion in the Pentagon budget more than the Pentagon asked for; we can at least take a portion of this. And please remember, all this amendment does is give the Secretary of Defense the discretion or the authority to be able to transfer it. It is not a mandate. It seems very appropriate.

Mr. President, it seems like this amendment that Senator HARKIN and I have introduced is eminently reasonable because if you think about it, one of the huge concerns in the Veterans' Committee is very much linked to national defense. We are talking about men and women who have served our country. As we look at veterans health care and we project to the future, we want to make sure we do not end up sacrificing the quality of care for veterans.

I know what I hear back in the State of Minnesota, first and foremost, we have now an increasing number of gulf war veterans who are in need of help. This is yet an additional challenge for the VA. This is an additional challenge for our country to get the care to these people.

Mr. President, this amendment, again, just authorizes the Secretary of Defense to make this transfer of funding. These veterans were all about serving our country in defense of our country. If there ever was an opportunity to restore this funding for veterans health care, it is now. This Congress, whether it is this afternoon, or whether it is next week, or whether it is next month, is going to have to restore this funding. I don't think there was one Senator that was clear, when we passed this budget resolution, that we were actually directing $400 million of cuts in veterans health care.

I will just tell you that more and more and more of the gulf war veterans are going to be stepping forward in your States, in our States, and they are going to be saying: We don't know what happened to us, but we do know that before we went and served, we could run 2 miles and we felt good, and now we can't walk a half mile, and we don't know what happened to us.

Over and over again, we are seeing report after report that makes it crystal clear that the gulf war veterans have every reason in the world to be indignant about not getting information that they need to get from our Government and, more important, about their need to receive some care. So what in the world are we doing cutting $400 million in the veterans health care budget?

In addition, Mr. President, let me simply point out that above and beyond the gulf war veterans, we have a situation where our veterans population is aging. More and more of our veterans are living to be 65 years of age and over. More and more of our veterans are living to be 85 years of age and over. And this is an additional strain.

So, Mr. President, I want to point out that, at the very time that veterans are showing up at VA hospitals in greater numbers, with increasing health care costs generally and prospects for greater medical costs specifically, at the very time that we have that going on, we have a cut in this budget resolution.

So, what we are saying in this amendment—and I will defer to my colleague from Iowa in a moment—we are saying, look, we have an excess $2.6 billion. It is more than the Pentagon asked for. We have a cut in veterans health care in the budget resolution to the tune of $400 million. It is clear it is going to have very negative consequences for veterans. The veterans community in our Nation—I have just three letters, from the PVA, DAV, and Vietnam veterans, and they are saying: You can't do that. What about those of us who are struggling with posttraumatic stress syndrome? What about the Persian Gulf veterans? More and more are asking: What happened to us? More and more of those veterans are asking for adequate care. What about the ever-increasing aging population among veterans at the very time there is going to be more of a strain? At the very time that we have more of a challenge, you have cut $400 million.

This is an opportunity to come through for the veterans community. I hope it will happen today. I hope we get a very strong vote today. I say this to all my colleagues. One way or another, we are going to have to restore this funding. This amendment, if you just think about the wording, just provides the Secretary of Defense with the authorization to transfer some of this funding to VA health care—$400 million—and it makes eminently good sense because, after all, these veterans who come and seek health care within our VA health care system were the very men and women who served our country in defense of our country.

Mr. President, how much time do we have left?

The PRESIDING OFFICER. There is no time agreement.

Mr. GREGG addressed the Chair.

Mr. WELLSTONE. Mr. President——

The PRESIDING OFFICER. Does the Senator yield the floor?

Mr. WELLSTONE. Are we now debating this amendment?

Mr. GREGG. Mr. President, if the Senator from Minnesota will yield for a question, I simply have about 3 minutes I would like to talk, and it has nothing to do with this amendment.

Mr. WELLSTONE. Mr. President, I would rather not yield the floor at the moment. But if my colleague wants to speak—do we have other Senators on the floor who want to speak on this amendment? My colleague from Iowa wants to speak on the amendment. If Senators want to cover other topics for a short period of time, I would be more than willing to defer to them. We want to try to make our case here before the vote. Can I ask my colleagues whether they are interested in debating this amendment?

Mr. GRAMM. Mr. President, I want to speak about 10 minutes on the Levin amendment. I would certainly be willing to allow the Senator to maintain his right to the floor, but this is unusual procedure. The Senator doesn't have a right to control the floor. He has a right to speak, but he doesn't have a right to control the flow of debate for others. I am willing to accommodate him, but this is an unusual procedure. Being the accommodating person that I am, I am willing to do it. At some point, we might have to ask if the Senator is through speaking and let somebody else speak.

Mr. WELLSTONE. Mr. President, my amendment is pending now, I say to my colleague from Texas. The Levin amendment is not pending. I have not yielded the floor yet, but I would be more than willing——

The PRESIDING OFFICER. The Chair advises the Senator from Minnesota that he can yield to his friend from Iowa for a question.

Mr. HARKIN. Mr. President, I suggest that we follow the normal rules. If the Senator wants to speak, we can go back and forth. That would be fine with this Senator.

Mr. WELLSTONE. Mr. President, I ask unanimous consent that the Senator from New Hampshire be allowed to speak and the Senator from Texas for 10 minutes and then that be followed by the Senator from Iowa.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

The Senator from New Hampshire is recognized.

WARWICK MILLS OF NEW HAMPSHIRE WEAVED THE AIR BAG TO PROTECT THE PATHFINDER ON MARS

Mr. GREGG. Mr. President, I rise on a matter that is not related specifically to this bill, although it has to do

with the issue of national defense and technology, and that is the issue of our probe which is now on the planet Mars. What an exceptional thing it is, as we watch the TV pictures come back as they analyze the rocks of Mars and determine that this planet is a fascinating place. We set history and we can investigate the universe.

All of this is possible because of a product made in New Hampshire. I wanted to congratulate the Warwick Mills of New Ipswich, NH, a small company started in 1888. NASA decided they wanted to land this probe on Mars, and they had to go to the Warwick Mills to be able to do it. It is one of the few places in this world that still weaves in the old-fashioned way. They were able to put together this fabric. This is a picture of the probe on Mars and the fabric that allowed the probe to set down on Mars without being damaged, and it allows it now to wander around the planet Mars and learn about the history of that extraordinary planet and to further the knowledge of man dramatically.

So from a little mill in New Ipswich, NH, started in 1888, using old-fashioned weaving machines, we sent the material to Mars. So on behalf of the State of New Hampshire, I congratulate this little firm that is doing such an extraordinary job to advance the knowledge of America and the world.

I yield back my time.

The PRESIDING OFFICER. The Senator from Texas.

Mr. GRAMM. Mr. President, in response to what our colleague from New Hampshire has stated, it is a testament of the genius of small business that this wasn't a big scientific lab somewhere, this wasn't NASA with all of its billions; this was a small, independent business. I think we can all rejoice in that.

Mr. GREGG. I think the Senator from Texas has probably been to Ipswich and may have visited this small plant. We appreciate his interest. I thank the Senator.

NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 1998

The Senate continued with the consideration of the bill.

AMENDMENT NO. 778

Mr. GRAMM. Mr. President, we have a pending amendment, the Levin amendment, which I am strongly opposed to. Let me just basically state what I would like to do. I would like to set the issue in perspective. I am now working with the Federal Prison Industries to see if there might be a second-degree amendment they could support. I intend to try to work with Senator LEVIN and his staff to see if something can be worked out. But I am strongly opposed to this.

Let me begin with Alexis de Tocqueville and work up to the Levin amendment. When Alexis de Tocqueville came to America, he came to America to study American prisons. He ended up writing a book about democracy in America, which turned out to be the greatest chronicle ever written of our great country. But one of the things Alexis de Tocqueville wrote in his other book about prisons was that we had the model prison system on the planet because we had a mandatory work requirement. As a result, prisoners all over America worked, generally, 12, 14, 16 hours a day. De Tocqueville noted that they worked hard, but that it probably made life bearable, and that it would have been worse had they sat idle in prisons.

In fact, Mr. President, we had the model prison industry in the world until the Great Depression. During the Great Depression, we ended up in a period of great economic unenlightenment, passing a series of bills that destroyed the greatest prison industry that the world has ever known. We passed the Hawes-Cooper bill in 1929, we passed the Sumners-Ashherst bill in 1935, and we passed the Walsh-Healey bill in 1936. Here is what these bills said. They said that nothing produced by prison labor can be transported across State lines without losing the protections otherwise afforded interstate commerce. They said nothing produced by prison labor can be transported across State lines to be sold in the marketplace, and they limited the use of prison labor. In other words, if you haven't figured it out yet, these three bills criminalized prison labor in America.

As a result, today, we have the absurd situation that we have 1.1 million people in State and Federal prisons, almost all of them young men in the peak work period of their life and because of special interests—business and labor, I might add—we are forcing the American taxpayer to pay $22,000 a year to let someone sit idle in air conditioning watching color television in prison, while American workers break their backs working to pay to keep these people in prison.

Now, the only thing under Federal law that we can ask the Federal prisoners to do is to make things to sell to the Federal Government. They can't produce things to sell in the marketplace. We spend more to keep somebody in prison than we would sending them to Harvard University. That is not even counting the cost of building the prison. Now, the Senator from Michigan would say that we are going to come in and disrupt the system whereby we force prisoners to work, to make furniture for the Government, or to make other things for the Defense Department.

Now, if our colleague was really talking about procurement reform, I would be a supporter. If this were a normal debate about price competition, then I would have no objection to his amendment. But our colleague, with all the talk about competition, is not talking about removing restrictions that would let goods produced by prisoners be sold on the open market. What he is proposing is that we disrupt the Federal Prison Industries as they currently exist.

Now, let me review for you, if I may very quickly, how the Federal Prison Industries system works. How the Federal Prison Industries works is basically that the Government goes out and gets bids on goods and establishes a market price, a fair procurement price. Then they have to go to the Federal Prison Industries and on the basis of an established price they have to give the prison system the right to produce these goods.

Might I note that Federal Prison Industries has a procedure where, if the Defense Department or any other part of Government is not satisfied with the work they do, or with the price, they can appeal for a waiver.

Let me read to you from a letter that is signed by the Assistant Attorney General who oversees the Federal Prisoner Work Program.

> Federal Prison Industries does not abuse its mandatory source status. If a customer feels that Federal Prison Industries cannot meet its delivery, price, or technical requirements, the customer may request [the customer is the Government] a waiver of the mandatory sourcing.

Let me give you a concrete example because it is relevant to the Senator's amendment.

If Federal prisoners are working to produce desks for the Government, and the Government is not satisfied with the price or with the quality, they can ask for a waiver so they don't have to buy the desk made by prison labor.

Here are the facts. These waivers are processed quickly. It is an average of 4 days between the time the waiver is requested and when it is granted, or denied, and in 1996 Federal Prison Industries approved 90 percent of the requested waivers by Federal agencies.

Mr. President, granted, this is not a price competitive system. If this were any other procedure, the Senator's amendment would make perfectly good sense. Let's have competitive bidding. Let's have it at the lowest possible price.

But we have 1.1 million people in State and Federal prisons. Because of the power of organized labor and special interest business who are more worried about their profits and their benefits than they are about the taxpayer, we are in the absurd position that we have 1.1 million people in prison, all prime working age males, for all practical purposes, and they can't produce anything of value and sell it on the world market to help defray the cost of keeping them in prison. So the taxpayers pay $22,000 a year just to

keep them in prison, not counting the cost of building the prison. The only work we are getting out of these people under this absurd situation is that we can force them to work through a work program to produce things like furniture for the Federal Government.

The Senator comes along, and says, "Let's eliminate that system, and let's have price competition." Well, the problem, as we all know, is that the money that is going to the prisoners is going to do things like pay for victims restitution, and court-ordered fines. This is the only productive employment we have for people in Federal prisons. This isn't a procurement issue. It is a criminal justice issue.

We ought not to be dealing with this provision on this bill. Let me read for you from the same letter about what we know about people who work in prison versus those who do not work in prison.

Findings demonstrate that inmates who work in Federal Prison Industries in comparison to similar inmates who do not have Federal prison industry experience have better institutional adjustment and after release are significantly more likely to be employed and significantly less likely to commit another crime.

Also, as this letter, which I will put in the RECORD, demonstrates over and over again, this is a law enforcement and security issue. If we have all of these young males in prison, locked up, sitting idle, it is a powder keg ready to explode. The only productive source we have to put them to work, believing in the old Franklin adage, "Idle hands are the devil's workshop," is making goods for the Government.

If the Senator wants to try to refine the system, and work with Federal Prison Industries, I am willing to work to see if we can do a study and look. How competitive is the price? Could the system be improved? But the idea that we are going to destroy the last vestiges of work in prison for some individual special interest for private manufacturers of furniture, or private manufacturers of anything, simply neglects the fact that prison labor is an important part of running a prison. It is the important part of preserving order. It is the important part of vocational training. It is the important part of rehabilitation.

It is dangerous to have 1.1 million young men sitting in prison with nothing to do. It is also breaking the back of American workers to pay for it.

What we ought to be debating is not the Senator's amendment to kill what is left of the work requirement. What we ought to be debating is repealing these three Depression-era laws and putting 1.1 million prisoners to work, work them 10 hours a day, 6 days a week, and make them to go to school at night. That is what we ought to be doing. In fact, when I was chairman of the Commerce, State, Justice appropriations subcommittee, we passed a bill in the Senate to do exactly that. And then when all of the special interests got geared up it died in conference and never became law.

So I think that this is a very dangerous amendment. This is something that ought to be dealt with by the Judiciary Committee. This is a criminal justice issue. If you want to argue this is a procurement issue, I can't argue against the Senator. If we were simply talking about procurement competitive bidding, it is obviously the way to go. But we have 1.1 million people in prison. They don't have anything to do. And to the extent that we can put them to work making desks or other furniture for the Federal Government, we are at least putting them to work. We are maintaining order in our prisons. We are saving money. We are paying money for victims restitution. We are paying money for court-ordered fines.

So to act as if this is just another procurement issue, clearly it is not. Every time these people go to work, we have to count the tools when they leave to be sure they are not taking something that can become a weapon. We basically run it without much capital because we want to use as many people as we can because we are not able to have them produce things to sell on the market. We have elaborate procedures that we have to go through to see that they don't compete with private industry and to minimize their impact. All of these things drive up costs.

But the point is when you have 1.1 million people in prison, State and Federal, even if it is a very inefficient system by which you have them work, you still benefit by having them work. They still benefit by working.

So I think this is a very important issue and I would like to ask to have the opportunity to see if we can work something out.

I have a new letter that just came over a minute ago from the Assistant Director of Industries, Education and Vocational Training in the Federal Bureau of Prisons. I ask unanimous consent that it be printed in the RECORD.

Here is what it says, talking about the Levin amendment. "* * * it would have a devastating effect on Federal Prison Industries, Inc. and on the ability of the Federal Prison Industries to support the mission of the Federal Bureau of Prisons."

I concur with that judgment. I would like to have this put in the RECORD.

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

U.S. DEPARTMENT OF JUSTICE,
FEDERAL BUREAU OF PRISONS,
Washington, DC, July 10, 1997.

Hon. PHIL GRAMM,
U.S. Senate, Washington, DC.

DEAR SENATOR GRAMM: I have reviewed the attached draft language, which I understand was introduced last night by Senator Levin as an amendment to the Defense Authorization bill.

This language is virtually identical in its effect to language previously proposed by Senator Levin (S. 339). For reasons previously explained in a letter from Assistant Attorney General Andrew Fois to Senator Thurmond, it would have a devastating effect on Federal Prison Industries, Inc. (FPI) and on the ability of FPI to support the mission of the Federal Bureau of Prisons.

Sincerely,

STEVE SCHWALB,
Assistant Director,
Industries, Education and Vocational Training.

Mr. GRAMM. Mr. President, I am not arguing that having real full-blown price competition would not make sense under virtually any other circumstance. But when we have literally a captive labor force at the State and Federal level of 1.1 million people, it would be absolutely suicidal from a societal point of view to limit the last work that these people are allowed to do in the name of price competition when, in fact, if we wanted to have price competition—in fact, let me say I would support the Senator's amendment, if he would add to it that we would repeal all of the provisions that limit the ability that we have and that the States have in selling things produced by prisoners. If we could allow prisoners to sell things on the open market subject to the restrictions that they not sell it locally and that they not glut the market, with that as a second-degree amendment, I would support this amendment. Because if we didn't depend solely on Government work to work prisoners, then I would see a broader extension for competition.

But this is the only thing that Congress allows these people to do. What we are doing is just creating a hothouse for criminal behavior. These people sit idly in prison with nothing to do because our laws prevent them from working and then they get out and they commit more crimes. They impose havoc and death on our society, and then we put them back into prison.

So, if I sound that I am emotional about this issue, I am. This is a very, very serious issue.

So I would like to have a chance to work with the Senator. I would like to see if we could work out a second-degree amendment. But I intend to resist this amendment. If we can't work something out, we are going to have to have cloture on this amendment. Those are my rights as a Senator. Those are the rules of the Senate. And I intend to stand by my rights and abide by the rules of the Senate on this issue.

It is a very important issue. I am not sure that Members have thought this thing through or know really anything about our problems with Federal prison labor and State prison labor. But fortunately, having been Justice Subcommittee chairman when I was on the Appropriations Committee, I know it

all too well. I am adamantly opposed to this amendment.

I yield the floor.

Mr. LEVIN addressed the Chair.

The PRESIDING OFFICER. The Senator from Michigan.

Mr. LEVIN. Mr. President, talk about emotions. We ought to share the emotions of the business people who can't compete, who aren't allowed to compete on products that are being bought by the Federal Government—their Government using taxpayers' money paying more for products, created in a prison by prisoners, rather than by people outside of prison, who are not allowed to compete because of the monopoly which is given to Federal Prison Industries.

You talk about raw emotions. Try a Vietnam vet who is trying to sustain a small business who isn't permitted to sell his product to the Government at a much cheaper rate than the Government is paying with Federal Prison Industries. You want to talk about raw emotions. Put yourself in the position of the small business person.

Listen to this one from Access Products from Colorado Springs. They couldn't bid on an Air Force contract for toner cartridges because the FBI exercised its right to take the contract on a sole source basis.

This is a letter from a small business person in Colorado.

> Federal Prison Industries bid on this item, and I was told that the award had to be given to Federal Prison Industries. Federal Prison Industries won the award at $45 per unit. My company's bid was $22 per unit. The way I see it the government just over-spent my tax dollars to the tune of $1,978. Do you seriously believe that this type of procurement is cost effective? I lost business, my tax dollars were misused because of unfair procurement practices mandated by Federal regulation. This is a prime example, and I am certain not the only one, of how the procurement system is being misused and small businesses in this country are being excluded from competition with the full support of Federal regulation.

Do you want to talk about emotions? My good friend from Texas: How about the Vietnam vet trying to run a furniture business? This is what he testified to in front of the House. "Is it justice that Federal Prison Industries would step in and take business away from a disabled Vietnam veteran twice wounded fighting for our country effectively destroying and bankrupting that hero's business which the Veterans Administration suggested that they enter?"

My good friend from Texas usually believes in competition. I have heard him on this floor as eloquently as anyone talking about competition. That is all we are talking about here. We are only talking about allowing people to compete to sell at the lowest price.

We are not trying to say that Federal Prison Industries should not be able to compete on products that are sold to the Federal Government. Of course, they should. But should not the small businessperson paying the taxes be allowed to compete?

We talk about emotions on this floor and feeling emotional about a subject. Put yourself in the position of the small businessperson whose price is lower. Despite the fact that prisoners' wages run from 23 cents an hour to $1.15 an hour, despite the fact that Federal Prison Industries pays no income taxes, no need to provide health or retirement benefits to workers, a private businessperson still, in many cases, is able to produce that product more cheaply and is told: Sorry, it's got to go to Federal Prison Industries. He's a clothing producer; he's a textile producer; he's a product producer, and he is told Federal Prison Industries has the monopoly. They have exerted their right to prevent you from coming in at a lower price. There is an established price, and even though you can beat it, private businessperson, sorry.

With all of the advantages, the price advantages that Federal Prison Industries has—cheap labor, no medical cost, no income taxes—if they can't beat a commercial price for a product, then the taxpayer should not make up the difference.

Now, this is a very fundamental issue. Of course, prisoners should work. But if they cannot with all those advantages produce a product more cheaply than the commercial world can produce it, they ought to be looking at other products. They ought to be looking at things which we import and are sold to the Government. There they will not be unfairly displacing American businesses and American workers who can produce something more cheaply than can Federal Prison Industries.

Now, that is what this issue is about, and I want to make sure that we all focus on this. This is an issue of where a business can provide the product more cheaply. This is not an amendment which says that where an American business can supply a product, Federal Prison Industries should not be allowed to supply it to the Government. That is not this amendment. This is simply an amendment which says where the commercial provider can offer a product to the Government, its Government, our Government at a cheaper price than Federal Prison Industries, Federal Prison Industries should not be able to determine that its product at a higher price must be bought by the Federal Government.

Now, we are talking a lot of bucks here. The Defense Department is the biggest purchaser. This is what Master Chief Petty Officer Hagan stated when he was—he is from the Navy—testifying in front of the House National Security Committee. This is his testimony about the Federal Prison Industries monopoly on Government contracts and how that monopoly has undermined the Navy's ability to improve living conditions for sailors.

How is that for emotions? Are our sailors entitled to the best that can be bought at the cheapest price? Or are we going to say that because Federal Prison Industries hasn't figured out what they can produce which is now imported or what they can produce which now has a higher cost—and the recycling business is a wonderful example of that—because Federal Prison Industries has not figured out what can be produced which does not in a noncompetitive way displace American businesses and American labor, that is OK.

It is not OK.

This is what the Navy witness said.

> Speaking frankly, the FPI product is inferior, costs more, and takes longer to procure. FPI has, in my opinion, exploited their special status instead of making changes which would make them more efficient and competitive. The Navy and other services need your support to change this law.

We are here on a defense bill. This is what the Navy representative testifying in front of the House said.

> The Navy and other services need your support to change this law and have FPI compete with private sector furniture manufacturers under GSA contracts. Without this change, we will not be serving sailors or taxpayers in the most effective and efficient way.

We have had estimates now on the cost to the taxpayers that results from this monopoly where Government agencies are forced to buy products at higher than the lowest bid. The Deputy Commander of Defense Logistics wrote in May 1996 that Federal Prison Industries had a 42 percent delinquency rate in its clothing and textile deliveries compared to a 6 percent delinquency rate for commercial industry.

Now, for this record of poor performance—that is just the performance statistics: 42 percent delinquency on Federal Prison Industries versus 6 in the private sector—for this record of poor performance, Federal Prison Industries charged prices that were an average of 13 percent higher than commercial prices. And 5 years earlier, the Department of Defense inspector general reached the same conclusion, reporting that Federal Prison Industries contracts were more expensive than contracts for comparable commercial products by an average of 15 percent.

Since the Department of Defense bought about $150 million last year from Federal Prison Industries, this overpricing is costing a lot of money, and that is the issue here.

Now, the good Senator from Texas is correct, that this bill does not address a problem that he sees. He would like to see Federal Prison Industries be able to use prison labor at from 23 cents an hour to $1.15 an hour with no medical benefits and no income tax, he would like to see products produced by Federal prison labor out in the commercial

market, and he calls people that do not want to deal with that greedy. I do not, any more than I think it is wrong to tell China that if they want to produce products with prison labor, they are not going to be able to use those products to displace American workers and American businesses. I do not think that is wrong.

We have a fundamental difference on that issue. And he is sure right. This bill does not reverse those laws because once you did that, you would have businesses in this country going bankrupt in huge numbers because they would have to be dealing with 23-cents-an-hour prison labor. And we have decided as a people that that is not fair to American business. It is not fair to American business either that even though they can sell a product at a cheaper price to an American Government agency, it will not be allowed to do so where Federal Prison Industries has established a monopoly and asserted that monopoly for that item. It can sell more cheaply and the odds are pretty good the product will be better. The agency will want to buy it, but it is told, sorry, you can't buy at less and frequently a better product because Federal Prison Industries has decided to assert a monopoly in that area.

There are areas where Federal Prison Industries can move. They have been urged to do so. We have had meeting after meeting, forum after forum, summit after summit with Federal Prison Industries. Of course, you want to keep people in prison busy, but you have to keep them busy in a way that is not unfairly and anticompetitively dealing with American businesses.

And, by the way, that is why the Chamber of Commerce and the National Federation of Independent Businesses and the National Association of Manufacturers support this amendment. And that is why it has such strong bipartisan support, cosponsored by Senators ABRAHAM, ROBB, HELMS, KEMPTHORNE, DASCHLE, and BURNS. It has bipartisan support because this is a procurement issue. It is a competition issue. It is a fundamental, commonsense, fairness issue that an American business ought to be allowed to compete with Federal Prison Industries for sales to its own Government.

If a commercial product is costing more than the prison product, that may not be fair, but that is not touched by this amendment. This amendment only goes to the cases where the commercial product is cheaper than the Federal Prison Industries product.

Mr. President, it is time for the mandatory sourcing rule of Federal Prison Industries, this monopoly that they assert, although their products are more costly, to be changed. There is no better bill to change it on than a defense bill since the Defense Department is the biggest object of that monopoly. The testimony before the House committee is clear that our service personnel are not being given the products that they deserve—best quality, cheapest price—because of an artificial monopoly which is allowed to exist.

It is not supposed to be this way, by the way. The theory of this monopoly would be that if Federal Prison Industries can come in cheaper than a commercial product, then it would be allowed to do so because of the work which we want our prisoners to be engaged in. But it is being abused. It is being abused. And when Federal Prison Industries asserts that monopoly in cases where its prices, despite all of its advantages, are higher than the commercial world, then they should not be allowed to continue to deal with the business world and the workers of America in that way.

Just this morning my staff received a telephone call from an acquisition official at an agency that I am not going to name because I do not want to get them in any trouble, but following last night's debate this acquisition official asked when this Federal Prison Industries amendment was likely to be enacted. Of course, we do not know whether it will be enacted. But the official explained that their agency was in the process of making a substantial purchase of office furniture and was told that it would have to buy it from Federal Prison Industries. They requested a waiver from Federal Prison Industries. That request has been denied. The agency in question has had a history of problems with Federal Prison Industries, the official said. "Quality, price, delivery, timing, you name it." And when my staff explained that we do not know whether the amendment would be enacted, much less when it would be enacted, the official stated, "Well, we would probably be willing to wait a few months because we certainly don't want to get stuck with their stuff."

Now, the good Senator talked about waivers, and that is fine. But we ought to use the marketplace. He has frequently said, and I agree with him, at least in most circumstances, that we ought to look to the commercial world to provide us the best products at the cheapest prices. We make an exception with prisoners because if they can produce a product, even though it is cheaper, we say it is important that we keep people working and we will allow that product, providing it is at least no more expensive than the commercial product, we will then—that was the intent—allow that product to be the one which is bought by our Government.

And there is even some unfairness in that if you are in the business trying to compete with that cheap labor. But what this amendment does is simply say where the commercial product, despite all of those advantages of 23 and 40 and 50 cents an hour and a dollar an hour labor and none of the benefits and no income tax, despite all those benefits, when an American business can produce a product more cheaply than Federal Prison Industries, then surely it is unfair, anticompetitive for that product to have to be bought from Federal Prison Industries.

Mr. President, I thank the Chair, and I yield the floor.

Mr. GRAMM addressed the Chair.

The PRESIDING OFFICER (Mr. GRAMS). The Senator from Texas.

Mr. GRAMM. I will withhold.

The PRESIDING OFFICER. The Senator from South Carolina.

Mr. THURMOND. Mr. President, the amendment offered by my friend, Senator LEVIN, would devastate the function of the Federal Prison Industries, Inc., known as FPI.

FPI is the Bureau of Prisons' most important inmate program. It keeps inmates productively occupied and reduces inmate idleness and the violence and disruptive behavior associated with it. Thus it is essential to the security of Federal correctional institutions, the communities in which they are located, and the safety of Federal correctional staff and inmates.

FPI has no other outlet for its products than Federal agencies. The constraints within which FPI operates, cause it to be less efficient than it private sector counterparts. Private sector companies strive to obtain the most modern, efficient equipment to minimize the labor component of their manufacturing costs. FPI, on the other hand must keep its manufacturing process as labor intensive as possible in order to employ the maximum number of inmates.

Since FPI operates its factories in secure correctional environments, it faces additional constraints that limit its efficiency. For example, every tool must be checked out at the beginning of the day, checked in before lunch, checked out again in the afternoon, and checked in at the end of the day. The costs associated with civilian supervision and numerous measures necessary to maintain the security of the prison add substantially to the cost of production.

It should be noted that the average Federal inmate has an eighth grade education, is 37 years old, is serving a 10-year sentence for a drug-related offense, and has never held a steady job. According to a recent study by an independent firm, the overall productivity rate of an inmate with a background like this is approximately one-fourth that of a civilian worker.

FPI must have some method of offsetting these inefficiencies if it is expected to acquire a reasonable share of Government contracts and remain self-sufficient. The offsetting advantage that Congress has provided is the mandatory sourcing requirements in section 4124 of title 18, United States

Code. This section requires that Federal agencies purchase products made by FPI as long as those products meet customer needs for quality, price, and timeliness of delivery. If the product is not currently manufactured by FPI, or if the FPI is not competitive in quality, price or timeliness, Federal Prison Industries will grant a waiver to allow the Federal agency to purchase the product from private sector suppliers.

The Federal Prison Industries preference in title 18 is essential if this program is to prevent inmate idleness on a large scale. Increasing Inmate idleness will risk unrest affecting the safety of prison security personnel and the surrounding communities.

I urge my colleagues to reject the Levin amendment.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from Texas.

Mr. GRAMM. Mr. President, I want to respond to Senator LEVIN's point. I think he gave a great argument for price competition, but we are not talking about price competition. Our dear colleague invokes the name of business people and what they want. But let me remind anybody who is objectively considering this debate, when I brought to the floor of the Senate legislation to repeal three Depression-era laws that force us to idle 1,100,000 prisoners who ought to be working 10 hours a day, 6 days a week, to help pay the $20 billion cost of keeping them in prison, American business and American labor were up in arms. They were up in arms because they do not want prisoners to work.

I can tell you taxpayers want them to work. These special interest groups that represent business and the union bosses in Washington, DC, are against it, but the working people who are paying $20 billion a year in taxes to keep people in prison want these prisoners to work. If we held a national referendum on this issue, I believe by a 10-to-1 margin, Americans would say put these 1,100,000 basically young men to work, have them produce things, do it in a way that you don't glut the local market, do it to displace imports, do it to make component parts, but put them to work to help pay the cost of keeping them in jail and to acquire skills they can use when they get out.

So I would be, No. 1, more convinced by our colleague from Michigan that these businesses are interested in competition if they weren't the same people who were up here saying don't let prisoners produce anything to sell in the marketplace. They don't want to compete. They have already stopped competition. What they are trying to do is stop the last prison inmate work being done in America, and this cannot be allowed to happen.

In terms of displacing imports, if you try to that, as I did, you find that it is prohibited by law and treaty. As remarkable as it sounds to working Americans, it is criminal to make prisoners work to produce anything of value which can be sold in the marketplace. In the Depression, Congress passed a law that idled millions—well, it idled hundreds of thousands of prisoners then. It now idles 1,100,000 prisoners. I would be a strong supporter of a provision that sought to identify industries with high import penetration and allow prisoners to make those products. But I would virtually guarantee that the same people who are for this amendment would oppose that amendment. Because basically, there is strong opposition among groups that feel they might lose something to making people in prison work. It is very narrow in its perspective, it is very shortsighted, but it clearly is out there.

As far as making prisoners work at 22 cents an hour, we are using the profits from this industry to pay victims' restitution, to pay court-ordered fines, and I think we have a right to make prisoners work. We are paying, after all, their room and board. We are paying $22,000 a year at the Federal level, not even counting building the prisons. I would make them work for nothing, 10 hours a day, 6 days a week if that is what it came down to. Actually it's more efficient to have a little incentive pay and have them volunteer to work.

Let me go back to the central point of debate here, and let me read from the Office of Legislative Affairs of the Justice Department, Assistant Attorney General:

> The Federal Prison Industry is the Bureau of Prisons' most important, efficient and cost-effective tool for managing inmates. It keeps inmates productively occupied and reduces inmate idleness and the violence and disruptive behavior associated with it. Thus, it is essential to the security of Federal prisons and the communities in which they are located, and is essential to the safety of Bureau of Prison staffs and inmates.

When we are talking about people and how they are affected, let me give you some statistics. In the State of South Carolina—our distinguished chairman here is from the State of South Carolina—for those prisoners who have worked in prison industry, the probability that when they get out they are going to commit a crime again and end up back in prison is 2 percent. For those who have not worked in prison industry it is 35 percent.

In the State of Florida the recidivism rate, people coming back to prison who have worked in prison industries, is 11 percent; it is 26.7 percent for people who have not worked in prison, not acquired a work ethic, not acquired any skills. In Wisconsin it is 11 percent for people that worked in prison industries, it is 22 percent for those who did not. In Kentucky 36 percent come back to prison versus 65 percent who do not work in Federal Prison Industries.

So, if we are talking about price competition let's have it. Let's amend this amendment and say that we are going to let prison labor work in any area, say, that has at least a 30-percent import penetration. That would include automobiles, it would include a lot of industries. And let's put 1.1 million people to work and let's set a goal: Within 10 years they are going to pay the full cost of being in prison by working. Let's turn our prisons into industrial parks. Let's have it so that industries are lining up to hire people when they are getting out of prison. That's what America needs. That's what we ought to be doing.

Every year, I have a dear colleague who offers an amendment barring trade with countries that use prison labor. And every year I wonder why we can't make our prisoners work. They would benefit from it. We would benefit from it. But what we are talking about here is killing off the last vestige of prison labor. We don't let them produce anything that can be sold, we simply let them work and produce things for the Government.

There is a variance between what our colleague says and at least what the Federal Prison Industries report in their published data. One of the things that I intend to do is offer a second-degree amendment to have a study, so we actually know the facts. But here is what they say:

> During fiscal year 1996 [the most recent year where we have complete data] Federal Prison Industries received more than $446 million worth of waiver requests.

These are from agencies which did not want to buy things from prisons. They wanted a waiver to go out and buy it in the private sector of the economy.

> Ninety-two percent of these proposed waivers were granted, resulting in $410 million reallocation of Federal prison business to the private sector.

The law clearly says that prison industries have to meet quality requirements, have to meet the price set by the Government as a competitive price. If there is a problem there, let's fix it. But we cannot claim we are for competition when we don't let prisoners, as a matter of law, produce something of value and sell it on the public market. I just simply say when, in South Carolina, making prisoners work contributes to a dramatic drop from 35 percent who go back to prison to 2 percent going back to prison, I think it is worth something making these people work. If we have them work and we pay victims' restitution, is that not of some value? If they acquire skills, is that not of some value?

So, I would just like to conclude by saying what a great tragedy it is that here we are debating ending prison labor rather than debating expanding it. Component parts that are now made all around the world ought to be made

in Federal and State prisons. We ought to be working these people 10 hours a day, providing them a little incentive pay so they can get little extras and using the rest of the money to pay for victim restitution, court ordered fines and to help pay the $20 billion a year the taxpayers are paying to keep people in prison. But, instead, we are debating a proposal to end prison labor for all practical purposes by taking away their Government business.

When you are dealing with prisoners, as the Senator from South Carolina said, it is a completely different structure because you have to supervise what they are doing, you have security requirements, and as a matter of principle, the prison industry has to be operated inefficiently because we have hundreds of provisions that limit their ability to do anything, to be in any way competitive with the private sector.

We require them to use the lowest technology, because we have far more workers than we have work, because of law that prevents people from working. So they are using, basically, hand labor because we are trying to work as many as we can. We could fix this by repealing existing laws.

I would like to propound a parliamentary inquiry. Would it be in order for me to submit an amendment to the Levin amendment?

The PRESIDING OFFICER. The pending amendment is the amendment of the Senator from Minnesota [Mr. WELLSTONE].

Mr. GRAMM. Mr. President, I ask unanimous consent to set aside that amendment temporarily so that I might offer a second-degree amendment to the Levin amendment.

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

AMENDMENT NO. 794 TO AMENDMENT NO. 778

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

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Texas [Mr. GRAMM] proposes an amendment numbered 794 to amendment No. 778.

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

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

The amendment is as follows:

Strike all in amendment No. 778 and insert in lieu thereof the following:

"The Department of Defense and Federal Prison Industries shall conduct jointly a study of existing procurement procedure regulations, and statutes which now govern procurement transactions between the Department of Defense and Federal Prison Industries.

"A report describing the findings of the study and containing recommendations on the means to improve the efficiency and reduce the costs of such transactions shall be submitted to the U.S. Senate Committee on Armed Services no later than 180 days after the date of enactment of this act."

Mr. GRAMM. Mr. President, what this amendment does, very simply, is it mandates that the Federal Prison Industries, jointly with the Department of Defense, conduct a study of our whole procurement system, as it relates to Federal Prison Industries and the Defense Department, to look at how competitive the system is, how we can make it more competitive, how we can make it more efficient and, basically, ascertain the facts.

If we listen to Senator LEVIN, prisons are noncompetitive, producing low-quality material at inflated prices. But yet, when we look at data provided by the Justice Department, in 92 percent of the cases where people have said we don't want to buy this product, they have granted the waiver to bypass Federal Prison Industries and buy in the private sector.

Somewhere there is a disconnect over the facts. I always try to teach my children to argue about principles and theory, don't argue about facts. I don't know what the facts are. I know what the Bureau of Prisons says. I know what Senator LEVIN says. I have great respect for both, but they don't quite agree. One of the things the study would do is to allow us to look at it, to acquire information and to try to bring together all of the factors that we have to decide here.

This is a tough issue. Let me say to Senator LEVIN that I don't think there is a Member of the Senate who has a stronger record in supporting competition, privatization, and price competitiveness than I. Maybe there is, but I don't think so.

This is a criminal justice issue. It is not as if we have 1.1 million people here who can go off and do something else. We have them locked up in prison, and they are sitting there idle costing us $22,000 a year apiece to keep in prison. If we can have them work and get some value out of it in victim's restitution, in training, any assistance we get in paying for their incarceration, I view that as God's work and something that I want to do.

Obviously, in any argument, there is another side to it, and the other side here is the people who would rather have the business that prisoners are doing. But I simply remind my colleagues, and we probably have overdebated this issue, but I remind my colleagues that we have 1.1 million people in prison. We are spending billions of dollars to keep them there, and because of our existing laws, they are basically in idleness.

This is a dangerous situation, and I think when you are dealing with this kind of situation, you can't simply say we are not going to let them compete in any other area but we are going to make them compete for Government business. Government work is all they are allowed under law to do.

So if we are going to change this, we better understand what we are doing, because I would hate to see a situation where, in South Carolina, people who are working in prison, only 2 percent of them come back to prison when they get out; 35 percent of them come back to prison who don't work. When we are talking about compassion and concern, remember these people who are coming back to prison are people who have killed people and robbed people and molested people. I think this is a very important issue. I think my amendment allows us to get the facts and make a rational decision. I hope my colleagues will support this amendment. I yield the floor.

Mr. LEVIN addressed the Chair.

The PRESIDING OFFICER. The Senator from Michigan.

Mr. LEVIN. Mr. President, the Senator from Texas made a number of points, and one of them particularly I want to comment on. He said, "If there is a problem of the price not being competitive, then let's adjust it." That is this amendment. That is exactly what this amendment does. There is a problem, and the problem is that even when the price of the prison product is more than the commercial product, that is, noncompetitive, nonetheless, Federal Prison Industries can direct the purchase.

So the problem, which was identified with the "if" word by my friend from Texas, is the problem which this amendment addresses. I don't know why any of us need a study on the principle involved here. The principle involved is a pretty direct, simple principle. If the commercial product is cheaper than the prison-made product, then don't stick the taxpayers with the extra cost and don't cause the private business person out of prison the loss of that sale. That is the principle. If that is true 10 percent of the time or 15 percent of the time or 5 percent of the time, it is the same principle. And that is the principle we will be voting on: Whether or not we want to have a study to see how often the principle is violated, or whether or not we want to vote for the principle, and it is the principle which is driving this amendment.

I have a letter from a citizen of Texas:

I am writing in regards to reforming Federal Prison Industries and ending its mandatory source status. I am a business person and a resident of San Antonio, TX. Not only do I reside in the heart of Texas, but also in the heart of military bases. It is virtually impossible for me to make a living due to the mandatory status implemented by the Federal Prison Industries. I urge you to support and follow Senator CARL LEVIN and his legislation that would allow businesses to compete with FPI for Federal contracts.

Those are the keywords. You can put them in bright lights: "Allow them to compete." That is the principle.

She goes on:

Today, we are prohibited from doing so. If a product is made by a Federal prison, then Federal agencies are forced to buy that product. It would also help Government agencies by allowing them to compare price and quality from a broader array of sources.

That is the principle. Mr. President, our good friend from Texas said that he is sure the American people, by at least a vote of 10 to 1, would want our prisoners to work. I think it is much more than that. I hope it would be 100 to 1. But I think it would be 1,000 to 1 that people want our Government to buy the products at the best price. That is the discipline of the marketplace. That is what a free enterprise economy should be about.

Do we make an exception to that rule when it comes to certain products that are made by slave labor in other countries? Yes. Have we made an exception for saying it is unfair to American business that prison-made products in America should not compete in the commercial world? When the Senator from Texas says that he would like to turn prisons into industrial parks, is that fair to Americans who are not in prison who need more than 20 or 30 or 40 cents an hour to survive? Is that really fair? I don't think so, and this amendment, he is surely right, does not reverse the prohibition on that. But all this amendment does is to allow the private sector to compete when its price is lower.

It is not going to destroy or devastate the Federal Prison Industries. It is going to force them to be producing things where they can do it price competitively with all the advantages they have, and there are many things that they can sell to the Government which fall in that category. There are areas of recycling where we do not now recycle because the cost of labor is so high it does not pay to recycle. Prison labor is a very good source of potential labor for that.

There are things that Government buys that are important—and I emphasize that the Government buys that are important—where prison labor would not be displacing American businesses and where, indeed, it would make good sense and would be fair for those products to be produced and bought by the U.S. Government.

All we are doing is implementing the very principle which the Senator from Texas said: "If there's a problem now with prices not being competitive, let's adjust it." That is this amendment. That is all we are doing, we are adjusting it. We are saying, let American Government agencies buy products from American businesses when they can do so more cheaply than the product that they are now being forced to buy too often by the Federal Prison Industries.

Mr. CONRAD addressed the Chair.

The PRESIDING OFFICER. The Senator from North Dakota.

AMENDMENT NO. 795

(Purpose: To authorize the Secretaries of the military departments to settle and pay claims by members of the Armed Forces for loss of personal property due to flooding in the Red River Basin)

Mr. CONRAD. I thank the Chair. Mr. President, I send an amendment to the desk.

The PRESIDING OFFICER. There is currently pending a first- and second-degree amendment.

Mr. CONRAD. Mr. President, I ask unanimous consent to set aside the amendments that are currently pending so the amendment that I am offering can be considered.

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

Mr. CONRAD. I thank the Chair.

The PRESIDING OFFICER. The clerk will report the amendment.

The bill clerk read as follows:

The Senator from North Dakota [Mr. CONRAD], for himself, Mr. DORGAN, Mr. WELLSTONE, Mr. JOHNSON, and Mr. DASCHLE, proposes an amendment numbered 795.

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

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

The amendment is as follows:

At the end of title X, add the following:

SEC. . CLAIMS BY MEMBERS OF THE ARMED FORCES FOR LOSS OF PERSONAL PROPERTY DUE TO FLOODING IN THE RED RIVER BASIN.

(a) FINDINGS.—Congress makes the following findings:

(1) The flooding that occurred in the portion of the Red River Basin encompassing East Grand Forks, Minnesota, and Grand Forks, North Dakota, during April and May 1997 is the worst flooding to occur in that region in the last 500 years.

(2) Over 700 military personnel stationed in the vicinity of Grand Forks Air Force Base reside in that portion of the Red River Basin.

(3) The military personnel stationed in the vicinity of Grand Forks Air Force Base have been stationed there entirely for the convenience of the Government.

(4) There is insufficient military family housing at Grand Forks Air Force Base for all of those military personnel, and the available off-base housing is almost entirely within the areas adversely affected by the flood.

(5) Many of the military personnel have suffered catastrophic losses, including total losses of personal property by some of the personnel.

(6) It is vital to the national security interests of the United States that the military personnel adversely affected by the flood recover as quickly and completely as possible.

(b) AUTHORIZATION.—The Secretary of the military department concerned may pay claims for loss and damage to personal property suffered as a direct result of the flooding in the Red River Basin during April and May 1997, by members of the Armed Forces residing in the vicinity of Grand Forks Air Force Base, North Dakota, without regard to the provisions of section 3721(e) of title 31, United States Code.

Mr. CONRAD. Mr. President, the amendment that I am offering today is intended to prevent unintended discrimination against personnel at the Grand Forks Air Force Base as the Air Force provides compensation for damages suffered by personnel as a result of this spring's unprecedented flooding.

I am joined in this amendment by Senators DORGAN, WELLSTONE, JOHNSON, and DASCHLE. This is an amendment that has been requested by the U.S. Air Force, specifically by Air Force Secretary Sheila Widnall; General Fogleman, the Chief of Staff of the Air Force; and Gen. Walter Kross, the commander in chief of the U.S. Transportation Command.

By way of background, Mr. President, North Dakota and Minnesota, as the distinguished occupant of the chair knows well, have suffered from one of the worst winters and spring in our history. The flood that caused the evacuation of both Grand Forks and East Grand Forks was a 500-year flood and caused literally billions of dollars of damage.

This picture shows some of the remnants of what we dealt with in that devastating flood. As I have indicated before, if you went up and down the streets of Grand Forks and East Grand Forks immediately after the flood, what you saw was stacks and stacks of everybody's personal property. All of the carpeting, all of the clothing, all of the draperies and appliances, whether it was washers or dryers or refrigerators, they were all out on the curb. You could see what everybody had, because of this devastating flood.

In the midst of the flood, of course, we also had this incredible fire break out in downtown Grand Forks. Here you can see a picture of some military personnel helping out as the firefighters fought this devastating fire and, of course, the flood simultaneously. This last picture shows one of the neighborhoods just a few blocks from where the fire hit, and you can see these cars and trucks inundated with water in a neighborhood that was especially hard hit.

Well, Mr. President, the point is, we suffered one of the worst floods ever, worst in 500 years.

In the face of this, there was great assistance from Air Force base personnel. And they themselves experienced great devastation. Those that did not live on the base, who were forced to live off base because of a housing shortage on the base, are now faced with a Catch-22, because current law allows the Defense Department to provide compensation for personal property losses of up to $100,000 as long as the housing that those Air Force personnel were occupying are Government owned.

Unfortunately, about 700 families lived in housing that was off the base in the area most devastated but do not live in Government-owned housing.

And their personal property losses can be dealt with by other Government programs, but to the extent they do not cover them, these people are left in the remarkable situation of not being covered. The people on the base, where frankly there was not flooding, they are covered. But the people who are off base who did experience enormous losses are not covered.

That is why the top Air Force personnel have asked that we offer this amendment and that we ask our colleagues to pass it so that military personnel are not discriminated against in this very odd way.

Mr. President, I say, many of these individuals who were helping to fight the flood and helping to fight the fire were doing it when their own homes were being destroyed. This was truly an act of courage and heroism by these Air Force personnel. And now they find themselves in a circumstance in which those that were on base, they can be helped by an existing Federal program, but those who are off base in the area that was actually hit by the devastating floods cannot be helped. That does not make sense. It is not fair. And we have a chance to correct it.

The amendment that I have offered today will, No. 1, waive the discriminatory provision for the purposes of the recent disaster. No. 2, it does not require any new money. I want to make that point very clear. This can be accommodated, according to the Air Force, out of existing programs. And there is sufficient money there to address this circumstance. It does not require any new money.

The Air Force put the potential liability at $4 million—not billion. We often talk on the floor here of billions of dollars. But this is a very small item, $4 million. And it would be consistent with earlier actions taken by the Congress after Hurricane Andrew in 1992 on behalf of Homestead Air Force Base personnel living off the base.

I again would like to emphasize that this provision has been explicitly requested by General Kross, the Commander in Chief of the U.S. Transportation Command; it has also been requested by General Fogleman, the Chief of Staff of the U.S. Air Force, and by the Air Force Secretary, Secretary Widnall.

I hope that my colleagues will see fit to approve this amendment. It is a relatively minor matter in the scheme of things around here. But it will make a significant difference in the lives of these Air Force personnel who were really courageous and heroic in the face of these disasters, and they deserve to be covered just as those who were on base are already covered.

I thank the Chair and yield the floor.

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

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

The assistant legislative clerk proceeded to call the roll.

Mr. LEVIN. 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. LEVIN. Mr. President, I just have one question to my dear friend from North Dakota.

Is it the intention of this amendment that if the person who was victimized by the flood or fire had personal insurance, that that personal insurance be first exhausted and then any Federal FEMA benefits or other benefits then be next exhausted prior to the kicking in of this particular language that the Senator is offering?

Mr. CONRAD. I am happy to respond to my colleague from Michigan.

It is my understanding that the way this program works, first of all, all personal insurance benefits have to be exhausted, then all other Federal program benefits have to be exhausted, that is, if there is any eligibility for FEMA benefits, those have to be exhausted before this program is available to be administered by the Air Force.

As I say, that is my understanding of how the program works. I think that is a reasonable way for it to work because obviously we do not want to be expending Federal dollars where private insurance covers the loss or where other Federal programs cover the loss.

The concern that the Air Force has had is they face circumstances here in both North Dakota and Minnesota, by the way, where Air Force base personnel were forced to live off base because of a housing shortage on the base. And those personnel were subjected to this devastating series of circumstances, some of them in North Dakota, some of them in Minnesota. And the Air Force would very much like to be able to compensate them for personal property losses over and above what the insurance will cover, over and above what other Federal programs will cover.

Mr. LEVIN. I thank the Senator for his amendment.

I know that Senator CLELAND, were he here—he is the ranking member of our subcommittee—would be supporting this amendment, as do I. I think however there will be some debate on this amendment. But from the perspective of at least this Member, it is a good amendment, an equitable amendment. It uses the same program that applies to people who are on base to those who are off base, almost all of whom were assigned to that base.

Mr. CONRAD. I want to, if I can, thank my colleague from Michigan, to say then that this is consistent with what we did after Hurricane Andrew with respect to Homestead Air Force Base personnel, and that the top Air Force officials have been in frequent contact with me on this matter. They think it is a matter of equitable treatment for their forces and that it is important that we take this action.

I very much hope that my colleagues will see fit to honor the call of our top Air Force leadership and pass this amendment.

I thank the Chair. And I thank my colleague from Michigan.

Mr. LEVIN addressed the Chair.

The PRESIDING OFFICER. The Senator from Michigan.

Mr. LEVIN. Mr. President, I hope that if we do adopt this amendment that the Defense Department would look within it the two precedents in terms of establishing a general policy situation such as this. It seems to me that the precedent cited by the Senator from North Dakota is in point, and that this would be an additional precedent, if passed, for adopting a general policy in situations such as this for persons who are assigned to a base but who live off base to be given the same kind of coverage as persons who are on base.

I thank the Chair.

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

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. LEVIN. 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. LEVIN. Mr. President, again, on this side there is support for the Senator's amendment. And I know of no opposition on this side. I hope this amendment will be adopted.

Mr. THURMOND. Mr. President, we have agreed to accept it.

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

Without objection, the amendment is agreed to.

The amendment (No. 795) was agreed to.

Mr. CONRAD. Mr. President, I thank my colleagues. I especially want to thank the ranking member, Senator LEVIN, from Michigan for his assistance. And I also thank very much the chairman of our committee, Senator THURMOND of South Carolina. I thank them both for their support.

I think this is a matter of equity for our Armed Forces personnel. I know they will very much appreciate this assistance.

Mr. LEVIN. Mr. President, I move to reconsider the vote on that amendment.

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

The motion to lay on the table was agreed to.

Mrs. MURRAY addressed the Chair.

The PRESIDING OFFICER. The Senator from Washington.

AMENDMENT NO. 593

(Purpose: To repeal the restriction on use of Department of Defense facilities for abortions)

Mrs. MURRAY. Mr. President, I call up amendment No. 593 and ask to proceed under the previous agreement.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Washington [Mrs. MURRAY], for herself, Ms. SNOWE, Mr. ROBB, Mr. KENNEDY, Mr. LAUTENBERG, and Mr. WYDEN, proposes an amendment numbered 593.

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

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

The amendment is as follows:

At the end of title VII add the following:

SEC. 708. RESTORATION OF PREVIOUS POLICY REGARDING RESTRICTIONS ON USE OF DEPARTMENT OF DEFENSE MEDICAL FACILITIES.

Section 1093 of title 10, United States Code, is amended—

(1) by striking out subsection (b); and

(2) in subsection (a), by striking out "(a) RESTRICTION OF USE OF FUNDS.—".

Mrs. MURRAY. I am offering this amendment on behalf of myself, Senator SNOWE, Senator KENNEDY, Senator LAUTENBERG, Senator ROBB, and Senator WYDEN.

Mr. President, this bipartisan amendment simply strikes the existing ban on privately funded abortions in overseas military hospitals for military personnel and dependents. For the information of my colleagues, it is identical to the amendment that I offered last Congress which was adopted by the Senate.

Mr. President, it is extremely amazing to me that today a woman who volunteers to serve our country and is stationed overseas surrenders her ability to receive a safe and legal abortion without unnecessary and intrusive obstacles.

Not only are female military personnel denied this basic reproductive health service, but so are dependents of military personnel.

Mr. President, I know that my colleagues share my concerns regarding current allegations of sexual harassment against women in the military. We all agree this is intolerable and cannot and will not be accepted. We are all committed to protecting women from sexual harassment or discrimination while serving in the military. We all recognize that serving one's country does not mean sacrificing one's civil and constitutional rights.

While the military may have a separate code of conduct, basic civil rights are afforded all military personnel. It is important for me to stress this to my colleagues. No Senator would come to the floor to support any legislation that eliminated constitutional guarantees for military personnel. However, that is exactly what happens today unless we lift the current ban on access to safe and legal abortion services for military personnel serving overseas.

In 1993, the ban on privately funded abortion services for military personnel and independents was lifted, restoring basic health care protection to all women serving overseas. Unfortunately, in the 1996 Department of Defense Authorization Act, this ban was reinstated. I was at a loss then and I still am today as to what the justification is for this ban.

I have heard supporters of the ban talk about the use of Federal funds to provide abortion-related services. Mr. President, this argument is weak at best. My amendment would require that personal funds be used. The cost to the patient to provide abortion services far exceed the cost of the procedure itself.

Mr. President, without my amendment, we subject women to undue hardships when they serve overseas. If a woman serving overseas cannot obtain a legal and safe abortion at her own expense, she must request leave from her commanding officer to fly back to the United States for this procedure. We should be outraged at the cost to the military for transporting her back to the United States and for the leave time that must be granted. Why is it better to pay for these costs than simply to have the woman pay for the procedure at her own expense at a safe U.S. military hospital?

Based on this fact, the argument that it costs Federal tax dollars to provide abortion-related services to military personnel cannot be the issue. Today, it takes more tax dollars to provide a safe and legal abortion for military personnel than it would under my amendment. If anyone is concerned about Federal tax dollars funding abortion, they should support my amendment, as it would require the woman to pay for the procedure with private funds where she is stationed rather than flying her home to the United States.

Supporters of the ban may also claim that military medical personnel should not be trained to perform or counsel on abortion-related services. I remind my colleagues, however, current law provides coverage for abortions in the case of rape, incest, or to protect the life of the woman. Doctors must now be trained, regardless of what happens here today.

Let me respond as well to statements that insist that this amendment would require any doctor to perform an elective abortion, regardless of their own personal objections. This amendment does not change or impact current DOD policy which clearly spells out that health care providers who, as a matter of conscience or moral principle, do not wish to perform elective abortions, shall not be required to do so. The DOD policy and the conscience clause enforced by all four branches of the service have worked. There have been no reported cases of a military doctor being forced to perform an elective abortion despite their moral or ethical objections.

Mr. President, like all of our service personnel, women in the military deserve our utmost respect, honor, and gratitude. They certainly do not deserve to be told that they must check their constitutional rights at the door when they are stationed overseas. This amendment protects their precious rights and ensures their safe access to quality medical services.

Like all military personnel, women should be guaranteed access to quality and safe medical services. The current ban on abortion services at DOD facilities could force women to seek unsafe, back-alley abortions in a foreign country. Without adequate care, an abortion can be life-threatening or permanently disabling.

Mr. President, we often have Members come to the floor to advocate for women's health issues. I remind my colleagues that forcing a woman to delay an abortion could further jeopardize her health. Every week a woman has to wait increases the health risks. It is simply wrong to jeopardize the health and well-being of our military personnel.

I urge my colleagues to support the Murray-Snowe amendment and to give every woman in the military the same rights, the same rights, that are afforded every other American woman. This is our chance to show women in the military and dependents serving overseas that we do care and that we appreciate their contributions to protecting our national security.

I reserve the balance of my time.

Mr. COATS. Mr. President, I yield whatever time the Senator from Idaho desires.

The PRESIDING OFFICER. The Senator from Idaho.

Mr. KEMPTHORNE. Mr. President, I thank the Senator from Indiana.

Mr. President, I am the new chairman of the Military Personnel Subcommittee, and in the 12 months I have served in that capacity I have learned the subcommittee itself cuts a wide swath on all the issues that we deal with. This subcommittee resolves issues that are at the forefront of our national debate. We cope with the issues of values taught to our young people who volunteer for the armed services. We deal with the issues involving gender-based training, sexual harassment in the workplace, drug and alcohol abuse, and now, as a result of

this amendment before the Senate, the very sensitive issue of abortion.

I make it very clear at the outset what this issue in this particular amendment is not about. It is not about whether you are pro-life or pro-choice. This amendment is about where those abortions may be performed and whether they are paid for at Federal Government expense. This amendment would repeal the prohibition on using Department of Defense facilities for abortions and allow prepaid abortions to be performed in these taxpayer-funded facilities and by Federal medical personnel at these facilities.

The sponsors of this amendment argue that without this amendment, women in the Armed Forces stationed overseas may find it difficult to have access to a safe abortion. As a result, this interferes with their constitutional right to an abortion, so they contend.

I want to acknowledge that women who are in the Armed Forces and are stationed overseas in countries where abortion is not legal, are faced with complex emotional and difficult decisions. I note for the record, however, that a woman with a pregnancy who is in the armed services who is overseas and that pregnancy is medically life-threatening or the result of rape or incest, under current policy, can receive an abortion at a U.S. military hospital.

So the issue before the Senate is, what is the right abortion policy that our military hospitals should follow in cases where the life of the mother is not at stake or rape and incest is not involved?

After reading last year's debate and listening to the debate today, I offer these observations. While women in this country still have a constitutional right to have abortions, our national policy as a result of the Hyde amendment is that taxpayers should not be required to pay for abortions except in the circumstance where the life of the mother is at risk or in instances of rape and incest. In other words, except in rare instances, Federal funds should not pay for abortions.

But there is no getting around the fact that the Department of Defense military hospitals are paid with 100 percent taxpayer dollars. The medical facility is paid for with taxpayer money. The doctors and the nurses are Federal employees, paid with taxpayer dollars. So is the equipment, the overhead, the operating rooms, et cetera.

Even though the pending amendment contemplates that women will be allowed to use personal funds to pay for an abortion, there is no getting around the fact that taxpayer dollars could still directly or indirectly pay for an abortion. So this amendment, if adopted, could lead to situations where taxpayers are paying for abortions, which is contrary to our national policy as outlined in the Hyde amendment. That is inconsistent with our national policy and with my personal belief, and therefore I oppose the pending amendment for those reasons.

Mr. President, like so many issues this subcommittee handles, this one is one of the sensitive ones. I want to commend the Senator from Indiana, who had been the chairman of the Subcommittee on Military Personnel for a number of years, who has dealt in a sensitive fashion with this issue in the past. I appreciate the approach that he has taken. I look forward to his comments as he gives us insight on this particular issue.

I yield the floor.

Mr. COATS. Mr. President, I yield myself a couple of minutes.

I appreciate the comments from my colleague from Idaho, chairman of the Personnel Subcommittee. This is not an easy issue to deal with. We have dealt with it on numerous occasions here on the Senate floor. We are attempting to maintain a consistent Federal policy relative to abortion. That policy, known as the Hyde amendment, essentially says that taxpayers' money should not be used against the wishes of taxpayers for elective abortions except in some very, very limited circumstances. Separation of that has been accepted on a consensus, at least a majority, basis now for a couple of decades. We are trying to maintain that. We do not want to make an exception in this instance because we do not think an exception needs to be made.

There has been no demonstration that women who find themselves with unwanted pregnancies in the military are denied the right to have an abortion. They have that right. They can exercise that right. We are simply saying we do not think we should compel the American taxpayer to pay for it. That is something that has been the subject of debate and discussion ever since I've been in Congress and even before that. By a majority vote, time after time after time, upheld by this Congress, we have disallowed the use of Federal funds for abortions except in cases where the life of the mother is threatened or in cases of rape or incest. We are trying to maintain that standard, consistent throughout all Federal agencies, including the military.

In one sense, really, in a very real sense, this is a solution, this amendment offered by the Senator from Washington is a solution in search of a problem. We simply have not had any problems with allowing women to obtain abortions at the place of station if it is allowable in that country, and if it is not allowable in that country overseas, to find military transport, not at their cost, but military transport back to any place in the United States that they choose for the performance of that particular abortion.

In doing so, we allow the woman to exercise—even though it is not a right, I agree—a right guaranteed by the Supreme Court at this particular time, and she is not denied the opportunity to have an abortion. The question before the Senate is, will we maintain a consistent policy that says that taxpayers' money should not be used if it goes against their moral beliefs, their religious beliefs? Taxpayers' money should not be used for the performance of elective abortions except in very limited circumstances.

I yield back, reserving the time.

Mrs. MURRAY. Mr. President, I yield such time as she may consume to my cosponsor, the Senator from Maine.

Ms. SNOWE. Thank you, Mr. President.

I want to thank the Senator from Washington for taking the initiative and leadership in offering this amendment to the DOD authorization bill because it is a very important issue. I remind this body that we voted to repeal this ban on abortions in military hospitals overseas last year, and I hope my colleagues would do the same again this year.

Mr. President, year after year, debate after debate, Congress revisits the issues concerning women's reproductive freedoms by seeking to restrict, limit, and eliminate a woman's right to choose. This ban on abortions in overseas military hospitals, reinstated last year, represents just more of the same.

I point out that these efforts to turn back the clock on women's reproductive rights will never erase the fact that the highest Court in the land reaffirmed, time after time, in decision after decision, a woman's fundamental right to a safe and legal abortion.

This whole issue of banning abortions in overseas military hospitals represents another frontal assault on a woman's right to choose. It also represents a frontal assault on a woman's dignity. This ban denies a woman's right to choose for female military personnel and their dependents. It denies those women, who have voluntarily decided to serve their country in the Armed Forces, a safe and legal medical procedure. Because they were assigned to duty in other countries, it denies them equal protection under the law. What kind of reward is that for a woman who has made a decision to serve her country but denying her the rights that are guaranteed to her under the Constitution?

It certainly didn't occur to me that women's constitutional rights were territorial. It certainly didn't occur to me that American women, when they go abroad serving our country, are leaving their constitutional rights behind. Between 1979 and 1988, women could use their own personal funds to pay for the medical care that they needed. And in 1988, we know that the Reagan administration announced a new policy prohibiting the performance

of any abortions at military hospitals—even if that procedure was paid for by a woman's personal funds.

In January 1993, President Clinton issued an Executive order removing that prohibition. But the point is that that Executive order did not change existing law in prohibiting the use of Federal funds to pay for that procedure. That is the issue here today. The issue isn't whether or not we are going to use Federal funds for abortions in overseas military hospitals; it is a question of whether or not a woman is entitled to have access to a safe, legal, and constitutional medical procedure with the use of her own personal funds.

Removing this ban doesn't require medical providers to perform abortions. All three branches of Government have a conscience clause. It would not require medical personnel to perform that procedure if they have moral, religious, or ethical objections to doing so, and that is reasonable. But the ban prohibiting women from having access to the right to choose with her own personal funds is creating a level of substandard care.

What kind of choice does a woman have who is serving her country overseas? What are her choices? To fly back to the United States? Well, we know the cost involved, let alone whether or not she would have the time in order to do so. She could possibly endanger her own health by seeking care in some of the foreign hospitals, whose quality of care cannot compare to ours. That is why we have our own separate medical facilities on military installations abroad. That is the whole point: to ensure that our military personnel have the best quality care available that they are entitled to and indeed that they deserve. Or we could require a woman to fly to another country to receive care. But the bottom line is that what we are imposing on a woman who serves in the military are some very dangerous and stark choices.

Mr. President, the Supreme Court, in 1992, in a case called Planned Parenthood versus Casey, said that the Government regulation of abortion may not constitute an undue burden on the right to choose. An undue burden is defined as having the "purpose or effect of placing a substantial obstacle in the path of a woman seeking an abortion." When you consider the hurdles that a military woman seeking abortion faces—lengthy travel, serious delay, high cost to fly home, or elsewhere, substandard medical care and options—there is no doubt that this ban unconstitutionally places an undue burden on a woman's right to choose; but, most important, prohibiting women from using their own funds to obtain abortion services at overseas military hospitals endangers their health. That is the jeopardy in which we are placing women, because in being stationed overseas there are often areas where local facilities are inadequate or provide substandard care and just do not meet the standards that our medical facilities do. That is the purpose of having them there.

So this isn't a question of funding, it's a question of fairness, it's a question of whether or not the Government is going to dictate the kind of care a woman and her family will have access to if they are serving abroad in the military. It is not an issue of pro-life versus pro-choice; it's a question of whether or not we are going to create a disparate and discriminatory policy when it comes to a woman using her own personal funds. That is what this debate is all about.

It is an unprecedented intrusion on the part of Government to say how an individual can spend their private funds when it comes to a legal, constitutional medical procedure.

The amendment that is offered by the Senator from Washington will ensure and, indeed, safeguard us from creating a two-tiered system in this country—one for a woman who reside in the United States and serves in the military and another for those women who choose to serve their country in the Armed Forces overseas. I hope that this body will reject the ban that is included in the DOD authorization and accept the amendment that has been offered here today by Senator MURRAY, because failure to do otherwise is punitive for American women and for their families. I hope that we will follow the example that we established in the last Congress by voting to repeal the ban.

Mr. President, I yield the floor.

Mrs. FEINSTEIN. Mr. President, I support Senator MURRAY's amendment to repeal the provision of current law that prohibits a woman in the armed services from using her own funds to pay for an abortion in an overseas U.S. military facility. I support this amendment for several reasons.

First, under several Supreme Court decisions, a woman clearly has a right to choose. A woman does not give up that right or it is not obliterated because she serves in the U.S. military or is married to a U.S. servicemember.

Second, women based in the United States and using a military facility in this country are not prohibited from using their own funds to pay for an abortion. Barring the use of U.S. military facilities overseas creates a double standard for military women and an undue hardship on women servicemembers stationed overseas.

Third, women may not have ready access to private facilities in other countries. Abortion is illegal in some foreign countries, like the Philippines. A woman stationed in that country or the spouse of a servicemember would need to fly to the United States or to another country—at her own expense—to obtain an abortion. Most servicemembers cannot easily bear the expense of jetting off to Switzerland for medical treatment.

Fourth, if women do not have access to military facilities or to private facilities in the country where they are stationed, they could endanger their own health by the time it takes to get to a facility in another country or by being forced to get treatment by someone other than a licensed physician.

We know from personal experience in this country that when abortion is illegal, desperate women resort to unsafe and life-threatening methods. If it were your wife, or your daughter, would you want her in the hands of an untrained, unknown person on the back streets of Manila or Cordoba, Argentina? Or would you prefer that she be treated by a trained physician in a U.S. military facility?

These women would have to put themselves at great risk by the obstacles involved, by the possibility of using an untrained, unlicensed person and sometimes by a lack of knowledge of the seriousness of their condition.

People who serve our country agree to put their lives at risk to defend their country. They do not agree to put their health at risk with unknown medical facilities that may not meet U.S. standards. With this ban, we are asking these women to risk their lives doublefold.

Current law does not force any military physician to perform an abortion against his or her will. All branches have a conscience clause that permits medical personnel to choose not to perform the procedure. What we are talking about today is providing equal access to U.S. military medical facilities, wherever they are located, for a legal procedure paid for with one's own money.

Abortion is legal for American women. To deny American military women access to medical treatment they can trust is wrong. I urge my colleagues to vote for this amendment.

Mr. KENNEDY. Mr. President, I strongly urge the Senate to support the amendment offered by Senator MURRAY. This provision would take the long overdue step of repealing the current ban on privately funded abortions at U.S. military facilities abroad. This measure will ensure that women in the Armed Forces serving overseas can exercise their constitutionally guaranteed right to choose safe abortion services.

This is an issue of fairness to the women who make significant sacrifices to serve the Nation. They are assigned to military bases around the world to protect our freedoms, and they serve with great distinction. But when they get there, they are denied access to the kind of medical care available to all women in the United States. Military women should be able to depend on their base hospitals for all their medical services. This amendment gives

them access to the same range and quality of health care services that they could obtain in the United States.

It is not fair for Congress to force women who serve the Nation overseas to face the choice of accepting medical care that may be below the quality they can obtain in the United States, or else returning to the United States for care in a nonmilitary facility. Without a sufficient level of care, abortion can be a life-threatening or permanently disabling procedure. This danger is an unacceptable burden for us to impose on the Nation's servicewomen.

Congress has a responsibility to provide safe options in these situations. Opponents of this amendment are exposing servicewomen to substantial risks of infection, illness, infertility, and even death. The amendment does not ask that these procedures be paid for with Federal funds. It simply asks that the appropriate care be made available. It is the only responsible thing to do.

In addition to the health risks of the current policy, there is a significant financial penalty on servicewomen and their families who have arrived at the difficult conclusion to seek an abortion. The cost of returning to the United States from far-off bases in other parts of the world to obtain adequate health care can often involve significant financial hardship for young enlisted women. Yet, this is a cost that servicewomen based in the United States do not have to bear, since nonmilitary facilities are readily available.

If our military personnel do not have the financial means to travel privately to the United States for an abortion, they will face significant delays waiting for military transportation. The health risks increase each week, and if the delays in military flights are long, the women may well be forced to rely on questionable medical facilities in their host countries. As a practical matter, women in uniform are being denied their constitutionally protected right to choose.

A women's decision on abortion is a very difficult and extremely personal one. It is unfair to increase the burden on the women who proudly serve our country overseas.

Every woman in America has a constitutionally guaranteed right to choose to terminate her pregnancy. It is time for Congress to stop denying this right to military women serving abroad. It is time for Congress to stop treating these women as second-class citizens. I urge the Senate to support the Murray amendment and end this flagrant injustice under current law.

Ms. MOSELEY-BRAUN. Mr. President, I join my colleagues Senators MURRAY and SNOWE in sponsoring this amendment to allow women serving in the U.S. military overseas and dependents of U.S. military personnel serving overseas to obtain privately funded abortions at overseas military hospitals.

Women serving overseas are fighting to protect democracy and freedom. These women should not be denied the basic, constitutionally protected rights enjoyed by women in the United States. One of those rights is the right to make decisions regarding one's personal reproductive health.

This amendment repeals a ban that was put in place during the 104th Congress. That ban unnecessarily endangers the health of U.S. servicewomen and the dependents of service personnel overseas, and creates an additional and unnecessary hazard to military service for women in this country. This is unconscionable.

It is important to remember that many of these women are not in countries with first rate medical care. The U.S. military has a presence in many countries where hospitals are woefully inadequate. In addition, in some of these countries women do not have the right to choose to terminate a pregnancy and so legal, safe abortions are not an option.

Under this amendment, no doctor has to perform an abortion if he or she has a moral, ethical, or religious objection. That is a choice, however, for the doctor to make, not for the U.S. Government. After all, in our country the right to choose family planning and pregnancy termination services is constitutionally protected.

The Department of Defense would not be required to pay for any abortion services provided in overseas military hospitals. This amendment would require that private funds be used to pay for the services.

The basic facts are that this amendment protects the life and health of U.S. servicewomen and the dependents of military service personnel stationed overseas. Quality medical care, commensurate with that provided in the United States, where possible, is not too much for our Armed Forces to expect and to receive.

I thank my colleagues, Senator MURRAY and Senator SNOWE, for offering this amendment and for taking leadership in trying to preserve basic constitutional rights of our service personnel overseas. I urge my colleagues to support the Murray-Snowe amendment.

The PRESIDING OFFICER. Who yields time?

Mr. COATS. Mr. President, how much time is available?

The PRESIDING OFFICER. The Senator from Indiana has 19 minutes remaining. The Senator from Washington has 11 minutes remaining.

Mr. COATS. I yield to the Senator from Arkansas such time as he may consume.

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

Mr. HUTCHINSON. Mr. President, I thank the Senator from Indiana for his leadership on this issue and for yielding his time.

I rise today in strong opposition to the Murray amendment. During the Reagan and Bush administrations, abortions were prohibited at overseas Department of Defense medical treatment facilities, except in the cases of rape, incest, or if the mother's life should be in danger. In 1993, just 2 days after taking office, President Clinton issued an Executive order to the Secretary of Defense that reversed this previous ban on abortions, which had been supported, which was reflective of our national priorities and our national policy of not using taxpayers' funds to provide abortions.

So the President, President Clinton, issued that Executive order reversing the previous ban. This attempt to legislate by Executive order was soon met with fierce resistance, not only by Members of Congress who were greatly concerned about this reversal of position, but by the military's own doctors.

After the administration's reversal, there were a number of articles that appeared, but two specifically from major media outlets challenging the President's Executive order. "The Pentagon confirmed, all 44 military doctors in Europe have decided against doing the procedure on moral and religious grounds." I think that is a tribute to our military doctors and a reflection of their own moral concerns about this practice and their support for the traditional position that had been in place for many years.

Additionally, one Air Force commander stated that all 10 obstetricians under his command expressed an "unwillingness on a personal or moral basis" to perform abortions and, furthermore, that he was not surprised at the doctors' response.

Military treatment centers—which are, always have been, and should be dedicated to healing and nurturing life—should not be forced to facilitate the taking of the most innocent of human life: the child in the womb.

We have a policy that has worked. It is a policy that is supported by our military doctors. It is a policy that is reflective of the position that we have held as a Nation, even during this era in which Roe versus Wade has sustained a woman's right to choose abortion—that policy that we will not ask Americans who morally and religiously object to the practice of abortion to subsidize that practice with their tax dollars. This is a law that has worked; it is a law that is effective.

I ask my colleagues to join me in opposing the Murray amendment and sustaining our existing policy and existing law, consistent with what we as a Nation have held and what our current policy is. I thank the Senator from Indiana.

I yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. LEVIN. Mr. President, will the Senator from Washington yield 5 minutes to the Senator from Michigan?

Mr. MURKOWSKI. I yield 5 minutes to the Senator from Michigan.

The PRESIDING OFFICER (Mr. HUTCHINSON). The Senator from Michigan is recognized.

Mr. LEVIN. Mr. President, I support the Murray amendment for a number of reasons. Before I get to them, let me just say that I think all of us recognize that the issue of abortion can stir so many emotions so quickly that it is important for us to understand what any amendment before us does and what it does not do. It is important to really focus on both. What does it do and what doesn't it do?

This amendment would allow a woman seeking an abortion to pay for it from her own funds at a military hospital overseas. That is what it does. There has been a prohibition on this use of military hospitals since the 1996 Defense Authorization Act was enacted. This amendment would repeal that prohibition. In doing so, the amendment would allow a woman serving in our Armed Forces overseas who chooses to have an abortion to have that abortion performed in a modern American medical facility by well-trained doctors who have volunteered for that duty, provided that all costs and fees associated with the abortion are paid in advance, using private funds.

This amendment would give the female service members stationed overseas the same access to the high standards of medical hygiene, technology, and medical care that is enjoyed by other female service members stationed in the United States under the same standards of medical care enjoyed by the women of America who have not chosen to serve their country in the military. And to establish that equitable access this amendment would permit the Department of Defense to reinstate a policy that existed prior to 1988 which was reinstated by the President in 1993 but was prohibited by Congress in 1996. Under that policy that would be reinstated should this amendment become law, as I believe it should, military women stationed overseas, as well as adult female dependents of male or female service members living overseas, would be able to exercise their right to have access to a safe abortion procedure without being put at risk by having to rely on the medical facilities available on the local economy which may not be up to the same high standards found in American hospitals. That is a constitutional right that we are talking about here. Many would disagree that it should be, and I think we should respect that.

There is disagreement over this issue as to whether or not that right which would be protected by this amendment should be protected by the Constitution. Surely people who are of good faith disagree on that question. But it is a constitutional right. Women who exercise that right would be required to pay the full cost for an abortion near their duty station by well-trained doctors who have volunteered for such work.

What does the amendment not do? It does not provide the taxpayer dollars to pay for the abortion because the woman must pay the full cost. The Defense Department would be required to compute that. I don't think that really is the issue here, although it has been raised. The words "taxpayers funds" have been raised here. I don't think that is really the issue. Because I think if the opponents of this amendment were satisfied that there is no even indirect cost which would not be paid for that their opposition would end. And it is the intent of the amendment, if it is law, that the full cost be paid by the woman in advance and the responsibility is on the Defense Department to compute those costs.

So, again I repeat. I don't think that is really the issue. The real issue is the underlying issue of whether or not an abortion, even if paid for fully by the woman, should be performed in a hospital overseas.

Another thing the amendment does not do is require military doctors to perform abortions nor allow their careers to be affected if they choose not to perform abortions. It protects the right of doctors in the military not to perform abortions and protects their careers, if they choose not to perform an abortion.

The amendment does not provide free abortions in military hospitals. The current prohibition on the use of Federal funds for abortion remains in effect. It is an important point. There is a prohibition on the use of Federal funds on abortions which remains in effect under this amendment. All costs associated with an abortion would be the responsibility of the patient.

Mr. President, this amendment would avoid placing women who serve our country overseas in an inequitable position relative to women who have chosen not to serve our Nation, and I hope this amendment is adopted.

I thank the Chair.

The PRESIDING OFFICER. Who yields time?

Mr. COATS. Mr. President, how much time is available on this side?

The PRESIDING OFFICER. The Senator from Indiana has 15 minutes and 38 seconds remaining. The Senator from Washington has 4 minutes and 36 seconds remaining.

Mr. COATS. Mr. President, I yield myself such time as I may consume.

The PRESIDING OFFICER. The Senator from Indiana.

Mr. COATS. Mr. President, let me address some of the questions that have been raised here.

First, on the question of denial of constitutional right, that is not an issue. Whether we agree that a woman ought to have a constitutional right to an abortion or disagree, that is not the issue here because no woman is being denied her constitutional right, whether that woman is in the military or not, or whether that woman is in the military serving in the United States or in the military serving overseas. That right is not taken away from that woman.

So the issue here that will be debated, and has been debated, and will be debated in the future over a constitutional right to an abortion is not the issue that we are debating today. The issue that we are debating today is whether that abortion that is sought by a military woman ought to be performed in the military hospital.

The proponents of the amendment say that we can avoid the Federal prohibition against use of Federal taxpayer dollars if the woman herself pays for the abortion. But that ignores the fact that the military hospital was constructed with Federal funds, is equipped with Federal funds, that the salaries of the doctors and the nurses and the staff in that hospital are paid 100 percent with Federal funds, and that it will be an accounting nightmare as identified by the Department of Defense to try to separate out the two.

But again let me go back to what is more fundamental. That is this inequality of treatment. There is no inequality of treatment. A woman today who serves in the military in the United States can only get an abortion in a military hospital if the life of the mother is in jeopardy, or the pregnancy is the result of rape or incest. That same standard applies to women in the military serving overseas. So the standard is exactly the same.

If the woman serves in the military and is based in the United States and does not fall under the category of exception, that woman, of course, could get an abortion at a nonmilitary hospital in the United States. If a woman is serving overseas and seeks an abortion and it doesn't fall within the exception, she also can receive an abortion, either in a hospital in the country in which she is serving, or, if that country has a prohibition against an abortion, she can take a military transport at no additional cost back to the States, to Great Britain, or to some other country at which an abortion is performed.

It is a legitimate question to raise as to whether or not that woman is being denied access to a hospital. Say she is serving in the military in a country that by law prohibits abortions and, therefore, a hospital is not available to that woman. Does the military in any way deny that woman the opportunity to have an abortion at some other place?

I specifically inquired of the Department of Defense as to what was the answer. Their reply to me in a letter from the Assistant Secretary of Defense is that there have been no military people to their knowledge that have requested an abortion that has not been provided the opportunity to have an abortion, that has not been provided military transport to have that abortion at a place where that abortion is legally performed.

I asked the question. Has the department had any difficulty in implementing the policy that abortions can only be performed in military hospitals in cases of rape, incest, or life of the mother?

Their answer: "No. We have had no difficulty on that."

Have any formal complaints been filed concerning this policy?

"No. No formal complaints have been filed."

Have any legal challenges been instituted concerning the policy?

"No." Again, have any members or their dependents been denied access to an abortion as a result of this policy?"

The answer again was no.

Have any members. or dependents been denied access to military transport for the purpose of procuring an abortion?

The answer was no.

Then I asked the question relative to the mixing of taxpayer funds, doctor salaries, nurse salaries, equipment purchased with taxpayers' funds, and they said it would be impossible to separate all of that out. It would be an accounting nightmare.

So what we have here is simply a proposal by the Senator from Washington that addresses a problem that does not exist. The Senator from Washington would have a legitimate point, if there was a problem that existed. But no women are being denied constitutional rights to have an abortion. There is no unequal treatment. There is not any treatment available to a woman serving in the military in the United States in a military hospital that is any different from a woman serving overseas. The only difference is that if they happen to be serving in a country which prohibits abortion in that country, they have to go out of the country to have the abortion. But the military has never had a case where they have denied military transport—not commercial transport paid for by the military personnel but military transport available for that person for the purpose of securing abortion.

So there is no problem. There is no constitutional problem. There is no equal access problem. There is no denial of constitutional rights. And there is no case presented to us out of difficulty in this particular instance on this particular problem.

So that while the amendment may be well intended by the Senator from Washington it is clearly a solution in search of a problem. I understand the philosophical difference that exists between Members of the Senate relative to abortion. That is a debate that we have had before. We will have it again. But it doesn't apply to this in this particular instance.

The President clearly in 1993 shortly after he took office was philosophically advancing his position relative to abortion. I happen to disagree with that position. The President has the right to hold his position. Those of us who oppose it obviously have the right to hold ours, and we debate that. But this amendment doesn't go to that debate. It doesn't go to that issue.

For that reason, I hope the Senate will reject the Murray amendment.

Mr. KEMPTHORNE. Will the Senator yield?

Mr. COATS. I would be happy to yield to the Senator from Idaho.

Mr. KEMPTHORNE. I ask the Senator from Indiana: Is it accurate to state that our national policy as embodied in the Hyde amendment in essence states that we will not use Federal taxpayer money for abortion except in the case of rape, incest, or the life of the mother?

Mr. COATS. That is our national policy as adopted by this Congress and signed into law.

Mr. KEMPTHORNE. Is it also accurate to state that in 1980 there was a Supreme Court case which I believe was called Harris versus McRae in which the Supreme Court upheld the constitutionality of the Hyde amendment?

Mr. COATS. That is also correct. The Supreme Court has upheld the constitutionality of the Hyde amendment, and the Hyde amendment has been adopted time after time and reasserted time after time by the Congress on a bipartisan basis and signed by Presidents of both parties.

Mr. KEMPTHORNE. Therefore, based upon that action by Congress, by the executive branch as affirmed by the judicial branch, the Supreme Court, we are bound by a national policy that we not use Federal money except in those cases that I cited.

Mr. COATS. That is correct.

Mr. KEMPTHORNE. The Senator also referenced the DOD in their own analysis where they said it would be an accounting nightmare to go through to determine the true cost of having an abortion performed in a U.S. medical facility when the facility is 100 percent taxpayer funded. All of the personnel are paid for by the taxpayers, and all of the equipment.

Is that accurate?

Mr. COATS. That is accurate.

Mr. KEMPTHORNE. Is it also then, as we follow this, accurate to say that in order to deal with the effect of that that there is provision for a female member of the military service, in the event she chooses to have an abortion that she can have access to military transportation so that she can go to a facility of her choice and exercise her constitutional right?

Mr. COATS. That is correct. Any military personnel has access to military transport on a space-available basis. The DOD has never had an instance where a woman who is seeking access on a space-available basis on military transport has been denied that because the purpose of her transport was for an abortion.

Mr. KEMPTHORNE. This is probably not necessary. But in the event there was a problem with space available but that the situation was life-threatening to the woman, would she not be allowed to have a procedure done at a U.S. military hospital overseas where she is?

Mr. COATS. Absolutely. She would be.

Mr. KEMPTHORNE. I thank the Senator.

Mr. COATS. Mr. President, I reserve the remainder of my time.

Mrs. MURRAY addressed the Chair.

The PRESIDING OFFICER. The Senator from Washington.

Mrs. MURRAY. Thank you, Mr. President.

Let me make this very clear again. Today, if a woman serving overseas—whether she is in Bosnia or Saudi Arabia—would like to have health services, she would have to go through a commanding officer and request permission to come home to the United States to have that procedure take place, and at the taxpayers' expense they would fly her home. Under my amendment she would be allowed to use her own money to pay for abortion-related services in a military hospital overseas.

I think that is a reasonable request for those women that we ask to serve in a country far away from home.

Mr. President, I yield 3 minutes to my colleague from California.

The PRESIDING OFFICER. The Senator from California is recognized.

Mrs. BOXER. I thank my colleague from Washington for yielding and for her leadership, and I thank our ranking member, Senator LEVIN, for his very strong statement in behalf of women in the military.

Mr. President, my colleague from Indiana says this is about philosophy, but I could not disagree with him more. This is about how we treat our military personnel who happen to be women.

Now, my colleague from Idaho says taxpayer money should not be used in any abortion and therefore this policy ought to be kept. The fact is the women, who have the right to choose under American law, would make that choice and pay the bill, including the overhead, at the military hospital.

Mr. President, it is very hard to ever repay our men and women in the military for the sacrifices they make every

single day. They have no idea at what moment they are going to be called upon to put their very life on the line. Their families live in fear that that could happen any moment, whether they are stationed in Bosnia, as many are now, whether they are stationed in Saudi Arabia, as many are now.

How would you like to be a female stationed in one of those countries, knowing what their attitude is and their philosophy is about a woman's right to choose, and be forced into one of those hospitals? Oh, you can get on a plane in an as-available situation. What if it is not available? What if it means you have to take a tremendous amount of leave time and that complicates your life? This is a decision a woman makes—perhaps my colleagues are unaware, if a woman decides to exercise her right to choose, this is not a light decision. This is something she has come to grips with, and it is her right in this country until they have the votes to overturn it, and I hope I never see that day in the Senate.

So, Mr. President, we can never repay the men and women in the military, so what do we do in this policy since this Congress changed hands and a President's policy was overturned? This is how we repay the women in the military? We tell them that we will not allow them their constitutional right to choose a safe, legal abortion in a military hospital even if they pay every single cent for their procedure.

Now, we know that no level of pay could adequately compensate our men and women in the military. There is no price you can put on the patriotism that is involved.

The PRESIDING OFFICER (Mr. SANTORUM). The Senator's time has expired.

Mrs. BOXER. Let us not slap the women in the military. Let us support the Murray-Snowe amendment.

Mr. COATS. Mr. President, may I inquire of the time remaining.

The PRESIDING OFFICER. The Senator from Indiana has 5 minutes 26 seconds, the Senator from Washington has 47 seconds.

Mr. COATS. Mr. President, let me just address a question that has been raised by the Senator from California. I think the Senator misunderstood what I said or perhaps I did not say it right. I said that while there is a philosophical debate among Members of Congress as to the constitutional right of a woman to have an abortion, I said we have debated that at other times and we will debate it at other times in the future. But what I thought I had said is that that is not what is at issue here. There are no constitutional rights of any woman being denied under this current policy and so that is not at issue here. Perhaps my remarks were misunderstood.

Second, let me just say that this is not a policy that divides necessarily Republicans and Democrats. Congress changing hands had nothing to do with the change in this policy. The policy was changed by the President of the United States. This Congress has consistently voted, whether it was led by Democrats or led by Republicans, to uphold the Hyde amendment which prohibited the use of taxpayers' dollars except in cases of life of the mother, rape and incest. That has gained support from Republicans, gained support from Democrats. When the Democrats were in charge of this Senate, that policy was enforced. And when the Republicans were in charge of the Congress, that policy was enforced. So it really is not something that necessarily drives a stake, a lane down between Republicans and Democrats.

Then the question raised by the Senator from Washington about the cost of military transport. Military transport is available to women on a space-available basis. Those who have had the privilege of serving in the military, as I and others have, realize the military is constantly flying planes back and forth not only to the United States but various bases within the theater of operations.

If you are in Korea, there are flights on a regular basis and a voluminous number between the various bases in Asia. If you are in Europe, the same takes place. Women who cannot have an abortion because they are stationed in a country that prohibits that abortion have easy access not all the way back to the United States—there if they choose—but easy access to countries in Europe where we have other bases or other countries where they can go to get that abortion.

So what we are saying here today has nothing to do with a woman's right to an abortion. It has everything to do with whether or not we will uphold, consistently support a policy and uphold a policy that says we cannot and should not force taxpayers who have a moral or religious basis to oppose abortion, to use their tax dollars to pay for those abortions.

That is what is at issue here. We are simply trying to uphold the standard that this Congress has adopted that is currently law, law which, by the way, despite his own personal feelings, was signed into law by the President of the United States.

There are no instances of any woman in the military who has been denied access to an abortion. So let us make sure that we understand the nature of this amendment, the nature of the issue that is before us and what we are voting on.

Those who come down to this floor and vote on the basis that a woman's right to an abortion is being denied have not understood the nature of the current policy. I urge Members to uphold the Hyde language which allows abortions for life of the mother, rape or incest, to uphold the current Department of Defense policy which gives women the access to abortions if they serve overseas but cannot have it performed in that country. But let us not open up military hospitals that are constructed with Federal funds and equipped with Federal funds, let us not open up military hospitals whose doctors and nurses are paid with taxpayer funds. Let us maintain the current policy. It makes sense. It does not deny women opportunity to have an abortion if they want that abortion.

We can have the debate about the constitutionality of abortion or what restrictions we ought to put on those abortions as we have had on partial-birth abortion and as we will have in the future, but that is not what is at issue today. I urge rejection of the amendment of the Senator from Washington.

I reserve the remainder of my time.

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

Mrs. MURRAY addressed the Chair.

The PRESIDING OFFICER. The Senator from Washington.

Mrs. MURRAY. Let me just end this debate by reiterating for my colleagues that today a woman who seeks reproductive health services has to ask her commanding officer and be flown home at taxpayer expense on one of our transports in order to receive reproductive health services. Under my amendment, she will be able to pay for it at her own cost in a safe military hospital overseas. The bottom line is this is about the basic rights of those women whom we are asking to serve in remote locations to protect this democracy and fight for our country and for other countries overseas to be given the right to reproductive health care services.

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

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

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to amendment No. 593 offered by the Senator from Washington. The yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

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

The result was announced—yeas 48, nays 51, as follows:

[Rollcall Vote No. 167 Leg.]

YEAS—48

Akaka	Byrd	Dorgan
Baucus	Chafee	Durbin
Biden	Cleland	Feingold
Bingaman	Collins	Feinstein
Boxer	Conrad	Glenn
Bryan	Daschle	Gorton
Bumpers	Dodd	Graham

Harkin	Landrieu	Robb
Hollings	Lautenberg	Rockefeller
Inouye	Leahy	Sarbanes
Jeffords	Levin	Snowe
Johnson	Lieberman	Specter
Kennedy	Moseley-Braun	Stevens
Kerrey	Moynihan	Torricelli
Kerry	Murray	Wellstone
Kohl	Reed	Wyden

NAYS—51

Abraham	Faircloth	Mack
Allard	Ford	McCain
Ashcroft	Frist	McConnell
Bennett	Gramm	Murkowski
Bond	Grams	Nickles
Breaux	Grassley	Reid
Brownback	Gregg	Roberts
Burns	Hagel	Roth
Campbell	Hatch	Santorum
Coats	Helms	Sessions
Cochran	Hutchinson	Shelby
Coverdell	Hutchison	Smith (NH)
Craig	Inhofe	Smith (OR)
D'Amato	Kempthorne	Thomas
DeWine	Kyl	Thompson
Domenici	Lott	Thurmond
Enzi	Lugar	Warner

NOT VOTING—1

Mikulski

The amendment (No. 593) was rejected.

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

The motion to lay on the table was agreed to.

Mr. HATCH addressed the Chair.

The PRESIDING OFFICER. The Senator from Utah. The Senator will suspend. The Senate will please come to order.

AMENDMENT NO. 794, AS MODIFIED

Mr. HATCH. Mr. President, I send a modification to the desk on behalf of Senator GRAMM of Texas and myself.

Mr. WELLSTONE. Point of inquiry. Did we have an order of amendments we had agreed to?

Mr. LEVIN. I wonder if the Senator from Utah will clarify that, is that an amendment to the pending second-degree amendment?

Mr. HATCH. This is a modification of the amendment to the Levin amendment.

The PRESIDING OFFICER. Is there objection to the modification?

Mr. HARKIN. Reserving the right to object. Mr. President, what is the order? I thought the order of business was the Wellstone amendment.

The PRESIDING OFFICER. The pending second-degree amendment is the amendment of the Senator from Texas, Senator GRAMM, to the Levin amendment. The Senator from Utah sent up a modification to the Gramm second-degree amendment to the Levin amendment. Is there objection to the modification? Without objection, the amendment is so modified.

The amendment, as modified, is as follows:

Strike all in amendment numbered 778 and insert in lieu thereof the following:

"The Department of Defense and Federal Prison Industries shall conduct jointly a study of existing procurement procedures regulations, and statutes which now govern procurement transactions between the Department of Defense and Federal Prison Industries.

"A report describing the findings of the study and containing recommendations on the means to improve the efficiency and reduce the cost of such transactions shall be submitted to the U.S. Senate committees on Armed Services and the Judiciary no later than 180 days after the date of enactment of this act."

Mr. THURMOND addressed the Chair.

The PRESIDING OFFICER. The Senator from South Carolina.

UNANIMOUS-CONSENT AGREEMENT

Mr. THURMOND. Mr. President, I ask unanimous consent that there now be 1 hour for debate on the Wellstone amendment No. 668 equally divided in the usual form, and following that debate time, the amendment be laid aside and the Senate resume consideration of the Gramm amendment No. 794, with 30 minutes for debate equally divided in the usual form.

I further ask unanimous consent that following that debate, the amendment be temporarily set aside and Senator BOXER then be recognized to offer an amendment regarding executive compensation, with a time limitation of 1 hour and 20 minutes equally divided in the usual form.

I further ask unanimous consent that following that debate, Senator BINGAMAN be recognized to offer an amendment regarding space-based laser.

I further ask unanimous consent that there be 2 minutes equally divided in the usual form prior to each vote ordered in the stacked sequence and that at 6 p.m. today, the Senate proceed to vote on, or in relation to, the Wellstone amendment No. 668, to be followed by a vote on, or in relation to, the Gramm amendment No. 794, to be followed by a vote on, or in relation to, the Levin amendment No. 778, as amended, if amended, to be followed by a vote on, or in relation to, the Boxer amendment regarding compensation.

Finally, Mr. President, I ask unanimous consent that no second-degree amendments be in order to any of the above-mentioned amendments.

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

Mr. WELLSTONE addressed the Chair.

The PRESIDING OFFICER. The Senator from Minnesota.

AMENDMENT NO. 668, AS MODIFIED

Mr. WELLSTONE. I thank the Chair. I think we are now on our amendment. I believe it is No. 668. Mr. President, I am going to just take 5 minutes. I am proud to be joined by my colleague from Iowa, Senator HARKIN.

I ask unanimous consent that Senator DASCHLE and Senator KERRY from Massachusetts be added as original cosponsors.

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

Mr. WELLSTONE. Mr. President, I, again, want to stress support from three organizations that have had a chance to really take a look at this. I think there is broad support from the veterans community—I really hope that we will get a strong vote for this amendment—from the Disabled American Veterans, from the Vietnam Veterans of America, and from the Paralyzed Veterans of America. Earlier I asked unanimous consent that letters of their support be printed in the RECORD.

What we do here is we just simply give the Secretary of Defense discretion authority to transfer $400 million to the VA to restore VA funding for health care. This was cut in the budget resolution.

Again, I want to make it real clear to my colleagues that I don't think any of us really understood that we were going to have these kind of deep cuts in the VA health care budget. I want to, in a couple of minutes, make the point that we are not just talking about abstract numbers and statistics, we are talking about people's lives. In particular, I want to talk about what the VA health care system is dealing with.

First of all, the Persian Gulf veterans. When we had testimony in the Veterans' Committee, it was very, very important that when General Schwarzkopf came in, one of the points he made was one commitment we can make to the gulf war veterans, I say to my colleague from Iowa, is to make sure we do the research as to what happened to them, and, second of all, we make sure that those veterans get the health care that they need.

Mr. President, this has everything in the world to do with defense. They were there supporting our country, and, in addition, let me point out that the Department of Defense, I think if there was any one agency in Government that would be more than willing to transfer a little bit of funding to make sure those veterans get health care, it certainly would be the Department of Defense and the Secretary of Defense.

So it is a mild amendment. It does not ask for much. It just simply says we shouldn't have cut this $400 million. I want to make it real clear on the Senate floor, that if we don't win today—and I hope we will—my colleague and I are, one way or another, absolutely committed to restoring this funding.

You can be talking about the gulf war veterans, you can be talking about the Vietnam veterans, you can be talking about post-traumatic stress syndrome, you can be talking about World War II and Korean war veterans who are now older and need the care as well. Mr. President, by the year 2000, one out of every three veterans is going to be 65 years of age or older, and 63 percent of all American males over the age of 65 will be veterans. These are the demographics.

So there is nothing more important we can do than to make sure that we live up to our contract to provide these veterans with the support that they need.

What is going to happen if we don't restore the funds? This is my conclusion. It is a simple argument we are making. If we don't restore the $400 million this year, what is going to happen is we are going to accelerate closure of inpatient care, we are going to offer fewer ambulatory services, we are going to reduce long-term care, and we are going to treat fewer veterans. That is what is going to happen. That is wrong. If we want to help veterans, this is an opportunity to do so.

We all love to be in the parades, we all speak at the veterans' gatherings, we all say it is a sacred contract, we all say that we support veterans. Well, Mr. President, we cut $400 million, and my colleagues can ask any veteran in any of your States, and they didn't know about it.

Now is the time to rectify this mistake. Now is the time to take a small amount of money, $400 million, out of $2.6 billion more than the Pentagon asked for and at least give the Secretary of Defense the authority to transfer this funding. I am sure this will happen if we vote for it, and I hope that we get a very strong vote.

This amendment is a justice amendment. We should not be cutting health care services for veterans. The demand is increasing for that care, and we ought to, as U.S. Senators, Democrats and Republicans alike, respond to veterans, we ought to support veterans, and the right thing to do is to vote for this amendment.

I yield the floor, and I thank my colleague from Iowa for all of his support.

The PRESIDING OFFICER. Who yields time?

Mr. WELLSTONE. I yield to the Senator from Iowa the remainder of our time.

The PRESIDING OFFICER. The Senator from Iowa.

Mr. HARKIN. I thank the Senator from Minnesota. How much time do I have, Mr. President?

The PRESIDING OFFICER. Twenty-four minutes and forty-eight seconds.

Mr. HARKIN. Mr. President, I appreciate my colleague, my friend from Minnesota for offering this amendment. I join with him, as he said, in offering it.

He has laid out the case for veterans. We have shortchanged them. I heard someone ask earlier: "This is the defense bill, this is defense authorization. Later on there will be a veterans bill we can deal with. We deal with veterans later. Why does it belong here?"

It belongs here because, Mr. President, I submit you cannot defend this country unless we first defend our veterans, and that is what the Senator from Minnesota is saying in this amendment. He is right, we have given the Pentagon $2.6 billion more than they even asked for and, at the same time, turned around and cut our veterans health care program by $400 million. What kind of signal does that send to our young men and women in uniform today about their prospects in the future for having their health care needs taken care of if, in fact, they should find themselves in an enclave like those veterans found in Vietnam or the gulf war or Korea or World War II.

Mr. President, there may be those who say if we take this $400 million out of defense, it is going to really hurt our readiness; we can't afford to cut our defense budget for something like this. I would like to take some time to refute that argument and to say, in fact, the military budget that we have today is far too bloated to meet the threats or potential threats that confront our country at this time.

No one disputes that the cold war is over, but some in this body would like to continue funding the Department of Defense as if it never ended. I know the world is still a dangerous place, but we must ask ourselves, is our current defense budget justified by the dangers faced by the United States? I don't believe they are justified.

The fact is, military spending is so high that it can be lowered without endangering national security. Even with the elimination of the Soviet Union, defense spending is still much larger than cold war spending levels. And what is all this money for? What enemy are we going to fight? Is it Cuba who spends less than 1 percent on its military budget? Or Libya, Iraq, Iran or North Korea or Syria? Or are we just going to spend $268 billion next year simply to have a large military? So let's look at some of the figures and take a comparison.

U.S. military spending right now is three times—and look at this chart—our U.S. military spending. Here is the pie chart showing in billions of dollars the amount of money spent by various countries on defense. The United States spends three times more than China, India, Pakistan, Russia, and Vietnam all combined. It is more than double all of our NATO Allies combined. It is larger than the military budgets of the countries with the seven largest standing armies. Most important, the United States will spend nearly twice what all of our potential enemies spend on defense all combined. So if you add up all of our potential enemies, we will spend twice what they will spend on defense, all of them combined.

Some have pointed out we should continue high levels of military spending because we don't know what our potential enemies are. A threat could come from anywhere. Let's assume this is true, for argument's sake. Let's break the world down by countries then, and see what we are talking about in terms of potential threats.

Let us break it down by continents. What if every nation on the most powerful continent besides North America ganged up on the United States? By this, I mean all of Europe. Let us say that all of Europe—Germany and France and Spain and Great Britain and Italy and all these countries that are our friends—what if they all ganged up on us? Very remote, but if they did, we still outspend this potential threat by a great deal, by almost $60 billion. You might say that is ridiculous, in Europe we have our allies, they are in NATO. They are not going to attack us. OK.

What if every power in Africa joined in? Here is Africa down here, remote possibility, but they are only spending about $14 billion a year.

In fact, if you add up all the military expenses of all of Europe, Africa, and South America, combined—let us say that all of the countries of Europe, South America, and Africa all combined together to attack us—we still spend more in defense than all of those three continents all put together.

So I ask again, why are we spending so much money? This is the world. We are spending more than all of these continents all put together.

There is another aspect to our defense. As it stands right now, such a large portion of our discretionary budget goes for defense that we are actually endangering our national security. Our citizens are threatened, the life and health of our country is threatened. Every extra dollar we spend on defense that we do not need to is a dollar less for education, for putting police on the streets, for stopping the drug epidemic, and feeding hungry children.

In fact, the amount of discretionary funding spent on defense totals over 50 percent of the discretionary budget. That means that the portion of the total budget that we actually decide on where it goes overwhelmingly goes for defense. For every dollar that we spend out of this body, over 50 cents goes to defense—not education, not health care, not breakfast feeding for kids in schools, not for flood victims, but for the military.

Here again is a pie chart. Look at it. This is our discretionary dollar that we spend. So 51.5 cents for military; all the rest for everything else. Justice gets 4 cents; housing assistance gets 3 cents; health gets 4.8 cents, transportation 2.7 cents. You wonder why our highways are going to pot and with potholes? You wonder why our railroads are deficient?

Here is energy, less than 1 penny; education, 6 cents; 51.5 cents for the military. Six cents on education. You wonder why our schools are crumbling? You wonder why we are not getting the

best possible teachers? Well, we are only spending that much money in education.

Natural resources and environment, 4 cents.

So I think this really graphically shows where our money goes. Over half for defense; less than half for everything else that goes to make us a strong nation.

Some who argue for increased defense spending point out the defense spending has gone down from 1985. I heard that argument early today. A Senator on the floor said, "Oh, my gosh, the defense budget has been cut by something like 30 percent since 1985." OK. Why do you use 1985? Why do we start with 1985, when 1985 was the peak of military spending, the buildup during the Reagan years? So, yes, you can measure it from 1985.

Why don't we measure it from 1980? Let us take the height of the cold war, 1980, when we faced the Soviet Union. Well, our spending today is just about the same, actually maybe just a little bit more than it was in 1980. Yes, we have come down from 1985. But I submit, Mr. President, those who say that we have cut our defense spending are using an arbitrary point. They are using the point at which we had the highest military spending since the war. I say what we ought to use is a baseline like 1980 or 1970. And if we look at those base years, we get a much different level.

So why are we comparing today's spending levels to 1985? The world today is not the world of 1980 or 1985 or 1990. We should be discussing the defense budget in terms of today's threats, that is, unless we plan to take the United States Army and our defense back in time to 1985 and have them fight the Soviet Union. But we will not do that because there is no Soviet Union.

Why does it matter so much what we spent in 1985 when the Soviet Union was a threat? We should look at today's threats and potential threats, match our spending to meet them, not the threats of 1985.

Aside from all that, the Wellstone amendment seeks, as we know, to shift $400 million out of $268 billion. We are saying, take $400 million, shift it over to veterans health care. As the Senator pointed out, we have $2.6 billion more than what the Pentagon asked for. Will we really harm our readiness if we take $400 million out for veterans health? I submit not. Why are we giving the Defense Department more money when they cannot even keep track of the money they have already spent and they are wasting billions on buying equipment they do not need?

Mr. President, in February of this year, I released a General Accounting Office report requested by myself, Congressman DEFAZIO, Senator DURBIN, and Congresswoman MALONEY. This study revealed that over half of the Department of Defense inventory of procured items is overstock; in other words, waste. Of the $67 billion of goods in DOD warehouses, the GAO estimates that $41 billion is unneeded. What do you mean by unneeded? By unneeded, this means the military would never need or use the items even during wartime. Let me repeat that. Of the $67 billion in goods in DOD warehouses, GAO estimated that $41 billion is unneeded even in wartime.

That is not all. Again, here is the inventory. This is what this chart shows. Total inventory is $67 billion. About $41 billion, or 61 percent, of it is in excess of what is needed for operational requirements or for reserve requirements. The needed inventory is about $25.8 billion. So we have all this waste out there that we do not need, and yet you would think it would end. But, it never seems to end. It just continues going on and on and on.

The GAO identified more than $1.1 billion worth of goods—11,000 different items—for which there is a 100-year supply. Imagine that. Do we expect our Army to fight with something 100 years from now that was built today? Bring back the horse cavalry. Maybe that is what today's Army needs, what we used 100 years ago. So 100 years, with 11,000 different items, totaling $1.1 billion.

But that is not all. The GAO also uncovered millions of dollars in DOD inventory items for which there is more than a 20-year supply. Yet, the Pentagon continues to buy more. The justification by the Pentagon for not canceling many of these orders actually border on the bizarre. Some were not canceled because termination "was not cost-effective" for any purchase less than $10,000.

Other items are automatically ordered without review or regard to need. The computer just keeps ordering them. As a result, we do not just have warehouses of waste, I call them arsenals of bureaucracy. What we have is Sergeant Bilko manning the warehouse, Beetle Bailey running procurement, and Gomer Pyle checking the list twice.

This photo here shows just one item that was uncovered called a direct linear valve used on a hydraulic pump used on aircraft carriers. The Pentagon has more than a 20-year supply on this item. Although only 8 of those in stock were needed, an additional 66 were on order in 1995. Only 8 were needed, but an additional 66 were ordered.

Again, we asked why the Navy did not cancel the order. Well, they said, termination was not "cost-effective for any purchase less than $10,000." So if it costs less than $10,000, it is cheaper for the taxpayers to buy it. Please, someone, make sense of that for me. If it costs less than $10,000, keep buying it, keep stocking it because it costs more to cancel it. Try selling that to your constituents back home.

Here is another one. This is a circuit board, aircraft circuit board. In 1995, 10 were on order. The only problem was that the Navy had 27 of these, but only 2 were needed for operational and wartime reserve.

That is not the last of it. This is a 1972 state-of-the-art electronic item. So we asked, why did they keep ordering them? Well, according to the item manager, the Navy supply system computer automatically ordered the item and no one bothered to review the order. But not to worry. After the 10 new assemblies of these circuit boards—at more than $1,000 each—were delivered in May, they were automatically routed for disposal. What does that mean? They ordered them; they came in; someone stamped them, shoved them out the backdoor to throw away.

So do not tell me that taking $400 million for veterans health care is going to somehow hurt our readiness or hurt our ability to defend this country from any threats that exist today or any potential threats in the foreseeable future.

But what this $400 million will mean is that those veterans who put themselves in harm's way, who were there to sacrifice life and limb for their country, who were in the gulf war or in Haiti or in Bosnia, Vietnam, Korea, World War II, or even peacetime—I do not mean just to focus on our veterans who were in wartime. What is that saying? It is not just those who are in battle, but those who support those in battle, our peacetime army, our peacetime military.

My brother was a SAC pilot in the Strategic Air Command for 5 years carrying nuclear weapons. None were ever dropped, but this was our front line of defense. This is what kept the Soviet bear in check. So these, too, these veterans also have to be responded to in terms of their health care needs.

So I am talking about all veterans, not just those who have been in actual war but those who were willing, if the orders came, to fight and to perhaps die for their country.

I believe we have an absolute obligation to support our troops not only in time of battle but also at home when the battle ends. I believe we have a special obligation to those in our Armed Forces who were disabled in the service of our country. Veterans programs too often suffer inadequate funding and misguided policies.

As Senator WELLSTONE pointed out, our veterans population is aging rapidly, and the hospital system is stretched to its limits. The proposed cuts to the VA budget, which is already inadequate for the medical needs of veterans, is an unacceptable way to try to balance the budget. These cuts will have a drastic and severe effect on the

health of our Nation's veterans, especially those veterans who were disabled in the service of our country.

So what our amendment seeks to do is to alleviate these unfair cuts in the veterans discretionary funding by transferring $400 million from the Department of Defense budget to VA. We can do it. The money is there. If the Department of Defense will just cut down a little bit on their waste and inefficiencies, if we will begin to gear our thinking towards the threats of today and tomorrow instead of what the world was like 10 and 20 years ago, if we do that, there is plenty of money in the defense budget to make sure that we meet our obligation to our veterans.

I do not think this Senate should do anything less than that. This amendment should be adopted overwhelmingly to send a strong signal not only to our veterans but to those who are serving today that when their time of need comes and they need health care through the veterans system, that this country will stand behind them when they are veterans just as it stands behind them when they are serving in active duty.

Mr. President, I yield the floor.

How much time do we have remaining?

The PRESIDING OFFICER. The Senator from Iowa has 5 minutes 27 seconds.

Who yields time?

Mr. THURMOND. Mr. President, I rise today to oppose the amendments offered by Senator WELLSTONE and any other amendment which lowers defense spending below the level set in the budget agreement. We have a budget agreement with the administration that we should not disregard—an agreement that was widely supported by this body and the administration—and frankly, Mr. President, this agreement itself may not provide enough funding for defense.

Mr. President, our military forces are beginning to show the stress of constrained budget and too many deployments. Funding for modernization and quality of life initiatives is continually diverted to fund current operations with promises to fix the modernization problem in the future. This is no longer acceptable. It should not be acceptable to any of the Members of this body.

The Department of Defense is continuing their downsizing. This year's defense budget request represents lowest percent of our GDP in the last 57 years. Force levels have shrunk from 2.1 million service members at the end of the cold war to 1.4 million today. Annual spending in the Department of Defense has decreased in the last 10 years from $375 to $250 billion in inflation adjusted dollars. Even at the level of funding proposed in the budget agreement, the Quadrennial Defense Review is recommending force structure reductions up to 130,000 military personnel as well as reductions in key modernization programs.

Mr. President, I believe that a mismatch is developing between strategy and actual force capability. GAO and CBO have both given estimates to the underfunding of the modernization accounts. The budget agreement does not fully fund defense. It does represent what funds are available. Funding defense at the levels proposed by these amendments will have serious impacts on the readiness and quality of life of our service personnel.

Command Sergeants Major Alley, U.S. Forces Command, has summed it pretty well when he stated.

> Our soldiers do not ask for much. What they do ask for is stability in deployments, adequate housing, quality-of-life programs, and adequate compensation.

Mr. President, if this body allows these amendments or other amendments to lower defense spending below what was agreed to—I repeat, was agreed to—in the budget agreement, we will be responsible for the impacts on the readiness of our forces, we will increase the tempo of our operating forces, and we will not be able to provide the quality of life programs, our service members deserve.

I suggest the absence of a quorum and I ask unanimous consent that the time be equally divided between both sides.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

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

The PRESIDING OFFICER (Mr. KEMPTHORNE). Without objection, it is so ordered.

Mr. THURMOND. Mr. President, I move to table the amendment of the Senator from Minnesota.

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

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

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. THURMOND. 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.

The Senator from Iowa is recognized.

Mr. GRASSLEY. I thank the Chair.

Mr. President, I ask unanimous consent to speak as if in morning business for 5 minutes.

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

(The remarks of Mr. GRASSLEY pertaining to the introduction of S. 1003 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

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

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

AMENDMENT NO. 794, AS MODIFIED

Mr. HATCH. Mr. President, what is the pending business?

The PRESIDING OFFICER. The regular order is the Gramm amendment.

Mr. HATCH. Thank you, Mr. President.

Mr. President, I rise to speak again in opposition to the Levin amendment, and in support of the Gramm second degree amendment. The Levin amendment, if enacted, would cripple Federal Prison Industries, by essentially eliminating the only market for its products. FPI is not permitted to compete for sales in the private market. It may only sell to the Federal Government, and then only if it can meet price, quality, and delivery requirements. I do not believe that Senator LEVIN is suggesting that we change the law and allow FPI to compete for business in the general market place. Yet, if we effectively eliminate the Government market for FPI goods, and FPI cannot sell its products to the public, who will its customers be?

Those advocating elimination of the FPI's Government procurement preference suggest that their goal is only a level playing field, and complain the FPI wages ensure unfair competition. Yet, they do not mention the tremendous costs and inefficiencies inherent in operating a manufacturing operation behind bars. FPI endures security and work force challenges few private plant managers can even imagine.

FPI puts 100 percent of its revenues back into the private sector. Thousands of private sector jobs depend on supplying FPI with materials and services. My colleagues should ask themselves, if FPI is forced to close its factories, what will replace those private sector jobs?

FPI is also an essential prison management and rehabilitation tool. Any corrections officer will tell you, the most dangerous inmate is the idle inmate. Idleness breeds frustration, and provides ample time to plan mischief—a volatile combination. Yet, despite the references to the costs imposed by FPI by my colleagues who support this amendment, I have heard no one suggest how the taxpayers will pay for the new prison programs and the additional prison guards that might be

needed if FPI factories are forced to close.

Either we want Federal inmates to work, or we do not. I believe that we do want inmates to work, and therefor I must oppose this amendment. I say to my colleagues, if you believe in maintaining good order and discipline in prisons, or if you believe in the rehabilitation of inmates when possible, you should be opposed to this amendment.

The Gramm amendment provides a better approach, by requiring a study and report to Congress on FPI and FPI's market needs and impact. As Chairman of the Judiciary Committee, I have a strong interest in this issue. I would note that my colleagues who support the Levin amendment have not approached me about addressing this issue in the committee.

Congress should consider this issue carefully before effectively eliminating a prison program that has served the Nation well for 60 years. This is particularly the case, as my friend from Texas has pointed out, that Congress allows no other market for prison-made goods and services. If we are going to consider eliminating the government sales preference, I believe it appropriate for us to also consider permitting prison goods to be sold on the open market as well.

However, even then they may not be competitive because of the differences of efficiency between those who are about a quarter as much productive as the private sector workers are.

Prison security and prisoner rehabilitation are too important matters to risk hurried action based on emotion. I urge my colleagues to reject the Levin proposal and adopt the Gramm substitute amendment.

Mr. President, this is an important issue. I hope our colleagues will pay attention to it. I would hate to see what would happen to our prisons if we didn't have this privilege of helping these people to do meaningful work and have the opportunity of selling their goods and services that will be from a quality and price standpoint and delivery standpoint competitive with the private sector.

Mr. President, I reserve the remainder of our time.

I understand the distinguished Senator from Texas will be here later. I would like him to have the remaining part of the time.

The PRESIDING OFFICER. Who yields time?

Mr. LEVIN addressed the Chair.

The PRESIDING OFFICER. The Senator from Michigan.

Mr. LEVIN. Mr. President, I yield myself 5 minutes in support of my amendment which is cosponsored by Senators ABRAHAM, ROBB, HELMS, KEMPTHORNE, DASCHLE, and BURNS.

The issue really is the opportunity to sell goods and services. That is, indeed, the issue. The question is whether or not the private sector ought to have the opportunity to sell its goods and services when its price is better than the price of Federal Prison Industries. That is the issue.

The national performance review had as one of its reforms in procurement that we should require Federal Prison Industries to compete commercially for Federal agency business. That is what we are talking about—whether they ought to have a monopoly so that even though their goods are higher in price, Federal Prison Industries is able to say that an agency must buy their product. That wasn't the intent of the Federal Prison Industries law. The intent was that they are supposed to be competitive. They have all kinds of advantages.

The labor prices in prisons, needless to say, range from something like 23 cents an hour to $1.15 an hour. They don't pay income tax, no medical benefits, no retirement, and no benefits, obviously. So they have tremendous economic advantage to begin with. Nonetheless, with all of those advantages, what we have said is, if they can produce something more cheaply than the private sector, that the Federal agencies ought to be able to buy that product, and they should. What this amendment simply says is that if the private sector, despite all of the advantages that Federal Prison Industries has in terms of cheap labor—no income tax, no medical costs, and so forth charged to the product —if, despite all of that, a business can produce a product more cheaply that it ought to be able to sell that product to its Government.

So the issue is exactly the opportunity to sell goods. But it is the opportunity for business people in the private sector to sell goods to their Government. The frustration level is very high here. We get letters from people—veterans who write us, who say, "Is it justice that Federal Prison Industries would step in and take business away from a disabled Vietnam vet twice wounded fighting for the country effectively destroying and bankrupting that hero's business which the Veterans' Administration suggested he enter?"

This is a man who can't bid. He is not allowed to bid on a product his own Government is buying.

Here is a letter that comes in from Colorado from Access Products of Colorado. The award in this case went to Federal Prison Industries, although the charge to the Air Force was $45 for this particular unit. This private sector guy was offering it at $22 per unit. So the taxpayers are paying twice as much, and he is not allowed to sell a product that he makes on the outside to his Air Force.

The private sector is very deeply involved in my amendment, and very strongly supportive of it. The NFIB strongly supports it. The chamber of commerce strongly supports the Levin-Abraham amendment. The National Association of Manufacturers strongly support this amendment. The reason they support it is because of the principle that it embodies—the principle of competition. That principle is that people who are in business struggling to make a living wanting to sell to their Government ought to at least be allowed to bid competitively against Federal Prison Industries which has tremendous advantage and does frequently underbid the private sector because of those advantages in terms of labor costs and all the other advantages they have.

That frequently happens, that their prices are much lower than the private sector because of all those advantages. But when the private sector is able to produce a product, be it clothing or furniture, or whatever, more cheaply than Federal Prison Industries, it ought to be allowed to sell to its Government. And that is why this issue is so important to the private sector.

My time is up. I yield the floor and reserve the remainder of my time.

The PRESIDING OFFICER. Who yields time?

Mr. LEVIN. Mr. President, while I am on my feet, let me just yield myself 3 additional minutes.

The PRESIDING OFFICER. The Senator is recognized.

Mr. LEVIN. I wish to introduce a letter from a coalition called the Competition in Contracting Act Coalition. I want to read this letter because it is short and it states our case, I think, very well.

The coalition is made up of 28 organizations, 204 businesses that support the Levin-Abraham amendment relative to the mandatory source status of Prison Industries. And this is what the letter goes on to say:

> Your legislation would allow businesses to compete with the FPI for Federal contracts. Today they are prohibited from doing so. If a product is made in a Federal prison and Federal agencies are forced to buy that product, the only way around the requirement is for an agency to seek a waiver from FPI . . . Your bill would implement a recommendation of the National Performance Review which stated that our Government should "take away the Federal Prison Industries status as a mandatory source of Federal supply and require it to compete commercially for Federal agencies' business."
>
> This solution would help manufacturers by eliminating the barrier to competition and allowing the bid process to take place. It would help Government agencies by allowing them to compare price and quality from a broad array of sources.

I ask unanimous consent, Mr. President, if this letter is not already made part of the RECORD, it be made part of the RECORD, including the list of 204 businesses that are part of this coalition that come, I think, from just about every one of our States.

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

THE COMPETITION IN CONTRACTING ACT COALITION,
Washington, DC, June 19, 1997.

Hon. CARL LEVIN,
U.S. Senate, Senate Russell Office Building, Washington, DC.

DEAR SENATOR LEVIN: Our national coalition of 28 organizations and 204 businesses is known as the Competition in Contracting Act Coalition. We are in full support of your effort to reform Federal Prison Industries, Inc. (FPI) by ending its mandatory source status.

Your legislation, S. 339, would allow businesses to compete with FPI for federal contracts. Today, they are prohibited from doing so. If a product is made in a federal prison, then federal agencies are forced to buy that product. The only way around the requirement is for an agency to seek a waiver from FPI, also known as UNICOR.

S. 339 would implement a recommendation of the National Performance Review which stated that our government should "Take away the Federal Prison Industries' status as a mandatory source of federal supplies and require it to compete commercially for federal agencies' business." This solution would help manufacturers by eliminating the barrier to competition and allowing the bid process to take place. It would help government agencies by allowing them to compare price and quality from a broad array of sources.

The damage being done to our private sector economy by federal prison factories is getting worse every year. Attached is a copy of our coalition membership list, all of whom support your effort to save private sector jobs and bring fairness to companies trying to work with the federal government.

Sincerely,

BRAD MILLER,
Manager of Government Affairs, BIFMA International and Contact Person, Competition in Contracting Act Coalition.

MEMBERS AS OF JUNE 19, 1997

Abbey Business Interiors, Fresno, California.
Abear Construction Ltdc Co., Albuquerque, New Mexico.
ABCO Office Furniture, Florence, Alabama.
Access Products, Colorado Springs, Colorado.
Adden Furniture, Inc., Alexandria, Virginia.
ADM International, Inc., Chicago, Illinois.
AGI, High Point, North Carolina.
Alexander Patterson Group, Inc., Dayton, Ohio.
All Makes Office Equipment Company, Omaha, Nebraska.
American Apparel Manufacturer's Association, Arlington, Virginia.
American Furniture Manufacturer's Association, High Point, North Carolina.
American Seating company, Grand Rapids, Michigan.
American Society of Interior Designers, Washington, D.C.
American Traffic Safety Services Association, Fredericksburg, Virginia.
American Space Planners, Inc., Baltimore, Maryland.
ANADAC, Arlington, Virginia.
Apex Office Supply & Deskin, Inc., Oak Ridge, Tennessee.
Architectural Woodwork Institute, Reston, Virginia.
Arkwright Mills, Spartanburg, South Carolina.
ASC Office Furniture, Alexandria, Virginia.
Aspects, Inc., Redlands, California.
Automation Products, Inc., Newport News, Virginia.
Batty & Hoyt, Inc., Rochester, New York.
Bayer Corporation, Pittsburgh, Pennsylvania.
Bernhardt Contract, Lenoir, North Carolina.
Bevis Furniture, Florence, Alabama.
BIFMA International, Grand Rapids, Michigan.
BKM Total Office, San Diego, California.
BKM Total Office of Texas, Dallas, Texas.
Blount Associates, Laguna Beach, California.
Boring Business Equipment, Lakeland, Florida.
BPI, Inc., Kent, Washington.
Brenner Tours, Hopkins, Michigan.
Brent Industries, Inc., Brent, Alabama.
Bristol Industries, Inc., Mentone, California.
The Buckstaff Company, Oshkosh, Wisconsin.
Business Accessories/Colecraft, Lancaster, New York.
Business Coalition for Fair Competition, Annandale, Virginia.
Business Environments, Albuquerque, New Mexico.
Business Interiors, Inc., Denver, Colorado.
Business Products Industry Association, Alexandria, Virginia.
Business Resource Group, San Antonio, Texas.
Business & Associations for a Strong Economy, Lansing, Michigan.
California Business Interiors, Sante Fe Springs, California.
Carolina Business Furniture, Archdale, North Carolina.
Capitol Furniture Distributing Company, Fort Lauderdale, Florida.
Jack Cartwright, Inc., High Point, North Carolina.
CDM Contract Furnishings, Inc., Austin Texas.
Cedar Crest Banquet Centre, Marshall, Michigan.
Centercore Group, Plainfield, New Jersey.
Coalition for Government Procurement, Washington, D.C.
CONCO, Inc., Louisville, Kentucky.
Contract Interiors, Columbia, South Carolina.
Comfortage Industries, Gurnee, Illinois.
Computing Technology Industry Association, Lombard, Illinois.
Contemporary Galleries of WV, Charleston, West Virginia.
Contract Marketing Group, Inc., Chicago, Illinois.
Country Manor Real Estate & Rentals, Onondacia, Michigan.
Creative Apparel, Associates, Belmont, Maine.
Creative Office Pavilion, Boston, Massachusetts.
Creative Office Seating, Philadelphia, Pennsylvania.
CYSI, Washington, D.C.
Danco Resource Group, Grand Rapids, Michigan.
Dehler Mfg. Co. Inc., Chicago, Illinois.
Delta Graphic, Inc., Chester, Virginia.
Direct Contract Associates, Inc., Springfield, Virginia.
EAC Integrated Furniture Solutions, St. Louis, Missouri.
Economy Office Furniture, Fresno, California.
Eckadams, Ewing, New Jersey.
Executive Office Concepts, Compton, California.
FHB Byde Company, East Lansing, Michigan.
Facilities Plus, Inc., Cincinnati, Ohio.
Fixtures Furniture, Kansas City, Missouri
Flex-Y-Plan Industries, Inc., Fairview, Pennsylvania.
Foldcraft Co., Kenyon, Minnesota.
Furniture Group Industries, Inc., Fridley, Minnesota.
Furniture Source, Hendersonville, Tennessee.
Future Media Products, Inc., Orlando, Florida.
G & T Industries, Inc., Grand Rapids, Michigan.
G/M Business Interiors, San Bernardino, California.
Garrett Container Systems, Inc., Accident, Maryland.
Gasser Chair Co., Inc., Youngstown, Ohio.
General Engineering Service, Inc., Forest Park, Georgia.
GF Office Furniture, Ltd., Canfield, Ohio.
Girsberger Office Seating, Smithfield, North Carolina.
Global Industries, Inc., Marlton, New Jersey.
Glotzbach & Co., Manassas, Virginia.
The Glove Corporation, Alexandria, Indiana.
Goodmans, Inc., Phoenix, Arizona.
Grand Rapids Area Chamber of Commerce, Grand Rapids, Michigan.
Grand Rapids Area Furniture Manufacturers Association, Grand Rapids, Michigan.
Gregson Furniture, Liberty, North Carolina.
The Gunlocke Company, Wayland, New York.
Hard Copy Recycling, Longmont, Colorado.
Harter, Chicago, Illinois.
Haworth, Inc., Holland, Michigan.
Herman Miller, Inc., Zeeland, Michigan.
Holga, Inc., Van Nuys, California.
Hon Industries, Inc., Muscatine, Iowa.
Horace Small Apparel Company, Nashville, Tennessee.
Horn & Associates, Chicago, Illinois.
Howe Furniture Corporation, Trumbull, Connecticut.
Indiana Furniture Industries, Jasper, Indiana.
Industrial Fabrics Association International, Washington, D.C.
Industrial Safety Equipment Association, Arlington, Virginia.
Innospace, Inc., Arlington, Virginia.
Integra, Inc., Walworth, Wisconsin.
Interior Design Services, Inc., St. Petersburg, Florida.
Interior Dynamics, Troy, Michigan.
Interior Elements, Inc., Columbia, Maryland.
Interior Marketing Group, Belair, Maryland.
Interior Showplace, Honolulu, Hawaii.
International Hand Protection Association, Bethesda, Maryland.
International Interior Design Association, Chicago, Illinois.
Interstate Companies of Louisiana, Baton Rouge, Louisiana.
Inwood Office Furniture, Jasper, Indiana.
Ivan Allen Company, Huntsville, Alabama.
JG/ALMA, High Point, North Carolina.
Jopco, Inc., Jasper, Indiana.
Jones Vision Center, East Lansing, Michigan.
Keystate, Inc., Johnstown, Pennsylvania.
Kd Office Works, Hudson, New York.
Kimball International, Inc., Jasper, Indiana.

Kitchen Cabinet Manufacturers Association, Reston, Virginia.
Knoll, Inc., Pittsburgh, Pennsylvania.
Lancaster Office Equipment & Supplies, Lancaster, Pennsylvania.
Laser Junction, Inc., Grand Junction, Colorado.
Laser Point, Denver, Colorado.
Laser Re-Nu, Inc., Phoenix, Arizona.
Lazertronix, Inc., Englewood, Colorado.
La-Z-Boy, Inc., Monroe, Michigan.
Leather-Link, Inc., High Point, North Carolina.
Leathercraft, Inc., Conover, North Carolina.
Liberia Mfg. Corp., Abbotsford, Wisconsin.
Loth MBI, Cincinnati, Ohio.
Management Association for Private Photogrammetric Surveyors, Reston, Virginia.
Marvin J. Perry & Associates, Kensington, Maryland.
Mid-Michigan Stamps and Signs, Lansing, Michigan.
Machabee Office Environments, Las Vegas, Nevada.
Magna Design, Inc., Lynnwood, Washington.
Marco Co., Temecula, California.
Mark V Office Furniture Co., Philadelphia, Pennsylvania.
The Marvel Group, Chicago, Illinois.
Maryland Business Interiors, Beltsville, Maryland.
McAllister Office Pavilion, Calabasas Park, California.
McCormack Design, McLean, Virginia.
McLain Group, Lanham, Maryland.
McNichol Associates, Stevensville, Maryland.
Midwest Office Environments, Inc., Topeka, Kansas.
Meier and Associates, Murrieta, California.
Meyer and Lundahl Manufacturing, Pine, Arizona.
MVR (Military Veterans-Retired), Savannah, Georgia.
NATCO, Inc., Lanham, Maryland.
National Association of Manufacturers, Washington, D.C.
National Association of Uniform Manufacturers and Distributors, New York, New York.
Nello Wall Systems, Jessup, Maryland.
New Life Toner, Inc., San Antonio, Texas.
North West Woolen Mills, Woonsocket, Rhode Island.
Novikoff, Inc., Fort Worth, Texas.
Nucraft Furniture Co., Comstock Park, Michigan.
Office Concepts, Oklahoma City, Oklahoma.
Office Interiors America, Omaha, Nebraska.
Office Interiors Plus, Lancaster, California.
Office Pavilion, Washington, D.C.
Office Pavilion/Contract Furnishers of Hawaii, Honolulu, Hawaii.
Office Plus of Lake County, Waukegan, Illinois.
Omni International Inc, Vernon, Alabama.
Omnifics Inc, Alexandria, Virginia.
O'Brien Partition Co Inc, Kansas City, Missouri.
O'Sullivan Industries, Lamar, Missouri.
Panel Concepts Inc, Santa Ana, California.
Parker & Anderson, Manassas, Virginia.
The Pender Company, Abilene, Texas.
Performance Textiles Inc, Greensboro, North Carolina.
Power Plus Inc, Ormond Beach, Florida.
Progressive Technologies of America Inc, Chantilly, Virginia.
Propper International Inc, St. Louis, Missouri.
Quarters Furniture Manufacturer's Association, Columbia, Maryland.
R&R Uniforms, Nashville, Tennessee.
Rainbow Ink Jet LLC, Louisville, Colorado.
RCS Millwork Inc, Ankeny, Iowa.
Recycled Computer Cartridges, Loveland, Colorado.
Reesmar Sales & Millwork Corp, Hialeah, Florida.
Rosemount Office Systems, Lakeville, Minnesota.
Ryba's International, Hunt Valley, Maryland.
Salina Planing Mill Inc, Salina, Kansas.
Scott Rice of Kansas City Inc, Kansas City, Missouri.
Servicemax, Westminster, Colorado.
Sevea Staves, Clifton, Virginia.
Shelton Keller Group, Austin, Texas.
Small Business Association of Michigan, Lansing, Michigan.
Small Business Legislative Council, Washington, D.C.
Source International, Shrewsbury, Massachusetts.
Southwest Contract Sales, Eddy, Texas.
Star Fitness Center, Marshall, Michigan.
Steelcase Inc, Grand Rapids, Michigan.
Superior Recharge Systems Inc, Dallas, Texas.
Sweeper Metal Fabricators Corporation, Drumright, Oklahoma.
Syspro, Colorado Springs, Colorado.
3P5 Inc, Littleton, Colorado.
Tab Products Co, Palo Alto, California.
Technique Mfg. Inc, Hutchinson, Kansas.
Texas Association of Cartridge Remanufacturers (TACR), San Antonio, Texas.
TMI Systems Design Corp, Dickinson, North Dakota.
TR Manufacturing Inc, Lancaster, New York.
The Townsend Group, Lafayette, California.
Thomasville Office Furniture, Thomasville, Georgia.
Thosani Inc, West Berlin, New Jersey.
Transwall Corporation, West Chester, Pennsylvania.
Trendway Corporation, Holland, Michigan.
Trussbilt Inc, New Brighton, Minnesota.
Tulsa Office Furnishings, Tulsa, Oklahoma.
Tuohy Furniture Corporation, Chatfield, Minnesota.
UDI Corp, Springfield, Massachusetts.
U.S. Armor Corp, Santa Fe Springs, California.
U.S. Chamber of Commerce, Washington, D.C.
U.S. Hispanic Chamber of Commerce, Washington, D.C.
Valley Forge Flag Company Inc, Womelsdorf, Pennsylvania.
Vecta, Grand Prairie, Texas.
Versteel, Jasper, Indiana.
Vogel Peterson, Garden Grove, California.
Walsh Bros. Office Equipment, Phoenix, Arizona.
Washington Textile Environmental Council Gig Harbor, Washington.
Waters Corporation, Melbourne, Florida.
We Wood Co, New Providence, New Jersey.
Western Government Supply, San Francisco, California.
Westin-Nielsen Corporation, St. Paul, Minnesota.
Wiley Office Equipment Company, Springfield, Illinois.
William H. Prentice Inc, Buffalo, New York.
Word Data Furniture Systems Inc, Gaithersburg, Maryland.
Wyandot Seating, Bucyrus, Ohio.
Yorktowne Team Sports, Cockeysville, Maryland.

Mr. LEVIN. Finally, Mr. President, I want to just make reference to two examples, two Federal agencies that believe the current system is totally inefficient and wasteful.

First, the Veterans Administration has sought the repeal of the mandatory preference on several occasions because Federal Prison Industries pricing for textiles, furniture and other products is routinely higher. The VA officials estimate that the repeal of the preference will save $18 million over a 4-year period for their agency alone, making that money available for veterans services.

Mr. President, the estimate that we have received based on testimony from the deputy director of Defense Logistics in a 1996 letter to the House of Representatives is that Federal Prison Industries has a 42-percent delinquency rate. This is the deputy commander of the Defense Logistics Agency. He says that FPI has a 42-percent delinquency rate compared to a 6-percent delinquency rate for commercial industry—7 times the delinquency rate. And for that record of poor performance, Federal Prison Industries prices were an average of 13 percent higher than commercial prices.

I yield 1 additional minute to complete my statement here, Mr. President.

Some years earlier, the DOD inspector general had made a similar assessment and reached a conclusion that FPI contracts were more expensive than contracts for comparable commercial products by an average of 15 percent.

So here you have the Defense Logistics Agency in 1996 saying that the prices were 13 percent higher than commercial prices. The DOD inspector general a few years earlier in a study said comparable commercial prices are 15 percent cheaper than Federal Prison Industries.

We are not suggesting in any way that Federal Prison Industries not be allowed to compete. Quite the opposite. It is fine that they compete, and it is fine that people are working. But it is also fine that people work on the outside and they should not lose their jobs on the outside when they can produce something more cheaply with all the advantages that people have on the inside in terms of cheap labor. If people working on the outside can produce a product more cheaply, for heaven's sake, it seems to me fundamental fairness is that the person not in prison be allowed to sell to his own Government a product that he can produce more cheaply than can be produced inside of that prison.

I yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. GRAMM addressed the Chair.

The PRESIDING OFFICER. The Senator from Texas.

Mr. GRAMM. Mr. President, I yield myself 10 minutes.

The PRESIDING OFFICER. The Senator is recognized.

Mr. GRAMM. Mr. President, we have heard an interesting debate here about competition when there is no competition. I would like to remind my colleagues that prior to the Great Depression, we had the model prison labor system in America. Prior to the Great Depression, prisoners in America worked 10 hours a day 7 days a week. They paid for substantial parts of their incarceration by working. They produced goods and services that were sold, and people from all over the world came to look at our prison system to try to model theirs after it.

In the Great Depression, special interest groups took control of this issue and in three bills, the Hawes-Cooper Act of 1929, the Sumners-Ashurst Act of 1935, and the Walsh-Healey Act of 1936, we, No. 1, removed the interstate commerce protections for prison-made goods; No. 2, made illegal the interstate transportation of goods produced by prison labor; and, finally, we prohibited the use of inmate labor. In other words, in the Great Depression we criminalized prison labor in America. As a result, we have the absurd situation that today we have 1,100,000 prisoners, State and Federal, most of whom are young men, physically vigorous, on whom we are spending $22,000 a year to keep, those who are in the Federal penitentiary, in the Federal penitentiary, and yet it is illegal for us to require them to work when the average taxpayer pays $200 a year for the cost of keeping them in prison.

All these people who are talking about competition are the very people who oppose letting us have a system where prison labor works to produce something of value that can be sold to pay for their cost of incarceration. In fact, so much have we limited prison labor in America that the only thing Federal prisoners are allowed to do is to produce goods to sell to the Government, and, as a result, hundreds of thousands of them sit idle watching color television in air-conditioning while the back of working men and women in America is broken in paying for them to be in prison.

We have an amendment that comes along now and says the only work requirement we have is producing things for the Government and let us end it. All of this business about competition would be believable if there were a proposal here to let prison labor compete in the marketplace, but that has already been eliminated. This is a final effort to end prison labor in America.

Let me touch on a few of these issues. First of all, there is a big dispute about the facts here, a big dispute about the facts, which is why I have offered a second-degree amendment. If we listen to Senator LEVIN, we get the idea that everybody is unhappy with the products produced by prison labor, that they are noncompetitive in price, and that everybody would like to have an alternative.

The facts are that during fiscal year 1996, Federal Prison Industries received more than $446 million in waiver requests. These are Government agencies that say we do not want to use prisonmade goods. We want to go into the private sector. Of those requests, 92 percent or $410 million were granted, and those contracts went into the private sector. And the average amount of time that it took to get those requests approved was 4 days.

So something is wrong here. Either these figures from the Bureau of Prisons are wrong or Senator LEVIN is wrong. The problem is I have great confidence in both, and what I have done is offer an amendment to get the facts, to do a study that would involve the Bureau of Prisons and their work program and the Defense Department so that we can know exactly what the facts are.

Here is how the system works. The current system works in that the Government uses prison labor where the Government agrees on the price and where Government is given the ability to not use prison labor by applying for a waiver, and in 92 percent of the cases that waiver was granted.

What do we do with the money that comes from prison labor?

One of the things we do is we pay for victim restitution. By making prisoners work, we earn money that goes to victim restitution.

I ask unanimous consent that a letter opposing the Levin amendment from the National Victims Center be printed in the RECORD.

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

NATIONAL VICTIM CENTER
Arlington, VA, July 10, 1997.

Senator PHIL GRAMM,
Russell Senate Office Building,
Washington, DC.

DEAR SENATOR GRAMM: On behalf of the National Victim Center and the 40 million Americans victimized by crime each year, I write to express our strong opposition to Senator Carl Levin's amendment (S. Amdt. No. 778) to be offered to S. 936, the defense authorization bill, concerning purchases from federal prison industries.

This amendment raises a panoply of concerns at both the federal and state levels, and will literally take away desperately needed funds for victims of crime who are trying to piece their lives back together in the aftermath of violence.

At the state level, many states require a percentage of money deposited into inmate accounts—including inmate earnings from prison industries—to be collected to support statewide funds for crime victim assistance programs as well as to satisfy court-ordered restitution for victims. For example, in California, during fiscal 1995–1996, the state Prison Industry Authority (PIA) deducted 20% of the inmate wages and transfers (or the balance of victim restitution orders or court-ordered fines, whichever was less) to pay for crime victim assistance programs and restitution orders. The total PIA payroll for inmates during that year was $6.4 million 20% of which was authorized to be swept up by the State of California to assist crime victims. To take away those desperately needed victim assistance funds is a slap in the face of the already wounded.

At the federal level, we are deeply concerned that the Levin amendment would thwart the Federal Bureau of Prisons' (BOP) efforts to collect an estimated $4–5 million from prison industries each year, funds that are directly deposited to the Crime Victims Fund, money that funds thousands of victim services programs across the country, as well as used to satisfy victim restitution orders.

We also have strong concerns that removing the federal prison industries (sole-source) procurement requirement will lead to increased prison idleness, affecting security issues in prison and for all us. The Levin amendment, by introducing competitive bidding into the procurement process, will not increase prison work, but it will reduce prison work. The amendment poses too great a risk that prison industries will be unable to compete effectively. If the prison industries cannot compete, corrections systems will have less money coming into the prisons to fund expansion or additional prison programs including prison industries, leading to prison idleness and increased security risks.

Our concerns are shared by Aileen Adams, Director of Office for Victims of Crime; Larry Meachum, Director of the Corrections Office, Office of Justice Programs, Department of Justice; and Dr. Kathleen Hawk, Director, Federal Bureau of Prisons.

We strongly urge you to stand up for victims of crime and oppose the Levin Senate Amendment No. 778 to the defense authorization bill.

Sincerely yours,

DAVID BEATTY,
Director of Public Policy.

Mr. GRAMM. Let me read two paragraphs from this letter.

On behalf of the National Victims Center and the 40 million Americans victimized by crime each year, I write to express our strong opposition to Senator CARL LEVIN's amendment . . .

This amendment . . . will literally take away desperately needed funds for victims of crime who are trying to piece their lives back together in the aftermath of violence.

In other words, the money earned by having prisoners work we are using in part to compensate victims. And the National Victims Center is opposed to the Levin amendment because they are concerned about the loss of restitution.

Let me also remind my colleagues that working prisoners is critically important, and let me read you a couple of sentences from a letter we received from the Assistant Attorney General.

Federal Prison Industries is the Bureau of Prisons' most important, efficient and cost-effective tool for managing inmates. It keeps inmates productively occupied and reduces inmate idleness and the violence and disruptive behavior associated with it. Thus, it is essential to the security of Federal prisons and the communities in which they are located and is essential to the safety of the Bureau of Prisons' staff and inmates.

They go on to say that the findings are overwhelming that where we make prisoners work and where they acquire skills in working, the probability that they will get out of prison and go back and commit other crimes falls dramatically.

I went through these numbers earlier today, but let me do it again. In the State of South Carolina, ably represented by the chairman of the Armed Services Committee, those prisoners who participate in work in prison industries have a probability of recommitting crimes that put them back in prison of 2 percent. Those who do not work in prison industries have a probability of ending up back in prison of 35 percent. Those numbers in Florida are an 11 percent recidivism rate, that is, probability of ending up back in prison again after they get out, for those who work in prison industries; 27 percent for those who do not. In Wisconsin, it is 11 percent versus 22 percent; in Kentucky, it is 36 versus 65 percent.

So, basically, this is not an issue of procurement efficiency. This is an issue of whether or not we are going to end the last vestige of prison labor in America. We ought to be debating opening up to allow prison labor to produce component parts, to manufacture items that we are currently importing, to produce things without glutting local markets and driving down prices.

We ought to have a goal of putting prisoners to work 10 hours a day, 6 days a week, with a goal of having them fund at least half of their cost of incarceration. That is what we ought to be debating. In fact, 2 years ago, we did debate it when I, as chairman of the subcommittee with jurisdiction over the appropriations for prisons, tried to make that change. And yet the same special interest groups, labor unions, and manufacturers, who today want to kill the last vestige of prison labor, said, "no," let the average taxpayer spend $200 a year keeping people in prison but don't let the inmates work and produce anything of value and sell it.

I think this is a ridiculous position to be in. I think it hurts our criminal justice system. I think it increases recidivism, where people get out of prison and they don't have the discipline of having worked, they don't have any skills, and they go out and recommit crimes.

So, what the Levin amendment would do is say let's stop prison labor so there is then nothing left of a system that once had virtually every person in prison working. I think this is a bad amendment. I have offered a second-degree amendment to get the facts, and I reserve the remainder of my time.

The PRESIDING OFFICER (Mr. COATS). Who yields time? The Senator from Michigan has 5 minutes 8 seconds.

Mr. LEVIN. I yield the 5 minutes 8 seconds to my dear colleague.

Mr. ABRAHAM. May I ask how much time is left on the other side?

The PRESIDING OFFICER. The Senator from Texas has exactly 1 minute remaining.

The Senator from Michigan.

Mr. ABRAHAM. Mr. President, I want to be very explicit about both my position on the issue of prisoners working as well as what the intent of this amendment is that I am a cosponsor of. First of all, I believe prisoners should work. I am not for a no-work policy. I support many of the ideas that are embraced by the Senator from Texas in his previous efforts to expand the type of work that prisoners do.

Second, this amendment is not a prisoners-don't-work amendment. The only conditions where prisoners stop working would be if the Federal Prison Industries are operating at an uncompetitively high level of price for the products that they produce. If that is true, then what it means is that the taxpayers are subsidizing the work of the Federal Prison Industries by allowing that operation to basically function at an above-market cost.

If that is true, then the Senator from Texas should be on our side with respect to this amendment because it would mean that not only are the taxpayers paying for the costs of running prisons and the incarceration, it would mean they are also paying extra for these products that are manufactured in the prisons. They are paying both through the front door and through the back door. If our goal here is to not have the taxpayers continue to subsidize at such a significant level the efforts and activities of those in prison, it would seem to me the direction we are seeking to move makes a lot of sense because it will drive down the cost to the taxpayers of the goods and services produced by the Federal Prison Industries or by others who would compete with them. In fact, if we are going to go ahead and subsidize the work done in the prisons, at least we ought to take a step of subsidizing work that doesn't compete with that performed already by people in the private sector in this country.

All we are asking for with this amendment is a level playing field to allow manufacturers to compete with the Federal Prison Industries for Government contracts. I think it would be incongruous for us to go in a direction in which we would continue to subsidize, through taxpayer moneys, products that are overpriced. It just does not make sense. We talk here all the time about trying to save money. This is one way that we would, I think, generate the kind of lower cost of Government that we all profess to support.

My point is very simple. I am not opposed to the broad concepts that the Senator from Texas has outlined. I am very comfortable with them. I think prisoners should work. I think we should find ways to make the industries in the prisons focus on areas that do not compete with the private sector in our States. But what really is very hard for me to explain to my constituents is why they should send their tax dollars to Washington to then be spent in support of the Federal Prison Industries to buy the goods and the services of the prison industries, to then put them out of jobs. That seems to me to be the least sensible course for us to take.

So I strongly support this amendment. I have no trouble with the notion of getting more facts, but I think that really is just an effort to delay this.

I think we may have another speaker here, so I am going to yield the floor. I appreciate the efforts of those who are pressing for the Levin amendment.

The PRESIDING OFFICER. Who yields time?

Mr. LEVIN. Mr. President, Senator KEMPTHORNE has the remainder of our time. How much is that?

The PRESIDING OFFICER. The Senator from Idaho will have 1 minute 20 seconds.

Mr. KEMPTHORNE. Mr. President, I listened to the very good remarks of the Senator from Texas and I agree wholeheartedly with the Senator from Texas when he says we ought to open up Prison Industries to further opportunities. I will join the Senator from Texas in seeking every opportunity to do that, because prisoners should be working.

These prisoners that he referenced should not be sitting in the air-conditioned cells watching color TV all day with three square meals and everything else given to them while they are giving nothing back as far as contributing to society. So we should have these opportunities.

But the key word that is left out is competition. They ought to do it competitively. There is no reason in the world why we should have these jobs being done in the prisons and the product produced that then has to be subsidized. I think we have the intelligence within our prison management that we can have them produce that product but it can still be competitive in the marketplace. I know that is something the Senator from Texas understands, is good competition.

So I support the amendment offered by Senators LEVIN and ABRAHAM, and will support them, but will also look for those opportunities with the Senator from Texas to find ways of expanding Prison Industries so we can have more jobs among prisoners.

I yield the floor.

The PRESIDING OFFICER. All time under the control of the Senator from Michigan has expired. The Senator from Texas has 1 minute remaining.

Mr. GRAMM. Mr. President, let me first say I appreciate our colleague from Idaho. I don't doubt what he says is true. But as a person who has now fought for 13 years to change laws that prohibit prison labor, let me assure you that special interest groups in America are not about to let that happen. What we are about to do here in the name of good government is to end what little prison labor we have left.

It is true that it is inefficient to work prisoners. It is also true that we pay them virtually nothing. But with the money they get by working, they are able to pay restitution to victims, we are able to recoup some of our costs, and the bottom line is, whether we like it or we don't like it, we have 1,100,000 people in prison who basically have nothing to do because we have made it illegal for them to work. What this amendment is going to do is destroy the last Federal system where we are able to work prisoners in America. We hear all these horror stories, but the plain truth is the law requires that prisons do this competitively. We have a system where you can ask for waivers if you don't want to buy from prisons, and 92 percent of those waivers are granted.

What we are seeing here is not any protest from the Defense Department. We are seeing those who want to end this system so that they can expand their businesses. Those are good and noble objectives, but we want to work prisoners and we want to have restitution to people who are victims of crime. So I urge my colleagues to vote down this amendment.

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

Under the previous unanimous consent agreement, the amendment will be temporarily set aside. The Senator from California, Senator BOXER, will be recognized to offer an amendment regarding the effect of executive compensation. The time is 1 hour 20 minutes equally divided in the usual form.

Mr. LEVIN. I wonder if the Senator from California will yield for a unanimous-consent request?

Mrs. BOXER. Yes.

PRIVILEGE OF THE FLOOR

Mr. LEVIN. Mr. President, I ask unanimous consent that Michael Franken, a legislative fellow in Senator KENNEDY's office, be granted the privilege of the floor during the remainder of the consideration of the defense authorization bill.

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

The Senator from California.

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

Mr. KEMPTHORNE. Mr. President, if the Senator will withhold, I then ask unanimous consent that I be allowed to speak for up to 4 minutes.

Mrs. BOXER. I have no objection.

The PRESIDING OFFICER. The Senator from Idaho is recognized.

AMENDMENT NO. 644

Mr. KEMPTHORNE. Mr. President, I would just like to draw attention to something I think is very significant that happened last night among this body. That is, by a voice vote this Senate of the United States has continued to correct something in history that should have been corrected long ago.

As you know, in January of this year, seven Americans were recognized for their heroic efforts in World War II, but it had been 50 years before the Government acknowledged those heroic deeds and 50 years for those individuals to have to wait until they were given the Congressional Medal of Honor.

Senator CRAIG and I attended the White House ceremony in January of this year, where the names of those seven were announced. I say the names because they were not all there. In fact, the only living individual that was there was Vernon Baker, of St. Maries, ID, who was a lieutenant at the time in World War II.

The effort that we undertook yesterday, which was significant and which is cosponsored by Senators CRAIG, TORRICELLI, THOMAS, and ENZI, provides Lt. Vernon Baker and the surviving spouse and/or children of S. Sgt. Edward A. Carter, Jr. and Maj. Charles L. Thomas with the financial benefits normally given to recipients of the Congressional Medal of Honor. The other Medal of Honor recipients, S. Sgt. Ruben Rivers, 1st Lt. John R. Fox, Pfc. Willy F. James, Jr., and Pvt. George Watson were all killed in action performing acts of heroism and had no surviving family members.

All seven of these Americans, these seven who for 50 years the Government did not acknowledge their heroic acts by bestowing upon them the Congressional Medal of Honor, were African-Americans. No African-American had received the Congressional Medal of Honor in World War II. That has now been rectified; rightfully so.

At the ceremony, as they called the names of those individuals that had been killed in action, I remember what effect it had upon me that there was no living relative there to receive the award in their behalf. Then I realized, for those who were killed in action, many were so young, teenagers—each performing that act where he sacrificed his life—they didn't have time to be married and they certainly didn't have time, therefore, to have a family, raise a family. They sacrificed not only their own lives for their Nation, but they sacrificed the potential of a family for this Nation.

Mr. Vernon Baker is just a tremendous individual. To meet him is an honor. He is one of the most genuine people you will ever meet. His actions on the mountains of Italy taking strategic positions, repeatedly risking his life to save the lives of others, is really the essence of what this is all about. So, the amendment that we passed last night again simply states that those individuals will receive the stipend that goes to Congressional Medal of Honor winners after they retire from the military service. The history of World War II was not complete, and it was not correct, until these heroes were rightfully honored and the next step taken of providing them what they have earned through their bravery and the blood that they gave to this Nation.

That has now been corrected. History can now be complete and correct in this regard as to World War II.

Mr. President, I thank the Chair and I yield the floor.

Mr. LEVIN addressed the Chair.

The PRESIDING OFFICER. The Senator from Michigan.

Mr. LEVIN. Mr. President, before the Senator from Idaho leaves, I want to thank him for the leadership which he showed in bringing this amendment to the floor. It was the right thing to do. It was a sensitive thing to do, and as chairman of our Personnel Subcommittee where he does such tremendous work on the Armed Services Committee, he has shown these qualities in many, many ways before and will as long as he is in the Senate.

I think we are all in his debt for bringing to our attention the fact that these particular heroes had not been recognized in this way until last night, and it was because of Senator KEMPTHORNE's efforts that that recognition so long deserved was finally given. I know I am speaking for all the Members in this body in thanking him for that leadership.

Mr. KEMPTHORNE. I thank the Senator from Michigan for those kind remarks.

Mrs. BOXER addressed the Chair.

The PRESIDING OFFICER. The Senator from California.

Mrs. BOXER. Mr. President, thank you. I was very pleased to yield to my friend from Idaho, and I appreciate his remarks.

AMENDMENT NO. 636

(Purpose: To amend title 10, United States Code, to make reimbursement of contractors for costs of excessive amounts of compensation for contractor personnel unallowable under Department of Defense contracts and other contracts)

Mrs. BOXER. Mr. President, I call up amendment No. 636.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from California [Mrs. BOXER], for herself, Mr. GRASSLEY, and Mr. HARKIN, proposes an amendment numbered 636.

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

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

The amendment is as follows:

Strike out section 804, and insert in lieu thereof the following:

SEC. 804. REIMBURSEMENT FOR EXCESSIVE COMPENSATION OF DEFENSE CONTRACTOR PERSONNEL PROHIBITED.

(a) EXCESSIVE COMPENSATION AS NOT ALLOWABLE AS CONTRACT COSTS.—Subsection (e)(1) of section 2324 of title 10, United States Code, is amended by adding at the end the following:

"(P) Costs of compensation paid with respect to the services of any one individual, to the extent that the total amount of the compensation paid in a fiscal year exceeds the rate of pay provided by law for the President.".

(b) DEFINITIONS.—Subsection (l) of such section is amended by adding at the end the following:

"(4) The term 'compensation', for a fiscal year, means the total amount of wages, salary, bonuses and deferred compensation for the fiscal year, whether paid, earned, or otherwise accruing, as recorded in an employer's cost accounting records for the fiscal year.

(b) CERTAIN COMPENSATION NOT ALLOWABLE AS COSTS UNDER NON-DEFENSE CONTRACTS.—(1) Subsection (e)(1) of section 306 of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 256) is amended by adding at the end the following:

"(P) Costs of compensation paid with respect to the services of any one individual, to the extent that the total amount of the compensation paid in a fiscal year exceeds the rate of pay provided by law for the President.".

(2) Such section is further amended by adding at the end the following:

"(m) OTHER DEFINITIONS.—In this section:

"(1) The term 'compensation', for a fiscal year, means the total amount of wages, salary, bonuses and deferred compensation for the fiscal year, whether paid, earned, or otherwise accruing, as recorded in an employer's cost accounting records for the fiscal year.

(c) EFFECTIVE DATE.—(1) The amendments made by this section shall take effect on the date that is 90 days after the date of the enactment of this Act and shall apply with respect to payments that become due from the United States after that date under covered contracts entered into before, on, or after that date.

(2) In paragraph (1), the term "covered contract" has the meaning given such term in section 2324(l) of title 10, United States Code, and section 306(l) of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 256(l)).

The PRESIDING OFFICER. The Senator from California.

Mrs. BOXER. Mr. President, I am offering an amendment today, and I am very proud it is coauthored by the two Senators from Iowa, Senator GRASSLEY and Senator HARKIN. This amendment, I think, is a good-government amendment. It is, in many ways, a reform amendment, and it not only applies to the Defense Department but it would apply Governmentwide.

What we do is permanently cap taxpayer-funded compensation, in other words, taxpayers' funds that go to pay the salaries of contractors, at the same amount as the salary of the President of the United States.

I want to repeat that. Right now, because of loopholes in past amendments we have brought before the Senate, executives and companies who contract with this Government have no limit on what they can get from the Government. So taxpayers are funding salaries of $500,000 a year, $800,000 a year, $1 million a year. As a matter of fact, we have one report of one company which spread around $33 million in compensation to its executives.

This amendment will ensure that taxpayers are no longer forced to foot the bill for exorbitant salaries of contractor executives.

It is important to understand what the bill does not do. Our amendment does not limit the salaries of contractor executives. It only limits the taxpayer portion of their salaries. So if there is a contractor executive, whether it is defense or anywhere else in the Federal Government, who is contracting with the Federal Government, we are saying in 1 year, the maximum pay they can get from Federal taxpayers is equal to that pay of the President of the United States, or $200,000. But if they have business from the private sector and they want to pay their executive any level, that is fine with us. We are just saying no more than $200,000 a year for a contractor executive.

Our amendment has been endorsed by Taxpayers for Common Sense, and today I placed a letter on the desks of Senators. I want to read from it.

The letter goes to all Senators, and it says:

> Support the Boxer-Grassley-Harkin amendment. Taxpayers for Common Sense supports the Boxer-Grassley-Harkin amendment to the DOD authorization bill to limit taxpayer reimbursement for defense contractors executive compensation. Passage of this amendment would provide a consistent and uniform standard to defense contractors on executive compensation. Since Fiscal Year '95, the issue of executive pay has seen much legislative action. In '95, Congress limited the reimbursable compensation on some contracts. The DOD Appropriations Act of Fiscal Year '96 limited some compensation but only for the final third of the fiscal year.

And so what they say to us in this letter is that the GAO report revealed that one contractor paid its top executives more than $33 million in compensation over the $250,000 limit because there were loopholes within the legislation.

> Taxpayers for Common Sense urges all Members of the Senate to support the Boxer-Grassley-Harkin amendment to limit this compensation. It is a step toward fiscal responsibility.

Mr. President, we certainly know that one of our proudest accomplishments as a Congress is bringing down this Federal deficit, and we do it in many ways. One of the ways we have done it, frankly, is that we have been pretty tough on Federal pay. We have wonderful men and women working for the Federal Government, and many of them, doing the work of private sector executives and private sector workers, get much less. They love their jobs, they work hard, and they have had to make some sacrifices. But somehow, it seems to me, we ought to ask those who contract with the Federal Government to make a little sacrifice. Frankly, I don't think it is bad to get the same pay as the President of the United States. I think that is pretty good pay, and that is what the Boxer-Grassley-Harkin amendment does.

So Congress has, in fact, scrutinized this issue before. We have been outraged about it before, but we haven't resolved this problem. We keep passing limited caps, and they are not working. We took them as first good steps, but they were sporadic. We suspected their effectiveness would be very limited, and the GAO report confirmed our worst fears.

We already talked about one major contractor who paid its top executives more than $33 million over the then $250,000 limit. The GAO concluded that that particular billing was allowable because the 1995 cap had so many loopholes. In fact, less than 1 percent of all contracts were covered by the 1995 caps. It seems to me, as we look back on what we did, it sounded good, but it didn't work, and we tried to control executive pay for these contractors, but we didn't succeed. We believe that the Boxer-Grassley-Harkin amendment will close that loophole very, very clearly, and that is why we received support from Taxpayers for Common Sense. We need a clear and consistent uniform standard on executive compensation, and that is exactly what our amendment would do.

I commend the Senate Armed Services Committee for its good-faith effort to address this issue in the DOD authorization bill. The committee acknowledged that the current system doesn't work, and it wisely rejected an administration compensation proposal that would continue to permit millions of dollars for executive pay. However, I suggest that the committee's approach, while moving in the right direction, doesn't go far enough.

The committee proposal would limit reimbursable compensation to the medium level of pay for all senior executives at large public companies. I don't think we should tie the pay of executives who get paid by taxpayers to the pay of executives who get paid in the private sector. Where is the common sense on that? I think we are going to hear arguments such as, "Well, these Federal contractors are not Federal employees; after all, they could go to a private sector company." Fine, so could Federal employees. That is no argument. This is about taxpayer money, Mr. President. This is about fiscal discipline. This is about trying to balance the budget and not doing it on the backs of just one group of people. This isn't right. The sacrifices have to be shared.

So the committee proposal sets what they call reasonable executive compensation through a formula based on

the salaries of other wealthy private sector executives. I just think that is a faulty approach, and it is business as usual.

It makes more sense to use public sector salaries, Federal Government salaries to set the compensation from taxpayers. After all, for their work on Government projects, contractors become, in effect, Government employees, and I can't imagine how we could rationalize paying them more than the President of the United States.

A second problem with the committee proposal is that it is limited to the five highest ranking executives of each contractor. First, it has a level of pay that is way more—way more—than the President of the United States and, second, it places no limits on the other senior executives, just five in each contractor. So there are ways to get around it.

Under the committee bill, a high ranking executive could continue to bill multimillion-dollar salaries and bonuses to the taxpayer if he or she was not named as one of the five most senior at the company. You can see that game being played.

Our amendment is simple, it is clear. It says in one fiscal year, taxpayers can't pay a salary higher to the contractor than it pays to the President of the United States. I think that is a pretty good linkage for these contractors to be hooked to the salary of the President of the United States.

Again, we don't limit the total an executive can make, only the total they can make from taxpayers. If there are two sides to their business and they are working for taxpayers and they have other projects, they can get paid whatever the company decides to pay them, but not the portion from the taxpayers.

I am very proud to be working with my friend, Senator GRASSLEY. When I was in the House and he came over to the Senate, he and I teamed up on many occasions on procurement reform. We worked together on spare parts that were costing a fortune, those days of the $7,000 coffee pots and the $400 hammers and the $600 toilet seats. We worked very hard on those issues. We worked very hard to stamp out taxpayer fraud.

So it is just with great joy that I work with him, again, on this. I think it is a good, solid amendment. We are proud of the support we are getting. I yield as much time as he might consume to my friend, the Senator from Iowa [Senator GRASSLEY].

The PRESIDING OFFICER. The Senator from Iowa.

Mr. GRASSLEY. I thank you very much. I ask if the Presiding Officer would remind me when I have used 20 minutes so I don't use too much time.

PRIVILEGE OF THE FLOOR

Mr. GRASSLEY. Mr. President, I ask unanimous consent that a member of my staff, Mr. Charles H. Murphy, be granted privilege of the floor during consideration of this defense authorization bill.

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

Mr. GRASSLEY. Mr. President, I am proud to cosponsor this amendment with my friend from California, Senator BOXER. Over the years, as she has already indicated, we have worked together as a watchdog of the Pentagon, and being a watchdog of that agency is not an easy job. Whether Republicans or Democrats are running this place, it is always tough when we tangle with the Pentagon. It is not a very popular thing to do.

Senator BOXER has always been a reliable person to fight to get the most bang for the taxpayers' dollars in defense. And I compliment her on that.

In today's political environment, reliable defense reform allies are hard to come by. They are somewhat of an endangered species today compared to 10 years ago. Organizations like the Center for Strategic and Budget Assessments used to support our cause. Not anymore. That organization is now bankrolled by the industry and by the Defense Department itself. So we are kind of teaming up with less outside support than we have had in the past. But we still have the same challenges to meet, and we are going to meet those.

So I am happy to once again team up with Senator BOXER, this time on a specific provision, very targeted, very easy to understand, but one that is very important that we accomplish. That is the executive compensation issue. We worked together on this in years past. And I am glad to do it. We have also my colleague from Iowa, Senator HARKIN, as a cosponsor. I am glad to have him on board as well. So this is very much a team effort.

Mr. President, there are four separate executive compensation caps in law today.

I have a table that provides details on each of these caps.

I ask unanimous consent that that be printed in the RECORD.

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

RELEVANT DOD COMPENSATION CAPS PROVIDED IN LAW

Fiscal year	Act	Cap	type contract	Compensation	FAR/DFARS reference
1995	Approp.	$250,000	DOD	Undefined (applied to total)	DFARS 231.205–6 (a)(2)(i)(A).
1996	Approp.	$250,000	DOD	Undefined (applied to total)	DFARS 231.205–6 (a)(2)(i)(B).
1997	Approp.	$250,000	DOD	Undefined (applied to wages + elective deferrals)	DFARS 231.205–6 (a)(2)(ii).
1997	Auth.	$250,000	DOD and civilian	Wages + elective deferrals	DFARS 231.205–6 (p)[1] FAC 90–45.

[1] FY97 FAR interim rule applies to top 5 senior officers.

Mr. GRASSLEY. The Armed Services Committee is trying very hard in this legislation to blow the lid right off the caps with section 804 of the bill. The committee wants to reach deeper into the taxpayers' pockets by doing this. I do not understand why, and I want to know why. What is the basis for the decision? I know during this debate we are going to find that out. I know sincere people on the other side of the aisle are going to tell us the justification for it, but I want to tell my colleagues why I think the legislation is wrong.

Because before we give executives a pay raise, we should know how much public money they get in the first place. That is where this debate should begin. That is taking us right back to square one. We cannot figure out where we need to go until we know where we are. And we do not know where we are on this subject of executive pay.

The committee made the decision to lift the caps and, I think, without the facts. The committee needs to answer a key question. How much is the Department of Defense paying industry executives today? The committee does not have the answer to that question.

Back in January, Senator BOXER and I tried to get that answer. We asked the General Accounting Office to answer three questions. How much is the Pentagon paying the top 50 industry executives today? How well are the caps working?

I ask unanimous consent that our letter be printed in the RECORD.

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

U.S. SENATE,
Washington, DC, January 28, 1997.

Mr. JAMES F. HINCHMAN,
Acting Comptroller General, U.S. General Accounting Office, Washington, DC.

DEAR MR. HINCHMAN: We are writing to request specific information on executive compensation provided under Department of Defense (DOD) contracts.

On April 28, 1995, we asked the Inspector General, Ms. Eleanor Hill, for specific information on payments to Lockheed-Martin executives following the merger of these two industry giants. We wanted to know exactly how much each executive would get under the merger deal. Finally, on June 14, 1996, after repeated requests and the passage of over a year's time, we received a partial but unsatisfactory response to our question. It does not provide the specifics we requested.

A copy of her response is attached for your information.

We have two concerns about Ms. Hill's response.

First, she reports that Lockheed Martin Corporation maintains that individual compensation data is "confidential proprietary and management sensitive," and she agrees. We agree that a company's internal pay structure should be treated as sensitive, propriety information—if that is company policy. However, when money is drawn from the U.S. Treasury to pay certain industry executives, those payments should not be drawn under that protective cover. A private company should never be allowed to take public money specifically earmarked for executive pay and stamp it "proprietary." If these individuals are on the public payroll, then the citizens of this country have a right to know how much of their tax money each one is receiving.

Second, we were also told that the $16.3 million paid to the Martin Marietta executives was not salary. These are retirement benefits. We were told that their salaries were paid out of another "DOD pool of money." How many pools of money does DOD have for the corporate executives? We need to know. We need a complete and accurate accounting that tells us exactly how the department goes about paying these executives all this money.

Toward that end, we ask that you tell us exactly how much the department paid to the top 50 defense industry executives during calendar year 1996.

For each executive, we ask for the full name, title and employer, and the total compensation received from DOD, including salary, bonuses, and other incentives and benefits, from all sources. If commercial or foreign military sales dollars are involved, those should also be reflected in the requested totals.

An interim response is requested by March 1, 1997.

Your cooperation in this matter would be appreciated.

Sincerely,

CHARLES E. GRASSLEY,
U.S. Senator.
BARBARA BOXER,
U.S. Senator.

Mr. GRASSLEY. We need the answers to these questions, and the answers are not easy to get. We got some answers in June, but not the answers that we expected, Mr. President. The General Accounting Office reports the caps are having "no significant effect on limiting executive compensation."

The General Accounting Office did take a close look at one company, McDonnell Douglas. The top executives at McDonnell Douglas got $33 million over and above the $250,000 cap that is in law. That is, of course, all from the U.S. Treasury and all for 1 year. Only $313,000 of the McDonnell Douglas executive pay—that is less than 1 percent—was blocked or affected by the cap.

I ask unanimous consent that that General Accounting Office report be printed in the RECORD so my colleagues can read it for themselves and not just take my word for it.

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

U.S. GENERAL ACCOUNTING OFFICE
Washington, DC, July 8, 1997.

Hon. BARBARA BOXER,
Hon. CHARLES E. GRASSLEY,
Hon. TOM HARKIN,
U.S. Senate.

Subject: Impact of legislative compensation caps on DOD contracts.

In response to your request, we have developed information on the extent to which legislative caps have affected executive compensation allowable under Department of Defense (DOD) contracts. Specifically, we obtained compensation costs from the Defense Contract Audit Agency (DCAA) for McDonnell Douglas Corporation for 1995, the latest year of a completed DCAA incurred cost audit. We also obtained from DCAA nine other contractors' estimates of the impact of legislative compensation caps on their companies. On June 3, 1997, we briefed your staff on the results of our work. This report summarizes the information provided at that briefing.

BACKGROUND

The Congress has placed various limitations on the amount of compensation costs that may be allowed on defense contracts.

The fiscal year 1995 DOD Appropriations Act (P.L. 103-335) provided that "After April 15, 1995, none of the funds provided in this act may be obligated for payment on new contracts on which allowable costs charged to the government include payments for individual compensation at a rate in excess of $250,000 per year."

The fiscal year 1996 DOD Appropriations Act (P.L. 104-61) provided that, "None of the funds provided in this Act may be obligated for payment on new contracts on which allowable costs charged to the government include payments for individual compensation at a rate in excess of $200,000 per year after July 1, 1996 . . ."

The fiscal year 1997 DOD Appropriations Act (P.L. 104-208) provided that, "None of the funds provided in this Act may be obligated for payment on new contracts on which allowable costs charged to the government include payments for individual compensation at a rate in excess of $250,000 per year."[1]

RESULTS IN BRIEF

The information we collected on McDonnell Douglas Corporation and nine other contractors indicated that the compensation cap imposed on DOD contractors for fiscal year 1995, had no significant effect on limiting executive compensation charged to defense contracts for 1995. For McDonnell Douglas Corporation, which had about $33.7 million in executive compensation in excess of $250,000, only about $313,000, or less than 1 percent, is estimated to be limited by the fiscal year 1995 compensation cap. Estimates by the nine other defense contractors of excess compensation costs subject to the fiscal year 1995 compensation cap range from 0.14 to 3 percent. The limited impact of the legislative compensation cap was primarily due to the short period the cap was in effect during 1995 (5½ months) and the small amount of costs associated with new contracts entered into during this period using fiscal year 1995 appropriations.

For some of the same reasons, the amount of executive compensation charged to defense contracts in fiscal year 1996 will not be significantly affected, although the amount determined to be unallowable will increase because both the fiscal year 1995 and 1996 limitations were in effect. McDonnell Douglas Corporation estimates that only about 3 percent of 1996 executive compensation in excess of the cap will be subject to the fiscal year 1995 and 1996 compensation caps. Aggregated data on the effect of the 1997 cap was not available at the time of our review. Enclosure I contains more information on our findings.

AGENCY COMMENTS AND OUR EVALUATION

DOD provided written comments on a draft of this report. DOD took no exception to the information provided in the report regarding the allowable cost impact of the statutory compensation caps. However, it commented on the substantial administrative burden imposed on both DOD personnel and defense contractors by the inconsistencies between the four different compensation caps enacted by the Congress over the past 3 years.

The nature and extent of the administrative burden was not the focus of our review. However, DOD identifies a pertinent issue. Generally speaking, it seems reasonable that more consistent treatment of compensation caps could ease implementation problems. DOD's comments are provided in enclosure II.

We are providing copies of this correspondence to the Secretary of Defense, the Director of the Office of Management and Budget, and other appropriate congressional committees and members. We will also make copies available to others on request.

Please contact me at (202) 512-4587 if you or your staff have any questions concerning this briefing report. Major contributors to this report are Charles W. Thompson and Robert D. Spence.

DAVID E. COOPER,
Associate Director,
Defense Acquisitions Issues.

[1] A statutory compensation limitation was also imposed by the Fiscal Year 1997 National Defense Authorization Act (P.L. 104-201) on both DOD and civilian government agencies, but this limitation affected fewer executives than that imposed by the Fiscal Year 1997 DOD Appropriations Act.

PERCENT OF MDC EXCESS COMPENSATION COVERED BY CAP IN FISCAL YEAR 1995

	Total compensation in excess of $250,000	DCAA and contractor estimates of amounts in excess of $250,000 subject to FY 1995 compensation cap	Percent subject to cap
Headquarters office	$13,365,275	[1] $178,855	1.34
Headquarters and component offices	33,748,375	[2] 313,090	[3] 0.93

[1] Defense Contract Audit Agency (DCAA) recommended this amount based on the results of its audit.
[2] MDC components voluntarily removed this amount from overhead cost submittals (subject to DCAA audit).
[3] MDC estimates the percentage for 1996 to be less than 3 percent.

MDC 1995 compensation for top five executives

Executive[1]	*Amount*[2]
1	$4,012,833
2	3,920,559
3	2,383,974
4	2,303,713
5	2,238,966
Total	14,860,045

[1] Because these amounts differ from Securities and Exchange Commission filings, MDC requested that the names of the executives not be disclosed.
[2] These amounts represent compensation as defined by the FAR and differ from compensation reported in Securities and Exchange Commission filings.

Other contractor estimates of excess compensation covered by cap in 1995

Contractor	Percent of excess compensation subject to cap
A	0.33
B	1.50
C	3.00
D	0.14
E	2.00
F	0.67
G	1.67
H	1.20
I	2.00

MDC ALLOCATION OF COMPENSATION TO COMPONENTS—TOP FIVE EXECUTIVES

Executive	Total compensation for application of compensation cap	Total compensation >$250,000	Amounts allocated to components with DOD contracts
1	$4,012,833	$3,762,833	$2,713,308
2	3,920,559	3,670,559	2,646,773
3	2,383,974	2,133,974	2,046,481
4	2,303,713	2,053,713	1,833,604
5	2,238,966	1,988,966	33,216
Total	14,860,045	13,610,045	9,273,382

Mr. GRASSLEY. One of the General Accounting Office tables shows how much the Department of Defense paid the top executives at McDonnell Douglas. The Department of Defense paid them a total of $9,273,382. The top executive got $2,713,308. And I have the chart here so that you can see that the cap is $250,000. We have the executive that I just referred to as executive No. 1, because obviously we are not here to embarrass anybody. It is proprietary information. The name does not matter, but the point is, executive No. 1 got paid $2.7 million; executive No. 2 got paid $2,646,773; the third executive got paid $2,046,481; and the fourth executive got paid $1,833,604—all when there is a cap of $250,000.

So that cap was designed to limit the size of the Department of Defense paycheck that was sent to McDonnell Douglas for executive pay, and yet we find the cap did not work.

Now, every citizen would like to get a paycheck like this from Uncle Sam. This chart shows so obviously I do not even need to say it that the existing caps are not working very well.

In fact, you would have to say they are leaking like a sieve. They are riddled with loopholes the size you can drive a Mack truck through. Maybe they were not meant to be that way. Maybe this was just a big game that somebody is playing with the taxpayers. But we should not be playing these games. And if these caps are not going to work, they should not be in the law. That is what the committee would rather have. I say they ought to be in the law, and I say they ought to work. If the caps are being busted with regularity, we are here to fix them, and that is what the Boxer-Grassley-Harkin amendment is all about.

Is the problem unique with McDonnell Douglas or are the caps leaking everywhere? We do not know. The Department of Defense does not know. The committee does not know. And, of course, to the taxpayers of this country, that is just not acceptable. It happens to be the same old story. The Department of Defense is paying bills for services rendered, but it does not know what the services cost.

How could the Department of Defense watchdog the caps if it does not know what each executive gets? There are a lot of questions, and there are no answers.

Mr. President, the Department of Defense has a responsibility to the taxpayers to answer four questions that I am going to bring out. First, how much does it pay out each year for executive compensation? Secondly, how many executives receive those payments? What are their names? And how much does each one get?

I asked the Department of Defense these questions on June 20, 1997. The Department of Defense response came back 4 days later, June 21 of this year. And guess what the answer is? The Department of Defense does not collect that kind of information. The Department of Defense does not have it.

I ask unanimous consent to have printed in the RECORD those letters.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

U.S. SENATE,
Washington, DC, June 20, 1997.

Mr. LAWRENCE P. UHLFELDER,
Assistant Director for Policy and Plans, Defense Contract Audit Agency, Fort Belvoir, VA.

DEAR MR. UHLFELDER: I am writing to follow up on a question my staff raised with you this morning regarding executive compensation.

In order to prepare for the upcoming debate on the defense authorization bill, I would like to know how much the Department of Defense pays out each year to defense industry to cover the costs of executive compensation. What is the total estimated annual cost of those payments? How many executives would be covered by such payments? How many companies would receive those payments? Is this information readily available, or is it very difficult to obtain? If so, why? A ballpark estimate will be acceptable—if that's the best you can do on short notice.

A response to these questions is requested by June 24, 1997.

Your cooperation in this matter would be appreciated.

Sincerely,

CHARLES E. GRASSLEY,
U.S. Senator.

DEFENSE CONTRACT AUDIT AGENCY,
Fort Belvoir, VA, June 24, 1997.

Hon. CHARLES E. GRASSLEY,
U.S. Senate,
Washington, DC

DEAR SENATOR GRASSLEY: In your June 20, 1997 letter to me you asked the following questions:

How much does the Department of Defense (DoD) pay out each year to the defense industry to cover the costs of executive compensation?

What is the total estimated annual cost of those payments?

How many executives are covered by such payments?

How many companies receive those payments?

Defense Contract Audit Agency (DCAA) does not accumulate statistics on the overall compensation paid to DoD contractor executives or on any other individual element of overhead because such statistics are unnecessary to determine cost allowability under the Federal Acquisition Regulation (FAR). The FAR specifies that certain types of compensation costs are expressly unallowable; e.g., stock options, stock appreciation rights, and golden parachutes. These unallowable types of compensation are never paid by DoD and are not considered in judging reasonableness of compensation levels. The FAR criteria for evaluating reasonableness of executive compensation follows:

"Among others, factors which may be relevant include general conformity with the compensation practices of other firms of the same size, the compensation practices of other firms in the same industry, the compensation practices of firms in the same geographic area, *the compensation practices of firms engaged in predominantly non-Government work*, and the cost of comparable services obtainable from outside sources. The appropriate factors for evaluating the reasonableness of compensation depend on the degree to which those factors are representative of the labor market for the job being evaluated. *The relative significance of factors will vary according to circumstances.*" (Emphasis added.)

Since the determination of the reasonableness of compensation costs requires a case-by-case assessment of many factors, it would serve no useful purpose to routinely gather DoD-wide data. Accumulating DoD-wide statistics would be time-consuming and expensive because the precise dollar reimbursement for each contractor is dependent upon many company specific factors including:

The percentage of government business at each contractor segment.

The mix of contract types (fixed price, cost-type, flexibly priced) at each segment.

The status of contracts (e.g., salaries allocated to contracts which have costs exceeding a ceiling price would not be reimbursed).

The varying number of personnel that might be considered "executives" by each contractor.

The value of contracts subject to the compensation caps included in recent DoD Appropriation and Authorization Acts.

Another key reason for not routinely gathering DoD-wide compensation data is the FAR specifically requires comparison of compensation levels of firms engaged in predominately non-government work. DCAA uses commercial compensation surveys that include companies engaged in non-government work. Attached are letters to Dr. Steven Kelman, Administrator, Office of Federal Procurement Policy and Mr. Peter Levine, Counsel, Senate Armed Services Committee, that show various average and median executive compensation levels based on a commercial survey.

In sum, the routine gathering of DoD-wide compensation statistics would be costly and not add value to the audit process. Because we do not gather this data, we are unable to answer your questions on such short notice. If you or your staff have any additional questions, please call me at (703) 767-3280.

Sincerely,

LAWRENCE P. UHLFELDER,
Assistant Director,
Policy and Plans.

Mr. GRASSLEY. Mr. President, maybe the Department of Defense does not want to know the answer. The size of those paychecks might be embarrassing to the Department. Then again, maybe the Department of Defense does know. I suspect that they do know. I think there is a secret list hidden in someone's safe over at the Pentagon somewhere with this information.

I have an audit report that tells me that the Department of Defense may know. This is a Defense Contracting Audit Agency report entitled "Audit of Corporate Offices, Overhead Expenses 1995." Here it is. It is dated March 31 of this year.

Now, Mr. President, I would like to place this report in the RECORD, but I have been warned that it may contain proprietary company information so I am not going to do that. It tells me exactly who is on the Department of Defense payroll at McDonnell Douglas and how much each person gets.

There must be reports like this on other companies as well. Taken together, all these reports would give us the information that we need. These executives are on the public payroll. They take public money. The public should know who they are and how much they get. A company has no right to take public money earmarked for executive pay and stamp it "proprietary and confidential."

Strictly, that is Pentagon baloney. That is something that if somebody here on the Senate floor tries to justify, then it becomes Senate baloney as far as I am concerned. The Congress has the responsibility to obtain that information.

There are two ways to get it. We could put a provision in the bill. It would call for a one-time report.

I have an amendment, No. 603, that would get that information we need, or the committee, hopefully, is interested in this information, letting the Sun shine in. Where the Sun shines in on Government business, there is never going to be any mold, Mr. President. As an oversight responsibility for the taxpayers, I hope that the committee would be interested in requesting that information, not by my amendment, but simply a letter sent to the Department of Defense to get that information. I would hope that the committee would be willing to send such a letter. Then the committee would hopefully be willing to share this information to the taxpayers of this country.

I do not think that we should lift that cap without this information. The bill lifts that cap. If the caps are not working, then we should plug the leaks. And, of course, the Grassley-Boxer-Harkin legislation plugs those leaks so that you do not have a situation like this, a cap at $250,000 meant to restrict pay, but you have one executive with $2.7 million, a second executive with $2.6 million, a third executive with $2.0 million, and a fourth executive with $1.8 million.

So I think we have made a case, first of all, that what we have done has not worked. What we are going to do now should work. And the Boxer-Grassley amendment does that.

I yield the floor and reserve the balance of the time for our side.

Mr. SANTORUM addressed the Chair.

The PRESIDING OFFICER. Who yields time?

Mr. SANTORUM. Mr. President, I am controlling the time for the majority on this.

The PRESIDING OFFICER. The Senator from Pennsylvania.

Mr. SANTORUM. Thank you, Mr. President.

I yield myself such time as I may consume.

Let me just say first in response to the Senator from Iowa's comments about the compensation levels of certain executives, No. 1, the Grassley previous amendment only applied to cost-type contracts; it did not apply to fixed-price contracts. When you negotiate a contract and say, here is the price we are going to pay you, it is a fixed price, and you produce the product for this price, we do not really care who you pay or how much you pay, just as long as you give us the product at this price. So they can pay their executives anything out of that as long as they deliver the product as per the price.

Also these companies that have been listed by the Senator from Iowa, many have very large and substantial commercial entities who are not limited at all to what they pay their executives on that. So to suggest that there is some error here, some problem here, I just do not think is accurate. I think it is accurate to suggest that this approach does not work and is wrong, and I will go through as to why I believe it is. But to suggest that there is something funny going on here, I think is simply not accurate.

Let me first start by saying what the Subcommittee on Acquisition and Technology did when it was presented with this issue. Last year, in the authorization bill, we requested the administration to come up with a suggestion on how to deal with this issue because the Congress every year seems to deal with this issue of setting levels of caps on compensation for, quote, "executives."

The administration came back with a suggestion. The suggestion had four parts. No. 1 was to limit the reimbursement of senior executive salaries to the median salary of executives in companies of similar size. Now, what does that mean? They take the large corporations and they figure out—they take the median salary of the large corporations, then the medium size and the small, and they have different compensation levels. The problem with that is that the committee saw that for some corporations, the large ones, the average median compensation was $4 million. To set a cost cap at $4 million does not appear to be much of a cost cap, even to this Member who does not particularly agree with the Senator from Iowa on compensation levels.

So we decided to go back and relook at that. They did do some things that we adopted. No. 1, they defined executive compensation, which had not been done before, and we have adopted that definition in the committee's mark. I believe the Grassley-Boxer or Boxer-Grassley amendment adopted that definition of compensation. So on that we agree.

We also disagree on the people that it should apply to. The administration has suggested just the top five most highly paid executives of the contractors should be limited here. The Boxer-Grassley amendment covers everybody. I will explain later why I think that is a problem.

Senator LIEBERMAN and I, the ranking member on the subcommittee, worked on what we thought was a compromise, something that was workable and took care of the concerns that I will enumerate in a few minutes. The compromise was to take the median salary of all companies who have sales over $50 million. So if you have sales over $50 million and you take the median salary from those executives, we came with a figure of $340,000. So $340,000 would be the cap under ours. Now the administration opposes this cap. The administration believes this is too low. Now, what Senator BOXER and Senator GRASSLEY are suggesting is even going below what the administration believes is too low. But we believe this is a reasonable level to go.

Now, why? Let me just explain what I believe is sort of the reality of what this amendment is. This is a huge antismall business amendment. Why? As you saw from Senator GRASSLEY's chart, the big corporations do not have any problem paying their executives, particularly ones that are diversified, because they have price-type contracts, they have commercial business, so they can pay their executives from a variety of sources. The folks that really get nailed by this are the small businesses who do primarily defense work. They are the ones whose compensation is effectively capped at the level we set here.

You say, what is the big deal? The big deal is these small businesses are in a very competitive industry and, yes, they are competing for high-priced talent, not just in managerial, and we limit it to managerial, the top five executives—but they compete even more fervently. Remember, what are we moving to in the Defense Department?

We want high technology. We are drawing down our defense. We hope to be investing more and more into high technology. We want our vendors to be more efficient, more high technology.

I will read from the Information Technology Association, what they suggest this amendment will do to, I believe, small contractors in particular, and I will quote from a July 2 letter from the Information Technology Association of America to the Chairman, STROM THURMOND.

It will limit the government's ability to contract for personnel with specialty technology skills. A recently completed Information Technology Association of America study found that there are approximately 190,000 unfilled technology positions nationwide, with almost 20,000 unfilled positions just in the Washington metropolitan area. The shortage is even more acute for people with cutting edge skills who command far more than $200,000 in wage and benefits in the marketplace.

What I am suggesting here that this amendment will do is it will not hurt McDonnell Douglas, it will not hurt Boeing, it will hurt the local organization in your community, the small business who is competing for defense contracting work, trying to get the best technology available, the highly skilled people who are in very competitive prices, and they will not be able to employ them. They will not be able to keep them. I am surprised some of the big businesses do not love this, that they are not supporting the Grassley-Boxer amendment. This is a boon to big business because it lets them cherry pick all these skilled people to employ them at their business because the small contractors simply cannot do it under this amendment.

Now we improve things a little bit. We allow them to go up to $340,000. You hear $200,000 is the salary of the President. Well, $200,000 is about one-quarter what a shortstop hitting .190 for the Baltimore Orioles makes. If we are going to compare worth here, who is more important to the future of our country—someone who will redesign the air traffic control system in this country to make it safer and use the high technology and the skills they have, or someone hitting .190 for the Pirates? I think the answer is pretty clear. But on this floor, they are saying that guy hitting .190, we can pay him anything we want, but the guy who has high technology skills, the guy who has the skills that can add to the national security of this country, we cannot have. They will go off to Hollywood and make movies. That is where they go. They go to Hollywood and they make action pictures instead of redesigning systems to make our Nation more secure for the future.

This is an unwise piece of legislation. This really does strike at the core of what the future is for our country. I will be honest. I frankly do not care if the CEO's of some companies do not make a lot of money. What I do care about is that we have the scientific expertise employed in the defense industry to move our country forward, to stay ahead. This amendment will hurt national security. This amendment will limit our ability to get the best and the brightest into the defense industry and keep them there, particularly for the small entrepreneurial companies and the small companies that get involved in the defense industry. So this hurts national security. It devastates small business' ability to compete. Just for those two reasons alone we should be against this amendment.

I hope we do not get blinded by what appears to be populist. It looks populist to say we should only pay certain people who get paid from the Government a certain amount of money, except for the fact that when you do that, you lose good people and you hurt small business, both of which are vital to the national security of this country.

I reserve the balance of my time.

Mrs. BOXER. Mr. President, it was interesting to see the Senator from Pennsylvania get very emotional about the fact that we would—Senator GRASSLEY and I and Senator HARKIN—limit the taxpayer payments to individual executives who are Federal contractors to the pay of the President of the United States.

First of all, I am not sure he understands our amendment. We only limit the taxpayer portion of their pay. If they work in the private sector, that is up to the shareholders to determine, No. 1.

No. 2, the Senator from Pennsylvania says, "My God, if we cannot get these executives into these defense firms, these high-paid executives, our national security is at stake. We better pay them more, much more than the President of the United States." Let me just say, what about the Chairman of the Joint Chiefs of Staff? He is a Federal employee. I do not hear people coming in here and recommending that his pay be raised. What about the person who is the head of the FAA? What about the air traffic controllers?

We have people in the Federal Government who risk life and limb, but we are here today hearing the committee defend executives in fancy offices in big firms who contract with the Federal Government.

I ask the Senator from Iowa a question.

Mr. SANTORUM. Will the Senator yield?

Mrs. BOXER. I am happy to yield on the time of the Senator from Pennsylvania.

Mr. SANTORUM. I am happy to take it off my time.

Does your amendment limit the cap just to executives?

Mrs. BOXER. Executive pay.

Mr. SANTORUM. Your amendment limits it just to executives?

Mrs. BOXER. It is any contractor.

Mr. SANTORUM. It does not limit just to executives?

Mrs. BOXER. Let me just say, since it is a $200,000 cap, it is hard to imagine line workers making that much, but it affects anyone who is working for the Federal Government as a contractor.

Mr. SANTORUM. Again I ask the question, does it apply to people who are scientists, who, as the Information Technology Association of America said, people with highly technical skills? Do they apply to this cap?

Mrs. BOXER. Anyone who contracts with the Federal Government—let me finish—would be limited——

Mr. SANTORUM. The answer is yes.

Mrs. BOXER. Limited to receive in 1 year the amount that the President of the United States receives from taxpayers, but it could be unlimited if they have private sector work. We do not take on their entire pay. That is up to the shareholders of the company.

Mr. SANTORUM. Is the Senator aware there are many businesses that contract with defense and other Government agencies that do primarily, almost exclusively, Government work? Are you aware that there are many companies involved that do that?

Mrs. BOXER. I say to my colleague, I have visited companies all over California, many of whom do nearly 90 percent of their work with the Federal Government, but that is their option, just as it is the option of someone who works for the Federal Government to work for the private sector.

Mr. SANTORUM. You then accept the fact that by limiting the compensation to everybody, particularly those firms that do 90 or even more percentage of their work with the Federal Government, you in effect put a salary cap on everybody at that firm, even the scientists, who they have to go out and compete for?

Mrs. BOXER. We are capping the amount of Federal taxpayer payments to one individual, to that of the President of the United States, that is correct.

Mr. SANTORUM. The answer is yes.

I yield the floor.

Mrs. BOXER. Mr. President, on my time, I ask the Senator from Iowa a question.

As my friend noted in his opening statement, the GAO did a study and this study was astounding.

I ask unanimous consent to have this printed in the RECORD, Mr. President.

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

GAO/MDC 1995 COMPENSATION FOR TOP FIVE EXECUTIVES

Executive [1]	Amount [2]
1	$4,012,833

GAO/MDC 1995 COMPENSATION FOR TOP FIVE EXECUTIVES—Continued

Executive [1]	Amount [2]
2	3,920,559
3	2,383,974
4	2,303,713
5	2,238,966
Total	14,860,045

[1] Because these amounts differ from Securities and Exchange Commission filings, MDC requested that the names of the executives not be disclosed.
[2] These amounts represent compensation as defined by the FAR and differ from compensation reported in Securities and Exchange Commission filings.

Mrs. BOXER. We thought we put a cap in place, I say to my friend, and yet we know in one company, executive No. 1—and we will not identify that individual—in one defense company, earned $4 million in 1 year, nearly all from taxpayers. Executive No. 2, $3.9 million, executive No. 3, $2.3 million, executive No. 4, $2.3 million, executive No. 5, $2.2 million, for a total among those five executives of $14.8 million.

I ask my friend from Iowa how he thinks the people in Iowa would react when they learn that 1 executive got over $4 million in one calendar year, in a year when, by the way, there were layoffs in that company; if he could answer that. And also talk to me, if he would, about the committee's proposal which they say would limit pay to $350,000—if the Senator agrees with that.

If he could give me the reaction and then his opinion on the committee's plan.

Mr. GRASSLEY. First of all, my constituents would expect that if there is a cap in the law of the most that we will pay out of the Federal Treasury to an executive of a major defense corporation, they would expect that salary limit to be adhered to. Not as this chart demonstrates—$250,000 cap, you end up with $2.7 million, $2.6 million, $2 million and $1.8 million, and you gave figures for another corporation that are higher than this. They would expect that cap to work.

It is obvious that it is not working. If it is obvious it is not working, the very committee that put the cap in place, they would expect that oversight committee to fulfill its constitutional responsibility and make sure that the law is abided by.

Also, your question gives me an opportunity to point out to our friend from Pennsylvania, when he raised the question of this amount of money, that we could expect executives to make this amount of money.

The point is this is just a portion of their salary that comes out of taxpayers' dollars. He raised that question, and I want to clarify that the $2.7 million, $2.6 million, $2 million, and $1.8 million is just that portion of that executive salary out of tax money, out of Defense Department money. As he indicated, they could get paid more, they get that out of other sources of income for the corporation. The point is this is just money from the taxpayers.

Lastly, my constituents raised the same questions as your constituents might raise that it is a more moral and ethical issue here of the extent to which we are having executives get big salaries and people that are working and producing for that corporation on the assembly line or someplace else, that there is a gigantic spread that has developed within corporate America between what the blue-collar worker might be getting paid or other lower paid professional people versus what the executive is getting. I think there is a legitimate question raised whether or not that is a justified gap. I think this emphasizes that there is that gap over a long period of time. Executives getting big pay raises and people lower down are just hardly keeping up with inflation.

Mrs. BOXER. I say to my friend, he makes a very important point. I am troubled by the committee suggesting that their new policy would cap pay at $350,000. I understand that my colleague has a chart which shows different analyses of that, because I greatly question it. Last year, we thought we were capping it at $250,000, and people got $4 million. I wonder if my friend can share with us that chart, which shows opinions other than the committee's opinion on where these caps will actually fall—not at $350,000, but more into the millions.

Mr. GRASSLEY. Well, this chart refers to the figure that has been given to us as the cap that might be effectively in place as a result of section 804, $340,000.

In a practical world of paying executives, we have three estimates, and these are very recent estimates from various publications just this spring. The Wall Street Journal, for instance, had an average salary of corporate executives of $1.5 million. The Forbes publication had an average salary in their survey of $1.9 million. Business Week had an average salary of $2.3 million. This would be total compensation.

Mr. President, I ask unanimous consent that the CRS memo be printed in the RECORD.

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

[Transmittal from the Congressional Research Service, Library of Congress, June 20, 1997]

To: Hon. Charles Grassley.
Attn: Charles Murphy.
From: Pat Ayers, Business Team, Congressional Reference Division, Tel: 7-7492.
Re: Average Pay Statistics.

To summarize our telephone conversation of this morning, we are unaware of any federal statistics which compile data on corporate executive compensation by size of the business establishment. There are several private organizations which do survey the larger public corporations for executive compensation data, including surveys by Business Week, Forbes, and Fortune, which cover 800 to 1,000 of the largest firms in the U.S. There is also no one set definition of what constitutes a "small business", another impediment.

We have enclosed a brief CRS report which provides data contrasting executive compensation with average worker pay, which may give some insight. To update these figures, for 1996 the median annual earnings for CEOs was $1,471,250 (Wall St. Journal-April 19, 1997), $1.9 million (Forbes-May 19, 1997) and $2.3 million (Business Week-April 27, 1997.) Median annual earnings for full-time wage and salary workers in the private nonfarm sector for 1996 is $24,500 (BLS-Employment & Earnings: January 1997.)

We also searched our various news databases and did not find any "estimates" offered. The National Federation of Independent Business stated that they did not collect such data from their membership.

Mr. GRASSLEY. It would be unrelated to the issue we have before us of the defense industry, but it does tell me that the figure that the committee feels will somehow be a cap for this year—and we want to remember that it is suggested that this cap is going to go up from year to year—that it is not going to be a very effective way of controlling money leaving the Defense Department to the executives, as the committee has intended. I think they are going to find this just as ineffective as the cap that has been in the law, as I have demonstrated in a previous chart that I have.

Mrs. BOXER. Mr. President, I would like to say to my friend that I really appreciate his coming up with those charts because taxpayers thought a year ago that all this was taken care of. They honestly thought a $250,000 cap would work. Now we see executives making $2 million, $3 million, $4 million, as if we didn't have a budget crisis around this place. It is unreal.

Now we are told that the new committee policy will lead to a $350,000 cap by some fancy magic computation. I think what the Senator from Iowa has shown us is a warning here. We don't want to come back next year with more of these charts that say to our friends: You miscalculated it and executives are getting $2 million a year from taxpayers. This is wrong.

So I want to, again, thank my colleague very much for coauthoring this amendment. I retain the remainder of my time.

Mr. WARNER addressed the Chair.

Mr. SANTORUM. Mr. President, I yield such time as the Senator from Virginia may need.

Mr. WARNER. Mr. President, I will just use 2 minutes for the purpose of posing a question. I pose the question to the sponsors of this amendment.

First, having worked on the committee some 18 years, this is an issue that has been visited and revisited very carefully through the years. I am not here to criticize, but I assure you that the Armed Services Committee reviews this matter with great care each year. But the benefit to the American defense system is for a lot of small, independent private-sector companies to

come to the marketplace and offer what is known as their best practices. I feel that this is going to be a disincentive. I am sure my distinguished colleague from Pennsylvania, the chairman of the subcommittee, is going to touch on this. I ask this question of you because I am going to ask it of him. Would this not be a disincentive and thereby deprive the Department of Defense, and the overall American defense system, of some of the best technology and best management practices being offered?

Mr. GRASSLEY. For myself, I will answer that question very shortly this way. First of all, we are only talking about the portion that is going to come from the taxpayers. Second, we in no way in our amendment limit executive salaries for corporations. In fact, it is none of our business to do that. That is a market decision. We want that to be a market decision, and nothing in our amendment keeps that from happening.

The point is, how much should be paid out of the Treasury and how much should be paid out of other income? That is a stockholders versus CEO business relationship that we will not infringe upon. Our amendment does not; we don't intend to. Both of us would say it would be wrong for us to do that.

Mr. SANTORUM addressed the Chair.

The PRESIDING OFFICER. The Senator from Pennsylvania is recognized.

Mr. SANTORUM. Mr. President, I yield myself such time as I may need. I want to respond very briefly. The Senator from Iowa says it is a market decision on how much people should be compensated. They use the term "executive compensation." This is not a limitation on that; it is a limitation on anyone's compensation. They do not designate certain executives, as we do in our underlying bill. We designate the top five executives. They limit it to every person in the company, including maybe that guy who sits in the cubical and doesn't come out very much and drinks a lot of coffee, who makes the place run because he has all the ideas. He may not be the executive, but he is the brains behind all the research going on in that company. They limit him, too. Let's understand that.

They said it is a market decision. Well, it is only a market decision as to what you pay your people if you have other markets, because if you are just in the defense market and have cost-type contracts, the decision is made by the Senator from Iowa, not by the company, because the Senator from Iowa will say, if your company does defense work and you have cost-type contracts, you can only get paid this amount, no matter whether everybody else—those brilliant technologists—get paid a lot more somewhere else, like in Hollywood, which is where they will go. It is not a market decision. It is in some cases, but not always, and those are the cases I am most worried about.

The Senator from California is suggesting that I was concerned about how much executives got paid. I said during my statement, and I will repeat it, that I don't care how much executives get paid. I care about keeping the best and brightest, particularly the people with the technology and the skills, those needed skills, to work in the sector that does work particularly for national security.

When we limit compensation—at least that is what is being suggested—to those individuals who are out there on the leading edge of technology and we drive them out of the Government procurement area—particularly in the area of national security—we have hurt the national security of this country. I know it wasn't deliberately intended to do that, but that is exactly what this does. I would, in fact, change the name. I think our underlying bill is an executive compensation amendment or provision. The Boxer-GRASSLEY amendment is a scientist compensation limitation amendment. Let's call it what it is because it doesn't just limit executives. In particular, it gets scientists compensation who work for defense contractors or for contractors in the national security area. That is a very serious decision this Senate is going to make today as to whether we are going to go out and drive the leading-edge technology people in this country out of national security issues and put them—maybe there is a motive here, to send them out to California to work for the movie industry. Maybe that is what is involved. I say that tongue-in-cheek, but that is exactly what will happen, and that is not right. That is not in the best interest of this country.

As the Senator from Iowa points out so eloquently, these caps on executives for the big companies don't work. Why? Well, quite aside from any claim of fraud or not telling us the real numbers is that a lot of the contracts that these corporations have are not cost-type contracts. They are fixed-price contracts. So the executives can get paid anything they want on fixed-price contracts, because as long as they deliver the item being procured at a certain price, they can pay anybody in the organization anything, and they do. That is OK as long as they give it to us for what we agreed to pay them for it.

So to suggest that somehow this cap works on lowering the compensation of high-priced executives in big corporations, it doesn't work; it will never work. We will come back every year with these charts because we don't do all cost-type contracts, nor should we. In fact, it goes against one of the things we have been pushing for in reform of our acquisition in defense. Instead of just looking at low cost, we look at best value. We look at the best value for the taxpayer—not just cost, but value. And so what I think we are going to increasingly see is that this amendment is, in a sense, irrelevant for the large companies, but incredibly relevant for the small defense contractors who are leading-edge, doing leading-edge technology, many of whom are in California, I might add, and some of whom are in Pennsylvania, I am proud to say. But we are going to lose those people—the best and the brightest in the science fields—to industries other than national security, and that would be the crime if this amendment would succeed.

I yield to the chairman for such time as he may consume.

Mr. THURMOND. Mr. President, I yield myself such time as I may require.

Mr. President, I rise in opposition to the amendment offered by my good friends, Senator BOXER and Senator GRASSLEY.

Mr. President, I acknowledge that some executive salaries are exorbitant, but section 804 of our defense bill is a sound middle ground on the very controversial issue of payment of executive compensation under cost-type contracts with Federal agencies, including the Department of Defense. The section in our bill recognizes that the industries supplying goods and services to the Federal Government do not do so in isolation from the rest of the economy. They must compete with similar companies in the private sector for the limited pool of the most qualified technical and management people. Salaries for such people are not determined by a Government agency; they are set in the marketplace. Section 804 would provide a framework for ensuring that we can bring the best private sector talent to bear to support our national defense.

At the same time, section 804 would not permit the Federal Government to reimburse exorbitant salaries or other forms of compensation. The maximum allowable limit for executive compensation covered under this provision would not exceed $340,000, according to the Defense Contract Audit Agency, based on surveys conducted in 1995. In fact, the administration opposes section 804 because it provides too great a limitation on compensation, in their view. The administration wants to pay more, but we limit this to $340,000 in our defense bill.

Mr. President, section 804 is a sound means to settle executive compensation issues once and for all. It protects the interests of the taxpayer, both in the limits it places on reimbursement under cost-type contracts and by recognizing the relationship between compensation practices in the industries supporting defense and those in the commercial sector. I urge the rejection of Boxer-Grassley amendment.

We feel that our defense provision here covers it adequately and is in the best interest of the Government.

Mr. SANTORUM. I yield the Senator from Virginia whatever time he needs.

Mr. WARNER. Mr. President, I will take 3 or 4 minutes to pose questions to the Senator. It seems like here in the legislative bodies, whether it is tax, capital gains, or anything else, we are out to penalize a certain class of individuals who, by and large, have worked hard all their life, beginning in the educational system, to equip themselves with the knowledge, through a series of degrees, to take on the responsibilities of leading our corporate structure.

Whether they are scientists or financial managers, or whether they are just entrepreneurs, they make sacrifices often to start these businesses with their personal funds working long hours and giving up vacations.

So here we go again. But I would like to just sort of sketch a profile of a company that, say, is doing $100 million worth of business, and, say, 80 percent of it is pure private sector—nothing to do with Uncle Sam. But Uncle Sam would like to have a piece of the brain trust in this company, and, therefore, it comes around and the contract is theirs. In the first place, say that CEO is making $500,000 a year; well deserved. If he gets caught up in the indirect costs he is banged into the Boxer-Grassley cap, is he not?

Mr. SANTORUM. That is correct. The amount of money that will be allocated to defense contracts would limit his salary to a percentage which would be probably below what he would be paid otherwise.

Mr. WARNER. Then he will sit down. And he has to decide. "Do I apply my brain power?" Suppose he somehow is able to draw a firewall in the company, and the CEO and a lot of the other top people stay out of the contract. Does that not deprive the government of the benefit of the experience and the brain trust at the top salaries?

Mr. SANTORUM. What would happen is a couple of things. According to the Grassley amendment, it is my understanding they would be roped in no matter whether they did any work or not. They would be covered under this because their company is. It doesn't limit it just to people involved in defense contracts. It is anybody in the country.

That is No. 1.

No. 2, it would shift the cost of paying those salaries away from the defense contract to the private sector, which would make them less competitive out there in the private commercial sector, which would then probably say, Look, we can't be as competitive out there in the private sector. We are just going to walk away from this defense contract.

Mr. WARNER. One word: Disincentive.

Mr. SANTORUM. That is correct.

Mr. WARNER. Therefore, the board of directors and the CEO of this company are going to say, We are doing fine with 80 percent private sector. Too bad, national security. You are on your own. Of course, I recognize in most instances for patriotic reasons they will step into it. But nevertheless I think this is the wrong approach.

I say that with a great deal of empathy for my distinguished colleague with whom I have worked these many years. He is sort of a watchdog. I commend him for such innovation. But I suggest that our committee has done its work, and I strongly urge the Senate to back the solution to this problem as devised by our distinguished colleague from Pennsylvania for the Armed Services Committee.

I thank the Senator.

Mr. SANTORUM. I would agree with the Senator from Virginia. The Senator from Iowa has been a dogged—I don't mean to use metaphor—dogged in his watchdog of the Federal Treasury. But he is chasing——

Mr. WARNER. If the Senator will yield, he is our inspector general.

Mr. SANTORUM. He is chasing the wrong—in this case, the dog is chasing the wrong person. What you end up chasing is chasing very skilled technical people and very highly competent managers of people out of the business who want to be more and more competitive.

Again, I chair the subcommittee on Acquisition and Technology. My real concern here in the committee is the technological advances. What we are hearing in the testimony is more and more we will have to go out into the commercial sector and get the technology that is being put together in the commercial sector to bring that into the defense area at a lower cost that is more efficient and more effective. If we limit the compensation, we are just simply not going to get those commercial entities involved in the defense industry. That is a real crime. We are giving up resources and talent and capability by limiting it, as we are here, to a salary of one-quarter of what a shortstop of the Pittsburgh Pirates makes who bats—actually the shortstop is batting over .200, but not much over .200 right now. That is not right. And I think it is counterproductive for national security.

I reserve the remainder of my time.

Several Senators addressed the Chair.

The PRESIDING OFFICER. Who yields time?

Mr. THURMOND. I yield such time as I may require.

Mrs. BOXER. Mr. President, parliamentary inquiry: Can I ask how much time the Senator from Pennsylvania has remaining and the Senator from California has remaining?

The PRESIDING OFFICER. The Senator from Pennsylvania has 11 minutes and 41 seconds. The Senator from California has 5 minutes and 25 seconds.

Mrs. BOXER. I will be happy to withhold.

Mr. SANTORUM. I yield to the Senator from South Carolina such time as he may consume.

The PRESIDING OFFICER. The Senator from South Carolina.

Mr. THURMOND. Mr. President, I want to commend Senator SANTORUM, the able chairman of the subcommittee that handled this matter, for all the good work he did on that subcommittee.

I also wish to commend the able Senator from Virginia for his explanatory remarks on this subject.

I think this matter is so clear that no other conclusion could be reached than the position taken by the able chairman of the subcommittee, Senator SANTORUM, and the able Senator from Virginia, and others who have taken that position.

Mr. President, I yield the floor.

Mrs. BOXER addressed the Chair.

The PRESIDING OFFICER. The Senator from California.

Mrs. BOXER. Mr. President, sometimes I feel like Alice in Wonderland. And this is one of those moments.

The Senator from Virginia says this is an innovative idea—the amendment by myself and the Senator from Iowa. Mr. President, this is the same idea that this body voted for unanimously 2 years ago except we set a cap at $250,000. Now we set it at the level of the pay of the President of the United States. So this isn't innovation. This is tightening the loophole.

Every Member of this body went along with this notion of capping the amount that taxpayers would pay in 1 fiscal year to a Federal contractor from taxpayer funds. They want to get millions of dollars from the private sector. God bless them. But we believe it is the appropriate thing to do when you look after the taxpayers' purse to put a reasonable limit.

I wish that I had heard the same passion that I heard today from the Senator from Pennsylvania when we debated the minimum wage.

I will tell you. The Senator from Pennsylvania says, what about a new firm starting out and they know they can only make $200,000 a year rather than the Federal Government? Wouldn't that inhibit them? I think for a new firm starting out that is not a bad salary. Maybe in Pennsylvania $200,000 a year isn't a lot of money, but where I come from it is a lot of money. And we don't limit what people can make outside of the Federal Government.

Then the Senator from Pennsylvania says he doesn't care what executives get. He doesn't care. Well, he should care, if five executives in one company pull down $4 million, $3 million, $2 million, $2 million, $2 million respectively in 1 year when we thought we had a $250,000 cap in place.

So I would ask my friend from Iowa if he would like to sum up because we are getting to the end of this debate. I don't quite understand why our proposal is being looked at as something brand new when in fact we thought the $250,000 cap was in place, and now what we are all trying to do is tighten down the hatches and make sure people do not take advantage of taxpayers, and we are treating this as if we have come up with some new idea. If he would care to comment on that and perhaps close the debate, I would be happy to yield him any remaining time.

Mr. GRASSLEY. Mr. President, I think that is what is at stake here with the debate on our amendment as well as the debate on what has actually been taking place when there has been a cap in the law for the last year or so, and that is that the caps aren't working. But also the principle of a cap has been the policy of this Congress for a long period of time. We want to continue that policy. We want that to be an effective policy. We want a committee that is charged with the oversight responsibility for a law that this body passes to make sure that that policy is followed to a "t" by the Defense Department. We see all of that at issue here in our amendment. This isn't just an issue of $200,000 versus $250,000 or a new suggested limit of $340,000. It is the integrity of this body making public policy on defense, and is the Congress of the United States going to be followed by the agency executing our laws?

We are finding out that Congress wants a cap. We are finding out even on a reconsideration of that law that the Armed Services Committee argues for a cap. We want it to be an effective cap. There might be an argument about $200,000 versus $340,000. I will buy either limit. But what I want is a limit that is enforced. I want the committee to know how much money we are paying out.

We are told that they don't even know. They ought to know where the taxpayer dollars are going, the names of the people receiving them, and how much is going out.

That is the issue with this amendment as much as whether it is $200,000, $250,000, or $340,000. Let's get this principle established firmly by voting for this amendment, and let's see that the cap is enforced.

Mr. SANTORUM addressed the Chair.

The PRESIDING OFFICER. The Senator from Pennsylvania.

Mr. SANTORUM. Mr. President, I have sympathy for what the Senator from Iowa is saying. The fact of the matter is the amendment doesn't accomplish what he wants to accomplish. We will be back here next year, if the Senator's amendment passes, with the same because all the Senator's amendment does is limit cost-type contracts. It does not limit those contracts in which we purchase things from contractors for a fixed price. We tell them when we purchase it for a fixed price, You can pay whoever you want. You can pay whatever you want for the material. You can pay the executives anything as long as you deliver the product at this price. So they allocate some substantial portion or what looks like at least some portion of these contract dollars. That is perfectly legal.

If the Senator wants to say that we should not do any fixed-price contracts, come with an amendment that says that. If he comes with amendment that says we don't limit fixed contracts —I don't think he would support it, but the Senator from California supports it—then we can deal with this issue. But if all you are going to deal with is one type of contract which is cost, then go out and show compensation levels that include moneys from fixed-pricing contracts. That is what they have done.

So for all of the passion—and I believe in the passion of the Senator from Iowa, and the Senator from California—it doesn't solve the problem; at least what they perceive as the problem. What I perceive as the problem with their amendment is it does hurt since technology and the highly competent people we need to be in the national security area. And, frankly, not just national security but in all areas of Government, if we can get them.

As I mentioned before, wouldn't it be nice if we had a more modern upgraded air traffic control system? And we have the ability to pay scientists the amount of money in contracts to be able to design those. Under this amendment we could not get the best and the brightest to do that.

So what this executive compensation amendment really effectively does is limit the amount of money that we can pay people in the high-technology field, the scientists and the information specialists that we need to move the national security front forward.

So for that reason alone it should be soundly defeated. We cannot afford, as we draw down defense, as we reduce our troop levels, as we continue to rely more and more not only on high-tech—which is certainly something we rely more upon, high technology but on commercial technology and commercial contracts—contracts with commercial organizations who will steer clear of Government contracts, if they are going to be limited in how much they can reimburse their scientists and other personnel through their technology that they are sharing, because if they limit it they have to pass that cost on to their private sector clients which makes them uncompetitive. So they will choose not to compete in the defense area. So we lose valuable commercial technology.

So we are not only losing the scientists. We are losing the opportunity in the commercial area. We are creating a disincentive for people to be involved. And, even with all of that, if we adopt the amendment, it wouldn't work. So it accomplishes all those negative things, and the one positive thing they choose to accomplish it does not accomplish because it does not limit anybody's salary except those small businesses that have primarily cost-type contracts. Those small businesses, 80, 90 percent of the contractors that have principally cost-type contracts, they get nailed by this amendment. All the big guys it does not bother. It nails the small companies and their ability to compete, to get compensated for the technology that they are inventing in many cases and to get good people to work in those businesses in towns all across America.

This is a dangerous amendment for national security. It is an amendment that I hope is overwhelmingly rejected. It is an amendment that I know the Senator from Connecticut, the ranking member, opposes and I know the ranking member on the full committee, Senator LEVIN, opposes. They support the underlying committee decision which, I would add, is opposed by the White House because they believe our cap is too low.

I know that this amendment has passed in the past, and the Senator from California said it was passed overwhelmingly, but I would implore that the Senate come to its senses in this case and realize its impact.

I now yield the remaining part of my time to the Senator, the ranking member, from Connecticut, Mr. LIEBERMAN.

Mr. LIEBERMAN addressed the Chair.

The PRESIDING OFFICER (Mr. SMITH of Oregon). The Senator from Connecticut.

Mr. LIEBERMAN. I thank the Chair. I was concerned that my friend and colleague from Pennsylvania, the chairman of the subcommittee, thought I was missing in action on a controversial matter. I apologize. I was involved in a Government Affairs campaign finance investigation.

I stand solidly and strongly with the chairman of our subcommittee. It is my privilege to be his ranking Democratic member in fashioning the proposal on compensation of executive salary which is in the DOD Authorization Act before us. We compromised and, as I believe I just heard the Senator from Pennsylvania say, we specifically rejected a proposal from the administration that would have permitted reimbursement of salaries as high as $4 million a year for some senior executives in the largest corporations.

To tell you the truth, they had a plausible argument in terms of getting the best people to do the job for our defense needs, but it was, we thought, an untenable argument so we came up with this modest increase in the cap.

The cap is rationally based. In fact, in some ways it is tighter than any of the limitations in law today for the simple reason that, unlike those limitations, our provision would apply to all costs charged on all defense and nondefense contracts regardless of when the contracts may have been entered.

The flexibility provided by our approach, which is to say to base the limitation on a median private sector salary, is likely to be particularly important to small companies that rely on Department of Defense business. Unlike the larger and diversified companies that can eat the larger executive salaries, many smaller businesses, particularly the high-technology businesses that are the source of so much growth around our country, are not in a position to pay their executives what the market requires and absorb or, to use the phrase I used before, "eat" any unreimbursed amounts. If the cap that we set is too low, some of these businesses are going to have difficulty attracting and retaining qualified personnel.

Mr. President, the proposed amendment, which would lower the cap to $200,000, is, in my opinion, not necessary to protect the taxpayers from excessive executive salaries. If a contractor pays an executive, for instance, the $4 million a year that might have been allowed under the Pentagon proposal, the provision in the underlying bill would disallow $3,660,000 of that salary. The proposed amendment would save an additional $140,000. That is a difference of less than 4 percent, and the cost of it in terms of lost opportunity is much larger.

What we will lose by going after that additional amount is far more significant than the amount of money that will be gained. We are going to lose the flexibility for small businesses that are dependent on Government contracts to pay what the market requires to attract the skilled professionals that they need to provide the quality products and services that we need to maintain our national security. We risk driving such experts out of companies that work for the Government and reducing the expertise available to our Government, the Pentagon and other Federal agencies, and, most important I believe, we risk driving some small businesses that are highly reliant on such experts out of doing business with the Government at all.

Mr. President, the amendment before us, of course, is an easy amendment to vote for. We can say we took a whack at high salaries of executives of companies. What I am suggesting is the difference between the amendment and the underlying bill is minimal and the consequences for a lot of people, for a lot of companies, for a lot of areas of our country where those companies exist, for our Government itself in obtaining the highest quality, most cost-efficient products is much, much greater.

So it is not an easy vote. But, of course, that is not why the Senate is here. This is the right vote. I urge my colleagues to reject this amendment and stand by the very reasonable proposal in the underlying bill.

I thank the Chair and I yield the floor.

The PRESIDING OFFICER. Who yields time?

Mrs. BOXER. Mr. President, I have 12 seconds; is that correct?

The PRESIDING OFFICER. That is correct.

Mrs. BOXER. OK.

The PRESIDING OFFICER. The Senator from California.

Mrs. BOXER. Mr. President, the cap in the committee bill is so full of loopholes, it is not going to work, just like the last one did not. People brought down $4 million from Federal taxpayers in 1 year.

Support the Boxer-Grassley amendment. Let us do what we said we would do 2 years ago.

I yield the floor.

The PRESIDING OFFICER. The Senator from Pennsylvania has 1 minute 13 seconds.

Mr. SANTORUM. How much time?

The PRESIDING OFFICER. A minute and 12 seconds.

Mr. SANTORUM. I cannot be any more eloquent than the Senator from Connecticut in defending this position. I urge the Members to look at this issue and to stay away from this populist appeal and look at the impact, as the Senator from Connecticut said, on small business and on high-technology firms that desperately need to get out there and compete in the marketplace.

I yield back the remainder of my time.

The PRESIDING OFFICER. Under the previous order, the Senator from New Mexico is recognized to offer an amendment.

AMENDMENT NO. 799

(Purpose: To increase the funding for Navy and Air Force flying hours, and to offset the increase by reducing the amount authorized to be appropriated for the Space-Based Laser program in excess of the amount requested by the President)

Mr. BINGAMAN. Mr. President, I thank the Chair. I understand we are going to have some votes at 6 o'clock. So I will take a few minutes here to explain the amendment that I am offering. Senator DORGAN also wishes to speak in favor of the amendment. I believe the Senator from New Hampshire, Senator SMITH, wishes to speak in opposition to it and maybe some others on both sides.

Let me start by describing what the issue is. The administration has requested $29 million in this next fiscal year for the space-based laser program which is operated under the Ballistic Missile Defense Office. This is the same funding request level as we have had for the past 2 years. It is the same level that is planned for each of the next several years. This essentially is money to continue the research and development part of this program, which the administration supports, which I support. But the bill which has come to the Senate floor, which the committee has passed out, adds an additional $118 million in this next fiscal year for a total of about $148 million. The amendment that we are offering here will bring the funding level back to what the administration requested. That is $29 million. It shifts the $118 million that the committee added to this space-based laser program to increase the flying hours for the Air Force and the Navy both, $59 million for the Air Force and $59 million for the Navy.

Mr. President, with that short description, let me send this amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report the amendment.

The assistant legislative clerk read as follows.

The Senator from New Mexico [Mr. BINGAMAN] proposes an amendment numbered 799.

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

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

The amendment is as follows:

At the end of subtitle A of title X, add the following:

SEC. 1009. INCREASED AMOUNTS FOR AIR FORCE AND NAVY FLYING HOURS.

(A) INCREASE.—Notwithstanding any other provision of this Act, the amount authorized to be appropriated under section 301(2) is hereby increased by $59,000,000, and the amount authorized under section 301(4) is hereby increased by $59,000,000.

(b) DECREASE.—Notwithstanding any other provision of this Act, the total amount authorized to be appropriated to be appropriated under section 201(4) is hereby decreased by $118,000,000.

Mr. BINGAMAN. Mr. President, as I indicated, the bill that we have before us adds $118 million to what is called the space-based laser readiness demonstrator program. That funding level represents 5 years' worth of the planned space-based laser funding—planned by the Pentagon. In order to sustain the program at this increased level, which the committee has reported here, would require an additional expenditure of somewhere between $200 million and $300 million a year, which is more than 10 times what is planned for future budgets.

Mr. President, let me try to demonstrate the difference that I am talking about with this chart.

This chart tries to lay out between now and the year 2005 the current rate—which is in green here on this chart—the current rate of funding, cumulative funding, that is requested for this space-based laser activity by the

Pentagon, and the yellow in this chart is what the committee would propose to begin adding.

Now, we do not do all of that. This is a 1-year defense authorization bill. We just add $118 million to the $29 million that the Pentagon requested the first year. But if you take the best figures that have been given us and say we are going to have an additional $200 million a year added, so you put the cumulative amount there, you can see that the total amount by the year 2005 is a very substantial figure.

The larger context for considering this space-based laser program involves four basic questions. Let me briefly go through each of those. First of all, what is a space-based laser? People need to understand something about that, and I will try to explain it. Second, how would a space-based laser fit into the U.S. plan for a national missile defense? Third, is there a threat that warrants or justifies developing and deploying a space-based laser? And finally, No. 4, would it be affordable for us to do so? Would it be cost effective for us to do so?

Let me try to explain first what a space-based laser is and then answer each of these other questions.

Mr. President, the space-based laser, which is the subject of this amendment, is technology that was born in the early days of the Strategic Defense Initiative, SDI. For those who have followed this set of issues over the last decade or so, they will remember the star wars proposals that we debated on the floor. The crown jewel of that star wars program was the space-based laser. It held out the promise of tens of satellites constantly orbiting the Earth ready to zap the hundreds upon hundreds of Soviet nuclear ballistic missiles that were launched from land and sea both.

The idea behind the space-based laser is that we would orbit a group of perhaps 20 or perhaps more very large satellites. Each satellite would be in the range of 80,000 pounds and each of them would be equipped with a chemical laser on the satellite. The chemical laser would produce a beam of very high-energy laser light that would then be focused very carefully with a very huge mirror so that the laser beam could be focused on missiles when they were first launched. That was the idea of getting up in space, so that you could zap a missile when they first launched it. You didn't have to wait until the missile actually came near your territory.

This would require having equipment on the satellite capable of detecting and tracking and pointing the laser at a relatively small object some 1,300 kilometers away over a long enough period of time to permit the laser energy to destroy the missile.

The satellites are so large, the satellites contemplated in this program of space-based lasers are so large and so heavy, we would have to design and build an entire new series of heavy space-launch vehicles with enough lifting power to get one of these huge payloads, 40 tons, into space—80,000 pounds, 40 tons. There is today no rocket, there is no space-launch vehicle currently in our inventory that can boost such a large payload into space. The cost of building such a booster would represent a significant part of the cost of any space-based laser system. The space-based laser readiness demonstrator which we would fund or begin to fund with the $118 million provided in the bill is meant to demonstrate that the many technologies that are required in order to accomplish what I have just described can be met and overcome. The demonstrator would be a reduced size system with all the necessary technology and parts to make all the components work together at the same time.

This would presumably cost several billion dollars to find out the answers to these questions. The money does not exist anywhere in the Pentagon's budget plan for this coming year or the next 5 years, or the out years even after that. So, clearly that money would have to come from other defense programs.

I should point out that this chart, which takes us through the year 2005, does not get us to actual deployment, or development even of a space-based laser. This only gets us to the development of this demonstrator, which I think, as I indicated, is a half-size replica of what we would actually be talking about developing at some future date.

The second question I mentioned, which needs to be dealt with, is, how does this space-based laser fit into our National Missile Defense Program? The United States is developing a National Missile Defense System to defend against a small Third World nation ICBM program, an intercontinental ballistic missile program that has not emerged yet and is not, in fact, expected to emerge for another 15 years. But we are developing that program. The National Missile Defense Program is designed to be compliant with the ABM Treaty, although it remains to be seen whether we might need to change or propose changes or withdraw from that treaty at some time in the future.

There is no U.S. plan to deploy a space-based laser system, and we know of no justification today for doing so. That is why the Pentagon has asked merely to continue with research and development funding in this area.

Furthermore, the cost of deploying such a system would be enormous. The existing National Missile Defense System Program involves developing a ground-based missile interceptor capability which is very different from a space-based laser. The ground-based defense system just had its development cost increased from $2.3 to $4.6 billion. The administration requested that increase.

Our committee is proposing that the Senate go along with that increase. We are adding $474 million to this year's defense bill in order to do that, and nothing in our amendment that I am talking about here would affect that at all. But the cost to deploy the National Missile Defense System last year was pegged at about $10 billion. When you add to that the space and missile tracking system, you get another $5-or-so billion. So we are already planning on paying something in the order of $17 billion for the limited National Missile Defense System that is designed to stop a handful of rogue missiles coming into this country. As I said before, we have no plan, however, to pay the additional tens of billions of dollars to actually develop and deploy a space-based laser.

The third question that I cited when I began my comments is, is there a threat that this country faces to our national security, a threat that would justify developing and deploying the space-based laser? The National Missile Defense System that we are developing today that I just described is meant to defend against a handful of these ICBM's that might be launched at some future date by some rogue nation, if they develop the capability to do that. According to the administration, there is no significant ballistic missile threat being faced by the United States today.

North Korea is the only nation considered to be actively trying to develop such a missile. But the North Korean economy is in terrible shape. Their own military, according to the best information we have, is going hungry in some cases. The Defense Intelligence Agency publicly stated that their country is—I believe they used the phrase "probably terminal." Neither Russian nor Chinese strategic missiles are considered a threat today because neither nation has a plausible reason to attack the United States. And, of course, we maintain an overwhelming nuclear deterrent capability, which we should maintain.

The United States and Russia have detargeted their ICBM's and their SLBM's, which means that no accidental launch could be expected from either territory toward the other country. So this is not a threat situation that requires a space-based laser. This is not a threat situation that requires rapid and expensive development of this so-called readiness demonstrator, as this accelerated program is referred to.

The final issue I wanted to mention is the issue of cost. Is the space-based laser either affordable or cost effective? Last year's Defend America Act, as proposed but not as enacted, included a requirement for space-based

lasers. That was a primary factor that led the Congressional Budget Office to estimate the cost of the system at up to $60 billion to procure and up to an additional $120 billion to operate it over the next 30 years.

The Department of Defense stated recently that CBO's cost estimates may have been too low and that the cost of building and launching a space-based laser system is almost certainly higher than those figures. One reason for the high cost, as I mentioned in describing a space-based laser, is the cost of launching the heavy laser systems into space. We need a heavy-lift booster that does not exist today. It would be very expensive to develop. The cost of such a system is totally outside the realm of the current budget or the planned defense budgets. This would not be affordable, and it is not likely that it is cost effective against the limited emerging ballistic missile threat. The current program is designed to handle any foreseeable limited ballistic missile attack from a rogue nation.

The Department of Defense has recently doubled the cost estimate for the development program, as I mentioned, and there is no plan to deploy even that ground-based missile interceptor system today unless and until a real threat emerges. If such a deployment is warranted, obviously we will have to spend substantially more. But none of the deployment funds are planned in any future defense budget even for the ground-based missile defense system, the missile interceptor system that I described.

DOD has no plans to fund the space-based laser program at the much higher levels that are proposed in this defense bill. DOD clearly has higher priorities. We need to protect those higher priorities and not pass a bill here which commits us or which starts us down the road toward spending money on programs that the Department of Defense has not requested.

The bottom line is that we are nowhere near deploying a space-based laser. There is no need for us to do so. The administration already has a very expensive National Missile Defense Development Program underway. And unless this amendment that we are offering here this evening is adopted, the Senate will be putting five times as much money into the space-based laser program as the administration has requested in 1998, and we will be starting down the road to developing a demonstrator and eventually a space-based laser program that will be hugely expensive and of very marginal value to our national security.

So I urge my colleagues to support the amendment. At this point, I yield the floor. I suggest the absence of a quorum, if there is nobody else wishing to speak at this point.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BINGAMAN. 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. BINGAMAN. Mr. President, let me just add a couple of items that I overlooked, since we have just another couple of minutes here before the vote occurs.

As I indicated in describing the amendment, we are suggesting that the $118 million which we are trying to delete from the bill for the space-based laser program be, instead, transferred over for Air Force and Navy flying hours. The reason I have offered that suggestion is a letter from the Secretary of Defense to Senator LEVIN, and I am sure Senator THURMOND also received a copy of it. The letter is dated the 23d of May. Former Senator Cohen, now Secretary Cohen, stated in this letter:

> In addition to adjustments reflective of the Quadrennial Defense Review, I recommend a fact-of-life adjustment concerning flying hour costs. The Navy and the Air Force are both experiencing greater costs per flying hour than anticipated in their budgets. We are currently analyzing the causes of this increase, but the preliminary indications are that the increase is caused by greater spare parts requirements per flying hour than were experienced in the past. We estimate the impact of these increases to be $350 million for the Navy and $200 million for the Air Force.

So he has requested that we add the total of $550 million to the combined flying hours for the Air Force and the Navy. This amendment adds $59 million to the Air Force and $59 million to the Navy. Obviously, it does not meet the entire requirement as stated by the Secretary of Defense, but it moves us in the right direction.

So I do think this is a better use of the funds. It is a use that the Pentagon itself and the Secretary of Defense have indicated they support. For that reason, that is what we are suggesting be done with the funds.

Mr. President, let me also, before I yield the floor again, ask unanimous consent that Senator DORGAN be added as a cosponsor of this amendment.

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

Mr. BINGAMAN. Mr. President, I yield the floor.

Mr. CONRAD. Mr. President, I rise in support of the amendment offered by my friend from New Mexico, Senator BINGAMAN, which would cut the $118 million added to the bill for the space-based laser [SBL] program.

As my colleagues are aware, I have long supported development of a national missile defense system to protect our Nation from the threat of a limited accidental or unauthorized ICBM launch from an established nuclear power, and from the threat of attack from a rogue state, such as North Korea, Libya, and Iraq. To ensure that our NMD program makes good fiscal and national security sense, I believe that the system we develop must meet the common sense criteria of affordability, compatibility with our arms control treaties, and utilization of existing technology. These key tests provide a reliable guide for developing an affordable, responsible, and reliable means of countering the limited threat we will face early in the next century.

Although sometime in the next century we may do the NMD and theater missile defense missions from space, I do not believe that this is the time to invest $118 million in the SBL. This money would be much better spent if invested in promising missile defense systems we are very close to having today, such as the Minuteman-based NMD option, and the Airborne Laser TMD program of the U.S. Air Force.

I also do not believe we need to start a funding stream that would obligate us to spend more than $1 billion over the next 7 years to field only a single SBL demonstrator satellite. With the Minuteman and ABL systems becoming available, there is simply no reason to put us on a slippery slope toward an unnecessary operational SBL deployment that will surely cost tens of billions of dollars.

In addition to failing the affordability test, pressing forward with the SBL today represents a clear threat to arms control. As my colleagues may be aware, the ABM Treaty explicitly prohibits space-based missile defense systems, and the Russians have stated clearly their belief that development of such a capability by the United States would lead to a renewed arms race.

It is true that the $118 million in question would go toward development of a demonstrator SBL satellite, and that the ABM Treaty permits development of missile defense systems that would not be treaty compliant if operationally deployed. Nevertheless, development of such a capability would logically increase the likelihood of deployment of space weapons before they are necessary or wise. In light of the near-term, treaty-friendly NMD and TMD capability offered by the Minuteman and ABL systems, we would needlessly be putting our Nation on course to violate the ABM Treaty and re-ignite the arms race.

Finally, Mr. President, aggressive SBL development today fails the third key test I outlined earlier—utilization of existing technology. Although the SBL would leverage research done on the ABL, the SBL is still new, untested technology. We know much more about how lasers perform in our atmosphere than in space. We have also never deployed weapons in space.

Because of these considerations, we could expect costs to grow, testing and deployment schedules to slip, and reliability to be highly questionable. I

hope my colleagues would agree that the ABL is a much better investment in laser-based missile defense systems. It will provide the same boost-phase intercept capability as the SBL nearer-term, at a lower cost, and without endangering our arms control agreements.

Before closing, Mr. President, I would also note on the subject of technology that even if we were to construct an SBL capability, its satellites would be too massive for any existing U.S. booster rocket to loft into orbit. The one American rocket that could have gotten the job done—the Saturn V that sent the Apollo astronauts to the Moon—was retired over two decades ago. As it stands, the only alternative to investing millions or billions more in a new heavy booster would be using Russian's Proton rocket. The fact that the SBL represents a clear threat to the ABM Treaty leads me to believe that our Russian friends would be far from eager to help us in this regard.

Mr. President, the SBL is a fascinating technology, and I commend the committee for their interest in what could several decades from now be the right answer to our missile defense needs. However, this is not the time for the SBL. The Minuteman and ABL systems are not only near-term, but meet the commonsense criteria of affordability, compatibility with our arms control agreements, and utilization of existing technology to an extent the SBL simply cannot. For this reason, I support the Bingaman amendment striking funding for the SBL, and urge my colleagues to support its adoption.

The PRESIDING OFFICER. Who seeks recognition?

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

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

The PRESIDING OFFICER (Mr. BENNETT). Without objection, it is so ordered.

AMENDMENT NO. 668, AS MODIFIED

The PRESIDING OFFICER. Under the previous order, there are 2 minutes equally divided on debate preceding the motion to table the Senator's amendment. Does the Senator wish to proceed under that order?

Mr. WELLSTONE. That is correct.

The PRESIDING OFFICER. The Senator is recognized for 2 minutes.

Mr. WELLSTONE. Inquiry, Mr. President. Is it 2 minutes time equally divided?

The PRESIDING OFFICER. The Senator is correct. The Chair is corrected. The Senator is recognized for 1 minute.

Mr. WELLSTONE. Mr. President, this amendment, which I offered on behalf of myself, Senator HARKIN, Senator DASCHLE, and Senator KERRY of Massachusetts, is very simple and straightforward. It simply would authorize the Secretary of Defense to be able to transfer $400 million to veterans health care.

In the budget resolution, we cut $400 million out of the health care budget of veterans. We have more Persian Gulf veterans who are seeking care. We have more and more veterans who are living to be 65 and living to be 85. We have veterans who are struggling with PTSD. This is a huge mistake. We should not be doing this. This gives us an opportunity to really be there for veterans.

There are three wonderful letters from Paralyzed Veterans of America, Vietnam Veterans of America, and Disabled Veterans of America, all of which strongly support this amendment. I hope we will have a good, strong vote. I hope we will win on this. I say to colleagues, one way or the other, we have to restore these cuts in veterans health care.

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

The Senator from South Carolina.

Mr. THURMOND. Mr. President, if this body allows these amendments, or other amendments, to lower defense spending below what was agreed to in the budget agreement, we will be responsible for the impact on the readiness of our forces. We will increase the tempo of our operating forces and will not be able to provide the quality-of-life programs our service members deserve.

Mr. President, there are all kinds of amendments here that take money away from defense and give it to other things. Why don't they find some other way to do it and not take it away from defense. Defense needs every dollar that we have here, and I oppose the amendment.

The PRESIDING OFFICER. The Senator has 15 seconds.

Mr. THURMOND. Mr. President, I yield back my time.

The PRESIDING OFFICER. All time having expired, the question is on agreeing to the motion to lay on the table amendment No. 668, as modified. The yeas and nays have been ordered. The clerk will call the roll.

The assistant legislative clerk called the roll.

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

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

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

[Rollcall Vote No. 168 Leg.]

YEAS—58

Abraham	Ashcroft	Bond
Allard	Bennett	Breaux
Brownback	Grams	Nickles
Bryan	Gregg	Robb
Burns	Hagel	Roberts
Chafee	Hatch	Rockefeller
Coats	Helms	Roth
Cochran	Hutchinson	Santorum
Collins	Hutchison	Sessions
Coverdell	Inhofe	Shelby
Craig	Kempthorne	Smith (NH)
DeWine	Kyl	Smith (OR)
Domenici	Landrieu	Snowe
Enzi	Lieberman	Stevens
Faircloth	Lott	Thomas
Frist	Lugar	Thompson
Glenn	Mack	Thurmond
Gorton	McCain	Warner
Graham	McConnell	
Gramm	Murkowski	

NAYS—41

Akaka	Durbin	Lautenberg
Baucus	Feingold	Leahy
Biden	Feinstein	Levin
Bingaman	Ford	Moseley-Braun
Boxer	Grassley	Moynihan
Bumpers	Harkin	Murray
Byrd	Hollings	Reed
Campbell	Inouye	Reid
Cleland	Jeffords	Sarbanes
Conrad	Johnson	Specter
D'Amato	Kennedy	Torricelli
Daschle	Kerrey	Wellstone
Dodd	Kerry	Wyden
Dorgan	Kohl	

NOT VOTING—1

Mikulski

The motion to lay on the table the amendment (No. 668) was agreed to.

Mr. THURMOND. I move to reconsider the vote.

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

The motion to lay on the table was agreed to.

Mr. LOTT addressed the Chair.

The PRESIDING OFFICER. The majority leader is recognized.

Mr. LOTT. Mr. President, I ask unanimous consent that the following sequenced votes be limited to 10 minutes in length.

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

AMENDMENT NO. 794, AS MODIFIED

The PRESIDING OFFICER. Under the previous order, there is now 2 minutes equally divided on Gramm amendment No. 794. The yeas and nays have been ordered, and the vote will follow.

Who yields time?

Mr. GRAMM. Mr. President, may we have order?

The PRESIDING OFFICER. The Senate will be in order.

The Chair was in error. The yeas and nays have not been ordered.

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

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. Two minutes of debate will be equally divided.

The Senator from Texas.

Mr. GRAMM. Mr. President, we have 1,100,000 people in prison. We have passed laws in Congress banning them from working to sell anything in the private sector. The last place we can

force them to work in is to produce goods to be sold to the Government.

The Levin amendment will end prison labor in America. It is violently opposed by the National Victims Center because the money we get from working prisoners goes to compensate victims.

I yield the remainder of my time to the chairman of the Judiciary Committee.

Mr. HATCH addressed the Chair.

The PRESIDING OFFICER. The Senator from Utah.

Mr. HATCH. This is a very serious amendment. What the Gramm amendment does is it provides for a study in the procurement program.

The PRESIDING OFFICER. The Senator will suspend.

The Senate is not in order. The Chair cannot hear the Senator from Utah.

The Senator from Utah.

Mr. HATCH. The only hope we have to rehabilitate these prisoners is to get them to work. The only work they do is Federal Prison Industries work. Basically, they can only sell their products to a Federal procurement program, and they have to be products of quality and products of price and products of distribution that work. So if we take this away from them, we take away one of the most important aspects of rehabilitation of criminals. So I hope people will vote for the Gramm amendment and vote down the Levin amendment.

The PRESIDING OFFICER. Time has expired for the proponents. The Senator from Michigan.

Mr. LEVIN. Mr. President, we obviously want people in prison to work, but we also want people who are out of prison to have an opportunity to compete. The current Federal Prison Industries approach will not permit people to compete even when their prices are lower than the Federal Prison Industries price. That is not fair to all the small businesses in this country. Hundreds of them have banded together in a Competition in Contracting Act Coalition. Small businesses in all of our States just want the right to compete when their prices are lower.

I yield the remainder of my time to Senator ABRAHAM.

The PRESIDING OFFICER. The Senator from Michigan.

Mr. ABRAHAM. I thank the Chair.

This amendment that Senator LEVIN and myself, Senator KEMPTHORNE and others offered will not end work in prisons. It will not prevent prisoners from, through rehabilitation, learning skills. It just levels the playing field to allow private companies to compete with prison labor for these contracts that are now exclusively given to Federal Prison Industries offered at a significant cost to the taxpayers from what would exist if we had a level playing field in competition. The taxpayers should not have to pay extra for these materials and products supplied through Federal Prison Industries.

The PRESIDING OFFICER. All time having expired, the question now is on agreeing to the Gramm amendment. The yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

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

The result was announced—yeas 62, nays 37, as follows:

[Rollcall Vote No. 169 Leg.]

YEAS—62

Akaka	Durbin	Leahy
Ashcroft	Feingold	Lott
Bennett	Feinstein	Mack
Biden	Graham	McCain
Bingaman	Gramm	McConnell
Bond	Grams	Murkowski
Brownback	Gregg	Murray
Burns	Hagel	Nickles
Byrd	Harkin	Roberts
Campbell	Hatch	Rockefeller
Chafee	Hollings	Roth
Cleland	Hutchinson	Santorum
Coats	Hutchison	Sarbanes
Cochran	Inhofe	Snowe
Collins	Jeffords	Specter
Conrad	Johnson	Stevens
Coverdell	Kennedy	Thompson
Craig	Kerrey	Thurmond
DeWine	Kohl	Torricelli
Domenici	Kyl	Wyden
Dorgan	Landrieu	

NAYS—37

Abraham	Frist	Moynihan
Allard	Glenn	Reed
Baucus	Gorton	Reid
Boxer	Grassley	Robb
Breaux	Helms	Sessions
Bryan	Inouye	Shelby
Bumpers	Kempthorne	Smith (NH)
D'Amato	Kerry	Smith (OR)
Daschle	Lautenberg	Thomas
Dodd	Levin	Warner
Enzi	Lieberman	Wellstone
Faircloth	Lugar	
Ford	Moseley-Braun	

NOT VOTING—1

Mikulski

The amendment (No. 794), as modified, was agreed to.

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

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

The motion to lay on the table was agreed to.

AMENDMENT NO. 778, AS AMENDED

The PRESIDING OFFICER. Under the previous order, the question is now on agreeing to the Levin amendment, as amended.

The amendment (No. 778), as amended, was agreed to.

The PRESIDING OFFICER. The question is now on the Boxer amendment No. 636. Under the previous order, there are 2 minutes equally divided.

Mr. THURMOND. Mr. President, I move to table the Boxer amendment.

UNANIMOUS-CONSENT AGREEMENT

Mr. LOTT. Mr. President, before we begin the last vote, after consultation with the Democratic leader, I have a unanimous-consent request I would like to make. If we can get this agreed to, we would have this remaining 10-minute vote and then we would go on to debate on the amendments we have identified, with the votes to occur in the morning on these issues at 9:45.

So I ask unanimous consent that, following the stacked votes, Senator BINGAMAN be recognized to modify his amendment No. 799, and that there be 30 minutes of debate, equally divided in the usual form, and that no second-degree amendments be in order and, following the expiration or yielding back of time, a vote occur on or in relation to the Bingaman amendment at 9:45 on Friday.

Mr. BINGAMAN. Mr. President, reserving the right to object, can I just clarify something? If we can have that half hour of debate beginning at 9:15 tomorrow right before the vote, that would be ideal.

Mr. LOTT. Part of what we are trying to do is to get an agreement to have debates tonight so we can have votes in the morning at 9:30 or 9:45. I thought there was a need just to have a vote at 9:45. Our intent is to finish the defense authorization bill tomorrow. In order to do that—we understand that, other than the three amendments we may get agreement on tonight, there may be three amendments or so tomorrow. We are going to try to identify those and get time agreements and have the votes so that we can, hopefully, get out of here by 12:30 tomorrow.

So if the Senator would be willing, we could have the debate tonight and then if you want to, in the morning, come in at 9:30 and have 15 minutes more of the time equally divided, in addition to the 30 minutes tonight, and have the vote at 9:45 because of other considerations, I think that would be a good arrangement.

Mr. BINGAMAN. That would be fine if we could have 15 minutes tomorrow morning before the vote, equally divided.

Mr. LOTT. I understand.

Mr. WARNER. Reserving the right to object. The distinguished Senator from Texas and the Senator from Virginia have an amendment relating to our policy in Bosnia—the United States policy in Bosnia—particularly with respect to the mission of capturing alleged war criminals. I would like to have the opportunity to have that debated at whatever time is convenient for the managers of the bill.

Mr. LOTT. Mr. President, I was going to get the agreement on the Bingaman amendment and then we would go on through some other information here.

Mr. WARNER. I withdraw that.

Mr. LOTT. We would like to have debate on three identifiable amendments tonight, with three votes occurring in the morning, stacked, at 9:45. This can be one of those three that we would like to have debated tonight and voted on first thing in the morning.

Mr. KYL. Mr. President, may I ask the majority leader this question? I

simply want to withdraw two amendments and substitute versions that have been cleared on both sides. I wonder if I might do that before the Bingaman amendment is discussed this evening.

Mr. LOTT. Mr. President, let's get the unanimous-consent request, and I believe the Senator could do it right at that point before we go to the vote.

The PRESIDING OFFICER. Is there objection?

Mr. LOTT. Let me clarify what it is, since it has been changed.

The request is that we have 30 minutes of debate tonight after the stacked votes on the Bingaman amendment, that there be no second-degree amendments in order, that when we come in at 9:30, we will have 15 minutes, equally divided, on the Bingaman amendment, with the vote beginning at or about 9:45. So that is the first part of the request.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mr. LOTT. I further ask unanimous consent that the amendment by Senator WARNER and Senator HUTCHISON be next in order tonight. How much time will be needed?

Mr. WARNER. Thirty minutes a side.

Mr. LOTT. With 30 minutes, equally divided, on that——

Mr. LEVIN. Mr. President, reserving the right to object, we have not seen that amendment yet, as far as I can tell from staff. Before we can agree to that time limit, we would like to see the amendment. We thought you were referring to a different amendment relative to Bosnia that we think may be able to be worked out without a rollcall; we are not sure. If this is a different amendment, we would like to see it.

Mr. LOTT. I will revise it to this extent. Next would be the Warner-Hutchison amendment. We won't lock in a time agreement now, but it would be the second vote in order stacked in the morning at 9:45.

Mr. LEVIN. Well, that amounts to a time limit. May we see that amendment before the UC is propounded?

Mr. WARNER. Of course, it can be examined. I suggest that the Senator from Michigan might agree to the UC, with the understanding that it would be reopened if you took the initiative.

Mr. LEVIN. We would like to see the amendment.

Mr. LOTT. Mr. President, I see the Senator from Wisconsin in the Chamber. I understood he had an amendment he might like to offer. We don't know what the disposition would be, but I ask unanimous consent that the third amendment to come up be the Feingold amendment on or in relation to Bosnia, and any vote thereon, if needed, would be at 9:45 in the stacked sequence, also.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mr. LOTT. I understand that there may be as many as four or five additional issues to be resolved on this bill. I encourage all Members who have amendments that they really are serious about identify those to the managers of the legislation tonight, and any votes ordered on those will be stacked. We will try to get a unanimous-consent agreement on the time on those remaining amendments when we come in, in the morning.

So there will be no further votes this evening, with the first votes to begin tomorrow morning at 9:45. We really need the Senators' cooperation so we can complete this legislation. I thank the Senator from South Dakota for his assistance in this effort.

Mr. DASCHLE. Mr. President, if I could just encourage our colleagues on this side of the aisle. We have a number of amendments that may not require rollcalls, but there are two or three that will. I would like very much to be able to work out time agreements tonight on those, so we can announce them tomorrow.

There is a desire on the part of both sides, I think, to try to finish at the target time of about noon tomorrow. So we have to work very carefully on these remaining amendments and get time agreements that will accommodate that schedule. So if you have a rollcall, let's try to work out the time agreement tonight before we leave.

Mr. WARNER. Mr. President, further reserving the right to object——

Mr. LOTT. I don't think the request was made. I yield to the Senator from Virginia.

Mr. WARNER. I ask the leadership to address the following. On the amendment relating to Bosnia by the distinguished Senator from Wisconsin, I would like to reserve the right to have the second-degree amendment.

Mr. LOTT. Certainly; we did not prohibit that. You would have that right. I would like to ask our colleagues on both sides of the aisle to be very cautious about amendments we do at this time with regard to Bosnia. Our troops are there on the ground. I had the occasion, with a bipartisan delegation, to be there last week. We have some very sensitive circumstances that have evolved there just in the last 24 hours. I don't even know what the amendments are, but I hope we will use the maximum amount of discretion in what we do in this area right now. Please be very careful what you do on Bosnia on this bill. I realize there may be some merits to them. I know the Senators will be very careful, and I urge them to do so.

Mr. SARBANES. Will the majority leader yield on that point?

Mr. LOTT. Yes, I would be happy to.

Mr. SARBANES. Mr. President, I want to support the statement of the majority leader. I don't know what is in these Bosnia amendments, but this is obviously always a difficult and sensitive issue. You know, we are locking in now procedure to try to produce this bill, which I am supportive of. I don't think we ought to put into that mix perhaps acting precipitously on a very complicated issue. I think the majority leader has made a very strong point.

Mr. LOTT. We are going to get a chance to look at the amendments. The Senator from Wisconsin, I believe, is going to talk to the managers of the bill. But without prejudicing anybody's position, I just wanted to add an admonition.

Mr. STEVENS. If the Senator will yield, did the leader say we must bring forth the amendment tonight and file it or something? Did I misunderstand?

Mr. LOTT. If you have an amendment you really would like to have considered, particularly if it may require a vote, we would really like to know about that amendment and then get an agreement on some time limit in the morning if at all possible.

Mr. STEVENS. We don't have to file them tonight?

Mr. LOTT. I assume you would have already filed it probably, but you don't have to. We are not looking for amendments, by the way. We are discouraging them, I might say to the Senator.

Mr. STEVENS. Well, I might have a few.

Mr. LOTT. I see that you have your bright tie on tonight. Maybe tomorrow you will feel differently.

Mr. LEVIN. I wonder if it would be wise to attempt to get an agreement that amendments that will be offered will be filed tonight.

Mr. LOTT. The Senator from South Dakota and I have found that when we do that, it tends to invite amendments. We are not urging or inviting amendments.

Mr. LEVIN. For the reason stated, I withdraw my suggestion.

Mr. LOTT. I yield the floor so we can begin the vote.

AMENDMENT NO. 636

The PRESIDING OFFICER. Under the previous order, there are now 2 minutes equally divided on the Boxer amendment.

The Senator from California.

Mrs. BOXER. Mr. President, I would like to divide my time with the Senator from Iowa, Senator GRASSLEY.

My colleagues, last year corporate executives got paid millions of dollars each from taxpayers. One got $4 million, according to a scandalous GAO report—all this, while we thought we had a cap in place. It didn't work, and the Boxer-Grassley bill fixes it. That is why we have strong support from people who want to see reform. I yield to my colleague and hope he will support us.

Mr. GRASSLEY. Mr. President, the issue here is whether or not we are

going to stand by and let the Pentagon thumb its nose at the U.S. Senate. We have had salary caps for the last 3 years. The Defense Department has found a way, by $33 million, just with McDonnell Douglas getting over that salary cap. We need an effective salary cap. We haven't had one. This will guarantee an effective salary cap so that the Pentagon will have to execute the laws the way Congress intended.

The PRESIDING OFFICER. The time of the proponents of the amendment has expired.

Mr. SANTORUM addressed the Chair.

The PRESIDING OFFICER. The Senator from Pennsylvania is recognized.

Mr. SANTORUM. Mr. President, Senator LIEBERMAN, who is on the subcommittee, looked at this issue and asked the administration last year to come up with a proposal. They came up with a cap of $4 million. We didn't think that was particularly salable on the floor of the U.S. Senate. So we came up with a different calculation that put the cap at $340,000. That is the median salary of the executives of companies that have sales of over $50 million.

What this amendment does is lower that cap to $200,000, and in so doing it applies to not just executives but scientists—people who are in demand, who are going to be taken away from high-technology firms and national defense and are going to other places where they can make a lot more money because they are going to be capped under this amendment.

This is a bad amendment. It is going to hurt national security. It also hurts small businesses, because those are the businesses that are primarily defense businesses that are not going to have the opportunity to compensate their employees from other sources like commercial entities.

I encourage a strong no vote on this.

I yield the remaining time to the Senator from Connecticut.

The PRESIDING OFFICER. All time has expired.

Mr. LIEBERMAN. I agree with the Senator.

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

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from South Carolina to lay on the table the amendment of the Senator from California. On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

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

The result was announced—yeas 83, nays 16, as follows:

[Rollcall Vote No. 170 Leg.]

YEAS—83

Abraham	Enzi	Lugar
Allard	Faircloth	Mack
Ashcroft	Feinstein	McCain
Baucus	Ford	McConnell
Bennett	Frist	Moynihan
Bingaman	Glenn	Murkowski
Bond	Gorton	Murray
Breaux	Graham	Nickles
Brownback	Gramm	Reid
Bryan	Grams	Robb
Bumpers	Gregg	Roberts
Burns	Hagel	Rockefeller
Byrd	Hatch	Roth
Campbell	Helms	Santorum
Chafee	Hollings	Sarbanes
Cleland	Hutchinson	Sessions
Coats	Inhofe	Shelby
Cochran	Inouye	Smith (NH)
Collins	Kempthorne	Smith (OR)
Conrad	Kerrey	Snowe
Coverdell	Kerry	Specter
Craig	Kohl	Stevens
D'Amato	Kyl	Thomas
Daschle	Landrieu	Thompson
DeWine	Lautenberg	Thurmond
Dodd	Levin	Torricelli
Domenici	Lieberman	Warner
Dorgan	Lott	

NAYS—16

Akaka	Harkin	Moseley-Braun
Biden	Hutchison	Reed
Boxer	Jeffords	Wellstone
Durbin	Johnson	Wyden
Feingold	Kennedy	
Grassley	Leahy	

NOT VOTING—1

Mikulski

The motion to lay on the table the amendment (No. 636) was agreed to.

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

Mr. LOTT. I move to lay it on the table.

The motion to lay on the table was agreed to.

CHANGE OF VOTE

Mr. COVERDELL. Mr. President, on the last vote, rollcall vote No. 170, I ask unanimous consent to change my vote. I voted "no" and meant to vote "aye." This will in no way change the outcome of the vote. I mistakenly thought it was an up or down instead of tabling.

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

(The foregoing tally has been changed to reflect the above order.)

Mr. LOTT. Mr. President, what is the pending business now?

The PRESIDING OFFICER. The Bingaman amendment numbered 799.

Mr. LOTT. Mr. President, I wish to speak on that amendment, but I will withhold while Senator KYL asks for a unanimous consent request.

Mr. KYL. I appreciate that.

AMENDMENT NO. 605, AS MODIFIED AND AMENDMENT NO. 607, AS MODIFIED FURTHER

Mr. KYL. Mr. President, I ask unanimous consent to withdraw amendments numbered 605 and 607 and substitute for them versions of amendments 605 and 607 which have been cleared by both sides.

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

Without objection, the amendments are so modified.

The amendment (No. 605), as modified, is as follows:

On page 347, between lines 15 and 16, insert the following:

SEC. 1075. ADVICE TO THE PRESIDENT AND CONGRESS REGARDING THE SAFETY, SECURITY, AND RELIABILITY OF UNITED STATES NUCLEAR WEAPONS STOCKPILE.

(a) FINDINGS.—Congress makes the following findings:

(1) Nuclear weapons are the most destructive weapons on earth. The United States and its allies continue to rely on nuclear weapons to deter potential adversaries from using weapons of mass destruction. The safety and reliability of the nuclear stockpile are essential to ensure its credibility as a deterrent.

(2) On September 24, 1996, President Clinton signed the Comprehensive Test Ban Treaty.

(3) Effective as of September 30, 1996, the United States is prohibited by section 507 of the Energy and Water Development Appropriations Act, 1993 (Public Law 102–377; 42 U.S.C. 2121 note) from conducting underground nuclear tests "unless a foreign state conducts a nuclear test after this date, at which time the prohibition on United States nuclear testing is lifted".

(4) Section 1436(b) of the National Defense Authorization Act, Fiscal Year 1989 (Public Law 100–456; 42 U.S.C. 2121 note) requires the Secretary of Energy to "establish and support a program to assure that the United States is in a position to maintain the reliability, safety, and continued deterrent effect of its stockpile of existing nuclear weapons designs in the event that a low-threshold or comprehensive test ban on nuclear explosive testing is negotiated and ratified.".

(5) Section 3138(d) of the National Defense Authorization Act for Fiscal Year 1994 (Public Law 103–160; 42 U.S.C. 2121 note) requires the President to submit an annual report to Congress which sets forth "any concerns with respect to the safety, security, effectiveness, or reliability of existing United States nuclear weapons raised by the Stockpile Stewardship Program of the Department of Energy".

(6) President Clinton declared in July 1993 that "to assure that our nuclear deterrent remains unquestioned under a test ban, we will explore other means of maintaining our confidence in the safety, reliability, and the performance of our weapons". This decision was codified in a Presidential Directive.

(7) Section 3138 of the National Defense Authorization Act for Fiscal Year 1994 also requires that the Secretary of Energy establish a "stewardship program to ensure the preservation of the core intellectual and technical competencies of the United States in nuclear weapons".

(8) The plan of the Department of Energy to maintain the safety and reliability of the United States nuclear stockpile is known as the Stockpile Stewardship and Management Program. The ability of the United States to maintain warheads without testing will require development of new and sophisticated diagnostic technologies, methods, and procedures. Current diagnostic technologies and laboratory testing techniques are insufficient to certify the future safety and reliability of the United States nuclear stockpile. In the past these laboratory and diagnostic tools were used in conjunction with nuclear testing.

(9) On August 11, 1995, President Clinton directed "the establishment of a new annual reporting and certification requirement [to]

ensure that our nuclear weapons remain safe and reliable under a comprehensive test ban".

(10) On the same day, the President noted that the Secretary of Defense and the Secretary of Energy have the responsibility, after being "advised by the Nuclear Weapons Council, the Directors of DOE's nuclear weapons laboratories, and the Commander of United States Strategic Command", to provide the President with the information to make the certification referred to in paragraph (9).

(11) The Joint Nuclear Weapons Council established by section 179 of title 10, United States Code, is responsible for providing advice to the Secretary of Energy and Secretary of Defense regarding nuclear weapons issues, including "considering safety, security, and control issues for existing weapons". The Council plays a critical role in advising Congress in matters relating to nuclear weapons.

(12) It is essential that the President receive well-informed, objective, and honest opinions from his advisors and technical experts regarding the safety, security, and reliability of the nuclear weapons stockpile.

(b) POLICY.—

(1) IN GENERAL.—It is the policy of the United States—

(A) to maintain a safe, secure, and reliable nuclear weapons stockpile; and

(B) as long as other nations covet or control nuclear weapons or other weapons of mass destruction, to retain a credible nuclear deterrent.

(2) NUCLEAR WEAPONS STOCKPILE.—It is in the security interest of the United States to sustain the United States nuclear weapons stockpile through programs relating to stockpile stewardship, subcritical experiments, maintenance of the weapons laboratories, and protection of the infrastructure of the weapons complex.

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

(A) the United States should retain a triad of strategic nuclear forces sufficient to deter any future hostile foreign leadership with access to strategic nuclear forces from acting against our vital interests;

(B) the United States should continue to maintain nuclear forces of sufficient size and capability to hold at risk a broad range of assets valued by such political and military leaders; and

(C) the advice of the persons required to provide the President and Congress with assurances of the safety, security and reliability of the nuclear weapons force should be scientifically based, without regard for politics, and of the highest quality and integrity.

(c) ADVICE AND OPINIONS REGARDING NUCLEAR WEAPONS STOCKPILE.—Any director of a nuclear weapons laboratory or member of the Joint Nuclear Weapons Council, or the Commander of United States Strategic Command, may submit to the President or Congress advice or opinion in disagreement with, or in addition to, the advice presented by the Secretary of Energy or Secretary of Defense to the President, the National Security Council, or Congress, as the case may be, regarding the safety, security, and reliability of the nuclear weapons stockpile.

(d) EXPRESSION OF INDIVIDUAL VIEWS.—A representative of the President may not take any action against, or otherwise constrain, a director of a nuclear weapons laboratory, a member of the Joint Nuclear Weapons Council, or the Commander of United States Strategic Command for presenting individual views to the President, the National Security Council, or Congress regarding the safety, security, and reliability of the nuclear weapons stockpile.

(e) DEFINITIONS.—

(1) REPRESENTATIVE OF THE PRESIDENT.—The term "representative of the President" means the following:

(A) Any official of the Department of Defense, the Department of Energy, or the Office of Management and Budget who is appointed by the President.

(B) Any member of the National Security Council.

(C) Any member of the Joint Chiefs of Staff.

(2) NUCLEAR WEAPONS LABORATORY.—The term "nuclear weapons laboratory" means any of the following:

(A) Los Alamos National Laboratory.

(B) Livermore National Laboratory.

(C) Sandia National Laboratories.

The amendment (No. 607), as modified further, is as follows:

At the end of subtitle E of title X, add the following:

SEC. 1075. LIMITATION ON USE OF COOPERATIVE THREAT REDUCTION FUNDS FOR DESTRUCTION OF CHEMICAL WEAPONS.

(a) LIMITATION.—No funds authorized to be appropriated under this or any other Act for fiscal year 1998 for Cooperative Threat Reduction programs may be obligated or expended for chemical weapons destruction activities, including for the planning, design, or construction of a chemical weapons destruction facility or for the dismantlement of an existing chemical weapons production facility, until the President submits to Congress a written certification under subsection (b).

(b) PRESIDENTIAL CERTIFICATION.—A certification under this subsection is either of the following certifications:

(1) A certification that—

(A) Russia is making reasonable progress toward the implementation of the Bilateral Destruction Agreement;

(B) the United States and Russia have made substantial progress toward the resolution, to the satisfaction of the United States, of outstanding compliance issues under the Wyoming Memorandum of Understanding and the Bilateral Destruction Agreement; and

(C) Russia has fully and accurately declared all information regarding its unitary and binary chemical weapons, chemical weapons facilities, and other facilities associated with chemical weapons.

(2) A certification that the national security interests of the United States could be undermined by a United States policy not to carry out chemical weapons destruction activities under the Cooperative Threat Reduction programs for which funds are authorized to be appropriated under this or any other Act for fiscal year 1998.

(c) DEFINITIONS.—In this section:

(1) The term "Bilateral Destruction Agreement" means the Agreement Between the United States of America and the Union of Soviet Socialist Republics on Destruction and Nonproduction of Chemical Weapons and on Measures to Facilitate the Multilateral Convention on Banning Chemical Weapons, signed on June 1, 1990.

(2) The term "Chemical Weapons Convention" means the Convention on the Prohibition of the Development, Production, Stockpiling and Use of Chemical Weapons and on Their Destruction, opened for signature on January 13, 1993.

(3) The term "Cooperative Threat Reduction program" means a program specified in section 1501(b) of the National Defense Authorization Act for Fiscal Year 1997 (Public Law 104-201: 110 Stat. 2731; 50 U.S.C. 2362 note).

(4) The term "Wyoming Memorandum of Understanding" means the Memorandum of Understanding Between the Government of the United States of America and the Government of the Union of Soviet Socialist Republics Regarding a Bilateral Verification Experiment and Data Exchange Related to Prohibition on Chemical Weapons, signed at Jackson Hole, Wyoming, on September 23, 1989.

AMENDMENT NO. 799

Mr. LOTT. If I could be recognized to speak on this amendment.

Does the Senator from New Mexico wish to modify his amendment? I would like to make sure I am speaking on the amendment that is before the body before I speak on this amendment.

Mr. BINGAMAN. Mr. President, yes, I do intend to modify the amendment, so that it strikes $118 million that was added by the committee for the space-based laser, and I will delete the portion of the earlier amendment that I offered which allocated those funds to the Air Force and the Navy flying hours.

Mr. LOTT. If I could ask the Senator to respond to this question: Would that knock out the entire funding for the space-based laser?

Mr. BINGAMAN. Mr. President, that does not. It leaves the funding at the level the administration requested, which is $29 million, but it would delete the initial $118 million that was added by the committee.

Mr. LOTT. So in the bill now there is about $145 million?

Mr. BINGAMAN. Mr. President, $148 million in the bill at the present time, and this gets it back to the administration requested level of $49.

Mr. LOTT. Mr. President, just so the Members will understand fully what the Senator from New Mexico is doing, his amendment, as I understand it, would knock out $118 million, leaving only $28.8 million to be available for the space-based laser program.

I rise to offer my support for this space-based laser and to oppose the amendment to strike funding of this important program. Clearly, one of the most serious threats facing us today is that of ballistic missiles. As rogue nations or terrorist organizations have the ability to develop more sophisticated means to deploy weapons of mass destruction, it is incumbent upon us, then, to develop the wherewithal to render those threats ineffective. Increasing funding for other programs, as the Senator originally intended, by taking it out of the space-based laser would have been a mistake, and I think to have this kind of cutback down to only $28 million reduces our ability to really develop the sophistication and the degree of the development of the

program that we have the capability to reach.

It is time that we actually do something on this now. We have talked about it, we have had funding, we have had progress made, there has been real development capability reached, yet we continue to sort of shove it off and say, "Someday. Right now this threat is not serious enough." I maintain it is very serious.

We currently have no effective defense to counter the ballistic missile threat, particularly in the early launch phases when defensive measures are the most effective. I think the American people would be alarmed if they had an opportunity to stop and think about this, the fact that we have not developed this effective defense to this threat.

Space-based laser offers potentially one of the most effective solutions to this threat, utilizing relatively mature technologies for boost phase missile defense because we have been working on this, because we have expended funds in this area. So not only does this capability provide an effective protective blanket, but it also serves as a strong deterrent against the launch in the first place, as the boost phase interceptor ensures a destroyed missile falls within the short range of the launch site. So that is a very important factor. It would be a deterrent to launching in the first place, if you knew it might, as a matter of fact, land generally in the area or in the country that fired such a missile.

This inherent capability offers the initial and most effective defense against ballistic missiles. Coupled with terminal and midcourse defenses that we are now procuring, it provides an architecture that is robust to a wide variety of threats.

Moreover, the program is achievable, it is achievable, within current technical and political constraints. The program received a very positive endorsement from the Ballistic Missile Defense Office Independent Review Team which has assessed the program as low risk and capable of achieving a 2005 launch goal, yet it is fully compliant with the ABM Treaty. It in no way commits to us an operational system, but it is absolutely essential to the research and development efforts that preserve our option for such a program in the future.

Space-based laser is clearly the future national missile defense system of choice. It affords us the opportunity to protect the Nation, our military forces and our allies against the ever-growing threat for ballistic missile-deployed weapons of mass destruction. In fact, I think it is the greatest threat that we face today in the world. We cannot ignore it. We should not delay taking actions any further.

The early boost phase negation potential that spaced-based lasers can provide is essential. It is a critical component of our future national defense. We must ensure that the space-based option is carried forward with vigor and a sense of priority. If we cut it down to only $28 million, or something short of $29 million, we are not going to be able to go forward with this mature program in a vigorous way in one that gives it priority.

By the way, the people we have running this program now are very good and they are doing a good job. They have gotten the Secretary of Defense's attention to this program. So as this technology matures, I think it is clear that we now are at the point where we should build a demonstrator and show that, in fact, it will work.

I thank the Senator from New Hampshire for the work he has done on this, both in the committee and on the floor. Senator SMITH is prepared to debate this issue further. Without his efforts, without his attention, this program would not be where it is today and we would not be able to go forward with it in the way we need to now.

I strongly urge my colleagues to oppose the amendment to cut the bulk of the funding for the space laser program.

Mr. President, I thank the chairman again for his support in this area. This is something we clearly should be doing. I hope the amendment will be defeated.

I yield the floor.

PRIVILEGE OF THE FLOOR

Mr. BINGAMAN. Mr. President, I ask unanimous consent that Dr. Robert Simon, who is detailed to my staff from the Department of Energy, be permitted privileges of the floor for the duration of the debate and during any votes occurring on that bill.

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

AMENDMENT NO. 799, AS MODIFIED

Mr. BINGAMAN. Mr. President, I send a modified version of the amendment to the desk and ask that it be so modified.

The PRESIDING OFFICER. The amendment is so modified.

The amendment (No. 799), as modified, is as follows:

At the end of subtitle A of title X, add the following:

SEC. 1009. DECREASED AMOUNTS FOR SPACE BASED LASER PROGRAM.

Notwithstanding any other provision of this Act, the total amount authorized to be appropriated under section 201(4) for the space based laser program shall be reduced by $118,000,000, and not more than $28,800,000 shall be available for the space based laser program.

AMENDMENT NO. 647

(Purpose: (Relating to the participation of the national security activities of the Department of Energy in the Hispanic Outreach Initiative of the Department)

Mr. BINGAMAN. Mr. President, I ask unanimous consent it be in order for me to offer an amendment numbered 647. I think it has been cleared on both sides. I will describe it once the clerk has reported the amendment.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from New Mexico [Mr. BINGAMAN] proposes an amendment numbered 647.

Mr. BINGAMAN. I ask unanimous consent reading of the amendment be dispensed with.

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

The amendment is as follows:

On page 458, between lines 3 and 4, insert the following:

SEC. 3159. PARTICIPATION OF NATIONAL SECURITY ACTIVITIES IN HISPANIC OUTREACH INITIATIVE OF THE DEPARTMENT OF ENERGY.

The Secretary of Energy shall take appropriate actions, including the allocation of funds, to ensure the participation of the national security activities of the Department of Energy in the Hispanic Outreach Initiative of the Department of Energy.

Mr. BINGAMAN. Mr. President, this amendment authorizes the Secretary of Energy to ensure full participation of the Department of Energy in the very successful Hispanic Outreach Program that that department has had.

In September 1995, the Secretary of Energy announced a strategic plan to address the needs, talents and capabilities of the nation's Hispanic community.

This strategic plan calls for the Department to take effective steps to further the participation of DOE in educational programs, particularly in the fields of science and technology that serve Hispanic students.

In fiscal year 1996 the DOE set a goal of $20 million for funding Hispanic Service Educational Institutions and Initiatives. This level of investment provides significant dividends to the Hispanic community as well as to the Department of Energy.

Other programs are included within the Hispanic Outreach Initiative to encourage improved investment, training, and placement for Hispanic population in business using the internet and the Hispanic Radio Network.

As a result of such initiatives, Hispanic employment at the Department of Energy has increased at all grade levels during the past four years.

The amendment I am offering today directs the Secretary of Energy to ensure that all components of the Department participate fully in this initiative in order to achieve the widest possible impact.

I urge my colleagues to vote in favor of this amendment as an effective means to benefit the taxpayer and improve opportunities for the Hispanic community.

I believe we can take action on the amendment at this point. I know of no Senator that wishes to speak in opposition.

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

The amendment (No. 647) was agreed to.

Mr. DURBIN. Mr. President, I ask we lay aside the pending business and consider amendment 657.

Mr. SMITH of New Hampshire. I object. I wish to speak on the amendment that is before the Senate.

The PRESIDING OFFICER. Objection is heard.

Mr. SMITH of New Hampshire. Reserving the right to object, if the Senator wishes to speak for a couple of minutes on another matter, I ask unanimous consent that the Senator's time does not come out of the time allocated for this amendment.

The PRESIDING OFFICER. It would not.

Mr. SMITH of New Hampshire. I have no objection.

AMENDMENT NO. 657

(Purpose: To provide for increased burdensharing by United States allies)

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Illinois [Mr. DURBIN] proposes an amendment numbered 657.

Mr. DURBIN. I ask unanimous consent that the reading of the amendment be dispensed.

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

The amendment is as follows:

At the end of subtitle E of title X, add the following:

SEC. 1075. DEFENSE BURDENSHARING.

(a) EFFORTS TO INCREASE ALLIED BURDENSHARING.—The President shall seek to have each nation that has cooperative military relations with the United States (including security agreements, basing arrangements, or mutual participation in multinational military organizations or operations) take one or more of the following actions:

(1) For any nation in which United States military personnel are assigned to permanent duty ashore, increase its financial contributions to the payment of the nonpersonnel costs incurred by the United States Government for stationing United States military personnel in that nation, with a goal of achieving by September 30, 2000, 75 percent of such costs. An increase in financial contributions by any nation under this paragraph may include the elimination of taxes, fees, or other charges levied on United States military personnel, equipment, or facilities stationed in that nation.

(2) Increase its annual budgetary outlays for national defense as a percentage of its gross domestic product by 10 percent or at least to a level commensurate to that of the United States by September 30, 1998.

(3) Increase its annual budgetary outlays for foreign assistance (to promote democratization, economic stabilization, transparency arrangements, defense economic conversion, respect for the rule of law, and internationally recognized human rights) by 10 percent or at least to a level commensurate to that of the United States by September 30, 1998.

(4) Increase the amount of military assets (including personnel, equipment, logistics, support and other resources) that it contributes, or would be prepared to contribute, to multinational military activities worldwide.

(b) AUTHORITIES TO ENCOURAGE ACTIONS BY UNITED STATES ALLIES.—In seeking the actions described in subsection (a) with respect to any nation, or in response to a failure by any nation to undertake one or more of such actions, the President may take any of the following measures to the extent otherwise authorized by law:

(1) Reduce the end strength level of members of the Armed Forces assigned to permanent duty ashore in that nation.

(2) Impose on that nation fees or other charges similar to those that such nation imposes on United States forces stationed in that nation.

(3) Reduce (through rescission, impoundment, or other appropriate procedures as authorized by law) the amount the United States contributes to the NATO Civil Budget, Military Budget, or Security Investment Program.

(4) Suspend, modify, or terminate any bilateral security agreement the United States has with that nation, consistent with the terms of such agreement.

(5) Reduce (through rescission, impoundment or other appropriate procedures as authorized by law) any United States bilateral assistance appropriated for that nation.

(6) Take any other action the President determines to be appropriate as authorized by law.

(c) REPORT ON PROGRESS IN INCREASING ALLIED BURDENSHARING.—Not later than March 1, 1998, the Secretary of Defense shall submit to Congress a report on—

(1) steps taken by other nations to complete the actions described in subsection (a);

(2) all measures taken by the President, including those authorized in subsection (b), to achieve the actions described in subsection (a);

(3) the difference between the amount allocated by other nations for each of the actions described in subsection (a) during the period beginning on March 1, 1996, and ending on February 28, 1997, and during the period beginning on March 1, 1997, and ending on February 28, 1998; and

(4) the budgetary savings to the United States that are expected to accrue as a result of the steps described under paragraph (1).

(d) REPORT ON NATIONAL SECURITY BASES FOR FORWARD DEPLOYMENT AND BURDENSHARING RELATIONSHIPS.—(1) In order to ensure the best allocation of budgetary resources, the President shall undertake a review of the status of elements of the United States Armed Forces that are permanently stationed outside the United States. The review shall include an assessment of the following:

(A) The alliance requirements that are to be found in agreements between the United States and other countries.

(B) The national security interests that support permanently stationing elements of the United States Armed Forces outside the United States.

(C) The stationing costs associated with the forward deployment of elements of the United States Armed Forces.

(D) The alternatives available to forward deployment (such as material prepositioning, enhanced airlift and sealift, or joint training operations) to meet such alliance requirements or national security interests, with such alternatives identified and described in detail.

(E) The costs and force structure configurations associated with such alternatives to forward deployment.

(F) The financial contributions that allies of the United States make to common defense efforts (to promote democratization, economic stabilization, transparency arrangements, defense economic conversion, respect for the rule of law, and internationally recognized human rights).

(G) The contributions that allies of the United States make to meeting the stationing costs associated with the forward deployment of elements of the United States Armed Forces.

(H) The annual expenditures of the United States and its allies on national defense, and the relative percentages of each nation's gross domestic product constituted by those expenditures.

(2) The President shall submit to Congress a report on the review under paragraph (1). The report shall be submitted not later than March 1, 1998, in classified and unclassified form.

Mr. DURBIN. Mr. President, this amendment has been reviewed by both sides. Senator THURMOND, as chairman of the committee, and Senator LEVIN, as the ranking minority member, have accepted this amendment. It relates to the issue of burdensharing. It is an amendment which would not withdraw any troops, but would ask that our allies assume greater responsibility in helping to defray the expenses of the American troops which have been positioned overseas.

The amendment, I think, accurately reflects the postcold-war environment and the budget challenges which we face.

I yield back the balance of my time.

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

The amendment (No. 657) was agreed to.

Mr. DURBIN. I move to reconsider the vote.

Mr. LEVIN. I move to lay it on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 799, AS MODIFIED

Mr. SMITH of New Hampshire. Mr. President how much time remains on our side on this amendment?

The PRESIDING OFFICER. Nine minutes and 30 seconds.

Mr. SMITH of New Hampshire. Mr. President, I rise to oppose the Bingaman amendment which would cut funding for the space-based laser program—not just cuts it, it devastates the program.

In its markup of the DOD authorization bill, the committee increased the funding for the program by $118 million. During the committee's markup, the Senator from New Mexico did offer an amendment to delete the increase. This was defeated in committee on a bipartisan basis. It was not a party-line vote. It is my sincere hope, Mr. President, that the Senate will follow suit as the committee did and defeat this

amendment today or tomorrow when we vote.

Mr. President, let me explain why additional funds are needed for this very important program. The President's budget request included only $30 million for the space-based laser. This is insufficient funding for the program to continue making the technical progress that it has been making.

The Department of Defense is currently considering ways to increase this level of funding in the outyears, but there is a major deficit now for the Fiscal Year 1998. This program, the space-based laser, is the last remaining space-based laser missile defense left. The last one. If we allow the program to die, then we will have wasted well over $1 billion in investment, literally wasted. We will not see the fruits of that investment and we will have given up the option of deploying the most effective national and theater boost phase missile defense system known to man.

The space-based laser program has been one of the best managed programs in the history of our ballistic missile defense efforts. It is not always the case that we can stand here and say that a program has been well managed. For over 10 years it has continued to make remarkable technical progress while remaining on schedule and within cost. How many other programs in DOD, or, indeed, in the U.S. Government, can we say that about? Not too many.

Mr. President, could I have order?

The PRESIDING OFFICER. The Senate will please come to order.

The Senator from New Hampshire.

Mr. SMITH of New Hampshire. Mr. President, if we do not allow the space-based laser program to proceed, we are going to erode the Defense Department's expertise in laser technology. There are other laser programs in DOD. The SBL, the space-based laser, represents a significant proportion of DOD's corporate knowledge about lasers and all of DOD's knowledge about space-based lasers. All this knowledge, all of this technology will simply be thrown out the window if we gut this program.

This program has strong bipartisan support. It has had it for over many years. The Armed Services Committee has increased funding for this program in each of the last two fiscal years. In fiscal year 1997, for example, the committee recommended and the Congress and the President approved an increase of $70 million. DOD acknowledges that the additional funding is necessary if the program is to continue making the technical progress that it is making.

Therefore, the bill before the Senate today, the bill in its current form, the DOD bill, includes an increase of $118 million for that program. This amendment offered by the Senator from New Mexico will take that $118 billion out and basically stop the program in process.

I must say, every year, year after year, in all the 7 years that I have been on the Armed Services Committee here in the Senate, somebody comes out and tries to cut this program. Every year I am standing up here defending it, trying to make people aware of the importance of this program.

Let me explain why this specific funding level was chosen. The SBL program will complete its current development phase this year. The next logical step for a space-based laser is to develop and launch a technology readiness demonstrator. This is, in fact, the recommendation of an independent review team, the IRT, that was established by the director of the ballistic missile defense organization earlier this year to study the future of the SBL program.

The IRT recommended proceeding with a space demonstrator in fiscal year 1998 that could be launched in the year 2005. The funding increase in the pending bill is the same amount as that recommended by BMDO, Ballistic Missile Defense Office's independent review team—no more, no less. Such an SBL technology demonstrator would be compliant with the ABM Treaty. For those who are concerned about that, it is treaty compliant. And both Secretary of Defense Cohen and officials from the National Security Council have confirmed that an SBL readiness demonstrator would be treaty compliant as long as it is not an operational system prototype.

Mr. President, the Senate is not in order.

The PRESIDING OFFICER. The Senate will please come to order. The Senator from New Hampshire.

Mr. SMITH of New Hampshire. Additionally, the Department of Defense compliance review group has previously reviewed the SBL readiness demonstrator and deemed such a program compliant with the ABM Treaty. So the Air Force and BMDO have signed a memorandum of agreement to proceed with the SBL program. The Air Force and BMDO endorsed the development of an SBL readiness demonstrator and have done the preliminary work on how to proceed with such a program, and the Air Force has said if such a program proceeds, they will establish this program management office at the Philips lab at Kirkland Air Force base in New Mexico.

The bottom line is, a readiness demonstrator is the next logical step for SBL. It doesn't commit the United States to deployment or development of an operational SBL system, but it preserves the option for that decision after the year 2005. If the Bingaman amendment were to be agreed to, this option would be precluded and we would be left with a space-based laser program lacking focus and lacking any logical direction. It is one of those situations where if we do take the focus and take the direction away, it makes all the money we have spent in the past, all the $1 billion, wasted, down the drain, when we are now on the threshold of being able to see it all come to fruition and see the space-based laser program take its proper place in the defense arsenal of the United States.

So I urge my colleagues tomorrow, when we vote, to oppose this amendment as we have done year after year after year, to oppose the amendment of the Senator from New Mexico and defeat the amendment, and allow the space-based laser program to continue.

Mr. President, I yield the floor.

Mr. WARNER addressed the Chair.

The PRESIDING OFFICER. The Senator from Virginia.

UNANIMOUS-CONSENT AGREEMENT

Mr. WARNER. Mr. President, I ask unanimous consent that at 9 a.m. on Friday, Senator FEINGOLD be recognized to offer an amendment, re: Air Force jets, and there be 30 minutes for debate, 20 minutes under the control of Senator FEINGOLD, 10 minutes under the control of Senator THURMOND, and no amendments be in order to the Feingold amendment. My understanding is it has been cleared on the other side.

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

Mr. WARNER. At 9:30 a.m., the Senate will resume the Bingaman amendment, with 15 minutes remaining for debate and a vote occurring at 9:45 a.m. on Friday.

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

Mr. WARNER. Mr. President, it is my understanding the distinguished Senator from Arizona and the distinguished Senator from Massachusetts will engage in a debate on a matter that is related to the underlying measure.

I yield the floor.

Mr. KERRY addressed the Chair.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KERRY. Mr. President, a number of us will be proceeding, momentarily, on an amendment with respect to Cambodia. I am just waiting for the language to arrive.

Mr. President, I understand, under parliamentary procedure, the time is controlled?

The PRESIDING OFFICER. That is correct.

Mr. KERRY. Mr. President, how much time——

Mr. MCCAIN. I believe the parliamentary situation is an amendment by Senator WARNER and Senator HUTCHISON. Could I ask for the parliamentary situation, Mr. President?

The PRESIDING OFFICER. We are on the Bingaman amendment.

Mr. WARNER. Mr. President, I think we would then lay that aside.

The PRESIDING OFFICER. There are 14 minutes for Senator BINGAMAN and 1 minute, 49 seconds in opposition.

Mr. WARNER. Mr. President, parliamentary inquiry. Under the previous unanimous consent request just propounded by the Senator from Virginia on behalf of the distinguished leader, Mr. LOTT, and the chairman, Mr. THURMOND, I would have thought that would have handled this situation. Am I incorrect?

The PRESIDING OFFICER. That does handle the situation in the morning, but we still have this time remaining tonight.

Mr. KERRY. Mr. President, is it appropriate at this point—I ask unanimous consent that we temporarily set aside the pending amendment.

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

Mr. LEVIN. Parliamentary inquiry. That then preserves that amount of time left to each side tonight, is that correct?

The PRESIDING OFFICER. That is correct.

The Senator from Massachusetts.

Mr. KERRY. Mr. President, are we now open to amendment?

The PRESIDING OFFICER. Yes, we are.

Mr. KERRY. I understand there is no controlled time at this point.

The PRESIDING OFFICER. That is correct.

AMENDMENT NO. 800

Mr. KERRY. Mr. President, as I mentioned, Senator HAGEL, Senator BOB KERREY, Senator CHUCK ROBB, Senator MAX CLELAND, Senator JOHN MCCAIN and myself are joining together to introduce a resolution with respect to Cambodia. At this point, I will yield the floor. Senator MCCAIN will lead off.

The PRESIDING OFFICER. The Senator from Arizona.

Mr. MCCAIN. The Senator from Massachusetts will shortly be introducing a amendment. That amendment very briefly, condemns what has happened in Cambodia. It calls for the United States to take action, including cutting off any assistance that is being provided to Cambodia. It calls on ASEAN nations in the region to cooperate in taking every step that is possible to restore democracy and a rule of law in Cambodia.

Mr. President, as I said, the Senator from Massachusetts will be shortly sending that sense-of-the-Senate amendment to the desk. For the sake of time, I would like to comment on it at this time because, as the Senator from Massachusetts mentioned, there are four others besides the Senator from Massachusetts and I who want to speak on this issue. I will be relatively brief.

A terrible thing has happened in a country that deserves far, far better; a country that has been put through, in the opinion of many, the worst genocide in this century; a country that had a large percentage, some estimate as high as 20 to 30 percent of its population executed by the infamous Khmer Rouge led by Pol Pot. I need not remind my colleagues that at great expense, some $3 billion, the United Nations, with the full cooperation and efforts of the United States, was able to conduct what was judged to be a free and fair election in Cambodia. The result of that election was a democratically elected government which had two co-prime ministers: Mr. Hun Sen and Prince Ranariddh, the son of Prince Norodom Sihanouk.

Mr. President, I give this background because those of us who were involved in that effort had high hopes, high hopes 4 years ago after that election, which was conducted by and supervised by many nations throughout the world. Now a terrible tragedy has again befallen Cambodia. Hun Sen, using the philosophy that unfortunately he has adhered to for some time that power is the flower that blossoms from the barrel of a gun, has begun killing people, imprisoning people, and has taken over the government of the country.

I grieve for the people of Cambodia. I grieve for those very gentle Khmer people who deserve far, far better than they are getting today.

Should the United States send the military into Cambodia? Obviously not. Should the United States advocate some military action? I don't think that's possible. But I believe that the United States of America must bring every possible pressure to bear on Cambodia to restore, as soon as possible, democracy and the rule of law. We have every right to expect our neighbors and friends in the region to lead as well as follow the United States in this effort.

Mr. President, if we allow this to happen, it is a tremendous setback for democracy and freedom, not only in that tragic little country but for the entire region. If Hun Sen is able to get away with this unpunished and if this situation goes unrectified, then I fear for other areas of the world, including Burma, including others where democracy has a very tenuous hold.

Mr. President, I am proud to join with Senator HAGEL, Senator KERREY of Nebraska, as well as Senator KERRY of Massachusetts, Senator CLELAND, and Senator ROBB, in decrying this situation and urging that all steps be taken to rectify it, because all of us have the commonality of service in Vietnam, its neighbor. I believe if there is any potency to our remarks, I hope that it is because of our collective view, on both sides of the aisle, that urges us and impels us to come forward and speak in this emotional and strong fashion.

Mr. President, yesterday I addressed the situation in Cambodia. I focused my remarks on the tragedy befallen a strife-torn country that saw the flickering light of democracy suddenly and violently extinguished. Today, I join with a number of my colleagues to introduce a resolution expressing the sense of Congress that the violence must stop, that the United States should call an emergency meeting of the United Nations Security Council to consider all options to restore the peace, to work with the Association of Southeast Asian Nations to restore the rule of law, to suspend financial assistance to the Government of Cambodia, and to urge other donor nations to do likewise.

Congress and the administration must not minimize the gravity of the situation in Cambodia. One of the century's most horrific chapters took place less than 20 years ago in a nation once known for tranquility. The end of Cambodia's holocaust did not bring peace; it brought 12 years of civil war. The culmination of an exhaustive diplomatic effort was the 1991 Paris Accord and the 1993 election that installed the coalition that governed until 2 days ago.

The coup d'etat instigated by Second Prime Minister Hun Sen has seriously set back the cause of peace and freedom in Cambodia. The deliberate and brutal campaign to locate and imprison or execute members of FUNCINPEC loyal to ousted First Prime Minister Prince Ranarridh illuminates all too well the nature of a regime dominated by Hun Sen. A forceful and feared individual, Hun Sen will respond only if the message is conveyed in the strongest terms that the international community, led, if necessary, by the United States, will accept nothing less than the cessation of violence and the initiation of serious negotiations aimed at restoring a democratic form of government.

The Cambodian people demonstrated by their overwhelming response to the 1993 elections that they truly desire to live under the rule of law. They left no doubt that they understand and appreciate democracy. They deserve better than to see an elected government removed by force and replaced by the very regime that harshly ruled for years until the 1991 peace accord. We introduce this amendment because the time to act is now. The administration must respond in the strongest terms to the coup d'etat and resulting violence. Congress as an institution must go on record as strenuously opposing the recent developments in Cambodia. We must let the world know that we stand as one in our conviction to see democracy restored in Cambodia.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from Nebraska.

Mr. KERREY. Mr. President, I, too, rise to support the amendment that will be offered shortly by the distinguished Senator from Massachusetts [Senator KERRY]. First of all, we must,

here in this Senate, be alert to the risk to lives of Americans in Phnom Penh, Cambodia. That is the first order of business of this resolution. We have lives at risk there. An Ambassador and his family's lives are at risk.

Second, though, what we are saying here is, now is not the time to quit in Cambodia.

For all the reasons cited by Senator MCCAIN of Arizona, all the reasons that he has cited about the terrible suffering that has gone on in Cambodia for the last 30 years, in addition to that, we have a toehold of democracy there. The rule of law is at stake. An agreement was signed in Paris in 1991, and an election with 90 percent of the population voting in 1993, we have a great success possible in Cambodia, and now is not the time for us to say, "Well, it's Cambodia, it's a long ways away, it is not important." It is important.

America needs to go to the Security Council of the United Nations and say that we want to consider all options to make certain that the rule of law and democracy survive inside Cambodia.

We need to do the same thing with our allies in ASEAN to make certain that the rule of law and democracy survive. We need to send with this resolution a strong message to the people of Cambodia that we are not going to back out, we are not going to walk away, we are not going to give up, that we believe that democracy can survive in Cambodia, that the rule of law can be preserved in Cambodia and that the United States of America is prepared to lead the international community in ensuring that effort.

We have come a long ways in Cambodia. Only in the U.S. Congress is it possible for us to say we want to change something in the world and then take action and have it happen. That is what happened in Cambodia with this agreement at a time in 1991 when almost nobody thought it was possible, and then the election in 1993 that even fewer thought was possible.

There is a lot at stake here for the United States of America. As we talk to China about democracy, we do not want them to say, "Look what happened in Cambodia," or Vietnam similarly. We are a Nation that has been successful because we have been a defender of democracy and the rule of law, and we have to defend that principle inside the nation of Cambodia.

I am pleased to join with the distinguished Senator from Massachusetts [Senator KERRY], and others who are cosponsoring this resolution. It is a terribly important resolution, and I am hopeful and believe, in fact, that the administration will take it seriously and will act upon it. I yield the floor.

Mr. KERRY addressed the Chair.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KERRY. Mr. President, I thank my colleagues, the Senator from Arizona and the Senator from Nebraska, and I see the Senator from Georgia is here, and he will speak momentarily. And the junior Senator from Nebraska, Senator HAGEL is also here.

Mr. President, each of us invested a portion of our youth in Southeast Asia, and each of us are now investing a considerable amount of our concern as U.S. Senators of both parties with events as they continue in Southeast Asia. All of us remain convinced that this is a region that is vital to our international security interests. It is an area where we have a great deal at stake, and nowhere more so, really, than in Cambodia.

As everybody knows, as a matter of history, the United States played a critical role in the 1970's in events in Cambodia. And ever since then, the Cambodian people have been reaping the harvest of much of what has gone on in the region as a whole—the invasion by Vietnam, the influence of China and, most important, the terrible, terrible acts of the Khmer Rouge, the "killing fields" as we came to know them in this country.

It is ironic that at the very moment when the Khmer Rouge is at its weakest in recent years, when Pol Pot appears to be a prisoner and when the leadership has defected, when the army, as a whole, has decided to come into the system, that the system is now itself in convulsions and rejecting the process that so many people in the international community have invested so much in over the last years.

More than $2 billion has been invested in Cambodia by the international community. We have put shy of $200 million into Cambodia, but we have invested enormously in the notion that democracy can work in a region where it is important to prove that democracy can work. It is very important to all of us in the U.S. Senate and to the United Nations to guarantee that we are not now going to stand by and watch or refuse to be engaged or to take sufficient diplomatic steps to, once again, summon the energy of the world to try to help restore in this critical moment the rule of law and democracy in Cambodia.

The amendment that we offer sets forth a set of specific steps that we think should be taken by the administration and others in order to try to guarantee that we do restore peace and democracy to Cambodia.

Those steps are, first of all, that the parties should immediately cease the use of violence in Cambodia; second, that the United States should take all immediate necessary steps to ensure the safety of Americans in Cambodia; third, that the United States should call an emergency meeting of the United Nations Security Council to consider all options that are available to us in order to restore peace in Cambodia; fourth, that the United States and ASEAN together should try to take all steps necessary to restore democracy and the rule of law in Cambodia; fifth, that United States assistance to the Government of Cambodia should remain suspended until violence ends the democratically elected government is restored to power, and necessary steps have been taken to ensure that the elections scheduled for 1998 are going to be held; and finally, that the United States should take all necessary steps to encourage other donor nations to stop their assistance as part of a multinational effort.

Mr. President, I have traveled to Cambodia on a number of different occasions, together with Senator SMITH when we were doing the work of the POW-MIA Committee, and I have traveled other than on those journeys. I met at great length with Prime Minister Hun Sen, perhaps for a longer period of time and on more occasions than anyone in the Senate, and I can say to my colleagues that he is a tough and hard bargainer and, clearly, a survivor of the wars of that region. But he is an intelligent person who, ultimately, I believe, will be committed to the restoration of the fundamentals of the process that we invested in in Paris. It would be my hope and plea that Second Prime Minister Hun Sen would respect all of the investment of outside nations and all of the energies of those nations over the years in order to try to sustain the extraordinarily important effort that we have engaged in to try to provide democracy for this region.

In 1993, 90 percent of the eligible voters of Cambodia went to the polls and expressed their wish to have an elected government, and that elected government has now been rejected by violence in the last few days. There is no other word to use but to use the word "coup." I know our Government has hesitated to do that, but for the last 3 days, that is what has existed. Certainly, one would hope that will not be what remains there, and there is time yet to prove to the world that this was not a successful coup if the international community undertakes an emergency momentary effort to restore order and the long-term capacity of the Cambodian People's Party and FUNCINPEC to cooperate with each other as well as with incipient new parties that want to express their political views in a democratic Cambodia.

But what is clear, Mr. President, is that absent massive, urgent diplomatic energy expended by the United States and by those countries that have already invested so much, this moment could slip by, and the great tragedy would be that as the Khmer Rouge have come out of the jungle, as Cambodia has been accepted into ASEAN, as we have suddenly extended most-favored-nation status, as it has moved into this new economic acceptance and

new era of possibilities, it will have reverted, by some inexorable and unexplainable force, to the very violence that characterized it for so long.

That doesn't have to happen, and this amendment is an effort to guarantee that it will not happen. So my hope is that the thrust of this effort will be heard, not just in Cambodia, but in the United Nations and in our own State Department and among those nations that have already committed so much energy. We cannot and we must not allow these events to go unattended. It is my hope this expression of our views will act as a catalyst to prevent that from happening.

I understand that my colleagues also would like to speak.

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

The PRESIDING OFFICER. If there is no objection, the pending amendment will be set aside. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Massachusetts [Mr. KERRY], for himself, Mr. MCCAIN, Mr. KERREY, Mr. ROBB, Mr. HAGEL, Mr. CLELAND and Mr. BIDEN, proposes an amendment numbered 800.

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

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

The amendment is as follows:

At the appropriate place in the bill, add the following new section:

SEC.

(a) FINDINGS.—The Congress finds that:

(1) during the 1970s and 1980s Cambodia was wracked by political conflict, war and violence, including genocide perpetrated by the Khmer Rouge from 1975 to 1979;

(2) the 1991 Paris Agreements on a Comprehensive Political Settlement of the Cambodia Conflict set the stage for a process of political accommodation and national reconciliation among Cambodia's warring parties;

(3) the international community engaged in a massive, more than $2 billion effort to ensure peace, democracy and prosperity in Cambodia following the Paris Accords;

(4) the Cambodian people clearly demonstrated their support for democracy when 90 percent of eligible Cambodian voters participated in UN-sponsored elections in 1993;

(5) since the 1993 elections, Cambodia has made economic progress, as evidenced by the decision last month of the Association of Southeast Asian Nations to extend membership to Cambodia;

(6) tensions within the ruling Cambodian coalition have erupted into violence in recent months as both parties solicit support from former Khmer Rouge elements, which had been increasingly marginalized in Cambodian politics;

(7) in March, 19 Cambodians were killed and more than 100 were wounded in a grenade attack on political demonstrators supportive of the Funcinpec and the Khmer Nation Party;

(8) during June fighting erupted in Phnom Penh between forces loyal to First Prime Minister Prince Ranariddh and second Prime Minister Hun Sen;

(9) on July 5, Second Prime Minister Hun Sen deposed the First Prime Minister in a violent coup d'etat;

(10) forces loyal to Hun Sen have executed former Interior Minister Ho Sok, and targeted other political opponents loyal to Prince Ranariddh;

(11) democracy and stability in Cambodia are threatened by the continued use of violence to resolve political tensions;

(12) the Administration has suspended assistance for one month in response to the deteriorating situation in Cambodia;

(13) the Association of Southeast Asian Nations has decided to delay indefinitely Cambodian membership.

(b) Sense of Congress—It is the sense of Congress that:

(1) the parties should immediately cease the use of violence in Cambodia;

(2) the United States should take all necessary steps to ensure the safety of American citizens in Cambodia;

(3) the United States should call an emergency meeting of the United Nations Security Council to consider all options to restore peace in Cambodia;

(4) the United States and ASEAN should work together to take immediate steps to restore democracy and the rule of law in Cambodia;

(5) U.S. assistance to the government of Cambodia should remain suspended until violence ends, the democratically elected government is restored to power, and the necessary steps have been taken to ensure that the elections scheduled for 1998 take place;

(6) the United States should take all necessary steps to encourage other donor nations to suspend assistance as part of a multinational effort

Mr. CLELAND addressed the Chair.

The PRESIDING OFFICER. The Senator from Georgia.

Mr. CLELAND. Mr. President, I support the amendment offered by the distinguished Senator from Massachusetts. The United States is the leader of the free world. As the world's foremost democracy, it is our duty to take the lead in support of democratic efforts around the world. This amendment expresses the sense of the Senate that the United States should work with the U.N. Security Council and the ASEAN nations in an effort to return Cambodia to the path towards democracy that it was on.

The First Prime Minister of Cambodia, Prince Norodom Ranariddh, has asked the U.N. Security Council for help. Cambodian Co-Premier Hun Sen seized power on Saturday. In light of the terrible tragedies the Cambodian people have seen over the past several decades, it would be a complete shame to allow outstanding progress toward democracy to be destroyed in one weekend of violence.

It is very important to restore the constitutional government to Cambodia. Cambodia is scheduled to have elections in May of 1998. It is fear of the democratic process which I believe has led to this coup. Opponents of the coup have already been killed. We cannot allow democracy to fail to take root in this nation. The United States must take the lead in this matter.

I urge, in the strongest terms, the Senate adopt this amendment. I yield the floor.

Mr. ROBB addressed the Chair.

The PRESIDING OFFICER. The Senator from Virginia.

Mr. ROBB. Mr. President, I am pleased to join the other five Senators who are the original cosponsors of this particular amendment/sense-of-the-Senate resolution. I join in the gravity that they have already expressed and underlined about the situation that exists now in Cambodia. All of us have spent time in the region. Many of us have spent time in Cambodia dealing with the principal figures that are involved in this particular incident. I myself have visited Phnom Penh on a number of occasions. I have met in Cambodia with First Prime Minister Ranariddh, as well as Co- or Second Prime Minister Hun Sen on a number of occasions there and on at least one occasion here. I am familiar with the difficulties. I watched the process evolve. I observed the time period when the United Nations forces were there helping to try to restore a semblance of stability and to try to develop some respect for the rule of law. We saw elections. Ninety percent of the people in Cambodia voted in those elections. We know the difficulties that existed from the very outset.

As my colleagues who fought in Vietnam have already suggested, we have a clash of leadership. Co-Premier Hun Sen is a strong and forceful leader. All of us who have met with him understand that. This, in effect, internationally is an appeal for him to understand that the United States cannot abide the conduct that he has been associated with or that has been carried out in his name in the last few days. We cannot stand by and allow additional genocide, additional violence, which is beyond the rule of law, to be condoned.

I happened to be the sponsor of a resolution several years ago that provided for the collection of information that would be essential to any international tribunal that may deal with the atrocities that were committed by the Khmer Rouge in that terrible period under the leadership of Pol Pot and others who were involved in that particular period of genocide in Cambodia. Much progress has been made on that front.

Much progress was being made in terms of understanding in Cambodia for the rule of law and some essential elements of peace. All of this represents a setback. It is essential, as this resolution suggests, that the United States exercise its leadership, working with ASEAN, getting ASEAN to get involved as it is at least demonstrating some initial signs of doing even though it is not a military organization, and the international community to speak with one voice and say to those who would purport to represent

the violent approach to taking and seizing power that is not obtained through the ballot, that the international community will not support you.

That is what this resolution that the six of us who fought in Vietnam are saying to our Government, please take a leadership role in mobilizing the international community to send a very strong message to Hun Sen and those who follow his lead and send a message to the rest of the international community to fall behind the progress that has already been made in Cambodia and not to step back with the actions that have been taken in the last few days.

We want to tell Hun Sen and others who might follow that lead that not only we cannot support that, we are going to be actively opposing that and hope that the rule of law and some degree of political pluralism and respect for the principles of peace and democracy could be restored.

With that, Mr. President, recognizing the presence on the floor of my colleague from Nebraska, the junior Senator, Senator HAGEL, and in joining with Senator MCCAIN from Arizona, Senator KERRY from Massachusetts, Senator KERREY from Nebraska, and Senator CLELAND from Georgia, I am pleased to support this particular amendment in the form of a sense-of-the-Senate resolution. I ask all of our colleagues to do likewise.

With that, Mr. President, I yield the floor.

Mr. HAGEL addressed the Chair.

The PRESIDING OFFICER. The Senator from Nebraska.

Mr. KERRY. Mr. President. Could I just ask my colleague's indulgence for one moment?

Mr. HAGEL. Yes.

Mr. KERRY. I ask unanimous consent that Senator HELMS be added as a cosponsor. I believe you have Senator BIDEN on there as a cosponsor.

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

The Senator from Nebraska.

Mr. HAGEL. Mr. President, I rise this evening to support and cosponsor the amendment that has been brought to the floor by my distinguished friend and colleague from Massachusetts, representing the six Vietnam veterans serving in the U.S. Senate with our view of what has happened in Cambodia as well as now the distinguished Senator from North Carolina, the chairman of the Senate Foreign Relations Committee. And I hope that all of our colleagues join in supporting this resolution.

I echo, Mr. President, and very much support what my colleagues have said tonight about the tragedy that has befallen Cambodia. I would only add, Mr. President, that at a time in our world when we are reaching out to secure more freedom for peoples around the world, secure more stability, that we have talked about and will debate in detail NATO expansion, and we are currently involved in Bosnia, we must not forget the other corners of the globe. Certainly what we as a free country, the leader of the free world, have invested in Cambodia, in that part of the world, is very important.

This is a serious matter, Mr. President. It is serious not just for Cambodia, but it is serious for that part of the world because instability in that part of the world leads to great tragedy. We know that firsthand, some of us in this body. It is very important. It is essential that the leadership of this Nation be brought foursquare. We enlist the ASEAN nations and other nations to support our efforts to be able to lead Cambodia back to a time when there is the rule of law and there is security and there is stability.

Hopefully, this resolution presented tonight will be a good beginning. I add as well, Mr. President, the administration has taken action today. The ASEAN nations have taken action. But we need more.

I only add this as a summary statement to what we are doing this evening. It is critical, as we enter this new century, that all that has been invested in southeast Asia in blood and treasure, not just Americans, but our friends from Australia, South Korea, all over that area, to make sure that we do not slip back into a morass of tyranny and lose progress that we have so diligently fought for over the years.

Mr. President, I very much hope that all of our colleagues will strongly support this resolution.

I yield the floor.

Mr. FEINGOLD. Mr. President, I rise today to condemn the coup that occurred in Cambodia this past Sunday.

I want to put special emphasis on the word "coup" because the United States State Department has been reluctant to use this term to describe the events in Phnom Penh. The facts, however, leave no doubt.

On Sunday, troops loyal to Hun Sen, Cambodia's second prime minister, attacked the forces of Prince Norodom Ranariddh, Cambodia's first prime minister and leader of the royalist party known as FUNCINPEC. According to news reports, Hun Sen's army is currently rounding up political opponents. Already, at least one senior royalist official has been executed. As an added insult to the Cambodian people, Hun Sen's forces have been looting shops in the capital.

I am sure my colleagues will agree that Hun Sen's use of military force to oust his rivals and take sole control of Cambodia's government is, by definition, a coup d'etat.

Hun Sen is a man who has always preferred the gun over the ballot. In 1993, his party was defeated by the royalists in the United Nations-sponsored elections. Nearly 90 percent of eligible voters participated in that historic event. Even though he lost the election, Hun Sen threatened to restart Cambodia's civil war unless he was named as a second prime minister alongside Prince Ranariddh. In an effort to avoid further bloodshed, the U.N. agreed to let the two factions govern together.

After uneasily sharing power for 4 years, this clumsy coalition finally began to unravel this year. On March 30, 20 people were murdered in Phnom Penh when gunmen fired grenades into a peaceful opposition rally. Investigations have linked Hun Sen's troops to this cowardly attack. The political violence in Cambodia has only grown worse in the weeks since that tragic event.

The only good news to emerge from Cambodia in recent weeks was the capture of Pol Pot, the genocidal leader of the Khmer Rouge. The ruler of Cambodia between 1975 and 1979, Pol Pot is responsible for the deaths of as many as one million people. This notorious war criminal was taken prisoner by Khmer Rouge defectors who indicated a willingess to turn him over to the government. Hun Sen's takeover, however, may jeopardize efforts to have Pol Pot brought to Phnom Pehn and eventually extradited to an international tribunal.

Mr. President, I ask unanimous consent that an editorial from the July 9 edition of the Washington Post be printed in the RECORD.

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

CALLING A COUP A COUP

To many Americans, the latest combat in Cambodia's capital may seem like inexplicable infighting among equally tainted political factions. It's not. It's basically a coup d'etat.

Cambodia's tragic history leads some diplomats and others to consider hopeless the cause of democracy there. Certainly the Southeast Asian nation has had more than its share of seemingly mortal blows—above all the unspeakable Khmer Rough genocide. And none of Cambodia's factions is untainted by the bloody past. Yet few observers considered democracy hopeless in 1993, when an astonishing 89 percent of voters went to the polls despite threats of violence and actual attacks. A United Nations-led transition was hailed as a model for democracy-building.

Almost from the start, though, those courageous voters did not get the international support they needed. Hun Sen, the Vietnamese-installed ruler from 1979 to 1993, and his People's Party unexpectedly lost the election, despite a campaign of intimidation against other parties. Yet, again through coercion and threat of force, he was permitted to muscle into the government as co-prime minister, essentially negating the election results.

Since then, the United States and its allies have given Cambodia substantial amounts of aid. But they have not conditioned it on further democratization, such as the establishment of independent courts, election commission and other institutions. There was little protest when Hun Sen's party began

forcing independent voices out of the government, refusing to register new political parties and otherwise moving to reimpose one-party ruler.

This weekend military forces loyal to Hun Sen attacked and, at least in the capital, defeated forces loyal to the other co-prime minister. Prince Norodom Ranariddh, who has fled to Paris. Now Hun Sen's troops are said to be rounding up political enemies; at lease one senior offical from the losing side is reported to have been executed. In the countryside, a civil war may be resuming.

Yesterday U.S. officials properly condemned Hun Sen's use of force, while still declining to label it a coup—becasue then the law would require a cutoff of aid. The international community needs to do more. Before all hope is lost of getting Cambodia democratization back on tract, the United States as well as Cambodia's neighbor in ASEAN should make clear that they will not recognize a government installed by coup d'etat, that they will not keep giving aid to an illegitimate regime and that they won't accept any phony elections organized in an effort to pretty up the coup. Anything less is a disservice to these 89 percent.

Mr. FEINGOLD. Mr. President, the editorial, "Calling a Coup a Coup," argues that the United States and the international community should condemn Hun Sen's actions as a coup and halt aid to his government.

Mr. President, I agree. I believe the administration should officially recognize Hun Sen's actions as a coup. This is the right policy. While nobody wants to increase the suffering of the Cambodian people, the United States cannot legitimize Hun Sen's actions by maintaining the current flow of aid and development assistance.

As we all know, the United Nations spent over $2 billion in 1993 to bring peace and democracy to Cambodia. We made a large investment, but an important one. Now, even though this long-suffering nation appears to be slipping back into a civil war, we should not conclude that the efforts of the United States and the international community have been in vain. In 1993, Cambodia's citizens overwhelmingly rejected tyranny, and they will do so again.

U.S. support for democracy, though, will seem shallow if we do not take action against the use of violence. Like the military dictators of Burma, the Hun Sen regime too should be subject to the toughest sanctions. The United States must do all it can to insure that Hun Sen does not become the next Cambodian dictator.

Mr. KERRY. Mr. President, I do not believe there is any further debate on the amendment.

Mr. LEVIN addressed the Chair.

The PRESIDING OFFICER. The Senator from Michigan.

Mr. LEVIN. Mr. President, I commend Senator KERRY and the other sponsors of this amendment. They have served this Nation with tremendous courage in so many ways. And again they serve the Nation tonight and the world tonight by bringing to our attention, for our action as they propose, the situation in Cambodia.

I just want to simply say that not only does this Senator support them, but I believe that I am speaking for every Senator in this body that we feel strongly that not only have these Senators given so much in the past, but again they are reflecting the best of this democracy in speaking out against what is happening now in Cambodia. I just simply want to thank them and say how much this Senator supports their work, how much we appreciate the dedication and the values of this Nation reflected in this resolution.

Mr. WARNER addressed the Chair.

The PRESIDING OFFICER. The Senator from Virginia.

Mr. WARNER. I wish to associate myself with the remarks of my distinguished colleague from Michigan. The Senate is indeed fortunate to have these three men who have proven themselves on the field of combat and who now bring that same wealth of experience to bear on this critical issue.

In many respects, in the Senate, because of just simply the times, the demographics, fewer and fewer in number have served in uniform in farflung areas of the world to gain that first-hand experience which is so vital to bring to bear on critical issues of this kind.

I yield the floor.

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

Mr. KERRY. I ask unanimous consent that the Senator from California, Senator FEINSTEIN, be added as a cosponsor.

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

Mr. WARNER. If there is no further debate, I suggest we now move to a vote.

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

The amendment (No. 800) was agreed to.

Mr. WARNER. I move to reconsider the vote.

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

The motion to lay on the table was agreed to.

Mr. WARNER. Mr. President, parliamentary inquiry.

Under the previous order, my understanding is that the Senator from Wisconsin will be recognized.

The PRESIDING OFFICER. The Senator is correct.

Mr. FEINGOLD addressed the Chair.

The PRESIDING OFFICER. The Senator from Wisconsin.

Mr. FEINGOLD. Let me also associate myself with the remarks by the Senator from Michigan and the Senator from Virginia about the resolution that we just passed regarding Cambodia.

Let me also say just how grateful I am, and I know all Members of this body are, for the extremely distinguished service of the Senators in that group in the war in Vietnam.

Let me also associate myself with regard to the situation in Cambodia. I have placed my own brief statement in the RECORD with the hope that we can get back on the road to democracy and progress in Cambodia. I am honored to have been here to hear their remarks with regard to that issue.

In that regard, Mr. President, and in regard to a current situation where American men and women are serving overseas in the Bosnia situation, I am prepared to offer an amendment.

Mr. President, I ask unanimous consent that the pending business be set aside.

The PRESIDING OFFICER (Mr. FRIST). Without objection, it is so ordered.

AMENDMENT NO. 759

(Purpose: To limit the use of funds for deployment of ground forces of the Armed Forces in Bosnia and Herzegovina after June 30, 1998, or a date fixed by statute, whichever is later)

Mr. FEINGOLD. I call up my amendment, Mr. President, No. 759, which is at the desk.

The PRESIDING OFFICER. The clerk will report the amendment.

The legislative clerk read as follows:

The Senator from Wisconsin [Mr. FEINGOLD] proposes an amendment numbered 759.

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

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

The amendment is as follows:

At the end of subtitle E of title X, add the following:

SEC. 1075. LIMITATION ON USE OF FUNDS FOR DEPLOYMENT OF GROUND FORCES IN BOSNIA AND HERZEGOVINA.

(a) LIMITATION.—Funds appropriated or otherwise made available for the Department of Defense may not be obligated for the deployment of any ground elements of the Armed Forces of the United States in Bosnia and Herzegovina after the later of—

(1) June 30, 1998; or

(2) a date that is specified for such purpose (pursuant to a request of the President or otherwise) in a law enacted after the date of the enactment of this Act.

(b) EXCEPTIONS.—The limitation in subsection (a) shall not apply—

(1) to the support of—

(A) members of the Armed Forces of the United States deployed in Bosnia and Herzegovina in a number that is sufficient only to protect United States diplomatic facilities in that country as of the date of the enactment of this Act; and

(B) noncombat personnel of the Armed Forces of the United States deployed in Bosnia and Herzegovina only to advise commanders of forces engaged in North Atlantic Treaty Organization peacekeeping operations in that country; or

(2) to restrict the authority of the President under the Constitution to protect the lives of United States citizens.

Mr. FEINGOLD. Mr. President, I rise today to offer an amendment to S. 936,

the Department of Defense authorization bill for fiscal year 1998. This amendment simply would prohibit the use of funds within the bill for the deployment of any ground forces in Bosnia-Herzegovina after June 30, 1998.

As we all know that is the date that the President has said now United States troops would be out of Bosnia. My amendment would simply codify this goal. This amendment would allow appropriate exceptions, however, for Armed Forces personnel deployed in Bosnia to protect United States diplomatic facilities or noncombat personnel to advise NATO commanders. It would also not affect the President's constitutional authority to protect the lives of American citizens.

Mr. President, this is similar to an amendment I introduced in May to the supplemental appropriations bill. That amendment, which applied only to the approximately $1.5 billion worth of "emergency" appropriations included in that bill, prohibited the use of fiscal year 1997 funds after the date of December 30, 1997. In order to accommodate the views of several other Members of this body, I did agree to accept an amendment by the Senator from Texas, Senator HUTCHISON, that changed that date to June 30, 1998.

I was pleased that on that occasion the Senate unanimously chose to accept the modified version of my amendment on that bill. Although it was eventually dropped in the conference committee, I was pleased that the conferees included language in their report expressing the concern of the Congress regarding the Bosnia deployment and requiring the President to provide regular reports to Congress on the deployment itself as well as on the cumulative costs stemming from various United States efforts associated with Bosnia.

So here today, Mr. President, we now have an opportunity again to go on record regarding the continuation of the Bosnian operation beyond next June.

I have held strong reservations about United States troop deployment in Bosnia ever since it was announced in 1995. These doubts were so strong that I ended up being the only Democrat in the Congress to vote against deployment of United States men and women to support the Dayton accord.

It was a hard vote, but I voted no because I felt that the administration's promises to bring our men and women home after just 1 year were simply not plausible. Now, here we are in July of 1997—nearly 2 years later—our troops are still in Bosnia, and it is already clear that at a minimum we will remain there at least until the middle of 1998.

Mr. President, my concerns about our involvement in Bosnia have not changed since that first "no" vote.

I will be the first to acknowledge, though, that the international intervention in Bosnia has had some positive benefits. The Dayton accord and the deployment of the NATO-led implementation force, IFOR, put an end to the bloodshed of the 3-year Bosnian war. In this sense, Mr. President, the IFOR mission in Bosnia was a success.

There also can be no argument about the bravery and professionalism of the United States personnel who served in IFOR and are still in Bosnia as a part of the stabilization force, SFOR. Amazingly, there have been virtually no casualties even though there have been as many as 27,700 United States troops in the theater at one time. These men and women work through harsh conditions in a complex and often unstable environment. Although there have been passionate debates about whether our military should stay in Bosnia, admiration for the outstanding performance of our troops has been unanimous.

Mr. President, my problem is with the seemingly endless duration of this mission.

When in late 1995, the President first announced he would be sending United States forces to Europe to participate in the IFOR mission, he promised the Congress and the American people that the IFOR mission would be over within 1 year. This promise was reiterated by the President on several occasions and continually backed up by senior American military and diplomatic officials in public statements and in testimony before Congress. I think we all understood that promise. I think we all understood that promise to mean that our military men and women would be withdrawn from the region by December 1996, or at least very shortly thereafter.

But in November 1996 the President announced that he would extend the U.S. mission for an additional 18 months, through June 1998, for participation in the NATO force now known as SFOR. Mr. President, despite this new acronym, SFOR really represents nothing more than an extension of the original IFOR mandate, albeit somewhat more limited in scope.

Mr. President, I am afraid that there is still no clear end to our mission. The main factions in Bosnia are not making progress toward creating a viable nation that can survive without the presence of the international force. Although the IFOR and SFOR deployment has certainly halted the widescale fighting, there has been little progress on the political front. According to a May report by the General Accounting Office, the united governments Parliamentary Assembly has met just once and has yet to pass any legislation. The unified Council of Ministers has no authority, no funding, and no office space.

So long as SFOR maintains an indefinite commitment to serve as referee in Bosnia, I don't think we can expect any movement by the three Bosnian factions to build the institutions that will be needed, once the NATO force pulls out. So unless we set a deadline for our involvement to end, Mr. President, I believe there will be little to no incentive for the three sides to create a lasting political solution to the conflict.

Mr. President, Bosnia's problems are still immense. Authoritarian rulers from all sides are hampering democracy. Many refugees are still unable to turn to their homes, and acts of ethnic violence occur on a daily basis. In short, Mr. President, there will never be a good time to pull out of Bosnia. If we stay in Bosnia until the Croats and Serbs and Bosnians learn to live together, then we may never leave.

At the heart of the conflict is the fact that the strategic political goals of the warring factions remain unchanged. There are many observers who believe that the presence of the U.S. troops alone, instead of helping in some way, actually serves to harden rather than soften ethnic tensions in the area. The longer the Muslim refugees are prevented from returning to their homes the more determined they are to fight for their right to do so. At the same time, the Serbs are thwarting resettlement efforts and ignoring indictments from the War Crimes Tribunal against their own leadership. I believe that the open-endedness of this mission is helping to keep the warring parties from truly fulfilling their commitments under the Dayton accord.

Mr. President, I have a second concern, as well. It really is the crux of this amendment. It relates to the bill that the United States taxpayer is expected to bear to support this Bosnia operation. The Congress and the American people, Mr. President, were originally told the Bosnia mission would cost the U.S. taxpayers approximately $2 billion. Sometime in 1996 that estimate was revised to $3 billion. Then, subsequent to the President's November announcement extending the deadline for troop withdrawal, we learned that the cost estimate had been revised upward again, and really revised upward to a staggering $6.5 billion after the initial figure of $2 billion had been used. Six months later now, the May 1997 GAO report estimates this mission will cost $7.7 billion for military and civilian support for fiscal years 1996 through 1998.

Mr. President, this latest figure is nearly four times as great as the administration's original estimate. To put this in perspective, the United States, over the course of 30 months in Bosnia, expects to spend an amount equivalent to over just half of the entire foreign operations budget for the current fiscal year for the whole world.

Mr. President, as I said during the debate over the supplemental appropriations bill, what we now have with United States involvement in the Bosnia operation is not mission creep, it

has become dollars creep for the U.S. Congress and for the American people. At the very time we are straining so hard to eliminate the Federal deficit, we need to plug up the ever-enlarging hole in the Treasury through which funds continue to pour into the Bosnia operation.

Mr. President, by setting a hard date, by prohibiting the use of funds after June 30, 1998, my amendment establishes an end date for the deployment of ground troops in Bosnia. This is the only hope we have to plug this hole in the Treasury.

Mr. President, by establishing an end date for the funding of the deployment of U.S. troops, my amendment, I hope, serves the dual purpose of preventing both mission creep and dollars creep in the Bosnia situation.

I yield the floor.

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

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

AMENDMENT NO. 802 TO AMENDMENT NO. 759

(Purpose: To substitute an expression of the sense of Congress regarding a follow-on force for Bosnia and Herzegovina)

Mr. LEVIN. Mr. President, I send a second-degree amendment to the desk and ask for its immediate consideration.

Mr. WARNER. Mr. President, parliamentary inquiry. What rights does the Senator from Virginia, acting for the majority, have with respect to not having this accepted? I object to this being accepted.

Mr. LEVIN. The Senator from Michigan will not be pressing for the disposition of this amendment tonight, following my conversation with my friend from Virginia.

Mr. WARNER. That does not preclude, subsequent to sending it to the desk, an objection being interposed by the majority or any other Senator.

Mr. LEVIN. Anybody could move to table this or vote no on this, because I am not going to be pressing for disposition of this tonight, and if there are other amendments to dispose of tonight, we will have to set aside this second-degree amendment.

Mr. WARNER. Will the Chair kindly respond to the question?

The PRESIDING OFFICER. The amendment will not be disposed of until all debate has concluded on the amendment this evening.

The clerk will report the amendment.

The legislative clerk read as follows:

The Senator from Michigan [Mr. LEVIN], for himself, Mr. REED, and Mr. MCCAIN, proposes an amendment numbered 802 to Amendment No. 759.

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

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

The amendment is as follows:

Strike out the section heading and all that follows and insert in lieu thereof the following:

SEC. 1075. SENSE OF CONGRESS REGARDING A FOLLOW-ON FORCE FOR BOSNIA AND HERZEGOVINA.

It is the sense of Congress that—

(1) United States ground combat forces should not participate in a follow-on force in Bosnia and Herzegovina after June 1998;

(2) the European Security and Defense Identity, which, as facilitated by the Combined Joint Task Forces concept, enables the Western European Union, with the consent of the North Atlantic Alliance, to assume political control and strategic direction of NATO assets made available by the Alliance, is an ideal instrument for a follow-on force for Bosnia and Herzegovina;

(3) if the European Security and Defense Identity is not sufficiently developed or is otherwise deemed inappropriate for such a mission, a NATO-led force without the participation of United States ground combat forces in Bosnia, may be suitable for a follow-on force for Bosnia and Herzegovina;

(4) the United States may decide to appropriately provide support to a Western European Union-led or NATO-led follow-on force, including command and control, intelligence, logistics, and, if necessary, a ready reserve force in a neighboring country; and

(5) the President should inform our European NATO allies of this expression of the sense of Congress and should strongly urge them to undertake preparations for a Western European Union-led or NATO-led force as a follow-on force to the NATO-led Stabilization Force if needed to maintain peace and stability in Bosnia and Herzegovina.

Mr. LEVIN. Mr. President, the Senator from Wisconsin has offered an amendment, which has as its purpose sending a very clear sign to our friends in Europe, our allies, to the administration, and to the people of America that it is our intention that our forces be out of Bosnia by the middle of next year. And I happen to share that goal. I think it is important that if we are going to be credible militarily, that when we have a mission and we set an end point for that mission, as we have, and particularly where the military side of that mission has now been accomplished—the military side—that for our military to be credible, we should live up to the mission's shape, the mission's description.

Now, part of this mission—and it was stated when these troops were sent in—was that they would complete their mission by the middle of next year, and they were given certain other tasks and, militarily, those tasks have been assigned. The civilian side of the Dayton accords have not been fulfilled, surely. And it is my clear belief that the civilian side of the Dayton accords are not going to be completed by the middle of next year. There are going to be many years before those civilian goals in Dayton can be achieved.

It is my own personal belief that there is going to need to be a follow-on force in Bosnia if the gains which have been made are not going to be lost. There have been some significant gains. I also believe that the Europeans should take a greater responsibility for that follow-on force, and they should know now that it is the intention of the Congress that a follow-on force, which is likely to be necessary, or may be necessary, is going to be one that will not have American ground combat troops.

That is goal 1 of this second-degree amendment. It is to state the sense of the Congress that American forces leave Bosnia by the middle of next year, as planned, as scheduled, as part of the mission.

But there is another part to the second-degree amendment. That part is a reference to the Europeans, as providing a follow-on force, if necessary, through something called the European Security and Defense Initiative, which is an initiative inside of NATO, using NATO's assets, which has been approved by NATO, but which is connected to the western European Union. It is an effort to get greater European initiative in European affairs. It is a way of saying we will support the Europeans in taking that initiative through the use of NATO assets, but without having Americans in the lead everywhere that NATO operates.

It is something the Europeans have said they want many, many times. It is their initiative inside NATO. It has been approved by NATO. NATO, in January 1994, gave its full support to the development of a European Security and Defense Initiative to strengthen the European pillar of the alliance, and in order to allow our European allies to take greater responsibility for the common security in their common defense. It was designed to enable, as I said, the western European Union to carry out operations using NATO assets and capabilities. That is the other part of this sense-of-the-Senate resolution.

So I want to commend the Senator from Wisconsin, and many others in this body, who want to keep us to the mission statement, the mission goal, part of which is that our troops would be removed by the middle of next year. Again, I emphasize the military part of the Dayton accords have been completed. Our military has done a spectacular job. We should be supporting our military, and we are. This second-degree amendment avoids the excessive statement that is made when one says there is going to be a cutoff in funding, but at the same time sends a strong message that it is Congress' intent that there not be United States forces on the ground in Bosnia after next year. It gives a little greater flexibility.

A funding cutoff, under these circumstances, when our military is there

now, successfully, is too blunt an instrument. It is just too inflexible an instrument. It will take away bargaining power that currently exists both with our allies and with some of the negative regressive forces inside of Bosnia. We are going to have plenty of time to act to cut off funds, should that be necessary and should the circumstances dictate. But we should not commit ourselves a year in advance to cutting off funds when there is sufficient time at a later time to do so.

So this second-degree amendment sends a strong message, which is the intent of the Senator from Wisconsin—an intent that I happen to share—but it does so without either undermining the morale of our troops, or without harming our chances for further progress in Bosnia.

So, Mr. President, I basically have reached a number of conclusions that are reflected in this amendment, which is cosponsored by Senator REED of Rhode Island and Senator MCCAIN of Arizona. These are the conclusions that I believe are accurate, based on a lot of personal visits to Bosnia and a lot of study.

One, there is an absence of war in Bosnia, and that situation is likely to remain as long as there is an outside armed force in Bosnia.

Two, the civilian implementation of the Dayton accords is lagging far behind military implementation.

Three, central governing institutions are developing in Bosnia, but there is a long way to go. The Bosnian Serbs have not yet decided even that it is in their best interest to cooperate.

Four, reconciliation among the Bosnian factions has barely begun.

Fifth, the central role played by the United States has reinvigorated the NATO alliance and re-established America's leadership.

Six, the United States should continue its leadership role and remain involved in Bosnia.

Seven, our European NATO allies have sought to become less reliant on the United States, and mechanisms including the European security and defense initiative are being developed to allow them to play a larger role.

Next, either a Western European-led force, with its core made up of the forces of our European NATO alliance, or a NATO-led force, without a U.S. ground combat presence, should be ready to provide a follow-on force if an armed outside force is necessary to keep the peace in Bosnia after SFOR completes its mission in June of 1998.

Mr. President, that is the thrust of this amendment. It is aimed at making a strong statement in terms of congressional intent, but it is also aimed at avoiding too blunt or too inflexible an instrument a year in advance of when the American troops should be removed from Bosnia.

AMENDMENT NO. 802, AS MODIFIED

Mr. President, I send a technical modification to the desk.

The PRESIDING OFFICER. The Senator has a right to modify the amendment. The amendment is so modified.

The amendment (No. 802), as modified, is as follows:

Strike all after "SEC." and insert in lieu thereof the following:

SEC. 1075. SENSE OF CONGRESS REGARDING A FOLLOW-ON FORCE FOR BOSNIA AND HERZEGOVINA.

It is the sense of Congress that—

(1) United States ground combat forces should not participate in a follow-on force in Bosnia and Herzegovina after June 1998;

(2) the European Security and Defense Identity, which, as facilitated by the Combined Joint Task Forces concept, enables the Western European Union, with the consent of the North Atlantic Alliance, to assume political control and strategic direction of NATO assets made available by the Alliance, is an ideal instrument for a follow-on force for Bosnia and Herzegovina.

(3) if the European Security and Defense Identity is not sufficiently developed or is otherwise deemed inappropriate for such a mission, a NATO-led force without the participation of United States ground combat forces in Bosnia, may be suitable for a follow-on force for Bosnia and Herzegovina.

(4) the United States may decide to appropriately provide support to a Western European Union-led or NATO-led follow-on force, including command and control, intelligence, logistics, and, if necessary, a ready reserve force in a neighboring country; and

(5) the President should inform our European NATO allies of this expression of the sense of Congress and should strongly urge them to undertake preparations for a Western European Union-led or NATO-led force as a follow-on force to the NATO-led Stabilization Force if needed to maintain peace and stability in Bosnia and Herzegovina.

Mr. LEVIN. Mr. President, I yield the floor.

Mr. WARNER. Mr. President, I find myself in something of an awkward position. I will address it in greater detail momentarily because I have been opposed to the utilization of our ground troops in this region of the world, namely Bosnia, for many years. I have so spoken and I have voted that way. Only once was I faced with a vote that had I not supported it would have been construed as not supporting the troops, did I cast a vote which could be construed, in any way, as supporting the use of ground forces in this region. But at this time I am acting on behalf of the distinguished majority leader and the chairman of the Armed Services Committee, and in that capacity I send to the desk an amendment in the second degree in the nature of a perfecting amendment.

The PRESIDING OFFICER. The Senator from Michigan sent an amendment to the desk which was a modifying amendment, and it became a perfecting amendment. Consequently another second-degree perfecting amendment is not in order at this time.

Mr. WARNER. Very well, Mr. President. We will see what we can do to untangle this situation in the morning.

So, for the moment I will just speak to the amendment offered by the distinguished Senator from Wisconsin and the second-degree amendment of my good friend and colleague, the distinguished ranking member of the Armed Services Committee, the Senator from Michigan.

My concern is as follows. It is twofold.

One, there is a long history of the President exercising his role as Commander in Chief and the Congress exercising its role primarily through the power of the purse. And for the 18 years I have been privileged to serve in this body I have participated in many, many debates on this issue. Now we are confronted with the fact that the American taxpayers have invested up to $7 billion, I am told, in this conflict in this very troubled part of the world, a part of the world in which historically troubles have existed from almost the beginning of mankind. I have always been of the opinion that it can never be settled. I have made many trips to this region. As a matter of fact, I was the first Member of the U.S. Senate to go into Sarajevo—my recollection is about 3½ years ago. I have been back on a number of trips with other colleagues. And the underlying problem of these people in terms of their ethnic conflicts and religious conflicts is just beyond me to comprehend. I have seen ravages of this war firsthand both on people and property. But I am going to put that to one side for the moment.

Two things concern me: one, the President has the right as Commander in Chief to give the orders to the troops to go in, and really we authorize as the Congress to give him every right to decide when those troops are to be withdrawn. I fully recognize that in this debate. Particularly over the last 6 or 7 months there have been many signals from the administration that this general timeframe of June 1998 is when the ground elements are to be pulled out.

Indeed, when the Secretaries of State and Defense appeared before the Senate Armed Services Committee, I think one of the first times, if not the first time in history, my recollection is that I asked the question that prompted the answer from Secretary Cohen that he stood firmly behind the policy to pull the ground elements out in June of 1998.

It has been interesting to observe since that time the posturing, particularly by the Secretary of State, and to some degree by the President, in my judgment, trying to distance themselves from that statement by our former colleague, and, indeed, my good friend of many years, the current Secretary of Defense.

I anticipate that the President and his Cabinet officials and others will soon come to the Congress to try and explore the common ground in which we can recognize that the President under his constitutional powers should

be given the maximum latitude in deciding when to bring troops, whether it is ground, air, or otherwise, out of the situation into which they have been deployed.

I footnote my remarks again by saying I voted against it. I was opposed to it. I do not think today, or yesterday, or, indeed, I don't think I will ever be convinced that this part of the world is in the vital national security interests of the United States. But nevertheless the President has the power under the Constitution as to when to deploy. I think that power also is the power to determine when to extract. And I am one that wants to give the maximum latitude to any President to exercise rightfully his constitutional powers.

I also recognize that we have, as I said, invested upwards of $7 billion.

I want to ask my good friend when he returns here momentarily, could not such a statement as we are debating tonight—although it is the sense of the Senate, sometimes those communications as they cross the ocean are misinterpreted or not fully understood. And how can we have asked the American taxpayers, even though I and others voted against, to have contributed this extraordinary sum of money? And, indeed, this sum of money has been taken from the procurement accounts, from the readiness account, and the R&D accounts. It has literally starved the defense budget. And those effects are being felt today.

Nevertheless, how can we jeopardize that investment with stating that no matter what happens—this says, "United States ground forces should not participate in a follow-on force in Bosnia and Herzegovina after June 1998." It doesn't really have any contingencies. Just today we learned that elements of the NATO forces went in to try to capture war criminals. I have great concern—perhaps next week after I receive a briefing, and hopefully so will other Senators—on exactly what was the change of policy. What was intended to be done? Here we are, Mr. President. We are looking at a rapidly changing situation. If we are going to allow the NATO forces to go out after some 50 war criminals—these were low-level in terms of the hierarchy—I think in a geographic location where certainly it is less troublesome to have a military operation get them than many of the others, the principal ones.

But my point is this is a changing situation. And to say that June 1998 all ground forces must be withdrawn, in my judgment, is unwise from a constitutional standpoint. And I question whether or not we have acted in good faith with the American people to say now we are going to put that arbitrary limitation on our President.

Then I ask of my colleagues—and I hope that they take the floor and perhaps ponder my questions. And I will direct them in a moment. Our allies have said, "You pull out, we are pulling out the next day. You pull out, we will pull out." So this is going to trigger a precipitous withdrawal of those forces which have basically secured this situation. So that there has been a situation of comparative peace now for some considerable time.

So I would like to ask first of my distinguished colleague from Michigan, what is likely to be the allied reaction to a sense-of-the-Senate resolution by the Congress of the United States that we think these troops—no matter what the situation—that maybe our ground forces should be withdrawn no later than June of 1998?

Mr. LEVIN. I think they would see it in two ways.

First, I think they would see that we are supporting the administration which has stated its position that our troops would be out of there. The administration position is that our troops will be out by the middle of next year. So I think they would see the Senate as going on record as supporting that position of the administration. So they would see some unity in that respect.

But they also, I think, would see in this second-degree resolution something which is very important. This amendment says that the Europeans and we in NATO talked about greater European initiative. We have now put one in place, and it is being implemented as we speak.

I checked with General Shalikashvili and I have checked with our leadership in Europe. This European security and defense initiative in NATO adopted by NATO with our support to give the Europeans—not only give them assets to carry out greater European initiatives but to encourage European initiatives. And this is what this amendment also does. It says we support the administration's position that these troops be out. We are going to let you know a year in advance. We are not going to have the funds cut off. It is too inflexible. It is too rigid. That is not part of this sense-of-the-Congress resolution. They will see that as avoiding that kind of inflexibility and rigidity because a lot of things can change possibly.

On the other hand, it is important that we send that signal that we let the Europeans know that that is our plan, and that is our intention, and that is the administration policy.

I have visited a number of European capitals, and I have heard the same things which my good friend from Virginia has heard about a number of Europeans saying, "We are pulling out if you pull out." But I have also heard European leadership say maybe there is a way—maybe there is a way that, if the United States plays a more supporting role but not necessarily troops there on the ground, but a more supporting role in some other form that maybe, maybe, it is possible that a follow-on force made up of European forces can stay there. Just the way the British today took that initiative with our help, and at some risk, as we know. There were some casualties.

So a follow-on force could show that kind of greater European initiative with our support, but without our ground forces being on the ground.

So I think there are a couple of messages that are involved in the second-degree amendment. And it has the kind of balance which I know my good friend from Virginia is struggling to do which is not to pull the rug out from under, not to have an absolute funding cutoff, but, on the other hand, expressing some clear message that the policy under current plans of having our troops leave in the middle of next year as scheduled is something that we intend at this time to happen.

Mr. WARNER. Mr. President, I value the views of my good friend. We have served together side by side for the 18 years that we have been here together. We made many trips together. As a matter of fact, Mr. President, the chairman of the Armed Services Committee entrusted us with doing the official report for the committee as it related to Somalia.

The Senator spoke of the NATO forces today who tried to apprehend—I think in one instance did apprehend one, and a second alleged criminal was killed. I am all in favor of somehow capturing these criminals. But I want to visit it another day at another time about how that is to be done. Because I, drawing on the lessons of Somalia, which the Senator and I experienced and wrote about in some detail, I am very concerned when the United States in this type of situation is involved in nation building and going into situations like this; but another day; another time.

But I come back to the Senator's statement about the Dayton accords. That was a historic achievement. It really was. As a matter of fact, I was pleased to see the Armed Services Committee and the Senate back the rapid promotion of one of our members, General Clark, to the position of NATO Commander. He was deputy to Ambassador Holbrooke throughout that period. And true, that framework, no matter how we valued it, is not being accepted today by the parties and really enforced in the manner we had anticipated, and certainly not on the timetable.

If we send a message that we are going home June of 1998, what does that do to induce them to finish it? I think it could be just the reverse. Those opposed to following through on the accords will dig in and will say, "Wait them out. Wait them out. Let them go, and then we can take this situation perhaps into our own hands." Who would come into the vacuum?

What nations, what troops, what forces could come into that vacuum at that time?

It seems to me that it is not right in the first place to go in there with these ground forces. But that is history. Now the American taxpayers and our brave servicepersons have gone over there and have taken a great deal of personal risk. And they have made the Dayton accords as it relates to the security policy work.

To jeopardize that whole thing, put it up for failure, it just to me is a very risky and unwise course of action. As I look through the amendment, which I forwarded, and now regrettably the tree is completed, I hope tomorrow morning in the dawn of a new day we can work it out so those on our side who hold views possibly which are parallel in many respects to the distinguished Senator from Michigan and the Senator from Wisconsin can sit down and work out a common position which can be reviewed by the Senate and voted on by the Senate. In all likelihood, this Senator would vote against it, but that is not a controlling fact.

But I would be interested in the Senator's view on the Dayton accords. The Senator said that they were not being fulfilled. How does this policy, in the Senator's judgment, prompt a greater degree of compliance?

Mr. LEVIN. The amendment which I have introduced along with Senator REED and Senator MCCAIN states that it is likely there is going to be a need for a follow-on force for the very reasons the Senator from Virginia states. The Dayton accords civilian goals have not been achieved, and I do not see any prospect that they will be achieved by the middle of next year. I do not see any realistic prospect that we are going to see a million plus refugees resettled, war criminals captured, all the new arrangements, civilian arrangements that have been magnificently provided for in the Dayton accords achieved by the middle of next year.

I just do not see that happening. But I do not want to see an open-ended commitment of American troops. I think we undermine the credibility of the use of military force when we set a date, as we have; set military missions, which we have; see those missions achieved, which they have been, the military mission achieved, which they have been, and still leave our military there. That turns them into a police force for which I do not think they should be used. I think for the credibility of military forces, if you have a mission, if it is clear, achieve it and leave.

Well, we had a clear mission militarily. It has been achieved. We have a date for departure, and I think under current circumstances we ought to say it is our intention that we are going to depart as planned. But to have a funding cutoff, it seems to me, goes too far. It is too rigid, too inflexible, too far in advance.

How do you balance those goals? How do we send a signal to the Europeans that, look, we probably are going to need a follow-on force on the civilian side and you folks have indicated your willingness to take greater initiative in your own backyard. We are willing to help. But we also have a mission which has been accomplished there militarily. We are militarily spread all over this world. We have to have some kind of end points to military missions which have succeeded, and that is the balance which is set forth in this second-degree amendment—to end the open-ended commitment and to, I think, make credible the use of military force by setting a clear mission, seeing it achieved and then departing as scheduled.

So it is somewhat different from the good Senator from Wisconsin, but I have to tell you that the direction he is moving in, sending some kind of a signal a year in advance, I think is very helpful, providing it is accompanied with this awareness of the likelihood of the need for a follow-on force and our willingness to be supportive of it while we are not with combat forces there on the ground. That is the balance in this second-degree amendment, avoiding some of the concerns, I think, or meeting some of the concerns at least, that the Senator from Virginia has discussed about not wanting to pull the rug out from under in an inflexible, rigid way but nonetheless saying to our European friends: Folks, it is time for you to take some greater initiative. We will be there to help, but it is time for you to show some leadership as well.

Mr. WARNER. Mr. President, if I could address another point here. Let us look at section (4):

> The United States may decide to appropriately provide support to a Western European Union-led or NATO-led follow-on force including command, control, intelligence, logistics, and, if necessary, a ready reserve force in a neighboring country.

Is that ready reserve force ground troops? I think it is.

Mr. LEVIN. It could be.

Mr. WARNER. What do we gain by simply picking them up out of their present positions and moving them 50 miles across the border or whatever the distance may be? What do we gain? It is pure symbolism. And then they rush back at a telephone call?

Mr. LEVIN. There are two things that are gained. First of all—this suggestion, by the way, is General Shalikashvili's. I put a lot of stock in the kind of suggestions he makes. It can very well be a smaller force, and it is less of a target. American troops, as I think the Senator from Virginia would acknowledge, have been the target of choice too often. Not having American troops there as targets, it seems to me, would be a plus. Having a smaller number nearby makes them less of a target and, on the other hand, does provide some deterrence as well as accomplish some significant cost savings. So there are both cost savings involved as well as reducing the risks and the threat to American forces.

Mr. WARNER. Well, Mr. President, the Senator says they are a target, and I share that with the Senator, and I am concerned now as a consequence of this mission to capture the war criminals that there is probably going to be a heightened alert and a heightened degree of risk.

So the Senator seems to think that if they are moved some distance across a border into another country—I do not doubt that there would be diminished personal risk to those troops. What does that say to the troops that are left back there from other European nations? The United States has withdrawn to a safe haven, yet we are left out here to take the risk.

I somehow find this all incongruous. I really do, Mr. President. If we are a part of NATO, we are going to pull our share, and that is financially, it is in terms of risk, it is in every other way. That is the way NATO was set up. We are proud to be the leader of NATO. We have as the senior officer, an American officer as the commanding general of NATO forces, and yet you are going to say we will now have a policy when there is a risk, our people are going to a safe haven some distance away in another land and let the chaps and ladies or whatever the composition of that force may be stay in harm's way in Bosnia. I find this all very difficult.

Mr. LEVIN. If the Senator will yield just on that point.

Mr. WARNER. Yes.

Mr. LEVIN. NATO has adopted a policy where the Europeans will take greater initiative without American presence. It is called the European Security and Defense Initiative. It was adopted in January of 1994. It is a NATO policy.

So, yes, we are a big part of NATO, and we do more than our fair share. I know the Senator would agree with that. We do more than carry our load, and we have more than enough of our personnel around the world at risk. It is time that the Europeans in their own neighborhood take on a greater share of the risk. This is a way of achieving that balance. But it is a NATO initiative. This European Security and Defense Initiative is a NATO initiative, approved by NATO. That is what is referred to in the second-degree amendment.

Mr. WARNER. Well, Mr. President, if there are others who wish to speak, I will be happy to yield the floor. But I want to return—I am familiar with the European Security Defense Initiative, and I am not so sure that I am here tonight prepared to go into all the ramifications. But we are the leader of

NATO, and I think if there is going to be a pattern where we do not get involved and share the risk, I question how long we can retain that leadership role.

I seem to be in opposition to a number of things. I am not in favor of the expansion of NATO. It seems to me that the actions taken in Madrid are not in the best interests in the long term of NATO.

I have gone back and read the debates. Remember 10, 12, 14 years ago when there were tremendous debates in the Chamber of the Senate: Bring them home—debates before we arrived led by the very able majority leader, the Democratic leader of the Senate, the distinguished Mike Mansfield of Montana—bring them home; NATO has finished its mission.

There may be a degree to which our tinkering with NATO and changing it in concept could begin to undermine American public support, and I think that would be a terrible loss—NATO, the greatest alliance in the history of mankind, the most effective, the alliance that fulfilled its goals, exceeding every expectation of those who laid down the original charter. Indeed, NATO should be credited, rightfully, for such victories as we attained during the cold war period for the demise of the Soviet Union. NATO was instrumental. We will debate that another day. I see other Senators wishing to speak, so for the moment I will yield the floor, Mr. President.

Mr. REED addressed the Chair.

The PRESIDING OFFICER. The Senator from Rhode Island.

Mr. REED. I thank the Chair. I rise to support the second-degree amendment offered by the Senator from Michigan on my behalf and on behalf of Senator MCCAIN.

I, too, compliment the Senator from Wisconsin for his amendment. One of the great frustrations in watching this policy evolve concerning Bosnia is that I fear we are wasting precious time in taking concrete steps so that we can effectively depart that country in June of 1998. The Senator's amendment has focused this debate and, I hope, gives further impetus to efforts by the administration to take these steps so that the withdrawal of our troops in June of 1998 will be a reality and not a situation where we are victims of a fait accompli and must stay longer.

Like my colleague from Michigan, I share the Senator's goal. I believe that we should withdraw our troops by June of 1998. As the Senator from Wisconsin said, there are no good times to leave. In a tumultuous situation like Bosnia, with ethnic rivalries, with violence, with a history of centuries of violence, there are no good times to leave, but we must leave because, as my colleague from Virginia has pointed out, we have already spent $7 billion, and after June 30, 1998, the cost does not go to zero. The costs continue to accumulate. These costs are not just in terms of appropriations for our military forces. They are also in terms of the stress and strain placed on our military forces. There is discussion about mission creep, but I think the first symptom emerging from Bosnia is mission exhaustion as our troops will be forced to be rotated back to that country from their positions in Germany and outside of Bosnia.

So for all of these reasons and more, I believe that we should have the requirement to return our troops to their home stations by June of 1998. I just believe that the Feingold amendment is the wrong approach to this situation. It would impose severe conditions on this announced departure date by cutting off funding for the deployment of any ground elements of the Armed Forces except guards at our diplomatic facilities and noncombatant advisers to NATO forces, and this arbitrary restriction could play havoc with our mission and with our troops' ability to carry out that mission.

As one consequence, if this provision would pass, it could immediately begin to demoralize our troops. Even though we have set as our objective our departure by June of 1998, passage of this bill cutting off funds would, I think, send a signal that we are not only requesting them to leave but in some respects abandoning them in their operations. I think that is the wrong signal.

I know, as the Senator from Wisconsin pointed out, that he, too, shares with me the esteem that we have for the performance of these remarkable soldiers in this operation.

Second, I believe that this amendment would weaken the resolve of our NATO colleagues to participate in this mission. I know it has been said on this floor this evening that the Europeans have declared, if you go, we will go. But if we pass this amendment today, any possibility of constructive dialog and engagement to encourage them to stay beyond June will, I think, be totally lost, and that would be a severe gesture.

I believe we have to keep this active dialog alive with our European colleagues, and with this amendment tonight, the Feingold amendment, we could very well cut off such dialog. In addition, the Feingold amendment contemplates leaving in place a few Embassy guards and some advisers to NATO. First, if we do construct a follow-on force and if that force is not NATO, this legislation could technically preclude any assistance to a follow-on force, and in that respect I think we are doing ourselves a great disservice, hampering the flexibility of the administration to construct a follow-on force, a constructive military posture in Bosnia after June of 1998.

Furthermore, I believe there is a possibility that those forces left behind, Embassy guards or noncombatant advisers, would be placed in a very frustrating position.

We are going through a situation where we have significant combat power in-country, with robust rules of engagement, suddenly to a position where American troops are merely, in a way, passive bodyguards for our own military personnel. Their safety could be jeopardized. And, in addition, they would be in the frustrating position of perhaps standing by helplessly when civilians, which we previously protected, could fall victim to the ethnic rivalries which we know exist in that country.

I think also one of the detriments and deficiencies in the amendment is it obscures what I think should be the focus of the debate today. We all agree June of 1998 is the appropriate departure date. What we should be debating today on this floor is what steps we must take beginning today to ensure that we can safely and appropriately withdraw our troops by June of 1998. I believe there are several steps that must be taken.

Like my colleague from Michigan, I believe we should constitute a follow-on force, but a follow-on force that is not composed of American ground troops. As the Senator from Michigan pointed out, we have the capability through NATO, or through the European security defense identity which would use NATO assets, to provide this follow-on force.

Indeed, I think we have to remind Europeans of their brave words back in 1992 in Lisbon when the leaders of the European nations declared that assisting the people of former Yugoslavia in their quest for peace was a test of their ability to establish and maintain peace and security on the Continent of Europe. It is not inappropriate—in fact, I think it is most appropriate—that this situation be returned primarily to the European forces after the intervention of NATO successfully to suppress violence and give them a second chance, give them a second chance to maintain the peace and stability in that region.

As we all know, for many years it was a primarily European-led United Nations force, United Nations-protected force that operated within Bosnia. That force was inadequate, but I believe with the intervention of NATO, with the steps we have already taken, a European force could, in fact, and should, in fact, carry out this follow-on mission. I also believe that to augment the European force within the former Yugoslavia, we should, in fact, create a residual force in a nearby country or in the Adriatic, which could respond in a crisis to the legitimate requirements for assistance for this force.

In doing those two things, I believe we would, in fact, create a follow-on capability that would preserve the gains we have made in the former Yugoslavia. I believe it is also very important that our administration speak

with a very clear voice and a single voice about our intention to depart in June of 1998. It is frustrating when the Secretary of Defense clearly states that deadline, but his words are sometimes confused by ambiguous statements from other leaders of our National Government. I believe we should have one voice, and that one voice should declare that we are leaving in June of 1998.

While we go about our military preparations to depart, we have to address the concerns of economic development, and we can do that in a way which favors those parties within the former Yugoslavia, within Bosnia, who are trying to assist in an evolution to a democratic, peaceful society. If we do these things—reconstitute a follow-on force, provide for a residual American force outside of the country that can assist the follow-on force, and begin to support the economic and political development of the people of Bosnia—then I believe that when June of 1998 arrives we can and will successfully remove our forces. But the challenge we face today is not to arbitrarily cut off and terminate funding at this juncture. The challenge we face is to use the intervening months that we have to fashion a policy which will allow us to leave peacefully from the former Yugoslavia, and leave it in a condition where there is hope that the gains we made will be sustained and will be permanent within that country.

As a result, I urge my colleagues to support the second-degree amendment and, in doing so, not only send a signal that we are serious about our departure, a signal that will be sent to the capitals of Europe and to the capitals of the former Yugoslavia that we will be serious about our departure date, but we will not be arbitrary and inflexible. And that, in the interim, we will build a structure of peace and security that will carry on the efforts that were so magnificently undertaken and continue today by our military forces in the former Yugoslavia.

I yield the remainder of my time.

The PRESIDING OFFICER. The Senator from Wisconsin.

Mr. FEINGOLD. Mr. President, I thank the Senator from Michigan for his commitment to this issue and his leadership in this debate and very clear explanation of the situation. I will not oppose the second-degree amendment that he and the Senator from Rhode Island and the Senator from Arizona have proposed. I also wish to compliment the Senator from Rhode Island on his comments, which I think were very appropriate with regard, especially, to the issue of making it absolutely clear throughout all aspects of our Government that it really is our intention to be out of this situation in terms of our ground troops by the end of June 1998.

As Senator LEVIN has described, his second-degree amendment expresses the sense of the Congress that United States ground troops should not participate in a follow-on force in Bosnia and Herzegovina after June of 1998. Of course, I heartily agree with that premise. I believe we have to have a firm end date to our mission in Bosnia. Without it, many of us have said it here on the floor tonight, the mission absolutely risks continuing for who knows how long. There simply is no sign or clue as to when our involvement would end.

Of course, I would have preferred my own hard mandate in my own amendment, which would have cut the purse strings of the Bosnia mission after June 30, 1998. This would have absolutely ensured that United States ground troops would be out of Bosnia by that date. But I am willing to not oppose the change offered by the Senator from Michigan because not only is there more support for the amendment in this form, but because it, again, puts the U.S. Senate on record with respect to its concern about the Bosnia mission.

I am particularly pleased that the Levin amendment includes language urging the President to inform our European allies of this expression of the sense of Congress. This may well be the most important point. It is pretty clear that our allies in the region, our NATO partners, have become dependent on the active participation of the United States in this peacekeeping operation. If I were them, I would not want to do it alone either. But it is my view that if President Clinton lets our allies know immediately and with all candor that U.S. troops will not participate in the mission after next June, then they will begin to think creatively about what our next steps should be in the region.

If the President does not send that message, then our allies and partners will have every reason to believe that the United States will, of course, remain in Bosnia after that date, as we have done already with regard to a number of other deadlines. Why do I say that? Because the last time we had a deadline for completing the peacekeeping mission, the December 1996 end date for IFOR, the administration was only too quick to let it slip with just a few months left to go on our initial 1-year commitment, the mission got rebaptized as SFOR, and U.S. ground troops were stuck there for what is going to be at least an additional 18 months.

I am aware of the concerns that have been expressed by people like Secretary Albright, Chairman Shalikashvili and Secretary Cohen. In her June 27, 1997 letter to the Senate leadership, Secretary Albright wrote that if legislation mandating a cutoff were to pass, it would "send exactly the wrong signal to our allies, to the signatories to the Dayton Accords, and to the American people about what American leadership in the world should mean."

Mr. President, I don't understand this statement. I don't understand this statement in light of the fact that the United States is already on record for wanting to end the military mission on June 30, 1998. How can people be so concerned about the statement sending a signal about that date when that is exactly the signal that the President of the United States has sent?

By telling our European allies about the planned withdrawal date, as the Levin second-degree specifically calls upon the President to do, we can make it clear that our leadership role is there but that our leadership role has limits. In the event of a follow-on force in the region, the Levin amendment suggests that the United States may decide to provide support in the form of command and control, intelligence, logistics and, if necessary, a ready reserve force. I believe this kind of support is more appropriate than the deployment of our men and women to Bosnia.

I am also aware that the Senator from Michigan and the Senator from Oklahoma, Mr. INHOFE, had made an agreement during the Armed Services Committee markup of the bill to resist the temptation to offer Bosnia language in this bill. The issue of when and where we deploy our troops is a tough, emotional and controversial one for all of us. Because of that, I know that the members of the Armed Services Committee would all like to see a longer, more thoughtful debate on Bosnia at some point.

I, too, would like the Congress to have the opportunity to engage in a more extensive debate on the issue. But I also believe, as we consider this legislation, we cannot ignore the Bosnia issue in the very bill that authorizes the activities of the Defense Department. So, in light of the initial hesitation of the Armed Services Committee, I am particularly pleased that Senator LEVIN and I have been able to work together on this issue. I think it is vitally important that in a bill as important as this one, the Senate go on record regarding our mission in Bosnia.

Let me just conclude by saying if, in fact, we are able to pass my amendment, as amended by the Levin amendment, it will mean that both the House and the Senate will be on record on this DOD bill calling for termination of the Bosnia mission no later than June 1998. This should guarantee that this issue will not simply disappear in conference.

I yield the floor.

Mr. SMITH of New Hampshire. Mr. President, I rise today in strong support of the FY98 Defense Authorization bill reported by the Armed Services Committee. This is an excellent piece of legislation, and I want to commend

the distinguished Chairman of the Committee, Senator THURMOND, for his tireless efforts to formulate a balanced, constructive defense bill.

Mr. President, the bill before us would add $2.6 billion to the President's budget request for national defense. While I strongly support this increase, I want to emphasize that it will not address all of the deficiencies resulting from the Administration's underfunded defense program. In fact, even with this increase, defense spending in FY98 will be $3.3 billion below this year in real terms. However, in the current budget environment, this $2.6 billion increase was all that we were able to achieve.

As we did last year, the Armed Services Committee spent a good deal of time evaluating our national security requirements and establishing a set of firm priorities to guide our consideration of defense programs for FY98. These priorities included, among other things: ensuring national security and the status of the United States as the preeminent military power; protecting the readiness of our Armed Forces; enhancing the quality of life of military personnel and their families; ensuring U.S. military superiority by continuing to fund a more robust, progressive modernization program for the future; accelerating the development and deployment of missile defense systems; and preserving the shipbuilding and submarine industrial bases.

Mr. President, as I said, the Armed Services Committee established these priorities to guide our investment strategy in the FY98 authorization bill. I am pleased to report that the bill before us embodies these priorities and corrects a number of serious deficiencies contained in the Administration budget request.

For the benefit of my colleagues, I would like to highlight some of the important measures contained in this bill.

The authorization bill reported by the Armed Services Committee: provides a 2.8 percent pay raise for military personnel; increases by $41.5 million spending on research and development for counterproliferation, chemical and biological defense, and counter-terrorism programs; increases readiness funding by more than $1 billion in areas such as ammunition procurement, flying hours, force protection, cold weather gear, barracks renovation, and depot maintenance; adds $653 million for reserve force modernization programs; adds $720 million for an additional Arleigh Burke class destroyer; approves the Navy's proposed teaming arrangement for design and production of the New Attack Submarine; authorizes $345 million to accelerate the advance procurement and construction of the next nuclear aircraft carrier; and adds $90 million to procure an additional V-22 aircraft in FY98.

Mr. President, as Chairman of the Strategic Forces Subcommittee, I also want to take this opportunity to outline for my colleagues some of the important initiatives dealing with missile defense, nuclear forces, and Department of Energy programs.

As my colleagues know, Secretary Cohen conducted an extensive analysis of all defense programs, including missile defense, as part of the Quadrennial Defense Review. This analysis confirmed what many of us have long argued—that the Administration's National Missile Defense program is grossly underfunded. In fact, Secretary Cohen determined that the NMD program was underfunded by some $2.3 billion over the future years defense plan, and by a total of $474 million in FY98 alone.

This shortfall of $474 million for National Missile Defense in FY98 proved to be a very big challenge for the Committee to address in its deliberations. And I would be remiss if I did not say to my colleagues that it caused us to have to make some very difficult decisions as we weighed the merits and affordability of many requested programs.

However, I believe that we formulated a very responsible and forward looking package of initiatives in the Strategic Subcommittee. These initiatives include: increasing funding for the Navy Upper Tier program by $80 million; adding $15 million for the Arrow interoperability program; providing an increase of $118 million for the space based laser program; adding $50 million for the Clementine 2 microsatellite program; authorizing $80 million for the kinetic energy anti-satellite program; increasing funding for cruise missile defense programs by $32 million; prohibiting the retirement of certain strategic nuclear delivery systems in FY98 unless the START 2 Treaty enters force; providing $4 billion for weapons activities to maintain the reliability and safety of the enduring nuclear arsenal; and including $5.1 billion for defense environmental restoration and waste management activities.

The bill also includes a provision requiring the Director of Central Intelligence to establish a cadre of experts within the Intelligence Community to work POW/MIA issues. The President has directed that a Special National Intelligence Estimate be prepared on the POW/MIA issue; however, there are no intelligence experts on these issues currently remaining in the Intelligence Community. This provision does not affect POW/MIA policy or relations with Vietnam. It merely provides the Director of Central Intelligence with total descretion to establish an Intelligence Cell within the community.

Mr. President, these are but a few of the many important initiatives included in this bill. In a more general sense, I want to also offer some observations concerning the current state of our Armed Forces and the course that President Clinton has charted for defense in his second term.

As my colleagues know, I have been critical of the Clinton Administration's penchant for involving our military forces in unorthodox, non-traditional operations. Without question, these peacekeeping and humanitarian relief operations are bankrupting the defense budget and undermining the readiness of America's Armed Forces.

I have also been critical of the so-called Bottom Up Review that was conducted by the Clinton Administration four years ago to guide its defense program. Whether they admit it publicly or not, everyone realizes that this was nothing but a budget driven exercise to tailor our defense forces and strategy to meet a pre-established defense spending level.

I had hoped that in its second term, the Clinton Administration would take a more honest and objective approach to defense programming, and base our national security policy on the threat rather than on budget requirements. Unfortunately, it appears this was wishful thinking.

The Quadrennial Defense Review that was recently released falls into the same trap as the Bottom Up Review. Rather than identifying the threats confronting our security and formulating the force structure, end strength and strategy necessary to counter these threats, the QDR establishes a baseline for defense spending and tailors our defense program to fit that baseline.

I want to make clear that I do not impugn the motives or patriotism of those who worked very hard in the Pentagon to formulate the QDR. They were doing the best they could to balance requirements and resources. But the truth is that the resources they were provided were inadequate to fund the requirements. As a result, the QDR fails to correct the deficiencies of the Bottom Up Review and it fails to provide a credible, threat based strategy for our defense program.

Mr. President, it is also worth mentioning that the days of the so-called "peace dividend" and the days of Congressional windfalls for defense are over. In the past 3 years, Congress has added approximately $20 billion to the requested level for defense. But with the recently negotiated budget deal, Congress and the Administration are now locked into agreed-upon defense numbers. There will be no windfall in future years.

In fact, any spending additions requested by members will have to be offset with commensurate spending reductions. From here on out, it will be a zero sum game. I hope my colleagues understand this situation because it will have a very profound effect on the Committee's ability to accommodate

member interest requests in the future. We have cut defense to the bone. There is no real growth programmed in the future; only further reductions. We have made our bed, now we must lie in it.

I want to end with a somber warning for my colleagues. It is very simple and straightforward. Contingency operations are bankrupting our defense budget. If we do not reign in the Clinton Administration and curtail its continuing commitments of U.S. military forces for non-military and humanitarian purposes, there will be no money to recapitalize our Armed Forces. There will be no money to purchase DDG–51's, or F–22's, or F/A–18's, or Joint Strike Fighters, or Comanche helicopters, or V–22's, or satellites, or ground vehicles.

If we continue to allow our Armed Forces to be used as a "911" emergency force for the United Nations, we will lose our combat readiness, and deplete our investment accounts.

The Bosnia example is a particularly instructive, and particularly disturbing, example of this trend. When President Clinton first committed troops to Bosnia, he assured Congress that the scope of the operation would be limited and the cost of operation would be $1.6 billion. Yet, here we are today, with the price tag of the Bosnia operation having climbed to $7.3 billion and the Secretary of State talking about keeping troops in Bosnia beyond the June 1998 deadline, yet again.

Mr. President, the Administration has asked for two additional rounds of Base Closures, arguing that these closures will enable us to save a few billion dollars. Under the most optimistic forecasts these closures will not even pay for the Bosnia mission. How on Earth can we justify putting America's communities through yet another two rounds of chaos, confusion, anxiety and economic disruption in order to pay the tab for a mission that a majority of them do not support? We have already had four rounds of base closures in seven years. Where does it end?

Let me be frank. I absolutely oppose additional base closures at this time. In 1995, President Clinton completely destroyed the credibility of the Base Closure process by injecting subjective politics into an otherwise objective process. There was no question what the President's motivation was—pure electoral politics. But in the quest to gain more electoral votes, the President disrupted a very fragile consensus. That consensus, in support of shared sacrifice through and objective, transparent process, is now gone. And it is President Clinton who bears responsibility for that.

I would hasten to add, however, that even if we were to ignore the politicization of the Base Closure process, the arguments in favor of more closures are specious. It has yet to be demonstrated that we have saved a single penny on the four previous rounds of closures. In fact, we continue to spend exorbitant amounts to close, realign, and remediate bases. While the Department assures us that we will save vast sums of money one day, that day doesn't seem to be anywhere in the near future. We are spending a lot more right now to close bases than we are recouping in operations and maintenance savings.

Unless and until the President can convince Congress and the American people that politics have been eliminated from the process, and that previous closures are demonstrably producing savings, I will not support additional base closures. Undoubtedly, this issue will be debated further on the floor and conference, and I look forward to playing an active role in these discussions.

Mr. President, I want to close by again thanking the distinguished Chairman of the Armed Services Committee for his outstanding leadership in formulating this bill. I know there has been a great deal of praise heaped upon the senior Senator from South Carolina recently in connection with his record for service in the Senate. It is richly deserved. He is a man of utmost integrity and a tremendous inspiration to all of us who aspire to have a lasting impact on this institution. I am proud to serve with him on the Armed Services Committee, and pleased to support this legislation.

I thank the Chair, and yield the floor.

U.S. AIR FORCE REENTRY VEHICLE APPLICATIONS PROGRAM

Ms. SNOWE. Mr. President, the United States Air Force Reentry Vehicle Applications Program has been providing critical technologies required for the manufacture of reentry vehicles and components. Of special note is the meaningful program with both the prime and the sub-tier suppliers for the Mark 21 reentry vehicle. Funding for this program has advanced reentry vehicle technologies while sustaining the critical industrial base required to develop such technologies.

Mr. SMITH of New Hampshire. Mr. President, I would like to join my colleague, Senator SNOWE, in recognizing the work that has been ongoing in the Air Force Reentry Vehicle Applications Program. As is the case of any technology program, procurement decisions require careful analysis of life-cycle costs and performance tradeoffs to ensure that military requirements are met with the funding constraints that face the Department of Defense.

Ms. SNOWE. Mr. President, I fully agree with my colleague, Senator SMITH, and most strongly agree with his view on the Reentry Vehicle Application Program. Unfortunately, quantitative data to support such cost and performance tradeoffs are not always readily available. This information is especially important as the Congress considers funding for this and other programs. I am concerned that sufficient emphasis is not being placed on this critical program to sustain the technology base to conduct advance material studies which will sustain key technical staff, as well as fabrication capabilities and technologies.

Mr. SMITH of New Hampshire. Mr. President, I too am concerned that these technologies be advanced, and suggest that a review of the technology base of supplier for both the materials and the components, such as the carbon/carbon nosetips presently used on the Mark 21 reentry vehicle, be conducted.

Ms. SNOWE. Thank you, Mr. President, and I thank my colleague from New Hampshire, Senator SMITH; for joining me in discussing this issue. I urge the conferees for the Fiscal Year 1998 National Defense Bill to further consider this subject.

SEXUAL HARASSMENT ACCOUNTABILITY

Ms. SNOWE. Mr. President, this body has few greater responsibilities than maintaining the effectiveness and accountability of our Nation's Armed Forces. This is one of the reasons that reports of widespread sexual harassment in our Nation's military deeply concerns us all. With Department of Defense statistics showing that sexual harassment is prevalent throughout the Armed Forces—we must do more than pay lip service to the problem. Mr. President, we must act.

Today, with a full understanding that the time has come for serious action that is responsible and constructive, a provision that I authored was added to the 1998 defense authorization bill that will place us on the road to solving the crisis of sexual harassment. The legislation attacks the root of the problem—the lack of accountability when it comes to reporting and investigating incidents of sexual harassment.

The Department of Defense conducted a survey in 1988 and found that 64 percent of women reported that they had experienced one or more incidents of sexual harassment in the 12 months preceding the survey. The Defense Department conducted another study in 1995 and found that the figure had only improved to 55 percent. I feel very strongly, Mr. President, that this is not progress. When I look at those statistics, I am shocked.

On top of this, I have read in DOD statements that many cases of sexual harassment go unreported. In the 1995 Defense Department survey, only 24 percent of the victims chose to report their sexual harassment experiences. Is this the kind of environment to which we should subject our people? These numbers tell me that women essentially stand a 50–50 chance of being harassed. This cannot and should not be

tolerated. Add to that the fact that over three-fourths of our people do not feel they can report the harassment that occurs and you have a very negative set of circumstances. How can you maintain good order and discipline in such an environment? This situation demands accountability. And it requires action to erase any perception that sexual harassment is tolerated in today's Armed Forces. Today, military members do not believe they can report sexual harassment and have their claims taken seriously.

During Armed Services Committee markup of the defense authorization bill, I offered an amendment that requires the unit commander to report each and every sexual harassment incident to their next senior officer within 72 hours. Once reported, the unit commander appoints an investigating officer to investigate the complaint of sexual harassment. The unit commander has 14 days to report back to their commander with the results of the investigation. If the unit commander cannot complete the investigation within 14 days, that commander must report the interim results, every 14 days, until the investigation has been completed.

Today when an incident is reported to a unit commander, the commander is not required to report the incident until a preliminary investigation recommends disciplinary action. This gives the unit commander tremendous latitude as to how the case is handled. In most instances this is a not a problem. But look what we saw at Aberdeen. We saw a company commander who was a bad apple and no bells or whistles to alert his superiors that there was a problem. Under the provisions of the national defense authorization bill each incident is immediately brought to the attention of a more senior officer. The most distinct advantage of this provision is that the decibel level of the problem rises by elevating the matter to the highest echelons of the services.

The provision also requires that the senior officers who receive these reports of sexual harassment forward all the complaints they receive and the results of the investigations of those complaints to their respective Service Secretary by January 31 of each year, elevating the problem another notch within the military to the authors of the services' zero tolerance policies where they can be scrutinized. The Service Secretaries are then required to forward this information to the Secretary of Defense who in turn must report the information to Congress.

Mr. President, this provision was unanimously approved by the Armed Services Committee and will put us on the road to help end sexual harassment in our military. We owe the men and women who serve our Nation an environment that includes accountability, good order, and discipline. But we also owe this to our Nation, which relies on our military to defend our great country and its interests.

CARBONIZABLE RAYON FIBER

Mr. FRIST. Mr. President, I rise today to bring my colleagues' attention to an issue affecting American jobs and national security issues. The Department of Defense uses approximately 500,000 pounds of carbonizable rayon fiber per year in its many missile programs as a solid rocket fuel. The sole domestic supplier of carbonizable rayon fiber is the North American Corporation in Elizabethton, Tennessee.

It is my fear that if the Department of Defense does not plan for the long-term viability of its domestic supplier of carbonizable rayon the North American Corp. will simply go out of business and put 400 people out of work.

Mr. SANTORUM. Could I interrupt the Senator from Tennessee and ask where the Department of Defense would turn for carbonizable rayon fiber in the future?

Mr. FRIST. If the North American Corp. goes out of business it is my understanding that the Department of Defense would be forced to depend on less reliable foreign suppliers, probably in Mexico or Asia. Further, it is my understanding that there is a lengthy and expensive process to qualify new suppliers that can take at least 3 years and possibly cost millions of dollars.

Mr. SANTORUM. It is my understanding that the Department of Defense has procured its identified requirement for this material.

Mr. FRIST. That is correct, but as you know it is always difficult to adequately identify future requirements as the lifecycle of our many current programs is extended and especially in consideration of the emerging technologies where carbonizable rayon fiber could be applied.

Mr. SANTORUM. It seems to me that the Senator from Tennessee has raised several important concerns. The Department of Defense clearly has a responsibility to fully review each of its programs using carbonizable rayon fiber and make certain it has planned for future needs before allowing the Nation's only domestic supplier to go out of business.

Mr. FRIST. Thank you, Mr. President, and I thank my colleague for joining me in discussing this important issue. I enjoin the conferees for the fiscal year 1998 national defense authorization bill to further consider this subject.

COMMISSION ON GENDER INTEGRATION IN THE MILITARY

Mr. BYRD. Mr. President, the recent scandals and confusion concerning gender relations in our armed forces demonstrate a clear need to review the experiences, practices, regulations and laws regarding these matters as soon as possible. The nation has been treated to a range of incidents and official responses, from the cases of abuse of authority at the Aberdeen training facility and other military bases in the nation, to the controversy over the treatment of Air Force First Lieutenant Kelly Flinn, and that of flag officers in the different services. A comprehensive independent review is needed on the full range of these issues, and I am pleased that the Armed Service Committee adopted a proposal of mine, which was co-authored by Senators KEMPTHORNE and CLELAND, of the personnel subcommittee, and supported by the full Committee, to establish an independent commission to work on this matter.

The commission proposal is included as Section 552 of the bill. In summary, the provision establishes an 11 member commission to study issues related to gender integration. All of the commission's members would be appointed by the Senate. They would be chosen from among private citizens with knowledge of these matters—at least two from academia, at least four former military members, and at least two members of the reserve components. The duties of the Commission include (a) reviewing the current practices of the Armed Forces, as well as relevant studies and private sector training concepts regarding gender-integrated training; (2) reviewing the laws, regulations, policies, directives, and practices that govern personal relationships between men and women in the armed forces; (3) assessing the extent to which those laws, regulations and policies have been applied consistently throughout the Armed Forces without regard to service, grade, or rank of the individuals involved; (4) providing an independent assessment of the reports of the various bodies that the Secretary of Defense has established to look into these matters; and (5) examining the experiences, policies and practices of the armed forces of other industrialized nations regarding gender-integrated training. An initial report of the Commission is due on April 15, 1998, and a final report by September 16, 1998, with findings and any legislative and other recommendations the Commission deems necessary. These dates were selected to allow the second session of this Congress time to act, if it wishes, on any recommendations that the Commission might provide.

Mr. President, clearly we are in the middle of a national debate on gender relations and on general conduct in the services, and the work of this independent commission to review the main issues which have arisen seems urgent, and I hope will be of use to the Senate and to the nation. I also hope that all of us will keep our eye on the goal of producing the most effective, combat-ready, disciplined and tough fighting force that the nation can field.

I believe that effectiveness, discipline, unit cohesion and morale must not ever take a second place to any other goal, since the premier responsibility of the military is the national security of our nation.

I again thank the committee for its strong support of my proposal, and I hope that the commission can be put into place as soon as possible after the Congress has completed its work on this bill and it has been signed into law.

Mr. DASCHLE. Mr. President, I would like to thank Senator THURMOND, the chairman of the Senate Armed Services Committee, Senator LEVIN, the ranking member of the committee, and our other colleagues who serve on the panel for their hard work and the bipartisan approach they took to the fiscal year 1998 Department of Defense (DOD) Authorization bill. Although I am generally pleased with the committee's work, there are several provisions in the defense bill of great concern to me.

I am particularly disturbed by the committee's initial decision to cut the Cooperative Threat Reduction [CTR] Program as well as the Department of Energy's [DOE] Materials Protection Control and Accounting [MPC&A] Program and the International Nuclear Safety Program by a total of $135 million from the Administration's budget request. Together, these three programs are essential to U.S. non-proliferation efforts and are critical to protecting the United States from weapons of mass destruction. These vital programs help Russia and other former Soviet Republics destroy nuclear, chemical and other weapons of mass destruction. In addition, they assist Russia in developing and deploying security measures to safeguard their remaining nuclear materials. Moreover, they help make much-needed improvements to Soviet-designed nuclear powerplants in Russia and the New Independent States.

Senators LUGAR and BINGAMAN offered an amendment that will rectify what I think was a very shortsighted decision. Specifically, the amendment will restore $60 million to the CTR Program, $25 million to the MPC&A Program, and $50 million to the International Nuclear Safety Program. These programs have long received bipartisan support, and I am pleased the Senate adopted the Lugar-Bingaman amendment last night. Although many Members have already discussed the CTR Program, the MPC&A Program, and the International Nuclear Safety Program in detail, I would like to explain why I strongly believe each should be fully funded.

The CTR Program, which is also known as the Nunn-Lugar program for its chief sponsors in the Senate, was established in 1991 in an effort to reduce the threat to the United States from weapons of mass destruction. I believe the authors of this important legislation rightly concluded that the spread of these weapons represents the greatest threat to U.S. national security in the post-cold war era. Through this program, the United States has provided much-needed assistance to Russia and other former Soviet republics to destroy nuclear, chemical, and other weapons. In addition, the CTR Program has helped establish verifiable safeguards against proliferation of these weapons and fissile materials and to facilitate demilitarization of defense industries and defense conversion activities in the former Soviet Union.

Since its inception, the CTR Program has significantly helped reduce the threat to the United States from weapons of mass destruction. With this program's assistance, Belarus, Ukraine and Kazakstan became nonnuclear states, and approximately 3,400 strategic warheads have been withdrawn from those three New Independent States to Russia. In addition, more than 1,500 nuclear warheads have been deactivated, and approximately 930 deployed launchers and bombers in Russia, Belarus, Ukraine and Kazakstan have been destroyed.

Despite the CTR Program's many accomplishments, more weapons of mass destruction have yet to be destroyed, and more needs to be done to further reduce the threat to the United States from these weapons. The President has requested $382 million for the CTR Program in fiscal year 1998. This funding will be used for a number of programs, all designed to eliminate the threat Russian nuclear weapons pose to the United States.

For example, $78 million will support the Russian elimination of ICBM's, silo launchers, Submarine Launched Ballistic Missile [SLBM] launchers and bombers and $77 million will be used to assist the Ukraine eliminate SS–19 ICBM's, silos and launch control facilities. Seven million dollars will provide safe and secure storage containers for fissile materials from dismantled nuclear weapons. Thirty-six million dollars will be used to provide comprehensive security enhancements for nuclear weapons storage sites in Russia. And $55 million will help design and build a chemical weapons destruction facility in Russia. Full funding is critical to U.S. plans to continue implementing these initiatives. Before the Lugar-Bingaman amendment was accepted, however, the fiscal year 1998 DOD Authorization bill had called for the CTR Program to be cut by $60 million in fiscal year 1998.

The Department of Energy's [DOE] Materials Protection Control and Accounting Program is a similarly worthy program. It assists Russia, the New Independent States, and the Baltic States in their efforts to strengthen materials protection, control, and accountability of materials used in nuclear weapons. To date, DOE has helped establish 18 sites in Russia, the New Independent States, and the Baltic states to safeguard plutonium and uranium weapons material. Moreover, agreements are in place to enhance the safety and security at over 30 additional sites. This program is critical to U.S. efforts to prevent the theft of weapons-usable fissile materials, plutonium and highly enriched uranium.

Although DOE has already helped secure hundreds of tons of nuclear weapons materials, the overwhelming majority of material is still poorly secured. Consequently, the administration is requesting that the MPC&A Program be increased by $25 million in fiscal year 1998. This funding request is necessary for U.S. plans to continue implementing this program. Before the Lugar-Bingaman amendment was accepted, however, the fiscal year 1998 Defense Authorization bill had called for the MPC&A Program to continue to be funded only at fiscal year 1997 levels.

The administration's budget request also includes $50 million for the International Nuclear Safety Program. This program, which is also operated by DOE, helps to make improvements to Soviet-designed nuclear powerplants in Russia and the New Independent States. By helping these countries implement desperately needed safety measures, this program helps reduce the risk of another Chernobyl nuclear power reactor disaster. Again, full funding is critical to U.S. plans to continue implementing these initiatives. Again, before the Lugar-Bingaman amendment was accepted, the fiscal year 1998 Defense Authorization bill would have prevented the Pentagon from providing any funds to the International Nuclear Safety Program in fiscal year 1998.

The fiscal year 1998 DOD Authorization bill before the Senate provides $268.2 billion in budget authority for the DOD and the national security programs at DOE. This is $2.6 billion beyond the level the President initially requested. In addition, the bill includes $3.6 billion for ballistic missile defense purposes and more than $5 billion for weapons systems not originally requested by the Pentagon. Considering those facts, it is inconceivable to me that the Senate would cut the CTR Program, the MPC&A Program and the International Safety Program by $135 million.

Mr. President, these three programs are critical to our efforts to protect the United States from weapons of mass destruction. Unlike ballistic missile defense, the CTR Program, the MPC&A Program and the International Safety Program have already produced results and caused the destruction of Russian nuclear weapons. Simply put, they make our world safer. I am pleased

that the Senate adopted the Lugar-Bingaman amendment last night, and I commend my colleagues on the Senate Armed Services Committee for rectifying what would have been a tragic mistake.

The PRESIDING OFFICER. The Senator from Virginia.

Mr. WARNER. I think the time has come now that the distinguished ranking member and myself clear what amendments are cleared on both sides. Then I am prepared to proceed to wrap up, and we can close the Senate down.

Mr. President, I suggest the absence of a quorum. I hope this quorum will not exceed 2 to 3 minutes.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. WARNER. 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. WARNER. Mr. President, I ask unanimous consent that there now be a period for the transaction of morning business, with Senators permitted to speak therein for up to 5 minutes each.

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

URGENT CALL FOR RESTORATION OF DEMOCRACY IN CAMBODIA

Mr. BIDEN. Mr. President, I rise to express my deep concern about the brutal subversion of democracy underway in Cambodia. I urge the administration to condemn the action for what it is: A bloody coup d'etat perpetrated by co-Prime Minister Hun Sen and his Cambodian People's Party.

The administration today announced it was suspending for 30 days all assistance provided to the Cambodian Government. All such assistance, including loans provided by the World Bank and other international financial institutions, should remain suspended until the democratically elected Government of Cambodia is restored.

Programs implemented through nongovernmental organizations—efforts supporting the rule of law, public health, prosthetics for mine victims, et cetera—should be reviewed to determine which ones can continue in light of recent events.

I applaud the decision taken by the Association of Southeast Asian Nations [ASEAN] to delay Cambodia's membership in that organization. Cambodia's neighbors are under no illusions that Cambodia today is prepared to be a responsible member of the international community.

BACKGROUND

A few weeks ago, Cambodia seemed poised to close the book on a bloody chapter of its history by bringing the genocidal Khmer Rouge Leader Pol Pot to justice. But now Hun Sen threatens to plunge the country back into darkness and civil war.

Dozens of people have been killed. There are reports of mass arrests and looting in the Capital of Phnom Penh. Prince Ranariddh's supporters have been expelled from the legislative assembly. Interior Minister, and Ranariddh loyalist, Ho Sok reportedly has been executed while in the custody of government troops.

For the long-suffering people of Cambodia—victims of "the killing fields"—Hun Sen's unconstitutional action is a painful blow to their quest for democracy, reconciliation, and national reconstruction. That quest seemed achievable in October 1991 when—after 12 years of civil war—Cambodia's warring factions and all of the foreign parties who had played a role in the Cambodian conflict signed the Paris peace accords. Vietnam withdrew its army from Cambodia and the United Nations established the U.N. Transitional Authority for Cambodia [UNTAC].

UNTAC's primary goal was to oversee the creation of a democratic, internationally recognized government in Phnom Penh. UNTAC was the largest, most comprehensive, and most expensive peacekeeping operation in the history of the United Nations. More than 12,000 troops, 4,000 civil police, and 20,000 civilian workers and volunteers from more than 50 countries poured into Cambodia.

UNTAC supervised the return of more than 400,000 refugees from Thailand and the registration of 5 million eligible voters. The operation cost more than $1.7 billion, with an additional $2 billion pledged by international donors to fund reconstruction of the war-torn country.

In May 1993, Cambodia experienced its first free and fair multiparty election. Despite terrorist threats from the Khmer Rouge—who refused to participate in the election and shelled some polling places—90 percent of registered voters came to the polls.

The incredible turnout was a testimony to the enthusiasm of the Cambodian people for democracy and their desire for peace.

Prince Ranariddh's party won those elections. Hun Sen's party came in second. But when Hun Sen disputed the results and threatened to plunge the country back into civil war, King Sihanouk, with the blessing of the international community, fashioned a compromise.

A coalition government was established, with Prince Ranariddh and Hun Sen serving as co-Prime Ministers. They jointly administered Cambodia until Hun Sen's coup d'etat last weekend.

The coalition was never an easy one. In recent months, relations between the two Prime Ministers had become increasingly strained as both began jockeying for position in the runup to national elections scheduled for 1998.

The disintegration of the Khmer Rouge actually exacerbated the tension between the two major parties, as each sought the political and military support of the breakaway Khmer Rouge elements.

Now the tensions have flared into open conflict. The question for the friends of democracy in Cambodia is how to respond.

Our first priority must be to ensure the safety of more than 1,000 American citizens—including our diplomatic and military personnel.

Our very able Ambassador in Phnom Penh, Ken Quinn, has acted with courage and professionalism to provide a safe haven for Americans and to assist those seeking to leave the country. Thailand has been enormously helpful by providing aircraft to transport Americans and other foreigners out of Cambodia, and I want to express my personal thanks to the Royal Thai Government and the people of Thailand for their asssistance.

RESTORING DEMOCRACY

Mr. President, I fear that putting Cambodia back on the democratic path will prove difficult. The international community is not likely to fund a second UNTAC. The future of Cambodia is largely in the hands of the Cambodian people.

But the world must not turn its back on Cambodia.

At a time when pluralism and democracy are generally expanding in Asia, we should not condone the unconstitutional use of force to oust a legitimately elected government. As the world knows from recent history, political instability in Cambodia threatens the peace and security of all of Southeast Asia.

It is in the interest of the United States and all of our friends and allies in the region to seek a peaceful resolution of the conflict consistent with the spirit of the Paris peace accords. As my colleague, Senator MCCAIN urged this body yesterday, we must remain engaged and stand ready to do our part.

The tragic political violence occurring today in Cambodia is proof that one election does not make a democracy. In many respects, it is the second election—the peaceful transfer of power from one administration to the next—that is the miracle of democratic governance.

In the United States, we have the opportunity to experience that miracle every 4 years. In Cambodia, the second election, scheduled for 1998, is in jeopardy. The quest of the Cambodian people is endangered.

I urge Hun Sen to abandon the path of violence and subordinate his own ambitions to the will of the Cambodian people and their dream of peace. I hope

and pray that Hun Sen and Prince Ranariddh will heed King Sihanouk's call and find a way to settle their differences through the ballot box rather than the barrel of a gun.

NOMINATION OF ERIC H. HOLDER JR. TO BE DEPUTY ATTORNEY GENERAL

Mr. LEAHY. Mr. President, it was with concerted effort that Senator HATCH and I worked to ensure that Eric Holder was reported by the Judiciary Committee and ready for Senate confirmation to the important position of Deputy Attorney General of the United States before the Senate adjourned 2 weeks ago. The President's nomination of Mr. Holder to the second highest position at the Department of Justice was reported to the Senate without a single dissent on June 24. This nomination could and should have been approved by the Senate before it adjourned for the last extended recess. It is strongly supported by Senator HATCH, the chairman of the Judiciary Committee.

There was and is no Democratic hold on this nomination. The delay on the Republican side in considering this nomination remains unexplained.

Eric Holder has proven his dedication to effective law enforcement. As a former prosecutor myself, I appreciate Mr. Holder's distinguished career in law enforcement.

Shortly after his graduation from Columbia Law School, Mr. Holder joined the Department of Justice as part of the Attorney General's Honors Program. He was assigned to the newly formed Public Integrity Section in 1976, where he worked for 12 years investigating and prosecuting corruption.

While at the Public Integrity Section, Mr. Holder participated in a number of prosecutions and appeals involving such defendants as the State treasurer of Florida, a former Ambassador to the Dominican Republic, a local judge in Philadelphia, an assistant U.S. attorney in New York City, an FBI agent, and a capo in an organized crime family. He received a number of awards for outstanding performance and special achievement from the Department of Justice.

In 1988, President Reagan nominated and the Senate confirmed Mr. Holder to be an Associate Judge of the Superior Court of the District of Columbia, where he served for the next 5 years. In his 5 years on the bench, Judge Holder presided over hundreds of criminal trials.

In 1993, President Clinton nominated and the Senate confirmed Eric Holder to the important post of U.S. Attorney for the District of Columbia. As U.S. attorney for one of the largest U.S. Attorney's offices in the Nation, Mr. Holder has supervised 300 lawyers involved in criminal, civil and appellate cases. He has functioned as both the local district attorney and the Federal prosecutor.

He has been active in community affairs. For more than a decade, he has been a member of Concerned Black Men, an organization seeking to help young people in the District of Columbia. He is involved in a number of the group's activities, including the Efficacy Program and the pregnancy prevention effort. He has participated in the D.C. Street Law Program and is active in the See Forever Foundation and the National Foundation for Teaching Entrepreneurship. He is cochair of Project PACT to reduce youth violence and has been instrumental in the U.S. attorney's office's outreach efforts to the D.C. community.

In 1994, he received the Pioneer Award from the National Black Prosecutors Association. In 1995, his contributions were recognized when he received awards from the District of Columbia Bar Association, the Greater Washington Urban League, the American Jewish Congress, and Phi Beta Sigma fraternity. Last year, he received awards from the D.C. Chapter of the National Organization of Black Law Enforcement Executives, George Washington University, Columbia College, the Federation of Citizens Associations of the District of Columbia, Omega Psi Phi fraternity, the Brotherhood of Shiloh Men, McDonald's, and the Asian Pacific Bar Association.

I urge the Republican leadership to move forward without further delay and confirm the nomination of Eric Holder to be Deputy Attorney General.

JUDICIAL VACANCIES

Mr. LEAHY. Mr. President, I last spoke to the Senate about the crisis being created by our failure to move forward expeditiously to fill longstanding judicial vacancies on June 26, the day before we left on our most recent recess. I pointed out then that we had the opportunity literally to double judicial confirmations for the year from 5 to 10 by taking up and approving the five judicial nominees on the Senate Executive Calendar. In spite of the noncontroversial nature of these nominees and their likely confirmation, the Republican leadership refused to consider them.

As the Senate returns from another extended recess we enter July having found time to confirm only 6 Federal judges of the 39 nominees the President has sent to us. That remains a confirmation rate of less than one judge per month. We continue to fall farther and farther behind the pace established by Senator Dole and Senator HATCH in the last Congress. By this time 2 years ago, Senator HATCH had held six confirmation hearings involving 26 judicial nominees and the Senate had proceeded to confirm 26 Federal judges by the end of June—during one of the busiest periods ever, during the first 100 days of the Republicans' "Contract with America."

I have spoken often about the crisis being created by the 100 vacancies that are being perpetuated on the Federal courts around the country, as has the Chief Justice of the United States. At the rate that we are currently going more and more vacancies are continuing to mount over longer and longer times to the detriment of greater numbers of Americans and the national cause of prompt justice.

There are four highly-qualified judicial nominees on the Senate calendar, another five district court nominees who were the subject of a confirmation hearing on June 25 but who have yet to receive attention from the Judiciary Committee, and another 24 nominees for whom the committee has yet to schedule a hearing or consideration.

That judges were held hostage to the resolution of other nomination disputes was a shame. I had urged the Republican leadership not to use the judiciary as a political pressure point or to involve the judiciary in disagreement over other matters, but they chose to act otherwise.

I would hope that the Senate would move to confirm these four additional judges on its calendar without further delay this week. Three of them had their confirmation hearing back in early May and have been on the Senate calendar without action for more than 6 weeks. The other had a confirmation hearing back in March, and was reported for a second time almost 1 month ago.

The Republican leadership chose to single out only one judicial nominee for a unanimous consent request and approval before the most recent recess. Over the break I took the trouble to review the record on that nominee to see whether it held a clue regarding why that particular nominee, as opposed to the other qualified nominees, had been singled out for special attention.

Nominated by the President on February 12 of this year, Alan Gold is set to fill a vacancy that was created on the District Court for the Southern District of Florida on November 30, 1996, when Judge Gonzalez took senior status. His is the only vacancy remaining on that Court and it has existed for less than 7 months. He was included in a confirmation hearing on May 7 and reported by the Judiciary Committee 2 weeks later.

As I have said before, it should not take more than 4 months to consider a judicial nominee and the Gold nomination and its treatment should serve as the standard by which we measure the Senate's treatment of other nominees. Although it should represent the normal process, it is the exception this year.

He has a commendable background but so do the other nominees for judicial appointment. In reviewing the file, I see that Judge Gold was rated well qualified by the ABA. Given Senator HATCH's speech condemning the influence of the ABA and its ratings in our confirmation process, I doubt that explains his prompt confirmation. Eric Clay was also rated well qualified for his Sixth Circuit nomination and he was held back on the calendar. William Fletcher, James Beatty, Margaret MeKeown, Marjorie Rendell, Richard Lazzara, Margaret Morrow and others have likewise received the ABA's highest rating and have not seen their nominations expedited.

In reviewing his confirmation hearing and the answers to the written questions that followed, I see that he singled out for criticism the case of Griswold versus Connecticut, which affirmed a privacy right guaranteed by the Constitution, and listed as the book that has most influenced his view of the law "The Tempting of America" by Robert Bork. My fear is that this confirmation reflects a litmus test being imposed by the Republican majority and that is why they singled out this nomination for expedited treatment. I hope that is not so.

I hope that nominees are not being forced to swear allegiance to Robert Bork instead of the Constitution of the United States in order to be confirmed. I hope that a nominee can uphold the important privacy rights that the Supreme Court has recognized to be constitutionally based and still be confirmed. I would like to believe that there is a neutral, alternative explanation for the treatment of this nomination relative to the others and that no Senator is imposing an ideological litmus test on judicial nominations.

THE VERY BAD DEBT BOXSCORE

Mr. HELMS. Mr. President, at the close of business yesterday, Wednesday, July 9, 1997, the Federal debt stood at $5,359,038,067,462.61. (Five trillion, three hundred fifty-nine billion, thirty-eight million, sixty-seven thousand, four hundred sixty-two dollars and sixty-one cents)

One year ago, July 9, 1996, the Federal debt stood at $5,151,107,000,000. (Five trillion, one hundred fifty-one billion, one hundred seven million)

Five years ago, July 9, 1992, the Federal debt stood at $3,972,301,000,000. (Three trillion, nine hundred seventy-two billion, three hundred one million)

Ten years ago, July 9, 1987, the Federal debt stood at $2,320,130,000,000. (Two trillion, three hundred twenty billion, one hundred thirty million)

Fifteen years ago, July 9, 1982, the Federal debt stood at $1,077,779,000,000 (One trillion, seventy-seven billion, seven hundred seventy-nine million) which reflects a debt increase of more than $4 trillion—$4,281,259,067,462.61 (Four trillion, two hundred eighty-one billion, two hundred fifty-nine million, sixty-seven thousand, four hundred sixty-two dollars and sixty-one cents) during the past 15 years.

HONORING THE LANCASTERS ON THEIR 37TH WEDDING ANNIVERSARY

Mr. ASHCROFT. Mr. President, families are the cornerstone of America. The data are undeniable: Individuals from strong families contribute to the society. In an era when nearly half of all couples married today will see their union dissolve into divorce, I believe it is both instructive and important to honor those who have taken the commitment of "till death us do part" seriously, demonstrating successfully the timeless principles of love, honor, and fidelity. These characteristics make our country strong.

For these important reasons, I rise today to honor Janice and Bill Lancaster of Grandview, MO, who on July 23, 1997, will celebrate their 37th wedding anniversary. My wife, Janet, and I look forward to the day we can celebrate a similar milestone. The Lancasters' commitment to the principles and values of their marriage deserves to be saluted and recognized.

RETIREMENT OF BRIGADIER GENERAL DAVID "BULL" E. BAKER, USAF

Mr. McCAIN. Mr. President, "Patriot" is a word best grasped through example: a life lived or service rendered in defense of our country's interests and values. I rise today to recognize an Air Force officer whose service to this nation offers us a splendid example of patriotism.

Brigadier General David "Bull" E. Baker will soon retire from the U.S. Air Force. Duty and sacrifice have been the standards of an exemplary career that has bridged our Nation's most recent conflicts. Bull Baker flew for his country in the skies over Southeast Asia, northern Europe and Iraq. Over Cambodia his OV-2A was shot down and he was held a prisoner of war by the Viet Cong. In February 1973, General Baker became the only United States Air Force prisoner repatriated from Cambodia.

By all accounts, Bull Baker is an exceptional pilot. He was one of the first F-15 Eagle pilots as well as the flight commander for the Air Force's first female jet pilots. During Operation Desert Storm, General Baker flew 21 combat missions in the F-15E Strike Eagle.

This experience as a pilot and a commander has helped him excel in his current position. As the National Reconnaissance Office's Deputy Director for Military Support, General Baker ensures that our intelligence satellites are there to support military commanders. Some 4,000 flying hours and the force of his personality have proven far more formidable than any bureaucratic obstacle, and he has been able to provide our warfighters a unilateral advantage through timely, critical intelligence. Our military forces' ability to successfully execute complex, simultaneous operations from Bosnia, to the Middle East, and to the west coast of Africa is a testament to General Baker's ability and dedication.

In Bull Baker's career and accomplishments, a word overshadows a thousand pictures. He has placed integrity first, offered service before self, and excelled in all he was called to do. I ask my colleagues to join me in recognizing a patriot.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Williams, 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 a treaty and sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

MESSAGES FROM THE HOUSE

At 11:58 a.m., a message from the House of Representatives, delivered by Ms. Goetz, 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. 858. An act to direct the Secretary of Agriculture to conduct a pilot project on designated lands within Plumas, Lassen, and Tahoe National Forests in the State of California to demonstrate the effectiveness of the resource management activities proposed by the Quincy Library Group and to amend current land and resource management plans for these national forests to consider the incorporation of these resource management activities.

At 4 p.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that the House disagrees to the amendment of the Senate to the bill (H.R. 2014) to provide for reconciliation pursuant to subsections (b)(2) and (d) of section 105 of the concurrent resolution on the budget for fiscal year 1998, and agrees to the conference asked by the Senate on the disagreeing votes of the two Houses thereon; and appoints the following Members as the managers of the conference on the part of the House: For consideration of the House bill, and the Senate amendment, and modifications committee to conference: Mr. KASICH, Mr. ARCHER, Mr.

CRANE, Mr. THOMAS, Mr. ARMEY, Mr. DELAY, Mr. MCDERMOTT, Mr. RANGEL, Mr. STARK, and Mr. MATSUI.

As additional conferees from the Committee on Transportation and Infrastructure, for consideration of sections 702 and 704 of the Senate amendment, modifications committee to conference: Mr. SHUSTER, Ms. MOLINARI, and Mr. OBERSTAR.

As additional conferees from the Committee on Education and the Workforce, for consideration of sections 713–14, 717, 879, 1302, 1304–5, and 1311 of the Senate amendment, and modifications committed to conference: Mr. GOODLING, Mr. FAWELL, and Mr. PAYNE.

The message also announced that the House disagrees to the amendment of the Senate to the bill (H.R. 2015) to provide for reconciliation pursuant to subsections (b)(1) and (c) of section 105 of the concurrent resolution on the budget for fiscal year 1998, and agrees to the conference asked by the Senate on the disagreeing votes of the two Houses thereon; and appoints the following Members as the managers of the conference on the part of the House:

For consideration of the House bill, and the Senate amendment, and modifications committed to conference: Mr. KASICH, Mr. HOBSON, Mr. ARMEY, Mr. DELAY, Mr. HASTERT, Mr. SPRATT, Mr. BONIOR, and Mr. FAZIO.

As additional conferees from the Committee on Agriculture, for consideration of title I of the House bill, and title I of the Senate amendment, and modifications committed to conference: Mr. SMITH of Oregon, Mr. GOODLATTE, and Mr. STENHOLM.

As additional conferees from the Committee on Banking and Financial Services, for consideration of title II of the House bill, and title II of the Senate amendment, and modifications committed to conference: Mr. LEACH, Mr. LAZIO, and Mr. GONZALEZ.

As additional conferees from the Committee on Commerce, for consideration of subtitles A–C of title III of the House bill, and title IV of the Senate amendment, and modifications committed to conference: Mr. BLILEY, Mr. SCHAEFER of Colorado, and Mr. DINGELL.

As additional conferees from the Committee on Commerce, for consideration of subtitle D of title III of the House bill, and subtitle A of title III of the Senate amendment, and modifications committed to conference: Mr. BLILEY, Mr. TAUZIN, and Mr. DINGELL.

As additional conferees from the Committee on Commerce, for consideration of subtitles E and F of title III, titles IV and X of the House bill, and divisions 1 and 2 of title V of the Senate amendment, and modifications committed to conference: Mr. BLILEY, Mr. BILIRAKIS, and Mr. DINGELL.

As additional conferees from the Committee on Education and the Workforce, for consideration of subtitle A of title V and subtitle A of title IX of the House bill, and chapter 2 of division 3 of title V of the Senate amendment, and modifications committed to conference: Mr. GOODLING, Mr. TALENT, and Mr. CLAY.

As additional conferees from the Committee on Education and the Workforce, for consideration of subtitles B and C of title V of the House bill, and title VII of the Senate amendment, and modifications committed to conference: Mr. GOODLING, Mr. MCKEON, and Mr. KILDEE.

As additional conferees from the Committee on Education and the Workforce, for consideration of subtitle D of title V of the House bill, and chapter 7 of division 4 of title V of the Senate amendment, and modifications committed to conference: Mr. GOODLING, Mr. FAWELL, and Mr. PAYNE.

As additional conferees from the Committee on Government Reform and Oversight, for consideration of title VI of the House bill, and subtitle A of title VI of the Senate amendment, and modifications committed to conference: Mr. BURTON, Mr. MICA, and Mr. WAXMAN.

As additional conferees from the Committee on Transportation and Infrastructure, for consideration of title VII of the House bill, and subtitle B of title III and subtitle B of title VI of the Senate amendment, and modifications committed to conference: Mr. SHUSTER, Mr. GILCHREST, and Mr. OBERSTAR.

As additional conferees from the Committee on Veterans Affairs, for consideration of title VIII of the House bill, and title VIII of the Senate amendment, and modifications committed to conference: Mr. STUMP, Mr. SMITH of New Jersey, and Mr. EVANS.

As additional conferees from the Committee on Ways and Means, for consideration of subtitle A of title V and title IX of the House bill, and divisions 3 and 4 of title V of the Senate amendment, and modifications committed to conference: Mr. ARCHER, Mr. SHAW, Mr. CAMP, Mr. RANGEL, and Mr. LEVIN.

As additional conferees from the Committee on Ways and Means, for consideration of titles IV and X of the House bill, and division 1 of title V of the Senate amendment, and modifications committed to conference: Mr. ARCHER, Mr. THOMAS, and Mr. STARK.

MEASURES REFERRED

The following bill was read the first and second times by unanimous consent and referred as indicated:

H.R. 858. An act to direct the Secretary of Agriculture to conduct a pilot project on designated lands within Plumas, Lassen, and Tahoe National Forests in the State of California to demonstrate the effectiveness of the resource management activities proposed by the Quincy Library Group and to amend current land and resource management plans for these national forests to consider the incorporation of these resource management activities; to the Committee on Energy and Natural Resources.

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–2435. A communication from the Lieutenant General, USA Director, Defense Security Assistance Agency, Department of Defense, transmitting, pursuant to law, a report relative to disaster relief in Rwanda; to the Committee on Foreign Relations.

EC–2436. A communication from the Assistant Secretary of Legislative Affairs, U.S. Department of State, transmitting, pursuant to law, a proposed license for defense equipment under the Arms Export Control Act; to the Committee on Foreign Relations.

EC–2437. A communication from the Assistant Secretary of Legislative Affairs, U.S. Department of State, transmitting, pursuant to law, a proposed license for the export of defense articles under the Arms Export Control Act; to the Committee on Foreign Relations.

EC–2438. A communication from the Assistant Secretary of Legislative Affairs, U.S. Department of State, transmitting, pursuant to law, a proposed Manufacturing License Agreement with a Romanian company; to the Committee on Foreign Relations.

EC–2439. A communication from the Assistant Secretary of Legislative Affairs, U.S. Department of State, transmitting, pursuant to law, a proposed license for the export of defense articles to Germany; to the Committee on Foreign Relations.

EC–2440. A communication from the Assistant Secretary of Legislative Affairs, U.S. Department of State, transmitting, pursuant to law, a proposed Manufacturing License Agreement to the United Kingdom; to the Committee on Foreign Relations.

EC–2441. A communication from the General Counsel of the National Tropical Botanical Garden, transmitting, pursuant to law, a report relative to an audit for the period from January 1, 1996 through December 31, 1996; to the Committee on the Judiciary.

EC–2442. A communication from the Director, Executive Office for U.S. Trustees, U.S. Department of Justice, transmitting, pursuant to law, a report of a rule entitled "Qualifications and Standards for Standing Trustees", received on July 1, 1997; to the Committee on the Judiciary.

EC–2443. A communication from the Secretary of Health and Human Services, transmitting, pursuant to law, the report under the Freedom of Information Act for calendar year 1996; to the Committee on the Judiciary.

EC–2444. A communication from the Assistant Attorney General, Office of Legislative Affairs, U.S. Department of Justice, transmitting, pursuant to law, the Office of Justice Programs Annual Report for Fiscal Year 1996; to the Committee on the Judiciary.

EC–2445. A communication from the Assistant Attorney General, Office of Legislative Affairs, U.S. Department of Justice, transmitting, a draft of proposed legislation entitled "Victims' Rights Act of 1997; to the Committee on the Judiciary.

EC–2446. A communication from the Assistant Attorney General, transmitting, a draft

of proposed legislation entitled "Child Support Recovery Amendments Act of 1997"; to the Committee on the Judiciary.

EC-2447. A communication from the Attorney-Advisor, Federal Register Certifying Officer, Financial Management Service, Department of the Treasury, transmitting, pursuant to law, a report of a rule entitled "Collection of Past-Due Support by Administrative Offset", received on June 2, 1997; to the Committee on Finance.

EC-2448. A communication from the Chief Counsel, Bureau of the Public Debt, Department of the Treasury, transmitting, pursuant to law, a report of a rule relative to trades rules, received on July 1, 1997; to the Committee on Finance.

EC-2449. A communication from the President of the United States, transmitting, pursuant to law, a report relative to emigration laws; to the Committee on Finance.

EC-2450. A communication from the Chief, Regulations Unit, Internal Revenue Service, Department of the Treasury, transmitting, pursuant to law, a report of a rule relative to applicable percentage, received on July 8, 1997; to the Committee on Finance.

EC-2451. A communication from the Chief, Regulations Unit, Internal Revenue Service, Department of the Treasury, transmitting, pursuant to law, a report of a rule relative to the applicable percentage for oil and gas produced, received on July 8, 1997; to the Committee on Finance.

EC-2452. A communication from the Chief, Regulations Unit, Internal Revenue Service, Department of the Treasury, transmitting, pursuant to law, a report of a rule relative to reference price, received on July 8, 1997; to the Committee on Finance.

EC-2453. A communication from the Acting Commissioner of Social Security, transmitting, pursuant to law, the strategic plan under the Government Performance and Results Act for calendar year 1997; to the Committee on Finance.

EC-2454. A communication from the Chief, Regulations Unit, Internal Revenue Service, Department of the Treasury, transmitting, pursuant to law, a report of a rule relative to reporting transfers, received on July 8, 1997; to the Committee on Finance.

EC-2455. A communication from the Acting Commissioner of Social Security, transmitting, a draft of proposed legislation to institute a ticket system; to the Committee on Finance.

EC-2456. A communication from the Congressional Review Coordinator, Animal and Plant Health Inspection Service, U.S. Department of Agriculture, transmitting, pursuant to law, a report of a rule relative to Papaya, Carambola, and Litchi from Hawaii, received on July 8, 1997; to the Committee on Agriculture, Nutrition, and Forestry.

EC-2457. A communication from the Congressional Review Coordinator, Animal and Plant Health Inspection Service, U.S. Department of Agriculture, transmitting, pursuant to law, a report of a rule relative to the Gypsy Moth, received on July 8, 1997; to the Committee on Agriculture, Nutrition, and Forestry.

EC-2458. A communication from the Administrator, Agricultural Marketing Service, U.S. Department of Agriculture, transmitting, pursuant to law, a report of a rule relative to spearmint oil, received on July 8, 1997; to the Committee on Agriculture, Nutrition, and Forestry.

EC-2459. A communication from the Administrator, Agricultural Marketing Service, U.S. Department of Agriculture, transmitting, pursuant to law, a report of a rule relative to upper Florida marketing, received on July 9, 1997; to the Committee on Agriculture, Nutrition, and Forestry.

EC-2460. A communication from the Administrator, Farm Service Agency, U.S. Department of Agriculture, transmitting, pursuant to law, a report of a rule relative to the sugar loan program, received on July 8, 1997; to the Committee on Agriculture, Nutrition, and Forestry.

EC-2461. A communication from the Administrator, Agricultural Marketing Service, U.S. Department of Agriculture, transmitting, pursuant to law, a report of a rule relative to potatoes grown in Washington, received on July 8, 1997; to the Committee on Agriculture, Nutrition, and Forestry.

EC-2462. A communication from the Secretary, U.S. Department of Agriculture, transmitting, a draft of proposed legislation relative to fees for inspection; to the Committee on Agriculture, Nutrition, and Forestry

EC-2463. A communication from the Secretary of Defense, transmitting, opposition to the Cochran-Durbin and Spence-Dellums amendments; to the Committee on Armed Services.

EC-2464. A communication from the Secretary of Defense, transmitting, opposition to restraint of the Cooperative Threat Reduction program; to the Committee on Armed Services.

EC-2465. A communication from the Railroad Retirement Board, transmitting, pursuant to law, a report relative to the railroad retirement system under the Railroad Retirement Act; to the Committee on Labor and Human Resources.

EC-2466. A communication from the Deputy Executive Director and Chief Operating Officer, Pension Benefit Guaranty Corporation, transmitting, pursuant to law, a rule relative to monetary penalties for inflation (RIN 1212-AA86), received on July 8, 1997; to the Committee on Labor and Human Resources.

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-166. A resolution adopted by the Senate of the General Assembly of the Commonwealth of Pennsylvania; to the Committee on Finance.

RESOLUTION

Whereas, the Veterans Health Administration (VHA) is the largest integrated health care provider in the United States, with more than 200,000 employees and an annual budget of over $16,000,000,000; and

Whereas, the VHA is under scrutiny by the President and the Congress of the United States to become a more cost-efficient health care delivery system; and

Whereas, as a group, VHA patients are older, sicker and poorer than persons using private health care facilities; and

Whereas, Medicare is not presently reimbursable to the VHA; and

Whereas, providing for Medicare reimbursement for health care services at a VHA facility would offer veterans more options and reduce the amount of other Federal funding utilized by the system; and

Whereas, United States Representative Bob Stump of Arizona has introduced House Resolution 1362 which would establish a demonstration project to provide for Medicare reimbursement for health care services provided to certain Medicare-eligible veterans in selected facilities of the Department of Veterans Affairs; and

Whereas, Pennsylvania has the fifth largest veteran population in the United States and would be a statistically significant choice for a demonstration program; and

Whereas, Veterans Integrated Service Network Number Four (VISN 4) includes all of the Veterans Administration Medical Centers in Pennsylvania and two Veterans Administration Medical Centers in states contiguous to Pennsylvania; therefore be it

Resolved, That the Senate of Pennsylvania memorialize Congress to select VISN 4 to participate in the demonstration project provided for in House Resolution 1362 and to participate in all demonstration programs for Medicare-eligible veterans; and be it further

Resolved, That copies of this resolution be transmitted to the presiding officers of each house of Congress and to each member of Congress from Pennsylvania.

POM-167. A resolution adopted by the General Assembly of the Commonwealth of Pennsylvania; to the Committee on Finance.

RESOLUTION

Whereas, the Federal Unified Gift and Estate Tax generates a minimal amount of Federal revenue, especially considering the high cost of collection and compliance, and has been shown to decrease those Federal revenues from what they might otherwise have been; and

Whereas, this "death tax" has been identified as destructive to job opportunity and expansion, especially to minority entrepreneurs and family farmers; and

Whereas, this "death tax" causes severe hardship to growing family businesses and family farming operations, often to the point of partial or complete forced liquidation, thereby depriving state and local governments of an important ongoing source of revenue; and

Whereas, critical state and local leadership assets are unnecessarily destroyed and forever lost to the future detriment of the community through relocation or liquidation; and

Whereas, local and state schools, churches and numerous charitable activities would greatly benefit from the increased employment and continued family business leadership; therefore be it

Resolved (the House of Representatives concurring), That the General Assembly of the Commonwealth of Pennsylvania urge the Congress of the United States to immediately review the Federal Unified Gift and Estate Tax and to act either to repeal the law, or to give special exemptions to family owned farms and businesses, or to raise the unified credit against the Gift and Estate Taxes, or to defer estate tax payments over a period of time; and be it further

Resolved, That copies of this resolution be transmitted to the President of the United States, the Speaker of the United States House of Representatives, the President of the United States Senate, the Secretary of the Treasury of the United States and to each member of Congress from Pennsylvania.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. STEVENS, from the Committee on Appropriations, without amendment:

S. 1004. An original bill making appropriations for energy and water development for the fiscal year ending September 30, 1998, and for other purposes (Rept. No. 105–44).

S. 1005. An original bill making appropriations for the Department of Defense for the fiscal year ending September 30, 1998, and for other purposes (Rept. No. 105–45).

By Mr. STEVENS, from the Committee on Appropriations:

Special report entitled "Revised Allocation to Subcommittees of Budget Totals from the Concurrent Resolution for Fiscal Year 1998" (Rept. No. 105–46).

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. SHELBY, from the Select Committee on Intelligence:

George John Tenet, of Maryland, to be Director of Central Intelligence.

(The above nomination was reported with the recommendation that he be confirmed, subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

By Mr. HATCH, from the Committee on the Judiciary:

Anthony W. Ishii, of California, to be United States District Judge for the Eastern District of California.

Henry Harold Kennedy, Jr., of the District of Columbia, to be United States District Judge for the District of Columbia.

Katharine Sweeney Hayden, of New Jersey, to be United States District Judge for the District of New Jersey.

(The above nominations were reported with the recommendation that they be confirmed.)

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. ROBERTS (for himself and Mr. BROWNBACK):

S. 1000. A bill to designate the United States courthouse at 500 State Avenue in Kansas City, Kansas, as the "Robert J. Dole United States Courthouse"; to the Committee on Environment and Public Works.

By Mr. SMITH of New Hampshire (for himself and Mr. GREGG):

S. 1001. A bill to amend title 31, United States Code, to address the failure to appropriate sufficient funds to make full payments in lieu of taxes under chapter 69, of that title by exempting certain users of the National Forest System from fees imposed in connection with the use; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. ABRAHAM (for himself, Mr. FAIRCLOTH, Mr. SESSIONS, Mr. HUTCHINSON, Mr. DEWINE, Mr. COATS, Mr. ASHCROFT, Mr. COVERDELL, Mr. SMITH of New Hampshire, Mr. NICKLES, and Mr. HELMS):

S. 1002. A bill to require Federal agencies to assess the impact of policies and regulations on families, and for other purposes; to the Committee on Governmental Affairs.

By Mr. GRASSLEY (for himself, Mr. D'AMATO, Mrs. FEINSTEIN, Mr. HUTCHINSON, Mr. GRAHAM, Mr. HAGEL, Mr. STEVENS, Mr. THURMOND, and Mr. FAIRCLOTH):

S. 1003. A bill to amend chapter 53 of title 31, United States Code, to require the development and implementation by the Secretary of the Treasury of a national money laundering and related financial crimes strategy to combat money laundering and related financial crimes, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. DOMENICI:

S. 1004. An original bill making appropriations for energy and water development for the fiscal year ending September 30, 1998, and for other purposes; from the Committee on Appropriations; placed on the calendar.

By Mr. STEVENS:

S. 1005. An original bill making appropriations for the Department of Defense for the fiscal year ending September 30, 1998, and for other purposes; from the Committee on Appropriations; placed on the calendar.

By Mr. AKAKA (for himself and Mr. INOUYE):

S. 1006. A bill to authorize appropriations for the expansion of the columbarium of the National Memorial Cemetery of the Pacific; to the Committee on Veterans Affairs.

By Mr. CHAFEE (by request):

S. 1007. A bill to amend the Robert T. Stafford Disaster Relief and Emergency Assistance Act to reduce the costs of disaster relief and emergency assistance, and for other purposes; to the Committee on Environment and Public Works.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. ROTH:

S. Con. Res. 38. A concurrent resolution to state the sense of the Congress regarding the obligations of the People's Republic of China under the Joint Declaration and the Basic Law to ensure that Hong Kong remains autonomous, the human rights of the people of Hong Kong remain protected, and the government of the Hong Kong SAR is elected democratically; to the Committee on Foreign Relations.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. ROBERTS (for himself and Mr. BROWNBACK):

S. 1000. A bill to designate the United States courthouse at 500 State Avenue in Kansas City, KS, as the "Robert J. Dole United States Courthouse"; to the Committee on Environment and Public Works.

ROBERT J. DOLE UNITED STATES COURTHOUSE

Mr. ROBERTS. Mr. President, I have the great pleasure of introducing legislation, along with my colleague, Senator BROWNBACK, to name the U.S. Courthouse at 500 State Avenue in Kansas City, KS, as the Robert J. Dole U.S. Courthouse. I think all of our colleagues know that although our esteemed former colleague has received scores of honors, I am pleased to lead the Kansas congressional delegation in naming this courthouse after Bob because it reflects his common sense and honest work in the U.S. Senate not only nationally but also in regard to Kansas.

Senator Dole's career on behalf of the State of Kansas is well-known—State Representative, Russell County attorney, Congressman of Kansas' big First Congressional District from 1961 to 1969, and Senator from 1969 to 1996. When Senator Dole stepped down from the Senate last year as Kansas' great senior Senator and longest-serving Republican majority leader, he showed determination and courage in his all-out effort to win the 1996 Presidential election.

Although being majority leader cast Senator Dole as a national political figure, forcing him to tackle every single issue before the Congress, he never stopped his tireless work on behalf of Kansans in all 105 counties. There was no inside the beltway for Bob Dole; it was inside the Sunflower State. If you travel into any Kansas community, be it Wichita or Wakeeney and ask a resident about Bob Dole, they will easily recall his care about their concerns. Kansans will tell you of getting the Social Security check delivered quicker or inserting some provision in legislation for a public works project that made a lot of sense and was a taxpayer investment. Whenever national disasters struck, Kansas Senator Dole also alerted the appropriate Federal disaster relief officials and personally tried to alleviate the emotional and the physical damage from tornadoes, droughts and floods.

Throughout Kansas, Senator Dole was always available. He listened and learned from farmers, soccer moms, businessmen, and children. The issues were as diverse as Kansas itself— economic development needs of our State urban areas like Kansas City, or a farmer's desire for higher grain prices and safer roads for drivers and transportation.

Mr. President, the Federal courthouse at 500 State Avenue in Kansas City, KS, is an example of Senator Dole's leadership in Kansas. He, with the support of a bipartisan group of local elected officials and community leaders, succeeded in keeping the courthouse in downtown Kansas City, KS. Now, this Federal presence has served to revitalize the neighborhoods. In fact, on Tuesday, another key component of his interest in Kansas City, KS, to this development effort was started through the groundbreaking of the new Federal building across the street from the courthouse to house the EPA region VII offices.

This was very typical of Bob Dole. He reached out to local Democrats, Republicans, and Independents. No matter that Senator Dole was a Republican,

Kansas City, KS, and Wyandotte County Democrats deeply appreciated his efforts not only on the Federal courthouse but on other matters such as the Federal response to the flood of 1993.

Realizing that the former Federal courthouse would be vacated for the new courthouse and would become excess Federal property, Senator Dole worked with local officials and the GSA to ensure that the former courthouse would be transferred to Wyandotte County so they could use it for additional judicial space. This saved Wyandotte County and the taxpayer a great deal of money.

This U.S. courthouse represents the State of Kansas' efficient use of land and labor. The building was designed in a contemporary judicial style and is intended to be a model for future Federal court buildings. As part of this style, cost savings features were used such as precast concrete instead of a natural stone facade, combined with energy efficient double-glazed aluminum frame windows. It is clear that Senator Dole's perseverance to reduce our Federal spending was applied in this courthouse. This design reduced costs and increased efficiency unlike other Federal courthouses that have Cadillac courtrooms and exceeded their budgets.

Mr. President, this Federal courthouse has 165,000 square feet of office space. I am proud to let my colleagues know that its budget was $40,868,000. But the finished cost was $34 million. That is right, a Federal project was actually finished for less than its budget, $6.7 million to be exact. While the primary role for this building is for the Federal judicial process, other agencies such as the U.S. Marshal, the Peace Corps and Congressman VINCE SNOWBARGER, also utilize this office space in the courthouse.

Mr. President, Senator BROWNBACK joins me in asking that the Environmental and Public Works Committee act expeditiously on this bill before the August recess.

I ask unanimous consent to have the bill printed in the RECORD.

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

S. 1000

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

SECTION 1. DESIGNATION OF ROBERT J. DOLE UNITED STATES COURTHOUSE

The United States courthouse at 500 State Avenue in Kansas City, Kansas, shall be known and designated as the "Robert J. Dole United States Courthouse".

SEC. 2. REFERENCES.

Any reference in a law, map, regulation, document, paper, or other record of the United States to the United States courthouse referred to in section 1 shall be deemed to be a reference to the "Robert J. Dole United States Courthouse".

Mr. THURMOND. Mr. President, I thank the able Senator from Kansas. The name of the courthouse for Bob Dole is purely a Kansas matter, but I just want to say that no finer person in the United States deserves a courthouse or any other building named for him than Bob Dole. He is a great American. He has rendered this country great service. He was an outstanding leader here in the Senate for many years. We are all proud of him and we will be delighted to have a courthouse named for him.

By Mr. SMITH of New Hampshire (for himself and Mr. GREGG):

S. 1001. A bill to amend title 31, United States Code, to address the failure to appropriate sufficient funds to make full payments in lieu of taxes under chapter 69, of that title by exempting certain users of the National Forest System from fees imposed in connection with the use; to the Committee on Agriculture, Nutrition, and Forestry.

THE LOCAL FOREST USER FAIRNESS ACT

Mr. SMITH of New Hampshire. Mr. President, I take the floor today to introduce the Local Forest User Fairness Act with my colleague Senator GREGG. This legislation would allow residents of counties where U.S. Forest Service land is situated to recreate in the forest without paying a user fee. The introduction of this bill was prompted by the recent institution of recreational user fees in certain national forests across the country, one of those being the White Mountain National Forest in New Hampshire.

While I am not opposed to user fees per se, I do have some concerns in this instance because of the potential for double taxation and inequitable treatment for local residents. Those areas where the Federal Government owns much of the land suffer from a diminished property tax base to fund schools and other necessary social needs. To address this inequity, Congress passed the Payments in Lieu of Taxes, or PILT, program in 1976 which partially reimburses local units of government for their loss of property tax revenue due to the U.S. Forest Service's ownership of local land. Unfortunately, this program has not been fully funded for a number of years.

This bill provides that until the PILT program is fully funded to its authorized level, local residents recreating in the forest would be exempt from paying user fees. In New Hampshire, this would apply to all residents of Coos, Grafton, and Carroll Counties. For these areas, the shortfall in PILT payments for fiscal year 1996 was nearly $250,000, providing only 68 percent of what was owed to them. Because of this shortfall, county and municipal governments are forced to find much needed revenue elsewhere, including increased property taxes. It is simply unfair to charge these communities with using the White Mountains when they are already subsidizing the forest.

I believe the Local Forest User Fairness Act provides for a reasonable, fair way of dealing with this inequity. Our proposed exemption would not be necessary, of course, if the Federal Government were to fully fund the PILT program and provide adequate funding for Forest Service management—initiatives that I strongly support.

In conclusion, Mr. President, I want to commend my other New Hampshire colleague, Congressman BASS, for developing and introducing this legislation in the House. Together, I hope we can establish a more equitable situation for our constituents who live, work, and play in or near our national forests. I now ask unanimous consent that a copy of the bill be printed in the RECORD.

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

S. 1001

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 "Local Forest User Fairness Act".

SEC. 2. LOCAL EXEMPTIONS FROM FOREST SERVICE USER FEES DUE TO LESS THAN FULL FUNDING OF PAYMENTS IN LIEU OF TAXES.

(a) FINDINGS.—Congress finds that—

(1) the Federal Government provides payments in lieu of taxes under chapter 69 of title 31, United States Code, to compensate units of general local government whose tax base is diminished by Federal ownership of lands, including Federal lands in the National Forest System administered by the Forest Service;

(2) amounts appropriated to provide payments in lieu of taxes under that chapter have been significantly less than the amounts necessary to comply fully with the payment formulas contained in that chapter; and

(3) by failing to fully fund payments in lieu of taxes to units of general local government whose jurisdictions contain Federal lands, including National Forest System lands, the Federal Government is increasing the tax burden on local property owners.

(b) NATIONAL FOREST USER FEE EXEMPTION.—Section 6906 of title 31, United States Code, is amended—

(1) by inserting "(a) IN GENERAL.—" before "Necessary"; and

(2) by adding at the end the following:

"(b) LOCAL EXEMPTIONS FROM USER FEES DUE TO INSUFFICIENT APPROPRIATIONS.—

"(1) IN GENERAL.—Unless sufficient funds are appropriated for a fiscal year to provide full payments under this chapter to each unit of general local government eligible for the payments, persons residing within the boundaries of that unit of general local government shall be exempt during that fiscal year from any recreational user fees imposed by the Secretary of Agriculture for access to units of the National Forest System that lie, in whole or in part, within the boundaries.

"(2) ADMINISTRATION.—The Secretary of Agriculture shall establish a method for identifying and exempting persons covered by this subsection from the user fees.".

By Mr. GRASSLEY (for himself, Mr. D'AMATO, Mrs. FEINSTEIN,

Mr. HUTCHINSON, Mr. GRAHAM, Mr. HAGEL, Mr. STEVENS, Mr. THURMOND, and Mr. FAIRCLOTH):

S. 1003. A bill to amend chapter 53 of title 31, United States Code, to require the development and implementation by the Secretary of the Treasury of a national money laundering and related financial crimes strategy to combat money laundering and related financial crimes, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

THE MONEY LAUNDERING AND FINANCIAL CRIMES STRATEGY ACT OF 1997

Mr. GRASSLEY. Mr. President, we must be sure that we are taking the necessary steps to protect the citizens of our nation by preventing drug traffickers, organized crime and terrorist groups from obtaining the profits of their illegal activities. Much has been done and said about the movement of illegal drugs into the United States or terrorists acts against our country. But the opposite side of the business—getting the profits from drug sales and other illegal enterprises out of the country and back into the hands of the criminal organizations—does not get as much publicity and is just as important.

In an effort to strike another blow to drug traffickers and criminals who prey on our citizens by their ill-gotten gains, today I, in conjunction with Senator D'AMATO, am introducing companion legislation to H.R. 1756, the Money Laundering and Financial Crimes Strategy Act of 1997. This legislation will authorize the Secretary of the Treasury, in consultation with the Attorney General and other relevant agencies, to coordinate and implement a national strategy to address the exploitation of our Nation's payment systems to facilitate money laundering and related financial crimes. The strategy will enhance and expand the Secretary's authority to ascertain criminal activity directed at our Nation's financial systems, determine the threat posed to the integrity of such systems, and develop regulatory and law enforcement initiatives to respond. The bill will hit the criminals where they feel it the most—in their pocketbooks. By implementing a strategy on a national level, hundreds of communities across our country will no longer be held hostage by these criminal enterprises.

As we know, money laundering involves disguising financial assets so they can be used without detection of the illegal activity that produced them. Through money laundering, the criminal transforms the monetary proceeds derived from the criminal activity into funds with an apparently legal source. Money laundering provides the resources from drug dealers, terrorists, arms dealers, and other criminals to operate and expand their criminal enterprises. Today, experts estimate that money laundering has grown into a $500 billion problem worldwide.

A significant component of this strategy will involve defining specific criminal activity affecting geographic areas, payment systems and financial institutions, that are considered to have a high potential to be abused by criminal organizations. These high risk money laundering zones will then be targeted for specific action, whether it is specific law enforcement operations, preventative efforts to insulate entire payment systems, or industry sectors from being exploited by criminal elements. This legislation will help provide assistance to localities for example, state and local prosecutors and law enforcement officials in the form of federal financial crimes grants to any area designated as a "High Risk Money Laundering Zone."

I would also like to thank my colleagues, Senators DIANNE FEINSTEIN, TED STEVENS, TIM HUTCHINSON, BOB GRAHAM, CHUCK HAGEL, and LAUCH FAIRCLOTH, for joining in cosponsoring this bi-partisan legislation. Working together, we need to tighten up our financial control capabilities to prevent criminal enterprises from abusing our financial and banking systems. I hope this legislation will be the beginning of a serious effort by Congress to impact the growing threat of money laundering not only to our Nation, but worldwide.

Mr. President, I ask unanimous consent that I have a copy of my legislation printed in the RECORD.

Mr. President, I would like to add Senator STROM THURMOND as cosponsor of that legislation.

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

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

S. 1003

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 "Money Laundering and Financial Crimes Strategy Act of 1997".

SEC. 2. MONEY LAUNDERING AND RELATED FINANCIAL CRIMES.

(a) IN GENERAL.—Chapter 53 of title 31, United States Code is amended by adding at the end the following new subchapter:

"Subchapter III—Money Laundering and Related Financial Crimes

"SEC. 5341. DEFINITIONS.

"For purposes of this subchapter, the following definitions shall apply:

"(1) DEPARTMENT OF THE TREASURY LAW ENFORCEMENT ORGANIZATIONS.—The term 'Department of the Treasury law enforcement organizations' has the meaning given to such term in section 9703(p)(1).

"(2) MONEY LAUNDERING AND RELATED FINANCIAL CRIME.—The term 'money laundering and related financial crime' means an offense under this subchapter, chapter II of title I of Public Law 91-508 (12 U.S.C. 1951, et seq.; commonly referred to as the 'Bank Secrecy Act'), or section 1956, 1957, or 1960 of title 18 or any related Federal, State, or local criminal offense.

"(3) SECRETARY.—The term 'Secretary' means the Secretary of the Treasury.

"(4) STRATEGY.—The term 'Strategy' means the National Strategy for Combating Money Laundering and Related Financial Crimes developed in accordance with section 5342.

"SEC. 5342. NATIONAL MONEY LAUNDERING AND RELATED FINANCIAL CRIMES STRATEGY.

"(a) DEVELOPMENT AND SUBMISSION TO CONGRESS.—

"(1) DEVELOPMENT.—The President, acting through the Secretary, shall coordinate and develop a National Strategy for Combating Money Laundering and Related Financial Crimes (hereafter in this section referred to as the 'Strategy').

"(2) SUBMISSION TO CONGRESS.—On February 1 of fiscal years 1999 through 2003, the Secretary shall submit the Strategy to Congress in written form, in accordance with this subchapter.

"(3) SEPARATE PRESENTATION OF CLASSIFIED MATERIAL.—Any part of the Strategy that involves information which is properly classified under criteria established by Executive order shall be submitted to Congress separately.

"(4) CONTENTS.—Each Strategy submitted under paragraph (2) shall include—

"(A) comprehensive, research-based, quantifiable goals for reducing money laundering and related financial crime in the United States;

"(B) 3-year budget projections for program and budget priorities to implement the Strategy;

"(C) a review of State and local strategies to control money laundering and other financial crimes to ensure that the United States pursues well-coordinated and effective money laundering and other financial crime controls at all levels of Government;

"(D) a description of existing operational initiatives to improve detection of money laundering and related financial crimes;

"(E) a description of the actions taken by the Secretary to achieve an enhanced partnership between the private financial sector and law enforcement agencies, as required under subsection (b)(3);

"(F) a description of—

"(i) cooperative efforts between the Federal Government and State and local officials, including State and local prosecutors and other law enforcement officials; and

"(ii) cooperative efforts among the several States and between State and local officials, including State and local prosecutors and other law enforcement officials, for financial crimes control which could be utilized or should be encouraged;

"(G) a complete assessment of how the proposed budget is intended to implement the Strategy, and whether the funding levels contained in the proposed budget are sufficient to implement the Strategy;

"(H) the level of compatibility of automated information systems, including the ease of access of the Federal Government and State and local governments to timely, accurate, and complete information;

"(I) a list of persons or officers consulted by the Secretary pursuant to subsection (c); and

"(J) any other information necessary for the purpose of developing and analyzing data in order to ascertain financial crime trends.

"(b) DEVELOPMENT OF STRATEGY.—The Strategy shall address any area that the

President, acting through the Secretary, considers appropriate, including the following:

"(1) GOALS, OBJECTIVES, AND PRIORITIES.—Comprehensive, research-based goals, objectives, and priorities for reducing money laundering and related financial crime in the United States.

"(2) PREVENTION.—Coordination of regulatory and other efforts to prevent the exploitation of financial systems in the United States for money laundering and related financial crimes, including a requirement that the Secretary shall—

"(A) regularly review enforcement efforts under this subchapter and other provisions of law and, when appropriate, modify existing regulations or prescribe new regulations for purposes of preventing such criminal activity; and

"(B) coordinate prevention efforts and other enforcement action with the Board of Governors of the Federal Reserve System, the Securities and Exchange Commission, the Federal Trade Commission, other Federal banking agencies, and the National Credit Union Administration Board.

"(3) ENHANCEMENT OF ROLE OF PRIVATE FINANCIAL SECTOR IN PREVENTION.—The Secretary shall pursue an enhanced partnership between the private financial sector and law enforcement agencies with regard to the prevention and detection of money laundering and related financial crimes, including providing incentives to strengthen internal controls and to adopt on an industrywide basis more effective policies.

"(4) DESIGNATED AREAS.—A description of geographical areas designated as 'high-risk money laundering and related financial crime areas' in accordance with section 5343.

"(5) DATA REGARDING TRENDS IN MONEY LAUNDERING AND RELATED FINANCIAL CRIMES.—The need for additional information necessary for the purpose of developing and analyzing data in order to ascertain financial crime trends.

"(6) IMPROVED COMMUNICATIONS SYSTEMS.—The compatibility of automated information and facilitating access of the Federal Government and State and local governments to timely, accurate, and complete information, and what steps may be necessary to improve such access.

"(c) CONSULTATIONS.—In developing the Strategy, the Secretary shall consult with—

"(1) law enforcement organizations of the Department of the Treasury involved in the detection, prevention, and suppression of money laundering and related financial crimes;

"(2) the Attorney General;

"(3) the Board of Governors of the Federal Reserve System, the National Credit Union Administration Board, and other Federal banking agencies;

"(4) State and local officials, including State and local prosecutors;

"(5) the Securities and Exchange Commission;

"(6) the Commodities and Futures Trading Commission;

"(7) to the extent appropriate, State and local officials responsible for financial institution and financial market regulation;

"(8) any other State or local government authority, to the extent appropriate;

"(9) any other Federal Government authority or instrumentality, to the extent appropriate; and

"(10) representatives of the private financial services sector, to the extent appropriate.

"SEC. 5343. HIGH-RISK MONEY LAUNDERING AND RELATED FINANCIAL CRIME AREAS.

"(a) FINDINGS AND PURPOSE.—

"(1) FINDINGS.—The Congress finds that—

"(A) money laundering and related financial crimes frequently appear to be concentrated in particular geographic areas, financial systems, industry sectors, or financial institutions; and

"(B) while the Secretary has the responsibility to act with regard to Federal offenses committed in a particular locality or are directed at a single institution, because modern financial systems and institutions are interconnected to a great degree, money laundering and other related financial crimes are likely to have local, State, national, and international effects wherever they are committed.

"(2) PURPOSE AND OBJECTIVE.—The purpose of this section is to provide a mechanism for designating any area where money laundering or a related financial crime appears to be occurring at a higher than average rate, such that—

"(A) a comprehensive approach to the problem of such crime in such area can be developed, in cooperation with State and local law enforcement agencies, which utilizes the authority of the Secretary to prevent such activity; or

"(B) the area can be targeted for law enforcement action.

"(b) ELEMENT OF NATIONAL STRATEGY.—The designation of certain areas as areas in which money laundering and related financial crimes are extensive or present a substantial risk shall be an element of the Strategy developed pursuant to section 5342.

"(c) DESIGNATION OF AREAS.—

"(1) DESIGNATION BY SECRETARY.—The Secretary, after taking into consideration the factors specified in subsection (d), shall designate any geographical area, industry, sector, or institution in the United States in which money laundering and related financial crimes are extensive or present a substantial risk as a 'high-risk money laundering and related financial crimes area'.

"(2) SPECIFIC INITIATIVES.—Any head of a department, bureau, or law enforcement agency, including any State or local prosecutor, involved in the detection, prevention, and suppression of money laundering and related financial crimes and any State or local official or prosecutor may submit a written request for the designation of any area as a high-risk money laundering and related financial crimes area.

"(3) CASE-BY-CASE DETERMINATION.—In addition to the factors specified in subsection (d), a designation of any area under this subsection shall be made on the basis of a determination by the Secretary that the particular area, industry, sector, or institution is being victimized by, or is particularly vulnerable to, money laundering and related financial crimes.

"(d) FACTORS.—In designating an area as a high-risk money laundering and related financial crimes area under this section, the Secretary shall, to the extent appropriate, take into account—

"(1) the population of the area;

"(2) the number of bank and nonbank financial institution transactions that originate in such area or involve institutions located in such area;

"(3) the number of stock or commodities transactions that originate in such area or involve institutions located in such area;

"(4) whether the area is a key transportation hub with any international ports or airports or an extensive highway system;

"(5) whether the area is an international center for banking or commerce;

"(6) the extent to which financial crimes and financial crime-related activities in such area are having a harmful impact in other areas of the country;

"(7) the number or nature of requests for information or analytical assistance that—

"(A) are made to the analytical component of the Department of the Treasury; and

"(B) originate from law enforcement or regulatory authorities located in such area, or involve institutions or businesses located in such area or residents of such area;

"(8) whether the area is or has been the subject of active money laundering investigations;

"(9) the volume or nature of suspicious activity reports originating in the area;

"(10) the volume or nature of currency transaction reports or reports of cross-border movements of currency or monetary instruments originating in the area;

"(11) whether, and how often, the area has been the subject of a geographical targeting order under section 5326 before being considered for such designation;

"(12) observed changes in trends and patterns of money laundering activity;

"(13) unusual patterns, anomalies, growth, or other changes in the volume or nature of core economic statistics or indicators;

"(14) statistics or indicators of unusual or unexplained volumes of cash transactions;

"(15) unusual patterns, anomalies, or changes in the volume or nature of transactions conducted through financial institutions operating within or outside the United States;

"(16) the extent to which State and local governments and State and local law enforcement agencies have committed resources to respond to the financial crime problem in the area and the degree to which the commitment of such resources reflects a determination by such government and agencies to address the problem aggressively;

"(17) the extent to which a significant increase in the allocation of Federal resources to combat financial crimes in such area is necessary to provide an adequate State and local response to financial crimes and financial crime-related activities in such area; and

"(18) such other factors as the Secretary considers relevant.

"SEC. 5344. ASSISTANCE FOR FIGHTING MONEY LAUNDERING AND RELATED FINANCIAL CRIMES.

"(a) GRANT PROGRAM AUTHORIZED.—

"(1) IN GENERAL.—After the end of the 1-year period beginning on the date on which the first Strategy is submitted to the Congress in accordance with section 5342, the Secretary may review, select, and award grants in accordance with this subchapter from among applications submitted under paragraph (2) to State or local law enforcement agencies and prosecutors in an area designated as a high-risk money laundering and related financial crimes area under section 5343. Such grants shall be used to provide funding necessary to investigate and prosecute money laundering and related financial crimes in those areas.

"(2) APPLICATION PROCESS.—The Secretary shall award grants under this subchapter upon receipt of written application, in accordance with such terms and procedures as the Secretary may establish.

"(3) SPECIAL PREFERENCE.—In awarding grants under this subsection, special preference shall be given to applicants that represent collaborative efforts of 2 or more

State and local law enforcement agencies or prosecutors who have a history of Federal, State, and local cooperative law enforcement and prosecutorial efforts in responding to such criminal activity.

"(b) OTHER ASSISTANCE AUTHORIZED.—Notwithstanding whether a grant is awarded in an area designated as a high-risk money laundering and related financial crimes area, the Secretary may, in any such area—

"(1) recommend increases in Federal assistance that the Secretary determines are necessary to combat financial crimes in such areas; and

"(2) establish joint cooperative efforts and coordinate enforcement activities among Federal law enforcement organizations involved in the detection, prevention, and suppression of money laundering and related financial crimes and State and local law enforcement agencies with respect to financial crimes in such area.

"SEC. 5345. AUTHORIZATION OF APPROPRIATIONS.

"There are authorized to be appropriated to carry out this subchapter, subject to an appropriations Act—

"(1) $5,000,000 for fiscal year 1999;

"(2) $7,500,000 for fiscal year 2000;

"(3) $10,000,000 for fiscal year 2001;

"(4) $12,500,000 for fiscal year 2002; and

"(5) $15,000,000 for fiscal year 2003.".

(b) CLERICAL AMENDMENT.—The table of subchapters for chapter 53 of title 31, United States Code, is amended by adding at the end the following items relating to the subchapter added by subsection (a) of this section:

"SUBCHAPTER III—MONEY LAUNDERING AND RELATED FINANCIAL CRIMES

"Sec. 5341. Definitions.

"Sec. 5342. National money laundering and related financial crimes strategy.

"Sec. 5343. High-risk money laundering and related financial crime areas.

"Sec. 5344. Assistance for fighting money laundering and related financial crimes.

"Sec. 5345. Authorization of appropriations.".

SEC. 3. BUDGETS FOR LAW ENFORCEMENT ACTIVITIES RELATING TO MONEY LAUNDERING AND RELATED FINANCIAL CRIMES.

Section 1105 of title 31, United States Code, is amended by adding at the end the following new subsection:

"(h) TREATMENT OF FUNDING.—The Director of the Office of Management and Budget shall establish the funding for law enforcement activities with respect to money laundering and related financial crimes for each applicable department or agency as a separate object class in each budget annually submitted to the Congress under this section.".

SEC. 4. REPORT AND RECOMMENDATIONS.

Before the end of the 5-year period beginning on the date on which the first National Strategy for Combating Money Laundering and Related Financial Crimes is submitted to the Congress pursuant to section 5342 of title 31, United States Code (as added by this Act), the Secretary of the Treasury shall submit a report to the Committee on Banking and Financial Services of the House of Representatives and the Committee on Banking, Housing, and Urban Affairs of the Senate on the effectiveness of and the need for the designation of areas, under section 5343 of title 31, United States Code (as added by this Act), as high-risk money laundering and related financial crime areas, together with such recommendations for legislation as the Secretary of the Treasury may determine to be appropriate to carry out the purposes of that section.

Mr. D'AMATO. Mr. President, today, I am proud to sponsor a bill which attacks drug traffickers by making it harder for these criminals to profit from their illegal windfalls. We have long known of the terrible price our communities pay because of drug abuse; the dashed hopes and dreams and the shattered lives of millions of Americans. The Congress, and the Administration, have a responsibility to do everything we can to restore those dreams and rebuild these communities.

Drug kingpins and cartels are destroying our neighborhoods and poisoning our children. Unless we put an immediate stop to this criminal behavior, drug lords will continue to penetrate our schools and families.

Mr. President, through money laundering, drug traffickers are able to take their blood money and launder it clean. These ill-gotten gains are then filtered throughout our economy. Money laundering sustains drug and arms dealers, as well as terrorists and other criminals searching for a way to prolong their illegal enterprises. Tax evasions, and trade and insurance fraud are the related byproducts of money laundering.

Money laundering robs our Nation's financial institutions of their most valuable asset—their integrity. By abusing the Nation's financial institutions, the launderers increase their wealth and power often by purchasing land and buildings with these illicit funds. So it soon becomes impossible to distinguish drug money from wealth earned by hard working taxpayers.

Day in, day out, the drug lords relentlessly peddle their products of death and misery for huge profits. While our police are hampered by their inability to effectively target large cash transactions. This bill sends the message that "enough is enough." It hands our law enforcement agencies the tools to hit the criminals where it hurts—in the pocketbook.

Mr. President, the bill has three major provisions:

First, It requires the Treasury Secretary to create a national money laundering strategy and report to Congress.

Second, It allows the Secretary to designate "high risk zones" where money laundering is concentrated.

Third, The high risk zones will be eligible for law enforcement assistance and technical assistance and antimoney laundering grants.

This bill is not based on hypotheticals—it was not drafted out of thin air—it is based on hands-on experience of what has worked for our drug enforcement agencies. We have learned that the most effective method of fighting this problem is for law enforcement agencies to work together. That is why we have called for a national strategy. And that is why the bill directs the Secretary to give special preference to law enforcement or prosecutorial agencies that coordinate activities when awarding grants to combat money laundering.

This approach has proven successful in a recent New York undercover operation known as "El Dorado". This joint law enforcement effort used a Treasury Department tool known as a GTO-Geographic Targeting Order. Under the GTO, designated money remitters were required to report detailed information about all cash transfers to Columbia over $750. The results of Operation "El Dorado" were phenomenal:

Cash transfers by three major remitters plummeted from $67 million to $2 million;

The overall number of transactions by those same remitters dropped 95 percent and the dollar amount dropped 97 percent;

There has been $30 million in currency seizures, three arrests and one conviction.

Most importantly, Operation "El Dorado" disrupted the profit flow from the United State to the drug cartels.

Operation El Dorado was a huge success—but it was limited by the nature of the GTO itself—it is a temporary legal device. We need to stop these criminals forever!

Our experience in New York demonstrates that only a comprehensive and cooperative solution will achieve results. We must take decisive and immediate steps to stop this insidious cancer from rotting away at our country's legitimate economy and financial system. This bill would essentially put in place a permanent GTO in high risk areas.

By Mr. AKAKA (for himself and Mr. INOUYE):

S. 1006. A bill to authorize appropriations for the expansion of the columbarium of the National Memorial Cemetery of the Pacific; to the Committee on Veterans Affairs.

EXPANSION OF THE NATIONAL MEMORIAL CEMETERY OF THE PACIFIC

Mr. AKAKA. Mr. President, I am today introducing a bill which allows for the expansion of the National Memorial Cemetery of the Pacific, commonly referred to as Punchbowl. I am pleased that my colleague, the senior Senator from Hawaii, Senator INOUYE has joined me as a sponsor of this measure.

This is a very simple bill. It authorizes $1.5 million for the construction of an additional columbarium at the National Memorial Cemetery of the Pacific.

The cemetery is nearing its capacity and is only open to interment of cremains. It is estimated by the year

2002, Punchbowl will no longer be open for any burials. However, while the national cemetery will be closed to burials, Hawaii will begin to experience 5 years of the greatest expected burial needs for our World War II veterans.

Currently, 26,000 World War II veterans reside in Hawaii. Based on present columbarium usage at Punchbowl, the Department of Veterans Affairs expects 20 percent of these veterans to chose cremation and inurnment at the National Memorial Cemetery of the Pacific.

The number of Hawaii veterans wishing to be interred at Punchbowl does not include veterans who reside outside of Hawaii who would like to be buried at this facility. Every year, we have veterans who choose to return to Hawaii to be buried with their comrades.

The bill I am introducing today will allow Punchbowl to accommodate 5,000 additional veterans and their spouses. This small expansion will allow our Nation's veterans, particularly those who served their country in World War II, to be buried in National Memorial Cemetery of the Pacific.

I urge my colleagues to support this fair and reasonable request on behalf of our Nation's veterans.

By Mr. CHAFEE (by request):

S. 1007. A bill to amend the Robert T. Stafford Disaster Relief and Emergency Assistance Act to reduce the costs of disaster relief and emergency assistance, and for other purposes; to the Committee on Environment and Public Works.

THE DISASTER STREAMLINING AND COSTS REDUCTION ACT OF 1997

Mr. CHAFEE. Mr President, in my capacity as chairman of the Committee on Environment and Public Works, I introduce today the Disaster Streamlining and Costs Reduction Act of 1997, on behalf of the administration. This bill amends the Robert T. Stafford Disaster Relief and Emergency Assistance Act with the goal of reducing the costs of disaster relief and emergency assistance provided by the Federal Emergency Management Agency [FEMA].

This legislation was submitted to the Senate on June 30, 1997, by FEMA Director James L. Witt. Submission of the bill fulfills, albeit late, a directive included in the FY 1997 VA, HUD and Independent Agencies Appropriations Act.

In that act, the distinguished Appropriations Subcommittee chairman, Senator BOND, and his ranking member, Senator MIKULSKI, directed FEMA to propose methods of reducing the skyrocketing costs of Federal disaster relief aid. I commend Senators BOND, MIKULSKI and other Appropriations Committee members for their initiative.

As my colleagues are well aware, the Stafford Act is designed to provide an orderly and continuing means of assistance by the Federal Government to State and local governments in carrying out their responsibilities to alleviate the suffering and damage which result from disasters. In recent years, this assistance has grown increasingly expensive and has resulted in the reduction of annual funding levels for other Government programs which must compete directly with it.

I believe that the cause for the dramatic increase in disaster spending is at least two-fold. First, we are witnessing a period when more and more of our population is being affected by natural and man-made disasters. This might be due to what some say is an increase in the frequency of violent storms—coupled with the fact that a growing proportion of our citizens reside in coastal and riverine regions, causing them to be more vulnerable to floods.

Second, it is apparent that implementation of the Stafford Act could be conducted in a more fiscally sound manner. Are too many facilities or entities eligible for Federal disaster assistance? Is there mismanagement of grant moneys? Is there too much red tape at FEMA? These are the questions that have been asked.

This legislation purports to address both of these broad items believed by many to have contributed to increased disaster spending. To lessen risk to populations and structures, the administration's bill establishes new hazard mitigation authorities. The bill also reduces the number of public and private nonprofit facilities eligible for aid. Finally, the bill includes various management reforms to streamline the delivery of emergency assistance.

I have given this legislation a preliminary review and find that much in it makes a great deal of sense. Other elements may be problematic. But this is just the first step. This proposal will receive careful scrutiny in the Committee on Environment and Public Works and most likely will be modified several times after we have had a chance to receive input from the States and from disaster relief experts from across the country.

This is a serious issue involving the lives and property of millions of Americans. It also involves billions of taxpayer dollars. While the Congress must address these FEMA cost issues swiftly, we must also preserve the central mission of the Stafford Act. Toward that end, I look forward to conducting hearings on this bill in the Committee on Environment and Public Works.

With the help of Senator BOND, who is also a member of the Environment and Public Works Committee, Senator INHOFE, who chairs the relevant subcommittee, and other members, I am confident that we will be able to produce effective reform legislation in timely fashion. I also look forward to working closely with Director Witt and the administration and commend them for their proposal.

With that, Mr. President, I send the bill to the desk and ask that it be printed in the RECORD.

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

S. 1007

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 "Disaster Streamlining and Costs Reduction Act of 1997."

SEC. 2. DEFINITIONS.

(a) Section 102 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act, as amended, 42 U.S.C. 5122, is amended by striking paragraphs (8) and (9) and inserting new paragraphs (8) and (9) as follows:

"(8) "Public facility" means the following facilities owned by a State or local government:

"(a)(1) Any sewage treatment and collection, water supply and distribution, or airport facility;

"(2) Any non-Federal-aid street, road, or highway;

"(3) Any other public building, structure, or system that is essential to life, health, education or safety; or

"(4) Parks other than those defined in paragraph (b)(5) of this section.

"(b) The term "public facility" does not include the following facilities owned by a State or local government:

"(1) Flood control, navigation, irrigation, reclamation, or watershed development structure or systems;

"(2) Electric utilities;

"(3) Building contents;

"(4) Cultural objects;

"(5) Trees and other natural features that are located within parks and recreational areas, as well as on the grounds of other publicly-owned property;

"(6) Parks, recreational areas, marinas, golf courses, stadiums, arenas or other similar facilities, which generate any portion of their operational revenue through user fees, rents, admission charges, or similar fees; and

"(7) Beaches.

"(9) 'Private nonprofit facility' means private nonprofit educational, emergency, medical, rehabilitational, utilities other than electric utilities, and custodial care facilities.

"(b) The term 'private nonprofit facility' does not include the following facilities owned by a private nonprofit entity:

"(1) Building contents;

"(2) Cultural objects;

"(3) Trees and other natural features that are located within parks and recreational areas, as well as on the grounds of other private nonprofit property; and

"(4) Beaches."

(b) Section 102 is amended further by adding the following definitions at the end of the section:

"(10) 'Director' means the Director of the Federal Emergency Management Agency.

"(11) 'Hazard mitigation' or 'mitigation' means programs and actions to reduce the risk or impact of hazards in order to reduce loss of life and injury, damage or destruction of property from a disaster.

"(12) 'Incentives' means measures to induce action by State and local governments, individuals and other private interests to

minimize or reduce the loss of life and property from disasters, including increased or reduced disaster assistance cost sharing, and such other measures as the President or Director may establish by regulation."

SEC. 3. PRE-DISASTER HAZARD MITIGATION.

Title II of the Robert T. Stafford Disaster Relief and Emergency Assistance Act, as amended, 42 U.S.C. 5121 et seq., is amended by inserting new section 203 as follows:

"§ 203. Pre-Disaster Hazard Mitigation

"(a) The Director is authorized to establish a pre-disaster mitigation program to assist State and local governments to reduce injuries and loss of life, and to reduce damage or destruction of property from disaster before disasters occur; and is authorized to use incentives, disincentives, and other mitigation measures to reduce the cost of disasters to Federal, State and local governments, particularly damages to public facilities, and to the private sector.

"(b) The Director is authorized to make pre-disaster mitigation grants of not less than 75 percent of the cost of hazard mitigation measures to States and local governments and to eligible private nonprofit organizations to carry out the purposes of this section. The pre-disaster mitigation program established by this section shall not duplicate or replace assistance available to States and local governments and eligible nonprofit organizations under authorities and programs administered by other Federal departments or agencies.

"(c) The Director shall establish by rules and regulations the standards, incentives and criteria applicable to grants made under the authority of this section, including:

"(1) incentives for measures that reduce the risk of injuries and loss of life and reduce damages and destruction of property from disasters and that exceed the minimum standards, and criteria established by the Director under this section;

"(2) incentives for establishing disaster assistance programs, trust funds, or other measures that enhance the ability of individuals, property owners, and States and local governments to finance, reimburse, or compensate for losses suffered from disasters;

"(3) procedures for the identification and evaluation of natural hazards that threaten the State or community;

"(4) measures to reduce injuries and loss of life and to reduce damages and destruction of property from disasters;

"(5) adoption and enforcement of laws, construction codes and other codes, community-wide land-use and other ordinances and bylaws, and regulations to minimize or mitigate the effects of disasters; and

"(6) such other mitigation measures as the President or the Director may adopt by regulation.

"(d) To carry out the pre-disaster mitigation program authorized in subsection (a), the Director shall establish a National Pre-Disaster Mitigation Fund (Fund) which shall be an account separate from any other accounts or funds and shall be available, without fiscal year limitation, for grants and other incentives to States and local governments and to nonprofit organizations to implement mitigation measures under standards and criteria established by the Director.

"(e) There are authorized to be appropriated to the Fund established by subsection (d) of this section such sums as may be necessary to implement this section.

"(f) The Director shall take into account the following when establishing priorities for pre-disaster mitigation grant applications:

"(1) the level and repetitive nature of the risks to be mitigated;

"(2) demonstrated State or local government commitment to reduce damages from future disasters;

"(3) official commitment by the State or local government that non-Federal financial commitments are available for the mitigation measures to be undertaken;

"(4) certification that mitigation projects involving public facilities will meet or exceed the mitigation criteria and standards established by the Director in this section;

"(5) assurances that the mitigation projects are not then the subject matter of litigation before any Federal, State or local court or administrative agency; and

"(6) assurances that the mitigation projects will be completed expeditiously, in a time period mutually agreed by the Director and the applicant."

"(g) The Director shall review periodically the standards, criteria, and incentives established for mitigation under this chapter, shall evaluate performance results of those standards, criteria, and incentives, and shall make appropriate changes, as necessary, to enhance the effectiveness of pre0disaster and post-disaster mitigation measures."

SEC. 4. MANAGEMENT EXPENSES.

The Robert T. Stafford Disaster Relief and Emergency Assistance Act, as amended, 42 U.S.C. 5121 et seq., is amended by adding a new section 322, as follows: "Sec. 322. Management expenses. Notwithstanding the provisions of any other law or administrative rule or guidance, for purposes of this chapter, the President shall establish management cost rates for grantees and subgrantees by rule. The President shall review the management cost rates every three years. All payments for management costs shall be in lieu of any indirect costs, administrative expenses, or any other expense not directly chargeable to a specific project under a major disaster (subchapter IV), emergency (subchapter V0, or an emergency preparedness activity or measure (subchapters II and VI)."

SEC. 5. HAZARD MITIGATION.

Section 404 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act, as amended, 42 U.S.C. 5170c, is amended as follows—

(a) In subsection (a), insert "(1)" between "(a)" and "IN GENERAL.";

(b) in the first sentence of subsection (a), strike "up to" after "contribute", and insert "not less than";

(c) Insert new subsection (a)(2) as follows:

"(2) INCENTIVES.—The President may provide by regulation incentives for Federal shares of assistance up to 90 percent for mitigation measures under this section for applicants that, at a minimum, have implemented the standards, incentives and criteria established by the Director under section 203(c) in advance of major disasters declared by the President under this Act."

SEC. 6. FEDERAL COST SHARE.

The Robert T. Stafford Disaster Relief and Emergency Assistance Act, as amended, 42 U.S.C. 5121 et seq., is amended as follows:

(a) in section 201(d), 42 U.S.C. 5131(d), strike "50 percent", and insert "75 percent";

(b) in section 407(d), 42 U.S.C. 5173(d), strike "shall not be less than", and insert "shall not exceed";

(c) in section 611(f)(2), 42 U.S.C. 5196(f)(2), strike "one-half", and insert "three-quarters";

(d) in section 611(j)(3), 42 U.S.C. 5196(j)(3), strike paragraph 93) in its entirety and insert "The Director may contribute up to 75 percent of the cost of organizational equipment.";

(e) in section 611(j)(5), 42 U.S.C. 5196(j)(5), strike the first sentence of paragraph (5), and insert "The Director may contribute up to 75 percent of the eligible costs for projects under this section.";

(f) in section 613(a), 42 U.S.C. 5196b(a), strike "one-half", and insert "three-quarters"; and

(g) in section 614, 42 U.S.C. 519c, strike all after "matches", and insert "provides 25 percent of the cost of such facilities.".

SEC. 7. REPAIR, RESTORATION, AND REPLACEMENT OF DAMAGED FACILITIES.

Section 406 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act, as amended, 42 U.S.C. 5172, is amended as follows—

(a) Paragraph (2) of subsection (a) is amended to read as follows:

"(2) to a person who owns or operates a private nonprofit facility damaged or destroyed by a major disaster for the repair, restoration, reconstruction, or replacement of such facility and for management expenses incurred by such person, *Provided* That, no contributions shall be made unless the owner or operator of the facility, has applied first for a Small Business Administration disaster loan (15 U.S.C. 636(b)) and (A) has been determined to be ineligible for such a loan, or (B) has obtained a loan in the maximum amount that the Small Business Administration determines it is eligible."

(b) Subsection (b) is repealed, and new subsection (b) is inserted as follows:

"(b) COST SHARING.—(1) GENERAL RULE.—The President is authorized to provide assistance under this section of not less than 75 percent of the net eligible costs of repair, restoration, reconstruction, or replacement activities which are carried out under this section. The President is authorized to provide assistance under this section up to 90 percent of the net eligible costs of repair, restoration, reconstruction, or replacement activities that are carried out in the aftermath of major disasters which cause catastrophic losses.

"(2) INCREASED FEDERAL COST SHARE.—The President may provide assistance under this section up to 90% of the net eligible costs of repair, restoration, reconstruction, or replacement activities that are carried out under this section for those States or local governments that have implemented hazard mitigation measures in advance of major disasters declared by the President under this Act and that, at minimum, have implemented the standards, incentives and criteria established by the Director under section 203(c) in advance of major disasters declared by the President under this Act."

"(3) DECREASED FEDERAL COST SHARE.—The President may reduce assistance under this section to amounts less than 75% but not less than 50%, of the net eligible costs of repair, restoration, reconstruction, or replacement activities that are carried out under this section for those States and local governments that are unable or unwilling to take appropriate steps promptly and efficiently to complete the processing of claims for assistance under this section."

(c) Subsection (c) is repealed, and new subsection (c) is inserted as follows:

"(c) LARGE IN-LIEU CONTRIBUTIONS.—

"(1)(A) FOR PUBLIC FACILITIES.—In any case where a State or local government determines that the public welfare would not be served by repairing, restoring, reconstructing, or replacing any public facility owned or controlled by such State or local government, it may elect to receive, in lieu of a contribution under subsection (a)(1), a

contribution of 75 percent of the Federal share of the Federal estimate of the cost of repairing, restoring, reconstructing, or replacing such facility and of management expenses.

"(B) Funds contributed under this subsection may be used to repair, restore, or expand other eligible public facilities, to construct eligible new facilities, or to fund hazard mitigation measures which the State or local government determines to be necessary to meet a need for governmental services and functions in the area affected by the major disaster.

"(2)(A) FOR PRIVATE NONPROFIT FACILITIES.—In any case where a person who owns or operates a private nonprofit facility determines that the public welfare would not be best served by repairing, restoring, reconstructing, or replacing such facility, such person may elect to receive, in lieu of a contribution under subsection (a)(2), a contribution of 75 percent of the Federal share of the Federal estimate of the cost of repairing, restoring, reconstructing, or replacing such facility and of management expenses.

"(B) Funds contributed under this subsection may be used to repair, restore, or expand other eligible private nonprofit facilities owned or operated by the applicant, to construct eligible new private nonprofit facilities to be owned or operated by the applicant, or to fund hazard mitigation measures that such private nonprofit organization determines to be necessary to meet a need for its services and functions in the area affected by the major disaster."

(d) Subsection (e) of section 406 is amended to read as follows—

"(e)(1) For the purposes of this section, the estimate of the cost of repairing, restoring, reconstruction, or replacing a public facility or private nonprofit facility on the basis of the design of such facility as it existed immediately before the major disaster and in conformity with the applicable codes, specifications, and standards in effect at the time of the major disaster declaration (including floodplain management and hazard mitigation criteria required by the President or by the Coastal Barrier Resources Act (16 U.S.C. 3501 et seq.) shall be treated as the net eligible cost of such repair, restoration, reconstruction, or replacement.

(2) Within 18 months of enactment of this section, the President shall, through the Director of the Federal Emergency Management Agency, convene an expert panel, including representation from the construction industry, and shall develop cost-estimating procedures consistent with industry practices.

(e) REPEAL.—Subsection (f) of section 406 is repealed.

SEC. 8. FEDERAL FINANCIAL ASSISTANCE.

(a) Sections 408 and 411 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act, as amended, 42 USC 5174, are hereby repealed.

(b) New section 408 is added as follows—

"SEC. 408. FEDERAL FINANCIAL ASSISTANCE.

"The President may provide financial assistance and, if necessary, direct services, to disaster victims who, as a direct result of a major disaster, have necessary expenses and serious needs for housing, personal property, medical and dental or funeral expenses, transportation costs, and other needs. The President shall administer the program authorized by this section, and shall promulgate rules and regulations to carry out its provisions (which shall include criteria, standards, and procedures for determining eligibility for assistance).

"No individual or household shall receive financial assistance greater than $25,000 under this section with respect to a single major disaster. Such limit shall be adjusted annually to reflect changes in the Consumer Price Index for all Urban Consumers published by the Department of Labor. The types of assistance that may be provided under this section are as follows—

"(a) HOUSING NEEDS.—The President may provide financial or other assistance to individuals or families to respond to disaster-related housing needs of those who are displaced from their pre-disaster primary residences, or whose pre-disaster residences are rendered uninhabitable as a result of damage caused by a major disaster. Individuals and households who have no pre-disaster residence shall not be provided housing assistance under this section. The most appropriate forms of housing assistance to be provided to disaster victims shall be determined in the President's discretion based upon considerations of cost effectiveness, convenience to disaster victims, and such other factors as the President may deem appropriate. One or more forms of housing assistance may be made available, based on the suitability and availability of the types of assistance to meet the disaster victims' verified needs in the particular disaster situation.

"(1) Housing assistance may be provided to individuals or households to rent alternate housing accommodations or existing rental units, manufactured housing, recreational vehicles, or other readily fabricated dwellings. The President may also directly provide such housing units, acquired by purchase or lease, to individuals or households who, because of lack of available housing resources, would be unable to make use of the assistance provided under this section. Direct assistance shall continue for no longer than 18 months after the President's major disaster declaration, unless the President determines that it would be in the public interest to extend this period due to extraordinary circumstances. After 18 months the President may charge fair market rent for the accommodation being provided. The amount of grant assistance shall be based on the fair market rent for the accommodation being furnished plus the cost of any transportation, utility hook-ups, or unit installation not being directly provided by the President.

"(2) Housing assistance may be provided to repair owner-occupied private residences, utilities, and residential infrastructure (such as private access routes) damaged by a major disaster to habitable condition where such assistance cannot be provided by voluntary agency assistance, insurance proceeds, or through disaster loan benefits from the Small Business Administration.

"(b) CERTAIN PERMANENT HOUSING CONSTRUCTION.—The President may provide financial assistance or direct assistance to individuals or households to construct permanent housing in remote locations (primarily insular areas outside the continental United States) in cases where no alternative housing resources are available; where the types of temporary housing assistance enumerated above are unavailable, infeasible, or not cost-effective; and where such needs cannot be met by voluntary agency assistance, insurance proceeds, or disaster loan benefits from the Small Business Administration.

"(c) SITES.—Any readily fabricated dwelling provided under this section shall whenever possible be located on a site complete with utilities, and is provided by the disaster victim, or the State or local government, by the owner of the site, or by the occupant who was displaced by the major disaster. Readily fabricated dwellings may be located on sites provided by the President if the President determines that such sites would be more economical or accessible.

"(d) DISPOSITION OF UNITS.—Notwithstanding any other provision of law, housing units purchased by the President for the purposes of housing disaster victims may be:

"(1) Sold directly to individuals or households who are occupants of temporary housing units if such individuals and households need permanent housing. Such sales shall be accomplished at prices that are fair and equitable, as determined by the President. Notwithstanding any other provision of law, the proceeds of sales shall be deposited into the appropriate Disaster Relief Fund account. The President may use the services of the General Services Administration to accomplish the sale.

"(2) If not disposed of under paragraph (d)(1) of this section temporary housing units may be resold in the private market. Temporary housing units may also be sold, transferred, donated, or otherwise made available directly to States, other governmental entities, and voluntary organizations for the sole purpose of providing temporary housing to disaster victims in major disasters and emergencies, *Provided* That as a condition of such sale, transfer or donation to States, other governmental agencies, or voluntary organizations a covenant to comply with the nondiscrimination provisions of section 308 is agreed to. The State, other governmental agency, or voluntary organization must also agree to obtain and maintain hazard and flood insurance on the transferred housing unit.

"(e) OTHER NEEDS.—The President is authorized to provide financial assistance to individuals or households adversely affected by a major disaster to meet disaster-related medical, dental, and funeral expenses, where such individuals or households are unable to meet such needs through insurance proceeds or voluntary agency assistance. Financial assistance may also be authorized to address personal property needs, transportation expenses, and other necessary expenses or serious needs resulting from the major disaster where such expenses and needs cannot be met through insurance proceeds, voluntary agency assistance, or through loan assistance from the Small Business Administration."

(c) Section 502(a)(6) of the Robert T. Stafford Disaster Relief and Emergency Assistance Act, 42 U.S.C. 502(a)(6), is amended by deleting "temporary housing".

SEC. 9 REPEAL.

Section 417 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act, as amended, 42 U.S.C. 5184, is repealed.

SEC. 10. REPEAL.

Section 422 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act, as amended, 42 U.S.C. 5189, is repealed.

ADDITIONAL COSPONSORS

S. 22

At the request of Mr. MOYNIHAN, the name of the Senator from Michigan [Mr. LEVIN] was added as a cosponsor of S. 22, a bill to establish a bipartisan national commission to address the year 2000 computer problem.

S. 387

At the request of Mr. HATCH, the name of the Senator from Rhode Island

[Mr. REED] was added as a cosponsor of S. 387, a bill to amend the Internal Revenue Code of 1986 to provide equity to exports of software.

S. 464

At the request of Mrs. MURRAY, the names of the Senator from Hawaii [Mr. AKAKA] and the Senator from Minnesota [Mr. WELLSTONE] were added as cosponsors of S. 464, a bill to amend title 38, United States Code, to allow revision of veterans benefits decisions based on clear and unmistakable error.

S. 537

At the request of Ms. MIKULSKI, the name of the Senator from Missouri [Mr. ASHCROFT] was added as a cosponsor of S. 537, a bill to amend title III of the Public Health Service Act to revise and extend the mammography quality standards program.

S. 644

At the request of Mr. D'AMATO, the name of the Senator from California [Mrs. FEINSTEIN] was added as a cosponsor of S. 644, A bill to amend the Public Health Service Act and the Employee Retirement Income Security Act of 1974 to establish standards for relationships between group health plans and health insurance issuers with enrollees, health professionals, and providers.

S. 657

At the request of Mr. DASCHLE, the names of the Senator from Hawaii [Mr. AKAKA] and the Senator from Arkansas [Mr. HUTCHINSON] were added as cosponsors of S. 657, a bill to amend title 10, United States Code, to permit retired members of the Armed Forces who have a service-connected disability to receive military retired pay concurrently with veterans' disability compensation.

S. 912

At the request of Mr. BOND, the name of the Senator from Nevada [Mr. REID] was added as a cosponsor of S. 912, a bill to provide for certain military retirees and dependents a special medicare part B enrollment period during which the late enrollment penalty is waived and a special medigap open period during which no under-writing is permitted.

SENATE RESOLUTION 106

At the request of Mr. ROBB, the name of the Senator from Hawaii [Mr. AKAKA] was added as a cosponsor of Senate Resolution 106, A resolution to commemorate the 20th anniversary of the Presidential Management Intern Program.

AMENDMENT NO. 420

At the request of Mr. THURMOND the name of the Senator from Maine [Ms. COLLINS] was added as a cosponsor of amendment No. 420 proposed to S. 936, anAn original bill to authorize appropriations for fiscal year 1998 for military ativities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes.

AMENDMENT NO. 422

At the request of Mr. GRAMS the names of the Senator from New York [Mr. D'AMATO], the Senator from Missouri [Mr. BOND], the Senator from New Hampshire [Mr. GREGG], and the Senator from California [Mrs. FEINSTEIN] were added as cosponsors of amendment No. 422 proposed to S. 936, an original bill to authorize appropriations for fiscal year 1998 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes.

At the request of Mrs. BOXER her name was added as a cosponsor of amendment No. 422 proposed to S. 936, supra.

AMENDMENT NO. 593

At the request of Mr. WYDEN his name was added as a cosponsor of amendment No. 593 proposed to S. 936, an original bill to authorize appropriations for fiscal year 1998 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes.

AMENDMENT NO. 668

At the request of Mr. WELLSTONE the names of the Senator from South Dakota [Mr. DASCHLE], the Senator from Iowa [Mr. HARKIN], the Senator from Massachusetts [Mr. KERRY], and the Senator from Washington [Mrs. MURRAY] were added as cosponsors of amendment No. 668 proposed to S. 936, an original bill to authorize appropriations for fiscal year 1998 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes.

SENATE CONCURRENT RESOLUTION 38—RELATIVE TO THE PEOPLE'S REPUBLIC OF CHINA

Mr. ROTH submitted the following concurrent resolution; which was referred to the Committee on Foreign Relations:

S. CON. RES. 38

Whereas, China resumed sovereignty over Hong Kong on July 1, 1997;

Whereas, in the Joint Declaration of the United Kingdom and the People's Republic of China, a legally binding document in all its parts and the highest form of commitment between sovereign states, the People's Republic of China pledged that after its resumption of sovereignty over Hong Kong, "The current social and economic systems in Hong Kong will remain unchanged, and so will the life-style. Rights and freedoms, including those of the person, of speech, of the press, of association, of travel, of movement, of correspondence, of strike, of choice of occupation, of academic research and religious belief will be ensured by law in the Hong Kong Special Administrative Region";

Whereas, the People's Republic of China further pledged in the Joint Declaration that the policies of the "* * * Joint Declaration will be stipulated in a Basic Law of the Hong Kong Special Administrative Region of the People's Republic of China, by the National People's Congress of the People's Republic of China, and they will remain unchanged for 50 years";

Whereas, the Basic Law of the Hong Kong Special Administrative Region of the People's Republic of China, as adopted on April 4, 1990 by the Seventh National People's Congress of the People's Republic of China, prescribes the systems to be practiced in the Hong Kong Special Administrative Region after China's resumption of sovereignty;

Whereas, according to Article 2 of the Basic Law, "The National People's Congress authorizes the Hong Kong Special Administrative Region to exercise a high degree of autonomy and enjoy executive, legislative and independent judicial power, including that of final adjudication";

Whereas, according to Article 5 of the Basic Law, "The socialist system and policies [of the People's Republic of China] shall not be practiced in the Hong Kong Special Administrative Region, and the previous capitalist system and way of life shall remain unchanged for 50 years";

Whereas, according to Article 27 of the Basic Law, "Hong Kong residents shall have freedom of speech, of the press and publication; freedom of association, of assembly, of procession and of demonstration; and the right and freedom to form and join trade unions, and to strike";

Whereas, according to Article 32 of the Basic Law, "Hong Kong residents shall have freedom of religious belief and freedom to preach and to conduct and participate in religious activities in public";

Whereas, according to Article 34 of the Basic Law, "Hong Kong residents shall have freedom to engage in academic research, literary and artistic creation, and other cultural activities";

Whereas, according to Article 39 of the Basic Law, "The provisions of the International Covenant on Civil and Political Rights, the International Covenant on Economic, Social and Cultural Rights, and international labour conventions as applied to Hong Kong shall remain in force and shall be implemented through the laws of the Hong Kong Special Administrative Region";

Whereas, President Jiang Zemin of China, in his statement of July 1, 1997, at the ceremony in Hong Kong marking the establishment of the Hong Kong Special Administrative Region said, "* * * Hong Kong will enjoy a high degree of autonomy as provided for by the Basic Law, which includes the executive, legislative and independent judicial power, including that of final adjudication";

Whereas, President Jiang further said that the Hong Kong Special Administrative Region has the "ultimate aim of electing the Chief Executive and the Legislative Council by universal suffrage";

Whereas, President Jiang further said that "No central department or locality [of the People's Republic of China] may or will be allowed to interfere in the affairs which, under the Basic Law, should be administered by the Hong Kong Special Administrative Region on its own";

Whereas, President Jiang further said that "the provisions of the International Covenant on Civil and Political Rights, the International Covenant on Economic, Social and Cultural Rights, and international covenants as applied to Hong Kong shall remain in force to be implemented through the laws of Hong Kong's regional legislation";

Whereas, President Jiang further said that adherence to these principles "serves Hong Kong, serves the [People's Republic of China] and serves the entire nation as well. Therefore there is no reason whatsoever to change them. Here I want to reaffirm that 'one country, two systems, Hong Kong administering Hong Kong' and 'a high degree of autonomy' will remain unchanged for 50 years";

Whereas, President Jiang, in another statement of July 1, 1997, at a rally in Beijing marking the establishment of the Hong Kong Special Administrative Region, said that the People's Republic of China "will unswervingly carry out the principles of 'one country, two systems', 'Hong Kong people administering Hong Kong' and 'high degree of autonomy', and make sure that the previous socio-economic system and way of life of Hong Kong remain unchanged and that laws previously in force will remain basically unchanged. We will firmly support the Hong Kong SAR in its exercise of the functions and powers bestowed on it by the basic law and the Hong Kong SAR Government in its administration in accordance with law.";

Now, therefore, be it *Resolved by the Senate (the House of Representatives concurring)*, that

(1) President Jiang Zemin's statements constitute a welcome reaffirmation of the obligations of the People's Republic of China under the Joint Declaration and the basic law to ensure that Hong Kong remains autonomous, the human rights of the people of Hong Kong remain protected, and the government of the Hong Kong SAR is elected democratically; and

(2) China's fulfillment of these obligations under the terms of the Joint Declaration of the United Kingdom and the People's Republic of China and the Basic Law constitute a crucial test of Beijing's ability to play a responsible global role.

Mr. ROTH, Mr. President, I rise today to submit a sense of the Congress Resolution on the obligations of the People's Republic of China under the Joint Declaration and the basic law to ensure that Hong Kong remains autonomous, the human rights of the people of Hong Kong remain protected, and the government of the Hong Kong Special Administrative Region [SAR] is elected democratically.

On July 1, 1997, Hong Kong returned peacefully to Chinese sovereignty under terms of the Joint Declaration of the United Kingdom and the People's Republic of China and the Basic Law of the Hong Kong SAR. Among other provisions, those two documents commit the People's Republic of China to maintain the current social and economic systems of Hong Kong and the rights, freedoms, and lifestyles of the people of Hong Kong.

China's willingness to abide by the terms of those two documents constitutes a crucial test of Beijing's ability to play a responsible global role. In two important and welcome statements on July 1—one in Hong Kong and one in Beijing—President Jiang Zemin reiterated China's commitment to abide by those terms.

What this concurrent resolution does is list some key provisions of the Joint Declaration and the Basic Law guaranteeing Hong Kong's freedoms and President Jiang's statements reaffirming Beijing's commitments to respect those provisions, and go on to point out that China's willingness to live up to its commitments will be a crucial test of Beijing's ability to play a responsible global role.

Because of the importance of Hong Kong's reversion, I urge all my colleagues to join me in making passage of this concurrent resolution possible.

AMENDMENTS SUBMITTED

THE DEPARTMENT OF DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 1998

COATS AMENDMENT NO. 789

(Ordered to lie on the table.)

Mr. COATS submitted an amendment intended to be proposed by him to the bill, S. 936, to authorize appropriations for fiscal year 1998 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes; as follows:

Beginning with line 3, strike out all through the end of the amendment and insert in lieu thereof the following:

(a) LIMITATIONS.—(1) Of the funds authorized to be appropriated under section 201(3) for engineering manufacturing and development under the F-22 aircraft program, not more than $1,651,000,000 may be obligated before the Secretary of Defense submits the two analyses required under subsection (b).

(2) So much of the funds referred to in subsection (a) that exceed $1,651,000,000 may be obligated (after compliance with the requirements of subsection (b)) only in accordance with subsection (c).

(b) ANALYSES REQUIRED.—The Secretary of Defense shall submit to the congressional defense committees two analyses by the Cost Analysis Improvement Group of the Office of the Secretary, as follows:

(1) An analysis of the extent to which joint Air Force and contractor cost reduction initiatives for the F-22 aircraft program alter the analysis of costs of the program that has been previously prepared by that group.

(2) An analysis of the likelihood that the joint initiatives referred to in paragraph (1) will result in production improvements sufficient to produce the F-22 aircraft at a unit flyaway price of not more than $72,000,000.

(c) INCREMENTAL RELEASE OF FUNDS UPON COMPLETION OF PHASES.—(1) When a phase described in paragraph (2) has been successfully completed, the Under Secretary of Defense for Acquisition and Technology shall submit a certification of the successful completion of the phase to the congressional defense committees. After the certification is submitted, one-third of the amount that is subject to the limitation in subsection (a)(2) may be obligated for the F-22 aircraft program.

(2) For purposes of paragraph (1), the phases are as follows:

(A) Phase I, which shall consist of validation of the following by use of engine test data and aircraft design analysis:

(i) Combat radius, subsonic, supersonic, and subsonic mission radius.

(ii) Maneuverability at 0.9 mach at 30,000 feet altitude.

(iii) Supercruise capability at Vmax, optimal altitude at military power.

(iv) Acceleration from 0.8 mach to 1.5 mach at 30,000 feet altitude.

(B) Phase II, which shall consist of the following:

(i) Completion of the final review of production readiness.

(ii) Final production plans and production automation systems in place.

(iii) Establishment of policies and procedures for analysis of the factory industrial modernization improvement plan.

(C) Phase III, which shall consist of completion of validation and demonstration of engine full flight release.

THURMOND AMENDMENT NO. 790

(Ordered to lie on the table.)

Mr. THURMOND submitted an amendment intended to be proposed by him to the bill, S. 936, supra; as follows:

Beginning with line 3, strike out all through the end of the amendment and insert in lieu thereof the following:

(a) LIMITATIONS.—(1) Of the funds authorized to be appropriated under section 201(3) for engineering, manufacturing and development under the F-22 aircraft program, not more than $1,651,000,000 may be obligated before the Secretary of Defense submits the two analyses required under subsection (b).

(2) So much of the funds referred to in subsection (a) that exceed $1,651,000,000 may be obligated (after compliance with the requirements of subsection (b)) only in accordance with subsection (c).

(b) ANALYSES REQUIRED.—The Secretary of Defense shall submit to the congressional defense committees two analyses by the Cost Analysis Improvement Group of the Office of the Secretary, as follows:

(1) An analysis of the extent to which joint Air Force and contractor cost reduction initiatives for the F-22 aircraft program alter the analysis of costs of the program that has been previously prepared by that group.

(2) An analysis of the likelihood that the joint initiatives referred to in paragraph (1) will result in production improvements sufficient to produce the F-22 aircraft at a unit flyaway price of not more than $72,000,000.

(e) INCREMENTAL RELEASE OF FUNDS UPON COMPLETION OF PHASES.—(1) When a phase described in paragraph (2) has been successfully completed, the Under Secretary of Defense for Acquisition and Technology shall submit a certification of the successful completion of the phase to the congressional defense committees. After the certification is submitted, one-third of the amount that is subject to the limitation in subsection (a)(2) may be obligated for the F-22 aircraft program.

(2) For purposes of paragraph (1), the phases are as follows:

(A) Phase I, which shall consist of validation of the following by use of engine test data and aircraft design analysis:

(i) Combat radius, subsonic, supersonic, and subsonic mission radius.

(ii) Maneuverability at 0.9 mach at 30,000 feet altitude.

(iii) Supercruise capability at Vmax, optimal altitude at military power.

(iv) Acceleration from 0.8 mach to 1.5 mach at 30,000 feet altitude.

(B) Phase II, which shall consist of the following:

(i) Completion of the final review of production readiness.

(ii) Final production plans and production automation systems in place.

(iii) Establishment of policies and procedures for analysis of the factory industrial modernization improvement plan.

(C) Phase III, which shall consist of completion of validation and demonstration of engine full flight release.

CLELAND AMENDMENTS NOS. 791–792

(Ordered to lie on the table.)

Mr. CLELAND submitted two amendments intended to be proposed by him to amendment No. 715 proposed by Mr. COVERDELL to the bill, S. 936, supra; as follows:

AMENDMENT NO. 791

Strike out lines 3 and 4 and insert in lieu thereof the following:

SEC. 310A. CONTRACTED TRAINING FLIGHT SERVICES.

Of the amount authorized to be appropriated under section 301(4), $12,000,000 may be used for contracted training flight services.

AMENDMENT NO. 792

Strike out lines 1 and 2.

CLELAND (AND COVERDELL) AMENDMENT NO. 793

(Ordered to lie on the table.)

Mr. CLELAND (for himself and Mr. COVERDELL) submitted an amendment to be proposed by them to the bill, S. 936, supra; as follows:

At the end of subtitle E of title III, add the following:

SEC. 369. CONTRACTED TRAINING FLIGHT SERVICES.

Of the amount authorized to be appropriated under section 301(4), $12,000,000 may be used for contracted training flight services.

GRAMM AMENDMENT NO. 794

(Ordered to lie on the table.)

Mr. GRAMM proposed an amendment to amendment No. 779 proposed by Mr. LEVIN to the bill, S. 936, supra; as follows:

Strike all in amendment No. 778 and insert in lieu thereof the following:

"The Department of Defense and Federal Prison Industries shall conduct jointly a study of existing procurement procedure regulations, and statutes which now govern procurement transactions between the Department of Defense and Federal Prison Industries.

"A report describing the findings of the study and containing recommendations on the means to improve the efficiency and reduce the cost of such transactions shall be submitted to the U.S. Senate Committee on Armed Services no later than 180 days after the date of enactment of this act."

CONRAD (AND OTHERS) AMENDMENT NO. 795

Mr. CONRAD (for himself, Mr. DORGAN, Mr. WELLSTONE, Mr. JOHNSON, and Mr. DASCHLE) proposed an amendment to the bill, S. 936, supra; as follows:

At the end of title X, add the following:

SEC. . CLAIMS BY MEMBERS OF THE ARMED FORCES FOR LOSS OF PERSONAL PROPERTY DUE TO FLOODING IN THE RED RIVER BASIN.

(a) FINDINGS.—Congress makes the following findings:

(1) The flooding that occurred in the portion of the Red River Basin encompassing East Grand Forks, Minnesota, and Grand Forks, North Dakota, during April and May 1997 is the worst flooding to occur in that region in the last 500 years.

(2) Over 700 military personnel stationed in the vicinity of Grand Forks Air Force Base reside in that portion of the Red River Basin.

(3) The military personnel stationed in the vicinity of Grand Forks Air Force Base have been stationed there entirely for the convenience of the Government.

(4) There is insufficient military family housing at Grand Forks Air Force Base for all of those military personnel, and the available off-base housing is almost entirely within the areas adversely affected by the flood.

(5) Many of the military personnel have suffered catastrophic losses, including total losses of personal property by some of the personnel.

(6) It is vital to the national security interests of the United States that the military personnel adversely affected by the flood recover as quickly and completely as possible.

(b) AUTHORIZATION.—The Secretary of the military department concerned may pay claims for loss and damage to personal property suffered as a direct result of the flooding in the Red River Basin during April and May 1997, by members of the Armed Forces residing in the vicinity of Grand Forks Air Force Base, North Dakota, without regard to the provisions of section 3721(e) of title 31, United States Code.

DODD (AND OTHERS) AMENDMENT NO. 796

(Ordered to lie on the table.)

Mr. DODD (for himself, Mr. BREAUX, and Mr. TORRICELLI) submitted an amendment intended to be proposed by them to the bill, S. 936, supra; as follows:

On page 347, between lines 15 and 16, insert the following:

SEC. 1075. REDRESS FOR THE OCCUPATION OF INSTALLATIONS IN BERMUDA BY THE ARMED FORCES.

(a) FINDINGS.—Congress makes the following findings:

(1) The Armed Forces of the United States occupied approximately one-tenth of the land in Bermuda for more than 50 years.

(2) The presence of the Armed Forces in Bermuda contributed to the national security of the United States during World War II and through the Cold War.

(3) The Armed Forces occupied installations in Bermuda under the 1941 Leased Bases Agreement which specified that the United States not make rental payments for the use of the installations.

(4) On September 1, 1995, the Armed Forces relinquished control of the installations in Bermuda that were occupied by the Armed Forces under that agreement.

(5) Both before and after the withdrawal of the Armed Forces from Bermuda, Bermuda authorities identified a number of problems associated with the occupation of installations in Bermuda by the Armed Forces, including the presence of asbestos at such installations, the presence of soil and groundwater pollution associated with the disposal of industrial waste and sewage, the presence of fuel, storage tanks, and pipelines, and the presence of other hazardous materials.

(b) REVIEW OF EFFECTS OF OCCUPATION.—Not later than 60 days after the date of enactment of this Act, the Secretary of Defense shall submit to Congress a report on the problems associated with—

(1) the occupation of military installations in Bermuda by the Armed Forces of the United States; and

(2) the withdrawal of the Armed Forces from such installations in 1995.

(c) AUTHORITY TO PROVIDE HUMANITARIAN OR CIVIC ASSISTANCE.—The Secretary may, at the direction of the President in cooperation with the Bermuda authorities, provide humanitarian or civic assistance to Bermuda under section 401 of title 10, United States Code, or provide humanitarian assistance to Bermuda under section 2551 of such title, in order to redress the damage to public facilities in Bermuda that resulted from the occupation of such facilities by the Armed Forces of the United States.

THURMOND AMENDMENT NO. 797

(Ordered to lie on the table.)

Mr. THURMOND submitted an amendment intended to be proposed by him to the bill, S. 936, supra; as follows:

Beginning on page 2, strike out line 11 and all that follows through "(d)" on page 4, line 12, and insert in lieu thereof the following:

Senate. Subject to subsection (b), the appointment shall be made from among officers of the regular Army or officers of the regular Air Force.

"(b) ROTATION OF OFFICE.—An officer of the Army may be succeeded as Senior Representative of the National Guard Bureau only by an officer of the Air Force, and an officer of the Air Force may be succeeded as Senior Representative of the National Guard Bureau only by an officer of the Army. An officer may not be reappointed to a consecutive term as Senior Representative of the National Guard Bureau.

"(c) TERM OF OFFICE.—An officer appointed as Senior Representative of the National Guard Bureau serves at the pleasure of the President for a term of four years.

"(d) GRADE.—The Senior Representative of the National Guard Bureau shall be appointed to serve in the grade of general and shall not be counted for the purposes of the limitations in sections 525 and 526 of this title.".

(2) The table of sections at the beginning of such chapter is amended by adding at the end the following:

"10509. Senior Representative of the National Guard Bureau.".

(b) ADJUSTMENT OF RESPONSIBILITIES OF CHIEF OF THE NATIONAL GUARD BUREAU.—(1) Section 10502(c) of title 10, United States Code, is amended by inserting ", and to the Senior Representative of the National Guard Bureau," after "Chief of Staff of the Air Force,".

(2) Section 10504(a) of such title is amended in the second sentence by inserting ", and in consultation with the Senior Representative of the National Guard Bureau," after "Secretary of the Air Force".

(c)

THURMOND AMENDMENT NO. 798

(Ordered to lie on the table.)

Mr. THURMOND submitted an amendment intended to be proposed by him to amendment No. 764 proposed by Mr. STEVENS to the bill, S. 936, supra; as follows:

Beginning on page 2, strike out line 11 and all that follows through page 3, line 19, and insert in lieu thereof the following:

Senate. Subject to subsection (b), the appointment shall be made from among officers of the regular Army or officers of the regular Air Force.

"(b) ROTATION OF OFFICE.—An officer of the Army may be succeeded as Senior Representative of the National Guard Bureau only by an officer of the Air Force, and an officer of the Air Force may be succeeded as Senior Representative of the National Guard Bureau only by an officer of the Army. An officer may not be reappointed to a consecutive term as Senior Representative of the National Guard Bureau.

"(c) TERM OF OFFICE.—An officer appointed as Senior Representative of the National Guard Bureau serves at the pleasure of the President for a term of four years.

"(d) GRADE.—The Senior Representative of the National Guard Bureau shall be appointed to serve in the grade of general and shall not be counted for the purposes of the limitations in sections 525 and 526 of this title.".

(2) The table of sections at the beginning of such chapter is amended by adding at the end the following:

"10509. Senior Representative of the National Guard Bureau.".

(b) MEMBER OF JOINT CHIEFS OF STAFF.—Section 151(a) of title 10, United States Code, is amended by adding at the end the following:

"(7) The Senior Representative of the National Guard Bureau.".

(c) ADJUSTMENT OF RESPONSIBILITIES OF CHIEF OF THE NATIONAL GUARD BUREAU.—(1) Section 10502 of title 10, United States Code, is amended by inserting ", and to the Senior Representative of the National Guard Bureau," after "Chief of Staff of the Air Force,".

(2) Section 10504(a) of such title is amended in the second sentence by inserting ", and in consultation with the Senior Representative of the National Guard Bureau," after "Secretary of the Air Force".

(d) EFFECTIVE DATE.—The amendments made by this section shall take effect on January 1, 1998.

BINGAMAN (AND DORGAN) AMENDMENT NO. 799

Mr. BINGAMAN (for himself and Mr. DORGAN) proposed an amendment to the bill, S. 936, supra; as follows:

At the end of subtitle A of title X, add the following:

SEC. 1009. INCREASED AMOUNTS FOR AIR FORCE AND NAVY FLYING HOURS.

(a) INCREASE.—Notwithstanding any other provision of this Act, the amount authorized to be appropriated under section 301(2) is hereby increased by $59,000,000, and the amount authorized under section 301(4) is hereby increased by $59,000,000.

(b) DECREASE.—Notwithstanding any other provision of this Act, the total amount authorized to be appropriated under section 201(4) is hereby decreased by $118,000,000.

KERRY (AND OTHERS) AMENDMENT NO. 800

Mr. KERRY (for himself, Mr. MCCAIN, Mr. KERREY, Mr. ROBB, Mr. HAGEL, Mr. CLELAND, Mr. BIDEN, Mr. HELMS, and Mrs. FEINSTEIN) proposed an amendment to the bill S. 936, supra; as follows:

At the appropriate place in the bill, add the following new section:

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

(1) during the 1970s and 1980s Cambodia was wracked by political conflict, war and violence, including genocide perpetrated by the Khmer Rouge from 1975 to 1979;

(2) the 1991 Paris Agreements on a Comprehensive Political Settlement of the Cambodia Conflict set the stage for a process of political accommodation and national reconciliation among Cambodia's warring parties;

(3) the international community engaged in a massive, more than $2 billion effort to ensure peace, democracy and prosperity in Cambodia following the Paris Accords;

(4) the Cambodian people clearly demonstrated their support for democracy when 90 percent of eligible Cambodian voters participated in UN-sponsored elections in 1993;

(5) since the 1993 elections, Cambodia has made economic progress, as evidenced by the decision last month of the Association of Southeast Asian Nations to extend membership to Cambodia;

(6) tensions within the ruling Cambodian coalition have erupted into violence in recent months as both parties solicit support from former Khmer Rouge elements, which had been increasingly marginalized in Cambodian politics;

(7) in March, 19 Cambodians were killed and more than 100 were wounded in a grenade attack on political demonstrators supportive of the Funcinpec and the Khmer Nation Party;

(8) during June fighting erupted in Phnom Penh between forces loyal to First Prime Minister Prince Ranariddh and second Prime Minister Hun Sen;

(9) on July 5, Second Prime Minister Hun Sen deposed the First Prime Minister in a violent coup d'etat;

(10) forces loyal to Hun Sen have executed former Interior Minister Ho Sok, and targeted other political opponents loyal to Prince Ranariddh;

(11) democracy and stability in Cambodia are threatened by the continued use of violence to resolve political tensions;

(12) the Administration has suspended assistance for one month in response to the deteriorating situation in Cambodia;

(13) the Association of Southeast Asian Nations has decided to delay indefinitely Cambodian membership.

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

(1) the parties should immediately cease the use of violence in Cambodia;

(2) the United States should take all necessary steps to ensure the safety of American citizens in Cambodia;

(3) the United States should call an emergency meeting of the United Nations Security Council to consider all options to restore peace in Cambodia;

(4) the United States and ASEAN should work together to take immediate steps to restore democracy and the rule of law in Cambodia;

(5) U.S. assistance to the government of Cambodia should remain suspended until violence ends, the democratically elected government is restored to power, and the necessary steps have been taken to ensure that the elections scheduled for 1998 take place;

(6) the United States should take all necessary steps to encourage other donor nations to suspend assistance as part of a multilateral effort

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COATS (AND OTHERS)—AMENDMENT NO. 801

(Ordered to lie on the table.)

Mr. COATS (for himself, Mr. BREAUX, Mr. SMITH of Oregon, and Mr. BROWNBACK) submitted an amendment intended to be proposed by them to the bill, S. 936, supra; as follows:

At the end of subtitle E of title X, add the following:

SEC. 1075. SENSE OF THE SENATE REGARDING EXPANSION OF THE NORTH ATLANTIC TREATY ORGANIZATION.

(a) FINDINGS.—The Senate makes the following findings:

(1) The North Atlantic Treaty Organization (NATO) met July 8 and 9, 1997, in Madrid, Spain, and issued invitations to the Czech Republic, Hungary, and Poland to begin accession talks to join NATO.

(2) Congress has expressed its support for the process of NATO enlargement by approving the NATO Enlargement Facilitation Act of 1996 (Public Law 104–208; 22 U.S.C. 1928 note) by a vote of 81–16 in the Senate, and 353–65 in the House of Representatives.

(3) The United States has ensured that the process of enlarging NATO will continue after the first round of invitations were issued this July.

(4) Romania and Slovenia are to be commended for their progress toward political and economic reform and their meeting the guidelines for prospective NATO membership.

(5) In furthering NATO's purpose and objective of promoting stability and well-being in the North Atlantic area, NATO should invite Romania, Slovenia, and any other democratic states of Central and Eastern Europe to accession negotiations to become NATO members as expeditiously as possible upon their satisfaction of all relevant membership criteria.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that NATO should be commended for having committed to review the enlargement process at its next summit in 1999 and for singling out the positive developments in Romania and Slovenia toward democracy and the rule of law.

LEVIN (AND OTHERS) AMENDMENT NO. 802

Mr. LEVIN (for himself, Mr. REED, and Mr. MCCAIN) proposed an amendment to amendment No. 759 proposed by Mr. FEINGOLD to the bill, S. 936, supra; as follows:

Strike out the section heading and all that follows and insert in lieu thereof the following:

SEC. 1075. SENSE OF CONGRESS REGARDING A FOLLOW-ON FORCE FOR BOSNIA AND HERZEGOVINA.

It is the sense of Congress that—

(1) United States ground combat forces should not participate in a follow-on force in Bosnia and Herzegovina after June 1998;

(2) the European Security and Defense Identity, which, as facilitated by the Combined Joint Task Forces concept, enables the Western European Union, with the consent of the North Atlantic Alliance, to assume political control and strategic direction of NATO assets made available by the Alliance, is an ideal instrument for a follow-on force for Bosnia and Herzegovina;

(3) if the European Security and Defense Identity is not sufficiently developed or is otherwise deemed inappropriate for such a mission, a NATO-led force without the participation of United States ground combat forces in Bosnia, may be suitable for a follow-on force for Bosnia and Herzegovina;

(4) the United States may decide to appropriately provide support to a Western European Union-led or NATO-led follow-on force, including command and control, intelligence, logistics, and, if necessary, a ready reserve force in a neighboring country; and

(5) the President should inform our European NATO allies of this expression of the sense of Congress and should strongly urge them to undertake preparations for a Western European Union-led or NATO-led force as a follow-on force to the NATO-led Stabilization Force if needed to maintain peace and stability in Bosnia and Herzegovina.

NOTICE OF HEARINGS

COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY

Mr. LUGAR. Mr. President, I would like to announce that the Senate Committee on Agriculture, Nutrition, and Forestry's Subcommittee on Forestry, Conservation, and Rural Revitalization will hold a hearing on Thursday, July 17, 1997, at 2:30 p.m., in SR-328A to receive testimony regarding the State and Private Forestry Programs and the Northern Forestry Stewardship Act.

COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY

Mr. LUGAR. Mr. President, I would like to announce that the Senate Committee on Agriculture, Nutrition, and Forestry will hold a full committee hearing on Tuesday, July 22, 1997, at 9:30 a.m., in SR-328A to receive testimony from Environmental Protection Agency Administrator Carol Browner regarding the implementation of the newly proposed clean air regulations.

COMMITTEE ON ENERGY AND NATURAL RESOURCES—SUBCOMMITTEE ON NATIONAL PARKS, HISTORIC PRESERVATION AND RECREATION

Mr. THOMAS. Mr. President, I would like to announce for the information of the Senate and the public that a hearing has been scheduled before the Subcommittee on National Parks, Historic Preservation and Recreation of the Committee on Energy and Natural Resources.

The hearing will take place on Thursday, July 17, 1997, at 2 p.m., in room DS-366 of the Dirksen Senate Office Building in Washington, DC.

The purpose of this hearing is to receive testimony on S. 895, to designate the reservoir created by Trinity Dam in the Central Valley Project, CA, as "Trinity Lake"; S. 931, to designate the Marjory Stoneman Douglas Wilderness and the Ernest F. Coe Visitor Center; and, S. 871, to establish the Oklahoma City National Memorial as a unit of the National Park System; to designate the Oklahoma City Memorial Trust, and for other purposes.

Because of the limited time available for the hearing, witnesses may testify by invitation only. However, those wishing to submit written testimony for the hearing record should send two copies of their testimony to the Subcommittee on National Parks, Historic Preservation and Recreation, Committee on Energy and Natural Resources, U.S. Senate, 364 Dirksen Senate Office Building, Washington, DC 20510-6150.

For further information, please contact Jim O'Toole of the Subcommittee staff at (202) 224-5161.

COMMITTEE ON ENERGY AND NATURAL RESOURCES—SUBCOMMITTEE ON NATIONAL PARKS, HISTORIC PRESERVATION AND RECREATION

Mr. THOMAS. Mr. President, I would like to announce for the information of the Senate and the public that an oversight hearing has been scheduled before the Subcommittee on National Parks, Historic Preservation and Recreation of the Committee on Energy and Natural Resources.

The hearing will take place on Thursday, July 24, 1997, at 2 p.m., in room SD-366 of the Dirksen Senate Office Building in Washington, DC.

The purpose of this hearing is to review the process by which the National Park Service determines the suitability and feasibility of new areas to be added to the National Park System, and to examine the criteria used to determine national significance.

Because of the limited time available for the hearing, witnesses may testify by invitation only. However, those wishing to submit written testimony for the hearing record should send two copies of their testimony to the Subcommittee on National Parks, Historic Preservation and Recreation, Committee on Energy and Natural Resources, U.S. Senate, 364 Dirksen Senate Office Building, Washington, DC 20510-6150.

For further information, please contact Jim O'Toole of the Subcommittee staff at (202) 224-5161.

COMMITTEE ON ENERGY AND NATURAL RESOURCES—SUBCOMMITTEE ON NATIONAL PARKS, HISTORIC PRESERVATION AND RECREATION

Mr. THOMAS. Mr. President, I would like to announce for the information of the Senate and the public that an oversight hearing has been scheduled before the Subcommittee on National Parks, Historic Preservation and Recreation of the Committee on Energy and Natural Resources.

The hearing will take place on Wednesday, July 30, 1997, at 2 p.m., in room DS-366 of the Dirksen Senate Office Building in Washington, DC.

The purpose of this hearing is to review the management and operations of concession programs within the National Park System.

Because of the limited time available for the hearing, witnesses may testify by invitation only. However, those wishing to submit written testimony for the hearing record should send two copies of their testimony to the Subcommittee on National Parks, Historic Preservation and Recreation, Committee on Energy and Natural Resources, U.S. Senate, 364 Dirksen Senate Office Building, Washington, DC 20510-6150.

For further information, please contact Jim O'Toole of the Subcommittee staff at (202) 224-5161.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. THURMOND. 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, July 10, for purposes of conducting a joint oversight hearing with the House Committee on Resources which is scheduled to begin at 9:30 a.m. The purpose of this hearing is to receive testimony on the final draft of the Tongass Land Management Plan as the first step in the congressional review process provided by the 1996 amendments to the Regulatory Flexibility Act.

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

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. THURMOND. 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, July 10, for purposes of conducting a Subcommittee on National Parks, Historic Preservation, and Recreation hearing which is scheduled to begin at 2 p.m. The purpose of this oversight hearing is to review the preliminary findings of the General Accounting Office concerning a study on the health, condition, and viability of the range and wildlife populations in Yellowstone National Park.

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

COMMITTEE ON ENVIRONMENT AND PUBLIC WORKS

Mr. THURMOND. Mr. President, I ask unanimous consent that the Committee on Environment and Public Works be granted permission to conduct a hearing Thursday, July 10, 9:30 a.m., hearing room SD-406, on climate change.

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

COMMITTEE ON FOREIGN RELATIONS

Mr. THURMOND. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Thursday, July 10, 1997, at 10 a.m., to hold a hearing.

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

COMMITTEE ON GOVERNMENTAL AFFAIRS

Mr. THURMOND. Mr. President, I ask unanimous consent on behalf of the Governmental Affairs Committee Special Investigation to meet on Thursday, July 10, at 10 a.m., for a hearing on campaign financing issues.

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

COMMITTEE ON INDIAN AFFAIRS

Mr. THURMOND. Mr. President, I ask unanimous consent that the Senate Committee on Indian Affairs be authorized to meet during the session of the Senate on Thursday, July 10, 1997, at 2 p.m., in room 562 of the Dirksen Senate Building to conduct an oversight hearing on the administration's proposal to restructure Indian gaming fee assessments.

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

COMMITTEE ON THE JUDICIARY

Mr. THURMOND. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to hold an executive business meeting during the session of the Senate on Thursday, July 10, 1997, at 9:30 a.m., in room 226 of the Senate Dirksen Office Building.

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

COMMITTEE ON LABOR AND HUMAN RESOURCES

Mr. THURMOND. Mr. President, I ask unanimous consent that the Committee on Labor and Human Resources Subcommittee on Employment and Training be authorized to meet for a hearing on vocational rehabilitation during the session of the Senate on Thursday, July 10, 1997, at 9:30 p.m.

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

SUBCOMMITTEE ON FINANCIAL SERVICES AND TECHNOLOGY

Mr. THURMOND. Mr. President, I ask unanimous consent that the Subcommittee on Financial Services and Technology of the Committee on Banking, Housing, and Urban Affairs be authorized to meet during the session of the Senate on Thursday, July 10, 1997, to conduct an oversight hearing on financial institutions and the year 2000 problem.

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

SUBCOMMITTEE ON PUBLIC HEALTH AND SAFETY

Mr. THURMOND. Mr. President, I ask unanimous consent that the Committee on Labor and Human Resources Subcommittee on Public Health and Safety be authorized to meet for a hearing on occupational safety and health administration during the session of the Senate on Thursday, July 10, 1997, at 2 p.m.

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

SELECT COMMITTEE ON INTELLIGENCE

Mr. KEMPTHORNE. Mr. President, I ask unanimous consent that the Select Committee on Intelligence be authorized to meet during the session of the Senate on Thursday, July 10, 1997, at 4:30 p.m., to hold a closed business meeting.

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

ADDITIONAL STATEMENTS

TOO SLOW

• Mr. MOYNIHAN. Mr. President, the headline on the front page of the Business Section in today's Washington Post reads "Government Said To Move Too Slowly on Year 2000 Computer Problem." Mr. President, slowly at best.

The Federal Government has been outright dilatory in addressing this problem. There are three stages in the process: assessment, renovation, and implementation—the third stage takes the longest. According to the OMB report released today, of the 4,500 mission critical computer systems in the Federal Government, 6 percent have been implemented, 17 percent have been renovated, and only 65 percent of the systems have even been assessed. A spokesman for the GIGA firm of Cambridge MA, that specializes in this issue, said: "They're not on a time schedule that looks like it's going to be doable." I need not remind my colleagues that the clock is ticking.

Be assured that in the year 2000, we will be blamed if we have not addressed the problem. And rightly so. Cosponsored by six other Senators, my bill, S. 22, will create a commission to see that the problem is fixed and increase the lagging private sector awareness of this crisis.

I ask that the text of the Washington Post article be printed in the RECORD.

The article follows:

GOVERNMENT SAID TO MOVE TOO SLOWLY ON YEAR 2000 COMPUTER PROBLEM

(By Rajiv Chandrasekaran)

The federal government could face a partial computer crash in the year 2000 because it is moving too slowly to fix its machines so they will understand dates that don't begin with "19," according to a growing number of technology specialists.

Of the nearly 4,500 "mission-critical" computer systems the government needs to repair—which include those that handle defense, air traffic control and income tax functions—only 6 percent have been fixed, according to an Office of Management and Budget report that will be released at a House subcommittee hearing today.

About 35 percent of those computers needing repairs have not even undergone a systems analysis, the first and simplest step in the renovation process, the report said.

"They're not on a time schedule that looks like it's going to be doable," said Ann K. Coffou, a research director at Giga Information Group, a Cambridge, Mass., industry research firm that specializes in so-called year 2000 issues. "They're suffering from 'analysis paralysis.' There's too much work to be done . . . and at this point in the game, it's very, very distressing."

Most large computer systems use a two-digit dating system that assumes 1 and 9 are the first two digits of the year. Without specialized reprogramming, the systems will think the year 2000—or 00—is 1900, a glitch that is expected to make most of them go haywire unless the problem is fixed.

For the government, the year 2000 problem could result in computers that come to a sudden halt and others that generate erroneous data, such as wrong Medicare checks or tax bills, computer experts say. In a worst-case scenario, computers that control military defense systems or sensitive communications between federal agencies could be rendered inoperable, some specialists warn.

Thomas D. Oleson, a year 2000 computer analyst at International Data Corp., a consulting firm in Framingham, Mass., characterized the government's situation as "way behind the eight ball." Fixing the government's computers on time, he said, "is nearing the point of impossibility."

Oleson and other industry analysts expect the federal computer systems that handle the government's most critical functions to be fixed before the Dec. 31, 1999, deadline. But many other systems, including some that perform significant tasks for federal employees and ordinary people, could still be in the electronic repair shop in 2000, they warn.

"It's become increasingly clear that agencies are not going to be able to correct everything before the year 2000," said Joel C. Willemssen, the director of information resources management at the General Accounting Office, the watchdog arm of Congress. "We're going to have to start making priorities among all the systems we view as critical."

The specialists said it is too early to identify specific systems that might not be reprogrammed in time, but they said those would become clearer later this year as agencies begin focusing their efforts.

In its report, which was produced at the behest of a congressional committee, the OMB maintains that the progress of federal agencies is generally on schedule and that the agencies "have made a good start in addressing the year 2000 problem."

Of the 7,649 computer systems in the executive branch other than the Social Security Administration, 21 percent—or 1,598—already comply with year 2000 requirements. An additional 9 percent will be fully replaced and 8 percent will be scrapped, the report said.

At Social Security, long hailed as the federal agency that has been most attentive to year 2000 problems, 71 percent of its systems don't need to be fixed. Of those that do need repairing, half have been fixed, the report said.

The report estimates the cost of renovating computers throughout the government at $2.8 billion, a $500 million increase from an estimate released by the OMB in February. OMB officials said yesterday that figure is expected to cross the $3 billion mark and could eventually grow to as much as $5 billion.

"There's still a lot of work to be done, but I think we're on track," said Sally Katzen, OMB's director of information and regulatory affairs, who has been spearheading the government's year 2000 efforts.

The report identifies the Agriculture, Education, Justice and Transportation departments as those that have about half their systems or more left to analyze. No department, except for Interior and Veterans Affairs, has more than 25 percent of its systems renovated.

At the Department of Housing and Urban Development, which has 206 computer systems, 115 need to be repaired. Although the department is halfway through analyzing those 115 systems, it has only renovated 2 percent of them, the report said.

At the Defense Department, which has almost 4,000 systems, by far the most of any government agency, more than 2,700 of them need to be fixed. The agency is only 23 percent done with renovating the systems, and only 8 percent of them actually have been tested and are considered fully fixed, according to the document.

The government's progress is expected to come under fire from members of the House Science Committee and the Government Reform and Oversight Committee, which are holding a joint hearing into the matter today, congressional aides said. In addition to questioning the pace of repair work, committee leaders will criticize several agencies' schedules for repairs, which call for finishing work in November and December 1999.

"They haven't left themselves with a margin for error in case something goes wrong," said Rep. Constance A. Morella (R-Md.), chairwoman of the Science Committee's technology subcommittee.

Committee members also will probe whether any government agencies are now buying software that is not year 2000 compliant, aides said.

STATE OF REPAIR—STATUS OF MISSION-CRITICAL SYSTEMS BEING REPAIRED AT SELECTED AGENCIES

Agency	Number of systems	Assessment percent complete	Renovation percent complete	Implementation percent complete
Agriculture	469	41	0	0
Commerce	162	75	7	5
Defense	2,752	64	23	8
Education	7	30	0	0
HUD	115	50	2	2
Justice	118	52	2	0
DOT	132	50	10	0
NASA	211	75	2	1
All federal agencies	4,493	65	17	6

Source: Office of Management and Budget.•

TRIBUTE TO THE STUDENTS OF HEMPFIELD HIGH SCHOOL

• Mr. SANTORUM. Mr. President, I rise today to commend some students from Landisville, PA, for their outstanding effort in the We the People. . . . The Citizens and the Constitution national finals.

In this competition, 20 students from Hempfield High School participated in a simulated congressional hearing. Testifying as constitutional experts, they argued points of law before a panel of judges. By all accounts, they demonstrated a remarkable understanding of the American constitutional government.

Mr. President, I ask my colleagues to join me in congratulating Paul Brewer, Lauren Charles, Benjamin Coons, Andrew Fergusson, Michael Hollinger, Noah Hunt, Derrick Karimi, Rebecca Kinsey, Benjamin Kornfield, Nathaniel Kraft, Rachel Moore, Derick Mundey, Elizabeth Myers, Megan Newcomer, Alison Miebanck, Jessica Petocz, Stella Reno, Melissa Sanders, David Stairs, and Brandon Zeigler, and their teacher Elaine Savukas for their outstanding performance. I urge these young people to use the knowledge they acquired from this experience to continue upholding the principles that have made this country great.•

CHILDREN'S DENTAL HEALTH

• Mr. HARKIN. Mr. President, Disraeli once described the youth of a nation as, the trustees of posterity. I interpret that to mean that the future promise of any country can be directly measured by the present prospects of its young people. Whatever we invest today in promoting and protecting our youth will bring a high return in the future.

For that reason, I am pleased that the Senate has taken some first steps to address the growing problem of uninsured children.

I have to say I am still astounded by the fact that this great Nation could allow 10 million children to go without health insurance. Just think about it. At a time when the economy is sound and unemployment is at a 23-year low, one in seven of America's children lack a basic protection that every one of us enjoys.

Uninsured children are less likely to be fully immunized against preventable illnesses, or to receive care for chronic conditions and injuries. And usually whatever care they receive takes place in a hospital emergency room—one of the most expensive settings possible.

As we consider how best to extend health insurance coverage to this important segment of the population, I want to call my colleagues' attention to one aspect of this problem that is often overlooked. I am speaking about the oral health of children.

For some reason, many of us often fail to realize that oral health is an integral part of a person's overall health. Tooth decay and serious infections are just some of the chronic health problems that can result when oral health is ignored. At the same time, there is a strong relationship between oral health and other medical conditions that manifest symptoms in the mouth. Regular dental check-ups, or example, provide an early warning system for diabetes, certain forms of cancer, and immune disorders like AIDS.

According to the U.S. Public Health Service, dental and oral diseases may well be the most prevalent—and preventable—conditions affecting children. And while we have seen improvement overall, certain groups of children continue to suffer more than their share of oral health problems, primarily because of their limited access to oral health services. Poor children—usually minority, migrant, and many in rural communities—are the ones most seriously affected.

You might ask "doesn't Medicaid help these children?" It should, if they happen to be eligible. But while Medicaid accounts for about 80 percent of public funds spent for oral health, only about 1 percent of Medicaid funds are spent on dental care. And as we have heard, many of the uninsured children are in working poor families that are just above the Medicaid cut-off for eligibility. These children have no protection whatsoever.

The sad irony is that dental care embodies the very qualities that make for a good health care system. Unlike medical coverage, which is triggered by illness, dental coverage emphasizes prevention. How important is that? According to the National Institute of Dental Research, every dollar spent on preventive dental care saves $4 in treatment costs.

And dental coverage favors primary care over more expensive specialized treatment. Regular checkups mean your local dentist can catch and treat problems before they require a specialist.

One recent study found that persons with dental coverage are almost twice as likely to visit a dentist, and more than 70 percent of those covered by insurance have annual checkups and receive preventive care.

All of which is to say, dental coverage for children is not only good social policy; it is good economic policy as well.

If we truly want to extend basic health protection to our children, I urge my colleagues to include dental health coverage in any final legislation we send to the President.•

TRIBUTE TO PAUL STAUDENMAIER

• Mr. WELLSTONE. Mr. President, I rise to pay tribute to Paul D. Staudenmaier, executive director of the Boys and Girls Club of Duluth, MN. On September 13, 1997, he will retire with over 21 years of dedicated service.

Paul's career with the Boys Clubs began in Chicago over 46 years ago. In his teens, he was headed for a gang fight, when a member of the Chicago Boys Club urged him to come to the area club. He started as a games room worker at the former Harper Chicago Boys Club on the south side of Chicago and progressed through many different positions in the Chicago area clubs. He was program director at the Woodlawn Boys Club, unit director at the Lathrop Boys Club on the north side, and unit director at the Valentine Boys Club in the old neighborhood of the late Mayor Richard J. Daley.

Paul received his masters degree in education administration with the help of a Boys Club Scholarship from New York University. He also served in the army in the Korean conflict, married Fran, his wife, and had four sons.

In 1977, when Paul became executive director of the Boys Club of Duluth, the club was floundering and needed strong leadership. The club had less than $500 in the bank, and over $4,000 in unpaid bills. Housed in an old church building, it also needed a new boiler. Through the generous efforts of the United Way of Duluth, Paul secured a new boiler and from then on, changes occurred for the better.

By 1980 the club was changing to have memberships for boys and girls. It took 10 years before the national organization gave the recognition to become the Boys and Girls Clubs of America. Paul's many contributions have included helping to form the Help a Boy and Help A Girl scholarship which has been a very successful program. In 1982, he formed the Mighty-Mites for 4- to 5-year old children, a summer program for working mothers and in 1984, the Summer Fun Bunch for children, ages 6 to 12 years old. In 1985, he started the Operating Endowment Fund which is now the Boys and Girls Club of Duluth Foundation with assets of over $400,000.

One of the highlights of Paul's career came in 1992 when a joint partnership was formed with the Duluth school district at the Lincoln Park School, located just a few blocks from the club. The Lincoln Park neighborhood has a ratio of 70 to 80 percent of single parent families and now has become a youth and family center that serves approximately 800 youth.

It offers community swimming and gym classes for parents and children, and has a computer center for use after school hours for youth and parents, and offers many other youth and family programs. The program at the Lincoln School has been so successful that the existing club will be converted into a full service teen center. Paul's ability to look ahead has helped the club to form a strategic planning committee. One of its goals is to work with the local school district to form more joint ventures at other schools in other areas of the city.

Paul Staudenmaier's contributions over the years are impressive and noteworthy, and it is an honor for me to pay tribute to this remarkable and dedicated man. As family, friends, and colleagues gather to honor Paul on September 13, 1997, I join them in conveying my heartiest congratulations.

It is a privilege for me to join in honoring his distinguished career of service to others. As you celebrate this milestone, all the best on this occasion and I extend my warmest wishes to Paul for a well-deserved retirement, filled with continued good health and happiness.●

IN MEMORY OF COACH JAMES G. LILLY

● Mr. ROCKEFELLER. Mr. President, I rise to take a moment to pay tribute to a very special West Virginian, Coach James G. Lilly of Oak Hill, who recently passed away after coaching the Oak Hill Red Devils for 27 years.

Coach Lilly was a dedicated high school basketball coach and a true humanitarian. He retired in 1989 ranking third on the State's all-time high school winning list, with a career record of 591–291. Coach Lilly led the Oak Hill Red Devils to two class AAA State championships in 1984 and 1989, and his Red Devils were runners-up in the 1969 and 1986 tournaments.

However, there was much more to this three-time coach of the year than just winning basketball games. Jim Lilly tirelessly worked to fulfill many of his players' human needs. He gave generously of himself, looking out for his players in the southern coalfields of West Virginia.

Coach Lilly became a father figure to hundreds of young teens throughout his 38-year career. "He knew that certain kids needed certain things, a little extra food or maybe an extra dollar . . . he looked out for you and he was very giving . . . my dad died when I was 9 and he was the most pivotal older male in my life," said Sam Calloway, a former player and now coach.

He was a man of dignity, a man of class, a man of compassion, and he will be deeply missed by the community and coaching profession. Lilly's dignity was not only displayed through his life, but through his players' lives. In six State tournament appearances, the Oak Hill Red Devils won five sportsmanship trophies in the eighties. "Sportsmanship was a direct reflection of the coach," said Calloway, "and when we were on the floor, we represented him."

His contemporaries had an even greater respect for his coaching genius. He was devoted to the game and devoted to the kids he worked with. Coach Lilly demanded a standard of excellence that is unsurpassed in West Virginia's coaching ranks.

Coach James G. Lilly reminded all of us about the importance of sportsmanship. He was dedicated to the game, but more importantly, he was dedicated to the young athletes. His death is certainly a loss to West Virginia. He will long be remembered.●

REMOVAL OF INJUNCTION OF SECRECY—TREATY DOCUMENT NO. 105–15

Mr. WARNER. Mr. President, as in executive session, I ask unanimous consent that the injunction of secrecy be removed from the following treaty transmitted to the Senate on July 10, 1997, by the President of the United States:

Extradition Treaty with Spain (Treaty Document No. 105–15).

I further ask unanimous consent that the treaty be considered as having been read the first time; that it be referred, with accompanying papers, to the Committee on Foreign Relations and ordered to be printed; and that the President's message be printed in the RECORD.

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

The message of the President is as follows:

To the Senate of the United States:

With a view to receiving the advice and consent of the Senate to ratification, I transmit herewith the Third Supplementary Extradition Treaty Between the United States of America and the Kingdom of Spain, signed at Madrid on March 12, 1996 (the "Treaty").

In addition, I transmit, for the information of the Senate, the report of the Department of State with respect to the Treaty. As the report explains, the Treaty will not require implementing legislation.

This Treaty will, upon entry into force, enhance cooperation between the law enforcement communities of both countries. It will thereby make a significant contribution to international law enforcement efforts.

The provisions in this Treaty are consistent with United States extradition policy.

I recommend that the Senate give early and favorable consideration to the Treaty and give its advice and consent to ratification.

WILLIAM J. CLINTON.

THE WHITE HOUSE, *July 10, 1997.*

EXECUTIVE SESSION

NOMINATION OF GEORGE JOHN TENET, OF MARYLAND, TO BE DIRECTOR OF CENTRAL INTELLIGENCE

Mr. WARNER. Mr. President, I ask unanimous consent that the Senate proceed to executive session to consider the following nomination reported from the Intelligence Committee: George Tenet, to be Director of Central Intelligence.

I further ask unanimous consent that the nomination be confirmed, the motion to reconsider be laid upon the table, any statements relating to the nomination appear at the appropriate place in the RECORD, the President be immediately notified of the Senate's action, and the Senate then return to legislative session.

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

The nomination was considered and confirmed as follows:

George John Tenet, of Maryland, to be Director of Central Intelligence.

Mr. SHELBY. Mr. President, I am pleased to inform my colleagues that today the Select Committee on Intelligence unanimously voted to favorably report the nomination of Mr. George J. Tenet to be the next Director of Central Intelligence.

Although the committee held hearings in May, shortly after receiving the nomination from the President, the committee postponed final action pending the conclusion of a preliminary investigation by the Department of Justice.

The Attorney General was required to make a determination of whether to recommend the appointment of an independent counsel to investigate allegations involving Mr. Tenet's financial holdings and disclosure.

Today, the committee was officially notified that the Attorney General had concluded that no further investigation was warranted and that she would not seek appointment of an independent counsel.

The Vice Chairman, Senator KERREY, and I promptly convened a meeting of the committee and voted to favorably report the nomination to the full Senate. This prompt action by the committee, once the Justice Department investigation was completed, reflects the strong support Mr. Tenet has among the members of the committee.

Mr. Tenet faces some daunting challenges as he prepares to officially assume the responsibilities of the Director of Central Intelligence.

He must successfully guide the intelligence community toward new and far more difficult missions. He must ensure that the quality and integrity of his people remains high.

He must provide thorough and unbiased analysis to this Nation's policymakers and he must keep, as he has pledged, the Congress fully and currently informed of all intelligence activities.

The latter point is very important, Mr. President, because the intelligence community, and specifically the Central Intelligence Agency, has not enjoyed a great deal of public support in recent years.

It will be Mr. Tenet's responsibility to restore the public confidence in his organization, and he can do that by remaining faithful to the values of this Nation and by ensuring that the people's representatives are kept fully appraised of all the community's activities.

The intelligence community is rich with outstanding Americans, many of whom risk their lives to protect the security of this Nation. These people place a great deal of trust in their leadership and it is up to Mr. Tenet to honor that trust. The committee believes that he will.

Mr. President, it is with pleasure that I recommend, as chairman of the Select Committee on Intelligence, that the Senate unanimously approve the nomination of George John Tenet to the next Director of Central Intelligence.

Mr. KERREY. Mr. President, I rise to urge my colleagues to confirm the President's nominee, George J. Tenet, to be Director of Central Intelligence. He served as Deputy Director from May 1995 until January of this year, he has served as acting Director since that time, and he has already proven to be a highly competent, knowledgeable, capable leader of our Intelligence Community.

As many of my colleagues know, Mr. Tenet's nomination has been before the Intelligence Committee since April. In hearings and in written responses for the record, Mr. Tenet answered all the committee's questions to the Committee's satisfaction. My sense is Mr. Tenet has enjoyed the unanimous support of the Committee since April. However, the Committee chose not to report this nomination to the Senate until completion of an investigation of Mr. Tenet by the Attorney General under the Independent Counsel Reauthorization Act of 1994. The investigation was initiated April 23, 1997, and the completed report of investigation was filed with the United States Court of Appeals for the District of Columbia on July 7, 1997. The Committee has been informed that the Attorney General "determined that there are no reasonable grounds to believe that further investigation is warranted. She is not seeking the appointment of an independent counsel." Having received this report, the Committee voted today to favorably report the nomination. The vote was unanimous.

The Attorney General's investigation was triggered by anomalies in Mr. Tenet's financial reporting statement and biographical questionnaire. In my view these were minor and fully explicable anomalies. Given the high standards set in the Independent Counsel Act, the fact that the investigation has been closed without the appointment of an independent counsel suggests to me that the Attorney General shares my assessment did nothing wrong.

The necessity for the investigation created an unfortunate delay, as well as a burden for Mr. Tenet and members of his family. The delay caused by the investigation did not, from what I have seen, create a vacuum in leadership at the CIA. Even as the Acting Director, Mr. Tenet has provided steady direction to the Intelligence Community. Nonetheless, there is no substitute in government for the authority that comes with Senate confirmation, so I am most pleased the nomination can move forward and Mr. Tenet can be fully empowered.

As Chairman SHELBY and I told our colleagues during the recent debate on the Intelligence Authorization bill, the end of the Cold War did by no means mark a diminution in the importance of intelligence to our national security. Sound policy and sound strategy are illuminated by sound intelligence, by the sometimes small amount of secret information that gives full meaning to the masses of freely available information. As technology continues in its revolutionary cycles, victory in war is more than ever the result of the linkage of American valor with American intelligence and American precision weapons. So intelligence continues to be essential to our survival and our ability to lead in the world. One of Mr. Tenet's many tasks will be to convince the public that intelligence still matters, and that the public can count on the integrity, patriotism, and morality of those who serve the nation in the Intelligence Community. Mr. Tenet is well suited for this task—he is a highly effective communicator.

Another task for Mr. Tenet will be to lead those who are serving. The CIA and the other intelligence agencies include people who take risks for our country, as well as some of the smartest and most skilled analysts, scientists, and technicians in the country. They deserve leadership that fully challenges their talents, rewards their successes, maintains an environment of high integrity, enforces accountability, and adds to their pride in their profession. They also deserve leadership that will remain with them long enough to really make a difference. I believe George Tenet will provide that leadership, and I urge his confirmation.

Mr. WARNER. Mr. President, I am going to pause a minute to speak about this nomination. I was privileged to serve for 8 years on the Intelligence Committee, the last 2 years being the vice chairman. During that period of time, Mr. Tenet was one of the senior staff members on the committee. I gained a firsthand knowledge of this individual, not only of his professional capabilities, which are superb, but his character and his judgment.

I commend the President and all those who have worked to see that this fine American takes on this very, very important responsibility. I have confidence in him, and I am confident that he will represent our country very ably in this important post. I wish him, his lovely wife and his family well.

LEGISLATIVE SESSION

The PRESIDING OFFICER. Under the previous order, the Senate will now return to legislative session.

ORDERS FOR FRIDAY, JULY 11, 1997

Mr. WARNER. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in adjournment until the hour of 9 a.m. on Friday, July 11. I further ask unanimous consent that on Friday, immediately following the prayer, the

routine requests through the morning hour be granted, and the Senate immediately resume consideration of S. 936, the defense authorization bill, and the Senate immediately proceed to a Feingold amendment under a previous order.

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

PROGRAM

Mr. WARNER. Mr. President, tomorrow morning the Senate will resume consideration of the defense authorization bill and, at 9:45 a.m., proceed to a vote regarding the Bingaman amendment, re: space-based lasers. Following that vote, the Senate will resume consideration of the remaining amendments. Therefore, votes can be expected to occur throughout the day, up to and including final passage of the defense authorization bill.

I know the leader and, indeed, I am sure my distinguished ranking member, Senator LEVIN, and Senator DASCHLE, both leaders, are anxious to finish this bill by noon tomorrow. I am confident that Senator THURMOND will be here—he usually is—bright and early to start the day at 9 o'clock.

There is not a recitation of what is to happen between 9 and 9:30. Do you recall specifically? I think it would be helpful.

Mr. LEVIN. My understanding, from Senator FEINGOLD who has firsthand knowledge, is that from 9 to 9:30, the time is divided on the Feingold amendment: 20 minutes to Senator FEINGOLD; 10 minutes to Senator THURMOND.

Mr. FEINGOLD. Mr. President, that is correct.

Mr. WARNER. Fine. Mr. President, is that the amendment that has been the subject of discussion this evening?

Mr. FEINGOLD. No, that is a sense-of-the-Senate amendment concerning the Department of Defense jet fighters, a different matter.

Mr. WARNER. So that would be between the hours of 9 and 9:30, and then we will proceed as the order has been recited.

Mr. FEINGOLD. Correct.

Mr. WARNER. Mr. President, I thank the Senator from Wisconsin for his cooperation tonight and for his very strong debate. I regret I can't join him on this.

I thank my good friend and colleague, as always. We have been together on many missions. I thank staff, the Senate and the Presiding Officer.

ADJOURNMENT UNTIL TOMORROW AT 9 A.M.

Mr. WARNER. 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.

There being no objection, the Senate, at 9:36 p.m., adjourned until Friday, July 11, 1997, at 9 a.m.

NOMINATIONS

Executive nominations received by the Senate July 10, 1997:

DEPARTMENT OF COMMERCE

TERRY D. GARCIA, OF CALIFORNIA, TO BE ASSISTANT SECRETARY OF COMMERCE FOR OCEANS AND ATMOSPHERE, VICE DOUGLAS KENT HALL.

DEPARTMENT OF THE INTERIOR

KATHLEEN M. KARPAN, OF WYOMING, TO BE DIRECTOR OF THE OFFICE OF SURFACE MINING RECLAMATION AND ENFORCEMENT, VICE ROBERT JAY URAM, RESIGNED.

CONFIRMATION

Executive nomination confirmed by the Senate July 10, 1997:

CENTRAL INTELLIGENCE

GEORGE JOHN TENET, OF MARYLAND, TO BE DIRECTOR OF CENTRAL INTELLIGENCE.

THE ABOVE NOMINATION WAS APPROVED SUBJECT TO THE NOMINEE'S COMMITMENT TO RESPOND TO REQUESTS TO APPEAR AND TESTIFY BEFORE ANY DULY CONSTITUTED COMMITTEE OF THE SENATE.

HOUSE OF REPRESENTATIVES—*Thursday, July 10, 1997*

The House met at 10 a.m. and was called to order by the Speaker pro tempore [Mr. GILLMOR].

DESIGNATION OF THE SPEAKER PRO TEMPORE

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

WASHINGTON, DC,
July 10, 1997.

I hereby designate the Honorable PAUL E. GILLMOR to act as Speaker pro tempore on this day.

NEWT GINGRICH,
Speaker of the House of Representatives.

PRAYER

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

As we have received Your blessings, O God, so remind us that we have responsibilities to see that these good blessings find expression in our daily lives. We know that we have enjoyed the gifts of life and we pray that we will be faithful custodians of the resources of the land, so that those who follow us, our children and grandchildren, will enjoy the fruits of our labors and experience a noble heritage. May Your blessings, O God, be with us and all Your people, now and evermore. Amen.

THE JOURNAL

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

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

Mr. GIBBONS. Mr. Speaker, pursuant to clause 1, rule I, I demand a vote on agreeing to the Speaker's approval of the Journal.

The SPEAKER pro tempore. The question is on the Chair's approval of the Journal.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. GIBBONS. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Pursuant to clause 5, rule I, further proceedings on this question will be postponed.

The point of no quorum is considered withdrawn.

PLEDGE OF ALLEGIANCE

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

Mr. CHABOT led the Pledge of Allegiance as follows:

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

MESSAGE FROM THE SENATE

A message from the Senate by Ms. McDevitt, one of its clerks, announced that the Senate had passed without amendment a bill of the House of the following title:

H.R. 1901. An act to clarify that the protections of the Federal Tort Claims Act apply to the members and personnel of the National Gambling Impact Study Commission.

The message also announced that the Senate had passed with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H.R. 680. An act to amend the Federal Property and Administrative Services Act of 1949 to authorize the transfer of surplus personal property to States for donation to nonprofit providers of necessaries to impoverished families and individuals, and to authorize the transfer of surplus real property to States, political subdivisions and instrumentalities of States, and nonprofit organizations for providing housing or housing assistance for low-income individuals or families.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. The Chair will entertain fifteen 1-minutes on each side.

CLINTON CLEAN AIR REGULATIONS WILL KILL JOBS AND COST BILLIONS

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

Mr. CHABOT. Mr. Speaker, while the Congress is working over the next couple of weeks to provide tax cuts for working American families, President Clinton is doing just the opposite. His endorsement recently of a radical EPA proposal, new, unproven air standards, will wreak havoc on those very taxpayers, draining their pocketbooks and threatening their livelihoods.

Rejecting sound scientific advice that the expected health benefits of new air standards would be minimal while the cost to the taxpayers would be astronomical, the President says he will go forward with the plan that will cost the taxpayers in my State of Ohio an estimated $2 to $3 billion per year and could affect as many as 1 million manufacturing jobs. What does President Clinton have to say to that? Well, he admits that the standards may be somewhat controversial.

Mr. Speaker, I want my children to grow up in a clean and healthy environment. I also want there to be jobs in Ohio for those children. In Ohio, we have been working very hard to make that possible. We do not need President Clinton's help to do it.

FRANCE SAYS NO TO AMERICA

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

Mr. TRAFICANT. France once again says no to America. This time no money for NATO expansion. Unbelievable. President Chirac is an ingrate. Chirac should visit the cemetery at Normandy. Thousands of American soldiers died to liberate France from Nazi rule. Then the American taxpayers spent billions to rebuild France and all of Europe, and after all this France does nothing but complain.

First of all, they complain about NATO, then they refuse to allow American war planes to land on their way to Libya. Complain, complain, complain. Now they want us to pick up the tab for their cost of protecting Europe. Beam me up. I say Chirac and France should shove their complaints up their assets, and we should stop funding and paying for the liberation of France.

SALUTING GEN. CHARLES LINK ON HIS RETIREMENT FROM ACTIVE DUTY

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

Mr. CHAMBLISS. Mr. Speaker, one of the great privileges of serving on the Committee on National Security is the opportunity to meet and work with people who have dedicated their lives to their fellow Americans. Today General Fogleman, Chief of Staff of the Air Force, will preside over the retirement of one such person, Gen. Charles D. Link.

With his retirement from active duty, the military loses a true strategic, out-of-the-box thinker, a visionary, and a warrior. With his work on the Roles and Missions and the Quadrennial Defense Review, General Link has outlined the path the Air Force will follow for the next several years. This then is his legacy. But General Link is not to be one easily forgotten.

He has been an inspiration to the troops and a respected leader within the service. From his days as a 17-year-old enlisted person fixing jets to his days as the commandant of the Air War College, he has mastered and mentored the art of war from the air. In the last several years he has been rightfully acknowledged as the strongest and most articulate proponent of air power. An exemplary accomplishment and, as is his way, a magnificent example of a life well-lived.

Those who have taken up arms in the fight for and defense of this Nation are the ones that have delivered us our Constitution and the way of life that it has provided. Chuck Link is a shining example of this proud American spirit. I ask my colleagues to join me in wishing General Link a long and prosperous future as he ends his 40 years of military service to a free and prosperous United States of America.

NO RELIEF SEEN FROM REPUBLICAN TAX CUT PROPOSAL

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

Mr. DOGGETT. Mr. Speaker, thousands of young Americans across this country will get absolutely no relief from this Republican tax bill. No, all they will get is a tax increase. That is right. This bill imposes a new tax on educational opportunity, and it is wrong.

Universities across our country often provide incentives to talented graduate students as teaching or research assistants by reducing their tuition at the same time they offer services as teachers and researchers for the future of our higher education system. Currently this assistance is not taxed. But the Republicans propose to tax it, to tax educational opportunity, at the same time they provide one tax break after another for the rich and the famous.

Taxing educational opportunities penalizes the very people that we need to be helping. These are young people who are struggling to get by on $12,000 or $15,000, and suddenly they will face a very substantial tax increase. Let us reject the Republican tax hike on educational opportunity.

TIME FOR RELIEF FROM UNCLE SAM'S PERPETUAL TAX BITE

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

Mr. TIAHRT. Mr. Speaker, what is the difference between Mike Tyson and Uncle Sam? The answer is not much, but keep your ear to the ground.

The amazing thing is that Big Mike got disqualified for taking too big a bite out of something he was not supposed to, but Uncle Sam bites you year after year, only there is no referee around to stop the foul play. Well, there is the IRS, but needless to say the IRS is not much help.

Mr. Speaker, Uncle Sam has been chomping on the pocketbooks of American taxpayers for a long time. A lot of taxpayers have been taking to bobbing and weaving away from the painful jaws of Uncle Sam to protect themselves from the massive tax bite. Taxpayers have been crying out for some relief for a long time, but Uncle Sam never seems to learn any lessons. He just wants to take a bigger bite out of our hides, and he does not care how much it hurts.

It is time to tell Uncle Sam "No mas!" and let the IRS know that Uncle Sam's tax biting days are over. It is time for some tax relief for American taxpayers.

DEMOCRATS UNITED IN SUPPORT OF TAX BREAKS FOR WORKING FAMILIES

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

Mr. PALLONE. Mr. Speaker, Democrats are united in support of tax breaks for working families. At the end of last month, the President unveiled his alternative to the Republican tax scheme and the President's proposal provides significantly more relief for middle income families.

Mr. Speaker, it is clear to me who benefits with the Republican approach to cutting taxes. Their tax breaks focus on big business, special interests and wealthy families, while limiting tax cuts for education and families with children.

I just want to say I want to balance the budget and I want to give tax cuts back to the American people, but I want to do it in a manner that is fair to the middle class. The Republican plan falls extremely short of this goal, and I am going to continue to urge my Republican colleagues to abandon their sinking ship and support the Democratic tax alternative. The facts are on our side, and the American people are with us on this issue. They have woken up to what the Republicans are trying to do. The Republican leadership needs to wake up, also, and listen to their constituents on the tax issue.

IN OPPOSITION TO REPUBLICAN TAX PLAN

(Ms. VELÁZQUEZ asked and was given permission to address the House for 1 minute.)

Ms. VELÁZQUEZ. Mr. Speaker, the American people are sick and tired of being promised one thing and getting another. The Republican tax bill is a perfect example. The Republicans will try to tell you that they are providing tax relief to the middle class. This is only true if you think that making over $100,000 is middle class.

The fact is that most of the huge Republican tax break will go to the richest people in this country. The people who are really middle class, 60 percent of all families, will only get a third of the tax relief. The working poor will get nothing.

It gets worse. College students will be hit with new taxes as they struggle to get an education. Teachers are being told that they will face new taxes on their pensions. And Bill Gates, he will save millions. Is this fairness? Is this what American working families deserve?

WE ARE ALL EARS

(Mr. BOB SCHAFFER of Colorado asked and was given permission to address the House for 1 minute.)

Mr. BOB SCHAFFER of Colorado. Mr. Speaker, lend me your ear. It looks as though the Democrats have been taking lessons from Mike Tyson. I say that because Uncle Sam's tax bite is too big and the American family is suffering.

Just take a look at this chart. The tax bite has progressively evolved into the Mike Tyson tax. Back in 1950 when my parents were starting out and trying to live the American dream, the tax bite was only 6 percent of their budget. Did you hear that, Mr. Speaker? Six percent of the family budget was sent to Washington, DC.

□ 1015

Well, trying to live the American dream has gotten a little bit harder over the years. The family budget has been turned on its ear. The tax bite today, which can only be called the Mike Tyson tax bite, is now 23 percent of the family budget. The Government has only, it is 23 percent, the Government has earmarked 23 percent of the family budget for Washington bureaucrats.

Let us throw the IRS out of the ring and declare victory for the American family. Let us give the American dream a fighting chance.

A TAX BILL THAT MEETS THE NEEDS OF WORKING FAMILIES

(Mr. MENENDEZ asked and was given permission to address the House

for 1 minute and to revise and extend his remarks.)

Mr. MENENDEZ. Mr. Speaker, Democrats want tax cuts and tax relief for working taxpaying families. However Republicans in the Congress have passed tax bills that shortchange working families and instead shower tax breaks to the very wealthy.

A new Treasury Department analysis revealed that the Republican bill is light on relief for working families and heavy on tax breaks for the rich. According to the Treasury analysis, only a third of the tax breaks, only a third, go to the middle 60 percent of all families. Who is that? Families making between $17,000 and $93,000 a year.

By stark contrast, the Democratic alternative offers those same families 66 percent of all of the tax cut relief, and those are the working families in this country we want to help.

Republicans also skimp on the tax breaks for college students in their budget. Their bill only gives half of the $1,500 college tuition credit for the first 2 years, does virtually nothing for juniors and seniors.

Mr. Speaker, that is why Democrats continue to fight for working families. We are going to ensure a tax bill that meets the needs of working families in this country.

UNION SUMMER VIOLATES FEDERAL WAGE AND HOUR LAWS

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

Mr. BALLENGER. Last year Mr. Speaker, the AFL–CIO offered approximately 1,000 3-week summer internship jobs to college students, who received a weekly stipend of $210 for their work. They called it the union summer. From press accounts it appeared that some of the students worked an average of 76 hours per week for an hourly rate of $2.76 per hour. This arrangement, if true, is a violation of the Federal wage and hour laws.

In October 1996, I requested the Department of Labor to investigate these alleged violations. The Department of Labor said they are looking into the matter, but after numerous letters and telephone calls over the last 8 months, the Department refuses to provide me with specific information about the case.

A new union summer program is under way right now in 1997, with thousands of college students participating around the country. The Department of Labor should do everything in its power to ensure that appropriate Federal wage and hour laws are fully enforced, regardless of the identity of the employer.

I am continuing to press the Department of Labor to promptly report on its investigation because I fear that similar transgressions, if left unchecked, could occur again with this union summer program this summer.

THE GIFT OF LIFE

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

Mr. MOAKLEY. Mr. Speaker, 2 years ago, 2 years and 2 months ago today, I was told that I had 2 months to live. Fortunately on July 10, 1995, 2 years ago today, I underwent a successful liver transplant that saved my life. I was extremely lucky and fortunate that someone out there thought enough to give me the gift of life and donated their organs.

I have spoken on the floor many times, Mr. Speaker, about the importance of organ donation, but often people just do not think about organ donation until they are faced with a friend or a loved one that desperately needs a transplant, and I am no exception.

Mr. Speaker, today in the United States there are over 50,000 people waiting for an organ. Eight people a day will die because there just are not enough organs to go around, and that is why it is so critical that people are educated and made aware of the importance of organ donations and the second chance that it gives thousands of people every year.

Mr. Speaker, 2 years ago I received the gift of life, so please talk to the family, the loved ones, and give someone else the miracle, the gift of life, and become an organ donor.

AMERICAN TAXPAYERS FORCED TO PAY FOR TRANSPORTING NUCLEAR WASTE ACROSS THE COUNTRY

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

Mr. GIBBONS. Mr. Speaker, a new scheme is emerging. Under H.R. 1270, the Nuclear Waste Policy Act, American taxpayers will be forced to pay for the transportation of nuclear waste across this country. At a time when we are trying to reduce the burden on taxpayers, now they will be forced to pay huge sums for the construction of an expensive interim storage facility at Yucca Mountain, NV. And, Mr. Speaker, taxpayers will also be liable for the cost of cleanup of any accident that occurs during transportation, not the nuclear power industry.

A DOE contractor report concluded that if an accident were to occur in a rural area during transportation cleanup, costs to the taxpayers could range between $176 million to $19.4 billion. A cleanup in an urban area would cost considerably more, perhaps $9.5 billion just to raise and rebuild the most contaminated square mile.

This is a pivotal time in Congress when we are trying to balance the budget and give tax breaks to hard-working Americans. Why then would we want than to shoulder the burdens of H.R. 1270?

SUPPORT EDUCATION AND MIDDLE-CLASS TAX RELIEF

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

Mr. ETHERIDGE. Mr. Speaker, I rise to call on my colleagues in this House and the negotiators on the tax bill to put support for educational opportunities and tax relief for middle-class families at the top of their priority list. As a former two-term State school chief, I know firsthand how important education is to our children's futures.

In this modern economy, high school diplomas are no longer enough to ensure workers can achieve economic success. We must support opportunities for lifelong learning. Education is a journey, not a destination.

Unfortunately, according to the Education Department, the Republicans' tax bill would shortchange 186,000 North Carolina students out of relief from educational expenses. In addition, the tax bill the House passed would actually raise taxes on some college students and penalize retired teachers, and that is absolutely wrong.

Today, college students from across this country are rallying here at the Capitol to protest tax policies that shortchange them. We must heed their call and pass meaningful tax relief for education.

Mr. Speaker, I call on this Congress to support educational opportunity for all of our children and meaningful tax relief to middle-class families.

A BRIGHT FUTURE FOR A FAMILY OF FIVE

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

Mr. NEUMANN. Mr. Speaker, I rise this morning to talk about legislation that is about to be completed out in Washington this month, and for a change it is good news. The legislation will balance the budget, restore Medicare, and lower taxes on American families. And as my colleagues know, when we get to this idea of lowering taxes I sometimes think the folks on the other side of the aisle have forgotten 1993. The discussion was not about lowering taxes. The discussion was about which taxes to raise and how high to raise them. Now we are to a point where we realize that curtailing the growth of Washington spending, how much money Washington takes out of the pockets of our American families, by curtailing that growth of Washington spending we can both balance the budget and lower taxes.

And what do we hear? We hear we want to give tax cuts to people who do not even pay income tax, and we are into this big argument about these tax cuts and who they are going to.

Mr. Speaker, I want to cut through all the Washington rhetoric and talk about a family of five that I see in church on Sunday morning. They have got two kids at home and one headed off to college. They do not understand all this Washington rhetoric and the Democrats beating up Republicans and vice versa, but they know for the two kids that are staying home they get $500 for each one of those children, and they know for the one that is headed off to college they are going to get $1,500.

They are not rich. They are the folks who get up every morning and go to work, and they are the backbone of this great Nation. A balanced budget, restored Medicare and lower taxes, that is a bright future for this country.

LOW-INCOME FAMILIES WANT THEIR KIDS TO HAVE A BRIGHTER FUTURE TOO

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

Mr. OLVER. Mr. Speaker, the Republicans say that they are for tax relief to help working Americans, but which Americans are they willing to help? The Republicans' tax plan gives two-thirds of their tax breaks to the top 20 percent of earners and absolutely nothing to the lowest 20 percent of American earners. The Republicans would help the rich get richer and leave crumbs to the working families who are struggling the hardest. The Republicans say that low-income working families do not deserve a tax break because they do not pay much in taxes. But in fact low-income working families pay more of their income in taxes than any other group. These working families pay payroll taxes, Social Security and Medicare taxes, and gas taxes. They pay property taxes on their homes, and in some States, sales tax even on the food for their tables. They want their kids to have a brighter future too. So let us give them a tax break too.

REPUBLICAN TAX BILL MOSTLY HANDOUTS TO THE WEALTHY

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

Mr. GREEN. Mr. Speaker, this morning we have heard a lot of 1-minutes on what the tax bill may do. Well, let me tell my colleagues what the American people believe. Recent public opinion surveys indicate that Americans have figured out that the Republican bill is mostly handouts for the wealthy. The Wall Street Journal/NBC poll released on June 26 revealed that Americans prefer the Democratic tax alternative to the GOP by a 2 to 1 margin, 60 to 31 percent. USA Today/CNN/Gallup poll released on July 1: 52 percent of Americans think the Republican tax plan favors the rich. Even the GOP pollsters are finding the same result.

According to Monday's Washington Times, a poll conducted by three Republican pollsters financed by the Republican Party found nearly half of those surveys, 48 percent, said they believe the proposed Republican tax plans are biased toward the wealthy. In yesterday's Houston Chronicle there was a great editorial cartoon that was also in the Atlanta Constitution. It had a multiple choice. Own a yacht? Own a private jet with eight seats or more? Have a wine cellar bigger than a football field? If the answer is yes, congratulations; that person qualifies for a middle-class tax cut under the Republican plan.

CAPITAL GAINS TAX RELIEF

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

Mr. JONES. Mr. Speaker, I rise today to talk about the importance of capital gains tax relief for Americans of all ages.

When I was home in eastern North Carolina for July 4, people, both young and old, expressed their appreciation that Congress has finally voted to give them a capital gains tax reduction. These people are not wealthy. They are just good hard-working Americans who are doing their best that they can to pay their bills and save for the future. Capital gains tax relief will help them buy a family home and save for their children's education. A break in this excessive tax will also help senior citizens who rely on their savings for their livelihood.

□ 1030

I thank my colleagues on both sides of the aisle who supported a reduction in the capital gains tax. I hope we can work together to continue to provide Americans with the tax relief they so rightly deserve.

TAX CUTS SHOULD BENEFIT THE WORKING MIDDLE CLASS

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

Mr. BLAGOJEVICH. Mr. Speaker, when it comes to tax cuts the question is not whether Congress should pass a tax cut. Most Democrats and Republicans agree that we should. The question is, Where do we target the tax cuts?

Mr. Speaker, we ought to pass a tax cut that will primarily benefit working middle-class Americans struggling to pay their bills, send their kids to school, and save for their retirement. Let us put more money in the pockets of working families. They need it the most.

Under the Democrat tax bill, a working family would be entitled to a full $1,500 HOPE scholarship for college, a tax exclusion for employer-provided educational assistance, a $500 per child tax credit to help them raise their children, and a capital gains tax cut for the sale of a home.

Mr. Speaker, the median income in the United States is $32,264. The Democratic tax cut plan, which is aimed directly at this group, would give the greatest benefit to the most people.

TAX CUTS AND WORKING PEOPLE

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

Mr. ROGAN. Mr. Speaker, the Republican philosophy with respect to working families is very simple. We believe that those people who work for a living, trying to support their families, ought to be able to keep more of the money that they earn. We do not believe they should be obligated to send a bigger and bigger piece of their paycheck back to Washington so politicians and bureaucrats can decide the best way to spend it. That is our legacy to the American people.

The legacy of our friends who continue to stand up day after day deriding tax cuts for the rich is entirely different. If they come to a town hall meeting in your neighborhood and talk about tax cuts for the rich, ask them who they mean by the rich. They are talking about working families earning $40,000 and $50,000 a year. There are a lot of rich people in this country that they want to take money from to send back here to Washington.

We Republicans are going to put that money back in the pockets of the families who earned it. That is our legacy. Their legacy, the last time they controlled this Chamber, was the largest tax increase in the history of the United States. We are content to let the people decide which is the better course.

REPUBLICAN TAX PLAN TO BENEFIT WALL STREET

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

Mr. LEWIS of Georgia. Mr. Speaker, the Washington Post reported that the deficit will be $45 billion this year, and maybe balance next year. How did it happen? In the 1993 Democratic budget agreement the Democrats were right and Republicans were wrong. The

Democrats' 1993 budget set us on the road to a balanced budget without one Republican vote.

Thanks to Democrats, we can give the American people a tax cut and a balanced budget. The only question is, who will benefit. Republicans want to help Wall Street and the richest among us. Democrats want to help Main Street and working families.

Even U.S. News & World Report says Republicans want to help their wealthy friends. Let me quote: "The reality is closer to the Democrats' view. The best independent estimates of the bill are that about half the benefits of the Republicans' tax relief plan would go to the richest 10 percent."

Mr. Speaker, we must reject the Republican irresponsible tax break for Wall Street. Join Democrats and cut taxes for working Americans.

THE TAX PLAN AND RESPONSIBILITY

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

Mr. THUNE. Mr. Speaker, all this week we have heard a lot about the phony baloney Treasury analysis that manipulates and skews the numbers on this tax bill. All this week we have been hearing about how we need to give bigger government checks to people who do not pay income taxes because we need to wipe out all Social Security and Medicare taxes.

The people in South Dakota know one thing; that is, you cannot have something for nothing. There is no free lunch. If we want retirement and health care benefits, then we pay for them in Social Security and Medicare taxes. If Members want a culture that is free from responsibility, then the Democrat proposal makes sense. They tell people who pay no income taxes, we will give you a Government check. If you want a culture that takes responsibility for their own actions, then you want our plan. It is a plan that is pro-working American, it is pro-family, it is pro-middle class, it is pro-jobs, pro-investment. It is a plan that improves the quality of life for all Americans.

DEMOCRATS REPRESENT WORKING PEOPLE AND WORKING FAMILIES IN AMERICA

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

Mr. STRICKLAND. Mr. Speaker, sometimes I feel sorry for the American people who have to sit and watch and listen to the rhetoric that comes from this Chamber. I believe the American people are troubled and sometimes ask themselves, who can we believe? Who can we believe, when people stand and give such contradictory conclusions?

The fact is, in 1993 this country was facing nearly $300 billion in annual deficits. This year, the deficit is likely to be less than $50 billion. That is because a Democratic President and a Democratic Congress did what needed to be done. That is why we can talk about a balanced budget today. That is why we can talk about giving the American people a tax cut.

We now know that there will be a tax cut. The argument that we have in this Chamber is what part of the American family community will benefit. My district has a median income of $22,000. My responsibility is to represent the working people and the working families in this country.

THE TREASURY DEPARTMENT MIGHT BE A GOOD PLACE FOR THE PRESIDENT TO CUT SOME SPENDING

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

Mr. GUTKNECHT. Mr. Speaker, I would like to quote from a famous news anchor: "Finally, a few words about Federal taxes and what some of the great minds in the U.S. Treasury are thinking about.

"The Treasury likes to calculate American people's income on the ability to pay taxes, based not on how much money we have but on how much we might have, or could have had. For example, a family that owns a house and lives in it, the Treasury figures that if the family did not own the house and rented it from somebody else, the rent would be $500 a month, so it would add that amount—$6,000 a year—to the family's so-called imputed income. Imputed income is income you might have had but don't. They don't tax you on that amount. The IRS does not play this silly game. Instead, the Treasury calculates how much they could take away from us if they decided to.

"If that were the system, consider the possibility. How about being taxed on Ed McMahon's $10 million magazine lottery? You didn't win it, you say. But you could have.

"The Treasury must have something better to do. If not, there is a good place for Clinton to cut some spending." David Brinkley, ABC news, February 28, 1993.

THE REPUBLICAN PROPOSAL CONTAINS A GOOD MIDDLE-CLASS TAX CUT

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

Mr. WELDON of Florida. Mr. Speaker, we need to talk about exactly who is paying for the cost of Government in Washington, DC, and what effect that will have after we pass our tax cut. We have heard a lot of talk about this being so-called tax cuts for the rich.

Mr. Speaker, this chart I have next to me is based on data from the Joint Economic Committee, and the data that they obtained from the Treasury Department. They break the American public into five categories. The lowest 20 percent of earners are now paying, in the yellow, 1 percent of the cost of big Government. After the tax package is passed they will continue to pay 1 percent of the cost of Government in Washington, DC.

The next 20 percent are currently paying 4 percent, and they will be paying, after this tax cut package, 4 percent.

I would like to draw the attention of my colleagues on the other side of the aisle to the upper 20 percent. They are now, today, in America, picking up 63 percent of the cost of Government in Washington. Guess what? After the Republican tax cut, they will continue to pay 63 percent of the cost of Government in Washington.

I appeal to my colleagues, this is a good middle class tax cut.

DEMOCRATS MUST COME TOGETHER TO DO THE RIGHT THING: PROVIDE TAX RELIEF FOR ALL WORKING AMERICANS

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

Mr. FORD. Mr. Speaker, there seems to be an unsettling frustration and even a palpable consternation on the other side of the House. My Republican colleagues do not seem to be able to accept the fact that we Democrats support tax relief, and tax relief for all working Americans. I think it is a historic moment here in this House when people on both sides of the aisle can come to that consensus.

The problem or the issue or the dilemma, Mr. Speaker, is that Democrats seek to provide tax relief to all working Americans. I would agree that wealthy Americans deserve a tax cut. But do they deserve the bulk of the tax cut and the tax relief? The American people resoundingly reject that, I say to my Republican colleagues.

We are living in a time where 80 percent of all jobs in the next century will require some form of computer literacy. Seventy-five percent of all jobs will require some form of postsecondary education. I would appeal to my Republican colleagues that at this historic moment, as a new Member of Congress, let us forge a new beginning as we move into this next century. Let us find common ground for all working Americans.

One would think that they would have learned from the disaster aid relief bill that they were wrong. One would think they would learn from the Committee on Government Reform and Oversight with the gentleman from Indiana [Mr. BURTON] that they were wrong.

Do the right thing for the American people, provide tax relief for working Americans. Let Democrats come together and work on behalf of American families.

THE REPUBLICAN TAX PLAN PROVIDES NO BREAKS FOR THE RICH, JUST EQUAL TREATMENT

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

Mr. SAXTON. Mr. Speaker, this is really a pretty simple debate we are in. Let me just refer to this chart once again. I want particularly the gentleman from Tennessee [Mr. FORD] who just spoke to understand this.

Mr. Speaker, this is a chart which shows who pays taxes in America and what the Republican plan will do to various categories of people who pay taxes. It is important to point out that in the top 40 percent of the taxpayers in America, those people pay 84 percent of all the money we have here to spend, I would say to the gentleman from Tennessee [Mr. FORD], the top 40 percent of the taxpayers in America pay 84 percent of all the money that comes to Washington to spend.

So when the Republican tax plan gets ready to change things, do we change things for that group? This chart shows we definitely do not. As a matter of fact, the top 20 percent today under the Clinton tax hike plan pay 63 percent of all the money that is paid to Washington, and under the Republican plan we do not change that at all. They still pay 63 percent.

The next 20 percent today under the Clinton tax hike plan pay 21 percent, and under the plan that we propose, they continue to pay 21 percent; no breaks for the rich, just equal treatment.

WHO WILL BENEFIT FROM THE PROPOSED TAX CUTS?

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

Ms. DELAURO. Mr. Speaker, the issue is who benefits from the tax cut. Quite frankly, the Republicans' data distorts the effects of their bill. They only analyze the first 5 years of what is a 10-year plan.

That said, Democrats in fact have designed a tax proposal to give every working man and woman a shot at the American dream, and the right to quality education has always been an essential part of that dream.

Republicans decide to skimp on education tax breaks to pay for their tax breaks for the wealthy. The Republican plan provides only half of the $1,500 tuition credit for the first 2 years of college, does virtually nothing for college juniors and seniors, and actually raises taxes on some graduate students.

The Democratic proposal has offered an alternative that includes the full $500 HOPE credit for the first 2 years of college, plus a 20-percent tuition credit for subsequent years.

The American people are watching this budget debate and wondering, who is on my side? Sixty-one percent of them have concluded that the Republicans are out of touch with the people in this country. It is differences like the education issue that makes it clear. Republicans are on the side of the wealthiest Americans, Democrats are fighting for the middle class.

□ 1045

THE JOURNAL

The SPEAKER pro tempore (Mr. GILLMOR). Pursuant to clause 5 of rule I, the pending business is the question of the Speaker's approval of the Journal.

The question is on the Speaker's approval of the Journal of the last day's proceedings.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. ROGAN. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 364, nays 49, answered "present" 1, not voting 20, as follows:

[Roll No. 256]

YEAS—364

Ackerman
Aderholt
Allen
Andrews
Archer
Bachus
Baesler
Baker
Baldacci
Ballenger
Barcia
Barr
Barrett (NE)
Barrett (WI)
Bartlett
Barton
Bass
Bateman
Bentsen
Bereuter
Berman
Berry
Bilbray
Bilirakis
Bishop
Blagojevich
Bliley
Blumenauer
Blunt
Boehlert
Boehner
Bonilla
Bono
Boswell
Boucher
Boyd
Brady
Brown (FL)
Brown (OH)
Bryant
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Cannon
Capps
Cardin
Carson
Castle
Chabot
Chambliss
Chenoweth
Christensen
Clayton
Clement
Clyburn
Coble
Coburn
Collins
Combest
Condit
Conyers
Cook
Cooksey
Cox
Coyne
Cramer
Crapo
Cubin
Cummings
Danner
Davis (FL)
Davis (IL)
Davis (VA)
Deal
DeGette
Delahunt
DeLauro
DeLay
Dellums
Deutsch
Dickey
Dicks
Dingell
Doggett
Dooley
Doolittle
Doyle
Dreier
Duncan
Dunn
Ehlers
Ehrlich
Emerson
Engel
Eshoo
Etheridge
Evans
Everett
Ewing
Farr
Flake
Foley
Forbes
Ford
Fowler
Frank (MA)
Franks (NJ)
Frelinghuysen
Frost
Furse
Gallegly
Ganske
Gejdenson
Gekas
Gillmor
Gilman
Gonzalez
Goode
Goodlatte
Goodling
Gordon
Goss
Graham
Granger
Green
Greenwood
Hall (OH)
Hall (TX)
Hamilton
Hansen
Harman
Hastert
Hastings (WA)
Hayworth
Hefner
Herger
Hill
Hinojosa
Hobson
Hoekstra
Holden
Hooley
Horn
Hostettler
Houghton
Hoyer
Hulshof
Hunter
Hyde
Inglis
Istook
Jackson (IL)
Jackson-Lee (TX)
Jenkins
John
Johnson (CT)
Johnson (WI)
Johnson, E. B.
Johnson, Sam
Jones
Kanjorski
Kaptur
Kasich
Kelly
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
Kilpatrick
Kim
Kind (WI)
King (NY)
Kingston
Kleczka
Klink
Klug
Knollenberg
Kolbe
LaHood
Lampson
Lantos
Largent
Latham
LaTourette
Lazio
Leach
Levin
Lewis (CA)
Lewis (KY)
Linder
Lipinski
Livingston
Lofgren
Lowey
Lucas
Luther
Maloney (CT)
Maloney (NY)
Manzullo
Martinez
Mascara
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McCrery
McDade
McGovern
McHale
McHugh
McInnis
McIntosh
McIntyre
McKeon
McKinney
McNulty
Meehan
Meek
Menendez
Metcalf
Mica
Millender-McDonald
Miller (CA)
Miller (FL)
Minge
Mink
Moakley
Molinari
Mollohan
Morella
Murtha
Myrick
Nadler
Neal
Nethercutt
Neumann
Ney
Northup
Norwood
Nussle
Ortiz
Owens
Oxley
Packard
Pappas
Parker
Pastor
Paul
Paxon
Payne
Pease
Pelosi
Peterson (PA)
Petri
Pickering
Pitts
Pomeroy
Porter
Portman
Price (NC)
Pryce (OH)
Quinn
Radanovich
Rahall
Rangel
Redmond
Regula
Reyes
Riley
Rivers
Rodriguez
Roemer
Rogan
Rogers
Rohrabacher
Ros-Lehtinen
Rothman
Roukema
Roybal-Allard
Royce
Ryun
Salmon
Sanchez
Sandlin
Sanford
Sawyer
Saxton
Scarborough
Schaefer, Dan
Schumer
Scott
Sensenbrenner
Serrano
Sessions
Shadegg
Shaw
Shays
Sherman
Shimkus
Shuster
Sisisky
Skaggs
Skeen
Skelton
Smith (MI)
Smith (NJ)
Smith (OR)
Smith (TX)
Smith, Adam
Smith, Linda
Snowbarger
Snyder
Solomon
Spence
Spratt
Stabenow
Stark
Stearns
Stenholm
Stokes
Strickland
Stump
Sununu
Talent
Tanner
Tauscher
Tauzin
Taylor (NC)
Thomas
Thornberry
Thune
Thurman
Tierney
Torres
Towns
Traficant
Turner
Upton
Velázquez
Vento
Walsh
Watkins
Watt (NC)
Watts (OK)
Waxman
Weldon (FL)
Weldon (PA)
Wexler
Weygand
White
Whitfield
Wicker

Wise	Woolsey	Yates
Wolf	Wynn	Young (FL)

NAYS—49

Abercrombie	Gutknecht	Pascrell
Bonior	Hastings (FL)	Pickett
Borski	Hefley	Poshard
Brown (CA)	Hilleary	Ramstad
Clay	Hilliard	Rush
Costello	Hinchey	Sabo
Cunningham	Hutchinson	Schaffer, Bob
DeFazio	Kucinich	Stupak
English	LaFalce	Taylor (MS)
Ensign	Lewis (GA)	Thompson
Fawell	LoBiondo	Tiahrt
Fazio	McDermott	Visclosky
Filner	Moran (KS)	Wamp
Fox	Oberstar	Waters
Gephardt	Obey	Weller
Gibbons	Olver	
Gutierrez	Pallone	

ANSWERED "PRESENT"—1

Gilchrest

NOT VOTING—20

Armey	Foglietta	Riggs
Becerra	Jefferson	Sanders
Crane	Manton	Schiff
Diaz-Balart	Markey	Slaughter
Dixon	Moran (VA)	Souder
Edwards	Peterson (MN)	Young (AK)
Fattah	Pombo	

□ 1107

Mr. FOX of Pennsylvania changed his vote from "yea" to "nay."

So the Journal was approved.

The result of the vote was announced as above recorded.

APPOINTMENT OF CONFEREES ON H.R. 2015, BALANCED BUDGET ACT OF 1997

Mr. KASICH. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 2015) to provide for reconciliation pursuant to subsections (b)(1) and (c) of section 105 of the concurrent resolution on the budget for fiscal year 1998, with a Senate amendment thereto, disagree to the Senate amendment, and agree to the conference asked by the Senate.

The SPEAKER pro tempore (Mr. GILLMOR). Is there objection to the request of the gentleman from Ohio?

There was no objection.

MOTION TO INSTRUCT OFFERED BY MR. SPRATT

Mr. SPRATT. Mr. Speaker, I offer a preferential motion.

The Clerk read as follows:

Mr. SPRATT moves that the managers on the part of the House at the conference on the disagreeing votes of the two Houses on the Senate amendment to the bill H.R. 2015 be instructed as follows:

(1) On the matters pertaining to increasing the age of eligibility for medicare, reject the provisions contained in section 5611 of the Senate amendment.

(2) On the matters pertaining to the minimum wage, worker protections, and civil rights—

(A) insist on paragraphs (2) and (3), and reject the remainder, of section 417(f) of the Social Security Act, as amended by sections 5006 and 9006 of the bill, as passed the House, and

(B) reject the provisions contained in sections 5004 and 9004 of the bill, as passed the House.

The SPEAKER pro tempore. The gentleman from South Carolina [Mr. SPRATT] is recognized for 30 minutes in support of his motion and the gentleman from Ohio [Mr. KASICH] is recognized for 30 minutes.

The Chair recognizes the gentleman from South Carolina [Mr. SPRATT].

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

Briefly, as a matter of introduction to what this motion to instruct pertains, it is a double-barrel motion. On the one hand we say the Senate provisions that would raise the age of eligibility for Medicare from 65 to 67 were not part of our bipartisan budget agreement, were not essential to achieving the objectives we set for ourselves. Indeed we were able to do the $115 billion in Medicare cost reduction over a 5-year period of time with substantial consensus.

This particular portion of the bill was reported by the Committee on Ways and Means with a near unanimity, with as close to consensus as we can get in this House. It was unnecessary to do it and, furthermore, it raises more questions than it answers: What will this coverage cost for people from 65 to 67; will it be available; how much lead time should we give people to get ready for this unexpected adjustment?

So we would instruct the conferees to reject those Senate provisions.

Second, the House and the Senate both added other provisions outside the budget agreement unnecessary to it that would deny the basic protections of one of the fundamental laws of the land, the Federal Fair Labor Standards Act, to individuals coming off TANF, coming out of welfare into workfare, or participating in the welfare to work program. We think that is unwarranted and unnecessary, and we would say to the conferees excise, take out, those provisions as well and reject them as part of this bipartisan agreement so it can truly be called a bipartisan agreement.

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

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

First of all, these motions to instruct are kind of gimmicky, to be truthful. They are just designed for somebody to come to the House floor, lay out difficult positions that are hard to win in a debate and, basically, they do not have the force of law.

Now, let me just speak to the three of them. First of all, the first one is we should not raise the age of eligibility for Medicare recipients from 65 to 67.

□ 1115

In the House bill we did not do that. We said it ought to be 65. But let me make it clear to everybody who is in this Chamber, that if they think that when their children must be put into the workplace to work day and night to pay for our benefits, and they think that there is not a fundamental restructuring of the system in need, then are we doing injustice to the young people of this country.

The fact is, in Medicare and Social Security and in Medicaid, we are going to find ourselves in a position where the number of young people will be few in number and the number of people getting benefits, which will be us, are going to be great in number.

Mr. Speaker, our young children in this country deserve a chance, the same kind of chance our parents gave to us, and we know that there must be fundamental structural changes in the major entitlement programs because these programs are not sustainable. We put our children in a position that is untenable and unconscionable if we are not willing to meet the challenge of the baby boomer retirement and what it does to our children.

Now, I am not so sure that this House is capable, along with the Senate, of designing the real solutions that are going to be necessary, the structural changes that are going to be necessary in the area of Social Security, in the area of Medicare and in the area of Medicaid.

I will say this: I think this House has taken a large step forward in terms of designing changes in Medicare that are structural in nature, that are positive, that move us in the right direction. But I would hope that this House will reject in the future the rhetoric of 1995, where some of my colleagues on the other side of the aisle said that we were trying to damage the senior citizens in this country by our Medicare reforms, and they are the Medicare reforms that they are today accepting.

So for those people who want to stand and demagogue and scare the elderly, scare the children, we are going to stand against you, just like we did in 1995 and just like we did in 1996, and finally had you support our program on a bipartisan basis.

Now in the area of worker protection, the gentleman from Florida [Mr. SHAW] had a comment on that. In the area of worker protection, let me just make one other statement here to my colleagues on the other side. And I have some friends on the other side who understand my heart, and there are friends I have on the other side who risked a lot for things they believed in.

The bottom line on this is, the House is not prepared to move to changing the retirement date on Medicare this week, but we sure as heck better open our mind and open our heart to what we are going to need to do long-term for the future of the next generation. And we will not be stopped by demagoguery because the young people in this country will not permit the politicians in this House, who are going to be the beneficiaries of all the benefits, the young people are not going to stand for it; and there are going to be

many of us who get the benefits who are not going to permit you to demagogue this on your own and be able to win the day.

In the area of worker protections, the third recommendation that my friend from South Carolina [Mr. SPRATT] recommends, which is that we do not prohibit or we do not discriminate in the area of sex or health or safety for our people who go to work, who are on welfare, the House intends to stand behind that position. We do not support discrimination in any form. We sign up to that.

In the other area regarding these workfare nonemployees, we obviously do not want to deny them their rights under antidiscrimination. But let me just suggest to all of my colleagues that we do not believe that all of the provisions like unemployment compensation ought to apply to workers who are on welfare, who are out there working to pay for the benefits they get from people who go to work every day.

Now we have had a struggle trying to define exactly how all these welfare workers should be treated, and I think we have made substantial progress in this House by guaranteeing that there would not be discrimination, that these workers would be in a safe environment, and the House intends to pursue that position in conference. At the end of the day I believe that we will guarantee the civil and human rights of every American. We are going to stand behind that.

So I am recommending to my side that we will accept the motion to instruct, but what I am troubled about is this idea that we should reject even the discussions about structural changes as they apply to the next generation.

Mr. STARK. Mr. Speaker, would the gentleman yield?

Mr. KASICH. I yield to the gentleman from California.

Mr. STARK. Mr. Speaker, I thank the distinguished chairman for yielding, and I want to agree with him, particularly as to the Medicare part. We are supporting the House position, and we have, and it has been a bipartisan exercise and has not been demagogued. I will talk more about it later.

And I agree that the long range program is what has not been addressed by either side, to our shame. We are getting to that. But for now, we have the high ground in the House and I am happy it hear that he is going to, because basically all we are asking is that we stick to the House position.

Mr. KASICH. Reclaiming my time, furthermore I want to compliment my friend from California for his work in the health subcommittee with the gentleman from California [Mr. THOMAS], the chairman, to try to fashion a bipartisan first step in Medicare. Maybe I should explain to the gentleman that he is very well aware of the beating that we took for our Medicare reforms which are now working their way into law.

Mr. STARK. If the gentleman would continue to yield, I think it was 25 short. But other than that, I am aware of it.

Mr. KASICH. But let me just suggest, though, that I am very pleased to hear the gentleman say that he recognizes that there is a next step. Because if we walk away from this problem of the baby boomers retiring, as the gentleman knows, we are not going to survive in America as we have known it.

I would like to say to the gentleman, and to the gentleman from South Carolina [Mr. SPRATT] and my friend from the State of Washington, that the Committee on the Budget intends to pursue a very aggressive examination of this big wave, the tidal wave that is coming. I expect to have Democrats participate in the settings that we create, the witnesses that we call in. Because the only way we are going to be able to deal with all this is to deal together, without having people standing in the well yelling and screaming and trying to scare the elderly in our country.

So we are going to vote for this motion to instruct, but I am very sensitive about the idea that we want to let people know everything is done, taken care of.

Mr. Speaker, I yield 3 minutes to the gentleman from California [Mr. THOMAS].

Mr. THOMAS. Mr. Speaker, I thank the gentleman for yielding.

The chairman of the Committee on the Budget is absolutely correct, this is frankly a theater. I am a little disappointed that the minority did not go after some really important stuff to try to protect in terms of a motion to instruct. Actually we do not need all the verbiage that is on the page.

The motion to instruct can be put in basically four words, that is, support the House positions. Now let us look at the irony. We are wasting time on the floor of the House of Representatives in talking about a motion to instruct which says "support the House positions."

I am here to tell my colleagues as chairman of the Subcommittee on Health, I did not work all those long hours to produce a 13 to zero vote, a unanimous support position in the Subcommittee on Health of the Committee on Ways and Means, to run over to the Senate and fold. I did not work hard to maintain the subcommittee's position on a 36 to 3 vote in the full Committee on Ways and Means to simply collapse in the face of the Senate. I do think it would be appropriate, since the Senate apparently feels fairly strongly on this issue, having voted on the floor of the Senate by better than two to one to include this, that we probably ought to listen to their arguments.

The gentleman from Ohio [Mr. KASICH], the chairman of the Committee on the Budget, I think makes the cogent point, we are going to have to engage. Is this the appropriate time? Is this the appropriate arena? Probably not.

But my colleagues should watch because this motion to instruct should be a voice vote. There is no reason whatsoever to have a recorded vote on a position "support the House positions." So if the Democrats call for a recorded vote, it is a feeble opportunity on their part to try to catch someone who believes that we should not engage in these kinds of tactics so that a campaign position, if there is a recorded vote and they do not support this position, for them to put out a statement that the person who did not vote for this is in favor of increasing eligibility for Medicare from 65 to 67, shame on them.

Can they not come up with a real issue so that we can have a real discussion on substance, instead of putting together a package which is "support the House positions." The answer is, you bet we are going to support the House position. My challenge to them is to let it go on a voice vote and do not record the vote.

Mr. FAZIO of California. Mr. Speaker, would the gentleman yield?

Mr. THOMAS. I yield to the gentleman from California.

Mr. FAZIO of California. Mr. Speaker, I wonder why the gentleman is concerned about a recorded vote on something everyone has just agreed to.

Mr. THOMAS. Reclaiming my time, all I am saying is if the gentleman did not understand the point, let us see whether or not there is a recorded vote.

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

Let me simply say there is nothing unreal, nothing gimmicky about the age eligibility for Medicare. It is a vital issue for millions of Americans. And there is nothing gimmicky, either, about whether or not those coming off welfare into the work force will have the protection of the Federal Fair Labor Standards Act which has been the fundamental law of the land for the better part of this century.

Mr. Speaker I yield 2 minutes to the gentleman from New Jersey [Mr. PALLONE].

Mr. PALLONE. Mr. Speaker, I just wanted to agree with the gentleman from South Carolina [Mr. SPRATT]. I do not understand how the other side can say that we are wasting time or this is gimmickry. If they really believe that the age eligibility should not be raised from 65 to 67, let us vote on it.

We know that the other body has specifically said in their bill that they want to raise the age. American people, our seniors, are very concerned about that. We need to take a position on this. I have to say that I find it abhorrent that the Congress would even consider raising age eligibility for Medicare. At a time when we are trying to

find solutions concerning our uninsured populations, raising the age eligibility to age 67 will only exacerbate the problem.

There are 4.5 million people between age 50 and 64 that are among the uninsured, for various reasons, and these numbers are growing every day. Some of these seniors lack access to employer-sponsored health benefits, while others are unable to afford expensive premiums and cost-sharing requirements.

Now we are telling them that they have to wait even longer before they become eligible for Medicare. We would be breaking our commitment to America's seniors by raising the age eligibility. It is not needed to balance the budget, nor is it necessary to maintain Medicare short-term solvency.

Some may argue that Social Security is already raising its age eligibility and that raising Medicare's would be consistent. But I would remind my colleagues that in Social Security seniors have the option to retire early and receive some of their benefits, while no similar option exists for Medicare.

Raising the age eligibility has had little discussion, no congressional hearings. I personally see the increase in age eligibility as a back-door approach to letting Medicare wither on the vine. That is a phrase that the Speaker, the gentleman from Georgia [Mr. GINGRICH] has often used; and I strongly oppose that its inclusion be a part of any final budget package. I strongly urge my colleagues to support this motion to instruct.

□ 1130

Mr. SPRATT. Mr. Speaker, I yield 1 minute to the gentleman from California [Mr. FAZIO].

Mr. FAZIO of California. Mr. Speaker, far from wasting our time on the floor today, we have accomplished seemingly two major improvements in a bill that is seriously flawed in many ways.

I hear the gentleman from Ohio [Mr. KASICH] and the gentleman from California [Mr. THOMAS] saying that they are going to support this motion. I hope that means that when we go to conference on this package of spending cuts, we will not entertain the increase in the age to be eligible for Medicare to the age of 67. It is very clear that in this country we have a major problem with many people in their fifties who have been downsized, let out of their job, where their health benefits were real and decent, and suffer because there is no bridge to retirement. We only make the gap broader for those people if they are not given at least the age of 65 to look forward to.

In addition, Mr. Speaker, it is unconscionable to say that people who are transitioning from welfare to work will not be covered by the same statutes that protect workers. To have a sexual harassment claim not to be viable, not to be of legal standing simply because someone is transitioning from welfare is unbelievable. I am very pleased the Republicans have agreed.

Mr. KASICH. Mr. Speaker, I yield 1 minute to the gentleman from California [Mr. THOMAS].

Mr. THOMAS. The gentleman has argued the points. None of the points that the gentleman has argued are in the House package, so I guess the concern of the gentleman is that this conferee and other House conferees, having gone through the legislative process on this side, not putting any of that material in the bill would now somehow think that it makes sense. Is that the concern of the gentleman from California?

Mr. FAZIO of California. Mr. Speaker, will the gentleman yield?

Mr. THOMAS. I yield to the gentleman from California.

Mr. FAZIO of California. I am particularly concerned about the version of this bill that will work a hardship on people coming off welfare into work.

Mr. THOMAS. Mr. Speaker, reclaiming my time, is he concerned about the conferees not holding the House position? Is that his concern?

Mr. FAZIO of California. I am concerned that this conference is going to engage in some fundamental changes not only in the Medicare law——

Mr. THOMAS. The question is, and I'll reclaim my time. If the gentleman wants to answer it, I'll give him another chance. If he chooses not to, that is fine. The question is, does the gentleman have confidence in the House conferees upholding the House position? Yes or no.

Mr. FAZIO of California. I am certainly hopeful that if we all vote to make sure that these onerous provisions are not included in the conference, that we will follow the position when we get to conference.

POINT OF ORDER

Mr. WAXMAN. Point of order, Mr. Speaker.

The SPEAKER pro tempore (Mr. GILLMOR). The gentleman will state his point.

Mr. WAXMAN. Mr. Speaker, I cannot understand how a gentleman can ask another gentleman a question and not give him a moment to answer it.

The SPEAKER pro tempore. The gentleman has not stated a point of order.

Mr. KASICH. Mr. Speaker, how much time is left on both sides?

The SPEAKER pro tempore. The gentleman from Ohio [Mr. KASICH] has 17½ minutes remaining. The gentleman from South Carolina [Mr. SPRATT] has 25 minutes remaining.

Mr. SPRATT. Mr. Speaker, I yield 1 minute to the gentlewoman from Connecticut [Ms. DELAURO].

Ms. DELAURO. Mr. Speaker, the fact is that we are not wasting time at all. There is a serious threat to seniors' health care in this country. There is a health care crisis in our country. Too many Americans do not have access to quality health care that they need.

Quite honestly, Democrats have fought to expand coverage for 10 million American children who do not have health care coverage. Yet Republicans backed away from their promise to insure just half of these children.

Now with the specter of moving the age limit from 65 to 67 for seniors with regard to Medicare, we are looking at no coverage of people zero to 67 in this country. We are moving backward in terms of providing health care for people in this country. Instead of trying to find ways to make sure that seniors have security of health care coverage in their retirement, it would appear that the Government is backing away from that promise that they would be there for them at age 65.

Seniors have worked hard all of their lives, they paid their dues, they planned their retirement with the knowledge that they would be able to depend on Medicare when they turned 65 years of age to help to pay their medical bills.

Let us vote on the motion to instruct. Let us work to help expand health care coverage for seniors.

Mr. SPRATT. Mr. Speaker, I yield 11 minutes to the gentleman from California [Mr. STARK] and ask unanimous consent that he be allowed to yield portions of that time to other Members.

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

There was no objection.

Mr. STARK. Mr. Speaker, I thank the distinguished ranking member for yielding me this time, and I yield myself 2½ minutes.

Mr. Speaker, insofar as the Medicare provisions in this bill are concerned, it is a matter of record that we have had strong bipartisan cooperation and agreement in the House. My remarks today are designed to amplify the problems in the Senate bill and for whatever other effect we may have is to give us a stronger hand in dealing with the Senate in conference, which indeed has been a tradition of motions to instruct for many years.

A vote by this House representing the strong feelings that we have in support of our bill is an aid in negotiating and to show that we have the support of the American people. The Senate has basically taken a silk purse and turned it into a sow's ear. We find this morning a poll of the Washington Post that says 64 percent of the people oppose extending the wait for Medicare to age 67.

The AARP bulletin, which I now get, Mr. Speaker, says that the Medicare measure takes the wrong turn. That is in relationship to the Senate bill. The Senate also allows doctors to bill patients more, or extra. It allows doctors to force patients to give up Medicare if

they want certain specialty care from these doctors. It cuts payments to the Nation's safety net hospitals by 20 percent. It increases home health care cost in the Nation's frailest and sickest by $760 a year.

I hope that the conference committee will stand firm and fix these provisions, and I pledge to work with the gentleman from California [Mr. THOMAS] and the gentleman from Ohio [Mr. KASICH] to see that we do prevail over the Senate, for these provisions will do harm to the Medicare system. There are ways in which we can change Medicare and make it more solvent. I would like to work with them. I believe that raising the age limit without a plan to protect the people from 65 to 67 is the wrong way to go, and I think we can work to fix that in the years ahead.

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

Mr. STARK. I yield to the gentleman from California.

Mr. THOMAS. I thank the gentleman for yielding. First of all, I want to thank him for the cooperative effort in producing this House product and we will continue to make sure that the House product survives in conference. I will commit to the gentleman that we will do everything we can to deliver the product.

It is just a shame that we wind up with a political charade. If it is a voice vote, I understand the gentleman's and the others' concern. If it is a recorded vote, it is clear that these are political shenanigans.

Mr. STARK. Mr. Speaker, I yield 2½ minutes to the gentleman from California [Mr. WAXMAN].

Mr. WAXMAN. Mr. Speaker, I thank the gentleman for yielding me this time.

Mr. Speaker, the House has passed a bill, the Senate has passed a different bill. There will be a conference. The Republican leaders today have said to us that when they go into conference, they are going to try to hold the House position, but they are going to have to move toward the Senate to get an agreement. The chairman of the Committee on the Budget said we have got to be aware that structural changes are going to come down the line at some point, and he is not for this change this week.

The point is that we know what the House Republicans were for in Medicare in the last Congress. They wanted structural changes that would have ended the Medicare program as we know it and would have put a lot of elderly people into the lowest priced HMO that would survive profitably by denying them care.

I cannot understand why we are hearing that the gentleman from California [Mr. THOMAS] would object to a recorded vote. If he really thinks it is a bad idea to change the age limit, he ought to be willing to vote with us to reject that idea when they go into conference.

The Senate reconciliation bill contains a number of ill-conceived provisions relating to Medicare. They increase the burdens on beneficiaries with home health copayments. They have further balanced billing beyond what now exists in the law. They have premiums increase dramatically for higher income people in a very complicated and unworkable way. If you combine the income testing of the premium along with the MSA option, which is in the House bill, it raises the specter of fragmenting the risk pool of the program. That sounds technical, but the effect on moderate-income Medicare beneficiaries who are older and sicker is not going to be some theoretical one. It will be real and it will ultimately hurt many of them.

The issue before us and the focus is the Senate voted to change the Medicare age from 65 to 67. We want to say "no" to that provision. It is irresponsible. It is a proposal where there has been no examination of the effects it will have or who it will hurt, and we know already we have a problem with many people waiting for Medicare coverage who have no health insurance coverage. Let us not widen this gap into which many people will fall. We are talking about people who are often downsized, which is the euphemism, out of jobs when they are older, but they are not old enough for Medicare. They are not old enough for Social Security. Under Social Security they at least can come in and get a reduced benefit rather than go without any income. But if we say to them, you have got to wait until you are 67 to get any health care coverage and they happen to be sick, disabled but not disabled enough to get covered as a disabled person, they are not going to find a health insurance coverage insurer that will cover them because of preexisting conditions. We must vote to reject the Senate provisions.

The Senate reconciliation bill contains a number of ill-conceived provisions relating to Medicare. Burdens on beneficiaries are increased with home health copayments, protections against balanced billing are removed in some cases, and premiums are increased dramatically for higher income people in a very complicated and unworkable way.

Combining income-testing the premium, along with the MSA option included in both the House and Senate bills, raises the specter of fragmenting the risk pool of the program. That sounds technical—but the effect on moderate-income Medicare beneficiaries who are older and sicker is not going to be some theoretical one—it will be real, and it will ultimately hurt them.

But I want to focus particularly on the provision in the Senate bill that raises the age of eligibility of Medicare from 65 to 67. This is a change that is totally irresponsible. It is being proposed with no examination of the effects it will have or who it will hurt.

It is flat out bad policy.

We already have a problem in this country with people who find themselves out of the work force at a time when they are getting older, but aren't yet eligible for Medicare. They face a truly terrible situation: frequently they simply cannot find any sort of affordable insurance coverage.

This problem is so serious that we have frequently recognized over the last several years that something needs to be done to extend medical benefits to this population.

Instead, this proposal goes in the opposite direction: It takes people at the very time they are most likely to begin to face health problems, at the very time that getting affordable private coverage is most difficult—and we delay their eligibility for Medicare.

A lot of people out of the work force in their early sixties aren't wealthy or healthy people: they are people in poorer health, or with some disability not quite serious enough to qualify them as disabled, or people that their employers have decided to downsize out and replace with younger workers. This would add to their problems by delaying their eligibility for health coverage.

Unlike Social Security, where people can at least elect a reduced benefit if they need it before the age when full coverage begins—there is no partial coverage for health benefits.

Medicare just won't be there.

This is a change that we should vigorously oppose. House conferees should not accept it.

People who need Medicare, who can't wait 2 more years until they are 67, deserve the support of every Member of this House in opposing this change.

Mr. KASICH. Mr. Speaker, I yield 2 minutes to the gentleman from California [Mr. THOMAS], chairman of the Subcommittee on Health and the Environment of the Committee on Ways and Means.

Mr. THOMAS. I thank the gentleman for yielding me this time.

Mr. Speaker, I am really pleased that the gentleman from California [Mr. WAXMAN] pretty well laid out the game plan here. He talked about the structural changes that the Republicans made in the balanced budget amendment in terms of Medicare changes. Most of those frankly are in this bill. They were voted on unanimously in subcommittee. The point that the gentleman was making on the structural age change from 65 to 67 was not in our program. It was not in the plan.

If you are going to offer a motion to instruct which is not theater, the gentleman from California then went on to discuss the medical savings account provision and a number of other provisions. If you want a contest, you want to lock in positions that are important, that are of substance, that should have been your motion to instruct. Something of substance would have been worth this debate.

The gentleman says we should have a recorded vote on the motion to instruct. The gentleman well knows the motion to instruct carries exactly the same weight whether it is passed by a

voice vote or by a recorded vote. It is obvious in the debate that they want to make points not included in the motion to instruct.

The motion to instruct is theater, and the recorded vote that will be insisted on by my colleagues on the other side of the aisle is theater as well. Welcome to the grand theater of the absurd.

Mr. STARK. Mr. Speaker, I yield 1½ minutes to the gentleman from Ohio [Mr. STRICKLAND].

Mr. STRICKLAND. Mr. Speaker, when the gentleman on the other side of the aisle says what we are doing as we try to speak for our constituents is a charade and that this is theater, I am reminded of Shakespeare who says "thou dost protest too much."

We have got a responsibility in this Chamber to speak up for our constituents and that is what we are going to do. We should be expanding health care opportunities for the most vulnerable among us, the old and the young, and not reducing those opportunities. How many millions of our mothers and fathers, grandparents, aunts and uncles will be without health insurance because of the Senate's action?

□ 1145

For many Americans who work with their hands in grueling jobs, I am talking about steel workers, carpenters, machinists, road builders, it is simply not physically possible for many of these workers to work beyond 65 years of age. We cannot afford to let them languish without health insurance.

I think of my niece, Beverly, a mother who has four children and who works as a pipefitter. Beverly cannot work beyond 65 years of age, I think. I am worried about Beverly and all the other hard-working Americans who could face the age of 65 and know that they have no guarantee of health insurance. That is what we are talking about. That is why it is important.

My colleague can call it absurd, my colleague can call it theater, but it is important business that we are talking about today.

Mr. KASICH. Mr. Speaker, I yield myself 2½ minutes.

Let me just suggest that I do not have the Senate proposal in front of me, but I believe that the people who would be the most affected by the raise from 65 to 67 are us because it is phased in over a long period of time.

Now I am just going to suggest that if we think that in order to help the children we have to bankrupt mom, that is clearly, that view is clearly held by somebody who does not know much about the current system. At the same time, in order to help mom it does not mean we have to bankrupt her adult son.

Now if we want to hear emotional appeals about the struggle that people have as they become senior citizens, we have to be sensitive to it. I think we got a good bill to do that. But to only take into consideration us, the baby boomers who would be primarily affected by this, and for me to say that I got to eat and that my children should just go to work and work 80 hours a week to pay taxes to support me is unconscionable.

The simple fact of the matter is this country must avoid a generational war, and it is up to us to have the decency, it is up to us to have the restraint, it is up to us to be the leaders that will prevent a generational war in this country by putting the good of the country first and not pitting one age group against another. And if it is going to happen, we are going to go to war.

And I am going to tell my colleagues the young people in this country are going to win that war, and we do not need to have it, we need to avoid it. We have enough divisions in our country. We have enough anger and enough hatred and enough prejudice in our country without us to be creating it.

I believe it is possible in a sensitive way to be able to make the structural changes in this country that will not bankrupt mom while at the same time giving her adult children and grandchildren a chance, and in order to give the adult children and the grandchildren a chance does not mean that we got to dump it all out.

What has happened in our country is simple. The young people, working young people with kids in this country have been put up against the wall, and mom and dad will be the first ones to say we ought to restore balance between the generations, and that is what Republicans and Democrats ought to strive for.

Mr. Speaker, I yield 4 minutes to the distinguished gentleman from Missouri [Mr. TALENT].

Mr. TALENT. Mr. Speaker, I thank the gentleman for yielding this time to me.

Mr. Speaker, I knew from the beginning of the session that there would be a series of attempts through the back door, if my colleagues will, to substantially revise, in fact to gut the work provisions in the welfare bill that we passed last year on a bipartisan basis, and that the President signed and that is working in the United States of America and reducing welfare caseloads around the country, getting people off dependency and to work. And there have been a series of attempts to do that in committee, on the Senate floor, and now unfortunately in this motion to instruct.

Now, Mr. Speaker, the motion to instruct contains, I think, a good provision telling us that we should not, at this time anyway, increase the retirement age for Medicare from 65 to 67. I support that, and I am going to support the motion to instruct for that reason. But attached to it is one of those backdoor attacks on the work provisions in the welfare bill.

The whole point of the work provisions that we passed last year was to require work in exchange for welfare benefits and therefore to make work attractive vis-a-vis welfare, so that we would encourage people to get work skills and to get off welfare and into work, and it is working. All around the country caseloads are going down, people are going off of dependency into sufficiency, into self-sufficiency, and it is working because we have decreased the attractiveness of welfare vis-a-vis work.

Now there are many people in this House who will not oppose that openly. They will all stand up and say "We are for welfare reform." But then they introduce measures which would have the effect of gutting that by in effect turning workfare into a vast expansion of the welfare bureaucracy without changing any of the incentives that lead people to dependency. That is the effect of the work provisions that were attached to the Senate bill. Here is what they would do, in a nutshell:

Let us suppose somebody goes on community service. They have to work under the new bill, they cannot get a job, so they go into community service, they are doing some kind of paperwork job in a clerk's office; OK.

If the Senate provision prevails, they will be getting at least a minimum wage plus food stamps, plus Medicaid, plus housing, plus access to 70 other Federal welfare programs; plus, if the Senate has its way, the right to get the earned income tax credit, the right to file worker's compensation. FICA taxes will be deducted. It will be some kind of a super employee status, and they will be working right next to somebody who is just getting that same minimum wage and is not getting any of those other things, and the reason is they never went on welfare.

So we will take a provision, the purpose of which was to make welfare less attractive than work, and will turn it around and make it more attractive than work, exactly the kind of welfare reform, quote, unquote, that was attempted in the 1980's and did not work and will not work now.

Mr. Speaker, we are helping for the first time poor people and their children. We are getting them off of welfare checks and onto paychecks. It is working. Let us not turn the clock back on that.

I am going to vote for the motion to instruct. I like the provision on Medicare. I think my colleague is right. I think we ought to make a statement to the Senate. Let us work together in conference on these other provisions. The House has reasonable protections for people in community service. We do require the payment of the minimum wage. We have protections against sex

discrimination. We have protections to make sure they work in a safe environment. But let us not load up the work requirements to the point that they are unaffordable to the State and that they make actual work unattractive vis-a-vis welfare.

I hope I can work with my colleagues in achieving that in conference. I think the motion to instruct in that respect is a step in the wrong direction. I am going to support it anyway, but let us talk about it in conference. Let us not gut the work provisions in a welfare bill that is working so well.

Mr. STARK. Mr. Speaker, I yield 1½ minutes to the distinguished gentleman from Maryland [Mr. CARDIN].

Mr. CARDIN. Mr. Speaker, I want to thank the gentleman from California [Mr. STARK] for yielding me this time, and really thank the gentleman from South Carolina [Mr. SPRATT] and Mr. STARK for bringing forward this motion to instruct our conferees to support the House position.

I would like to talk primarily on the Medicare provisions because we worked long and hard in this House to bring out a bipartisan bill on Medicare. The other body, in raising the eligibility from 65 to 67, have brought forward a major change in policy in Medicare without any public hearings on this side, without really thinking out what that policy would mean. We have provisions in our bill that set up a commission to look at the long-term solvency of Medicare, but by increasing the age from 65 to 67 we have not thought out how these individuals are going to receive health benefits.

Are we expecting the employer-provided health benefits to cover? If so, then we have one of the largest new mandates on the private sector with no idea how it is going to be funded. Do we expect our seniors 65 and 66 to pick up this cost, the extra five 5, 6, $7,000 a year? Can they afford it recently retired? I doubt it. Do we expect our seniors to go without any insurance coverage, to increase the number of uninsured?

These are questions that must be answered first before we increase the eligibility age for Medicare.

I urge my colleagues to support this motion to make it clear to our conferees to maintain the 65-year-old eligibility for Medicare. Let us make sure that we protect the solvency of Medicare as we have in the House provisions. I urge my colleagues to support the motion.

Mr. STARK. Mr. Speaker, I yield 1 minute to the distinguished gentlewoman from Connecticut [Mrs. KENNELLY].

Mrs. KENNELLY of Connecticut. Mr. Speaker, I rise to urge the Members to support the motion to instruct the conferees to prevent us from prematurely raising the age from 65 to 67 to qualify for Medicare.

Mr. Speaker, a few years ago a young President came to Washington, DC. He wanted to make sure everybody had health care. We all know what happened. We could not agree on a plan, and so we got no plan.

Last year we began again to move in that direction. The Kennedy–Kassebaum, anyone with preexisting conditions could get health care.

This year all we talk about is how do we get more kids covered with health care.

Now I look and see, what are we doing? We only have one area, one group of people who have universal health care. When someone becomes 65, take a sigh of relief. They have got Medicare. Why on one hand are we trying to cover more people and then, lo and behold, on the other side saying, "You that have it, we're going to take away, you're going to have to wait 2 years longer."

I think this is folly. The bill before us provides for a study. We should wait for that study and not act prematurely.

Mr. STARK. Mr. Speaker, I yield 1 minute to the distinguished gentleman from Ohio [Mr. KUCINICH].

Mr. KUCINICH. Mr. Speaker, I rise in opposition to the Senate's recent vote to raise Medicare's eligibility age from 65 to 67. Millions of seniors know they are being pushed toward an early retirement. If this provision were accepted today, 4 million seniors would no longer be eligible for Medicare and 200,000 would have no insurance at all. This ill-advised change will create gaps in health care coverage, gaps which could be covered only by expensive private insurance, which would further jeopardize seniors' retirement security or force seniors to forgo needed health care. The number of uninsured seniors would soon rise to almost 2 million.

Ultimately American families will be called upon to sacrifice the health of their parents or grandparents. That is where the real intragenerational financial challenge will be faced, in family budgets. Such hasty changes in Medicare will reduce public confidence in a program which has provided solid health care and security for tens of millions of Americans. We should protect Medicare, not weaken it with a proposal to increase the Medicare eligible age.

Mr. STARK. Mr. Speaker, I yield myself the balance of my time.

The SPEAKER pro tempore (Mr. GILLMOR). The gentleman from California is recognized for 1 minute.

Mr. STARK. Mr. Speaker, I close by suggesting that I am pleased that my colleagues will be supporting this motion to instruct on a bipartisan basis. Send a strong message to the Senate about our feelings.

But I want to warn my colleagues about the future. Any attempt to make Medicare a two-income-level plan, indeed to make it a welfare plan, could put the seniors in the same fate as second class Americans that we will be debating in the next 10 or 20 minutes, because once we allow any Medicare beneficiaries to become in any way suggested that they are welfare beneficiaries, we will see by the attitude that this House directs toward them what could be the sad fate of seniors.

□ 1200

So think about it. We must keep Medicare as a broad program in which all seniors participate, and as we change it, and we must do that, we must make sure that it does not become a two-class program, because Members will see the dangers in the future debate on this issue.

Mr. Speaker, I thank the distinguished chair of the Committee on the Budget and the ranking member and the chairman of the subcommittee for their courtesy.

Mr. SPRATT. Mr. Speaker, I ask unanimous consent to allocate 12 minutes, 6 minutes to the gentleman from Missouri [Mr. CLAY] and 6 minutes to the gentleman from Michigan [Mr. LEVIN], and ask that they be able to allocate and yield portions of their time to other Members.

The SPEAKER pro tempore (Mr. GILLMOR). Is there objection to the request of the gentleman from South Carolina?

There was no objection.

Mr. CLAY. Mr. Speaker, I yield myself 2 minutes.

Mr. Speaker, I rise in support of this motion. The Republican gentleman from California said that this motion is unnecessary because it is supporting the House position. That is untrue. The House-passed version of the budget reconciliation bill is destined to make second-class citizens out of those going from welfare to work. It establishes a class of workers who will be denied protections against age, sex, and racial discrimination.

The welfare workers will in fact be doing the same jobs as that performed by other workers. The House bill denies these workers the enforcement and remedial protections of the Fair Labor Standards Act. What have poor people done to deserve such cynical treatment by the Republican majority?

The pending motion instructs the conferees to reject the outrageous attack on people trying to escape the ravages of poverty and welfare. It also instructs the conferees to recognize that workfare recipients are worthy of the same dignity and equal protection afforded other workers.

The motion instructs conferees to accept the House language concerning sexual harassment and occupational health provisions. It instructs them to reject the sham grievance procedure under which victims of sexual harassment can only seek redress from the very agencies that employ them. Mr.

Speaker, this is contrary to what the gentleman from Missouri on the other side said. It is a sham procedure. There is no protection for them.

The House grievance procedure also fails to provide any means by which welfare workers may effectively refuse to work in dangerous and hazardous conditions. Under the House bill, these workers can be forced to work in toxic waste sites.

Mr. Speaker, the pending motion is very simple: Preserve the promise we have made regarding Medicare eligibility, protect workfare participants like we protect other workers, and make sure these protections are backed up by credible due process and effective remedies for redress.

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

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

Mr. Speaker, the gentleman from California asked why we wanted a recorded vote. The reason is because there are several parts of this motion to instruct. One of them relates to Medicare and the age parameters, but another part relates to whether people who move from welfare to work should be treated as first-class citizens and should be covered by FLSA.

When Members vote, whoever does, for this motion to instruct, they are essentially saying, we reject the House position that takes people who are moving from welfare to work out from under the minimum wage and other protections of FLSA. That is what Members are doing when they vote, if they do, for the motion to instruct.

We want everybody on record on this because it is very important. Contrary to what the other gentleman from Missouri said, this is an effort to implement the welfare bill. This is to make sure, as people move from welfare to work, who are workers, that they be treated as workers and not as second-class citizens.

The history of this is the following, quickly: The original Committee on Ways and Means proposal in the House would exempt all of the people who are under TANF from protection of minimum wage and other protections, health and safety and others, under the Fair Labor Standards Act. We protested.

So then what was finally done was to say even if they would be classified as employees, they would still not be considered as protected under the Fair Labor Standards Act, but let us be sure they have minimum wage and, unlike the original House Republican proposal, we will not allow the State to deduct medical care, child care, or housing assistance. But they still do not have the protections under Federal law if they are not paid the minimum wage. They still do not have protections against sexual harassment.

Let me just ask, as someone moves from welfare to work, as they should, why should they not have protection against sexual harassment? No, this is not a question of making welfare less attractive. This is an issue of treating people who move from welfare to work as workers. It is carrying out the basic premise of welfare reform, and that is the dignity and integrity of work. That is what this is all about.

We won only part of this fight in the committee. We want to win the rest of this fight today on the floor of the House in the motion to instruct. Let there be no mistake about it, that is our purpose, to implement welfare reform. The excuse was States would not be able to implement the participation requirements if we put people under FLSA. But Members put them, the majority, under some form of minimum wage, which would be the main barrier to States, and everybody acknowledges they are going to be able to meet these participation requirements in the next several years.

Then the argument was, well, we are going to create bookwork. My answer to that is, Mr. Speaker, I do not want to create unnecessary bookwork, but I want to make sure that people who move from welfare to work, which I very much favor, are treated, as is the promise of welfare reform, as first-class citizens of the United States of America.

Mr. Speaker, I urge support for the motion to instruct on this record rollcall.

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

Mr. HOBSON. Mr. Speaker, I yield 5 minutes to the gentleman from Florida [Mr. SHAW].

Mr. SHAW. I thank the gentleman for yielding me this time, Mr. Speaker.

Mr. Speaker, I guess we should start out the argument in this particular phase of where we are today as "been there, done that." As a minority party, we have been there, we have done that. Now I think it is a question of whether or not we are going to record a vote. Of course we are going to record a vote. We have been there, we have done that, too.

What do we do? We try to get this thing couched in a way that could cause some embarrassment to the majority. We have been there, we have done that. So let us get rid of the question of whether or not they are acting unfairly, because we have been there and we have done that.

I would like to take a close look at the motion that is before us. The first item talks about, oh, we are not going to raise the retirement age as far as receiving Medicare until age 67. The first generation that is going to have to wait until the age of 67 are those born in 1960, so let us not talk about senior citizens, because we are not. They are totally unaffected. Even people in my age category are unaffected by what the Senate is going to do.

Are we going to support the House position? Of course we are. So we get by that one.

Then I want to go down to the third one. The third one reads that the motion insists on the House provisions that prohibits sex discrimination in all work activities and assures health and safety protection for all participants. Are we going to support the House position? Of course we are. We wrote it. We negotiated it.

I might tell my Democrat friends that they had input in it, and we received some of their input, and together we wrote some of these provisions. Are they going to support that? Of course they are. Are we going to support that? Of course we are, because we put it in the bill.

But let us take a look at the second provision in the motion to instruct. That says that the motion rejects language in the House bill that treats certain TANF participants as nonemployees, therefore denying them protection under the Federal antidiscrimination laws: the Fair Labor Standards Act, OSHA, and other workers' protection.

Let us take a close look at that. Let us look at existing law, the welfare bill that was signed into law by the President on August 22, 1996. That has a provision, a nondiscrimination provision, including, and I am reading directly from the legislation right now, "The following provisions of law shall apply to any program or activity which receives funds provided under this part."

Now what applies? We heard somebody talk about discrimination on race. We heard another Speaker say they can discriminate on age. Let us see what is in the law right now that we do not change, that we simply make this a part of.

The Age Discrimination Act of 1975, that applies to the people receiving these benefits. Section 504 of the Rehabilitation Act of 1973, that applies to people receiving benefits and having to work for their benefits under this bill. The Americans with Disabilities Act of 1990, it applies. We do not take that away. Title VI of the Civil Rights Act of 1964, that applies. It is in the bill. Read the law. Read the law for once and quit posturing.

Then what we do is that we go back and we add to those antidiscrimination provisions. We have a provision as to health and safety. We have another provision as to sex discrimination. I am reading right from it. It says, "In addition to the protections provided under the provisions of law specified in section" so and so, "an individual may not be discriminated against with regard to participation in work activities by reason of gender." That is in here. Read it. That is in the House bill.

I think it is important that we look and see how far we have come. We have taken the provisions and the safety

provisions that are presently in the existing welfare bill and we build upon them. We build upon them, to be sure that workers have more rights.

Now, the question is, is there a remedy? Yes, we provide in here that the States have to set up a remedy. Now, with regard to the Civil Rights Act and other Federal laws that I just made reference to, their remedy is just as it always has been and it is for any worker, whether it be through the courts or a complaint to the Federal Government. But we set up a provision that requires the States to set up a remedy with regard to some of these other provisions if people are discriminated against.

Mr. Speaker, these are important things to realize. I would like to point to one other provision that was something that was very, very heavily supported by the Democrats. That is a provision that could be, could be seen as discrimination. We cannot displace an existing worker with somebody who is on welfare. That is something that I think Members want in the bill. Is that discrimination? Yes, I would say that is discrimination. If we cannot fill that position and let somebody go because you are going to fill it with somebody coming off of welfare, that is, but I think my Democrat friends would insist upon that, and it makes sense. We went along with it. So I think what we have to do, and I would say here in closing that I have no problem with the motion to instruct. Is it a political document? Of course it is. Does it have any effect of law? Does it bind the negotiators? No, it does not. Does it do any harm? No, it does not. Am I going to vote for it? Of course I am going to vote for it. There is nothing in here that is inconsistent with my responsibility as a conferee, and I intend to support it.

□ 1215

Mr. CLAY. Mr. Speaker, I yield 1 minute to the gentleman from California [Mr. MILLER].

Mr. MILLER of California. Mr. Speaker, it is an interesting refutation we just heard. What we heard is that with respect to people who are struggling to get off of welfare, the Republicans are prepared to take care of old disabled people. We thought they would do that anyway.

But the fact of the matter is for the workers under this legislation that they have sent to conference, those workers who are struggling to get off of welfare, who have taken the direction of this Congress, they are second-class citizens with respect to the protections that other workers receive. That is a matter of the law in the bill that we have sent to the conference committee.

That is true with respect to sexual harassment. That is true with respect to the minimum wage. That is true with respect to worker protections under OSHA. We have to ask ourselves, why is it the Republicans are so hell bent, so hell bent on punishing working people?

Earlier we saw that they wanted to deny them the minimum wage. Then they wrote a tax bill that showered the benefits onto the wealthy. Now we see, to balance the budget, they have decided that people who go on welfare should not be given the same benefits as other people they are working alongside of in the workplace.

It simply is not fair. It is inequity, and it is simply un-American with respect to the treatment of working people. Working people deserve better and that is why we are going to ask for a vote on the motion to instruct.

Mr. HOBSON. Mr. Speaker, I yield 30 seconds to the gentleman from Florida [Mr. SHAW].

Mr. SHAW. Mr. Speaker, I would like to read directly from the House bill. Health and safety standards, that is OSHA, established under Federal and State law otherwise applicable to working conditions of employees shall be equally applicable to working conditions of participants engaged in a work activity.

Mr. LEVIN. Mr. Speaker, I yield myself the balance of my time.

Mr. Speaker, I say to my friend from Florida, look, there is a reference to health and safety that was put in after we protested. But there is no Federal protection of that right.

Why should people be treated as second class citizens as they move from welfare to work? Why should they not have the same protections as other people, the full dignity and integrity of work? In the list he read earlier, there is no protection against sexual harassment or against employment discrimination. So they are trying in a sense to finesse the issue on the majority side.

We have been able to move this along but not to the point where people who work are first class citizens whether they are on welfare or not.

Our basic premise is this: People who work, surely those who move from welfare to work, as I believe they should, and I supported the welfare bill, should have the same protections as all other employees. If they are employees under FLSA, they are employees. And you have been trying to cut this in pieces.

What we are saying is, let us keep it whole. That is what people in this country deserve. That is the intent of the law.

This motion to instruct says, follow FLSA as it applies to all employees.

Mr. CLAY. Mr. Speaker, I yield 3 minutes to the gentleman from Michigan [Mr. BONIOR].

Mr. BONIOR. Mr. Speaker, the Republican tax-and-spend bills that we are debating here this afternoon help the biggest and reward the richest and the biggest corporations, and they punish America's working families. My colleagues across the aisle know it, and the American people know it.

This Republican spending bill turns hardworking Americans into, as my colleagues have just said on the floor, second class citizens. This bill contains provisions that permit and even encourage employers to deny basic rights and protections to hardworking Americans doing an honest day's work, provisions that say that it is OK to deny some Americans safe working conditions, provisions that say that it is OK to deny some Americans their right under the Family and Medical Leave Act, denying them the right to choose their jobs, making sure that they do not have to deal with the choice between the job that they need and the family they love, provisions that say that it is OK to deny some Americans protection from sexual harassment.

This bill says that some Americans are less than equal, that they do not deserve the same rights as other Americans, that it is OK to create a subclass of citizens. That is not just a slippery slope, it is a jagged cliff.

If all Americans do not share the same rights, then none of us have them. Think about a mother who is working to support her children. This spending bill permits, it even encourages her boss to ignore the most basic safety rule. It allows him to sexually harass her without fear of punishment. Who would put their sister, their daughter, their mother in such a demeaning, compromising situation without any recourse? The Republicans want to write this into law.

This Republican spending bill does very little to protect children's health. Every day in America 3,300 children lose their health insurance. In the bipartisan budget agreement, Republicans promised to cover half of America's 10 million uninsured children. This bill abandons that promise. It abandons these children. Under this bill, only about 500,000 children will get health care, and even that figure is in dispute.

To make matters worse, this bill shortchanges funding for children's hospitals. This Republican spending bill is an attack against the American principles of fairness and opportunity. This Republican spending bill is an attack on our rights. This Republican spending bill is an attack against American working families, as is the bill that we will discuss in a little while that deals with the tax reconciliation, helping the rich at the expense of working Americans.

I urge my colleagues to vote for the motion to instruct so we do not have to have a subclass of American citizens and so that we can ensure that our citizens are protected in health care.

Mr. HOBSON. Mr. Speaker, I yield 2 minutes to the gentleman from Georgia [Mr. LINDER].

Mr. LINDER. Mr. Speaker, I thank the gentleman for yielding me the

time. This whole discussion has sort of an Alice in Wonderland quality about it. We are talking as though hard working American citizens are being denied basic rights of employment.

These are welfare recipients. These are people who have been on welfare for 2 years and did not get a job after 2 years, as the welfare reform requires. So they are doing 20 hours a week of public service. They are getting $8.50 to $9 an hour in cash and noncash welfare benefits without working for it, and they are providing 20 hours a week of public service because they did not get a job as the law requires.

Now they want to require, in addition, they get minimum wages on top of that. For that, they get all the protections of the Fair Labor Standards Act, so they could possibly maybe get unemployment benefits, too, when they quit the job, and all the other benefits that accrue to people who go out and work for a living, find a job and support their family the way the rest of America does.

It is dishonest, it seems to me, or at least misleading to try and convince America that these are hardworking people just trying to raise their families when in fact they are welfare recipients, getting $8.50 to $9 an hour in benefits from the taxpayers already, who now want to be paid for public service because they refuse to go to work.

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

Mr. HOBSON. Mr. Speaker, I yield the balance of my time to the gentleman from Florida [Mr. SHAW].

Mr. SHAW. Mr. Speaker, as we come to the closure of the debate on this, I would like to not only compliment the chairman of the Committee on the Budget, the gentleman from Ohio [Mr. KASICH], but also the gentleman from South Carolina who, together with the Republicans and his Democrats, sought out a lot of middle ground in working this process through to bring the House bill to the floor.

The provisions complained of in the motion to instruct are harmless. It accepts the House provision in the first and the last provision within the motion to instruct. The second provision is written in such a way, I think, to mislead people that the House provision was blind to the protections that workers would have.

I would encourage all Members on this side of the aisle to go ahead and support the motion. It does no harm to the House position. I think, as a matter of fact, my interpretation of it is in very strong support of the House position, and that is where the conferees should start out and hopefully end up on a lot of these provisions.

I do want to make it very clear, however, to Members listening to the debate that what we are talking about when we talk about some of these things that might be missing such as unemployment compensation, FICA, some of these other provisions that are the only benefits that these people are not receiving, when they go into the private sector, they will receive full benefits.

There is no discrimination against people when they become employees when coming off of welfare. As a matter of fact, we do everything we can to get them out there in a permanent job in the private sector where they receive all the benefits.

This is not a question of class warfare, class distinction, or taking away the rights of the American workers. They are fully protected as they should be protected. We are talking only about the provision when they are doing public service jobs so that they do not lose their benefits. That is what is important.

Mr. SPRATT. Mr. Speaker, I yield myself the balance of my time.

We bring this motion to instruct conferees because we are in the minority. This is a way we have, one of the few devices we have to register our views on things that are important.

There is no question about it. Medicare age eligibility is fundamentally important. We want to register the House position on that.

Second, it is fundamentally important to us also to say that everybody, every American, because of his status as an American, is entitled to the fundamental protection of the laws of the land, which is what the Federal Labor Standards Act is.

The simple way to accomplish that is to say that you are a worker within the definition of the Federal Fair Labor Standards Act, except to the extent that this protection does not apply. That is what we are seeking here, to give them the broad protection of the law that has been the law of the land for more than 50 years. I was pleased to hear that my colleagues, the other side of the aisle, will be supporting this motion to instruct, and I assure the Chair that when the time comes we will be asking for a record vote because this is a matter of importance, both of these issues, on which we want to register the views of the House as we go into this conference.

Mr. STENHOLM. Mr. Speaker, I rise in support of this motion, but I bring a somewhat different perspective to this debate. I find myself in agreement with much of what has been said by my Republican colleagues about the need to deal with both of these issues. I agree with the substance of both proposals addressed in this motion.

A gradual increase in the eligibility age for Medicare must be part of a serious effort to reform entitlement programs to preserve them for future generations. I think most of us recognize that the budget agreement is a very humble first step in dealing with the long-term needs of the major entitlements. Bringing the eligibility age of Medicare in line with Social Security is a fair and reasonable reform that would have a tremendous long-term benefit for the Medicare Program. However, I do agree that it is reasonable for this issue to be considered in the context of overall Medicare reform where we can consider the various ramifications of this change on retirees, employers, the health system, and so forth.

With regard to the second provision, I am concerned that a well-intentioned effort to protect welfare recipients will harm the very people that we are trying to protect. Many States have instituted community service and work experience programs as a safety net for welfare recipients who do not have the skills or experience to obtain private sector employment before they lose eligibility for cash assistance. Community service jobs often provide experience for these individuals then to be hired by private employers. If we apply all labor laws to community service programs, many States who sincerely want to help welfare recipients will find it too cumbersome and complex to operate a community service program, leaving welfare recipients with no source of income when they lose eligibility for cash assistance. States that rely on nonprofit organizations to provide community service jobs for welfare recipients will have a hard time continuing these programs because very few nonprofit organizations are willing to accept the legal obligations and liabilities associated with being classified as an employer. I don't believe that any of us want to eliminate this portion of the welfare safety net, but that will be the consequence if we do not take action on this issue.

However, I support this motion because I question the ability to adequately deal with these issues within budget reconciliation. These are very controversial and complex issues that should be reviewed and debated on their own merits. I believe that both of these issues would receive strong support in Congress if they were considered separately.

As someone who is very interested in taking constructive action on both of these matters, I am concerned that the politically charged context of the budget agreement will prevent a serious discussion of these issues. Allowing these matters to be consumed by the rhetoric in the budget debate will make it much more difficult to make any real progress on either issue. For this reason, I would encourage all Members who want to deal with these issues in a constructive manner instead of allowing them to be exploited for political purposes to vote for this motion.

The SPEAKER pro tempore (Mr. GILLMOR). Without objection, the previous question is ordered on the motion to instruct.

There was no objection.

The SPEAKER pro tempore. The question is on the motion to instruct offered by the gentleman from South Carolina [Mr. SPRATT].

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. SPRATT. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 414, nays 14, not voting 6, as follows:

[Roll No. 257]

YEAS—414

Abercrombie
Ackerman
Aderholt
Allen
Andrews
Archer
Bachus
Baesler
Baker
Baldacci
Ballenger
Barcia
Barrett (NE)
Barrett (WI)
Bartlett
Bass
Bateman
Becerra
Bentsen
Bereuter
Berman
Berry
Bilbray
Bilirakis
Bishop
Blagojevich
Bliley
Blumenauer
Blunt
Boehlert
Boehner
Bonilla
Bonior
Bono
Borski
Boswell
Boucher
Boyd
Brady
Brown (CA)
Brown (FL)
Brown (OH)
Bryant
Bunning
Burr
Buyer
Callahan
Calvert
Camp
Canady
Cannon
Capps
Cardin
Carson
Castle
Chabot
Chambliss
Chenoweth
Christensen
Clay
Clayton
Clement
Clyburn
Coble
Coburn
Collins
Combest
Condit
Conyers
Cook
Cooksey
Costello
Cox
Coyne
Cramer
Crane
Crapo
Cubin
Cummings
Cunningham
Danner
Davis (FL)
Davis (IL)
Davis (VA)
Deal
DeFazio
DeGette
Delahunt
DeLauro
DeLay
Dellums
Deutsch
Diaz-Balart
Dickey
Dicks
Dingell
Dixon
Doggett
Dooley
Doolittle
Doyle
Dreier
Duncan
Dunn
Edwards
Ehlers
Emerson
Engel
English
Ensign
Eshoo
Etheridge
Evans
Everett
Ewing
Farr
Fattah
Fawell
Fazio
Filner
Flake
Foglietta
Foley
Forbes
Ford
Fox
Frank (MA)
Franks (NJ)
Frelinghuysen
Frost
Furse
Gallegly
Ganske
Gejdenson
Gekas
Gephardt
Gibbons
Gilchrest
Gillmor
Gilman
Gonzalez
Goode
Goodlatte
Goodling
Gordon
Goss
Graham
Granger
Green
Greenwood
Gutierrez
Gutknecht
Hall (OH)
Hall (TX)
Hamilton
Hansen
Harman
Hastert
Hastings (FL)
Hastings (WA)
Hayworth
Hefley
Hefner
Herger
Hill
Hilleary
Hilliard
Hinchey
Hinojosa
Hobson
Hoekstra
Holden
Hooley
Horn
Hostettler
Houghton
Hoyer
Hulshof
Hunter
Hutchinson
Hyde
Inglis
Istook
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Jenkins
John
Johnson (CT)
Johnson (WI)
Johnson, E. B.
Jones
Kanjorski
Kaptur
Kasich
Kelly
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
Kilpatrick
Kim
Kind (WI)
King (NY)
Kingston
Kleczka
Klink
Klug
Knollenberg
Kucinich
LaFalce
LaHood
Lampson
Lantos
Largent
Latham
LaTourette
Lazio
Leach
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Linder
Lipinski
Livingston
LoBiondo
Lofgren
Lowey
Lucas
Luther
Maloney (CT)
Maloney (NY)
Manton
Manzullo
Martinez
Mascara
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McCrery
McDade
McDermott
McGovern
McHale
McHugh
McInnis
McIntosh
McIntyre
McKeon
McKinney
McNulty
Meehan
Meek
Menendez
Metcalf
Mica
Millender-McDonald
Miller (CA)
Miller (FL)
Minge
Mink
Moakley
Molinari
Mollohan
Moran (KS)
Moran (VA)
Morella
Murtha
Myrick
Nadler
Neal
Nethercutt
Neumann
Ney
Northup
Norwood
Nussle
Oberstar
Obey
Olver
Ortiz
Owens
Oxley
Packard
Pallone
Pappas
Parker
Pascrell
Pastor
Paul
Paxon
Payne
Pease
Pelosi
Peterson (MN)
Peterson (PA)
Petri
Pickering
Pickett
Pitts
Pombo
Pomeroy
Portman
Poshard
Price (NC)
Pryce (OH)
Quinn
Radanovich
Rahall
Ramstad
Rangel
Redmond
Regula
Reyes
Riley
Rivers
Rodriguez
Roemer
Rogan
Rogers
Ros-Lehtinen
Rothman
Roukema
Roybal-Allard
Royce
Rush
Ryun
Sabo
Salmon
Sanchez
Sanders
Sandlin
Sawyer
Saxton
Schaefer, Dan
Schaffer, Bob
Schumer
Scott
Sensenbrenner
Serrano
Sessions
Shaw
Sherman
Shimkus
Shuster
Sisisky
Skeen
Skelton
Smith (MI)
Smith (NJ)
Smith (OR)
Smith (TX)
Smith, Adam
Smith, Linda
Snowbarger
Snyder
Solomon
Souder
Spence
Spratt
Stabenow
Stark
Stearns
Stenholm
Stokes
Strickland
Stump
Stupak
Sununu
Talent
Tanner
Tauscher
Tauzin
Taylor (MS)
Taylor (NC)
Thomas
Thompson
Thornberry
Thune
Thurman
Tiahrt
Tierney
Torres
Towns
Traficant
Turner
Upton
Velázquez
Vento
Visclosky
Walsh
Wamp
Waters
Watkins
Watt (NC)
Watts (OK)
Waxman
Weldon (FL)
Weldon (PA)
Weller
Wexler
Weygand
White
Whitfield
Wicker
Wise
Wolf
Woolsey
Wynn
Yates
Young (AK)
Young (FL)

NAYS—14

Barr
Barton
Campbell
Ehrlich
Fowler
Johnson, Sam
Kolbe
Porter
Riggs
Rohrabacher
Sanford
Scarborough
Shadegg
Shays

NOT VOTING—6

Armey
Burton
Markey
Schiff
Skaggs
Slaughter

□ 1248

Messrs. ROHRABACHER, PORTER, SHAYS, RIGGS, BARR of Georgia, BARTON of Texas, and Mrs. FOWLER changed their vote from "yea" to "nay".

Ms. DEGETTE and Mr. BLUNT changed their vote from "nay" to "yea."

So the motion to instruct was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

The SPEAKER pro tempore. Without objection, the Chair appoints the following conferees:

For consideration of the House bill, and the Senate amendment, and modifications committed to conference: Messrs. KASICH, HOBSON, ARMEY, DELAY, HASTERT, SPRATT, BONIOR, and FAZIO of California.

As additional conferees from the Committee on Agriculture, for consideration of title I of the House bill, and title I of the Senate amendment, and modifications committed to conference: Messrs. SMITH of Oregon, GOODLATTE, and STENHOLM.

As additional conferees from the Committee on Banking and Financial Services, for consideration of title II of the House bill, and title II of the Senate amendment, and modifications committed to conference: Messrs. LEACH, LAZIO of New York, and GONZALEZ.

As additional conferees from the Committee on Commerce, for consideration of subtitles A–C of title III of the House bill, and title IV of the Senate amendment, and modifications committed to conference: Messrs. BLILEY, DAN SCHAEFER of Colorado, and DINGELL.

As additional conferees from the Committee on Commerce, for consideration of subtitle D of title III of the House bill, and subtitle A of title III of the Senate amendment, and modifications committed to conference: Messrs. BLILEY, TAUZIN, and DINGELL.

As additional conferees from the Committee on Commerce, for consideration of subtitles E and F of title III, titles IV and X of the House bill, and divisions 1 and 2 of title V of the Senate amendment, and modifications committed to conference: Messrs. BLILEY, BILIRAKIS, and DINGELL.

As additional conferees from the Committee on Education and the Workforce, for consideration of subtitle A of title V and subtitle A of title IX of the House bill, and chapter 2 of division 3 of title V of the Senate amendment, and modifications committed to conference: Messrs. GOODLING, TALENT, and CLAY.

As additional conferees from the Committee on Education and the Workforce, for consideration of subtitles B and C of title V of the House bill, and title VII of the Senate amendment, and modifications committed to conference: Messrs. GOODLING, MCKEON, and KILDEE.

As additional conferees from the Committee on Education and the Workforce, for consideration of subtitle D of title V of the House bill, and chapter 7 of division 4 of title V of the Senate amendment, and modifications committed to conference: Messrs. GOODLING, FAWELL, and PAYNE.

As additional conferees from the Committee on Government Reform and Oversight, for consideration of title VI of the House bill, and subtitle A of title VI of the Senate amendment, and modifications committed to conference: Messrs. BURTON of Indiana, MICA, and WAXMAN.

As additional conferees from the Committee on Transporation and Infrastructure, for consideration of title VII

of the House bill, and subtitle B of title III and subtitle B of title VI of the Senate amendment, and modifications committed to conference: Messrs. SHUSTER, GILCHREST, OBERSTAR.

As additional conferees from the Committee on Veterans' Affairs, for consideration of title VIII of the House bill, and title VIII of the Senate amendment, and modifications committed to conference: Messrs. STUMP, SMITH of New Jersey, and EVANS.

As additional conferees from the Committee on Ways and Means, for consideration of subtitle A of title V and title IX of the House bill, and divisions 3 and 4 of title V of the Senate amendment, and modifications committed to conference: Messrs. ARCHER, SHAW, CAMP, RANGEL, and LEVIN.

As additional conferees from the Committee on Ways and Means, for consideration of titles IV and X of the House bill, and division 1 of title V of the Senate amendment, and modifications committed to conference: Messrs. ARCHER, THOMAS, and STARK.

There was no objection.

APPOINTMENT OF CONFEREES ON H.R. 2014, TAXPAYER RELIEF ACT OF 1997

Mr. KASICH. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 2014) to provide for reconciliation pursuant to subsections (b)(2) and (d) of section 105 of the concurrent resolution on the budget for fiscal year 1998, with a Senate amendment thereto, disagree to the Senate amendment, and agree to the conference asked by the Senate.

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

There was no objection.

MOTION TO INSTRUCT OFFERED BY MR. RANGEL

Mr. RANGEL. Mr. Speaker, I offer a motion to instruct the conferees.

The Clerk read as follows:

Mr. RANGEL moves that the managers on the part of the House at the conference on the disagreeing votes of the two Houses on the bill, H.R. 2014, be instructed to work in a bipartisan fashion to provide fair and equitable tax relief to working families and avoid large and growing out-year revenue costs. In doing so, the conferees shall, within the scope of the conference,—

1. Recede from their insistence on the provision of the House bill that provides for indexing of capital assets,

2. Support tax relief that provides a family credit commonly referred to as the $500-per-child credit, to working families, who pay Federal taxes,

3. Support tax provisions designed to assist working families in meeting the costs of college education and those provisions shall—

a. Include a HOPE Scholarship credit for the first 2 years of postsecondary education consistent with the objectives of the HOPE Scholarship credit proposed by the President so that students attending low-cost community colleges are not disadvantaged,

b. Include tax benefits for families paying tuition costs for the second 2 years of postsecondary education out of wages and salary income, and

c. Not include the provisions of the House bill that impose new taxes on graduate students receiving tuition waivers.

Mr. RANGEL (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

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

There was no objection.

The SPEAKER pro tempore. Pursuant to clause 1 of rule XXVIII, the gentleman from New York [Mr. RANGEL] and the gentleman from Ohio [Mr. KASICH] each will control 30 minutes.

The Chair recognizes the gentleman from New York [Mr. RANGEL].

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

My colleagues, my motion is to move that the managers on the part of the House conference be instructed to work in a bipartisan fashion in order to avoid this historic piece of legislation from being vetoed by the President of the United States.

No one can challenge that our President has gone through great lengths to achieve what is hoped to be a bipartisan agreement as relates to the budget and as relates to taxes. There are sharp disagreements on both sides of the aisle as to how this should be done, and the President has made it abundantly clear that the House bill and the Senate bill, in its present form, would be subject to a veto.

It seems to me, however, I think that some of the things that we can ask those that are in conference to look at is to question, where both sides agree that we are seeking to give middle-income tax relief, that calling people who do not make much money but do have tax liability as being welfare recipients, this would not be the climate in which to create a bipartisan agreement.

When the President and this Congress says it wants to give assistance to middle-class working people, I do not really believe that Republicans or Democrats have the right to set the income level that says that these people deserve or not deserve the child credit.

The second thing is that we did not come into this agreement in order to fix capital gains. It may be a passion with some, but the President has made it abundantly clear that indexing is not a part of what he thinks should be in this bill. It would seem to me, if we want a bill rather than a confrontation, that we should consider removing this obstacle in the bill so that the President can pass it.

And last, I think that some support should be given to the executive as he maps out and assumes the responsibility for an education opportunity. All of us recognize that more emphasis is being placed today on our jails, on police, and on penitentiaries than it is on kids and to prepare them for college, to make sure that they are productive, to give them the hopes and the dreams and the jobs that are necessary so that we can move our country forward.

The President feels very strongly about this, and I would encourage the conferees to try to work with the President to make certain that the educational mandates that he has there would allow him to be able to sign the bill.

□ 1300

I want to thank the gentleman from Texas [Mr. ARCHER], the chairman of the committee, for confiding with me his willingness to be flexible and me just going to conference, I think, would already display the flexibility that I have in trying to reach agreement.

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

Mr. KASICH. Mr. Speaker, I yield myself 4½ minutes. I would just like to talk about a concern I have in the nature of this debate. I think it was Abraham Lincoln who said that you never can build up a poor man by tearing down a rich man.

The interesting thing is I see us, particularly officials within the administration, beginning to engage in a debate to try to rekindle the flames of class warfare. One of the things that has been confusing to me in this debate is if we take a look at the tax bill that we have before us, we have, Mr. Speaker, the big bulk of this tax bill relating to the child tax credit, $500 for every child under the age of 17 whose income levels are under $100,000. That is a very costly provision in the tax bill. It eats up a whole lot of the amount of money that is available under the tax cut program.

Another provision in the tax bill is the education credits, which I strongly support and I frankly want to commend the administration for making a priority. Obviously, it is very difficult for mothers and fathers to educate their children. While we need to work on those reasons why college education grows at rates far beyond the rate of inflation, it is also necessary that moms and dads have a chance to educate their kids. And anything that we can do to begin to relieve the stress of time, the time burdens on moms and dads and families in this society is very positive. That is another thing that applies, of course, to the middle class.

We have the family tax credit, and we also have the education credit. Then when we talk about the issue of capital gains, I think it is fair to say that there are many people who are middle-income folks who have sat on their homes, their farms, and their investments for a long period of time who do not believe they ought to be punished for taking a risk and who really believe that over time they

should not be paying taxes on inflation, which is what this indexing provision is all about.

Mr. Speaker, let me also suggest, though, that I think we have a serious problem in our country with the growing difference between the rich and the rest of Americans. There are a lot of things that have to be done to resolve that problem, including education. But beyond that, part of the reason why our workers have wages that are not advancing is because frankly they have not had the tools to compete and win. Our savings rate, our investment rate is very low. If we expect the members of the All-Star team, Mark McGwire, to stand up at the plate and try to hit a home run with a Little League bat, I do not think he is going to be very successful. But if we are interested in having McGwire have that big major league bat and Americans have major league investments and major league equipment, it is necessary to provide incentives for people of means to take risks. It is not confusing in our society for people who have means to not take risks if there is no incentive. I not only believe the capital gains tax cut will apply to middle-income people, it will apply to people of means. But to punish and beat them down is going to mean that they harbor their money and the people we are very concerned about, which are middle-income workers who are spending more time working and getting less gain for it, they need to be given the tools. Part of the way in which they get the tools is through an investment strategy and a Tax Code strategy that provides reasons for people to invest their resources so that our workers can compete and win.

I think this is a problem that we have got in the country that needs to be addressed. I think this tax bill is, by and large, a fair tax bill. Let me just suggest again, as we were fighting about trying to fight off the notion of a generational war of dividing Americans, the idea that we should engage in a class warfare in this country and try to convince one group of Americans that the reason they do not have is because somebody else ripped them off is the last thing we need in our country. We need healing. We need unity.

I think when we take a look at this bill, when we look at the child tax credit and when we take a look at the education credit, it is very hard to argue that this program is skewed toward the wealthiest of Americans. But at the same time let us not beat people down who have had the bypasses and spent time away from their family to provide jobs for Americans just like my mom and dad.

Mr. Speaker, I ask unanimous consent to yield the balance of my time for purposes of distribution to the gentleman from Illinois [Mr. CRANE].

The SPEAKER pro tempore Mr. GILLMOR. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. CARDIN. Mr. Speaker, I yield such time as she may consume to the gentlewoman from the Virgin Islands [Ms. CHRISTIAN-GREEN].

Ms. CHRISTIAN-GREEN. Mr. Speaker, I rise in support of the motion to instruct conferees on H.R. 2014 and in opposition to the increase in airline taxes, especially as it affects travel to the Virgin Islands.

Mr. Speaker, I rise today, during the debate on the motion to go to conference on H.R. 2014, to voice my strong objection to those provisions of the Revenue Reconciliation Act of 1997 that would increase the taxes on airline passengers.

If these taxes become law, they will place a heavy burden on American citizens going to and from the Virgin Islands and hurt businesses in the territory. These provisions are particularly hard to accept because they will, for the first time, place an unprecedented excise tax on international travel.

The economy of the Virgin Islands is presently trying to recover from one devastating hurricane after another. Tourism is the largest segment of our economy. In the past year, nearly 500,000 primarily mainland U.S. residents visited the Virgin Islands by air.

The imposition of these new taxes, which at a minimum would mean an additional $31 per round trip ticket to the islands, could have a severe negative impact on our local economy.

Mr. Speaker, I thought this was the Congress of no new taxes. Apparently, I was wrong.

Don't pay for the new capital gains tax cuts my making it too expensive for average middle-class families to fly to the U.S. Virgin Islands for a much needed vacation and undermine our already fragile economy. I urge my colleagues to reject this new tax increase.

Mr. CARDIN. Mr. Speaker, I yield myself 7 minutes.

Mr. Speaker, I want to thank the gentleman from New York [Mr. RANGEL] for the motion to instruct because it points out one of the most important differences between the Republican tax bills and the Democratic position. That is, we want a tax bill but we want one that is fair, that provides tax relief to the people who need tax relief.

Both parties profess a desire to help middle-income taxpayers. We differ on the definition of what is middle income. That is understandable. But if we take the middle-income taxpayers, those that are between 20 percent of the income and 80 percent, so we eliminate those at the bottom quintile and the top quintile and then find where the tax relief is going, there is no dispute that under the Democrat position, over two-thirds of the tax relief will go to those that are in the middle income.

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

Mr. CARDIN. I yield to the gentleman from Washington.

Mr. McDERMOTT. Mr. Speaker, if what the gentleman says is true, why when the Republicans show us graphs does it always look like their bill gives all the benefit to the middle class, when he says that in fact they give it mostly to people at the top? How do they do that with the graphs?

Mr. CARDIN. I appreciate the gentleman asking me that question. What the Republicans are doing in making their presentation is that they are using 5-year numbers. They are not using the data that reflects the total implementation of the tax changes. Therefore, the indexing of the capital gains is not reflected, which basically will help wealthier individuals. The backloaded IRA's are not included in their recommendation. Again, that will help basically higher income people.

The estate tax provisions that are implemented over a long period of time, if we use the tax provisions that they recommend as fully implemented, less than one-third of the tax relief goes to those between 20 percent and 80 percent, the middle-income taxpayer.

Mr. McDERMOTT. The issue is at full implementation. They never talk about what happens way out, 10 years or beyond. That is really what the gentleman is saying, is it not?

Mr. CARDIN. The gentleman is correct. When we look at the tax proposals when fully implemented, under the Republican bill less than one-third of the tax relief goes to those that are of middle income, no matter what definition we use for middle income.

Mr. McDERMOTT. There is another issue that they keep raising with us, and that is that the rich people pay most of the taxes so why should they not get most of the benefit? That makes some sense, I guess, in some way, but when I go to my district, people say, well, it is the people at the bottom who need the benefit, not the people at the top. Where is the fairness? How does that work?

Mr. CARDIN. The gentleman raises a very good point. The truth is that our Tax Code is slightly progressive. That is, those in the upper incomes pay a slightly higher percentage of their income in taxes. But the people who are hurting, the people who are having a difficult time paying their grocery bills, the people who are having a difficult time sending their kids to college are not those in the upper 1 percent of our income bracket. If we want to provide relief to those who really need it, it is the middle-income taxpayer that is hurting and needs some relief.

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

Mr. CARDIN. I yield to the gentleman from California.

Mr. STARK. Mr. Speaker, I thank the gentleman for yielding. Picking up on the questioning of the gentleman from Washington, it would be my understanding that we were unable to find the funds to, say, give a working-class family any relief in either bill because if you get $1 million in capital

gain, it is my understanding you would save $80,000. That is 80,000 bucks to somebody who is making $1 million in capital gain. The person who is working as a teamster or a carpenter and, say, has no children is getting nothing, zip. That $80,000 as that capital, if you postpone selling that and the stock went up and up and up, that $80,000 would increase over time, and 5 and 10 years from now, the person working at $45,000 has still got nothing out of this bill.

Mr. CARDIN. The gentleman is correct. That is why under the Republican bill, the top 1 percent in income receive almost 19 percent of the benefits for the reason that the gentleman has pointed out. The large gains in capital, et cetera, are going to be the wealthiest who are going to get the benefit of it.

Mr. McDERMOTT. If the gentleman will yield further, putting in mind for me is the story I read in one of the major newspapers about the family of four living in a southern city, the father is a rookie policeman, makes $23,000 a year. Some people have been saying that the people that we want to give this child tax credit, that this is like giving welfare to them. This is a rookie policeman making $23,000. Under the Republican plan, he would get nothing. Under the President's plan he gets $767. I cannot understand how we cannot raise the issue of fairness, because it does not seem to me to call a policeman who is making $23,000 a welfare recipient because he is going to get an income credit, or a tax credit on the basis of his children. That to me is not a welfare person. That is a working person. I find that extraordinarily unfair.

Mr. CARDIN. The gentleman makes a very interesting point. It is interesting that that person actually pays over $2,700 in taxes and, if we put in the employer's share of FICA, pays over $4,500 in taxes. Under the Republican bill, that family would receive not a dime under the child credit.

Mr. McDERMOTT. Because they say he is not paying taxes. Are they not deliberately misleading people by saying he is not paying taxes when they mean he is not paying income taxes? He is paying FICA taxes. Those are Federal taxes.

Mr. CARDIN. The gentleman is correct. In fact, that person actually is paying some income taxes, paying about $600 in income taxes but they are paying FICA taxes and other taxes, that for many American families, the FICA tax is the largest amount of taxes that they pay. They need help. They are trying to raise their family. They are playing according to the rules. They are working 40 hours a week trying to support their family, in many cases even working second jobs. Under the Republican bill, they would be out of the child credit. It makes no sense, it is certainly not fair. I appreciate the gentleman bringing that to our attention.

We could give many, many more examples. A family with $50,000 of income, one child going to an average 2-year community college full-time, under the bill passed by this House, that family would get a $600 credit. Under the Democratic proposal, it is $1,100. On and on. That is why the motion to instruct the conferees as presented is a matter of fairness. I urge my colleagues to support it.

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

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

I have appreciated listening to some of the discussion on the other side of the aisle, notwithstanding the fact I think they misunderstand what the real source of the problem is. There was an interesting article that Milton Friedman recently wrote in the Wall Street Journal where he was pointing out the parallels in terms of average per capita income in this country versus that of Hong Kong, tiny little Hong Kong with 6 million people and the United States with 260 million and all the resources we have available here. In that article, he pointed out that, to be sure, our average annual income rates exceed those of Hong Kong. But if Hong Kong continues to function as it has, that is going to end in about 2 more years because of the astronomical growth there.

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The main distinction he made in his article was that their average per capita or payment of taxes, rather, as a percentage of GDP is 15 percent; ours averages 50 percent already in this country, and we are long overdue for significant tax relief, and put that money to work.

In addition to that, another distressing thing is to hear some of the figures quoted on the other side of the aisle coming from the Department of Treasury. Treasury is unbiased in making its submissions?

We have the Joint Committee on Taxation, which is a nonpartisan organization that did the analysis of the economic impact of the tax figures that we were working with in committee, and the Joint Committee on Taxation showed that in contrast to what the Democrats were touting at the time we passed the bill out of committee that our tax bill would give 93 percent of the tax relief to people making under $100,000 a year, and roughly 72 percent of that tax relief goes to people making under $75,000 a year. And by contrast, the figures that our distinguished ranking minority member held up representing what their proposal would do, it only gave 70 percent of that relief to people making under $100,000 a year, and that was based on Treasury figures, biased figures, if my colleagues will. I submit to my colleagues the Joint Committee on Taxation is a better reference source for making an analysis of these things.

Let me touch upon one other issue though, and that has to do with the objections we have heard from the administration and from some of our colleagues on the other side of the aisle about indexation, preserving indexation that is provided now for capital gains.

I fought for indexation of the Tax Code for over 25 years in this body, and I did not originate the idea, I got it from Milton Friedman, the distinguished economic scholar who formerly taught at the University of Chicago. And as Friedman explained back there a generation ago, absent indexation, what we are doing is permitting the Government to raise taxes in a subtle and undetectable way, and they do that by destroying the integrity of this piece of paper.

They say up here this note is legal tender, good for all debts, public and private. If we have a steady erosion of the integrity of that piece of paper, what we are experiencing over time is a progressive tax increase. And in 1981, mercifully we got incorporated in that monumental Tax Reform Act of that time, indexation of most of our Code so that people did not keep getting ratcheted into higher brackets with no improvement in their earning power, but rather the destruction of the integrity in the purchasing power of that piece of paper.

Now I tell my colleagues some people are extremely sensitive about this issue, and those are people that trace their roots in German history back to that period when their government totally destroyed the integrity of those pieces of paper over there.

When I taught history back 30 years ago, I used to have in my wallet a 50 mark note that was printed in Germany in 1914, about that size, fine quality paper, fine engraving, the ratio was about 4 to 1. And then I showed those kids a little piece of paper that size, printed just 9 years later. They did not even bother to print it on both sides. It was a 500 million mark note, and no German would have bent over to pick one of those out of the gutter.

Mr. Speaker, they had totally destroyed the integrity of their currency, and in the process they taxed their people out of existence, wiped out all of their savings, all of their investments, all their insurance, everything, and we all know the history that followed: that man with a charismatic appeal coming down the pike on his white horse, promising hope and salvation.

Mr. Speaker, we cannot blame the Germans in that state of desperation for falling for that appeal, but the fact of the matter is even though he was featured on the cover of Time magazine in the mid-1930's as Man of the

Year—and why? Because he had restored a sound currency, he built the autobahn and he put them all in VW's. We all know the rest of that story.

Mr. Speaker, I am telling my colleagues that indexation of that Tax Code is the only way we can protect individual citizens against this very clever, but very insidious means of imposing increased taxes on individuals without them realizing it.

Keep in mind that in 1970 President Nixon took us off the gold standard, and he did because the world price of gold had at that point jumped to about $45 an ounce, and this piece of paper was redeemable still at $35 an ounce. One could turn their paper in and get gold in return.

Gold today is $350 an ounce, and that is a commentary on the insidious erosion of the integrity of this piece of paper that has gone on as a result of inflation through the years, a hidden tax, if my colleagues will, and that is why it is absolutely essential that we preserve indexation of capital gains that is long overdue so that those people who were doing the things we were all counseled to do as kids, and that is to not blow it all at the end of the week on instant gratification, put something away for that proverbial rainy day. Do that, and get hammered repeatedly under our stupid absurd Tax Code, but this is especially true with investments that are made in the capital gains that are realized.

So if we want to enjoy a reduction in capital gains taxes, than guarantee that it stays in place, and we guarantee it stays in place by indexing that into the future.

Mr. Speaker, I yield 3 minutes to our colleague, the gentleman from Louisiana [Mr. MCCRERY].

Mr. MCCRERY. Mr. Speaker, I thank the gentleman for yielding me time to talk about this issue, basically the refundability of our child tax credit. That is a fancy word to mean that somebody gets something from the Government that they do not send in the first place. It is a negative income tax. We already have that in the form of the earned income credit. It is a very generous credit. One can get up to about $3,400 a year back from the Government without paying any income taxes. That is a good program because it encourages people to work rather than rely on cash welfare programs.

So I think all of us agree that the earned income credit is a valuable program, but it is already in place, and in fact we increased it in 1993. We made it more generous in an effort to help people who were making those low wages have a livable wage, a livable income for their families. That is in place.

What we are trying to do in this tax bill is give a break to those middle-class families that do pay income taxes. This is an income tax cut, so it does not make any sense for us to be here on the floor today talking about not an income tax cut, but basically an increase in what is essentially a welfare program, the earned income credit.

And that is what my friends on the other side are doing, trying to confuse the issue. We already have the welfare program in place. The earned income credit; I like it, I support it, but that is not what this bill is all about. This bill is about giving middle-class folks in this country who work hard and pay income taxes a break. Do not be confused.

So I would say to my good friends, "If you want to increase the earned income credit, let's talk about it. If you want to give a break in Social Security taxes, let's talk about it; or in Medicare taxes, let's talk about it. But you know very well if we do those things, there are consequences with respect to those programs."

I would also point out that if my colleagues want to talk about relief from payroll taxes such as Social Security taxes and Medicare taxes, they ought to know that those folks in our society who are at the lower end of the income scale and pay those payroll taxes are paying for very specific programs that they will benefit from, and in fact those programs and the tax system supporting those programs are very progressive. That is to say, those folks at the lower end of the income scale will get back in benefits much, much more than they ever pay in payroll taxes.

Mr. CARDIN. Mr. Speaker, I yield 2½ minutes to the gentleman from Michigan [Mr. LEVIN] a distinguished member of the Committee on Ways and Means.

Mr. LEVIN. Mr. Speaker, first of all let me respond to my friend from Louisiana. The way the President has shaped this, this is the question:

Should people who are paying income tax and/or payroll tax receive the child credit?

And essentially what my colleague is saying is the child credit should not go to people who are paying payroll taxes. Why? Because it is for a specific purpose.

I think taxes are for specific purposes, and we are willing to take this issue to the country. It is not welfare to say to somebody who has a couple of kids, who is paying net payroll taxes, we are going to give you a child credit. A lot of these people are middle-income taxpayers.

Now let me say a word about this 10-year versus 5-year analysis. The Joint Committee on Taxation has refused to give a 10-year analysis period. Why? For two reasons. A 10-year analysis will change the distribution and will show that increasingly from the fourth, fifth year on, more and more of the tax cut goes to very wealthy families. So they will not show, they do not come up with it.

Second, it will show, as the years go on, there is a greater danger of blowing a hole in the deficit.

So essentially the refusal of the Joint Committee on Taxation to come up with a 10-year versus a 5-year analysis is kind of a coverup, and it makes the figures of the gentleman from Illinois [Mr. CRANE] essentially half fact at best. This is a 10-year budget agreement. We need a 10-year analysis. Where is it?

Mr. Speaker, where is the gentleman's 10-year analysis? He does not have one.

So the gentleman can repeat his half fact, and at best it is a half fact, forever, and it is nothing more than a half fact.

The gentleman from New York [Mr. RANGEL] and I wrote to Mr. Keys yesterday. He said in an article, we will service Democrats equally with Republicans. We do not have an answer, and now I guess we are told it is going to be a number of weeks away. The CRS has said the Treasury Department analysis is more reliable than that of the Joint Committee on Taxation.

Republicans, come up with a 10-year analysis.

Mr. CRANE. Mr. Speaker, I yield myself 30 seconds to respond to my colleague across the aisle.

Show me any projection out over 10 years, whether it is Treasury, CBO, Joint Committee on Taxation, that is on target.

What I said before, though, was the Joint Committee on Taxation at least is comprised of bipartisan membership in contrast to Treasury.

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

Mr. CARDIN. Mr. Speaker, I yield 30 seconds to the gentleman from Michigan [Mr. LEVIN] to respond.

Mr. LEVIN. Mr. Speaker, I thank my friend for yielding this time to me.

So now, now the answer from the majority is we will not come up with a 10-year analysis because they are not reliable, even though this is a 10-year budget agreement. No, the reason the majority will not come up with a 10-year analysis is because the second 5 years show the maldistribution and show that they blow a hole in the deficit.

So I say again to the Joint Committee on Taxation, "Show your bipartisanship, give us a 10-year analysis right away."

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Mr. CARDIN. Mr. Speaker, I yield 2 minutes to the gentlewoman from Connecticut [Mrs. KENNELLY], a distinguished member of the Committee on Ways and Means.

Mrs. KENNELLY of Connecticut. Mr. Speaker, as I look at this motion to instruct conferees and read down the list, I see what could be a very, very fine bill for us to pass and have the conferees write and that could get a majority on both sides of the aisle.

No. 1, created from insistence on the provision of the House bill that provides for indexing of capital gains, this sounds like a sensible idea. However, we cannot afford to do it down the line. Too many people have sacrificed their hard-earned dollars to pay taxes to find out that we finally balanced the budget, and then down the line 5, 6, 7, 8 years from now, that deficit goes right back up. It is not fair, it is not right, and we should not do it.

I read down and I see about education. Every one of us in this House can agree that, if this country is going to compete, we have to educate our young people and all people, because jobs are changing. The HOPE scholarship, people like the HOPE scholarship. President Clinton campaigned on the HOPE scholarship. The people liked it so much they returned him to the White House. We should have that. We should have the whole HOPE scholarship, not 50 percent of it, in the bill that is written by the conferees.

Include tax benefits for families paying tuition costs for the second 2 years of post-secondary education. Mr. Speaker, this is something I know about. The bill before us or the bill that has passed has a savings account that you can put money in, and then down the line you can have that in place for tuition, for anybody.

But what happens here as you enter into the second 2 years, there is nobody who is paying, just earning wages, living, taking care of their families, and they get nothing. If you are on salary and you cannot afford to save, and my husband and I had four children that we put through 4 years of college and graduate school, not taking loans. Let me tell the Members, we really had to work to do it. We could not save those years. Those years we were trying to buy a house. So I really hope that is put in there.

And they should not include a provision in the House bill that imposes taxes on graduate students. Do we not know anything? Graduate students, we need them if we are going to compete in this world. Take this motion to instruct, conferees, do something about it, and we will all vote for it.

Mr. CARDIN. Mr. Speaker, I yield 2½ minutes to the gentleman from Tennessee [Mr. TANNER], a distinguished member of the Committee on Ways and Means.

Mr. TANNER. Mr. Speaker, I thank my friend, the gentleman from Maryland, for yielding time to me.

Mr. Speaker, I want to talk about the outyear deficit that is in the current plan passed by the House last week. We have a promise of a vote for an enforcement mechanism to translate the idea of a balanced budget to reality that we have been promised to vote on by July 24. I certainly hope it passes when it comes up, but if it does not, let us talk about where we are today in the House-passed plan.

The indexing of capital gains basically will put the revenue side of our Nation's budget on automatic pilot after the year 2002. If we learned anything about entitlement programs, we learned that beyond 1970, the early 1970's until today, we have had the entitlement programs on automatic pilot. That is the spending side. Our enforcement mechanism that I mentioned earlier will attempt to get our arms around the spending side of this equation as soon as possible under this deal. We know we have to do it.

Can Members imagine that in 1963 every dollar that came to Washington, DC was obligated, about 30 cents of that was obligated for mandatory spending, either interest on the debt or other entitlement spending, and 70 percent was available for us to make public policy with? If we do nothing about the spending side entitlements in the 21st century, that ratio will be reversed. Over 70 cents of every dollar that comes to this town will be obligated.

It does not take a rocket scientist to figure out that it then becomes impossible to cut out of the 28 percent that includes our Nation's defense enough money to keep up with the escalating cost of the 72 percent that is represented by interest and entitlements.

Here in the House-passed plan we are going to exacerbate that problem by putting on automatic pilot the revenue side, when we are trying to stop that on the spending side. This is not good public policy. This motion to recommit would remedy that shortcoming, that failure in the House-passed plan.

I would say this, while we are here in public office as stewards of this great land, I can think of no legacy that would make our forefathers less proud of us than to leave a broke America to those who come. We owe $5.4 trillion. We must not continue public policy statements that put on automatic pilot these programs.

Mr. CRANE. Mr. Speaker, I yield myself 30 seconds.

Mr. Speaker, I would simply like to remind my distinguished colleague that it is the lack of discipline in this body and the body across the Chamber here, of the Capitol Building, that is responsible for that escalation of spending beyond control.

We have increased taxes dramatically. In fact, just in the decade of the 1980's we doubled total revenues from $500 billion to $1 trillion, and yet our national debt combined to escalate astronomically because of the lack of discipline here. I would urge colleagues to keep that in mind.

Mr. Speaker, I yield 3 minutes to our distinguished colleague, the gentleman from Michigan [Mr. CAMP].

Mr. CAMP. Mr. Speaker, I thank the chairman for yielding the time to me. Mr. Speaker, I also want to comment on the remarks of my colleague on the Committee on Ways and Means, who I have great respect for, and his eloquence in terms of having us control the spending side.

But I rise to oppose this motion to instruct because the second provision, which says that they would like to provide the focused per child tax credit to people who are not paying taxes, that would make that credit a refundable credit. The only way we could do that is to make it a cash payment.

I think people should understand that is a huge source of fraud and noncompliance. When I visit the middle part of Michigan and have town meetings, people are always talking to me about the fraud in these programs, and how can we get at that.

In April of 1997 the IRS released a study that said the EITC, which is a refundable credit, had an error and fraud rate of 21 percent. So that meant of the $28 billion in 1998, nearly $6 billion was due to error and fraud, according to the Clinton administration's IRS. That is completely and totally unacceptable.

We have heard a lot of rhetoric about how much help is enough. All EITC recipients already receive public assistance which is unavailable to middle-income taxpayers. For example, a family of four with one worker and two children who earns $18,000 a year receives an EITC of $2,555 and has a total income and FICA due of $199. A family, the same family of four that had an income of $24,000, would have an EITC of $1,292, a total income and FICA taxes due of $2,380. A middle-income family of $50,000 would receive no EIC, would have a total income tax of $11,505.

Mr. Speaker, I would like to be able to help every taxpayer and every individual more, but we really need to bring some help to these middle-income taxpayers. And just as a note, under the Clinton administration proposal, at $60,000 of income a family of four would have a tax liability over $14,000 and they would see their $500 per child tax credit begin to be phased out or lost under that proposal.

So I think we have no alternative but to oppose this motion to instruct, because what it does is make this $500 credit refundable. There is so much fraud in the refundable credit system we have seen already with the EIC, and Americans are saying, please, do something about the fraud; do not create another fraudulent program.

Mr. CARDIN. Mr. Speaker, I yield 15 seconds to the gentleman from Tennessee [Mr. TANNER], my friend, to respond to the comments made by the gentleman from Illinois.

Mr. TANNER. Mr. Speaker, I just would like to reiterate that the gentleman from Illinois emphasizes a point I am making. Spending did go up in the 1980's because of the automatic pilot that was put on the entitlement programs in the early 1970's. It is rising faster than we can cut domestic discretionary and other spending. We are

going to do the same thing on the revenue side. It is a mistake.

Mr. CARDIN. Mr. Speaker, I yield 5 minutes to the gentleman from California [Mr. BECERRA], a distinguished member of the Committee on Ways and Means.

Mr. BECERRA. Mr. Speaker, I thank my colleague, the gentleman from Maryland, for yielding time to me.

Mr. NEAL of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. BECERRA. I yield to the gentleman from Massachusetts.

Mr. NEAL of Massachusetts. Mr. Speaker, I thank the gentleman for yielding to me, and I also wanted to thank the gentleman from Maryland [Mr. CARDIN] for this opportunity.

I want to clarify a couple of issues here. Perhaps the gentleman could help me seek that clarity. There have been many changes that appear to have been made to the President's education package. These changes to me appear to be detrimental to low- and moderate-income students and seem to benefit those in the higher income brackets. Do not the Republicans provide a reduced HOPE credit for the first 2 years in college in the case of students attending a low-cost institution?

Mr. BECERRA. That is correct, Mr. Speaker. If the gentleman looks at it closely, for a student who attends a low-cost public college with tuition somewhere around $1,000, under our plan, under the Democratic plan presented by the President, that HOPE credit would be $1,500. But under the Republican plan we have passed out of the House, the credit would only be $750. This change would particularly hurt students from low- and moderate-income families, those working class families that typically attend those junior colleges that do not cost all that much.

I am as concerned, as anyone else on this floor should be concerned, about helping working families pay for all 4 years of college. Is the gentleman aware of any tax incentives that the Republican proposal has for families paying tuition expenses for the last 2 years of college out of their salary or wage incomes?

Mr. NEAL of Massachusetts. No, it is my understanding that families will receive tax incentives provided by the Republican proposal for families paying tuition costs out of dividends and interest. There are no income limitations on the tax incentives provided by the Republicans.

Mr. BECERRA. The President's education proposal, supported by the Democrats, would have provided tax benefits for working families paying those tuition costs out of salary or wage income, but do not those proposals have income limitations?

Mr. NEAL of Massachusetts. Yes, they do. The proposals were not available to families with incomes in excess of $100,000, and they began to phase out at incomes over $80,000. Families with incomes over $100,000 paying tuition costs out of dividend and interest income are one of the few categories of taxpayers to receive more benefits under the Republican approach than under the Democratic approach.

Mr. BECERRA. We are talking about higher education here. Graduate education, which is postsecondary education at the highest level, where we have our chemists, our scientists, our teachers coming out of our schools, that is extremely important as well. I am concerned that there are some provisions in this bill that would detrimentally affect graduate students, those who have already got the undergraduate degree and now are trying to get that graduate degree to be the scientists and chemists and inventors of the future.

Can the gentleman explain it? There is a particular provision that is harmful to those graduate students. Can the gentleman explain that to us?

Mr. NEAL of Massachusetts. Mr. Speaker, I am glad the gentleman raised that. I used to teach these courses. Under current law, graduate students, teachers, assistants, or researchers are not taxed on the amount of tuition waivers granted by the institution. The House bill would repeal this exemption and these students would have to pay taxes on the amount of those tuition waivers.

Mr. BECERRA. It is my understanding, and it has been a while since I was in college as a graduate student as well, that these graduate students, we are talking not about so much the business school and law school and medical school graduates, but the folks studying science and chemistry and mathematics, that they average about $10,000 to $15,000 in income. How much of a tax does this bill impose on those types of students?

Mr. NEAL of Massachusetts. Their bill, the Republican bill, would treat as taxable income the tuition reduction of these students, and this could be as much as $25,000. It would result in an average tax increase on graduate students of $4,000. It is hard to believe we are taxing hard-working students who are serving the future needs of the Nation.

In Massachusetts alone we have numerous graduate students who are making technological advances, and we should not reward their efforts with a tax increase.

Mr. BECERRA. I have taken a look at the tax bill as best I can find. The tax that is being imposed on students who earn, say, $10,000 or $12,000 is not going to help provide other opportunities for other people going to college, it is there to help pay for the cost of these tax breaks that mostly well-to-do Americans are going to be receiving.

How does that strike the gentleman?

Mr. NEAL of Massachusetts. That is true. And on the House bill, it simply does not include permanent extension of employer-provided education either. We live in an atmosphere now and at a time when people are going to have to be continually called upon to upgrade their skills. There is nothing in the House bill that supports lifelong learning. Maybe the gentleman could explain to me the absence of this exclusion.

Mr. BECERRA. By not providing for that tax credit for employers that try to provide education to some of their employees, what we are doing is saying if an employer has decided that it would be good for that employee to get further trained, that no longer can the employer say to that employee, you can now get that training and we will both receive the benefits of a tax credit by having had you better educated.

□ 1345

Now the IRS will have to decide if there is any tax credit to be had by the employer or the employee.

Mr. NEAL of Massachusetts. Mr. Speaker, that was very helpful. I thank the gentleman very much.

Mr. CRANE. Mr. Speaker, I yield myself 30 seconds.

With respect to item 3(c) relating to graduate teaching assistance with respect to tuition waivers, it is expected that the conferees will clarify that no change in current law will apply to tuition remissions for graduate students. There was no intention on the part of the House to change the treatment of graduate students.

Mr. Speaker, I yield 3 minutes to the gentleman from New Jersey [Mr. SAXTON].

Mr. SAXTON. Mr. Speaker, let me begin my brief remarks by commending the gentleman from Illinois [Mr. CRANE] and other members of the Committee on Ways and Means for trying to keep what I would define as a good balance between various groups of taxpayers in this bill.

The colloquy that we just heard, Mr. Speaker, is just a continuation, and I might say a very good continuation, of the debate that was started by Secretary Rubin 10 days or so ago, when we began to try to point out that the Republican proposal, which this motion seeks to change, benefits the more wealthy taxpayers in this country, which is simply not true.

As a matter of fact, the balance that I spoke about just a minute ago, which the gentleman from Illinois [Mr. CRANE] and the gentleman from Texas [Mr. ARCHER] and others on the Committee on Ways and Means have been so careful to try and maintain, is exactly the same balance that the Democrats voted for in 1993 and that Bill Clinton signed into law, the same balance among various groups of taxpayers.

This chart will help me to explain what I mean.

This chart shows in 20 percent jumps five groups of taxpayers ranging from the 20 percent lowest group of taxpayers to the 20 percent highest group of taxpayers. Under the bill that was voted for by all of you in 1993 and subsequently signed into law by President Clinton, 1 percent of the taxes that are paid in this country are paid by the lowest 20 percent of the taxpayers.

Conversely, 63 percent of the taxes that are paid in this country, as shown by the red line at the far end of the chart, 63 percent of the taxes that are paid by all taxpayers are paid by the highest 20 percent. And as you note, coming from right to left, this way, 21 percent are paid by under the current tax system by the second 20 percent down, if you will, and 11 percent and 4 percent and back to the 1 percent.

Now, the balance that I speak of that is so important in the Republican proposal maintains exactly the same ratios as demonstrated by the yellow bars at the far end. Still under this proposal, 63 percent of the total taxes that are paid, I want my friends to understand this, are still paid by the highest quintile or the highest 20 percent.

Likewise, 21 percent of the total taxes that are paid are paid by the fourth quintile or the step down one notch, 20 percent. That is those taxpayers between 60, who are between the 60 and 80 percent mark. So this is very important.

What this motion seeks to do is to change this balance rather dramatically, as Secretary Rubin tried to do 10 days or so ago before our debate when we passed the Republican proposal, and the colloquy that we just heard also seeks to disrupt the ratios that all of you supported in 1993.

I frankly, Mr. Speaker, have a hard time understanding why if it was good in 1993, why it would be bad under the Republican proposal that passed this House just a few days ago.

I thank the gentleman for yielding me the time, and I hope that this helps to clear up this matter somewhat.

Mr. CARDIN. Mr. Speaker, I yield myself 15 seconds to respond. I have not run into too many people that are in the upper 5 or 10 percent that are complaining that they cannot support their children going to college or that they need the child credit. The people at the highest incomes are paying about 21, 22 percent of their income in taxes; middle-income people paying about 19, 20 percent. The people who need the relief are the people in the middle income.

Mr. Speaker, I yield 15 seconds to the gentleman from Massachusetts [Mr. NEAL].

Mr. NEAL of Massachusetts. Mr. Speaker, just a quick response to the gentleman from New Jersey. I have a quote here from the Boston Globe on June 19 of this year in which it suggests, "'and graduate students include future doctors, lawyers and engineers,' he said. 'We do not think it is appropriate to give people who are on the verge of becoming society's highest paid workers tax benefits that are not available to others.'"

The University of Massachusetts Medical School is at the other end of my district.

Mr. CRANE. Mr. Speaker, I yield 30 seconds to the gentleman from New Jersey [Mr. SAXTON].

Mr. SAXTON. Mr. Speaker, I would respond to the gentleman by saying that the chart that I just showed demonstrates full well that 84 percent of the taxes that are paid in this country are currently paid by people who are in the 60 to 100 percent number of people who pay taxes. That is the highest incomes. So that 84 percent of the total taxes that are paid in this country under the Republican proposal are likewise paid by that same upper income group.

Mr. CARDIN. Mr. Speaker, I ask for the time that remains on both sides?

The SPEAKER pro tempore [Mr. GILLMOR]. The gentleman from Maryland [Mr. CARDIN] has 6¼ minutes remaining, and the gentleman from Illinois [Mr. CRANE] has 7 minutes remaining.

Mr. CARDIN. Mr. Speaker, I yield 1 minute to the gentleman from Ohio [Mr. KUCINICH].

Mr. KUCINICH. Mr. Speaker, the Revenue Reconciliation Act contains a very destructive provision that would destroy employment relations in our country and eliminate key economic benefits essential to working families.

I am speaking of the independent contractors proliferation clause. This provision would reward employers for reclassifying their employees as independent contractors. It would let employers avoid paying Social Security taxes and overtime pay. Workers who are classified as independent contractors would lose health insurance, lose jointly-funded pensions, lose family medical leave, lose workers' compensation and lose unemployment benefits.

Millions of American workers would be exploited and an American tradition of respect for workers would be lost as well. This radical change in worker classification will enable the companies which can reassign workers to independent contractor status a competitive advantage over socially responsible companies. This will reduce American workers, rob them of their benefits, harm the American family and steal from the U.S. Treasury. It is financially and morally bankrupt and it should be defeated.

Mr. CARDIN. Mr. Speaker, I yield 1 minute to the gentleman from Wisconsin [Mr. JOHNSON].

Mr. JOHNSON of Wisconsin. Mr. Speaker, I thank the gentleman for yielding me the time. I do not have any charts today or pictures or graphics. I want to talk about real people, Mr. Speaker.

Real people want tax relief. Real people want to target tax cuts to families who get up every morning and go to work and pay their bills. Real people want to target tax cuts to students so they can pay for the college or vocational training, and real people want to target tax cuts for farm families and small business owners.

These Republican tax cuts are like those aliens in Roswell, NM. Real people will never see them. It is just wrong to have two-thirds of the tax cuts go to families earning $100,000 or more. The bulk of the tax cuts should go to the hardworking middle-income real families in America.

The original bipartisan balanced budget agreement called for the $1,500 tax credit for college tuition. Let me give you a real-people example. The student at Northeast Wisconsin Technical College currently pays $1,600 in tuition. Under the Republican tax bill, he or she would save half the amount. Under the bipartisan tax plan, the student would save the full $1,500. It is real savings for real people.

Mr. CARDIN. Mr. Speaker, I yield 1 minute to the gentleman from Indiana [Mr. ROEMER].

Mr. ROEMER. Mr. Speaker, I rise as one of the 27 Democrats that voted in favor of this bill, but voted for it because, first, I believe my constituents back home in Indiana, whether they want to send their kids to college or they are a farmer or they have worked hard on a business, they deserve a tax cut. But it needs to be fair. It needs to be paid for, and it should not have hidden taxes in it.

I rise in support of this motion to instruct for one reason, because it gets the indexing out. The indexing provision in the last 5 years costs $14 billion.

Second, this motion to instruct will provide tax relief to the $25,000-a-year plant worker or policeman who pays FICA taxes. They get a child tax credit.

Third, this motion to instruct removes the hidden tax on graduate students that are receiving tuition waivers. If you are for tax fairness, if you are for fiscal responsibility, if you are for delivering taxes in educational areas for people across this country, vote for the motion to instruct.

Mr. CARDIN. Mr. Speaker, I yield such time as she may consume to the gentlewoman from Texas [Ms. JACKSON LEE].

Ms. JACKSON-LEE of Texas. Mr. Speaker, I rise to support the motion to instruct, a commonsense plan and a commonsense tax bill.

Mr. Speaker, I would like to urge my colleagues to vote in favor of the motion to instruct the conferees on the Reconciliation Tax Act. The Conferees should be urged to provide fair and equitable tax relief to working

families, support a child credit and education tax benefits for working families, and oppose indexing of capital gains. A new Treasury Department analysis reveals that the Republic bill is light on relief for working families, and heavy on tax breaks for the rich. According to the Treasury Department analysis, only a third of the tax breaks in the Republican plan go to the middle 60 percent of all families—that's families making between $17,000 and $93,000 a year. By stark contrast, the Democratic alternative gives two-thirds of the tax breaks to the same middle 60 percent.

The Republican plan skimps on the tax breaks for college students in their budget. The Republican tax bill provides only half of the $1,500 tuition credit for the first 2 years of college, does virtually nothing for juniors and seniors, and raises taxes on some graduate students. In stark contrast, President Clinton and congressional Democrats have offered an alternative that includes the full $1,500 HOPE credit for the first 2 years of college, plus a 20-percent tuition credit for any subsequent years.

A Wall Street Journal/NBC poll released on June 26 revealed that Americans prefer the Democratic tax alternative to the GOP plan by a 2-to-1 margin, 60 percent to 31 percent. A USA Today/CNN/Gallup poll released on July 1 found that 52 percent of Americans think the Republican tax plan favors the rich. Based on these numbers, I urge my colleagues to vote in favor of the motion to instruct.

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

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

Let me reiterate one point that I made before. It has to do with indexation of the Tax Code. Indexation of the Tax Code was one of the most profound, fair, and proper things that we did in our Tax Code when we did it back in 1981. It eliminated that subtle, disguised means of steadily imposing increasing taxes on all working Americans unbeknown to them. It was a clever gimmick. Whoever thought it up, we have to give the guy credit because people did not seem to catch on to that for a generation. But indexation of capital gains is something that is essential to guarantee that we are not going to reverse what we are trying to do with this package, and that is to provide tax relief 5 years out. You reverse that and you vote for the elimination of indexing of capital gains, what you are calling for is an increase in taxes that you are trying to produce at that time. You want to start raising taxes again.

Many of you, I am sure, were not here in 1980, but on the other hand I am sure you all have a vivid recollection of Jimmy Carter's last year, what the inflation rate was in that single year, 14.6-percent. It could happen again. That was a 14.6 percent increase in taxes on all Americans through this hidden, devious means of inflation of our currency.

I would urge all of our colleagues to support and preserve and protect indexation of our entire Tax Code.

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

Mr. CARDIN. Mr. Speaker, I yield the balance of my time to the gentleman from Michigan [Mr. BONIOR].

The SPEAKER pro tempore. The gentleman from Michigan [Mr. BONIOR] is recognized for 3¼ minutes.

Mr. BONIOR. Mr. Speaker, we worked very hard to bring the Reagan-Bush deficits down to a 20-year low. In 1992, when Bill Clinton was elected to the U.S. Presidency, he inherited a deficit of $290 billion a year. In 1993, without one Republican supporting our budget deficit proposal, in the House or the Senate, all being supported by the Democrats, we have brought that deficit down, year-after-year, from 290 to 255 to 203 to 164 to, in 1997, $45 billion and next year it will be balanced. That was the balanced budget proposal that got this country back in balance.

What this tax proposal that we are debating today will do will shoot these numbers off this chart, back up to the range of not $300 billion but as the Center for Budget Priorities estimated, $650 to $700 billion because of the issue that the gentleman from Illinois just touched on, indexing of capital gains.

This Republican tax bill is an ugly attack on America's working families. It is a big bonanza for big corporations and the wealthy. It is a bad deal for everyone else. It is a bad deal for teachers, for nurses, for plumbers, for secretaries, and every other working person who is going to have to pick up the tab when this starts to skyrocket again.

□ 1400

American working families deserve tax relief. We need to cut their taxes and we can do it while balancing the budget, but this Republican tax bill is nothing. There is nothing in it for working families.

If we take the case of a rookie police officer in the Speaker's own district in Georgia, he and his wife are trying to raise two young children, they have a household income of $23,000, they pay thousands of dollars, thousands of dollars in Federal taxes. Under the Republican bill, this family will get zero tax relief. Not a single dollar. This police officer, a family man who puts his life on the line every day, gets absolutely nothing.

Under this same Republican tax plan, the millionaire who spends his day on his yacht talking to his stock broker on his cell phone will get a tax cut on capital gains. He will get an estate tax cut. If he owns a corporation, there is a $22 billion giveaway on the corporate minimum tax. He may even qualify for that special tax loophole to benefit 1,000 wealthy investors that somehow slipped into this bill, a tax break that will cost all of us about $9 billion.

Under this Republican tax bill the millionaire gets thousands of dollars in tax breaks, while the working people, the police officer, the teacher, the secretary, the plumber, the manufacturing worker get absolutely nothing. And this Republican giveaway to the wealthy is going to bust the deficit wide open again and put us into the same situation we inherited with Reagan and Bush.

Now, some of my Republican colleagues have the gall to say that an income tax cut for young working families would constitute welfare. In fact, one conservative columnist wrote the other day that the proposed cuts are welfare benefits to inspire breeding. That is an insult to every working family, that is wrong, this motion to instruct needs to be passed and I urge my colleagues to support it today.

Ms. SANCHEZ. Mr. Speaker, I rise today in support of tax relief for millions of hard-working Americans.

It is time to give every American their first tax cut in 16 years. It is our job to ensure that all Americans receive the benefits promised from this tax bill.

Fortunately, this plan does provide tax relief for young families who are worried about the future educational needs of their children.

While this is a good first step toward helping families and students there is still much more to be done.

I am a fiscal conservative. That is why I voted for the taxpayer relief bill. But being fiscally conservative does not mean that working class Americans should be left out of these tax cuts. We can do better to ensure a fair distribution.

We have seen many fancy charts and graphs in this debate but what really matters is what the American people see in the bottom line on their 1040 next April.

Working class Americans carried the burden of financing the cold war. Working class Americans carried the burden of financing oppressive Federal deficits of the last decade. Working class Americans deserve a return on their investment. Working class Americans deserve the bulk of this tax cut.

The SPEAKER pro tempore (Mr. GILLMOR). Without objection, the previous question is ordered on the motion to instruct.

There was no objection.

The SPEAKER pro tempore. The question is on the motion to instruct offered by the gentleman from New York [Mr. RANGEL].

The question was taken; and the Speaker pro tempore announced that the noes appeared to have it.

Mr. CARDIN. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 199, nays 233, not voting 2, as follows:

[Roll No. 258]

YEAS—199

Abercrombie
Ackerman
Allen
Andrews
Baesler
Baldacci
Barcia
Barrett (WI)
Becerra
Bentsen
Berman
Berry
Bishop
Blagojevich
Blumenauer
Bonior
Borski
Boswell
Boucher
Boyd
Brown (CA)
Brown (FL)
Brown (OH)
Capps
Cardin
Carson
Clay
Clayton
Clement
Clyburn
Condit
Conyers
Costello
Coyne
Cramer
Cummings
Davis (FL)
Davis (IL)
DeFazio
DeGette
Delahunt
DeLauro
Dellums
Dicks
Dingell
Dixon
Doggett
Dooley
Doyle
Edwards
Engel
Eshoo
Etheridge
Evans
Farr
Fattah
Fazio
Filner
Flake
Foglietta
Ford
Frank (MA)
Frost
Furse
Gejdenson
Gephardt
Gonzalez
Gordon
Green
Gutierrez
Hall (OH)
Hamilton
Harman
Hastings (FL)
Hefner
Hilliard
Hinchey
Hinojosa
Holden
Hooley
Hoyer
Jackson (IL)
Jackson-Lee (TX)
Jefferson
John
Johnson (WI)
Johnson, E. B.
Kanjorski
Kaptur
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
Kilpatrick
Kind (WI)
Kleczka
Klink
Kucinich
LaFalce
Lampson
Lantos
Levin
Lewis (GA)
Lofgren
Lowey
Luther
Maloney (CT)
Maloney (NY)
Manton
Markey
Martinez
Mascara
Matsui
McCarthy (MO)
McCarthy (NY)
McDermott
McGovern
McHale
McIntyre
McKinney
McNulty
Meehan
Meek
Menendez
Millender-McDonald
Miller (CA)
Minge
Mink
Moakley
Mollohan
Moran (VA)
Murtha
Nadler
Neal
Oberstar
Obey
Olver
Ortiz
Owens
Pallone
Pascrell
Pastor
Payne
Pelosi
Peterson (MN)
Pomeroy
Poshard
Price (NC)
Rahall
Rangel
Reyes
Rivers
Rodriguez
Roemer
Rothman
Roybal-Allard
Rush
Sabo
Sanchez
Sanders
Sandlin
Sawyer
Schumer
Scott
Serrano
Sherman
Sisisky
Skaggs
Skelton
Smith, Adam
Snyder
Spratt
Stabenow
Stark
Stenholm
Stokes
Strickland
Stupak
Tanner
Tauscher
Taylor (MS)
Thompson
Thurman
Tierney
Torres
Towns
Turner
Velázquez
Vento
Visclosky
Waters
Watt (NC)
Waxman
Wexler
Weygand
Wise
Woolsey
Wynn
Yates

NAYS—233

Aderholt
Archer
Armey
Bachus
Baker
Ballenger
Barr
Barrett (NE)
Bartlett
Barton
Bass
Bateman
Bereuter
Bilbray
Bilirakis
Bliley
Blunt
Boehlert
Boehner
Bonilla
Bono
Brady
Bryant
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Cannon
Castle
Chabot
Chambliss
Chenoweth
Christensen
Coble
Coburn
Collins
Combest
Cook
Cooksey
Cox
Crane
Crapo
Cubin
Cunningham
Danner
Davis (VA)
Deal
DeLay
Deutsch
Diaz-Balart
Dickey
Doolittle
Dreier
Duncan
Dunn
Ehlers
Ehrlich
Emerson
English
Ensign
Everett
Ewing
Fawell
Foley
Forbes
Fowler
Fox
Franks (NJ)
Frelinghuysen
Gallegly
Ganske
Gekas
Gibbons
Gilchrest
Gillmor
Gilman
Goode
Goodlatte
Goodling
Goss
Graham
Granger
Greenwood
Gutknecht
Hall (TX)
Hansen
Hastert
Hastings (WA)
Hayworth
Hefley
Herger
Hill
Hilleary
Hobson
Hoekstra
Horn
Hostettler
Houghton
Hulshof
Hunter
Hutchinson
Hyde
Inglis
Istook
Jenkins
Johnson (CT)
Johnson, Sam
Jones
Kasich
Kelly
Kim
King (NY)
Kingston
Klug
Knollenberg
Kolbe
LaHood
Largent
Latham
LaTourette
Lazio
Leach
Lewis (CA)
Lewis (KY)
Linder
Lipinski
Livingston
LoBiondo
Lucas
Manzullo
McCollum
McCrery
McDade
McHugh
McInnis
McIntosh
McKeon
Metcalf
Mica
Miller (FL)
Molinari
Moran (KS)
Morella
Myrick
Nethercutt
Neumann
Ney
Northup
Norwood
Nussle
Oxley
Packard
Pappas
Parker
Paul
Paxon
Pease
Peterson (PA)
Petri
Pickering
Pickett
Pitts
Pombo
Porter
Portman
Pryce (OH)
Quinn
Radanovich
Ramstad
Redmond
Regula
Riggs
Riley
Rogan
Rogers
Rohrabacher
Ros-Lehtinen
Roukema
Royce
Ryun
Salmon
Sanford
Saxton
Scarborough
Schaefer, Dan
Schaffer, Bob
Sensenbrenner
Sessions
Shadegg
Shaw
Shays
Shimkus
Shuster
Skeen
Smith (MI)
Smith (NJ)
Smith (OR)
Smith (TX)
Smith, Linda
Snowbarger
Solomon
Souder
Spence
Stearns
Stump
Sununu
Talent
Tauzin
Taylor (NC)
Thomas
Thornberry
Thune
Tiahrt
Traficant
Upton
Walsh
Wamp
Watkins
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
White
Whitfield
Wicker
Wolf
Young (AK)
Young (FL)

NOT VOTING—2

Schiff
Slaughter

□ 1422

Messrs. SHUSTER, GRAHAM, DEAL of Georgia, BARRETT of Nebraska, CHRISTENSEN, NUSSLE, AND RIGGS changed their vote from "yea" to "nay."

Mr. SCHUMER and Mr. ORTIZ changed their vote from "nay" to "yea".

So the motion to instruct was not agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

The SPEAKER pro tempore (Mr. GILLMOR). Without objection, the Chair appoints the following conferees:

For consideration of the House bill, and the Senate amendment, and modifications committed to conference: Messrs. KASICH, ARCHER, CRANE, THOMAS, ARMEY, DELAY, MCDERMOTT, RANGEL, STARK, and MATSUI.

As additional conferees from the Committee on Transportation and Infrastructure, for consideration of sections 702 and 704 of the Senate amendment, and modifications committed to conference: Mr. SHUSTER, Ms. MOLINARI, and Mr. OBERSTAR.

As additional conferees from the Committee on Education and the Workforce, for consideration of sections 713–14, 717, 879, 1302, 1304–5, and 1311 of the Senate amendment, and modifications committed to conference: Messrs: GOODLING, FAWELL, and PAYNE.

There was no objection.

DEPARTMENT OF THE INTERIOR AND RELATED AGENCIES APPROPRIATIONS ACT, 1998

Mr. SOLOMON. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 181 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 181

Resolved, That at any time after the adoption of this resolution the Speaker may, pursuant to clause 1(b) of rule XXIII, declare the House resolved into the Committee of the Whole House on the state of the Union for consideration of the bill (H.R. 2107) making appropriations for the Department of the Interior and related agencies for the fiscal year ending September 30, 1998, and for other purposes. The first reading of the bill shall be dispensed with. Points of order against consideration of the bill for failure to comply with section 306 of the Congressional Budget Act of 1974 are waived. General debate shall be confined to the bill and shall not exceed one hour equally divided and controlled by the chairman and ranking minority member of the Committee on Appropriations. After general debate the bill shall be considered for amendment under the five-minute rule. Points of order against provisions in the bill for failure to comply with clause 2 or 6 of rule XXI are waived except as follows: beginning with ": *Provided*" on page 46, line 25, through "part 121" on page 47, line 6; and page 76, line 10, through line 13. Where points of order are waived against part of a paragraph, points of order against a provision in another part of such paragraph may be made only against such provision and not against the entire paragraph. The amendments printed in the report of the Committee on Rules accompanying this resolution may be offered only by a Member designated in the report and only at the appropriate point in the reading of the bill, shall be considered as read, shall be debatable for the time specified in the report equally divided and controlled by the proponent and an opponent, shall not be subject to amendment, and shall not be subject to a demand for division of the question in the House or in the Committee of the Whole. All points of order against the amendments printed in the report are waived. During consideration of the bill for amendment, the Chairman of the Committee of the Whole may accord priority in recognition on the basis of whether the Member offering an amendment has caused it to be printed in the portion of the Congressional Record designated for that purpose in clause 6 of rule XXIII. Amendments so printed shall be considered as read. The Chairman of the Committee of the Whole may: (1) postpone until a time during further consideration in the Committee of the Whole a request for a recorded vote on any amendment; and (2) reduce to five minutes the minimum time for

electronic voting on any postponed question that follows another electronic vote without intervening business, provided that the minimum time for electronic voting on the first in any series of questions shall be fifteen minutes. During consideration of the bill, points of order against amendments for failure to comply with clause 2(e) of rule XXI are waived. At the conclusion of consideration of the bill for amendment the Committee shall rise and report the bill to the House with such amendments as may have been adopted. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

The SPEAKER pro tempore (Mr. CAMP). The gentleman from New York [Mr. SOLOMON] is recognized for 1 hour.

REQUEST TO AMEND HOUSE RESOLUTION 181

Mr. SOLOMON. Mr. Speaker, I would respectfully ask unanimous consent that the amendment to House Resolution 181 that I have placed at the desk be considered as adopted.

The SPEAKER pro tempore. The Clerk will report the amendment.

The Clerk read as follows:

Amendment offered by Mr. SOLOMON:

Page 2, line 14, after "line 6;" insert "beginning with ': Provided' on page 61, line 22 through 'Reserve' on page 62, line 4;".

□ 1430

The SPEAKER pro tempore (Mr. CAMP). Is there objection to the request of the gentleman from New York?

Mr. YATES. Mr. Speaker, I object.

The SPEAKER pro tempore. Objection is heard.

Mr. SOLOMON. Mr. Speaker, for the purpose of debate only, I yield the customary 30 minutes to the gentleman from Massachusetts [Mr. MOAKLEY], pending which I yield myself such time as I may consume. During consideration of this resolution, all time yielded is for the purpose of debate only.

Mr. Speaker, House Resolution 181 is an open rule. It provides for consideration of H.R. 2107, the Department of Interior and related agencies appropriations bill for fiscal year 1998. The rule provides an open amending process, allowing any Member of this House to offer cutting amendments or offsetting amendments, including limitation amendments normally allowed under an open rule. No additional restrictions are written into this rule. This is the open amendment process. It also offers an acceptable compromise for many Members on the contentious issue of funding the National Endowment for the Arts.

The rule provides 1 hour of general debate divided equally between the chairman and ranking minority member of the Committee on Appropriations. The rule also provides necessary waivers to allow the bill to be considered on the House floor here today. The rule waives section 306 of the Budget Act, which prohibits matters within the jurisdiction of the Committee on the Budget in a measure not reported by that committee, against consideration of the bill.

The Committee on Rules understands this waiver to be technical in nature and that it does not constitute a substantive violation of the Budget Act. Otherwise we would not be giving the waiver here today.

The rule also provides certain waivers of points of order against the bill itself with certain exceptions as specified in the text of the rule. Members have copies on the desks in front of them.

Specifically, the rule waives clause 2, prohibiting unauthorized and legislative provisions in an appropriations bill, and also clause 6, prohibiting reappropriations, of House rule XXI against the bill, except as noted in this rule.

The first items in the bill left exposed to points of order for lack of authorization or legislating on an appropriations bill are two provisions relating to Forest Service credit issued for purchasers of timber for the construction of roads, and a limitation on the availability of timber purchaser road construction credits to small businesses. These provisions were objected to by the chairmen of the authorizing committees, the Committee on Agriculture and the Committee on Resources.

The second item in the bill left exposed to a point of order for lack of authorization is a $10 million appropriation for necessary expenses of the National Endowment for the Arts.

Mr. Speaker, the exposure of this agency to a point of order in this rule bears further explanation. As I mentioned earlier, clause 2 of House rule XXI prohibits unauthorized appropriations and legislation on an appropriations bill. Those are the rules of the House.

General appropriations bills are privileged on this House floor. However, the Committee on Appropriations in modern practice has sought special rules from the Committee on Rules which provide for consideration of bills and waive appropriate points of order. Mr. Speaker, in the 104th Congress the Republican leadership established a protocol relating to waivers of unauthored programs or legislative language in general appropriations bills. Under this protocol, the Committee on Rules would provide the necessary waivers to enable the bill to come to the floor if the authorizing committee chairmen did not object to them. If the authorizing chairmen object to the waivers, then under the leadership's protocol, the Committee on Rules would leave the specific language in question exposed to a point of order on the floor.

We attempted to do that a few minutes ago, before the gentleman from Illinois [Mr. YATES], the ranking member, objected, because it was inadvertently protected for the Strategic Petroleum Reserve, which if we had received the letter in a timely manner from the Commerce Department, we would have certainly left that measure exposed, as we have others like the NEA.

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

Mr. SOLOMON. I yield to the gentleman from Illinois.

Mr. YATES. Mr. Speaker, I would tell the gentleman I would not have objected to his amendment had he included as well protection for the National Endowment for the Arts.

Mr. SOLOMON. Again there is absolutely nothing I would not do for the gentleman from Illinois [Mr. YATES]. The gentleman is the most respected member of this body. I think we all agree to that on both sides of the aisle. But let me explain why.

Mr. Speaker, yesterday, the gentleman from Pennsylvania [Mr. GOODLING], chairman of the Committee on Education and the Workforce, wrote to the Committee on Rules and recommended that the National Endowment for the Arts not be allowed to continue without an authorization from his committee and, hence, that the $10 million in the bill for the NEA be exposed to a point of order. We are again honoring the protocol, and we are honoring the request of that committee chairman of that very important committee.

Mr. Speaker, the House has grappled with the issue of funding arts programs for many years now, and this year is no exception. The NEA, as we know it, is likely to be stricken from the bill by a point of order. As a matter of fact, it will be, we are told.

After that occurrence, the rule provides that it shall be in order to consider an amendment offered by the gentleman from Michigan [Mr. EHLERS] which represents a different approach to Federal arts funding. This amendment contains a block grant art proposal which provides a total of $80 million, 40 percent of which is dedicated to state art commissions in the individual States and 60 percent to local school boards for school-based art activities. In other words, we give 40 percent of this $80 million to the local school districts in Members' congressional districts so that they can develop the art programs as they see fit and not as some bureaucrat here in Washington sees fit.

Mr. Speaker, the House should explore various alternatives to address the Federal commitment to the arts. I have long believed that rather than take the money from the taxpayers, perhaps we should just pass the hat around at the next Academy Awards presentation. The amount that we collected at that award might double last year's NEA budget. Certainly those people can afford it with their tens of millions of dollars in salaries and their earnings.

Mr. Speaker, the Committee on Rules believes this compromise of exposing NEA to a point of order to respect the committee system while allowing a vote on the approach of the gentleman from Michigan [Mr. EHLERS] to Federal arts assistance is a fair and workable accommodation for all parties involved.

Mr. Speaker, if I might continue to describe the rule, it also makes in order two additional amendments, one by the gentleman from Florida [Mr. WELDON] relating to the Canaveral National Seashore and the deficit reduction lockbox amendment offered by the gentleman from Idaho [Mr. CRAPO]. These amendments are debatable for 10 and 20 minutes respectively, are equally divided between a proponent and an opponent and are not subject to further amendment. The rule also waives all points of order against the amendments.

Finally, Mr. Speaker, this rule waives clause 2(e) of rule XXI, which prohibits nonemergency amendments to be offered to a bill containing an emergency designation under the Budget Act against amendments to the bill.

The rule also includes one motion to recommit, with or without instructions, for the minority.

Having finished describing this important rule, I might emphasize the importance of supporting the lockbox amendment made in order by this rule. There are many Members on the other side of the aisle, I think they call themselves the Blue Dogs, and they all have asked for this amendment to be made in order, along with the gentleman from Idaho [Mr. CRAPO] and Republicans on this side. This amendment is made in order for them.

The Crapo amendment will make the budget process more user friendly for Members who wish to offer spending cut amendments on the floor of the House and the Senate. When a spending cut amendment is adopted, savings from that amendment will be credited to deficit reduction and not left hanging there to be used for other spending purposes.

This amendment is identical to the bill that was reported by the Committee on Rules during the last Congress and passed this House under an open rule on September 13, 1995, by a bipartisan vote of 364 to 59. We would expect that same vote today; as a matter of fact, an even stronger vote since a new Congress has been seated since that time and most of those are fiscally conservative Members. Similar lockbox language was also adopted by the House on two other occasions attached to bills like this, appropriations bills.

Mr. Speaker, with such vast support for the amendment during the last Congress, it follows that it should once again be included with these funding bills.

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

Mr. MOAKLEY. Mr. Speaker, I thank the gentleman from New York [Mr. SOLOMON], the chairman of the Committee on Rules, for yielding me the customary one-half hour, and I yield myself such time as I may consume.

Mr. Speaker, at the outset, I want to be perfectly clear that the rule we are considering today will kill for all times the National Endowment for the Arts. My Republican colleagues might say that they are creating a smaller substitute program, which is like throwing an 11-foot rope down a 12-foot well to rescue someone. The fact remains, Mr. Speaker, with this rule, they are killing Federal support for the arts.

Mr. Speaker, there is not a congressional district in the entire country that has not benefited from the NEA. Even the district of my good friend, the gentleman from New York [Mr. SOLOMON] got eight National Endowment for the Arts grants in fiscal year 1994, including the Crandall Library in Glens Falls, which put on folk and traditional art programs; the UNIMA-USA Theater in Hyde Park; arts awareness in Lexington, NY, which put on visual arts programs, and the Mettawee Theater Company in Salem; and Music for Salem.

I recognize that in the past, there have been some bad decisions on the part of the NEA but their number was small, and today it is zero. According to the Atlanta Journal-Constitution, less than four ten-thousandths of NEA funds have been misdirected. Again, Mr. Speaker, less than four ten-thousandths of NEA funds have been misdirected. But even since then, Jane Alexander and her NEA staff have taken extraordinary steps to ensure that offensive programs are not funded.

Mr. Speaker, artists supported by the National Endowment for the Arts have gone on to win Pulitzer Prizes, National Book Awards, Emmys, and Tonys. In fact, the man who wrote the play "Driving Miss Daisy," Alfred Uhry, says that his play, and I quote, "never would have gotten out of the garage if not for the support of the National Endowment for the Arts."

□ 1445

Yet the Republican leadership wants to add this program to the increasing pile of popular Federal programs that they have already eliminated.

Now I might add, Mr. Speaker, the National Endowment for the Arts is already operating under enormous cuts. Two years ago my Republican colleagues cut it by 39 percent. Today the total NEA budget amounts, and I wish the Members would listen, the total NEA budget today amounts to one one-thousandth of 1 percent, one one-thousandth of 1 percent of the entire Federal budget. In other words, Mr. Speaker, it is not much.

So, Mr. Speaker, this debate really is not about money, it is about philosophy. It is about ending arts experience for millions of Americans, all for the sake of taking a political stand.

Mr. Speaker, enough is enough. Art in all of its forms touches our souls in ways that just cannot be measured in political points, and despite the huge cuts the arts endowment still manages to bring Shakespeare to the inner cities, classical music to the Midwest and ballet to the suburbs. It improves children's basic skills, it improves their math ability, raises their SAT scores and enriches their lives, and the Republican leadership has no business taking that away.

President John Adams once said:

"I must study politics and war so that my sons may have the liberty to study mathematics and philosophy in order to give their children the right to study painting, poetry and music."

Mr. Speaker, John Adams was right.

To my colleagues who by their support of this rule decide that we do not need the NEA, let me say that since the National Endowment for the Arts was created in 1966 there has been an explosion of community arts across the entire country. Thanks to the NEA, Mr. Speaker, we have eight times more nonprofit theaters, thanks to the NEA we have seven times more dance companies, and thanks to the NEA we have four times more orchestras and opera companies. Without the National Endowment for the Arts only people in big cities like Boston, Los Angeles, New York, and Houston would be able to enjoy the arts, but thanks to the NEA people all over the country of all ages now experience the joys of art.

And these art experiences, Mr. Speaker, do more than just bring people joy or educate our children. American culture exports raise thousands upon thousands of dollars a year. Every dollar that the National Endowment for the Arts provides attracts an average of $12 from other sources. The nonprofit arts industry represents 6 percent of our gross national product. According to the Ohio Hamilton Journal News, it is as big an industry as construction.

Mr. Speaker, the arts are most definitely in our national interest. The excuse that this represents a singular unauthorized appropriation is not entirely true. There are 13 unauthorized appropriations in this bill, all of which got waivers, all except the National Endowment for the Arts.

Mr. Speaker, there is not a State in this country that does not benefit from the National Endowment for the Arts. These are wonderful programs, and it would be a shame to see them suffer. Anyone who has gone to a children's festival, anyone who has experienced a small dance troop, anyone who has enjoyed folk art or seen the benefits of art-based literacy programs should join

me in keeping this program alive. Although we cannot measure the dollar benefits of art programs, school lunches, health care for poor children or home heating assistance, there is no reason to eliminate them.

I urge my colleagues to join me in protecting the National Endowment by opposing this rule.

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

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

Mr. Speaker, my good friend, the gentleman from Massachusetts [Mr. MOAKLEY] quoted John Adams. As my colleagues know, over the Fourth of July I had the opportunity to respond to the President's Fourth of July message, and in my message to the American people I said:

"The Founding Fathers designed a government with limited defined powers, but that idea has been turned on its head," I said, "because instead of the government doing only what the Constitution allows it to do, it does whatever the Constitution does not forbid it to do."

And let me tell my colleagues something: What our Founding Fathers could not even comprehend is the idea of paying more in taxes than they do for food and shelter. Do my colleagues know that? They could not even begin to comprehend the idea of the American people working 6 months out of the year just to pay for the cost of government. Our Founding Fathers would have rolled over in their graves if they saw what has been happening here.

And, yes, we have over the last 3 years, we have eliminated 270 programs and bureaus and agencies and bureaucrats to bring this budget into balance. That is what this is all about today.

Mr. Speaker, I yield such time as he may consume to the gentleman from California [Mr. DREIER], a very valuable Member of this body, a member of the Committee on Rules, vice-chairman of the Committee on Rules, to expound on that thought a little bit.

Mr. DREIER. Mr. Speaker, I thank my friend from Glens Falls, the distinguished chairman of the committee, for yielding this time to me. This has obviously been an extraordinarily contentious debate, and I have to say first that to see the gentleman from Massachusetts [Mr. MOAKLEY] stand here and make his very eloquent arguments on the second anniversary of his liver transplant is a very important statement to this House, and I appreciate the fact that he has stepped forward.

But now having said that, I have got to say that I completely disagree with virtually everything the gentleman from Massachusetts said. The fact is John Adams did envisage the time when we would see that third generation from politics and war to mathematics and philosophy to music and poetry. He envisaged the idea of young people in future generations being able to participate in the arts.

Mr. Speaker, I feel very strongly about that. My father passed away this spring, and he had been chairman and president of the opera company in Kansas City, MO, and he was very involved, and he and I had many arguments about that. My dear friend, the gentleman from Illinois [Mr. YATES] and I have discussed this before: My dad wanted me to be a strong supporter of the National Endowment for the Arts, but I told him that as we looked at establishing priorities it is very important for us to realize that there is Government subsidization of the arts because we provide a tax deduction for people to make these contributions.

The gentleman from New York [Mr. SOLOMON] mentioned the fact that many of my constituents could in fact participate by contributing to the arts. Many large corporations have called for continued support for the National Endowment for the Arts. But I think we should do everything we can to encourage them to participate through even greater philanthropy.

And I have to say that having supported the Crane amendment myself in the past, this compromise is going to allow those local communities to enjoy Shakespeare, poetry, other very, very important arts because 40 percent of this funding will be going to State arts commissions and 60 percent to local school districts as we look at this compromise. And during that period of time, if this can in fact become law, and obviously there is a big question about that based on what might happen in the other body and down on the other end on Pennsylvania Avenue, but if we were to put this package into place, it seems to me that we could continue down this road of encouraging more and more people to contribute.

The arts are very, very important, and I am very proud that my family has spent many years as supporters of the arts. But it seems to me that, as we look at our priorities here, to claim that the sky is going to fall if the National Endowment for the Arts is not maintained exactly as it is today is a ludicrous argument because they are going to continue, the Government will continue to support them through providing opportunities for tax deductions to be out there, and I hope very much that we can move ahead with this balanced compromise approach.

Support this rule, and let us move ahead with the bill.

Mr. MOAKLEY. Mr. Speaker, I yield 3 minutes to the gentleman from Wisconsin [Mr. OBEY], the ranking member of the Committee on Appropriations.

Mr. OBEY. Mr. Speaker, the gentleman from New York just said that this is about saving taxpayers money. That is not what it is about at all.

Just last week, I would point out, this House voted for enough B-2 bombers, which the Pentagon did not want, to pay for the National Endowment for the Arts for 108 years.

In my judgment this rule, Mr. Speaker, is a sham and a fraud. It is a cynical abuse of power to prevent Members of both parties from voting to save the National Endowment for the Arts. That is all it is.

The rule prevents the gentleman from Illinois [Mr. YATES] from offering a simple amendment to restore funding for the NEA on the grounds that it is not authorized, and then it allows an amendment which is 28 pages long which, in essence, is a complete and total rewrite of the NEA: No hearings, no public comment and not produced by any committee that I know. It is not a legislative product; it is a political product. It is a device which was designed by the committee simply to allow Congress to assassinate the NEA behind the smokescreen of this substitute amendment. It is a procedural power play to prevent Members of both parties who went up in the Committee on Rules yesterday asking for the simple right to vote to continue the NEA as is. And it ought to be turned down because it is a smokescreen.

Mr. Speaker, it is a sham substitute. It provides block grants to State agencies, but the agencies who are supposed to receive that money have themselves said they do not want this arrangement. They have said:

> State art agencies rely upon Federal leadership in funding and identifying and addressing cultural needs that are truly national. We need a partner agency at the Federal level to play a leadership role in working with our organizations and agencies.

It also provides a tiny bit of funding to each school district in the country, probably about $500 per school. That is an amount so small that we have been urged by our Republican friends on the Subcommittee on Labor, Health and Human Services, and Education to eliminate a number of programs because those provide such small grants that they are not worth having.

Let us not kid ourselves. If we want to save the NEA, there is only one way to do it. It is not to buy into this phony smokescreen of a substitute amendment. It is purely and simply to vote "no" on this rule, take this back to the Committee on Rules, put the Yates amendment in order. That is the least destructive thing to do; it is the most fair-minded thing to do. If we were going to have the Ehlers amendment before us, at the very least we ought to have the Yates amendment before us also so that people can choose between conflicting substitutes.

I urge people not to be taken in by this sham power play. Vote "no" on the rule.

Mr. SOLOMON. Mr. Speaker, I yield 4 minutes to the gentleman from Ohio [Mr. REGULA], one of the hard-working members of the Committee on Appropriations. He is the chairman of the

Appropriations Subcommittee on Interior.

Mr. REGULA. Mr. Speaker, I hope all of my colleagues will vote for the rule. This will allow us to debate a bill of great significance. I think sometimes it ought to be called the enhanced quality of life bill rather than the Interior bill, because everything that we do in this bill literally enhances the quality of life for our people. It is the future.

For example, the greatest single source of recreation in this Nation, and it cuts across all spectrums of society, is the national forests, the parks, the fish and wildlife refuges, the BLM lands. These resources are not only a source of recreation, but also a source of education, because many schools take their young people to fish and wildlife facilities, to the national forests, as part of an education process.

□ 1500

So that enhances the quality of life for all 260 million Americans. Likewise, this bill deals with our energy future.

Just this past week I talked to a young lady in my family, who is 14½. She cannot wait to get her driver's license. She is looking forward to getting out into the workaday world sometime and owning an automobile. We need to be concerned about energy, because energy means jobs, energy means growth in our economy, energy means a quality of life that people can get in their automobile and travel at a reasonable cost. We are blessed in this Nation with relatively cheap energy.

We heard a lot about the tax bill in the recent debate. Of course, energy is very much a part of that, because the key to a balanced budget is growth, growth in the economy. To have growth you have to have energy at a modest cost. It is vital. We spent not only lives but a lot of money in Desert Storm to protect energy sources. This bill supports a lot of research to provide the technologies to assist with meeting our goals of an improved environment and a growing economy as we look forward to the future into the next century. It truly is a bridge to a better quality of life in the century ahead.

It also deals with other things. One of the subjects that is under discussion is the National Endowment for the Arts. Mr. Speaker, I would not begin to denigrate the NEA. I think they have done some excellent work. We had a symphony group that went out to the schools in my district. If Members watched the concert on the Mall on July 4 when they ran the tag lines, we noticed there was support by the NEA. I think it was a great thing. PBS said it is the most watched program they have. I could go on with others.

But likewise I would point out that perhaps the most graphic piece of artwork in this city is at the Holocaust Museum, what is called Remember the Children. There are the little plates, ceramics, that have incorporated the artwork of children from all across this Nation as to what the Holocaust means to them. That was done without an NEA grant. Let me mention also, if we take the passageway from here to the Cannon Building, we see the artwork from schools across the country. Many of us participate in that arts program. There is no NEA grant, they did it without an NEA grant.

What do we do in this bill? We provide that $80 million, that is $100 million that we have provided over each of the last 2 years minus the administrative costs, because we are going to send it back to the communities. We are going to send it back to the State arts agencies. The arts agencies in my State get a budget from the legislature that they increase every year. Why? Because they have had a very successful administration. They actually get three times as much from the Ohio Arts Agency than they do from here. We want to give them some additional help, because they are out there on the ground.

Last, it provides for sending money back to the schools, back to the children, where we really teach arts education, where we really teach an appreciation of the cultural heritage of this Nation.

Mr. MOAKLEY. Mr. Speaker, I yield 1 minute to the gentleman from Georgia [Mr. LEWIS], the minority whip of the Democratic Party.

Mr. LEWIS of Georgia. Mr. Speaker, I rise today on behalf of the artists, the writers, the actors, the musicians, the schoolchildren, and the thousands upon thousands of people in Georgia and around the Nation who benefit from the National Endowment for the Arts. I rise on behalf of all of these people to plead with all of my colleagues, Democrats and Republicans, to defeat this rule, this rule which abolished the National Endowment for the Arts without so much as a vote.

It was President Lyndon JOHNSON who said:

> Art is a Nation's most precious heritage, for it is in our works of art that we reveal to ourselves and to others the inner vision which guides us as a Nation. And where there is no vision, the people will perish.

We cannot and we should not and we must not abandon the role of the Federal Government in supporting the arts. Bombs, not books; planes, but not poems; missiles, but not music: Is this the legacy we will leave for our children? I say no, and the American people say no. There is a role for our government to play in supporting the arts, and that role is through the National Endowment for the Arts.

This rule abolishes the NEA. It does not even permit a vote. This rule is a travesty. It is an insult to our democracy. Mr. Speaker, let us defeat this rule.

Mr. MOAKLEY. Mr. Speaker, I yield 1 minute to the gentlewoman from California [Ms. PELOSI].

Ms. PELOSI. Mr. Speaker, I thank the gentleman for yielding time to me.

Mr. Speaker, the poet Shelley once wrote that the greatest force for moral good was imagination. God knows, our children and the people of America, but especially our children, need all of the imagination they can get to face the challenges of the future. Yet, the rule before us today serves to stifle imagination and stifle debate by eliminating the National Endowment for the Arts without even the formality of a vote.

Mr. Speaker, the music and the arts are their own excuse for being, but they also help our children learn to gain confidence, to reduce barriers to communication, and to enrich the lives of the American people.

Despite a 32-year history of the NEA of bringing the arts to communities all across America, to almost every congressional district, funding over 100,000 grants, and despite the overwhelming support of the American people, and despite the economic benefits pointed out by the gentleman from Massachusetts [Mr. MOAKLEY], the rule today eliminates the NEA without even the formality of a vote.

I urge my colleagues to vote against this uncivil rule and uncivilizing rule.

Mr. MOAKLEY. Mr. Speaker, I yield 1 minute to the gentlewoman from New Jersey [Mrs. ROUKEMA].

Mrs. ROUKEMA. Mr. Speaker, I thank the gentleman for yielding time to me.

Mr. Speaker, at the outset I certainly want to commend the gentleman, our colleague, the gentleman from Ohio [Mr. REGULA] for the fine work he has done on this Interior appropriations bill. I regret that his subcommittee has been put in this untenable position. I understand that the emotions are running very high on both sides of this issue.

But although the gentleman from Illinois [Mr. YATES] and I and many others of us went before the committee yesterday and asked for democracy, that is all we asked for, we sought protection for an up-or-down vote on this very important issue, and what did we get? We got a rule that is rigged for a legislative procedure that deprives the body of an up-or-down vote on this issue.

Mr. Speaker, I must tell the Members that therefore, I must, regretfully, oppose this rule. We should allow a vote on the Yates amendment with the waiver. This would give us adequate funding for the coming year, and this is very important, Mr. Speaker, not a rule that permits an unexamined block grant, so-called block grant, to substitute for the authorization process of the authorization committee. I am a

member of that committee, and we should have a deliberate, proper, intelligent procedure in the committee which is consistent with a world-class democracy. That is the American way.

Mr. Speaker, I rise in opposition to this rule—fully understanding that it is difficult to oppose a so-called open rule.

Mr. Speaker, at the outset I want to commend the gentleman from Ohio [Mr. REGULA] for his fine work on this Interior appropriations bill. And I regret that his subcommittee has been put in this untenable position. However, I nevertheless must rise this afternoon in opposition to this rule and in support of the National Endowment for the Arts.

I understand that emotions run high on this very sensitive issue. Some people, probably a majority in this House, feel that support for the arts is a cause worth fighting for and that the NEA is a worthwhile endeavor. I also understand that there are those in this House that want to eliminate all Federal support for the arts.

I disagree with them but recognize their right to their position.

So Mr. YATES and I, and many of our colleagues, went to the Rules Committee yesterday and asked for democracy. We sought protection for a simple up-or-down vote on the Yates amendment to restore funding to the NEA.

And what did we get in this rule? A rigged legislative procedure that deprives this body of a vote—up or down—on this issue.

I understand that the NEA has not been authorized in years. I submit that is not the fault of the supporters of the NEA. As a member of the authorizing committee, I would be happy to vote for a properly structured bill that reforms, restructures, and preserves the NEA.

So we asked for the routine waivers for Mr. YATES' amendment, something that is done all the time around here, and incidently, the same protections granted to Mr. EHLERS' block grant amendment. We were simply asking the Rules Committee to allow the democratic process—that's democratic with a lower-case "d"—to work.

Frankly, Mr. Speaker, if the NEA amendment is offered and defeated, I can live with that. Because the process has been allowed to work. The principle of majority rule should have been recognized.

That's the American way.

But the House should have the right to work its will on this issue after a complete and open debate.

While I am here, allow me to address the Ehlers-Hunter block grant approach.

I applaud these well-intentioned efforts. However, I submit that this is not the time and the Interior appropriations bill is not the place to undertake a complete overhaul of our arts funding process.

We simply do not have the time to fully analyze these new proposals. Indeed, this is a job for the authorizing committee—the Education and Workforce Committee.

Mr. Speaker, you know my position on the NEA. I have worked for years to reform, strengthen, and protect the NEA.

Since its formation over 30 years ago, the National Endowment of the Arts has provided the public side of a very valuable public-private partnership to foster the arts. The people in this room represent the private side of that partnership.

Since the NEA's birth, the number of community orchestras has grown from 22 to 422. The number of professional dance companies has risen from 37 to 300. Community orchestras have jumped from 58 to over 1,000.

The NEA has provided the critical support which allowed production of such American classics as the original "Driving Miss Daisy," "The Great White Hope," and a "Chorus Line." The NEA has brought us the television programs "Live from the Lincoln Center" and "American Playhouse."

All told, over 11,000 artists have received fellowships from the endowment. They've won dozens upon dozens of Pulitzer Prizes, MacArthur Awards, and National Book Club Awards.

The arts have been found to be an important part of a child's development. Exposure to the arts nourishes imagination and creativity. It develops collaborative and teamwork skills, in addition to flexible thinking and an appreciation for diversity.

A University of California study has shown that after 6 months of piano lessons, preschoolers demonstrated significant improvement in the types of reasoning required to excel in math and science.

It has been the NEA's role to leverage—not replace—the private funding that is so necessary to allow this type of growth and achievement to occur.

Aside from the creative benefits of the arts industry to the community are the financial benefits to the community. The nonprofit arts industry generates $36.8 billion annually in economic activity, supports 1.3 million jobs, and produces $790 million in local government revenue and $1.2 billion in State revenue.

So why then is the NEA under fire?

I think everyone in this room would agree: A balanced budget is a laudable goal. The NEA, like every other agency of the Federal Government including the Pentagon and NASA, should contribute to that effort. However, the reduction should be proportionate and fair and even-handed.

But there has been nothing even-handed and fair about the proposals to eliminate the NEA. And that's what I have been fighting for several years now to both reform and renew the NEA.

Funding for the NEA stood at $165 million 2 years ago. This year it stands at $99 million. If the NEA's opponents win this round this year, funding will be down to the $10 million range for the sole purpose of shutting it down.

So I must oppose this rule. We should allow a vote on the Yates amendment—with the waiver. This would give us adequate funding for the coming year—thereby giving the authorizing committee the time to reform and renew the NEA in a proper, deliberate, and intelligent manner that is consistent with a world-class democracy.

That, my colleagues, is the American way.

Oppose the rule. Support the arts.

Mr. MOAKLEY. Mr. Speaker, I yield 1 minute to the gentleman from New York [Mr. HOUGHTON].

Mr. HOUGHTON. Mr. Speaker, I rarely speak from the well of the House, and I even more rarely speak about a procedural issue, but in this case I feel I must. This is a bad rule and it should be defeated. If we stand for anything, we stand for openness.

Frankly, that is why I am here, to be able to use this voting card, to be able to express my opinion. We are going to be prevented from doing that. It is the heart of this Congress, it is the heart of the forum, where we express our feelings as Republicans and Democrats. This rule suppresses that discussion. If the NEA cannot stand on its own and stand the test of debate, it should go down, but let us have a vote on it.

I am a Republican, I am a proud Republican, and we Republicans, when we assumed leadership in the House, promised we would not shut off debate on critical issues. We preach this. Now let us practice it.

Mr. MOAKLEY. Mr. Speaker, I yield 1 minute to the gentleman from New York [Mr. NADLER].

Mr. NADLER. Mr. Speaker, I rise to object in the strongest possible terms to this rule. The action of the House leadership to deny a vote on the floor of the House on whether to retain or to abolish the National Endowment for the Arts is unconscionable and is an act of cowardice. It is an insult to democracy and a great disservice to the American public. The rule specifically targets the NEA for extinction. It waives points of order against every other amendment but one. Why? Because they are not confident they have the votes to defeat the NEA in a fair and open vote.

The rule is a cynical attempt to prevent the elected representatives of the American people from even voting for or against abolishing a major Government agency. Instead, the rule permits the Ehlers amendment, which is nothing but a snare and a delusion. That amendment would abolish the NEA and instead distribute $600, on average, to every school district for the arts, $600 to all school districts. To what use could they put that?

What is really at stake is the availability of art to the American people across the country. Before the NEA there were 58 orchestras in the country. Today there are more than 1,000. Before the NEA there were 37 professional dance companies. Now there are 300. Before the NEA, there were 1 million people who attended the theater each year. Today more than 55 million attend.

Do we want to go back to that era, when art was available only in large cities, and only to those who could afford large sums of money? That is what is at stake. Vote against this rule. Do not be deluded.

Mr. MOAKLEY. Mr. Speaker, I yield 1 minute to the gentleman from California [Mr. FARR].

Mr. FARR of California. Mr. Speaker, I thank the gentleman for yielding time to me.

Mr. Speaker, I hope that those artistic surgeon's hands that saved the gentleman's liver are the ones that got some training from the NEA.

Mr. Speaker, I rise in opposition to this rule, because the Committee on Rules has failed to allow this House to vote for the continued funding of the National Endowment for the Arts. Instead, it gives us the Ehlers amendment, and I urge all my colleagues to read that amendment, because it first abolishes the National Endowment for the Arts. This is a bad idea. Members might ask why, why is it bad for America?

It is bad for the schools, it is bad for our communities, and most of all, it is bad for business, so bad that the presidents and CEO's of America's largest corporations have written the Speaker asking him to sustain the funding for the arts. Companies likes Pepsi-Cola, Dean Witter, Procter & Gamble, B.F. Goodrich, Chase Manhattan Bank have joined 70 other Fortune 500 companies in requesting the support of the NEA. Why? Because the structure of the NEA serves as a clearinghouse for giving grant money.

Most importantly, creativity is America's greatest gift. Preserve creativity, preserve the NEA.

Mr. MOAKLEY. Mr. Speaker, I yield 1 minute to the gentleman from New York [Mr. FORBES].

Mr. FORBES. Mr. Speaker, I thank my colleague for yielding time to me.

Mr. Speaker, this is a very sad time for me as a Republican Member of this House, because for 40 years when the Republicans were in the minority we made it clear that we would not do things this way. We would always have the sunshine and daylight allow us to bring an issue up on the floor and have an up-or-down vote. That is what should happen for the National Endowment for the Arts. This critical program has done so much good. It is the Republican Congress, the 104th Congress, that clamped down on the atrocities that had come to symbolize unfairly this agency.

We need to move forward. There have been 121 instances in the last Congress where we appropriated unauthorized programs, and there is no reason why this program and the Yates amendment could not have a vote. I would suggest to my colleagues that we need an up-or-down vote on the NEA. Absent that, I regret that we are going to have to vote against the rule. That is something I truly regret having to do.

On the so-called compromise, if Members love the Department of Education and they love the Department of the Interior, they are going to love sending $80 million more through that bureaucracy, which is not sensitive to the arts in America.

Mr. MOAKLEY. Mr. Speaker, I yield 1 minute to the gentleman from New Jersey [Mr. MENENDEZ].

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Mr. MENENDEZ. Mr. Speaker, the Committee on Rules abuses the rights of Members by not allowing an amendment supported by Republicans and Democrats alike to keep the National Endowment for the Arts alive. That is undemocratic, and the President will veto it if it comes to him in that way.

I know the value of the arts to my communities in New Jersey, in Jersey City, Hoboken, Newark. They have revitalized downtown businesses, attracting conferences, conventions, increased tourism, new business, boosting the value of commercial and residential real estate.

They are a powerful, positive economic ripple effect in our communities. To eliminate that funding hurts our communities. They are important for the education of our children. They move beyond math and science to something equally important, imagination and creativity, allowing students to interpret their community and the world around them. And the arts are a bridge to cross-cultural understanding, bringing us together as a nation. The NEA brings the richness of our people to the poorest in our communities. So vote no on the rule. Vote to save the arts and vote to preserve our rights as Members in this House.

Mr. MOAKLEY. Mr. Speaker, I yield 1 minute to the gentleman from Texas [Mr. BENTSEN].

Mr. BENTSEN. Mr. Speaker, I thank the gentleman for yielding me the time.

Mr. Speaker, this is not about the merits of the NEA. We already know that a majority of the House supports the NEA and if we had a vote it would pass. It is about the process. It is a continuing pattern in this Congress and in the last Congress. In the last Congress we saw when a majority of the Congress wanted to keep the Government open, the majority would not allow the vote. We saw in this Congress when a majority of the Congress wanted to end the debacle with the flood disaster in the Midwest, the majority in the Congress would not allow a vote.

We saw in the B–2, and I voted for the B–2, that the majority in this Congress tried to strip the amendment and caused us to wait 10 hours to consider that bill. We are going to do the same thing today because no matter what happens with this rule, the NEA will get funded because that is the will of the majority, the real majority of the House and not the ruling majority.

Just this week in Mexico, last Sunday, we saw the ruling party allowed free and fair elections and respected the will of the people, but the majority party of this House does not respect the majority will of the House itself. What a shame that is. Defeat the rule.

Mr. MOAKLEY. Mr. Speaker, I yield 1 minute to the gentlewoman from Texas [Ms. JACKSON-LEE].

Ms. JACKSON-LEE of Texas. Mr. Speaker, I rise on behalf of the children. I rise against the attack on the NEA because it is summarily unacceptable.

SOS: The Fourth of July will have to be canceled in Washington, DC, for the NEA sponsored last week, the NEA sponsored last week the Fourth of July celebration for this Nation. How unfortunate that the Yates amendment and other amendments to restore NEA funding in the Committee on Rules were not allowed.

Quality of life issues: Less than 0.6 percent of the Federal budget is spent on our children and the arts. Representing most of the arts community in Houston, let me say to you that this is a ridiculous trampling on the arts, the culture and the history of this Nation. What a tragedy that this Nation does not recognize what the real quality of life is all about. We are going to win this. We are not going to see the clocks turned back. We are going to stand up for the children so they know what art is about, they know their culture and they know their history. We are going to stand up and make sure this rule is defeated.

I ask my colleagues to join me. Bring up the quality of life and let us keep the Fourth of July celebrated in the United States of America.

Mr. Speaker; I speak in order to express my vehement intent to oppose this rule for H.R. 2107—the Department of the Interior and related agencies appropriations bill of 1968. The related agency that this rule seeks to eliminate is the National Endowment for the Arts.

The current funding level of $10 million appropriated in H.R. 2107 for the NEA is summarily unacceptable and needed to be changed. My amendment restored funding for the NEA to $99.5 million.

The difference between my amendment and the amendment of my colleague, Representative YATES, was that my restoration was offset by a reduction in the Forest Service—forest and rangeland research appropriation; while his restoration was offset by using the strategic petroleum reserve.

I am outraged that the Rules Committee has decided to stop the democratic process by not allowing the Congress to do its job. The Rules Committee had decided to use Gestapo maneuvering in not allowing the House of Representatives to vote on such an important issue as preserving an important part of American culture through the arts.

How is it that the chairman of the Rules Committee can completely stop the democratic process. Why are we all here? The Rules Committee was never used to stop the democratic process. Under the dictator type leadership of the Republicans, the democratic process is not taking place.

If the House of Representatives to hold its title as the people's House, then Democrats

and Republicans should work together in openness and fairness. But that is simply not the case. The Republican majority of the House has the power to decide which legislation will be brought to the floor and what will be voted on. However, under the Republican dictatorship of the Rules Committee, the full House is completely stopped from voting on important legislation of the American people.

I am outraged at where this debate on funding for the NEA is heading. The opponents of funding for the NEA are quick to trot out the occasional bad choices made by the NEA. However, it is important to highlight and inform the American public of the vast majority of activities funded by the NEA.

In Houston, TX, the Alley Theater is an excellent representation of the value of the NEA and the arts in Texas. The Alley Theater is family oriented with over 200,000 persons attending productions annually. To quote Paul Tetreault, the managing director of the Alley Theater in Houston, "the NEA has given meaning support to the Alley and its audiences for many years." However, this year, the Alley was denied funding for a production as a result of reduced budgets. He states that, "it was a great surprise and disappointment to see that support interrupted at a time when the Alley is realizing its greatest artistic achievements." Mr. Tetreault goes on to say that, "many other deserving theaters, museums, dance and opera companies have been even more deeply affected by having their grant requests denied. Their losses, like that of the Alley's, will have a collateral effect on the quality of life in the communities they serve, to the detriment of arts education, commerce, and tourism."

Mr. Speaker, that is what this debate is about. The quality of life for Americans and their families and children throughout this country. This is not about the few bad choices made by the NEA in the past. This is about the ability of children and families to view productions of plays and musicals; the ability of children and families to experience art and art education; the ability of a child to travel across town to an outdoor play with his father and mother and share in a meaningful family outing where the love of a family can be shared; where a community can come together in place; where the quality of life for residents in a city can be improved by an arts event that both educates and entertains.

What is the need to summarily eliminate an area of the Federal Government that is working. Funding for the NEA represents less than six-ten-thousandths—0.0006 percent—of the entire Federal budget. With that six-ten-thousandths percent—0.0006 percent, the NEA is still the largest single source of funding for the nonprofit arts in the United States. This investment of the U.S. Government is an investment in the quality of life for families and children. It spawns investment and giving to the arts by the American people, private and corporate donors. However, increased demands on all sectors of private giving have recently presented corporate and individual donors with tough choices. How can we expect private donations to the arts to increase, when we do not keep our commitment to the NEA. This is the time that the Federal Government should be making an investment in the NEA; not closing it.

Who are we really hurting if we do not fund and support the arts. We are hurting middle class and poor America. Seven point five—7.5 percent—of funding for the NEA goes directly to projects in under-served communities. Through access and outreach related grants, the NEA has helped to make the arts accessible to millions of Americans who could not otherwise afford them. What does that mean? It means that children in poor communities will not have access to plays, musicals, stage productions, and arts education that serve to increase the quality of life and overall educational value of American children. We are hurting the very people that we are sent here to help. We are hurting families who are trying to raise their children to respect the community. Mr. Speaker, we are hurting America.

Most grants of the NEA help support community outreach projects, free and touring concerns, and educational initiatives that make our major institutions accessible to all Americans. How many children will not hear the sweet and magnificent sounds of the symphony and orchestra because of this bill. How many families that cannot afford to by tickets to the symphony will be left out of valuable and quality appreciation of the performing arts.

Cutting funding for the NEA will not only negatively affect cities, but it will also negatively affect rural, small town communities. NEA grants serve communities in both urban and rural areas. In most small towns across the country, traveling tours, exhibits, and concerts are the major exposure to the live performing arts that children receive. The small town and rural communities cannot afford to support a full symphony, orchestra, or museum.

Funding for the NEA is not a Republicans versus Democrats issue. There are even Republicans that support level funding for the NEA. It is not a conservative versus liberal issue. Funding for the NEA is a cultural issue. Important cultural, educational, and artistic programs are funded by the NEA. Business leaders, educators, cities, States, and even law enforcement officials support funding for the NEA. After schools arts programs keep kids off the streets. We have all heard the phrase "an idle mind is the devil's workshop." If we are able to reach kids and take them off of the streets via an after school arts program, then why don't we. Funding for the NEA exposes inner city minority children to Hamlet and the Othello.

The Cultural Arts Council of Houston/Harris County receives funding from the NEA. They have over 115 members that receive funding from them. These organizations would be dramatically hurt by the destablization of funding due to cuts in the NEA.

The NEA stimulates local and national economies and helps to create jobs. It is estimated that nationally, the NEA generates $37 billion in economic activity and returns $3.4 billion in Federal income taxes to the U.S. Treasury each year. The estimated impact to the Houston community because of funding cuts to the NEA was a negative $1.5 million across all manners of organizations both great and small. Houston's diversity of institutions makes it a great city. We do not believe in elitism. Cultural diversity is keen. If funding for the NEA is drastically cut, then the negative impact in Houston will be devastating, estimating that it will cost the city over $3 million in economic gains.

The Houston Ballet is internationally known. C.C. Conner, the managing director of the Houston Ballet expressed that, "private support cannot replace the role of the Government cultural funding." He states that, "funding from the NEA has played a significant role in Houston Ballet's growth from a small regional company to what is today, according to many dance critics, one of the premier dance companies in the United States * * * however, one can safely say that Texas' citizens and taxpayers are losing jobs and income as a result of NEA cutbacks."

The NEA makes the arts accessible to all Americans. There is no doubt that a people and culture without a preservation of the arts in history are doomed. I urge my colleagues to oppose this dictatorial rule.

Mr. SOLOMON. Mr. Speaker, I yield 2 minutes to the gentleman from Florida [Mr. GOSS] a very valuable member of the Committee on Rules and chairman of the Permanent Select Committee on Intelligence.

Mr. GOSS. Mr. Speaker, I thank the distinguished gentleman from Glens Falls, NY, for yielding me the time and I rise in support of this mainly open rule.

Mr. Speaker, the Interior appropriations bill, which is what this is, provides important funding to protect our natural resources for future generations, including our children. The underlying bill is an excellent example of doing more with less.

We are going to save money by focusing our limited resource in priority areas. Even though this bill spends $100 million less than last year's appropriation, it still provides important funding increases for our national parks, the National Forest System, and the National Wilderness Refuges, which many Americans and American children use.

Especially important for my home State of Florida, this is a vehicle for the crucial Everglades restoration funds. These funds permit us to meet the Federal commitment in our ongoing effort to restore and preserve for future generations, especially our children, the unique river of grass.

Another important provision is the extension of the Outer Continental Shelf oil and gas exploration moratorium, which protects Florida's fragile coastline from oil slicks and pollution. Each year for the last 13 years Congress has passed this moratorium, and I am pleased that the committee has once again seen fit to include this commonsense measure. So many people enjoy our beaches and shores, including, of course, all Americans, many visitors, and especially our children.

As always, there are some issues in this bill that remain controversial and probably always will be. But the gentleman from Ohio [Mr. REGULA] has done an outstanding job balancing the very diverse views of this body.

This rule likewise reflects a genuine workable compromise. I think it is a good process. I think the rule is a good rule, and I think it is a good bill.

If the NEA is the only way to culture in America, then we have got a problem. This rule provides for us to look at other ways to get public money, tax dollars, to the public for the purpose of the arts. Those who suggest the sky is falling on the arts if the NEA is cut back or curtailed do not understand that there are many ways and many aspects to the arts. I believe that the block grant opportunity is one we should examine, and will under this rule.

Mr. MOAKLEY. Mr. Speaker, I yield 1 minute to the gentlewoman from New York [Mrs. MALONEY].

Mrs. MALONEY of New York. Mr. Speaker, I rise against the rule and in support of one of America's greatest treasures, the National Endowment for the Arts.

My colleagues, who want to slash the NEA budget, say it is elitist and controversial. Some claim that eliminating the NEA will help cut the deficit. But their numbers do not add up. The NEA budget represents only 0.01 percent of the Federal budget. That translates into 35 cents a person, little more than the cost of one postage stamp. In fact the NEA actually brings in money. The arts generate $36 billion in revenue and pay $3.4 billion in Federal income taxes.

In New York State, the NEA is a boon to the economy. The arts employ approximately 174,000 New Yorkers and attract millions of tourists annually, producing an estimated $13 billion in revenue. Without the NEA, local theater and educational groups that introduce children to the arts will be forced to dim their lights. That would be a serious loss to this country.

Mr. MOAKLEY. Mr. Speaker, I yield 1 minute to the gentleman from Virginia [Mr. MORAN].

Mr. MORAN of Virginia. Mr. Speaker, this rule needs to be defeated because if it passes, the National Endowment for the Arts and all the great work that it does will be defeated.

During our hearing on the Subcommittee on Interior of the Committee on Appropriations, we heard from a young lady by the name of Denyce Graves. She grew up just a very few miles from here, right next to the Kennedy Center, but the Kennedy Center could have been a world away. She never had the money to go to the Kennedy Center.

But because of an NEA grant, there was a community opera production that she went to when she was a teenager. She was inspired by it. She went on to devote her career to being an opera singer. She now plays Carmen at the Met. That may not seem important to the Members of this body, but I know it is important to millions of young families and children around the country who would like that similar opportunity and will not have that opportunity if it is only the elitist organizations that are funded. NEA works on behalf of the real people of America. Give their talent an opportunity to express itself. We are all richer because of it.

Mr. SOLOMON. Mr. Speaker, I yield 3 minutes to the gentlewoman from Ohio [Ms. Pryce], a very distinguished member of the Committee on Rules.

Ms. PRYCE of Ohio. Mr. Speaker, I thank the distinguished chairman of the committee for yielding me the time. I rise in strong support of this fair rule. This is about the NEA, but it is only a small part of this legislation. This appropriations bill is also about preserving our Nation's rich heritage, our natural resources like our national forests and parks; our human resources, like improving native American education and the many museums and cultural centers all around the country.

This bill is about keeping our history and heritage alive for people of all ages and all walks of life to see and to enjoy. What we do today in this bill will not just preserve our past for the record books, it will also enable us to educate our children and grandchildren about who we are and where we came from and the events that shaped our Nation's history. By caring for these precious resources, we honor the legacy of our land and the struggles and the accomplishments of those who came before us.

Mr. Speaker, summer is a time when many of our constituents pack up the family and head off to vacation, maybe to the Nation's Capital to take advantage of the diverse cultural institutions that Washington has to offer. I am pleased to note that the bill provides priority funding for the Smithsonian Institution, the National Gallery of Art, the John F. Kennedy Center and the National Holocaust Museum.

Mr. Speaker, the Committee on Rules worked very hard to find a way to resolve the controversies surrounding the funding for the National Endowment for the Arts. This has been a difficult emotional issue for Members on both sides of the debate, and many thoughtful arguments have been made for why the NEA should or should not continue as it is today. I believe this rule offers a very fair approach to debating the question of whether the Federal Government should be engaged in promoting the arts in America and to what degree.

This rule permits the House to debate an amendment which will transform the current NEA to a block grant program funded at $80 million, to be administered by the States. This may not be the preferred option for those who strongly support the NEA, but in my view it is an honest, good faith attempt to resolve this difficult situation and to maintain an appropriate Federal commitment to promoting the arts and the culture in American society.

Mr. Speaker, in closing let me say that I deeply appreciate the hard work of my colleague, the gentleman from Ohio [Mr. REGULA].

We all recognize the tight constraints of the Federal budget and the contentiousness of many of these issues. He has crafted a bill that balances good government choices with a paramount need to restore, preserve, and protect our Nation's natural and cultural resources. This is a responsible bill. And under this rule we will have a chance for an open debate. I urge my colleagues in the strongest possible terms to vote for this fair and open rule and to support the Interior appropriations bill that it supports.

Mr. MOAKLEY. Mr. Speaker, I yield 1 minute to the gentleman from Pennsylvania [Mr. FOGLIETTA].

Mr. FOGLIETTA. Mr. Speaker, we look back over history and we see that the great civilizations are not remembered for the wars that they fought. They are not remembered for the people that they killed in those wars.

The great civilizations of history are remembered for the arts that they provided for their people: music, art, sculpture, and literature. But throughout those ages, it was not always easy for those who advocated the arts. There were always those in government who wanted to prevent the arts from progressing.

When Rodin developed the great sculpture of the Burghers of Calais, they would not pay him for that. Michelangelo was thrown in jail. The impressionists were prevented from presenting their art. So all through history we had those who have objected to the arts.

I may be soon visiting Rome. When I go to Rome and I go to La Scala or I go to the National Gallery in Naples or I go to the Pitti Palace or the Uffizi, allow me to say to those Italians that we, the greatest Nation in the world, also preserve and support the arts. Vote no on this rule.

Mr. MOAKLEY. Mr. Speaker, I yield 1 minute to the gentleman from Washington [Mr. DICKS].

Mr. DICKS. Mr. Speaker, I had the honor of serving on the Subcommittee on Interior for 21 years, both under the chairmanship of the gentleman from Illinois [Mr. YATES] and the gentleman from Ohio [Mr. REGULA]. To me this is one of the saddest days that I can remember.

I believe that the National Endowment for the Arts deserves the support of the Congress and of the American people. I believe that if we go back to 1964 and we see the Endowment created and we look at the growth in funding from the private sector, it matches the growth of our Federal support for the endowment.

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I believe that over 100,000 grants have been made and less than 50 have been controversial. When we think of the arts, we think of controversy. I think that is an incredible record.

I urge my colleagues today to support the gentleman from Massachusetts [Mr. MOAKLEY] and the gentleman from Illinois [Mr. YATES]. Let us defeat this rule. Let us send them back to the Committee on Rules and come out here with an amendment that allows us to vote up or down on the NEA. This block grant thing is nothing but a fraud, in my opinion.

Mr. MOAKLEY. Mr. Speaker, I yield 1 minute to the gentleman from California [Mr. CAPPS].

Mr. CAPPS. Mr. Speaker, I rise in fierce opposition to the rule. In my district in California the National Endowment for the Arts has supported such valuable programs as the Children's Creative Project, the Santa Barbara Museum of Art, Cal Poly Arts, the Santa Barbara Symphony Orchestra, UC Santa Barbara Arts and Lectures, Cuesta College Public Events, and the list goes on and on.

The National Endowment for the Arts also contributes to the economy of California. Funding for NEA is only a mere 0.001 percent of our Nation's $1.7 trillion dollar Federal budget, but this seed money snowballs when private and nonprofit sectors see the government's endorsement and then add to it.

Small amounts of public arts support leverages immense amounts of outside funding, which have the net result of creating more jobs, greater profits, and more taxes. The work of NEA can be justified simply on the basis of what it does to advance the arts, but it also contributes to the vitality as well as to the economy of our communities. It is a positive, positive national force. Let us defeat the rule.

Mr. SOLOMON. Mr. Speaker, I yield 1 minute to the gentleman from Illinois [Mr. CRANE], a distinguished member of the Committee on Ways and Means.

Unfortunately, we only have 1 minute we can allocate to him, but he deserves it.

Mr. CRANE. Mr. Speaker, I thank the gentleman for yielding me this time, and I will try to compress a lot in 1 minute.

One of the things that struck my mind is there was $10 million provided for of continued funding for NEA, and with their 20 percent overhead costs, that leaves $8 million for distribution. That $8 million for distribution I think we can probably raise out of the pockets at least of those colleagues here who are such staunch supporters of the NEA.

One of the things that concerns me about it is the maldistribution of NEA funds. The majority of those funds go to D.C., New York, and L.A. My district is significantly larger than D.C. in population. We got $5,000. But Washington, DC, got double what my whole State of Illinois got.

It is a good old boy network. It is time to terminate that and depend upon the voluntary contributions totaling $9.5 billion a year out of the pockets voluntarily of citizens.

Mr. MOAKLEY. Mr. Speaker, I yield myself such time as I may consume to say that that good old boy network my friend just referred to is run by a woman.

Mr. Speaker, I would like to inquire of the time remaining.

The SPEAKER pro tempore (Mr. CAMP). The gentleman from Massachusetts [Mr. MOAKLEY] has 5 minutes remaining and the gentleman from New York [Mr. SOLOMON] has 6 minutes remaining.

Mr. MOAKLEY. Mr. Speaker, I yield 1 minute to the gentleman from Maine [Mr. ALLEN].

Mr. ALLEN. Mr. Speaker, I rise in strong support of the National Endowment for the Arts. Maine is a small State but there the NEA has helped us achieve innovative arts programming.

As a former president of the Portland Stage Co., I have seen firsthand how a very small amount of Federal funding helps to support local efforts. It spurs the local economy. In Portland, for example, over 150,000 people a year visit the Children's Museum, and while there they eat in our restaurants, they shop in our stores and they revitalize our economy.

In rural Maine, small amounts of NEA funds help musical, theatrical, and other performing groups brighten our communities.

Leslie Abrams, one of Maine's best comediennes, put it well: "A world without art is gray, lifeless, dull. The musicians, the actors, the dancers, the sculptors, the composers, the painters, the photographers, the choreographers, the writers and, yes, even the comediennes like myself, are there to bring color and joyful noise to the world. We help others find what is universal in our experience."

Support the NEA. Vote against this rule.

Mr. SOLOMON. Mr. Speaker, I yield 1 minute to the gentleman from California [Mr. DUKE CUNNINGHAM], a very valuable Member of this body.

Mr. CUNNINGHAM. Mr. Speaker, if we want to save the arts and save the arts for children, $80 million goes to all States, not the majority to New York or my State of California. There was a Republican compromise back in 1995. As the chairman of the subcommittee, along with the majority leader, we brought moderate Republicans, conservatives, in an agreement to save the arts for 3 years. Give them $99 million, let them establish their own endowment, their own endowment, and take it off of taxpayers.

Twenty million dollars in administrative fees, the rest of it going to New York and California, very little to many of the States, we decided to get rid of that. Let us put the money down to the States, down to the children, and take it out of the liberal hands of the NEA.

What this rule does is eliminate the organization, not the arts. If we want our rhetoric to go where it is and save the arts, let us put the money down there. When we talk about policy, when the Democrats were in the majority they eliminated this amendment on an up or down vote because they knew it would pass, that the money would get to the children, not to the liberal NEA itself.

Mr. MOAKLEY. Mr. Speaker, I yield 1 minute to the gentleman from North Carolina [Mr. HEFNER].

Mr. HEFNER. Mr. Speaker, I am a little bit troubled by this. I would say to my good friend that this rule is absolutely a gag rule.

Now, we have had some examples in the Committee on Appropriations about some of the abuses in the NEA. Certainly we do not like the abuses that have occurred in this NEA. But let me remind my colleagues of this: There are abuses that occur in all programs. We do not close down our military academies simply because we have had scandals. In the Naval Academy, all the academies, we have had scandals.

We have funded on this floor over $20 billion for a B-1 bomber, which I supported, that has never flown a mission and took no part in the Persian Gulf. It has never flown a mission. We do not stop building airplanes.

One of the greatest things for my kids, when they were going to school in this little country school, was when the local symphony from Charlotte or Raleigh or someplace would come and do a skit for them. They were absolutely enraptured by it.

This is a good program. We want to weed out the bad things but, in my view, this rule is absolutely a gag rule to keep us from doing what is the democratic way in this House. Vote down this rule.

Mr. SOLOMON. Mr. Speaker, I yield myself 2 minutes.

We have heard a lot about a gag rule on this floor today. Let us be perfectly clear. This rule is an open rule. Any Member can stand up here and offer any amendment under an open rule that is allowed under the rules of this House. That is clear.

Several years ago I wrote a book, "Before Its Time," which dealt with balancing the Federal budget. In that, dealing with the arts, I said then the central question is whether or not the Federal Government should be subsidizing art and humanities, and went on to say, "As George Will points out, we had the poetry of Walt Whitman and the paintings of Grandma Moses"—from my district—"without this kind of aid."

I went on to say that, "While it may be true that reducing funding would result in fewer of these activities, private funding can and should be able to fill the gap. In fact, subsidies account for a mere fraction of what the actual amount spent on the arts is. In 1990, Americans donated nearly $8 billion to the arts, culture, and the humanities. The commitment to the arts goes far beyond the NEA."

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

Mr. MOAKLEY. Mr. Speaker, I yield the balance of my time to the gentleman from Illinois [Mr. YATES], a dear friend, a fellow who has done so much for the NEA, and whose amendment should be made in order but it is not.

Mr. YATES. Mr. Speaker, I thank the gentleman from Massachusetts for yielding me this time.

Mr. Speaker, as we have heard in this debate, the fundamental question that is involved is the one that we had with respect to the Crane amendment. This is a vote to determine whether or not we kill the NEA. This is a vote that will deprive me of the opportunity of offering an amendment that will allow the House to determine the question as to whether funds should be allowed to keep NEA in operation.

One point should be made, Mr. Speaker. If this rule is approved, it is inevitable that NEA will be stricken from the bill on a point of order and nobody will be allowed to offer an amendment with respect to NEA.

One point is indisputable. If this rule goes down, this rule will come back with only one change, the opportunity to offer an amendment for NEA. That is all that will be required. Therefore, if we are for the National Endowment for the Arts, as I know many of my friends on the Republican side are, then we must vote against this rule. It is that simple.

More than that, if we think that Members of the House should be allowed to vote on this question and not be required to accept it as an imprimatur from the Committee on Rules, we should vote against this rule.

The gentleman from California, Mr. DAVID DREIER, my good friend, talked about the fact that if NEA is killed, we will have the same kind of an arts community throughout the country. Mr. Speaker, nothing is further from the truth. NEA brings the arts to every American community, not just to the big cities.

Oh, we will have the big cities with their arts, as they always have. We will have Chicago and New York and we will have Houston and Los Angeles. All of them will have the same kinds of wonderful arts companies that they have had. But the cities, small cities like Jessup, IA, or Gilpin, GA, populations of 2,500, will not be able to get the benefits of the arts.

I should read to my colleagues, and I do not know whether I will have enough time, but I want to point out there was a witness who appeared before our committee from Jessup, IA, who pointed out what a grant to that small farm community meant to the people who were there. When they heard that they were going to have a quartet come to Jessup, IA, the local furniture store supplied the beds, another family would sacrifice a TV.

I would refer my colleagues to page 3 of the hearings for 1994 if they want to see what happened to this small community which had this grant. It was a wonderful, wonderful experience for which it would be deprived in the future if the arts go down. I hope we will vote down this rule.

Mr. SOLOMON. Mr. Speaker, I yield myself such time as I may consume to just say that out of respect for the gentleman from Illinois, we let him go a little beyond his time. We hope our colleagues will allow the majority leader to do the same.

Mr. Speaker, I yield the balance of my time to the gentleman from Texas [Mr. ARMEY], our distinguished majority leader.

Mr. ARMEY. Mr. Speaker, I want to thank the gentleman from New York for yielding me this time.

Let me begin by extending my compliments to the gentleman from New York [Mr. SOLOMON] and the gentleman from Massachusetts [Mr. MOAKLEY] and the other members of what I might dare characterize as the long suffering Committee on Rules for completing their work again late last night to bring this rule to the floor today.

I would also like to give my compliments to the chairman of the Interior appropriations bill, the gentleman from Ohio [Mr. REGULA], a fine gentleman and a decent and honorable man respected by the whole body.

And my particular compliments to my good friend, the gentleman from Illinois [Mr. YATES].

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Mr. YATES and I have labored over this issue throughout all the years I have been here, and he, even years before I came; and I have found him in every instance to be a gentleman, a compassionate, a concerned, a sharing and a caring man, stubbornly holding to his point of view, but I appreciated him then and I appreciate him now.

Mr. Speaker, every year, in every summer that I have been in Congress, we have dealt with the Interior appropriations bill, and in each of these times the debate has been, more than anything else, about the National Endowment for the Arts.

In some respects I think that has been unfortunate because of all the good things that are covered in this bill that too often get overlooked. The National Endowment for the Arts has always been, in this case, bigger than life. It has always been a very small fraction of the total spending of the bill, in this case less than $100 million in a $14 billion bill.

The National Endowment for the Arts is small with respect to the extent to which the Nation supports the arts, $100 million or less as over and against the $10 billion that the American people put out. It is certainly small relative to the people's business, which is a $1.6 trillion budget that will be brought into balance as we complete all of this year's work.

What makes it so big? What makes it so big? It is made big by the concerted, well-funded, well-motivated efforts of the art elite in America, who want the focus to be not on whether or not there will be funding over the arts, but whether or not they will be in control of the funding of the arts.

This rule, I said, makes in order the Interior appropriations bill, which has within it $10 million for support of the arts from the Federal Government; $10 million not protected by an exception to the rules of the House. The rule also makes in order an amendment that would give $80 million to support for the arts if passed.

So what we find here is people who mobilize their efforts to protect their control over $10 million as opposed to having local control over $80 million. My colleagues do not think this is about control? My colleagues do not think this is about power? My colleagues do not want to confess it is about an elite that says let us keep the money in our arts community centers across the country and within our control so we can decide what is art and what is not art?

That is precisely what it is about. Should we, in fact, have the good people of Iowa decide for themselves at the local level what they would support, or should they send off an application to a board of art censors in the East who know better what is or is not art suitable for the people in Iowa? Should we have the local control? Should we have a fair disbursement of the money so everybody in this Nation on a per capita basis gets a fair share of the art? Or should we have it sent to the arts centers like Soho in New York City?

Should we make it more possible for more children to have more Crayolas in their hands by virtue of local control where they can do art, or should we have already privileged artists and privileged troops and privileged organizations in our major cities have additional money that supports the already rich budgets they have?

This is not about whether or not there is Federal funding for the arts supported by the Congress. This is about whether or not the Congress will let that funding be controlled and disbursed by an elite group or whether it will be controlled and disbursed by the local community.

If my colleagues want more funding for the arts than what is in the bill, if they want fair distribution of the funding for the arts that is in the bill, if they want local communities to determine for themselves what is or is not art that they would like to see in their communities from this bill, vote "yes" for this rule and make this in order.

If, on the other hand, they want to perpetuate a system of art censorship held in the hands of a group of elite activists sponsored by the Federal Government of the United States for the express purpose of deciding this is or this is not art, then vote for control, vote against freedom, vote against fairness, vote for the status quo, and they can have that.

If my colleagues truly, in their heart, can reach down and say it is fair to continue the National Endowment for the Arts, which has been the single most visible and deplorable black eye on the arts in America that I have seen in my lifetime, as opposed to what real people and their real communities did to celebrate the arts, music, classics in their own communities for 200 years before there was a National Endowment for the Arts, I say vote for this rule, vote for freedom, vote for the children, vote for the parents, and vote against elite control of art in America.

GENERAL LEAVE

Mr. SOLOMON. Mr. Speaker, I ask unanimous consent that all Members have 5 five legislative days in which to revise and extend their remarks on House Resolution 181.

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

There was no objection.

Mr. GEPHARDT. Mr. Speaker, I rise today to express my strong opposition to this rule that would set the terms of the debate for the fiscal year 1998 Interior appropriations bill. I must oppose this rule because it is a gag rule—it denies those of us in the House who support continued funding for the National Endowment for the Arts the opportunity to make our case, and instead makes in order an NEA-killing amendment.

The bill as reported by the Appropriations Committee reduces funding for the NEA to $10 million from the current year's funding level of $99.5 million. And that's on top of a 40 percent cut already inflicted on the NEA 2 years ago. I understand that Members of the Republican leadership have been spearheading the effort to eliminate the NEA—reminiscent of a Republican-led effort to get rid of Big Bird a few years ago—and that's why we have this rule before us. What I fail to understand is why.

The NEA plays an extremely important role in educating our children about art and promoting the arts. Not only is this a worthwhile endeavor in and of itself—the arts enrich our lives and are an integral part of our culture—but the arts also contribute to a vibrant economy all across our country. In fact, to those who say the NEA is a waste of taxpayers money or a luxury we can't afford in era of tight budgets, I say the NEA is a wise investment. While the NEA comprises only a tiny fraction of the total Federal budget—approximately 1/1000th—for this small investment millions of nonfederal dollars are matched to further promote the arts, and the arts return more than $3 billion to the Federal treasury in arts-related commerce.

Through the NEA, the arts are supported in every State, reaching people in small towns and rural areas who otherwise may have no opportunity to enjoy music, dance, or theater. Eliminating the NEA and replacing it with a new bureaucracy that would be required to administer this untested unproven block grant system would jeopardize those opportunities and would end the Endowment's grants for lifelong learning programs such as those that serve our Nation's adults, senior citizens, and disabled citizens. Access to the arts that young people and adults now enjoy through public radio and television and touring cultural programs would be canceled.

Therefore, Mr. Speaker, I urge my colleagues to reject this rule. Let us stand with the U.S. Conference of Mayors and the National Association of Counties who believe there is a Federal role in the arts and with the National Assembly of State Arts Agencies which opposes block granting all Federal arts dollars. Let us stand up for nurturing our children and our country's cultural heritage. This rule is wrong, it is antidemocratic, and it should be defeated.

Mrs. KELLY. Mr. Speaker, I rise today in strong opposition to this rule. This rule can work to ruin the livelihoods of numerous splendid artists in my district; halt the regeneration of the city of Peekskill, village of Cold Spring and several other struggling communities; and to deny many of my constituents theater, dance, opera, painting, and other artistic mediums.

This shortsighted decision to severely cripple our Nation's preservation of culture will haunt us in the near future. All of us like to think of the United States of America as a civilized country, but how civilized is a country that abandons their commitment to the arts. How civilized is a country that does not prioritized art and culture as the inevitable measurement of our society? When we look for signs of early and ancient man, where do we find it? In the arts that ancient cultures left behind.

Absent the argument of whether or not the NEA should continue, there is a yet a bigger concern being debated here—Democracy. This rule denies this Chamber a straight up and down vote on funding the NEA. It allows an attempt to reach compromise by block granting arts funds without any hearings. This amendment, while supposedly sympathetic to the arts, operates on the premise of eliminating the NEA—a premise with which I cannot agree.

Henry Wadsworth Longfellow wrote that:

"Art is the child of Nature; yes,
Her darling child, in whom we trace
The features of the mother's face,
Her aspect and her attitude."

That quote leads me to ask one question. What kind of mother are we then if we devalue the arts? Allow a vote on NEA funding. Defeat this rule.

Mr. MANTON. Mr. Speaker, I rise in opposition to this unfair and damaging rule. The future of the National Endowment for the Arts lies to the balance. The important programs funded through the NEA play an integral part in our communities and schools, in turn, having a tremendous positive impact on the future of our children and society as a whole. As a member of the Congressional Arts Caucus, I take a special interest in protecting the future of the NEA.

The NEA plays a crucial role in providing the tools necessary to enhance the arts programs of our Nation. Without it, access to museums, theaters, festivals, and other celebrations of the arts would be greatly limited. We cannot allow this to happen.

The arts play a vital role in education and enhance our communities. By promoting art programs in our schools, we create more well-rounded, self-confident students who excel in their studies. Art programs benefit our communities by bringing together a wide range of cultural activities for all our citizens while also strengthening local economies.

New York City is home to numerous museums, theaters, and dance groups who rely on funding from the NEA. These attractions draw millions of tourists each year to our city, generating billions of dollars for the New York City economy while creating thousands of jobs for its residents. In my District of Queens, numerous art programs rely on funding from the NEA. I was proud to have 12 cultural groups from my district benefit from the NEA during fiscal year 1997. If their funding were discontinued, it would have a devastating effect on their future and the Queens community.

Mr. Speaker, it would be a tragic mistake to destroy the National Endowment for the Arts. The positive influences it has had on our schools and communities are numerous and far-reaching. I urge my colleagues to vote against this unfair rule and save the future of the National Endowments for the Arts.

Mrs. MORELLA. Mr. Speaker, I rise in opposition to the rule, and to express my disappointment that the whole House will not have the opportunity to decide the fate of the National Endowment for the Arts [NEA].

The arguments in favor of limited funding for the NEA are hollow and without merit.

Government support for the arts is not a program for the elite.

Eliminating the endowment will do almost nothing to reduce the deficit.

The private sector cannot and will not provide sufficient funding to make up this loss.

Let me tell you the many reasons that most Americans believe in government support for the arts:

The arts stimulate economic growth. For every dollar the NEA invests in communities, there is a 20-fold return in jobs services, and contracts.

The arts invest in our communities. The arts develop in our citizens a sense of community, and contribute to the livability for families in that community.

The arts are basic to a thorough education. Student achievement and test scores in academic subjects can improve when the arts are used to assist learning in mathematics, social studies, creative writing, and communication skills.

I invite anyone who thinks the NEA is not needed to visit the Puppet Company Playhouse in Glen Echo Park, just a few miles from the Capitol.

It's a 200 seat theater created out of a portion of an historic ballroom at Glen Echo Park. The audience is usually made up of children accompanied by their families and teachers, representing the cultural and economic diversity of Maryland, Virginia, and the District of Columbia. An NEA grant allows the Puppet Co. to keep the ticket prices low so that many young families can attend the performances. The associates who run the company work hard for modest salaries in the true spirit of keeping their company nonprofit.

I think most taxpayers would be pleased to know that they support such a worthwhile project.

Mr. Speaker, our legislative agenda could have far-reaching implications for the cultural vitality of our Nation. Therefore, I cannot support this rule.

Art is how we remember. It is important, even vital, that we support and encourage the promotion of the arts so that the rich and cultural story of our past can be made available to future generations.

Ms. SLAUGHTER. Mr. Speaker, I regret that I will not be present for this important debate, due to a death in my family. However, I strongly oppose this rule because it fails to waive points of order on the section of the bill that provides funding for the National Endowment for the Arts. Waiving points of order on this section would protect the Appropriations Committee's work, and allow the issue of Federal funding for the arts to reach the House floor.

Numerous Members from both sides of the aisle testified yesterday before the Rules Committee in favor of allowing a straight up or down vote on the National Endowment for the Arts [NEA] on the House floor. But instead, the Rules Committee decided to deny the Members of this body an opportunity to vote on this issue, which affects millions of people across the country.

Our Federal investment in the NEA is an investment in our children's educational development and in our Nation's economic growth. The $99.5 million we invest in the NEA yields a return of $3.4 billion to the Federal Treasury. I know of no other investment we make that yields so great a return.

Studies have shown that investments in arts education yields other dividends as well. For example, we now know that playing the piano helps students better learn math and science. It is "penny wise and pound foolish" for us to sacrifice the investment in arts education that we have been making in our children and our communities—particularly without an up-or-down vote by this democratic Congress.

As a majoritarian body, the House has an obligation to ensure that members of Congress have the opportunity to determine the future of the NEA by voting on it, rather than being blocked by a procedural issue. The NEA has played an essential role in our society for over 30 years. It is simply unfair to make any decision affecting its continuation—and in turn affecting the millions of citizens who benefit from NEA-funded programs—without the benefit of a vote by the entire House of Representatives.

This is not a parochial issue. All Members of this House recently received a letter from Americans United to Save the Arts and Humanities, an organization of business leaders, expressing their strong support for the NEA. The CEO of the Xerox Corp., the chairman and CEO of Sun America, Inc., the chairman and CEO of the Sara Lee Corp., and over 100 other business leaders endorsed continued Federal funding for the NEA as well as the National Endowment for the Humanities [NEH]. As their letter explained, "The NEA and the NEH have each been valuable components in creating a healthy business climate. We value employees with a solid education in the arts and humanities. * * * Exposure to an arts education produces workers with such skills as analysis, synthesis, evaluation and critical judgement—key elements to success in today's competitive global economy." The letter went on to say, "We recognize the tight constraints of the Federal budget. However, it is evident that there is a clear parallel between the Federal investment in culture and the willingness of corporations, foundations and individuals to support cultural activity." Business leaders know how important the NEA's contribution to the arts is to the success of our Nation in the global economy.

The Rules Committee's failure to protect the NEA against points of order is simply a ruse to prevent a majority of House Members from exercising their will on this issue. Arguments that the NEA should not be funded because it is unauthorized are disingenuous. As we all know, a lack of authorization never prevents this body from appropriating funds for any program, unless opponents of that funding need a handy excuse. In fact, a Congressional Budget Office report from January 1997 states, "The CBO is unaware of any case in which appropriations have not been provided for a program solely because its authorization has expired." In fiscal year 1997, this House passed appropriations for 121 programs which were unauthorized. Obviously, authorization is not an absolute requirement, but one that the majority applies selectively.

The Ehlers/Hunter amendment to retain funding for the arts in the form of State block grants is an unacceptable substitute. Federal leadership and funding play the essential role in the effort to make arts available in every community to every citizen. The State arts agencies rely upon Federal leadership and direct funding of national initiatives to attract private, corporate, and foundation support to the arts, especially from funders who can be encouraged to provide matching support on a regional or national basis. The National Assembly of State Arts Agencies [NASAA], which represents the State and special jurisdictional government arts agencies of the United States, strongly opposes block grants to States.

Under a block grant system, there would be great difficulty in creating a fair formula for allocating arts funding among the States. In addition, NEA grants that go to one district often benefit numerous other communities and States. This is particularly true in the case of exhibits or performance groups that travel to various locations. Block grants would eliminate the incentive that currently exists under our system of direct Federal funding to give money to fund arts programs with interstate benefits.

The full House of Representatives deserves the opportunity to vote on the NEA, not on block grants which are unacceptable to the State arts agencies, to our constituents, and to most Members of Congress.

For these reasons, I urge my colleagues to defeat the rule on the Interior appropriations bill.

Ms. ESHOO. Mr. Speaker, I rise today in opposition to the rule for the Interior appropriations bill because it doesn't waive points of order on funding for the National Endowment for the Arts.

Unless this rule is defeated, the House will never have a straight up or down vote on funding for this vitally important agency—a vote that NEA supporters would clearly win.

A majority of the House is ready to offer the American people a full chorus of beautiful art, but opponents want them to settle for someone singing solo in the shower.

I support the NEA because it's a solid financial investment, helping to generate $3.4 billion in Federal income taxes.

I support the NEA because it's a solid educational investment, lifting America to new levels of cultural endeavors and bettering our nation immeasurably.

And I support the NEA because it's a solid investment in America's cultural heritage, bringing art to communities throughout the United States.

Mr. Speaker, I urge my colleagues to support the arts and the NEA by voting to defeat the rule before us.

Mr. ENGEL. Mr. Speaker, I rise today to oppose the rule and support the National Endowment for the Arts. The NEA is a great investment for the American people and, quite frankly, I think that our time would be better spent debating an issue other than a program which costs each American a grand total of 38 cents a year.

I would like to specifically highlight one of these propaganda newsletters that came to my office denouncing the NEA as "offensive" and "elitist". Imagine my surprise when I saw that one of these objectionable grants was Dances for Wave Hill a program which is held in my district.

Most of the Members of this body may not be familiar with Wave Hill but the residents of the Bronx are proud of this facility which encompasses 28 acres of gardens and woodlands overlooking the Hudson River. Dances for Wave Hill is a series of outdoor performances produced by Dancing in the Streets, a group specifically founded with the intention of introducing dance to new audiences.

You might wonder what is so objectionable about the program. Strangely enough, some groups are angry that there is no subway stop in the garden so they have labeled Dances for Wave Hill as an elitist program.

It is time we took a good look at the campaign of misinformation which has been aimed at the NEA. The funding for the NEA is money well spent and I urge all of my colleagues to defeat the rule.

Mr. LEWIS of Georgia. Mr. Speaker, as the House considers legislation which does not allow a fair and open debate, and vote, on the National Endowment for the Arts, I urge my

colleagues to consider the words of Elliott Levitas, writer, attorney, former member of the Georgia House of Representatives and former United States Congressman representing the Fourth Congressional District of Georgia:

CULTURAL WAR RAGES IN AMERICA—ALL GREAT CIVILIZATIONS OF THE PAST HAVE PROVIDED PUBLIC SUPPORT FOR THE ARTS

(By Elliott Levitas)

Proposals in Congress to abolish the relatively minuscule public funding for the arts, humanities and noncommercial public TV and radio lie at the heart of a cultural war raging in America.

In the face of charges of elitism, budget deficits and controversial subject matter, the real issue is whether there is a vital role for government to seed and supplement the private sector in promoting, preserving and transmitting American culture.

Every great civilization has provided public support for its arts and culture. Whether it was Egyptian, Babylonian, Greek, Roman, Spanish, French, British or whatever, these towering forebears of our culture all provided essential support for their artists, writers, thinkers, architects and dramatists, in addition to funds made available through private sponsorship by patrons.

The great art traditions of China, Japan, India and the ancient civilizations of Central and South America, all derived support and encouragement from the governments.

Societies which did not provide this institutionalized support did not attain the heights of great artistic creativity, nor pass it on. We look at the Visigoths, the Huns, the Tartars and other societies long forgotten because they did not do so.

Do we believe our American cultures, which enrich the spiritual life of our people, should be cultivated? If so, history teaches us that there is an essential role for government, albeit small. Whom do we wish to emulate, the Visigoths or the Greeks?

The suggestion that budget deficits can be fought by eliminating cultural funding is a blatant fraud on an anxious and credulous public. The total amount of budget support for the National Endowment for the Arts is less than .009 percent of governmental expenditures. To eliminate that amount does not even meet the test of "every little bit helps."

Should the arts share across-the-board budget reductions? Yes. Eliminate the arts funding? No.

Indeed, if we apply the "cost-benefit" test, the small cost returns great benefit to cultural creativity.

No, this issue is not budget deficits, but cultural war. Groups of modern-day "know-nothings," advocates of thought control and would-be cultural dictators would just as soon see the richness of American culture disappear with a new Dark Age. Their fear of cultural diversity and their demand for uniformity of mind is what the cultural war is all about.

Nor is elitism a serious argument. Government support for American culture not only reflects Shakespeare, Beethoven and Picasso, but also provides for Howard Fenster, folk music, cowboy poets, Native American crafts and jazz. The issue of elitism is phony.

Even though in recent years the endowments have vastly expanded the audiences in the countryside, it has never been a mass audience, even among the Romans and Greeks. But the few have usually preserved the gifts of culture for the many. Those few, who may be more numerous than some politicians believe, can distill and pass on the essence of our national cultural treasures.

If we want to avoid the errors of the past and benefit from its achievement, let us follow the path that all great civilizations traveled. Let our government continue its small, but essential, role in providing the seed to ensure that our diverse American cultures will continue to find greatness and will be there for future generations as they enrich our lives today.

Let us follow the Greeks and not the Visigoths.

Mr. CUMMINGS. Mr. Speaker, I rise today in opposition to the rule and to advocate on behalf of full funding for the National Endowment for the Arts (NEA).

Mr. Chairman, the arts are the heart of our Nation and the NEA is the heart of the arts. Today, there are those who would rip out the heart of the artistic community.

Current funding for the The National Endowment for the Arts is certainly a modest effort. It accounts for less than 1/1000 of 1% of our Federal budget.

The impact of this small program is immeasurable. Today, more Americans have access to the arts than ever before.

Each year, the Arts Endowment opens the door to the arts for millions of school children, including many at-risk youth.

The few isolated cases of controversial art work are not an accurate representation of the thousands of grants the NEA gives out each year.

Must we burn the entire orchard if there are a few apples that are not to our liking?

Join me to help lend a voice to the painters and the sculptors, the singers and the musicians and the actors—the artists of this country.

Esteemed colleagues, I urge you to join me in opposing this rule.

Mrs. TAUSCHER. Mr. Speaker, I rise today in opposition to this rule, and in opposition to H.R. 2107 without the changes necessary to bring it into accordance with the Budget agreement worked out between the White House and Congressional Republicans. I will not support a measure that goes back on the promises made to the American people to protect our remaining open spaces through the Land and Water Conservation Fund or protect our limited assistance to the arts through the National Endowment.

As a proud member of the Blue Dog Coalition, I have focused on balancing the Federal budget while protecting our national priorities, including the environment, the arts, and humanities. As we have seen, many of our colleagues claim that we cannot justify continuing to fund the Endowments for social and fiscal reasons. Yet it is specifically for these reasons that we must continue support. Despite a 40% cut in funding over the past two years, the NEA continues to make a great investment in the economic growth in every community in America. The nonprofit arts industry alone generates $37 billion annually in economic activity, supports over 1.3 million jobs and returns $3.4 billion to the Federal Government in income taxes. That is a huge return on a small investment.

When this economic gain of the arts and humanities is added to the educational benefits, the increase in quality of life that they provide, and the public support for the Endowments, it is obvious that we must continue to fund the arts. Each year, more people attend performing arts events than all professional sports events combined. The study of the arts and humanities helps students think critically and creatively, while working across traditional disciplines—skills that workers need to progress into the twenty-first century. Also, the Endowments preserve America's heritage by funding libraries, museums, folk festivals, theaters, arts centers, and dance studios which draw families and businesses to participate in the cultural life of their communities. Ultimately, the NEA economically brings diverse people together and builds bridges of understanding.

I urge you to join me in creating a more productive America by supporting the National Endowments. Vote no on the rule; support the NEA. Thank you and I yield back the balance of my time.

Mr. SOLOMON. Mr. Speaker, I yield back the balance of my time, and I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the resolution.

The question was taken; and the Speaker pro tempore announced that the noes appeared to have it.

Mr. SOLOMON. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 217, nays 216, not voting 2, as follows:

[Roll No. 259]

YEAS—217

Aderholt	Combest	Graham
Archer	Condit	Granger
Armey	Cooksey	Greenwood
Bachus	Cox	Gutknecht
Baker	Crane	Hall (TX)
Ballenger	Crapo	Hansen
Barr	Cubin	Hastert
Barrett (NE)	Cunningham	Hastings (WA)
Bartlett	Davis (VA)	Hayworth
Barton	Deal	Hefley
Bass	DeLay	Herger
Bateman	Diaz-Balart	Hill
Bereuter	Dickey	Hilleary
Bilbray	Doolittle	Hobson
Bilirakis	Dreier	Hoekstra
Bliley	Duncan	Hostettler
Blunt	Dunn	Hulshof
Boehlert	Ehlers	Hunter
Boehner	Ehrlich	Hutchinson
Bonilla	Emerson	Hyde
Bono	English	Inglis
Brady	Ensign	Istook
Bryant	Everett	Jenkins
Bunning	Ewing	Johnson (CT)
Burr	Fawell	Johnson, Sam
Burton	Foley	Jones
Buyer	Fowler	Kasich
Callahan	Fox	Kim
Calvert	Frelinghuysen	King (NY)
Camp	Gallegly	Kingston
Campbell	Ganske	Klug
Canady	Gekas	Knollenberg
Cannon	Gibbons	Kolbe
Chabot	Gilchrest	LaHood
Chambliss	Gillmor	Largent
Chenoweth	Gilman	Latham
Christensen	Gingrich	LaTourette
Coble	Goodlatte	Lewis (CA)
Coburn	Goodling	Lewis (KY)
Collins	Goss	Linder

Livingston
Lucas
Manzullo
McCollum
McCrery
McDade
McHugh
McInnis
McIntosh
McKeon
Metcalf
Mica
Miller (FL)
Molinari
Moran (KS)
Myrick
Nethercutt
Neumann
Ney
Northup
Norwood
Nussle
Oxley
Packard
Pappas
Parker
Paul
Paxon
Pease
Peterson (PA)
Petri
Pickering
Pitts
Pombo
Porter
Portman
Pryce (OH)
Radanovich
Redmond
Regula
Riggs
Riley
Rogan
Rogers
Rohrabacher
Ros-Lehtinen
Royce
Ryun
Salmon
Sanford
Scarborough
Schaefer, Dan
Schaffer, Bob
Sensenbrenner
Sessions
Shadegg
Shaw
Shays
Shimkus
Shuster
Skeen
Smith (MI)
Smith (NJ)
Smith (OR)
Smith (TX)
Smith, Linda
Snowbarger
Solomon
Souder
Spence
Stearns
Stenholm
Stump
Sununu
Talent
Tauzin
Taylor (MS)
Taylor (NC)
Thomas
Thornberry
Thune
Tiahrt
Traficant
Upton
Walsh
Wamp
Watkins
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
White
Whitfield
Wicker
Wolf
Young (AK)
Young (FL)

NAYS—216

Abercrombie
Ackerman
Allen
Andrews
Baesler
Baldacci
Barcia
Barrett (WI)
Becerra
Bentsen
Berman
Berry
Bishop
Blagojevich
Blumenauer
Bonior
Borski
Boswell
Boucher
Boyd
Brown (CA)
Brown (FL)
Brown (OH)
Capps
Cardin
Carson
Castle
Clay
Clayton
Clement
Clyburn
Conyers
Cook
Costello
Coyne
Cramer
Cummings
Danner
Davis (FL)
Davis (IL)
DeFazio
DeGette
Delahunt
DeLauro
Dellums
Deutsch
Dicks
Dingell
Dixon
Doggett
Dooley
Doyle
Edwards
Engel
Eshoo
Etheridge
Evans
Farr
Fattah
Fazio
Filner
Flake
Foglietta
Forbes
Ford
Frank (MA)
Franks (NJ)
Frost
Furse
Gejdenson
Gephardt
Gonzalez
Goode
Gordon
Green
Gutierrez
Hall (OH)
Hamilton
Harman
Hastings (FL)
Hefner
Hilliard
Hinchey
Hinojosa
Holden
Hooley
Horn
Houghton
Hoyer
Jackson (IL)
Jackson-Lee (TX)
Jefferson
John
Johnson (WI)
Johnson, E. B.
Kanjorski
Kaptur
Kelly
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
Kilpatrick
Kind (WI)
Kleczka
Klink
Kucinich
LaFalce
Lampson
Lantos
Lazio
Leach
Levin
Lewis (GA)
Lipinski
LoBiondo
Lofgren
Lowey
Luther
Maloney (CT)
Maloney (NY)
Manton
Markey
Martinez
Mascara
Matsui
McCarthy (MO)
McCarthy (NY)
McDermott
McGovern
McHale
McIntyre
McKinney
McNulty
Meehan
Meek
Menendez
Millender-McDonald
Miller (CA)
Minge
Mink
Moakley
Mollohan
Moran (VA)
Morella
Murtha
Nadler
Neal
Oberstar
Obey
Olver
Ortiz
Owens
Pallone
Pascrell
Pastor
Payne
Pelosi
Peterson (MN)
Pickett
Pomeroy
Poshard
Price (NC)
Quinn
Rahall
Ramstad
Rangel
Reyes
Rivers
Rodriguez
Roemer
Rothman
Roukema
Roybal-Allard
Rush
Sabo
Sanchez
Sanders
Sandlin
Sawyer
Saxton
Schumer
Scott
Serrano
Sherman
Sisisky
Skaggs
Skelton
Smith, Adam
Snyder
Spratt
Stabenow
Stark
Stokes
Strickland
Stupak
Tanner
Tauscher
Thompson
Thurman
Tierney
Torres
Towns
Turner
Velázquez
Vento
Visclosky
Waters
Watt (NC)
Waxman
Wexler
Weygand
Wise
Woolsey
Wynn
Yates

NOT VOTING—2

Schiff
Slaughter

□ 1610

Mr. ABERCROMBIE and Mr. RAHALL changed their vote from "yea" to "nay."

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

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

The SPEAKER pro tempore (Mr. CAMP). Pursuant to House Resolution 181 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 2107.

□ 1613

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 2107) making appropriations for the Department of the Interior and related agencies for the fiscal year ending September 30, 1998, and for other purposes, with Mr. LATOURETTE in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. Pursuant to the rule, the bill is considered as having been read the first time.

□ 1615

The CHAIRMAN. The gentleman from Ohio [Mr. REGULA] and the gentleman from Illinois [Mr. YATES] each will control 30 minutes.

The Chair recognizes the gentleman from Ohio [Mr. REGULA].

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

Mr. Chairman, we have had a spirited debate on the rule. I think for those that are watching from the gallery it has to be quite evident, and those that are watching on C-SPAN, that this is a democracy, that each person who is a Member here representing 600,000 people has an opportunity to be heard and present a point of view. But, after we have had these discussions, we go forward.

I hope that as we take this bill forward that each Member will look at it on its merits, determine as we deal with the amendments what is in the best interests of the 260 million people we represent.

This truly is a quality-of-life bill because much of what we do in this bill touches the lives of Americans, and I want to say at the outset I hope that in our dealing with this legislation that it will have the same great spirit of cooperation that I have had with the gentleman from Illinois [Mr. YATES] over the years that we have served on this committee. He has been a partner, as I was to him in the years we have worked together, and he has been a great individual to work with, and, most importantly, to call my friend. And while occasionally we would have a difference, in every instance what we did reflected what we felt was in the best interests of this Nation.

This bill represents important accomplishments on a lot of common objectives. Much of what is in here, the gentleman from Illinois [Mr. YATES] and I have supported not only this year but in years past, and I think on balance, over the years, we have developed legislation that has been productive for this Nation.

The bill totals $13.1 billion. It is a few million dollars less than last year. But essentially it goes forward with the programs that are important to the people and that is to enhance the quality of life in these United States. The bill provides significant funding for all the agencies under our jurisdiction, but I think basically we have tried to accomplish a couple of critical objectives.

One is to meet a backlog in maintenance. We have had the Secretary of the Interior and Agriculture and the directors of the land management agencies and many others, testify about the enormous backlog of problems that need to be addressed in our parks, in our forests, in our fish and wildlife facilities, in the Bureau of Land Management.

Here we see a chart that outlines the enormous maintenance needs. I think it is very important that we make every effort to address that in legislation, and we have done so, and we have done this as a team effort, both with myself and the gentleman from Illinois [Mr. YATES]. This includes things like the Smithsonian, $250 million that needs to be spent there for maintenance; the Fish and Wildlife Service, $536 million, and my colleagues can see all the different agencies. But we have done it in a fiscally sound and an environmentally responsible way. Much of this maintenance is important to the protection of the environment in this Nation.

For example, in the Everglades we have fully funded the administration's request for the restoration of the Everglades. This is something that is important to all people, and certainly it is a team effort because the State of Florida is making a very strenuous effort. They have financially the help in bringing the Everglades back to what they have been in the past, to be a very

important part of our Nation's ecosystem, a very important part of our Nation's environment.

We have continued and enhanced the recreation fee demonstration for the land management agencies. This started 2 years ago. Prior to that time, fees that were collected in the Park Service, the forests, the Fish and Wildlife Service, went to the Treasury and consequently there was no incentive to do so. Last year, with the support of this body, we gave authority to the various agencies to collect fees, but the important difference was they got to keep them, and this has been a very successful program.

We have had support not only from the agencies, but the public. They like the idea that if they pay a few dollars to enter a park, that the money is going to stay there and not be sent to the U.S. Treasury.

The program is working out very well. This year we have added a new change, and that is that fees that were under the old program, collected prior to the inception of the new program, still went to the Treasury. We changed that. So now a hundred percent of what is collected at the agencies like the parks and forests and so on will be kept in that service. Eighty percent will stay right where it is collected, and I think this will help a great deal. For example, in the national parks it is estimated that in 3 years it will amount to $400 million.

Now we have encouraged the agencies in the language of the bill to use this money to address some of the maintenance problems that I have outlined here.

We began last year an emphasis on forest health because that is important; the suppression of disease, forest fuel reduction, vegetation management, wildlife habitat and watershed improvements. The testimony in our committee was clearly in support of the enhancement of the forest health program, a couple hundred million acres, a vast resource and asset of this Nation, and we have addressed that problem in many ways throughout this bill.

Fire management has been given priority. We see it on our televisions, the forest fires, and of course to avoid this problem we have to manage the forests carefully.

We have required the Forest Service to operate under a multiple-use mandate. That means forestlands are available for grazing, for mineral exploration. The multiple-use mandate covers, as I mentioned, grazing, mineral exploration.

It is an interesting thing that this bill is $13 billion, but the activities that are funded in this bill generate $9 billion in receipts. So we only have a net cost of $4 billion, and those are resources that belong to all the people that are being developed in the mineral exploration, offshore oil, many different sources that are part of producing $9 billion for the Treasury of the United States and for the people.

I visited the Angeles National Forest just outside of Los Angeles, and to see families out there, who are in part of a city of something like 20 million people, have an opportunity to recreate outdoors. The kids can see a deer, can see other forms of wildlife, perhaps drop a line in the creek and fish. One of the beauties of the national forests is that they are available for the multiple use, and if my colleagues go to a place like Angeles National Forest, right on the edge of this city, they will realize how important this is. And this is true all across the country; Allegheny National Forest in Pennsylvania and many others that are available for people to use.

Now we are going to have an amendment to cut the Forest Service road program. We will talk more about that at the time, but let me say to Members that are listening or watching this, do not be too quick to commit on that. I think there are some very compelling reasons to not vote for this cutting amendment because it goes to our ability to rebuild and maintain existing roads. It is a very important environmental use of these funds. We have been very careful in the way that we have allocated resources to the Forest Service, and the dollars that are there are important for particularly the recreation user. Something like 77 percent of the roads are used for recreation. And when individuals and families go out on these roads, we need to ensure that they are safe, that they are comfortable, that they can get access to the facilities. There are 18,000 different recreational facilities in the national forest, and people need access to those facilities.

The bill provides for the construction of very limited new timber roads, less than 2 miles to be exact, not very much. Ninety-five percent of the appropriated construction dollars for roads go for safety, for environmental improvements to existing roads and to close roads.

□ 1630

We obliterate, wipe out, more roads than would be built. We are trying to make the roads that are there usable to the public for the many multipurposes.

I would point out that the forests have tripled the visitor days of the Park Service, three times as much, because people can participate on a wide variety of activities on forest lands. The forests are a family recreation facility, so a steelworker in Johnstown, PA, can load up the family on his 2 weeks' vacation, go to Allegheny National Forest, know when he follows a road that the bridge is going to be safe, that the road is going to be safe, that his camper is not going to go over the side of the hill and that he is going to enjoy that experience, as 87 million other Americans are doing each year. Mr. Chairman, I hope Members will look at this amendment with caution and carefully consider these points.

We have over 121,000 miles of hiking trails in the national forests. Money in the roads budget also maintains those trails so people are safe, so people can enjoy them. Again, I would urge all Members to look carefully before they take away this ability to carefully manage our forests, to provide the recreation user, the people of this Nation, a good experience, before we do something that will inhibit people's ability to use this land, which belongs to all 260 million Americans.

Much of the roads budget is for maintenance. We want to ensure that these roads are safe, and things like guardrails are just one example. We recognize that there is a greater interest in maintaining the forest for recreation purposes. Ten years ago, in fact, less than that, in 1990, in this bill, we provided for over 11 billion board feet of timber harvest. The bill today is a little over 3 billion board feet. We have had a reduction of 66 percent, from 11 to 3.8 billion, because we are trying to balance the timber program and other multipurpose uses of these lands.

I would also point out, because of the practices, and they started under the leadership of the gentleman from Illinois [Mr. YATES] of maintaining forest health, that we are growing each year in the national forest 17 billion board feet. So we have a net gain of 14 billion. We are growing 14 billion more board feet than we are cutting. I think that is good management. That is what we have tried to do.

Mr. Chairman, I want to talk a little bit about energy, because right now energy prices are relatively low. I was in Europe not long ago, and when we see prices there of $4 or $5 a gallon, we really appreciate what it is in the United States to be able to pull up to a pump and get gasoline for maybe $1.20 a gallon. But we need to be diligent and vigilant in continuing energy research and in continuing to manage our energy resources wisely. Energy, as I mentioned in the debate on the rule, is vital to a nation. Just think about it. Clothing is just one example. A lot of it comes out of a barrel of oil, but that is a small item. Think about how our industries are impacted.

I remember some of the Members were here in the late 1970's when we had petroleum shortages, and how jobs were lost, how schools had to close down. We do not want that to happen again. Therefore, it is important that we manage our energy resources carefully. We fund the research. We do not do this carelessly. Our energy research programs require matching funds from the private sector. If we are going to

have a technological development program, we want the private sector to contribute their fair share, because that means that they believe in what we are doing.

As a result of this research, we are getting new energy sources. I think, looking down the road, this becomes very important for this Nation. For us to have the kind of growth that will get that deficit down to zero, we have to have available a lot of energy. That means that we need to continue the R&D in our programs.

We have an enormous supply of coal. I know there will be some who oppose and we have rescinded, in this bill, $100 million of clean coal money, but we also keep what is required to fulfill our contractual obligations to those who have committed to participate on a 50–50 matching basis, or even a greater private share. The average has been 60 private, 40 public to develop clean coal technology.

What does it mean? It means that this technology will be sold not only in the United States but all around the world. We hear a lot about China these days. China today is burning more coal than the United States, and we burn a lot in this country. The electricity that lights this Chamber is coming from a pound of coal or a ton of coal, but in spite of the amount that we use, China is using more coal today than we are. Therefore, as we develop the clean coal technology we can sell this to China, because they are developing also an environmental movement.

Likewise I would point out that we have an interest in this, because if they do not develop and use this kind of technology, those emissions are going into the atmosphere and will have an impact on all of us.

I think what we are trying to do in this bill, to encourage research in alternate fuels, and the use of coal in a clean burning way, and the Department of Energy tells us that by 2010 we will have technologies that will allow us to burn coal that emits 10 times less sulfur and nitrogen than is allowed under the current law, that is twice as efficient as conventional power plants, and emits less than half as much carbon dioxide.

For example, this bill provides for research into low emission boilers. What does that mean? It means that the boilers that will be developed, and this is all in partnership with the private sector, will be far more efficient than the ones we use today in our utility industry. That means we can burn the coal in a clean way, and at the same time have a high degree of efficiency.

The programs leverage a lot of support from the private sector.

I want to mention a little bit about the Bureau of Indian Affairs. I know this does not have a wide range of interest, but the Bureau of Indian Affairs is vitally important to the over 2 million American Indians. We have a responsibility, a treaty responsibility and a responsibility as a nation that cares, to do what is right by the native Americans. We increase the tribal priority allocation by $76 million over last year. Why is that important? Because this promotes and encourages local control. We are trying to encourage the Indian tribes to become self-sufficient, to develop their own economy, to provide ways in which they help themselves in education, in jobs, and become part of the American dream. So we say to the tribes who manage their own affairs, we are going to give you more money to make your own priority judgments as to what is important to the people that you represent.

We have had the debate on the NEA. I do not think we need to talk anymore about that. I would just say to all Members, this is a good bill. We have been very fair in what we have done on projects. We had 2,000 requests from all of the Members, from literally, I suppose, almost every Member, 2,000 different items that were requested by our colleagues to be put in the bill. We have done a lot of these. We have done as many as we could. We have done them on a totally nonpartisan basis. I did not count, but I suspect if we added up the administration's requests plus the requests from our friends in the minority, we have funded more of those than we have on the majority side.

We valued projects on their merits and not as to the source of the request. We wanted to make sure that we did what was fair and what was good for this Nation, what was good for the people; trails, for example, in the Continental Divide out in the Western part of the country, and I could go on and on in pointing out some of the very constructive projects that have been funded in this bill that will, again, as I mentioned earlier, enhance the quality of life of the people of this Nation.

I hope all Members will take some time to study the bill and understand what we have tried to achieve. We have tried to achieve better management, we have tried to achieve things that will be good for this Nation that make a lot of sense in terms of expending taxpayer dollars.

For the record I would like to note two technical corrections to the report as follows: on page 67 and page 74 of the committee report—House Report 105–163, insert the word "International" before "Arid Lands Consortium" and on page 37 of the committee report—House Report 105–163, the committee bill funding level in the table for "cultural programs" should be $18,699,000 and the language on page 38 of the report for "Cultural programs" should say "The Committee has provided an additional $135,000 for uncontrollable expenses."

Mr. Chairman, I include for the RECORD a table detailing the various accounts.

The table referred to is as follows:

DEPARTMENT OF THE INTERIOR AND RELATED AGENCIES APPROPRIATIONS BILL, 1998 (H.R. 2107)

	FY 1997 Enacted	FY 1998 Estimate	Bill	Bill compared with Enacted	Bill compared with Estimate
TITLE I - DEPARTMENT OF THE INTERIOR					
Bureau of Land Management					
Management of lands and resources	575,664,000	587,495,000	581,591,000	+5,927,000	-5,904,000
Wildland fire management	352,042,000	280,103,000	280,103,000	-71,939,000	
Central hazardous materials fund	12,000,000	14,900,000	12,000,000		-2,900,000
Construction	4,333,000	3,154,000	3,254,000	-1,079,000	+100,000
Payments in lieu of taxes	113,500,000	101,500,000	113,500,000		+12,000,000
Land acquisition	10,410,000	9,900,000	12,000,000	+1,590,000	+2,100,000
Oregon and California grant lands	103,015,000	101,406,000	101,406,000	-1,609,000	
Range improvements (indefinite)	9,113,000	7,510,000	9,113,000		+1,603,000
Service charges, deposits, and forfeitures (indefinite)	7,966,000	7,966,000	7,966,000		
Miscellaneous trust funds (indefinite)	7,605,000	7,605,000	7,605,000		
Total, Bureau of Land Management	1,195,648,000	1,121,539,000	1,128,538,000	-67,110,000	+6,999,000
United States Fish and Wildlife Service					
Resource management	526,047,000	561,614,000	591,042,000	+64,995,000	+29,428,000
Construction	59,256,000	35,921,000	40,256,000	-19,000,000	+4,335,000
Natural resource damage assessment fund	4,000,000	4,628,000	4,128,000	+128,000	-500,000
Land acquisition	44,479,000	44,560,000	53,000,000	+8,521,000	+8,440,000
Cooperative endangered species conservation fund	14,085,000	14,000,000	14,000,000	-85,000	
National wildlife refuge fund	10,779,000	10,000,000	10,000,000	-779,000	
Rewards and operations	1,000,000	1,000,000	1,000,000		
North American wetlands conservation fund	9,750,000	15,000,000	10,500,000	+750,000	-4,500,000
Rhinoceros and tiger conservation fund	400,000	400,000	400,000		
Wildlife conservation and appreciation fund	800,000	800,000	800,000		
Total, United States Fish and Wildlife Service	670,596,000	687,923,000	725,126,000	+54,530,000	+37,203,000
National Park Service					
Operation of the national park system	1,154,611,000	1,220,325,000	1,232,325,000	+77,714,000	+12,000,000
National recreation and preservation	37,976,000	42,063,000	43,934,000	+5,958,000	+1,871,000
Historic preservation fund	36,612,000	45,612,000	40,412,000	+3,800,000	-5,200,000
Construction	182,744,000	150,000,000	148,391,000	-34,353,000	-1,609,000
Land and water conservation fund (rescission of contract authority)	-30,000,000	-30,000,000	-30,000,000		
Land acquisition and state assistance	53,915,000	70,900,000	129,000,000	+75,085,000	+58,100,000
Everglades restoration fund		100,000,000			-100,000,000
Total, National Park Service (net)	1,435,858,000	1,598,900,000	1,564,062,000	+128,204,000	-34,838,000
United States Geological Survey					
Surveys, investigations, and research	740,051,000	745,388,000	755,795,000	+15,744,000	+10,407,000
Minerals Management Service					
Royalty and offshore minerals management	156,955,000	157,922,000	139,621,000	-17,334,000	-18,301,000
Oil spill research	6,440,000	6,118,000	6,118,000	-322,000	
Total, Minerals Management Service	163,395,000	164,040,000	145,739,000	-17,656,000	-18,301,000
Office of Surface Mining Reclamation and Enforcement					
Regulation and technology	94,172,000	93,209,000	94,937,000	+765,000	+1,728,000
Receipts from performance bond forfeitures (indefinite)	500,000	500,000	500,000		
Subtotal	94,672,000	93,709,000	95,437,000	+765,000	+1,728,000
Abandoned mine reclamation fund (definite, trust fund)	177,085,000	177,348,000	179,624,000	+2,539,000	+2,276,000
Total, Office of Surface Mining Reclamation and Enforcement	271,757,000	271,057,000	275,061,000	+3,304,000	+4,004,000
Bureau of Indian Affairs					
Operation of Indian programs	1,443,502,000	1,542,305,000	1,526,815,000	+83,313,000	-15,490,000
Construction	100,531,000	125,118,000	110,751,000	+10,220,000	-14,367,000
Indian land and water claim settlements and miscellaneous payments to Indians	69,241,000	59,352,000	41,352,000	-27,889,000	-18,000,000
Indian guaranteed loan program account	5,000,000	5,004,000	5,000,000		-4,000
(Limitation on guaranteed loans)	(34,615,000)	(34,615,000)	(34,615,000)		
Total, Bureau of Indian Affairs	1,618,274,000	1,731,779,000	1,683,918,000	+65,644,000	-47,861,000
Departmental Offices					
Insular Affairs:					
Assistance to Territories	37,468,000	39,494,000	40,494,000	+3,026,000	+1,000,000
Northern Marianas Islands Covenant	27,720,000	27,720,000	27,720,000		
Subtotal, Assistance to Territories	65,188,000	67,214,000	68,214,000	+3,026,000	+1,000,000

DEPARTMENT OF THE INTERIOR AND RELATED AGENCIES APPROPRIATIONS BILL, 1998 (H.R. 2107)—Continued

	FY 1997 Enacted	FY 1998 Estimate	Bill	Bill compared with Enacted	Bill compared with Estimate
Compact of Free Association	10,038,000	8,445,000	8,445,000	-1,593,000	
Mandatory payments	13,500,000	12,000,000	12,000,000	-1,500,000	
Subtotal, Compact of Free Association	23,538,000	20,445,000	20,445,000	-3,093,000	
Total, Insular Affairs	88,726,000	87,659,000	88,659,000	-67,000	+1,000,000
Departmental management	58,286,000	58,286,000	58,286,000		
Office of the Solicitor	35,443,000	35,443,000	35,443,000		
Office of Inspector General	24,439,000	24,500,000	24,439,000		-61,000
National Indian Gaming Commission	1,000,000	1,000,000	1,000,000		
Office of Special Trustee for American Indians	32,126,000	39,337,000	32,126,000		-7,211,000
Total, Departmental Offices	240,020,000	246,225,000	239,953,000	-67,000	-6,272,000
Total, title I, Department of the Interior:					
New budget (obligational) authority (net)	6,335,599,000	6,566,851,000	6,518,192,000	+182,593,000	-48,659,000
Appropriations	(6,365,599,000)	(6,596,851,000)	(6,548,192,000)	(+182,593,000)	(-48,659,000)
Rescissions	(-30,000,000)	(-30,000,000)	(-30,000,000)		
(Limitation on guaranteed loans)	(34,615,000)	(34,615,000)	(34,615,000)		
TITLE II - RELATED AGENCIES					
DEPARTMENT OF AGRICULTURE					
Forest Service					
Forest and rangeland research	179,786,000	179,781,000	187,644,000	+7,858,000	+7,863,000
State and private forestry	155,461,000	156,408,000	157,922,000	+2,461,000	+1,514,000
National forest system	1,278,176,000	1,325,672,000	1,364,480,000	+86,304,000	+38,808,000
Wildland fire management	1,080,016,000	514,311,000	599,715,000	-480,301,000	+85,404,000
Reconstruction and construction	180,184,000	146,084,000	160,122,000	-20,062,000	+14,038,000
Land acquisition	40,575,000	41,057,000	45,000,000	+4,425,000	+3,943,000
Acquisition of lands for national forests special acts	1,069,000	1,069,000	1,069,000		
Acquisition of lands to complete land exchanges (indefinite)	210,000	210,000	210,000		
Range betterment fund (indefinite)	3,995,000	3,811,000	3,811,000	-184,000	
Gifts, donations and bequests for forest and rangeland research	92,000	92,000	92,000		
Midewin national tallgrass prairie restoration fund		100,000	100,000	+100,000	
Cooperative work, Forest Service			128,000,000	+128,000,000	+128,000,000
Total, Forest Service	2,919,564,000	2,368,595,000	2,648,165,000	-271,399,000	+279,570,000
DEPARTMENT OF ENERGY					
Clean coal technology:					
Rescission	-140,000,000	-153,000,000	-100,000,000	+40,000,000	+53,000,000
Deferral		-133,000,000			+133,000,000
Subtotal	-140,000,000	-286,000,000	-100,000,000	+40,000,000	+186,000,000
Fossil energy research and development	364,704,000	346,408,000	312,153,000	-52,551,000	-34,255,000
Alternative fuels production (indefinite)	-4,000,000	-1,500,000	-1,500,000	+2,500,000	
Naval petroleum and oil shale reserves	143,786,000	117,000,000	115,000,000	-28,786,000	-2,000,000
Energy conservation	569,762,000	707,700,000	636,766,000	+67,004,000	-70,934,000
Economic regulation	2,725,000	2,725,000	2,725,000		
Strategic petroleum reserve	-11,000,000	209,000,000		+11,000,000	-209,000,000
(By transfer)	(220,000,000)		(209,000,000)	(-11,000,000)	(+209,000,000)
Energy Information Administration	66,120,000	62,800,000	66,800,000	+680,000	+4,000,000
Total, Department of Energy:					
New budget (obligational) authority (net)	992,097,000	1,158,133,000	1,031,944,000	+39,847,000	-126,189,000
Appropriations	(1,132,097,000)	(1,444,133,000)	(1,131,944,000)	(-153,000)	(-312,189,000)
Rescission	(-140,000,000)	(-153,000,000)	(-100,000,000)	(+40,000,000)	(+53,000,000)
Deferral		(-133,000,000)			(+133,000,000)
(By transfer)	(220,000,000)		(209,000,000)	(-11,000,000)	(+209,000,000)
DEPARTMENT OF HEALTH AND HUMAN SERVICES					
Indian Health Service					
Indian health services	1,806,269,000	1,835,465,000	1,829,008,000	+22,739,000	-6,457,000
Indian health facilities	247,731,000	286,535,000	257,310,000	+9,579,000	-29,225,000
Total, Indian Health Service	2,054,000,000	2,122,000,000	2,086,318,000	+32,318,000	-35,682,000
DEPARTMENT OF EDUCATION					
Office of Elementary and Secondary Education					
Indian education	61,000,000			-61,000,000	
OTHER RELATED AGENCIES					
Office of Navajo and Hopi Indian Relocation					
Salaries and expenses	19,345,000	19,345,000	18,345,000	-1,000,000	-1,000,000
Institute of American Indian and Alaska Native Culture and Arts Development					
Payment to the Institute	5,500,000	5,500,000	3,000,000	-2,500,000	-2,500,000

DEPARTMENT OF THE INTERIOR AND RELATED AGENCIES APPROPRIATIONS BILL, 1998 (H.R. 2107)—Continued

	FY 1997 Enacted	FY 1998 Estimate	Bill	Bill compared with Enacted	Bill compared with Estimate
Smithsonian Institution					
Salaries and expenses	318,492,000	334,557,000	334,557,000	+16,065,000	.....
Construction and improvements, National Zoological Park	3,850,000	3,850,000	3,850,000	.....	.....
Repair and restoration of buildings	39,000,000	32,000,000	50,000,000	+11,000,000	+18,000,000
Construction	10,000,000	58,000,000	.....	-10,000,000	-58,000,000
Total, Smithsonian Institution	371,342,000	428,407,000	388,407,000	+17,065,000	-40,000,000
National Gallery of Art					
Salaries and expenses	54,281,000	53,899,000	55,837,000	+1,556,000	+1,938,000
Repair, restoration and renovation of buildings	5,942,000	5,942,000	6,442,000	+500,000	+500,000
Total, National Gallery of Art	60,223,000	59,841,000	62,279,000	+2,056,000	+2,438,000
John F. Kennedy Center for the Performing Arts					
Operations and maintenance	12,475,000	11,375,000	11,375,000	-1,100,000	.....
Construction	12,400,000	9,000,000	9,000,000	-3,400,000	.....
Total, John F. Kennedy Center for the Performing Arts	24,875,000	20,375,000	20,375,000	-4,500,000	.....
Woodrow Wilson International Center for Scholars					
Salaries and expenses	5,840,000	5,840,000	1,000,000	-4,840,000	-4,840,000
National Foundation on the Arts and the Humanities					
National Endowment for the Arts					
Grants and administration	82,734,000	119,240,000	10,000,000	-72,734,000	-109,240,000
Matching grants	16,760,000	16,760,000	.....	-16,760,000	-16,760,000
Total, National Endowment for the Arts	99,494,000	136,000,000	10,000,000	-89,494,000	-126,000,000
National Endowment for the Humanities					
Grants and administration	96,100,000	118,250,000	96,100,000	.....	-22,150,000
Matching grants	13,900,000	17,750,000	13,900,000	.....	-3,850,000
Total, National Endowment for the Humanities	110,000,000	136,000,000	110,000,000	.....	-26,000,000
Institute of Museum and Library Services/ Office of Museum Services					
Grants and administration	22,000,000	26,000,000	23,390,000	+1,390,000	-2,610,000
Total, National Foundation on the Arts and the Humanities	231,494,000	298,000,000	143,390,000	-88,104,000	-154,610,000
Commission of Fine Arts					
Salaries and expenses	867,000	867,000	907,000	+40,000	+40,000
National Capital Arts and Cultural Affairs					
Grants	6,000,000	6,000,000	6,000,000	.....	.....
Advisory Council on Historic Preservation					
Salaries and expenses	2,500,000	2,745,000	2,700,000	+200,000	-45,000
National Capital Planning Commission					
Salaries and expenses	5,390,000	5,740,000	5,700,000	+310,000	-40,000
Franklin Delano Roosevelt Memorial Commission					
Salaries and expenses	500,000	.....	.....	-500,000	.....
United States Holocaust Memorial Council					
Holocaust Memorial Council	31,707,000	31,707,000	31,707,000	.....	.....
Total, title II, related agencies:					
New budget (obligational) authority (net)	6,792,244,000	6,533,095,000	6,450,237,000	-342,007,000	-82,858,000
Appropriations	(6,932,244,000)	(6,819,095,000)	(6,550,237,000)	(-382,007,000)	(-268,858,000)
Rescission	(-140,000,000)	(-153,000,000)	(-100,000,000)	(+40,000,000)	(+53,000,000)
(By transfer)	(220,000,000)	.....	(209,000,000)	(-11,000,000)	(+209,000,000)
TITLE III - EMERGENCY APPROPRIATIONS					
Emergency appropriations (P.L 105-18)	386,592,000	.....	.....	-386,592,000	.....
Grand total:					
New budget (obligational) authority (net)	13,514,435,000	13,099,946,000	12,968,429,000	-546,006,000	-131,517,000
Appropriations	(13,297,843,000)	(13,415,946,000)	(13,098,429,000)	(-199,414,000)	(-317,517,000)
Emergency appropriations	(386,592,000)	.....	.....	(-386,592,000)	.....
Rescissions	(-170,000,000)	(-183,000,000)	(-130,000,000)	(+40,000,000)	(+53,000,000)
(Limitation on guaranteed loans)	(34,615,000)	(34,615,000)	(34,615,000)	.....	.....
(By transfer)	(220,000,000)	.....	(209,000,000)	(-11,000,000)	(+209,000,000)

DEPARTMENT OF THE INTERIOR AND RELATED AGENCIES APPROPRIATIONS BILL, 1998 (H.R. 2107)—Continued

	FY 1997 Enacted	FY 1998 Estimate	Bill	Bill compared with Enacted	Bill compared with Estimate
TITLE I - DEPARTMENT OF THE INTERIOR					
Bureau of Land Management	1,195,648,000	1,121,539,000	1,128,538,000	-67,110,000	+6,999,000
United States Fish and Wildlife Service	670,596,000	687,923,000	725,126,000	+54,530,000	+37,203,000
National Park Service	1,435,858,000	1,598,900,000	1,564,062,000	+128,204,000	-34,838,000
United States Geological Survey	740,051,000	745,388,000	755,795,000	+15,744,000	+10,407,000
Minerals Management Service	163,395,000	164,040,000	145,739,000	-17,656,000	-18,301,000
Office of Surface Mining Reclamation and Enforcement	271,757,000	271,057,000	275,061,000	+3,304,000	+4,004,000
Bureau of Indian Affairs	1,618,274,000	1,731,779,000	1,683,918,000	+65,644,000	-47,861,000
Departmental Offices	240,020,000	246,225,000	239,953,000	-67,000	-6,272,000
Total, Title I - Department of the Interior	6,335,599,000	6,566,851,000	6,518,192,000	+182,593,000	-48,659,000
TITLE II - RELATED AGENCIES					
Forest Service	2,919,564,000	2,368,595,000	2,648,165,000	-271,399,000	+279,570,000
Department of Energy	992,097,000	1,158,133,000	1,031,944,000	+39,847,000	-126,189,000
Indian Health Service	2,054,000,000	2,122,000,000	2,086,318,000	+32,318,000	-35,682,000
Indian Education	61,000,000			-61,000,000	
Office of Navajo and Hopi Indian Relocation	19,345,000	19,345,000	18,345,000	-1,000,000	-1,000,000
Institute of American Indian and Alaska Native Culture and Arts Development	5,500,000	5,500,000	3,000,000	-2,500,000	-2,500,000
Smithsonian Institution	371,342,000	428,407,000	388,407,000	+17,065,000	-40,000,000
National Gallery of Art	60,223,000	59,841,000	62,279,000	+2,056,000	+2,438,000
John F. Kennedy Center for the Performing Arts	24,875,000	20,375,000	20,375,000	-4,500,000	
Woodrow Wilson International Center for Scholars	5,840,000	5,840,000	1,000,000	-4,840,000	-4,840,000
National Endowment for the Arts	99,494,000	136,000,000	10,000,000	-89,494,000	-126,000,000
National Endowment for the Humanities	110,000,000	136,000,000	110,000,000		-26,000,000
Institute of Museum Services	22,000,000	26,000,000	23,390,000	+1,390,000	-2,610,000
Commission of Fine Arts	867,000	867,000	907,000	+40,000	+40,000
National Capital Arts and Cultural Affairs	6,000,000	6,000,000	6,000,000		
Advisory Council on Historic Preservation	2,500,000	2,745,000	2,700,000	+200,000	-45,000
National Capital Planning Commission	5,390,000	5,740,000	5,700,000	+310,000	-40,000
Franklin Delano Roosevelt Memorial Commission	500,000			-500,000	
Holocaust Memorial Council	31,707,000	31,707,000	31,707,000		
Total, Title II - Related Agencies	6,792,244,000	6,533,095,000	6,450,237,000	-342,007,000	-82,858,000
TITLE III - EMERGENCY APPROPRIATIONS					
Emergency appropriations (P.L 105-18)	386,592,000			-386,592,000	
Grand total	13,514,435,000	13,099,946,000	12,968,429,000	-546,006,000	-131,517,000

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

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

Mr. Chairman, I rise today to substitute, I was always a substitute, it seems like, for the gentleman from Illinois [Mr. YATES], and to talk a little bit about this Interior appropriations bill.

Mr. Chairman, I certainly want everyone here to know that I have enjoyed the 21 years that I have had an opportunity to work with the gentleman from Ohio, [Mr. RALPH REGULA], who is the new chairman on this committee and has served for many years, and worked under the gentleman from Illinois, [Mr. SID YATES] when he was chairman. We have a very good bipartisan committee that tries to work together on these important natural resource issues.

Obviously, many on our side today are quite unhappy about the fact that we did not or will not get an opportunity to have an up-or-down vote on the National Endowment for the Arts, but we had a vote on the rule. We lost by one vote. Now we are going to consider this bill.

I also believe that there is a lot of good that comes out of this bill. The Interior appropriations bill provides funding for the National Park Service. It does provide funding and has in the past for the National Endowment for the Arts and Humanities, for the Forest Service, for the Bureau of Indian Affairs, for the Bureau of Mines, for many of the energy conservation programs and alternative energy programs of the Department of Energy. So this is a very positive piece of legislation.

It also provides funding, as I mentioned, for the Indian tribes in this country. We do have a trust responsibility to those tribes. It is a serious responsibility. We also fund the Fish and Wildlife Service.

Of course, we have had debates on this floor over the Endangered Species Act. I would say to my colleagues here, there is probably not a congressional district in America that has been more affected by the Endangered Species Act than the Sixth District in the State of Washington. I have seen the harvest on our forests there go down by about 95 percent, maybe 98 percent, because of the requirements of protection for the spotted owl and the marbled murrelet.

The President's forest plan is in place in the Northwest. We have received funding under this plan to try and do something about watershed restoration, watershed analysis, ecosystem protection and management. All of that comes out of the Interior appropriations bill.

I want Members to know that I think that we have an outstanding chairman and an outstanding ranking member in the gentleman from Illinois [Mr. YATES], and an excellent staff that has done a lot of very good and positive work on this legislation.

One of the issues that will come up today is the question of forest roads. This is a very controversial issue. Last year we had a major debate on this issue on the floor of the House of Representatives. I want to tell my colleagues, I feel that I did not do as good a job on this issue last year as I needed to. We won, we prevailed, but I do not think I explained it as well as I should have explained it. I worked up a little chart here and I would like my colleagues to see it. It is a small chart. I think they will understand what it is.

This program here lays out the Forest Road Program that we have for the country. Of that, of the money that is being spent this year on the Forest Road Program, there will be 2,000 miles of road reconstruction. This is going out and fixing up existing roads so they do not cause environmental problems, so that they do not cave in, so there is not siltation. They have to replace the culverts. They have to fix these roads.

Then, there are only 480 miles, this is under purchase or credit, only 480 miles of new roads being built, and most of those roads are short roads into areas where there has already been timber harvesting.

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I will bet no one in this place knows this number, 90 percent of the roads, 90 percent of what is happening on the roads is for recreational purposes. People go in and this is the access point to go into our wilderness areas, to go into our lakes, to go into our camping areas. It is recreation. And these roads are very, very important for that purpose.

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

Mr. DICKS. I yield to the gentleman from Ohio.

Mr. REGULA. Mr. Chairman, I think it is appropriate at this time, I want to read a statement from Secretary Glickman; the Forest Service is in his jurisdiction. It fits in with what the gentleman is saying.

A letter from the Secretary to me today says:

> However, the $41.5 million reduction the amendment proposes goes too far in eliminating important construction and reconstruction efforts that provide public safety and environmental benefits.

Mr. DICKS. Another point, Mr. Chairman, if we do not have roads, if we have got forest fires out there, we have got to be able to get the men and women who fight these forest fires into those woods. And the road program is much less dense than it is on the BLM lands, much less dense than it is on private lands.

This is done very carefully. This is not being done by James Watt. This is being done by the Clinton-Gore-Babbit-Glickman administration. Jim Lyons, former staff member here on the Committee on Agriculture, is in charge of the Forest Service program. He is a committed environmentalist. He has said that the amendment that will be offered by Mr. KENNEDY and the gentleman from Illinois, [Mr. PORTER] goes too far. It will cut into the reconstruction of roads. It will cause environmental damage, and it will require 400 to 500 people in the Forest Service to be laid off. It is a meat-ax approach to dealing with this problem.

Then, of course, we have some small amount of roads that are built with appropriated funds, 165 miles of reconstruction. This is going out and fixing up those roads again, and only 8 miles with appropriated funds are used for new construction. And, in fact, down here at the bottom, we have the obliteration of roads; 1,500 miles of roads in those Forest Service lands are being taken out, the ones that are no longer necessary, and they are being taken out and replaced.

To my friends and colleagues who think that we are doing too much in terms of timber harvesting, let me show them what is happening in this country in terms of harvesting of timber off the Federal timberlands. This is the miles of roads. This is the historical Federal Road Program. And we used to do, here was 8,870 miles. That was in 1985. Then we went down to 6,545 miles. Here it is, in 1995, we are down to 2,868 miles. We are down to 2,652 miles, of which only 18 percent are new construction.

What has happened on timber sales in this country, we used to do 10 billion board feet off the Federal timberlands. This year the administration budget request is for 3.7 billion board feet. That is over the entire country. If the Kennedy-Porter amendment is adopted, that will be reduced down to 1.7 billion board feet.

What does that mean? That means what we have done in essence is create a shortage, a shortage of timber, a shortage of lumber. What that means is when people go out to build a house or build an apartment, the cost of that goes up. That is why the home builders have been urging the Congress to at least do the 3.7 billion in the Clinton administration budget, but not to cut it back to 1.7, which is the effect of this amendment.

So this is a very major issue. I hope Members will be not stampeded. I know that the environmental community is making this their No. 1 priority. But please listen to the members on the committee who have had some experience, who know something about it, who know a little bit about this issue.

I want Members to know that we have cut back about as far as I think we should cut back in terms of timber harvesting. As I said, in my forest at the Olympic National Forest in the State of Washington, we have gone

from 250 million board feet down to 10 million. This is all done by thinning sales now. So we have taken a huge cut. But to kill the road program in my judgment is a terrible mistake.

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

Mr. DICKS. I yield to the gentleman from California.

Mr. HUNTER. Mr. Chairman, I want to thank the gentleman for yielding to me.

He talked about the billions of board feet that we are going to lose in terms of timber production. That means also hundreds of thousands of logging families who are going to have no wherewithal to pay their mortgages, send their kids to college, and do all the other things that we like to do in America as part of the American dream. This will be a devastating blow to a lot of working folks in this country.

Mr. DICKS. Mr. Chairman, the other point is, we have to import about 30 percent of our saw wood timber today from Canada. And what that means is they are going out and harvesting like crazy up in Canada to supply the American market, because we are not harvesting at historic levels off of our Federal lands.

I think, frankly, we had to make some reductions in timber harvesting. I am not opposed to that. What I am opposed to is that we have it down now to a level that I think is clearly sustainable, and we are going to have this amendment today that will even take it down further, which is going to drive up the price of lumber. And it is not well thought out. It cuts into road reconstruction money in the name of cutting out money for new roads, and it just misrepresents the facts.

I have never seen, in my entire career, and I have seen a lot of distortions in my entire career up here, believe me, but this one, what this amendment says it does and what it actually does, there is more distance between this and anything I have seen. It is not right. I think a lot of Members here have been misled, and if they actually knew the facts they would be voting against this amendment.

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

Mr. DICKS. I yield to the gentleman from Minnesota.

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

He has just made a very lucid, factually substantiated statement, the best I have heard in years on this floor about the issues involved in this question of timber harvesting and the relationship with the road program. The gentleman represents a great saw timber area of the country.

In my district, we have pulp wood principally and we do not have the big saw timber trees, but it is as important a yield for our forests, for the pulp and paper industry and the particle board industry, as the saw timber is for the lumber and homeowner and home building sector of our economy.

Something I think is very important to understand, we are talking about a sustainable yield, a renewable resource in forestry. We are also talking about roads that are used for other purposes than for timber harvesting. There are all sorts of recreational activities that take place on these roads, and they never get, those other uses rarely get charged for the cost of the road construction that is always attributed to timber harvesting.

I know in the forests in my district and in northern Wisconsin and in the upper peninsula of Michigan that we now have an above-cost operation; that is, the cost of the road is more than amply paid back simply by the cost and the value of the timber harvesting. And there are all these recreational benefits that follow upon the road program.

Mr. DICKS. Mr. Chairman, the gentleman is absolutely correct. Ninety percent of the utilization of these roads is for recreational purposes. I am sure the gentleman knows in the forests of Minnesota the same thing that I know in the Olympic Peninsula. This is where the people go to recreate, they go to the lake, they go to the wilderness, they go camping, hiking, they go hunting, fishing. They use this road system. This is not an evil, terrible thing.

What is evil, what is terrible, what is environmentally dangerous is not to sustain those roads. What is misunderstood here today is that most of the money that is being taken out, most of that money would be used for road reconstruction to fix up problem roads and make them safer so that they do not wind up blowing out and going into the stream, and replacing culverts so that salmon can get back up and reproduce. That is a big part of the cut that is in this budget today.

Mr. OBERSTAR. Mr. Chairman, the gentleman has stated the case exceedingly well. And I just say that those who are advocating this amendment do not have in mind the roads and their utility or their significance. They really want to get at the timber harvesting program. I think we have a fair balance of sustainable yield management on the national forests of this country. We ought not to cut it or gut it by means of this amendment.

Mr. DICKS. Mr. Chairman, I would point out to the gentleman, out in region 6, used to be the No. 1 timber producing area in the Nation, we have gone from about 4½ billion board feet down to about less than 1 billion board feet, an 80 percent reduction, an 80 percent reduction. Hundreds of mills have gone out of business.

All we are saying is, can we not have a little balance here? Let us remember that this program provides recreation and opportunities that are different, and it is not just timber harvesting. I am asking my friends, many from across the country, look at the facts here, look at what Secretary Glickman said. Do not just be swept up because you are being pressured by certain groups. I just ask for a fair evaluation of the facts. Give us that. Look at it and hopefully we will have the right vote.

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

Mr. DICKS. I yield to the gentleman from Ohio.

Mr. REGULA. Mr. Chairman, along with what the gentleman said, another point is, here is a 2 by 4. Seven years ago it was 22 cents a foot. Today it is 44 cents a foot. What does that translate into? Two thousand dollars to $3,000 more for a frame house, and that means that young people will have an additional burden when they want to seek that first home, because the forest cut has been so reduced. This saw foot comes out, a lot of it, from our national forests.

Mr. DICKS. That is why the home builders have made this one of their most important issues. They are very concerned about what the gentleman, the chairman has pointed out. We have created this shortage. When we create a shortage, we drive up the price. And so we are trying to do this fairly. We are trying to do it on a sustainable basis. We are trying to make sure that the money is used for demolition and for fixing up troubled roads. But with this amendment, we are going to take away a huge part of the money that is there to fix up troubled, environmentally dangerous roads, and this is just because I am afraid the people who are offering this amendment do not serve on this committee and do not talk to the Forest Service and do not understand the complete implications of what they are doing. Their intent may be pure but what happens is not.

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

Mr. REGULA. Mr. Chairman, I yield 4 minutes to the gentleman from Washington [Mr. NETHERCUTT], a very distinguished and productive member of our subcommittee.

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

I certainly want to congratulate him for a very hard effort, well-deserved applause in connection with this bill and certainly to the gentleman from Illinois [Mr. YATES] and the gentleman from Washington [Mr. DICKS] who worked very hard on this bill as well. And the staff. I think we too many times overlook how hardworking the staff is to try to put this all together and get it to the floor and keep track of it all.

I am a member of this subcommittee, Mr. Chairman. I am delighted to be

part of it because it has been a pleasure to work on this bill. It protects our natural resources. Even though it is funded below last year's level, it keeps our Nation on track to achieve a balanced budget. So this was a difficult effort trying to put the numbers together, even though they are below last year's, to meet the priorities of our Nation and protect the environment but also protect our natural resources.

So we were able to increase a number of programs in this bill that needed increase. I want to call particular attention to a few of the highlights of the bill as they affect my region of the Pacific Northwest.

The National Park Service is an important agency to many Americans. It is going to receive a $78 million increase in funding, making it the third straight year that this committee has increased park operations.

The chairman also included a provision that allows parks and refuges and forests which participate in the recreational fee demonstration program to keep 100 percent of the fees, not to send them back here to Washington but to keep them in the location in which they will do the most good. This is going to benefit Lake Roosevelt National Recreation Area in my district. It is a new fee demonstration participant. We are going to keep a lot of those fees and use them to improve really the commercial activities and the maintenance activities that are necessary within the park itself.

We are going to also achieve a tremendous backlog maintenance problem in our parks, and that program will assist in that regard.

The native American programs in this bill are increased. The tribal priority allocation which was mentioned by the chairman is increased by $76 million. This funding goes directly to the tribes, directly affects my district in the Pacific Northwest and it bypasses the Bureau of Indian Affairs, and I think that is a good approach.

I am concerned that this bill does not meet the President's request in the area of Indian health because Indian health care's inflation is well above the normal inflationary rate, and for too long the native American population has been a low priority for the administration and the Congress and their health needs. I hope the other body will increase this funding level.

What I want to say, too, most importantly, following up on the debate that we have just had here and the discussion regarding our national forests and public lands, over the last 3 years we have spent an unsustainable $2.3 billion fighting fires on our national forest lands.

□ 1700

That is unacceptable, but that is due, in my judgment, to the fact that we have diseased forests and we have unmanaged forests. That is unacceptable. Should be to all Americans.

As a result of this, we have seriously addressed in this bill the issue of improving forest health. Disease suppression, forest fuel reduction, vegetation management, watershed improvements, research, and reforestation are all increased. This is a good environmental bill.

With regard to the timber road issue that is coming up, I urge my colleagues do not be persuaded by some outside group that is going to score this bill on an environmental basis and be pushed into making the wrong judgment. Study the facts. This timber road reduction provision that is coming up is going to hurt the small operator. It will not hurt the big operator. It will hurt the small operator. And that will do damage to the forest health and the multiple use concept in our national forest.

Remember that about 80 million visitors go into the national forests and use the forest roads that are currently in place. And we are obliterating forest roads by a ratio of 4 to 1. Four times as many are obliterated as those that are built.

So Members should be very careful about this bill and look very carefully at this amendment because it is a red herring and we should not be persuaded by it.

Mr. YATES. Mr. Chairman, I yield 3 minutes to the gentleman from Virginia [Mr. MORAN].

Mr. MORAN of Virginia. Mr. Chairman, as a member of the Subcommittee on Interior of the Committee on Appropriations, I want to express my appreciation to the hard work and leadership of its chairman, the gentleman from Ohio [Mr. REGULA], and also to the very distinguished ranking member. Serving on this subcommittee, one gains an even greater appreciation for the great loss that this body will experience when the gentleman from Illinois [Mr. YATES] retires. So I thank him for his leadership.

I also want to recognize the professionalism of the staff on this bill. Debbie Weatherley, Loretta Beaumont, Chris Topik, Joel Kaplan and Angie Perry. Barbara Wainman, the chairman's personal assistant, Curt Dodd, and of course Del Davis, who has to assume a Herculean load, given the fact that the minority staff are so few in number with so many responsibilities.

Mr. Chairman, as the chairman has said, this is clearly one of the most important subcommittees in the entire Congress. We have some very controversial issues, though, and we are going to spend most of our time on those controversial issues. But it should be expressed that there are some very fine things in this bill. For example, $136 million increase for the Everglades; a $78 million increase for the national parks; $42 million more for operating the Fish and Wildlife Service.

There are a great many needs within those organizations. I will not take the time to go into them, but we are addressing those needs. There is a $16 million increase for natural resource science research by the U.S. Geological Service. These things go unmentioned because we focus exclusively on the controversial issues.

Thirty-one million in program increases go to native Americans. Very much deserved. The Indian Health Service will bring more Indian health care to communities. In fact, we are providing modular dental units on reservations where dental services are sorely lacking.

But, of course, there are some deficiencies in this bill, at least in my opinion, and in the opinion of the ranking minority member. Weatherization assistance is an example. I wish we could do more in the way of weatherization assistance because we decrease it by over $30 million.

The automobile fuel cell research, I think, has a great deal of potential, which may not be realized because we are cutting back on that almost entirely. That has potential for meeting the clean air standards.

But most importantly we are going to focus on the NEA and it needs to be focused on. It should be restored to its existing level of $99 million.

The value of the logging subsidy to private timber companies is over $250 million a year. The taxpayer foots this bill to build roads in forest areas 87 percent of which would otherwise be uneconomical. They've built 378,000 miles of road. Fifty percent more road than in nonforest service lands roads that cause landslides, erosion and siltation of our streams. The National Endowment for the Arts deserves to be funded. Private timber companies don't.

Mr. REGULA. Mr. Chairman, I yield 3 minutes to the gentleman from Utah [Mr. HANSEN], a distinguished member of the Committee on Resources.

Mr. HANSEN. Mr. Chairman, it is interesting now that we have come into this interesting bill, which the gentleman from Ohio [Mr. REGULA] has done some super work on, and a lot of people, the gentleman from Illinois [Mr. YATES], have worked very hard on this particular piece of legislation. I think it is interesting that most of us who campaigned on the idea that we do not want any tax increases, we are against tax increases, if anything we are going to balance the budget this time, yet we seem to come up with an amendment that is pending that is called the Kennedy–Porter amendment which, in effect, is going to raise taxes indirectly on every American.

How is it going to do that? Well, one thing, those of us who come from the West, I hope people realize that last

year there were more fires in our public lands across America than any time in history, and that cost over $1.2 billion to fight them.

I am a member of the Committee on National Security and we have requests from the Forest Service, BLM, and every firefighter: Give us some of those old airplanes; we want to convert them to tankers because we have to go in and fight those fires.

So they are going to save $41,000, according to this amendment. At the same time we are going to spend billions and billions of dollars and we are going to decimate the West. There goes those beautiful forests. The folks from the East who fly over them and say, look at that green carpet, it is gorgeous, it is beautiful, I love it. And yet when we want to go in and kill the pine beetle, which is taking them out, no, here comes these same environmental groups saying, oh no, you cannot do that, and they put injunctions on it.

Now, the professional foresters came in before the committee I chaired for a few years and they say, if we do not kill the pine beetle by taking that section out, they will kill every tree in here. And if they kill every tree, that beautiful green forest becomes toothpicks. And then they say and we will have a sure bet that we will have a fire. And then they say we will have a sure bet we will have a flood. And then they say it will take Mother Nature 200 years to bring it back to the way it was.

So why did we not just go in there when we had the opportunity and take care of that infestation of pine beetles? Now, because we could not go in there and do that, we now have what we call a fuel load. So now we have a fuel load in America heavier than we have ever had. Why do we have the fuel load? Because we cannot go in, we do not have the roads, and we cannot thin the forests. We cannot take down all these down fuels.

So what do we have? We have fires. And we can count on it. The best people in America are saying that we will have more fires in America this year than we have ever had. So we are going to spend billions of dollars fighting the fires when we could have the roads that the people could go in.

What about these young people that want to build homes? The gentleman from Ohio talked about the increase. I remember in 1967 when I built a home for me and my wife and my family that I thought was wonderful, and I looked at the 2 by 4's and they were 83 cents apiece. I bought some 2 by 4's the other day and they were $4 apiece. Now, there goes the cost up.

Keep in mind what we will do with this amendment from PORTER and KENNEDY. First, we are going to raise the taxes of Americans rather substantially; second, all the people who use the roads will not be able to use them, and 90 percent of it is used for recreation and, third, we will burn the West.

So let it burn, my colleagues, and vote for this amendment they have here; do not let it burn and vote against the amendment.

Mr. DICKS. Mr. Chairman, I yield 3 minutes to the gentlewoman from New York [Mrs. LOWEY], a member of the committee.

Mrs. LOWEY. Mr. Chairman, I, too, would like to express my great respect for our chairman, the gentleman from Ohio, [Mr. REGULA] and our outstanding leader, the gentleman from Illinois [Mr. YATES]. And although he fought vigorously to defeat the rule, which would have given us an opportunity to support the National Endowment for the Arts, we lost, and I would like to direct my remarks to the Ehlers-Hunter amendment regarding the National Endowment for the Arts.

Mr. Chairman, in a nation of such wealth and cultural diversity, it is a tragic commentary on our priorities that we are here today debating the elimination of the National Endowment for the Arts, an agency that spends less than 40 cents per American each year. One of the standards by which we judge a civilized society is the support it provides for the arts. In comparison to other industrialized nations, the United States falls woefully behind in this area, even with a fully funded NEA.

But let us be honest, my colleagues. This is not a fight over money. The Republican leadership wants to eliminate the NEA because they are concerned about artistic expression in a free society. This battle is not about defending the values of mainstream America, this is about pandering to Pat Robertson and the Christian Coalition. The Republican assault on the arts, on cultural expression itself, is an outrage and it must be defeated.

Polls overwhelmingly show that the American public supports Federal funding for the arts because students, artists, teachers, musicians, orchestras, theaters, dance companies across the country benefit from the NEA. For many Americans, whether they live in the suburbs, our cities, or our rural areas, the NEA is critical in making the arts affordable and accessible.

If those reasons are not compelling enough for some, let us just talk dollars and cents. Because for every $1 the NEA spends, it generates more than 11 times that in private donations and economic activity. That is a huge economic return on the Government's investment, and we certainly do not need to be from New York to see the impact of the arts on a region's economy.

Instead of debating this issue on the merits, the NEA opponents delight in telling sensational stories about objectional projects. Let us be very clear on the facts. Out of more than 112,000 NEA funded grants over the past 32 years, only 45 were controversial. That is less than 0.04 percent of all grants.

Moreover, under the very able leadership of Jane Alexander, the NEA has restructured the grant process to ensure the mistakes of the past cannot be repeated. I urge my colleagues to defeat the Ehlers-Hunter amendment and preserve the NEA.

Mr. DICKS. Mr. Chairman, I yield 3 minutes to the gentleman from Pennsylvania [Mr. FOGLIETTA].

Mr. FOGLIETTA. Mr. Chairman, I rise to request a colloquy with the gentleman from Ohio [Mr. REGULA] regarding the status of ongoing restoration work at the Independence National Historical Park in Philadelphia.

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

Mr. FOGLIETTA. I yield to the gentleman from Ohio.

Mr. REGULA. Mr. Chairman, I am pleased to address the gentleman from Pennsylvania's concerns about this important work. And I might add also that if the gentleman saw the chart of backlogged maintenance, this is a classic example of how we have neglected to maintain an extremely valuable resource of this Nation.

Mr. FOGLIETTA. Mr. Chairman, reclaiming my time, Independence Park has been known to have been undergoing a significant utilities restoration project. Several years back I walked through the halls of Congress with a corroded pipe because the sprinkler system in Independence Hall was completely inoperable. A fire could have destroyed that national treasure in 20 minutes.

The chairman then, the gentleman from Illinois [Mr. YATES], and the corresponding chairman in the other body came to my rescue and provided the money for emergency assistance. I appreciated that and I appreciate the subcommittee's provision of $4.3 million on the project to preserve Independence Hall and the other historic buildings surrounding it. This is generous, and I thank the chairman, but I am concerned because the administration had requested $6.3 million for this project. I understand these funds are absolutely required to implement the park's master plan for the next century.

This country has existed for two centuries because of what happened in this park and Independence Hall. I am hoping that we can work together in conference on this funding so that this project can proceed on schedule.

Mr. REGULA. Mr. Chairman, if the gentleman will continue to yield, I understand the gentleman's concerns and I share them. Let me assure him that the committee strongly supports this construction work.

As the gentleman knows, this committee has provided more than $40 million over the past several years to take

care of the critical maintenance needs of Independence Hall.

□ 1715

Mr. REGULA. Unfortunately, the Parks Service has a backlog. As I mentioned earlier, the Senate allocation is higher than the House number. Were the Senate to fund this project, and if other high priority needs for construction are met, then I would certainly give a lot of consideration to supporting increased funding for this project. It is a very important piece of work, and I am very strongly in favor of taking care of it. This is one of our Nation's great cherished monuments.

Mr. FOGLIETTA. Mr. Chairman, if the gentleman would yield, it is also the heart of my district.

Mr. REGULA. It is across the street, as I understand it.

Mr. DICKS. Mr. Chairman, I yield 2 minutes to the gentlewoman from California [Ms. PELOSI], a member of the committee.

Ms. PELOSI. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, I rise in great respect for the gentleman from Ohio [Mr. REGULA], the distinguished chairman of the subcommittee. I appreciate his fine work in bringing this legislation to the floor. And I join my colleagues in expressing great esteem for our colleague, the gentleman from Illinois [Mr. YATES], for the great tradition that he has brought to this Congress of support for the arts and support for preserving our national and natural heritage as well. It is indeed an honor for every one of us who serves in this body to call him "colleague."

So it is with regret that I rise to oppose an amendment that will come up later, the Ehlers amendment, and hope it will not be part of this legislation at the end of the day.

As I am fond of saying in this Chamber, there are so many fig leaves around here that it is beginning to look like the Garden of Eden. Today's fig leaf is the Ehlers amendment, which is supposed to give cover to those who voted to eliminate the National Endowment for the Arts, but alas, it is a transparent fig leaf.

It is interesting to me that, in the course of the Committee on Rules debate and debate on the floor, our Republican colleagues said that we had to eliminate the $99 million in funding for the NEA because we need to reduce the deficit. Now, hiding behind the transparent fig leaf, the Republicans say that we can vote for $80 million through the Ehlers amendment. It is clear that this is not about reducing the deficit, it is about content restriction; it is about conformity instead of creativity.

The gentleman from Texas [Mr. ARMEY], the distinguished majority leader, when he spoke earlier, said that the Ehlers amendment would put more Crayolas in our children's hands. Yes, and that is just about it. The Ehlers amendment would amount to about $1 per child for the arts.

Do we not want more for America's children? I am certain the gentleman from Texas [Mr. ARMEY] wants more for his new grandson, who was born yesterday. I am pleased to welcome him to the grandparent's club, the best club there is. Let us hope that our grandchildren can express themselves freely. In order for that to happen, we should reject the Ehlers amendment and bring back the NEA.

I urge my colleagues to oppose the Ehlers amendment.

The CHAIRMAN. The gentleman from Washington [Mr. DICKS] has 2½ minutes remaining. The gentleman from Ohio [Mr. REGULA] has 2 minutes remaining.

Mr. DICKS. Mr. Chairman, I yield 1½ minutes to the gentleman from California [Mr. CAPPS].

Mr. CAPPS. Mr. Chairman, I agree with my colleagues that there are many positive features in this bill. But I am particularly sensitive to its cultural institutional components, and here the bill deserves a mixed review.

I am pleased that funding for the National Endowment for the Humanities is being sustained, not in abundance, but at current levels. On the other hand, I lament what is happening to the National Endowment for the Arts.

What is most troubling about this, in my judgment, is that we here in the Congress have taken on the role of art critics who can make judgments about what is good or what is bad art, and the electorate has not asked us to do that.

I am also extremely bothered by the large, devastating cuts to the Wilson Center down the street. The Wilson Center has done distinguished work. It would be extremely short-sighted if we were to destroy this very excellent research center.

Mr. Chairman, my first contact with Congress came more than a decade ago when I testified on behalf of the arts and the humanities, and I gave my testimony to the committee directed by the gentleman from Illinois [Mr. YATES], who is now my colleague.

The gentleman from Illinois [Mr. YATES] has given years of distinguished service in supporting our national cultural institutions, and I want to say that I am so honored to be working at his side.

Mr. REGULA. Mr. Chairman, I yield 1 minute to my colleague, the gentlewoman from Ohio [Ms. PRYCE], a very distinguished member of the Committee on Rules.

Ms. PRYCE of Ohio. Mr. Chairman, I thank my good friend, the gentleman from Ohio [Mr. REGULA], for yielding me the time, and I rise in opposition to the Porter-Kennedy amendment.

This amendment eliminates funding allocated to the forest road program. But this program builds, improves, and maintains forest roads. Those who support the amendment argue that the forest road program provides a subsidy. I respectfully disagree.

I would like to take this opportunity to commend to my colleagues this piece of literature prepared by Price Waterhouse that says "the forest roads program does not contain a subsidy for timber purchasers and provides an efficient and effective mechanism for financing road construction and reconstruction."

These roads are an important tool used to manage the resources in our national forests. Just last August, a staffer of mine spent 14 days fighting wildfires in Oregon. It was the forest roads that provided him and other firefighters with their sole access over land to the safety of their fire camp 6 miles away. Without such roads, access over land would have been next to impossible, causing a great loss of both time and energy.

But it is not just access for our wildland firefighters that is important, these roads also provide access for our resource managers and foresters, hunters, fishermen, and those who just want to take a walk in the woods.

I urge Members to look past the political rhetoric that many groups would have them believe. If you support promoting forest health and sound environmental stewardship, I urge you to support the forest roads program and defeat the amendment.

Mr. DICKS. Mr. Chairman, I yield the remaining time to the gentleman from Illinois [Mr. YATES], the distinguished ranking minority member.

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

Mr. Chairman, I want to pay my tribute to the gentleman from Ohio [Mr. REGULA]. He and I worked on this bill for many, many years. He knows it thoroughly. And, for the most part, I think that this bill reflects good judgment on his part.

In view of the fact that the bill and the rule have killed NEA, I will not support the bill. In many respects it is a good bill. It provides additional funds for building our parks, our natural resources, but it devastates almost equally important cultural programs.

I mentioned what it had done to the National Endowment for the Arts. And although it gives its approval to appropriations for the National Endowment for the Humanities, it kills the Woodrow Wilson Center, which I think has done good work over the years, and it suspends work on the Museum for the American Indian. We have been waiting year after year after year for a museum to pay tribute to the great people who first inhabited this country.

So, Mr. Chairman, again I pay my tribute to the gentleman from Ohio]Mr. REGULA]. I look forward to working with the Senate to add some improvements to the bill, particularly in

the cultural aspects of it; and I hope that the gentleman from Ohio [Mr. REGULA] will work with me in that respect.

Mr. REGULA. Mr. Chairman, I will use my last minute to announce what I have been advised, and that is that the leadership advises that they would like to work to between 10 and 12 tonight. The objective would be to finish by 2 p.m. tomorrow, and I think we can easily do that if we work until that time tonight.

We will probably roll votes until about 7 p.m., and then after we have done that group, we will roll again for a couple hours. So this, I think, will give the Members an idea of what the rest of the evening will be like as far as schedule and what we could anticipate for tomorrow.

Mr. Chairman, I just close by saying this is a good bill. I hope all of our colleagues will look at it carefully as we go through the various amendments and then on final passage.

Mr. ENSIGN. Mr. Chairman, I rise in support of the Sanders amendment to H.R. 2107. This amendment would increase funding for the payments in lieu of taxes [PILT] by $19 million. These payments are absolutely vital to our counties that have a decreased tax base due to federally owned land located within the county boundaries.

These payments help defray the costs of law enforcement, fire prevention, search and rescue and infrastructure needs in those counties that must provide these essential services, yet do not have the revenue stream normally provided by private property tax collection.

Coming from a State where 87 percent of the land is federally owned, you can imagine how strapped our rural counties are when it comes to providing these essential public services. The PILT Program was established to address the fact that the Federal Government does not pay taxes on its own land. Unfortunately, PILT payments have never approximated the revenue the local governments would otherwise generate through private property taxes.

I appreciate the gentleman from Vermont offering this amendment and I urge my colleagues to support it.

Ms. CHRISTIAN-GREEN. Mr. Chairman, I rise today to express my strong disappointment in the fact that the majority members of the Appropriations Committee refused to include, in the bill we are discussing today, the $700 million that was included in the bipartisan, 5-year balanced budget agreement for Federal land acquisition.

Over $300 million of the $700 million was slated to go to the Land and Water Conservation Fund [LWCF], the Federal trust fund, established to purchase private lands for outdoor recreation or for preservation for future generations.

Last month, when we learned that this money might not be included in the bill, I joined 22 of my colleagues on the Resources Committee in sending a letter to Chairman REGULA to remind him that the LWCF is currently owed about $11 billion which has accumulated because money meant for the fund has been directed for other uses, like balancing the Federal budget.

This misdirection of LWCF funds has created a tremendous backlog of purchases of threatened land designed to protect the public health and the environment.

I was overjoyed, Mr. Chairman, when I heard that the balanced budget agreement had provided an additional $700 million for Federal land acquisitions.

This additional funding would have meant the possibility that funding could finally be realized to begin acquiring land at the Salt River National Park and Historical Preserve, on the island of St. Croix in my district, the Virgin Islands.

Salt River National Park was authorized in 1992, creating an approximately 1,000 acre park offering a unique combination of biologically significant flora and fauna. Salt River is also best known as the only documented site where Christopher Columbus landed in what is now the United States.

Tragically, since its authorization, there has not been any Federal land acquisitions at Salt River. This is a concern because a major hotel development had been proposed for the mouth of the Salt River Bay, including the area of the Columbus landing site.

While the development permits for this project have been denied by the courts, the current owner of the property believes that an opportunity still exists to sell the property and re-initiate the hotel project. It is essential, in order to preserve this magnificent area, for LWCF funds to be appropriated for the Park Service to acquire key private tracts of land at Salt River.

I urge my colleagues to continue to insist that the previously allocated $700 million be made available to address the threats faced at Salt River, as well as, for the other hundreds of priority Federal land acquisition and local recreation projects across the country.

Mr. VENTO. Mr. Chairman, I rise in opposition to the Interior appropriations bill in its current form. It shortchanges the Land and Water Conservation Fund [LWCF]. It shuts down the National Endowment for the Arts. And it is packed with irresponsible government subsidies such as the timber roads credit and special breaks for clean coal technology. Thankfully, we have some opportunities today to fix some of these problems and send the President legislation he can sign.

My colleague from California [Mr. MILLER] plans upon offering an important amendment that will restore the commitments the leadership made to the President on funding for the Land and Water Conservation Fund [LWCF]. This amendment will provide for two critically important land exchanges: the New World Mine in Montana and Headwaters Forest in California. Some of my colleagues oppose these purchases, and I respect but disagree with their views. But that is not the point. The point is that this provision was part of the budget deal that this Congress agreed to with the President. There are a lot of aspects of this budget agreement with which I'm not in agreement with, but I, along with more than 300 of my colleagues, supported the budget agreement when it passed on this floor. As Members supported the budget deal the Congress/Clinton compromise, it is only reasonable to uphold the key provisions of the same. Specifically the commitment to increase the LWCF by some $700 million, that is the Miller amendment that will be offered in good faith and in accord with the budget agreement.

Similarly, the bill in its current form shuts down the National Endowment of the Arts. A number of our colleagues insist on making inflammatory, and I'm sad to say inaccurate, statements about the NEA and its priorities. The fact remains that most of the money we spend on the arts goes to providing cultural experiences for children in communities across the Nation who would not otherwise enjoy such opportunity or experiences. The President, furthermore, has indicated that he will veto this bill if Congress does not restore funding for the NEA.

Instead of more endless, partisan bickering, this House should continue funding the NEA at previous levels. This would have been a compromise. While I and a number of my colleagues would like to strengthen our commitment to the arts, I recognize that this is currently not likely. So I am willing to face reality and move forward with the legislative program for our Nation. I would have hoped that those who disagree would at some point be willing to do the same.

In addition to these important amendments, we will debate an amendment to eliminate the special subsidy program for timber roads in our National Forests. I am not sure how many of my colleagues are aware of the fact that this bill includes $40 million so that the Federal Government can reimburse timber companies for their road construction costs, road graded so that the same entities can harvest the timber. That is $40 million less of tax dollars that we can spend on educating our kids, cleaning up the environment, providing heat assistance for the elderly, and any number of other worthy and important activities serving our communities.

You will hear many claims that, according to Price Waterhouse, these millions of dollars do not amount to a subsidy. Please bear in mind that this Price Waterhouse analysis was the result of a timber industry funded study, frankly the results don't seem surprising. I'm underwhelmed by such industry produced fodder. Beware of a special interest financed study that supports the special interest access to the Federal taxpayer pocketbook. We should end this fiscally and environmentally unsound program today by voting for the Porter-Kennedy amendment.

Like just about all of the legislation we consider in this House, this is a true question of priorities. I believe and I have long believed that we can effectively manage our National Parks and Forests, that we can preserve funding for the arts and humanities and that we can deal fairly with members of Native American Tribes while we at the same time spend money responsibly and eliminate programs and unwarranted subsidies that have failed their goal or that enrich special interests. We should use this Interior appropriation legislation to achieve such goal. Indeed, there are those that wish to preserve the subsidy program for logging roads, there are those who wish to preserve the so-called Clean Coal Technology Program, and there are those who want the Federal Government to extinguish

the commitment to the arts. I disagree, these actions run counter to sound policy and are not supported by the American public.

I have always viewed the Interior appropriations bill as an opportunity for Congress to both protect the environment and save taxpayer dollars—what has become recognized as the Green Scissors approach—and this year is no different. We should pass the Miller amendment, preserve our commitment to the arts, pass the Porter-Kennedy amendment, and pass the Klug-Miller-Foley amendment. Then we'll send the President a bill that he can sign and show the American people that sometimes, when given the opportunity, Congress is capable of real change and can do our decisionmaking task fairly, efficiently, and above all competently.

Mr. UNDERWOOD. I know that today's debate on the fiscal year 1998 Interior Appropriations will largely focus on funding for the arts and humanities, but I would like to take a moment to highlight several provisions included in the bill which I am very pleased to support.

As you may know, citizens of the freely associated states of the Federated States of Micronesia, the Republic of the Marshall Islands, and the Republic of Palau, can freely migrate to Guam under the provisions of the Compact of Free Association between the United States and these nations. Appropriations to reimburse Guam for the impact of the Compact are authorized under Public Law 99–239. In the Omnibus Appropriations Act of fiscal year 1997 [P.L. 104–134], 6 years of partial reimbursement for Guam was included for the social and educational costs of this migration. I am pleased that H.R. 2107 again includes $4.58 million as partial reimbursement to Guam. I would like to thank Chairman REGULA and Ranking Member YATES for their leadership on this issue and for working to fulfill this important Federal obligation.

H.R. 2107 also includes an additional $1 million for brown tree snake eradication research as requested by the administration. This funding is vital for the efforts to control this non-indigenous species which has decimated Guam's indigenous bird species and is the cause of countless power outages throughout the island. I thank Chairman Regula and his staff for their willingness to take a serious look at this problem and understand the ongoing and potential impact of this uncontrolled non-indigenous species.

I am also pleased that technical assistance to the territories has been increased by $1 million to approach a more adequate level and has remained separate and distinct from funding to control the brown tree snake. I look forward to continuing to work with my colleagues and the other body to see that all of these important provisions remain intact.

Mr. DAN SCHAEFER of Colorado. Mr. Chairman, I rise to note a matter which is of great concern to myself and the members of the Commerce Committee on both sides of the aisle. H.R. 2017, contains language which would allow the sale of approximately 10 million barrels of oil from the Strategic Petroleum Reserve.

The legislative language in H.R. 2017 changes existing law regarding the drawdown of the SPR, and violates House Rule 21 which prohibits legislating in an appropriations bill. Yesterday, we asked the Rules Committee to issue a rule which did not waive points of order against this language. Unfortunately, because of some miscommunications, the rule waived the point of order and an objection was made to the unanimous-consent request to modify the rule.

Thus, Mr. Chairman, I am disappointed that the point of order which would lie against this provision was waived. However, I have spoken with Mr. REGULA and Mr. SOLOMON about this and I understand they will work with me to see that this language is removed at conference.

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

The CHAIRMAN. All time for general debate has expired.

Pursuant to the rule, the bill shall be considered for amendment under the 5-minute rule.

Amendments printed in House Report 105–174 may be offered only by a Member designated in the report and only at the appropriate point in the reading of the bill, are debatable for the time specified, equally divided and controlled by the proponent and an opponent, are not subject to an amendment, and are not subject to a demand for division of the question.

During consideration of the bill for amendment, the Chair may accord priority in recognition to a Member offering an amendment that he has printed in the designated place in the CONGRESSIONAL RECORD. Those amendments will be considered as read.

The Chairman of the Committee of the Whole may postpone until a time during further consideration in the Committee of the Whole a request for a recorded vote on any amendment, and may reduce to not less than 5 minutes the time for voting by electronic device on any postponed question that immediately follows another vote by electronic device without intervening business, provided that the time for voting by electronic device on the first in any series of questions shall not be less than 15 minutes.

The Clerk will read.

The Clerk read as follows:

H.R. 2107

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the fiscal year ending September 30, 1998, and for other purposes, namely:

TITLE I—DEPARTMENT OF THE INTERIOR

BUREAU OF LAND MANAGEMENT

MANAGEMENT OF LANDS AND RESOURCES

For expenses necessary for protection, use, improvement, development, disposal, cadastral surveying, classification, acquisition of easements and other interests in lands, and performance of other functions, including maintenance of facilities, as authorized by law, in the management of lands and their resources under the jurisdiction of the Bureau of Land Management, including the general administration of the Bureau, and assessment of mineral potential of public lands pursuant to Public Law 96–487 (16 U.S.C. 3150(a)), $581,591,000, to remain available until expended, of which $2,043,000 shall be available for assessment of the mineral potential of public lands in Alaska pursuant to section 1010 of Public Law 96–487 (16 U.S.C. 3150); and of which $3,000,000 shall be derived from the special receipt account established by the Land and Water Conservation Act of 1965, as amended (16 U.S.C. 4601–6a(i)); and of which $1,500,000 shall be available in fiscal year 1998 subject to a match by at least an equal amount by the National Fish and Wildlife Foundation, to such Foundation for challenge cost share projects supporting fish and wildlife conservation affecting Bureau lands; in addition, $27,300,000 for Mining Law Administration program operations, to remain available until expended, to be reduced by amounts collected by the Bureau and credited to this appropriation from annual mining claim fees so as to result in a final appropriation estimated at not more than $581,591,000; and in addition, not to exceed $5,000,000, to remain available until expended, from annual mining claim fees; which shall be credited to this account for the costs of administering the mining claim fee program, and $2,000,000 from communication site rental fees established by the Bureau for the cost of administering communication site activities: *Provided,* That appropriations herein made shall not be available for the destruction of healthy, unadopted, wild horses and burros in the care of the Bureau or its contractors.

WILDLAND FIRE MANAGEMENT

For necessary expenses for fire use and management, fire preparedness, suppression operations, and emergency rehabilitation by the Department of the Interior, $280,103,000, to remain available until expended, of which not to exceed $5,025,000 shall be for the renovation or construction of fire facilities: *Provided,* That such funds are also available for repayment of advances to other appropriation accounts from which funds were previously transferred for such purposes: *Provided further,* That persons hired pursuant to 43 U.S.C. 1469 may be furnished subsistence and lodging without cost from funds available from this appropriation.

Mrs. LOWEY. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I rise for the purpose of a colloquy with my friend, the gentleman from Ohio [Mr. REGULA].

As the gateway for more than 12 million immigrants between 1892 and 1954, Ellis Island holds a unique place in our Nation's history. More than 90 million Americans trace their roots to Ellis Island, and 1½ million visitors from around the world tour the island every year.

Unfortunately, some parts of the island are not receiving the attention they deserve, and last month the National Trust for Historic Preservation included the south side of Ellis Island on its annual list of the 11 most endangered historic places in the United States.

The south side of Ellis Island consists of more than two dozen buildings that served as hospital wards during the first part of this century. These buildings have great historical significance. In fact, the cure for pink eye was discovered there.

Due to years of weather-related damage, however, the hospital complex is seriously decayed. Roofs are caved in, walls are crumbling, and in some buildings stalactites of lime hang from the ceiling. These buildings are literally falling apart, and allowing them to decay beyond repair would be a national disgrace.

I am very pleased that the gentleman from Ohio [Mr. REGULA] has included report language in the bill at my request that directs the Park Service to come up with an immediate plan to stabilize these buildings. I also want to reiterate my hope that, working with the Senate, we may be able to find a small amount of money in the bill to begin basic emergency repairs in the future.

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

Mrs. LOWEY. I yield to the gentleman from Ohio.

Mr. REGULA. Mr. Chairman, I thank the gentlewoman from New York [Mrs. LOWEY] for her interest and efforts. Ellis Island truly is a national treasure that has desperate needs for construction repairs.

Unfortunately, the Park Service construction budget is severely constrained by its overwhelming backlog of critical maintenance projects, $570 million, as our chart showed, which consists of serious public health and safety issues.

Should the Senate provide funds for the project, and if the other priority construction needs are met, I will give serious consideration to supporting the project. It is a good project and deserves support. I look forward to working with the gentlewoman from New York [Mrs. LOWEY] to ensure the project's successful completion.

Mrs. LOWEY. I thank the gentleman. We really owe it to the memory of our ancestors and for the benefit of future generations to preserve these buildings. I am very appreciative of the chairman's support for getting us on the path to do just that.

□ 1730

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

CENTRAL HAZARDOUS MATERIALS FUND

For necessary expenses of the Department of the Interior and any of its component offices and bureaus for the remedial action, including associated activities, of hazardous waste substances, pollutants, or contaminants pursuant to the Comprehensive Environmental Response, Compensation and Liability Act, as amended (42 U.S.C. section 9601 et seq.), $12,000,000, to remain available until expended: *Provided*, That notwithstanding 31 U.S.C. 3302, sums recovered from or paid by a party in advance of or as reimbursement for remedial action or response activities conducted by the Department pursuant to section 107 or 113(f) of such Act, shall be credited to this account to be available until expended without further appropriation: *Provided further*, That such sums recovered from or paid by any party are not limited to monetary payments and may include stocks, bonds or other personal or real property, which may be retained, liquidated, or otherwise disposed of by the Secretary and which shall be credited to this account.

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

Mr. Chairman, I would like to take this time to, if I could, participate in a colloquy with the gentleman from Ohio [Mr. REGULA] if that would be in order.

Mr. Chairman, there seems to be a lot of confusion surrounding, at least in my mind, the funding level for the automotive fuel cell research and development program within the Energy Conservation Program. First, I want to clarify the funding level for the advanced automotive technology program. It is my understanding that the committee recommended more money for the advanced automotive technology program this year than was appropriated in the years 1996 and 1997.

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

Mr. KNOLLENBERG. I yield to the gentleman from Ohio.

Mr. REGULA. The gentleman is correct. The comparable program was funded at $104,640,000 in fiscal year 1997 and the committee recommendation for fiscal year 1998 is $104,796,000. This represents an increase of $156,000. It is an increase of over $4 million above the 1996 level.

Mr. KNOLLENBERG. I thank the gentleman for that. Although the total amount for the advance automotive technology program received an increased recommendation from the committee over the past 2 years, I have heard from the Department of Energy that the fuel cell program has received a significant reduction in funding, perhaps as much as $10 million.

Mr. REGULA. If the gentleman will yield further, the department is not correct. It is true that the committee has recommended a slight reduction from last year's appropriation to the fuel cell program due to the difficult choices we have had to make in trying to balance the budget.

Mr. KNOLLENBERG. It is further my understanding, Mr. Chairman, that the Department of Energy approved grants within the fuel cell program and that these grants have had an impact on the market value of the companies that have been designated as grantees. A part of my confusion is how these grants could have been approved by the DOE, the Department of Energy, if the funding for these grants were dependent on future appropriations. I also am not clear whether the grant recipients can receive a portion of their grant even when the amount appropriated is not enough to fund all the department's approved grants.

Mr. Chairman, I understand there is some good research being conducted within this program, including some research in my home State of Michigan, but the gentleman can see there still appears to me a lot of confusion surrounding the issue. I am asking the gentleman today to work with me to clarify some of this confusion surrounding the funding level for the automotive fuel cell program.

Mr. REGULA. I would be glad to work with the gentleman from Michigan to help clarify any confusion he or others may have regarding the automotive fuel cell program.

Mr. KNOLLENBERG. I appreciate that from the gentleman, and I thank the gentleman for joining me in the colloquy.

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

Mr. Chairman, I rise to request a colloquy with the gentleman from Ohio [Mr. REGULA] regarding the fate of ongoing restoration work at the Fort McHenry National Monument and Historic Shrine in Baltimore.

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

Mr. CARDIN. I yield to the gentleman from Ohio.

Mr. REGULA. I am pleased to address the gentleman from Maryland's concerns about this important work.

Mr. CARDIN. Mr. Chairman, I am concerned that the bill does not provide the $1.8 million needed by the Park Service for high priority construction work to complete the restoration of Fort McHenry. Last year Congress appropriated $800,000 for the work on the fort. This was part of a $2.6 million project designed to preserve the birthplace of our National Anthem. To date significant work has been undertaken to repair and repoint the fort's main exterior brick walls, dating back to the War of 1812. Additional funding is needed to complete preservation of underground bombproof rooms, powder magazines and Civil War period defense works at the site.

I am concerned that the action of the committee threatens the timely and efficient completion of the necessary work. Finding sources of historically compatible bricks and artisans skilled at this restoration work has been difficult, but the project is now underway and we should complete it.

Mr. REGULA. I understand the gentleman's concerns. Let me assure him that despite our decision not to include construction funding for Fort McHenry, the committee strongly supports this work. Unfortunately, the National Park Service has a $5.6 billion construction and repair backlog, $575 million of which deals with the critical maintenance needs regarding public health and safety issues.

Mr. CARDIN. I understand the pressures the committee is under this year and particularly that the Park Service's fiscal year 1998 construction budget included two extremely high cost projects, but the Fort McHenry project is also a priority and is in danger of

being cut off in the middle. The Senate allocation is more generous than the House numbers. Should the Senate provide funds for this project, can I ask the gentleman to support the funding construction at Fort McHenry?

Mr. REGULA. Fort McHenry is one of this Nation's great historic treasures. Were the Senate bill to fund this project and if the other high priority needs for construction are met, then I would give serious consideration to supporting the project. It is an important project and deserves funding. I look forward to working closely with the gentleman from Maryland to ensure the successful completion of this construction in a timely and efficient manner.

Mr. CARDIN. I thank the gentleman.

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

Mr. Chairman, I rise to engage the distinguished chairman of the subcommittee in a colloquy, but before I do I want to commend the chairman and the subcommittee for placing a moratorium on the acceptance and processing of mining claim patent applications made under the Mining Law of 1872. By the continuation of this moratorium, I think the subcommittee expresses the view of the majority of the Members of this body, if given the opportunity, they would vote for a comprehensive reform of the Mining Law of 1872.

While I do commend the Committee on Appropriations for continuing this patent moratorium, I think it is important that we be up front in recognizing that this provision is only a Band-Aid that will not staunch the hemorrhaging of the public's mineral wealth under the Mining Law of 1872. Radical surgery is what is required. I hope that one day we will get around to doing that.

Mr. Chairman, the committee bill provides $4.5 million for grants to the eight heritage areas designated by the Omnibus Parks Act signed into law last year. Of this amount, three heritage areas are to receive the maximum amount allowed under that law, $1 million each, because the committee has determined they are further advanced. That leaves $1.5 million for the remaining five heritage areas.

Is it the committee's intent for the National Park Service to distribute this funding roughly evenly among those five heritage areas, with no area receiving less than $200,000?

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

Mr. RAHALL. I yield to the gentleman from Ohio.

Mr. REGULA. That would be the intent of the committee.

Mr. RAHALL. I thank the distinguished gentleman from Ohio and commend him for his work on this bill as well as the gentleman from Washington [Mr. DICKS], the ranking minority member.

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

I also want to thank the gentleman from Ohio for engaging in this colloquy with me regarding the heritage areas, an initiative that I know he and the members of the committee have long supported and supported very strongly.

I would like to speak particularly of the Blackstone River Valley National Heritage Corridor in my State of Rhode Island as well as the bordering State of Massachusetts. This is one of the real examples of State partnership between Massachusetts and Rhode Island that we have. I also want to commend the gentleman from Massachusetts [Mr. MCGOVERN] and the gentleman from Massachusetts [Mr. NEAL] as well for their long work on this issue.

Mr. NEAL of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. KENNEDY of Rhode Island. I yield to the gentleman from Massachusetts.

Mr. NEAL of Massachusetts. I thank the gentleman from Rhode Island for yielding. I want to thank the gentleman from Ohio [Mr. REGULA] for the manner over the years in which he has treated the Blackstone funding priorities. It has been very encouraging and he has been more than generous with his time as well as his support of this project. I know that since I represent the town of Blackstone that this really commemorates a remarkable part of the manufacturing history of America. I am delighted with his pronouncement today that he will support us on the Senate side when this legislation goes to conference.

Mr. KENNEDY of Rhode Island. I thank the gentleman from Massachusetts [Mr. NEAL]. This is a real example of us working together on a bi-State issue, but one that pulls us all together because of the nature of the heritage corridor.

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

Mr. KENNEDY of Rhode Island. I yield to the gentleman from Massachusetts.

Mr. MCGOVERN. I want to thank the gentleman from Rhode Island for yielding to me, and I want to associate myself with his remarks as well as the remarks of the gentleman from Massachusetts [Mr. NEAL]. The Blackstone River Valley National Heritage Corridor is a crown jewel of the National Park Service and showcases our natural resources while preserving the history of that area. I want to also express my deep gratitude to the gentleman from Ohio [Mr. REGULA]. We genuinely appreciate his consideration of our comments regarding this subject, which is of tremendous importance to not only Rhode Island but Massachusetts, where I am from. I appreciate it.

Mr. KENNEDY of Rhode Island. I want to thank both my colleagues from Massachusetts.

Mr. Chairman, I realize the difficult choices the chairman and the members of the committee are faced with, but I want to discuss with the gentleman the fact that this bill provides no construction funds in fiscal year 1998 for the Blackstone Corridor.

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

Mr. KENNEDY of Rhode Island. I yield to the gentleman from Ohio.

Mr. REGULA. I understand the gentleman's concerns. I would point out that the Blackstone River Valley Heritage Project is one of the flagships of our national program. It has set a standard. Let me assure the gentleman that our decision had nothing to do with the committee's support for the Blackstone Corridor. The National Park Service has a $5.6 billion backlog of major priority construction projects; $575 million of that deals with critical backlog maintenance, needs such as failed water systems, broken sewer lines, deteriorating utilities, unsafe dams and other major health and safety projects. I might add, as I said in the opening statement, we are very sensitive about the backlog maintenance problems.

Mr. KENNEDY of Rhode Island. I appreciate the gentleman's position and I know the committee's support for the Blackstone Valley River Heritage Corridor. I know the chairman's sensitivity to the notion of passing the bill last year as we did during the last Congress and putting some of the construction funds in place, but then it is sort of analogous to building a house but not putting the furniture in it. We do not want to jeopardize this project by not following through on our commitment to it as we did through the authorization bill last year.

Should the Senate allocation in this year's bill be more generous than the House number and should the Senate provide the funds for this project, can I ask the gentleman as chairman and the members of his committee to consider supporting this project once again as he has done in the past?

Mr. REGULA. I would advise the gentleman were the Senate to fund this project for fiscal year 1998 and if the other priority needs for construction are met, I very much hope that we can provide the construction funding for the Blackstone Heritage Area. It is a good project and it deserves strong support. I do look forward to working closely with the gentleman from Rhode Island and the other two gentlemen that spoke to ensure the ongoing success of this project.

Mr. KENNEDY of Rhode Island. We certainly appreciate the chairman's consideration and look forward to working with him for the success of this project, which means a great boon to our area in northern Rhode Island and Massachusetts as well, which has seen a great growth in jobs as a result

of this wonderful model project in this country of what a heritage corridor can do for the economy of a given region. I want to thank the chairman for his work on this.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

CONSTRUCTION

For construction of buildings, recreation facilities, roads, trails, and appurtenant facilities, $3,254,000, to remain available until expended.

PAYMENTS IN LIEU OF TAXES

For expenses necessary to implement the Act of October 20, 1976, as amended, (31 U.S.C. 6901–07), $113,500,000, of which not to exceed $400,000 shall be available for administrative expenses: *Provided*, That no payment shall be made to otherwise eligible units of local government if the computed amount of the payment is less than $100.

AMENDMENT NO. 11 OFFERED BY MR. SANDERS

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

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 11 offered by Mr. SANDERS:

Page 5, line 4, after the dollar amount, insert the following: "(increased by $19,000,000)".

Page 59, line 10, after the dollar amount, insert the following: "(reduced by $47,500,000)".

Mr. SANDERS. Mr. Chairman, this bipartisan amendment which is being introduced by the gentleman from New Hampshire [Mr. BASS] and myself does two important things that most Members of this body agree with.

First, it deals with the very serious problem of underfunded mandates, of forcing citizens in close to 2,000 counties in all 50 States to pay more in local property taxes than they should be paying because the Federal Government has fallen very far behind in its payment in lieu of taxes on federally owned lands. This amendment addresses this problem by increasing payments in lieu of taxes by $19 million, from $113.5 million to $132.5 million.

Mr. Chairman, I should add here that this amount is exactly the amount authorized for fiscal year 1995, when Congress passed the reauthorization for PILT in 1994. In other words, this amendment provides what the Congress promised cities and towns all over this country 3 years ago that we should be doing. We made a commitment, we should honor that commitment, and that is what this amendment does.

Mr. Chairman, the PILT program was established to address the fact that the Federal Government does not pay taxes on its own land.

□ 1745

These Federal lands can include national forests, national parks, fish and wildlife refuges, and land owned by the Bureau of Land Management. Like property taxes, PILT payments are used to pay the school budgets, law enforcement, and other municipal expenses. Communities all over this country are upset by the lack of fairness that they are receiving from the Federal Government, which is why this amendment is endorsed by the National Association of Counties.

Mr. Chairman, despite an increase that was granted 3 years ago in the PILT authorization levels, the actual appropriations have been kept nearly level, resulting in a revenue shortfall to local communities in real terms. For fiscal year 1997, for example, local governments will receive only 60 to 70 percent of the payment level which was set in the authorization. This amendment would begin to address this unfunded mandate by increasing the payment in lieu of taxes program to where it was in real terms 10 years ago.

The formula by which payments in lieu of taxes are made is a complicated one, and each property is treated somewhat differently, but on average, on average, if this amendment passes, each local government would see a 17-percent increase in PILT money, and that is a significant advantage to thousands of communities all over this country.

Mr. Chairman, we have heard a great deal of discussion recently about evolution and our concerns for local communities and local government. It is high time that the Federal Government accepted its responsibility to do right by local communities.

Mr. Chairman, the $47.5 million that we are using for these purposes, in other words, deficit reduction and increasing PILT payments to local communities all over America, would be transferred from the Fossil Energy Research and Development Program. According to the report of the fiscal year 1997 budget resolution which passed the House last year, the Republican resolution, and let me quote from that, and I quote:

The Department of Energy has spent billions of dollars on research and development since the oil crisis in 1973 triggered this activity. Returns on this investment have not been cost effective, particularly for applied research and development which industry has ample incentive to undertake. Some of this activity is simply corporate welfare for the oil, gas and utility industries. Much of it duplicates what the industry is already doing. Some has gone to fund technologies in which the market has low interest.

Mr. Chairman, these are not my words. These are the words from the report of the fiscal year 1997 budget resolution produced by the leadership of the Republican party. But obviously it is not only Republicans or conservatives who feel this way; progressives agree. Public Citizen has this to say about the Fossil Energy Research and Development Program, and I quote:

Fossil energy programs have received over $15 billion in Federal funding since 1974. The fossil energy industry is prosperous and mature, and it is not deserving of a continuing large share of taxpayer support.

Mr. Chairman, the bottom line is, progressives and conservatives support this concept. I would urge Members from both sides of the aisle to vote for it.

Mr. REGULA. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from Vermont.

Mr. Chairman, I know the PILT Program is popular, but we have to make priority judgments. We have to decide what best serves the interests of the people of this Nation.

What we have done in the fossil program is look at it very carefully, and we have reduced it over the past couple of years by 30 percent, and we want to avoid cutting any more.

I think this term "corporate welfare" is used very carelessly, because we have established a policy that we do not fund these energy research projects unless the private sector puts in a substantial share of funding. These are very important partnerships.

And I want to point out one other thing. We made a policy in the fossil research program that once the technology is developed, the Government is out of it. We do not spend any money on commercialization. Once it is proven that a low emission boiler works, then it is up to the private sector to take over from there.

I simply say that to point out that we have tried to make these programs very efficient. We have restructured the programs so that we are not committed to large costly demonstration projects.

But my colleagues have to remember that this country relies on fossil fuels for the majority of its energy requirements and will continue to do so for the foreseeable future. That is coal, oil, and natural gas. This is what makes this Nation great; this is what drives this economy.

I think one of the great advantages our Nation has over our European competitors is low-cost energy. It is reflected in the fact that we have a 4 percent growth in the economy. In 1997, we hope that the deficit will be down under $50 billion. But to do that we have to keep research in fossil fuels, we have to ensure that in the future we are going to have the advanced technologies that will allow us to use our fossil energy sources in a very efficient and environmentally sensitive way.

Of course some of the critics contend that we should put more money into alternative energy sources and abandon research on traditional energy, the energy resources that fuel our economy, but I think that does not make sense given the realities of today's economy and the importance of fossil fuel.

I think that a lot of this research is designed to reduce the environmental impact of the use of fossil fuels because realistically that is going to be our energy source for as far as the eye can

see. And if we want to leave for future generations the opportunity to have the same quality of life that we have had, we have to ensure that we can use fossil fuel in an energy-efficient way and that we can use it in an environmentally safe way.

What does that add up to? It adds up to research which improves the technologies, which develops new fossil fuel technologies which reduce emissions, which use energy more efficiently, and it creates jobs at the same time we explore the alternative energy sources.

We have done that in this bill, and I think it would be a serious mistake in terms of this Nation's economy to take money out of this fossil research program. It will cost $47.5 million from research to provide $19 million more for PILT. It would be nice to give these additional credits to local counties. We have done that while trying to stay within our allocation. But to cut our fossil energy research program would be very shortsighted in the long haul, and for that reason I have to strenuously object to this amendment.

Mr. Chairman, I hope that the Members will support us in defeating this amendment.

Mr. STUPAK. Mr. Chairman, I rise in strong support of the Sanders-Bass amendment which would restore much deserved funding to the PILT Program. PILT Program, payment in lieu of taxes.

Each year thousands of counties across this Nation lose out on millions of dollars in property tax revenue simply because the Federal Government owns the property. While the PILT Program was established to compensate for this fact, it is woefully underfunded. Since it was adopted in 1976, the PILT Program has neither kept pace with its authorized funding levels, nor with the true costs of providing services in support of the Federal lands.

We have repeatedly tried year after year to increase PILT payments, and unfortunately there is never any money for the PILT payments. And, as I said, it has not kept pace with the funding levels, the authorization levels, and that is why there is strong support of the Sanders-Bass amendment.

But if my colleagues take a look at it from an equity point of view, local governments have a right to be compensated for untaxable land which is owned by the Federal Government within their jurisdiction, for providing services to Federal employees, their families, and to the users of the public lands. PILT funds are used by these communities for important programs such as education, law enforcement, emergency search and rescue, fire and emergency medical services, solid waste management, road maintenance, and other health and human services.

In my district, Mr. Chairman, there are many counties where the Federal Government is the largest land owner, and our school districts cannot even bond to build a new school because most of the land is encumbered by the Federal Government and is nontaxable. Therefore we do not even have a tax base to put forth a school system and to maintain a school system.

Therefore I urge my colleagues to cast a vote for equity by voting in favor of the Sanders-Bass amendment.

Mr. Chairman, I yield to the gentleman from Vermont [Mr. SANDERS].

Mr. SANDERS. Mr. Chairman, I thank the gentleman from Michigan for yielding the balance of his time to me, and I hate to disagree with my good friend, the gentleman from Ohio [Mr. REGULA] especially since we are going to do a colloquy in a few moments. But bottom line is the program that we are talking about here is corporate welfare. That is what the Fossil Energy Research and Development Program is, and that is not just my opinion. I remind the Members that it was the 1997 budget resolution of the Republican party which said, and I want to repeat this:

> The Department of Energy has spent billions of dollars on research and development since the oil crisis of 1973 triggered this activity. Returns on this investment have not been cost effective, particularly for applied research and development which industry has ample incentive to undertake. Some of this activity is simply corporate welfare for the oil, gas and utility industry.

Mr. Chairman, let me quote from the Congressional Budget Office:

> In the area of fossil research and development, commercial firms already spend a great deal of money to develop new technologies. The major new technologies for enhanced oil recovery, for example, have come from private industry, not DOE.

Mr. Chairman, this is an important point to make, and I want the Members to hear this:

> Among the beneficiaries of the petroleum research and development program are some of the largest multinational energy conglomerates in the world, including: Exxon, Chevron, Conoco, Texaco, Amoco, Phillips Petroleum, ARCO and Shell.

When kids around the country cannot get an education because this land is their land, the public land is not paying taxes, payment in lieu of taxes, should these major multinational corporations be the industries that we are subsidizing? I think not.

Mr. Chairman, this project, the fossil energy program, is being targeted as one of the dirty dozen corporate subsidies by the Stop Corporate Welfare Coalition, which includes National Taxpayers Union, Taxpayers For Common Sense, USPIRG, and Citizens Against Government Waste.

Mr. Chairman, this concept is supported by progressives and conservatives and people in between. Let us stop subsidizing large multinational corporations who do not need taxpayers' money. Let us help local communities all over America get the payments in lieu of taxes that they need.

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

Mr. Chairman, I rise in support of the amendment before the committee this evening, and I want to certainly thank the chairman of the Subcommittee on Interior for having crafted a bill that has created more headaches than I would ever want to have in a given week.

The question here really is, as he puts it, a question of priorities. There are over 2,000 counties in this country in 49 States, the gentleman from Vermont [Mr. SANDERS] said 50 States, that suffer as a result of chronic underfunding of the payment in lieu of taxes system in this country. The amendment that my colleagues have before them today will contribute not only to the PILT issue but also the deficit reduction.

Now, as other speakers have mentioned this evening, communities with significant Federal lands cannot collect the same kinds of property taxes as communities can that do not have Federal lands, and as has been mentioned before, the Federal Government moved to create a system whereby payments will be made in lieu of property taxes, but these authorizations and these commitments have been chronically underfunded.

□ 1800

In fact, today the Federal Government only pays a little more than 60 percent of what they are obligated to pay. What is the result of this? The result is that we have for communities in the affected areas a Hobson's choice. Either they can disproportionately increase taxes in order to meet their funding obligations, or they can provide fewer services: education, fire, and other services that are so necessary for communities.

I would not be standing before the Members today concerned with this amendment if it was not for the fact that this is a question of equity and fairness. We are talking about adding $19 million to the $132.5 million, which would bring the funding level up to what it was supposed to have been in fiscal year 1995, when I entered Congress.

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

Mr. BASS. I yield to the gentleman from New Hampshire.

Mr. SUNUNU. Mr. Chairman, I would just like to rise in support of this amendment and thank my colleague the gentleman from New Hampshire [Mr. BASS] and the gentleman from Vermont [Mr. SANDERS] for the excellent work they have done with the amendment.

I would just like to take a moment to underscore the important point the gentleman has made, that this is about

inequity, it is about meeting our commitments, meeting the commitments that were made when Congress authorized the Payment In Lieu of Tax system. These are cities and towns that have national forests within their borders, and they are obligated at times for services, not just those of schools or municipal services that so many cities and towns have, but oftentimes services that take place in the boundaries of the national forest: rescue services, fire services.

The burdens that we place on them is one that we need to recognize. We need to recognize that the PILT has failed to live up to the obligations that were originally made, and that by putting that forward, $19 million to make up some of this difference, we move with a system that is fairer, one that helps us meet our commitments, and one that provides a lot of these towns with property tax relief, because so many of them rely on their property base for the taxes that they use to pay for municipal services.

So while I would like to commend the chairman for his work in putting together this bill, I would like to lend my support to the gentleman from New Hampshire and the gentleman from Vermont, and encourage my colleagues to support this amendment.

Mr. BASS. Mr. Chairman, I thank my colleague.

Reclaiming my time, Mr. Chairman, I would point out that if we were to fully fund the PILT program in fiscal year 1998, we would have an obligation of $224 million. We are talking about $132.5 million, so we are certainly not asking for everything that is really due.

I just want to conclude by saying that this is a bipartisan amendment. Any time the gentleman from Vermont [Mr. SANDERS] and I are producing an amendment together, Members can be sure it is bipartisan. It is an issue of fairness, an issue of giving what is due the towns, giving the towns what they are due. It is not full funding, as I said a minute ago, but Mr. Chairman, it is a step in the right direction.

If Members support equity, if they support help to communities that need assistance in funding for critical services in areas where there are Federal lands, please support the Sanders-Bass amendment.

Mr. DOYLE. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in strong opposition to the amendment. The gentleman from Vermont [Mr. SANDERS] is attempting to increase funding for Payment In Lieu of Taxes, which is not necessarily a bad initiative, but he seeks to do so in a very reckless manner. The fossil energy program is one of the least understood and most important at the Department of Energy, supporting important cost-shared research and development activities to make energy resources we use the most cleaner and cheaper.

This also enhances our energy security as these resources are our most abundant domestic sources of energy. The Energy Information Agency has predicted that we will continue to rely on these resources and these sources of energy for over 85 percent of our energy needs well into the 21st century.

Additionally, any commitments the United States makes in the area of global climate change will necessitate that we find ways of reducing emissions without crippling our economy. Thus, it is vital that we maintain this modest commitment to cleaner and more efficient energy.

Over the last several years fossil energy has undergone significant downsizing, roughly 10 percent each year. Now is not the time to seek additional savings from this program. This R&D work is conducted throughout the United States by a wide range of small and large companies. This amendment calls for an across-the-board cut, which in no way takes into account the needs of specific programs.

Mr. Chairman, I urge the defeat of this amendment.

Mr. OBERSTAR. I move to strike the requisite number of words, Mr. Chairman.

Mr. Chairman, in Minnesota if a private citizen fails to pay his or her property tax bill within 7 years, they lose their property. The Federal Government is 20 years behind in keeping up with its payments to the counties of northern Minnesota and elsewhere around this country under the terms of the Payment In Lieu of Taxes legislation.

Twenty-five years ago, as a staff member for my predecessor, John Blatnik, who served in this body, I helped write the language that became the Payment In Lieu of Taxes law that is in place today. As a Member, I have worked to keep it in place, to expand it, to update it. But it has not kept pace with the needs of the counties in which these great Federal landholdings are located, and it has not kept pace, by any means, with inflation.

These are lands held in public trust for all Americans to enjoy, and they do come from all over the United States to enjoy the land of northern Minnesota, the boundary waters, canoe area, the Voyageurs National Park, Superior National Forest, I can go on with several others, and I will not name them.

But who is stuck with the bill? When the accident happens on the highway between Duluth and Grand Portage, MN, up in Cook County, it is the Cook County sheriff's department that has to come to scrape the bodies off the highway. It is the Cook County hospital that has to stay open 24 hours a day to accommodate them, in a little county of 3,600 people, 94 percent of the land in public ownership, most of it Federal, and they do not have the resources. How can 6 percent of the land sustain the total needs of that area and all the tourists who come from all over America to enjoy this land, and then they say, well, take care of our health needs, take care of our safety needs, take care of our requirements, law enforcement requirements, while we are in your midst?

All of America holds these lands in trust, and all of America should help pay the bill. We have not kept pace with the needs. That is what this amendment simply does.

It is unfortunate, I say to my colleague from Pennsylvania, that it comes out of a project or out of a resource or a fund that benefits a resource in his district. That is the budget economy we are dealing with. I also happen to have iron ore mining and manganese deposits in my district, and the research conducted by the Bureau of Mines was terminated. The Bureau of Mines was eliminated under this budget economy of ours. That is unfortunate.

But this is an obligation of all Americans to those who live in the area where we took land and said we are going to hold it in public trust.

Let us take St. Louis County. We could put the whole State of Massachusetts into St. Louis County; not all of the people, but the geography. Some people might say, that is a good thing; not the folks in northern Minnesota, however. That is how big this county is, 3,000 miles of county roads that have to be maintained on this little county budget.

All we are saying is increase, increase the funding under this Federal program to help this county take care of search and rescue, law enforcement costs, lost hikers who are out there in the Superior National Forest who need help. Someone has a fishhook in their eye in the Boundary Waters canoe area, they have to be treated in the Cook County Hospital, or in the Cook Hospital in St. Louis County.

Sanitary enforcement, planning and zoning, health services, groundwater, surface water, all of those are needs that the county has to attend to, and they do not have the resources to deal with it. All we are saying is help them keep pace.

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

Mr. OBERSTAR. I yield to the gentleman from Vermont.

Mr. SANDERS. Mr. Chairman, let me pick up on a point that the gentleman has made. In 1980 in real dollars PILT payments were $180 million. Today they are $113 million. It is the communities and the children and the citizens of those communities who are suffering. I just wanted to reiterate that point.

Mr. OBERSTAR. Mr. Chairman, I thank the gentleman for that elaboration.

We are simply making an appeal for fairness, those of us who represent areas with large land jurisdictions in Federal holdings, for justice, decency, and respect for the people who are holding, who are the custodians of these lands held in public trust for all Americans. Help them pay the bill. Vote for the Sanders-Bass-Oberstar amendment.

Mr. HERGER. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, let me begin by thanking our chairman, the gentleman from Ohio, Mr. RALPH REGULA, for the outstanding work he has done on this major piece of legislation and involvement in working with all of us. We commend him for that.

Mr. Chairman, this amendment increases payments in lieu of taxes funding for counties and schools by $19 million, to $132 million for fiscal year 1998, while at the same time reducing the Federal deficit by $29 million. More than 20 years ago this Congress recognized a serious inequity existed in areas containing a high percentage of Federal property. Since the Federal Government does not pay taxes on its own property, these areas were left without any source of funding to provide for local schools and county services.

In 1976, we attempted to correct this inequity and provided funding in the form of payments in lieu of taxes, or PILT payments. However, since providing these payments, this Congress has failed to fully fund the PILT Program. Each year 1,789 communities in each of the 50 States lose needed Federal payments due to the failure of the Federal Government to appropriately compensate these communities for lost property tax revenue on federally owned lands. The Sanders-Bass amendment corrects this shortcoming, and provides an increase of $1.86 million of necessary funding for the communities in my own State of California.

To put this amount into perspective, many of the areas that will receive this funding were recently under water when the midwinter storms caused severe flooding. In January, the State of California suffered approximately $1.8 billion in damage. Each of the 10 counties in my district were declared a natural disaster area. The $1.86 million in PILT payments is sorely needed to rebuild after this serious disaster.

There are other reasons, however, to support this amendment. This money goes directly to local schools and rural counties who can least afford a loss of funding. In one California county, recent funding losses have forced the school district to completely cut out extracurricular activities, including sports and field trips, food service for one of its elementary schools, library services, two-thirds of its transportation services, all fine art programs, teacher training courses, a school nurse program, and all capital expenditures.

If these same cuts had been made in urban and inner city areas, lawsuits would have been filed and service levels would undoubtedly have been necessarily restored.

Mr. Chairman, today we heard a lot of discussion over the need for Medicare and the need to provide medical services for our elderly residents. Before any of our citizens can receive Medicare or Medicaid assistance they first must be able to have roads to travel on to get to the hospitals, ambulances to carry them in when needed, and hospitals to go to. By underfunding our rural counties, we have forced these counties to cut back on county services. These county services include road maintenance, ambulance service, search and rescue, law enforcement, snowplowing, bridge maintenance, hospitals, and all local ground support for maintenance of Federal lands.

If the county services were to go away, the Federal Government would not have an infrastructure in place to service its public lands. When visitors get lost on public lands, it is the county search and rescue that comes to their aid. When visitors to public lands need police protection, that need is filled by county services.

Mr. Chairman, I support the Sanders-Bass amendment because it gives necessary assistance to counties otherwise left without a source of funding. I urge my colleagues to vote for public schools and county services by supporting this amendment.

Mr. BROWN of California. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, if we are engaged in a comparison of the size of the counties that we represent, I would like to enter my entry in the contest. My good friend, the gentleman from California, [Mr. JERRY LEWIS], and I represent San Bernardino County, which is larger in size than the States of Pennsylvania, New Jersey, Maryland, Delaware, and Massachusetts combined.

□ 1815

Both of us, while we support the PILT program, oppose the offset provision that is contained in this amendment offered by my good friend, the gentleman from Vermont [Mr. SANDERS].

May I stress that while the support for this amendment deservedly is bipartisan, the opposition is also bipartisan. I would like to make that very clear.

Let me say in case there is any doubt about it that my very large county is probably about 75 percent owned by the Federal Government, and we benefit as much from PILT payments as any other county in the United States, probably considerably more because we are the largest county in the United States. And if there was any way that we could provide adequate funding for this program, other than taking it out of research programs which I have been supporting for the last 30 years, I would be very happy to support this amendment.

But I want to make it clear that the target for funding the PILT program is not a proper target. If there is any question about the value of energy research and specifically fossil energy research to this country, we ought to dispel it. This country has had a flourishing, developing, expanding economy because we conducted research on energy technologies of all kinds, beginning with the atomic energy program in World War II, and I have been involved, of course, with that program which preceded the creation of the Department of Energy.

Now, what can we say that would elevate the priority for energy research? I have tried to defend these research programs over the years in every way that I could. I think all of you know that according to most economists, half of the economic growth in this country, the increase in gross national product, stems from investments that we make in research. We make it in solar energy research; we make it in fuel cell research. We make it in all kinds of research. And we support a multitude of research programs.

Why pick on these research programs which collectively generate the growth in the U.S. economy and make us the world's leader in order to support something which deserves support but does not deserve support at the expense of what creates the growth for this country? It creates the jobs that we are training people in the schools for and does all of these other things.

I think that there is a failure to recognize the importance of these investments. I want to stress them in every way that I can.

Now, I also do not like, and I hope I do not offend anybody by making this statement, to argue support for this on the grounds that this research is corporate welfare.

Many of my colleagues have heard me debate our dear departed friend, Bob Walker, who I think coined this phrase because he objected to most forms of applied research that involved cooperation between the Government and the private sector. That is what this fossil energy research does. Bob used to decry any of these kinds of programs because he would say they are corporate subsidies. They are corporate welfare.

I happen to know a lot about corporate welfare. The biggest corporate welfare program in the world was the oil depletion allowance, which provided a very large subsidy to a very profitable industry over very many years until we woke up to the fact that it

really was corporate welfare and we eliminated it.

These programs of cost-shared research, in which the role of the Federal Government is frequently only 5 or 10 percent, leverage the most important investments by the private sector that can be made.

The CHAIRMAN. The time of the gentleman from California [Mr. BROWN] has expired.

(By unanimous consent, Mr. BROWN of California was allowed to proceed for 1 additional minute.)

Mr. BROWN of California. Mr. Chairman, we should be proud of the fact that these shared research programs exemplified by the fossil energy research programs have contributed as much as they have. Have they all been successful? No. Over the last 25 years, I could give my colleagues a long list of those which did not produce and which were canceled, sometimes without being completed. Much of our nuclear program could be criticized. We have got nuclear plants around the country that were built but never used. My good friend, the gentleman from Washington [Mr. DICKS] has some in his area. But do we regret the fact that we spent money to develop the world's best nuclear power system? No. The nature of research is that you get some winners and you make a few losers once in a while. But if you do not continue to make the investments, you will never make progress.

I will stand in every case where an offset is made from energy research to support a worthy program and oppose it, much as I would like to support the worthy program. We are cutting at the lifeblood of this country's future when we begin to take out the funds for this offset from research programs of any kind.

Mr. CANNON. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I would like to begin by expressing appreciation to the gentleman from Ohio [Mr. REGULA] for the fine legislation that is before us, but would like to say a few words in support of the Bass-Sanders amendment and give an example from my own district.

Last fall, as many of my colleagues know, President Clinton, with a few quick words and the stroke of a pen, created the massive Grand Staircase-Escalante National Monument in southern Utah. Contained within the 1.7 million acre monument are two counties in Utah, Kane and Garfield Counties. Thousands of tourists are now flocking to this area because it has been advertised in virtually every travel magazine in the country and the burden of those tourists falls squarely upon the 10,000 residents of those two counties.

These small counties have excruciatingly small tax bases. Garfield County, for instance, is 98 percent owned by the Federal Government. Yet every local resident must now pay for the costs of law enforcement, search and rescue, trash pickup, and other services incurred by tourists to the monument. That is fundamentally unfair.

Since we as Americans own the land, the Federal Government, not the residents of Kane County or Garfield County, should pay those bills.

This amendment is an important incremental step toward placing more of the costs of Federal lands where they belong, on the Federal Government. I encourage my colleagues to vote yes on the Sanders-Bass amendment.

Mr. REGULA. Mr. Chairman, I ask unanimous consent to strike the requisite number of words.

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

There was no objection.

Mr. REGULA. Mr. Chairman, I understand the concern they have for PILT.

Let me point out to my colleagues that we put in $12 million more than was requested by the President in his budget. We recognize how important this is to those who have Federal lands, and for that reason we increased the PILT program $12 million over what the President requested.

But, as the gentleman from California [Mr. BROWN] pointed out, our fossil energy research and development is also an important program. And we have, over the years, developed synergically advanced technology, as has been stated many times. We can burn coal more cleanly and efficiently because of the fossil energy research effort. For every barrel of oil we produced, we have left two in the ground. And we have invested millions of dollars under the leadership of the gentleman from California [Mr. BROWN] in developing technologies to recover these resources.

The reason we have cheap fuel in this country, the reason our economy is the strongest in the world, is in part because we have readily available energy resources and that is the result of the things that we have done in the past in fossil research, a result of the committee, the Committee on Science, having the vision to authorize these programs.

We have another problem. That is, we are phasing down contracts, but we have contractual obligations. If we take $47 million out of the fossil research program, we are going to breach contracts. We are going to have lawsuits against this government.

We have already reduced the fossil program 30 percent. So let me say, and I endorse what the gentleman from California [Mr. BROWN] said, PILT payments are, but this is not the place to take the money because we want to keep those jobs, we want to keep this economy strong. We will not get to a balanced budget unless we have growth in the economy. Energy is the lifeblood of this Nation. It is critical to continue to develop these advanced technologies to lead us to the 21st century.

And let me say, too, in our fossil research programs, we have insisted on cost-share participation from the private sector. This is not a giveaway. And one of the reasons these programs have been so successful is because the private sector gets involved with their own money.

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

Mr. REGULA. I yield to the gentleman from Minnesota.

Mr. OBERSTAR. Mr. Chairman, I was remiss in not thanking the chairman and recognizing the chairman for his efforts to increase the funding of PILT. I really do appreciate the initiative.

This is not a comment in any way on the gentleman's custodianship of that extraordinarily difficult budget which he has to administer. These are very difficult choices. We understand that. We understand the need for research. We have spent millions of dollars on those research projects for fossil fuel over the years. I compliment the chairman on the job he has done. It is just that we feel that we need to go further.

Mr. REGULA. Reclaiming my time, Mr. Chairman, I understand what the gentleman is saying. As I pointed out in the general debate, this bill is less than last year, not much but it is less and, therefore, we simply cannot do all the good things we would like to do. But I think the fossil research programs are vital. These are contractual relationships. The government, the United States Government has a responsibility to complete these contracts because the private sector has invested its money, and to suddenly pull the rug out from under them would be not only unfair but could be very costly in lawsuits.

Far more important, if this Nation is to continue to grow, to have jobs, to have opportunities, to continue to be a world leader, we need to develop the fossil energy resources so we can use them in an environmentally safe way, we can use them at a low cost to our economy; and certainly we have a proposal from the EPA to decrease, in effect, the levels of particulate matter. That, again, emphasizes how important research on fossil energy is to the future of this Nation.

If we are to meet these new more stringent standards on air quality, we have to continue the fossil research programs. As the gentleman from California [Mr. BROWN] pointed out, I do not quarrel with the PILT program. That is why we increased it $12 million over the President's budget request. But I think to take money out of the fossil program would be a serious mistake in terms of the future of this Nation.

Mr. SANDERS. Mr. Chairman, I ask unanimous consent to strike the requisite number of words.

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

There was no objection.

Mr. SANDERS. Mr. Chairman, I want to thank the gentleman from Ohio [Mr. REGULA] for the outstanding work that he has done on this budget. I applaud his efforts. We just disagree on this issue.

This is the bottom line. It is not complicated. You have heard it from conservatives and progressives, Democrats, Republicans and Independents. This is tripartitism. The issue is that we have 1,700 communities throughout the United States of America in 50 States who are not receiving fair compensation from the Federal Government.

In fact, in 1980, in real dollars, they were receiving then $180 million in PILT payments. Today it is $113 million, significant reduction in PILT payments.

In terms of the fossil energy research and development program, what we have got to ask ourselves is whether or not we should be subsidizing Exxon, Chevron, Conoco, Texaco, Amoco, Phillips Petroleum, ARCO and Shell. These are profitable multinational corporations. I frankly do not think they need these subsidies. I would simply point out that opposition to the fossil research program is widespread from conservatives, from progressives. It was targeted as one of the quote unquote dirty dozen corporate subsidies by the Stop Corporate Welfare Coalition which includes the National Taxpayers Union, not necessarily a progressive organization, I do not get a terribly high rating from them, Taxpayers for Common Sense, USPIRG, Citizens Against Government Waste.

The choice is clear. Do we stand up for the kids who are not getting adequate education throughout this country because of lack of Federal payments, or do we stand with some companies that really do not need the subsidies. I would urge a "yes" vote for the Sanders-Bass amendment.

□ 1830

The CHAIRMAN. The question is on the amendment offered by the gentleman from Vermont [Mr. SANDERS].

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

Mr. SANDERS. Mr. Chairman, I demand a recorded vote.

The CHAIRMAN. Pursuant to House Resolution 181, further proceedings on the amendment offered by the gentleman from Vermont [Mr. SANDERS] will be postponed.

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

Mr. Chairman, I rise to engage the gentleman from Ohio [Mr. REGULA], chairman of the Subcommittee on Interior of the Committee on Appropriations, in a brief colloquy.

I first want to take a moment to thank the gentleman from Ohio and his staff and the ranking member and the staff of the minority for the tremendous effort they have put forth in bringing this legislation to the floor. I realize the many challenges that they have and the many needs that we have throughout the Department of the Interior and the demands on Interior appropriations.

Mr. Chairman, I was going to offer an amendment to increase funding for the National Park Service for a project in my district known as Seminole Rest, a historic site renovation project at Canaveral National Seashore in east central Florida. Although I will not offer that amendment, I strongly support efforts to develop this site in a manner which preserves both its resources while making them available for public enjoyment.

Mr. Chairman, it is my hope and understanding that the gentleman will work with me and the National Park Service and the Department of the Interior to help preserve and develop this project, Seminole Rest at Canaveral National Seashore.

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

Mr. MICA. I yield to the gentleman from Ohio.

Mr. REGULA. Mr. Chairman, I thank the gentleman from Florida for his comments and I would be pleased to work the gentleman and with the National Park Service to find appropriate means to address the problems at Seminole Rest.

Mr. MICA. Mr. Chairman, reclaiming my time, I thank the chairman and I will be submitting a more lengthy statement, a complete statement, for the RECORD.

Mr. Chairman, I rise today to express my concern that we may miss an opportunity to save a resource of great significance to both my State of Florida and our Nation—Seminole Rest, which is located at the Canaveral National Seashore. This 26-acre site sits on the edge of Mosquito Lagoon in one of the last pristine environmental preserves along the East Coast of the United States. On this property are located three cultural resources; a shell midden known as Snyder Mound as well as two historic buildings; the Instone House and the Caretaker's House.

Seminole Rest holds archaeological resources which reflect periodic occupation over a period of about 2000 years. In fact, Snyder Mound is one of the most significant and unique Indian middens in the United States. This midden contains the remains of shellfish and other refuse discarded by prehistoric Indians who inhabited the site as early as 800 AD and may represent as much as 700 years of prehistoric occupation. The two historic houses are significant for their design and integrity, and have been located on the property since before 1890. On March 19, 1997, Seminole Rest was listed on the National Register of Historic Places.

I strongly believe we should be acting to develop Seminole Rest in a manner which preserves its resources while making them available for public enjoyment. Additional property north and south of Seminole Rest should be acquired both to act as a protective buffer and to provide for an interpretive display—one which would trace the history of the Indians who once lived on the site. Further space exists for marine life exhibits, limited public boat-launching facilities and boat tours from Seminole Rest to Canaveral National Seashore.

Unfortunately, Mr. Chairman, despite the obvious archaeological and historical significance of this tremendous resource, Seminole Rest today lies in a state of abandonment and deterioration. Despite the obvious potential of Seminole Rest, the two houses on its property are in desperate need of repairs and restoration. And with many other shell middens lost over the years to erosion and construction, Snyder Mound is one of the last sites of its kind and may be lost as well. However, I am concerned that the appropriations bill before us today lacks the critical funding which would permit the National Park Service to act to save this resource.

Today I had intended to offer an amendment to provide an additional $2 million to the National Park Service for operation and maintenance so that it might act to save Seminole Rest. I will instead withdraw my amendment and have agreed to work with both my distinguished colleague, Chairman REGULA, and with the National Park Service to ensure that we preserve and develop Seminole Rest as a national and historic resource.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

LAND ACQUISITION

For expenses necessary to carry out sections 205, 206, and 318(d) of Public Law 94-579, including administrative expenses and acquisition of lands or waters, or interests therein, $12,000,000, to be derived from the Land and Water Conservation Fund, to remain available until expended.

AMENDMENT OFFERED BY MR. MILLER OF CALIFORNIA

Mr. MILLER of California. Mr. Chairman, I offer an amendment.

Mr. REGULA. Mr. Chairman, I reserve a point of order on the gentleman's amendment.

The CHAIRMAN. The point of order is reserved.

The Clerk will report the amendment.

The Clerk read as follows:

Amendment offered by Mr. Miller of California:

Page 5, after line 15, insert:

PRIORITY FEDERAL LAND ACQUISITIONS AND EXCHANGES

To carry out priority Federal land exchange agreements and priority Federal land acquisitions by the National Park Service, United States Fish and Wildlife Service, Bureau of Land Management, and the United States Forest Service, up to $700,000,000 to be derived from the Land and Water Conservation Fund, to remain available until expended, of which not to exceed $65,000,000 is for the acquisition of identified lands and interests in lands and for other purposes to

carry out the Agreement of August 12, 1996, to acquire interests to protect and preserve Yellowstone National Park, and not to exceed $250,000,000 is for the acquisition of identified lands and interests in lands, at the purchase price specified, in the September 28, 1996, Headwaters Forest Agreement.

Mr. MILLER of California (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

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

There was no objection.

Mr. MILLER of California. Mr. Chairman, I thank the chairman for his reservation of his point of order.

The purpose of this amendment which I am offering is to try to reinsert into this bill, the legislation that is before us, the $700 million, for the Land and Water Conservation Fund for the acquisitions that were discussed within the Committee on the Budget and within the budget agreement agreed to between the leadership of both Houses and the President of the United States.

The Land and Water Conservation Fund, as most Members understand, was intended by Congress to provide the resources to protect, enhance, and expand our Nation's parks, wildlife refuges, public lands and forests. The trust fund has accumulated some $12 billion and is growing at the rate of nearly $1 billion a year.

So when the conferees to the budget agreement provided for priority land acquisitions of some $700 million, they were not being fiscally irresponsible at all. What they were trying to do is to get this Congress to meet its obligation to the people of this country to make sure that the legacy of this country with respect to the greatest of our natural resource assets, our parks, our refuges, our wilderness areas and those areas yet waiting to be acquired is preserved.

Two of the most important to me in this fiscal cycle is that which is to deal with the buyout of the New World Mine, which was a mining development which was providing the threat to Yellowstone National Park above the Clark's Fork River. I think the administration and the mining company came to a wise agreement not to go forward but certainly they were entitled to compensation.

The other is in the Headwaters Forest in northern California, where we have one of the last remaining stands of old growth forests, of redwood trees, that clearly the Nation has made a decision they would like to preserve. Certainly the people of California recognize that these forests say a great deal about the heritage of this country and the importance of those forests to the American people.

Again, negotiations have been entered into, including the State of California, the Federal Government, this administration, Members of Congress to try to come to an agreement for the purchase price. This $700 million would allow these two purchases to go forward and also providing additional money for other purchases and priority projects within the agreement.

Mr. Chairman, I appreciate that some people who perhaps do not know as much about the priorities and the needs of the Park Service got involved in suggesting to the committee maybe where this money should have been spent, and they would have been better off not doing that. But I am also terribly afraid that we will lose the opportunity to have this money be used for this purpose should this bill pass without this amendment to it, and we will lose the opportunity both for the acquisition of the Headwaters and of the New World Mine and the backlog.

It is interesting, as we told Members we were going to offer this amendment, a great many Members have called our office saying could they be included. That is not our purpose in offering this amendment. That is a proper question for the Committee on Appropriations.

Let me just say, and then I will be glad to yield, that I offer this amendment in the spirit of many of the Members who are on the floor today with deep concern about our natural resources. That is not to in any way minimize the struggle and the work product of this committee, because this committee has been handed a menu of desires by Members of Congress on an urgent basis and the committee simply does not have enough money to meet all those needs. So I say that because I think this committee has done an outstanding job. I just would hate to lose the opportunity that this money within the budget agreement provides us.

The CHAIRMAN. The time of the gentleman from California [Mr. MILLER] has expired.

(On request of Mr. DICKS, and by unanimous consent, Mr. MILLER of California was allowed to proceed for 3 additional minutes.)

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

Mr. MILLER of California. I yield to the gentleman from Washington.

Mr. DICKS. Mr. Chairman, I appreciate first of all the chairman's leniency here, and I want to compliment my friend from California for bringing this issue up.

Our committee struggled with this issue. A decision was made not to put the money in at this point. I happen to believe, and I hope that by the time this bill is done that we will have the $700 million then.

I had a chance to visit northern California, the redwoods myself, just a few days ago during the recess. I wanted to see this Headwaters area. And I think it is absolutely essential that we move forward. Others are more expert on the Yellowstone issue.

I know our chairman had concerns about the backlog of maintenance and other things and, hopefully, we can work out something in the conference committee on this issue if the gentleman's amendment is stricken. I regret that it will be, I think it will be, but I think bringing up this issue is very, very important. I hope at the end of the day we are able to acquire these properties and make the progress which I know the gentleman and many of us would like to see accomplished in this Congress.

Mr. MILLER of California. Mr. Chairman, reclaiming my time, I thank the gentleman very much for his remarks, and again I hope that people understand the spirit in which this amendment was offered.

I appreciate the chairman reserving his point of order rather than making it at the outset so we would have an opportunity to discuss a matter which is obviously very, very important to those of us in California, but I think also to many of our colleagues, as we struggle to provide for the backlog of acquisitions and maintenance and repair to the public resources in this country.

I want to again commend the chairman. I wish I could have stood up and had a colloquy with the gentleman, because everyone was doing so well in these colloquies, but, unfortunately, I only had an amendment so it has not worked out quite as well as I wanted it to. But I appreciate the gentleman's reservation and allowing me the time to offer this amendment.

The CHAIRMAN. Does the gentleman from Ohio [Mr. REGULA] still reserve his point of order?

Mr. REGULA. Mr. Chairman, I continue to reserve my point of order.

Mr. Chairman, I move to strike the requisite number of words.

I thank the gentleman for his comments and I understand his concerns. With respect to the $700 million that was negotiated, I do not think anyone in this room was part of that negotiation, but the $700 million, wherever it came from, is restricted to land acquisition.

The problem I have with this is that we are looking at this backlog of unmet maintenance needs of $14 billion. We look at construction projects, and we have heard of them today. Frankly, Indian facilities are a tragedy. What we have let happen to schools and hospitals on Indian reservations is a disgrace. There are so many unmet needs. And today, when the United States already owns nearly 30 percent of the Federal land, I do not think it makes good sense prioritywise to commit another $700 million to the purchase of enormous additional acreage. Before we start buying more, let us take care of what we have.

Most people do not realize that almost one-third of the United States is

Federal land. And on those lands and on these facilities we have this $14 billion in unmet needs, $14 billion of neglect. To go out and buy land, I think, would be a great mistake in judgment and in establishing priorities, which we have to do on this bill.

Now, I would point out to the gentleman from California, he mentioned the New World Mine and the Headwaters Forest, but there is no environmental impact statement at the moment, there is no current appraisal, there is no habitat conservation plan, there has not been a hearing in our committee and there is no comprehensive oversight.

The President told us earlier this year that they did not need us. They did not need the Committee on Appropriations; they were going to handle this under FLPMA by exchanging lands and giving the owner of Headwaters a building in Los Angeles and so on. Then, suddenly, they discover they need money.

Let me point out again that priority-wise we have a lot of other things: failing sewer systems at Yellowstone and Glacier, unsafe access routes at Cape Cod, at Eisenhower, at Shenandoah, leaky roofs at the native American schools in Oklahoma, Maine, and Arizona, condemned kitchens, inoperative plumbing in Washington and Arizona in detention facilities, fire hazards, deteriorated dams and levees, endangering habitat and public recreation, erosion of water control structures, 100 abandoned mine shafts and the list goes on, all a great danger to the people of this Nation.

Prioritywise, to spend $700 million, adding to the 30 percent of America we already own would be a serious mistake in the face of all these needs that face us.

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

Mr. REGULA. I yield to the gentleman from California.

Mr. MILLER of California. Perhaps the gentleman would like to exercise a point of order.

Seriously, Mr. Chairman, let me say to the gentleman that I think he is making a terribly important and valid point and that is why I alluded to, in my remarks, that I wished when the deal was cut they had spent some time with people who had spent most of their legislative life dealing with these issues and a better package could have been put together.

The gentleman from Washington [Mr. DICKS] suggested there may be an opportunity over the life of this bill to get some of this money included, and I would hope it would be. I also hope it would be included with the full input of the Committee on Appropriations so that we can go to where the priorities are. I would say that there is a lot at stake both with respect to the New World Mine and the Headwaters.

I would also just say that the United States recently won a very important court case that said that we owned the lands that were contested off the coast of Alaska, and it is about $1.5 billion. I have introduced legislation. I would hope this committee would take a look at whether or not that money could be put into restoration and the backlog that has so troubled the chairman and the rest of us. Because the gentleman's priorities are exactly right, but somehow we have to find the money to deal on both fronts, both with acquisitions and with the standard of care we owe the American people with the current resources.

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

Mr. REGULA. I yield to the gentleman from Washington.

Mr. DICKS. Mr. Chairman, as I understand the problem here, under the Land and Water Conservation Fund legislation, we do not have an authorization to do backlog projects with that money.

The CHAIRMAN. The time of the gentleman from Ohio [Mr. REGULA] has expired.

(On request of Mr. DICKS, and by unanimous consent, Mr. REGULA was allowed to proceed for 1 additional minute.)

Mr. DICKS. Mr. Chairman, the distinguished gentleman is in a position on the authorization committee to help us solve that problem. That would be, I think, a good change, and we could have a balance between new acquisitions and taking care of the backlog. I think that would be a very good outcome here.

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I know it is one the chairman, I think, thinks is the right direction to go.

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

Mr. REGULA. I yield to the gentleman from Wisconsin [Mr. OBEY], the ranking member on the Committee on Appropriations.

Mr. OBEY. Mr. Chairman, I thank the gentleman from Ohio for yielding.

I simply would like to say that I think the amendment of the gentleman from California is a constructive amendment because it both attempts to target some of the high priority items that ought to be purchased and, second, it does not attempt to put this committee in an illegitimate straitjacket, as did the Committee on the Budget in its gratuitous determination of exactly what amount would be provided.

Under the Committee on the Budget, under the rules that they would want enforced, it would be permissible and within budget rules if we produced $700 million in acquisition, but it would be against the rules as exceeding the budget amounts if we provided $690 million. That is ludicrous on its face.

I think the gentleman's amendment, by saying up to $700 million, brings it back within the legitimate approach of the appropriations process, and at the same time it tries to meet some high-priority needs of the country with respect to Yellowstone and the California lands in question. I, for one, think the amendment would be adopted if the rules of this House made any sense and if the House itself made any sense on this bill.

Mr. REGULA. Mr. Chairman, how much time do I have?

The CHAIRMAN. The gentleman from Ohio has 1 minute remaining.

(By unanimous consent Mr. Regula was allowed to proceed for an additional 2 minutes.)

Mr. REGULA. Mr. Chairman, I yield to the gentlewoman from California [Ms. PELOSI].

Ms. PELOSI. Mr. Chairman, I thank the distinguished chairman for yielding. I am going to submit my full statement for the RECORD, because the gentleman from California [Mr. MILLER] covered, in presenting his amendment, many of the concerns that I have.

But I do want to commend the gentleman from Ohio (Mr. Regula), the distinguished chairman, for his leadership on this committee. We are very fortunate to have him there. And he is quite correct, there were representations made about the Headwaters, that some kind of exchange could be made through a full presentation to the subcommittee on the Headwaters.

The need for funds for Headwaters was not presented to him. But we do now have an agreement, concluded after exhaustive negotiations between major timber districts and the Federal Government, to acquire the important land in the Headwaters Forest. As the chairman knows, this is an extremely vital part of our northern California forest ecosystem that protects endangered species and their habitat. It is a long-awaited goal that is now before us, that will be lost without action now. We do not want to risk this great, unique wonder of nature, because once lost, it is lost forever.

I would also say that in addition to my own area that I am interested in, I think the New World Mine property is an important acquisition because it would threaten Yellowstone National Park if we could not do that.

But, as I say, the gentleman is quite correct, he was not appropriately approached for this appropriation because at the time another remedy was being sought. Those remedies have been exhausted. We do have an agreement now which I hope, further along in the process, as the gentleman from Washington [Mr. DICKS] and the gentleman from

California [Mr. MILLER] said, that we will have a chance to revisit this.

I once again thank the gentleman for the way he does protect our natural resources and listens to our concerns.

Mr. Chairman, I rise in support of the Miller amendment to provide increased funding for the Land and Water Conservation Fund.

The fund has been dormant for far too long while the backlog of environmentally sensitive lands has increased to a critical stage.

The budget agreement provided $700 million for the land acquisitions under the fund and yet the committee chose not to include this amount of funding.

We have waited for years to address the enormous backlog that exists, as well as to act on new priorities that will be opportunities lost without this funding.

For instance, there is now an agreement, concluded after exhaustive negotiations, between major timber interests and the Federal Government to acquire important lands in the Headwaters Forest. This is an extremely vital part of our northern California forest ecosystem that protects endangered species and their habitats. It is a long-waited goal that is now before us and will be lost without action now.

In addition to this important acquisition, the New World Mine property that would threaten Yellowstone National Park is a priority acquisition. We cannot measure the value of this natural treasure—one of the crown jewels and original parks in our national system.

We had an agreement; the money is there—why should we hesitate to address these compelling needs. Why should we risk the future of these great, unique wonders of nature? Once lost, they are lost forever.

I urge my colleagues to support the Miller amendment. Thank you.

Mr. REGULA. Mr. Chairman, reclaiming my time, just let me make a final comment. I would hope that the committee, in which the ranking post is held by the gentleman from California [Mr. MILLER], would examine some of these issues in the interim between now and conference.

POINT OF ORDER

The CHAIRMAN. Does the gentleman from Ohio insist on his point of order?

Mr. REGULA. Mr. Chairman, I make a point of order against the amendment because it is in violation of section 302(f) of the Congressional Budget Act, as amended.

The Committee on Appropriations filed a revised subcommittee allocation for fiscal year 1998 on June 24, 1997, House Report 105-151. This amendment would provide a new budget authority in excess of the subcommittee allocation and is not permitted under section 302(f) of the act.

In addition, Mr. Chairman, section 205 of the budget resolution only makes the $700 million available for land acquisition if it is in a reported bill from the Committee on Appropriations. The budget resolution does not apply to floor amendments.

Mr. Chairman, I ask that the amendment be ruled out of order.

The CHAIRMAN. Does the gentleman from California [Mr. MILLER] wish to be heard on the point of order?

Mr. MILLER of California. Unfortunately, Mr. Chairman, I think I have to concede that the gentleman from Ohio [Mr. REGULA] is correct. I wish the rule had been written otherwise. But, in fact, the gentleman is correct.

The CHAIRMAN. The point of order is conceded and sustained.

Mr. FARR of California. Mr. Chairman, I rise today in strong support to the amendment offered by the gentleman from California [Mr. MILLER]. This amendment will raise the funding level for the land and water conservation fund to a level consistent with the budget resolution that 333 of our colleagues supported. The budget agreement authorized these funds as an addition to the 602(b) allocations, so it wouldn't take money from other programs. The Appropriations Committee failed to include these funds in this bill. It seems contradictory to me that we will spend all of this time debating an amendment that was already agreed to overwhelmingly by this body.

The land and water conservation fund serves as a primary vehicle for land acquisition to protect the natural, historic, cultural, and outdoor recreational resources that must be guarded and preserved so that they may be passed on to future generations. President Theodore Roosevelt said "The Nation behaves well if it treats the natural resources as assets, which it must turn over to the next generation increased, and not impaired in value."

There is not a congressional district in the country that has not benefited from the parks, recreation facilities, wildlife areas made possible by this fund. For years Congress has denied allocating all of the money that is available to the land and water conservation fund from the revenues received from oil and gas leasing on the outer continental shelf. Last year, Congress only spent $138 million of the almost $900 million that was collected. This year the appropriators approved an additional $100 million but it is still less than one-third of the money available this year and only a trivial amount of the more than $10 billion of the accumulated unappropriated balance.

Mr. Chairman, it is time that we use this money as it was intended. The Miller amendment must pass for two important reasons: first, it keeps us from violating the budget resolution and second, it is a positive step forward in the mission of the land and water conservation fund to protect our resources and promote recreation.

AMENDMENT NO. 1 OFFERED BY MR. GUTIERREZ

Mr. GUTIERREZ. Mr. Chairman, I offer an amendment and I ask unanimous consent to amend part of the bill that has been previously read for amendment.

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

There was no objection.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 1 Offered by Mr. GUTIERREZ: Page 2, line 13, strike "$581,591,000" and insert in lieu thereof "$576,939,000".

Page 60, line 20, strike "$636,766,000" and insert in lieu thereof "$638,866,000".

The CHAIRMAN. The gentleman from Illinois [Mr. GUTIERREZ] is recognized for 5 minutes in support of his amendment.

Mr. REGULA. Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments thereto close in 10 minutes and that the time be equally divided.

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

There was no objection.

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

Mr. Chairman, I offer an amendment that I have had scored by the Congressional Budget Office, and they have determined that this amendment will save taxpayers $4 million in outlays this year. I ask that I be authorized to present this amendment at this time.

I want to thank the chairman, the gentleman from Ohio [Mr. REGULA], and the ranking member, in whose stead the gentleman from Washington [Mr. DICKS] was here for us instead of the gentleman from Illinois [Mr. YATES], for permitting me the presentation of my amendment to the Interior appropriations bill.

I believe that the amendment before us offers the Members of the House an outstanding opportunity to save taxpayers' dollars, to reduce the deficit. My amendment gives an opportunity to eliminate some government waste and inefficiency in favor of deficit reduction and modest funding for programs that promote local community solutions to energy conservation.

My amendment would reduce funding for the Bureau of Land Management's Public Domain Forestry Program from the committee recommendation of $5.652 to $1 million for the fiscal year 1998. This amendment would also increase by $2.1 million dollars the appropriation for energy conservation programs.

Specifically, and I wanted the legislative history to reflect my intention, this funding would be allocated to the Department of Energy's urban heat island research and highly reflective surfaces program. Those programs would provide technical and scientific assistance to local communities to assist with planning and implementation of measures to reduce energy costs for cooling in public commercial and residential buildings.

At the 10 demonstrations sites already established by DOE, every dollar in Federal funding has been matched by $7 or more by local and State governments, utilities, business groups, and nongovernmental institutions. Nationally, the cost benefits of implementing energy conservation measures such as hide reflective surfaces program are estimated to reach $4 billion

a year. However, we cannot attain these savings unless we dedicate more money to research.

These cost-effective benefits stand in clear contrast to BLM forestry. The BLM forestry program has been found to consistently operate at a significant loss to American taxpayers. Rather than being an economically self-sufficient program, as required by Federal law, the BLM forestry program fails to offset even the cost of administering the program. In fact, the more money the agency has devoted to this program, the more taxpayer dollars have been wasted and lost.

Based on data collected by a nonprofit public employee organization, the program stands to lose more than $30 million during the next 5 years. For this reason, Taxpayers for Common Sense and the Concord Coalition support eliminating funding for BLM forestry.

In addition to the economic and budgetary reasons for eliminating the program, experts believe it is threatening the unique transitional forests that exist in many regions around our nation. Disregard for to the National Environmental Protection Act has also been well documented in the administration of this program.

As we work to balance the Federal budget, I feel well should not devote our precious resources to inefficient programs. This is a simple amendment that accomplishes three goals. We devote $2.5 million to deficit reduction. We increase funding by $2.1 million for energy conservation. We bring under control a wrongful and environmentally damaging program.

I urge my colleagues to support this amendment and work with me to reduce the deficit, eliminate waste, and increase savings for future generations.

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

Mr. REGULA. Mr. Chairman, I yield myself such time as I may consume. I rise in opposition to the amendment.

Mr. Chairman, the committee does support urban heat island research in the fiscal year 1998 budget at a $700,000 level. And would I point out that the Department has proposed a cool communities concept since 1995, and the committee has directed the Department to pursue the program within the context of urban heat island research, which I think you are interested in. The concept of planting trees and painting surfaces light colors in urban communities to cut down on heat problems and create cool communities is a useful concept, but it is not something that I think requires a multimillion-dollar program in the Department of Energy.

I have to point out also that the offset here for this proposed amendment is to eliminate $4.6 million out of the total of $5.6 million in the Bureau of Land Management for the Public Domain Forestry Program. Obviously this is a very important program, and this amendment would terminate the Bureau of Land Management's ability to preserve forests on 48 million acres of forest land. This amendment would devastate local communities that depend on timber and vegetative products from the BLM forest lands, and would result in the loss of hundreds of timber-related jobs.

BLM would be unable to deliver critical services to local communities, including wildfire control efforts, and prescribed fire planning and control. BLM would be unable to undertake projects to reduce susceptibility to fire, to address overstocking in woodlands and commercial forest areas, and to do forestry stocking. Over $3.5 million would be lost in BLM timber receipts. Because of this amendment, 40,000 permits that are issued for the sale of vegetative products would not be issued, resulting in again an annual loss of $300,000.

Obviously, I understand the interest of the gentleman from Illinois [Mr. GUTIERREZ] in this. But to take $4.6 million out of a budget of only $5.6 million for the BLM forestry program would be a serious mistake.

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

Mr. REGULA. I yield to the gentleman from Washington.

Mr. DICKS. Mr. Chairman, I rise in opposition to the amendment proposed by my friend the gentleman from Illinois [Mr. GUTIERREZ]. I do believe the chairman has made a compelling case here about why this cut to the public domain program would be devastating to the BLM and to those communities that rely on it. I just regret that the gentleman did not have a better source, but have I to be in opposition to this amendment.

Mr. REGULA. Mr. Chairman, reclaiming my time, I urge the defeat of the amendment. I hope the gentleman from Illinois [Mr. GUTIERREZ] will work with the Department of Energy in the urban heat island research programs, but it would be a great mistake of judgment to tamper with the BLM forestry program. I urge defeat of the amendment.

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

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

No. 1, just in case the time runs out, Mr. Chairman, I want to thank the chairman for not raising a point of order and allowing me to offer this amendment, so I want to use my time first to get that out of the way.

Second, I would like to say that, look, the "green scissors coalition" have found this program environmentally and fiscally unsound. Let us face it, it helps a lot of large, huge timber companies who are going to continue to chop down timber regardless of those $5.6 million. One of those companies alone that used this program estimated their gross last year was $1.6 billion. We are not talking about small ma and pa operations where this money is used. They are rather large companies which use this money.

So rather than allow huge companies to chop down trees on the clean, we should finally ax a government program that wastes our precious natural resources by chopping down those trees in an environmentally dangerous fashion that they will do, and with our taxpayers' dollars. They really do not need the subsidy. We can use it, obviously, in our inner cities throughout the Nation.

And there are 10 programs, and it is good, and the chairman is absolutely right, there is money, $700,000. But really we got 10 programs and some of the money. There was more money before for these programs. There is less money today and I just wanted it see if we could get some more money, so I proposed this amendment.

I know that we have agreed to a voice vote, Mr. Chairman, on this, and so I thank the chairman once again for allowing me the opportunity to present this amendment.

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

I would only point out that these are small, very small companies that do this forestry program in conjunction with the BLM. These are not large companies. It is obvious by the amount of money involved here.

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

Mr. REGULA. I yield to the gentleman from Washington.

Mr. DICKS. I would point out to the gentleman from Illinois that according to the Forest Service data, this is true for BLM, 95 percent of all timber sales in 1996 were purchased by small timber companies. In contrast, large timber companies purchased only 5 percent of these timber sales. There is a perception out there that this is going to the big boys, but they are not involved. It is the small companies that are involved.

Mr. REGULA. Mr. Chairman, reclaiming my time, I commend the gentleman from Chicago for his concern for his community, and I hope he will work with the Department of Energy to address his problem. I have to oppose this because of the impact it would have on the BLM forestry program.

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

Mr. REGULA. I yield to the gentleman from Illinois.

Mr. GUTIERREZ. Just to add one quick word, it is not who is purchasing, it is who is selling the timber.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Illinois [Mr. GUTIERREZ].

The amendment was rejected.

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

Mr. Chairman, I rise in strong support of the provision in this bill which allocates $8.5 million for the acquisition of Sterling Forest lands in southeastern New York State.

As my colleagues may recall, during the 104th Congress, we approved and the President signed into law the Omnibus Parks bill of 1996. That act dealt with numerous important public land issues. I was most gratified that the act included language protecting Sterling Forest, an 18,000-acre parcel of environmentally sensitive and an historically important piece of land in my congressional district in Orange County, NY.

More importantly with the help of the gentleman from Ohio [Mr. REGULA], $9 million was appropriated during the last Congress as a first installment for the purchase of Sterling Forest. The agreement to purchase Sterling Forest not only represents a commitment by both the Governors of New York State and the State of New Jersey to protect our region's sensitive lands, but it is also a model which can be replicated for future public land purchases. Not only have Federal funds been committed to the purchase of Sterling Forest, but both New York and New Jersey have committed $10 million each for its purchase and the private sector has also committed a significant amount for this worthy endeavor.

Accordingly, I commend the subcommittee for its efforts in preserving these lands, and I urge my colleagues to support this important provision.

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

Mr. Chairman, I would like to use this opportunity, if I might, to enter into a colloquy with the gentleman from Ohio [Mr. REGULA], the chairman of the subcommittee. I want to thank the gentleman for his support over the years for the Marsh-Billings National Historic Park in Woodstock, VT. This park, scheduled to open in 1998, is very important to Vermont and to others interested in sustainable agriculture.

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

Mr. SANDERS. I yield to the gentleman from Ohio.

Mr. REGULA. I would be very pleased to participate in a colloquy with the gentleman from Vermont concerning this new unit of the Park Service.

Mr. SANDERS. Mr. Chairman, with the gentleman's assistance, last year Congress provided some initial funding for the park, and I am pleased that the fiscal year 1998 bill fully meets the park's needs for its operating costs. However, the bill does not provide the construction funds needed to refurbish the park's historic Carriage House.

Mr. REGULA. The gentleman from Vermont raises an important issue. The construction budget for the Park Service is severely constrained. We have to address the critical backlog of unmet maintenance. I mentioned this before. We have a huge amount of that. Because of our backlog of unmet maintenance needs, we have had to delay new construction and new construction at new units in order to help maintain and fix what we already have.

Mr. SANDERS. While I appreciate the very tough decisions faced by the committee, construction funds are critical for the Marsh-Billings Park. The funds are needed to construct new restrooms, visitor orientation space, staff offices, and an art storage facility. Without these improvements the park will not be able to provide basic visitor, museum and administrative services.

The Senate allocation is more generous than the House number. Should the Senate provide funds for this project, can I ask the gentleman to consider supporting this construction project?

Mr. REGULA. Were the Senate bill to fund this project and if the other priority needs for construction are met, I will give serious consideration to the support of the project. It is a good project and deserves strong support. I do look forward to working closely with the gentleman from Vermont to ensure the successful completion of the project.

Mr. SANDERS. I thank the gentleman for the help that he has given us in the past, and I look forward to working with him in the future.

Mrs. CUBIN. Mr. Chairman, I move to strike the last word.

Mr. Chairman, the amendment that I am offering will address a very serious concern that I have with the discharge of sewage that has contaminated one of the most recognized and loved landmarks in this country. That is the Old Faithful area in Yellowstone National Park.

As my colleagues know, Mr. Chairman, Yellowstone is the Nation's first national park. The spectacular beauty and the awesome splendor of this area bring millions of visitors to the park every year. It saddens me to think that this outstanding heritage of natural beauty is falling into terrible disrepair, and drastic measures are needed to stop this now. Though legislation was established to include Yellowstone National Park in a pilot fee program that certainly will help the park complete some of the backlog of maintenance, there are some repairs that need to begin immediately.

Congress has increased funding for the National Park Service 69 percent over the last 7 years. During that same time, Yellowstone's funding has increased only about 20 percent, which has barely kept up with unfunded mandates and the rate of inflation. What has happened is that the infrastructure in Yellowstone has been severely neglected.

In August of this year, I had the opportunity to make an extensive tour of the park. During that time I learned a great deal about the needs of Yellowstone and the unfortunate decay which has occurred to its infrastructure. Miles of roads along with buildings, water systems are in dire need of not only repair but replacement.

My amendment will authorize $5 million to be dedicated to the replacement of the Old Faithful wastewater treatment facility. No example of degradation on the Yellowstone infrastructure is more glaring than the degradation of the sewer system at Old Faithful. The Old Faithful plant was built over 60 years ago, in 1930. Then it was redone, refurbished in 1974, and it has not been touched since then. It is in very bad disarray.

Right now there is substantial use of that facility in the winter months. When the park was built, it was not designed for winter use. As a point of information, one of the 4 sewers at Norris Campground has already failed and the other 3 can fail at any point. Unfortunately, the sewer system at Old Faithful is in the same condition. It is right now polluting the water with sewage from the restrooms.

The Wyoming Department of Environmental Quality inspected this facility last year and found a number of immediate problems, and they are faced with the possibility of closing the Old Faithful area. This is extremely alarming, knowing that the surrounding streams are being contaminated with discharge from this plant.

The National Park Service has established an internal system of setting funding priorities in the parks. What they do is whatever projects they can fund fully, that is what they fund. That has helped the small parks, but it has truly hurt the larger parks like Yellowstone and Yosemite, because the repairs are very expensive and so they are put off. As a matter of fact, there is no line item construction funds for Yellowstone in either 1998 or in 1999.

Mr. Chairman, this year Yellowstone is celebrating its 125th anniversary. In 1872, President Ulysses S. Grant signed a monumental piece of legislation that was the start of one of the very best ideas in America. That is our National Park System. Today let us assure the American people that they will be able to continue to enjoy one of the most popular attractions in the National Park System when they vest Yellowstone National Park this year and in the years to come.

Mr. Chairman, I respectfully ask my colleagues to support this much needed amendment so that the problem at the Old Faithful wastewater treatment facility may be addressed immediately.

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

It is my understanding, Mr. Chairman, that the gentlewoman from Wyoming intends to withdraw the amendment or perhaps not offer it. We have discussed the importance of this project. I think she makes a very powerful case, and I have been assured by the National Park Service that it is a priority to address the problems she has outlined and it will be in the President's budget in the near future.

Yellowstone is one of the crown jewels of the National Park System, and this is one of the unmet maintenance needs here and elsewhere in the National Park Service that I am very committed to addressing with the scarce resources that we have. I think she makes a perfect case for what I have talked about in the backlog of unmet maintenance. This is a classic example. We did provide $1.6 million in additional funds for operations in Yellowstone because these parks are getting great pressures from public usage. I hope the fee program will also greatly help Yellowstone.

The parks get to return fee revenue now, and I know that that will be something that they can use to address the very problems the gentlewoman has outlined. As I mentioned earlier, the gentlewoman makes a strong case for what we keep talking about, the need to address backlogged maintenance. We are very sensitive to the problem.

Mrs. CUBIN. Mr. Chairman, will the gentleman yield?

Mr. REGULA. I yield to the gentlewoman from Wyoming.

Mrs. CUBIN. Mr. Chairman, with that assurance, then I feel I do not need to offer the amendment at the appropriate time in the process.

Mr. REGULA. I thank the gentlewoman.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

OREGON AND CALIFORNIA GRANT LANDS

For expenses necessary for management, protection, and development of resources and for construction, operation, and maintenance of access roads, reforestation, and other improvements on the revested Oregon and California Railroad grant lands, on other Federal lands in the Oregon and California land-grant counties of Oregon, and on adjacent rights-of-way; and acquisition of lands or interests therein including existing connecting roads on or adjacent to such grant lands; $101,406,000, to remain available until expended: *Provided*, That 25 per centum of the aggregate of all receipts during the current fiscal year from the revested Oregon and California Railroad grant lands is hereby made a charge against the Oregon and California land-grant fund and shall be transferred to the General Fund in the Treasury in accordance with the second paragraph of subsection (b) of title II of the Act of August 28, 1937 (50 Stat. 876).

RANGE IMPROVEMENTS

For rehabilitation, protection, and acquisition of lands and interests therein, and improvement of Federal rangelands pursuant to section 401 of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1701), notwithstanding any other Act, sums equal to 50 per centum of all moneys received during the prior fiscal year under sections 3 and 15 of the Taylor Grazing Act (43 U.S.C. 315 et seq.) and the amount designated for range improvements from grazing fees and mineral leasing receipts from Bankhead-Jones lands transferred to the Department of the Interior pursuant to law, but not less than $9,113,000, to remain available until expended: *Provided*, That not to exceed $600,000 shall be available for administrative expenses.

SERVICE CHARGES, DEPOSITS, AND FORFEITURES

For administrative expenses and other costs related to processing application documents and other authorizations for use and disposal of public lands and resources, for costs of providing copies of official public land documents, for monitoring construction, operation, and termination of facilities in conjunction with use authorizations, and for rehabilitation of damaged property, such amounts as may be collected under Public Law 94-579, as amended, and Public Law 93-153, to remain available until expended: *Provided*, That notwithstanding any provision to the contrary of section 305(a) of Public Law 94-579 (43 U.S.C. 1735(a)), any moneys that have been or will be received pursuant to that section, whether as a result of forfeiture, compromise, or settlement, if not appropriate for refund pursuant to section 305(c) of that Act (43 U.S.C. 1735(c)), shall be available and may be expended under the authority of this Act by the Secretary to improve, protect, or rehabilitate any public lands administered through the Bureau of Land Management which have been damaged by the action of a resource developer, purchaser, permittee, or any unauthorized person, without regard to whether all moneys collected from each such action are used on the exact lands damaged which led to the action: *Provided further*, That any such moneys that are in excess of amounts needed to repair damage to the exact land for which funds were collected may be used to repair other damaged public lands.

MISCELLANEOUS TRUST FUNDS

In addition to amounts authorized to be expended under existing laws, there is hereby appropriated such amounts as may be contributed under section 307 of the Act of October 21, 1976 (43 U.S.C. 1701), and such amounts as may be advanced for administrative costs, surveys, appraisals, and costs of making conveyances of omitted lands under section 211(b) of that Act, to remain available until expended.

ADMINISTRATIVE PROVISIONS

Appropriations for the Bureau of Land Management shall be available for purchase, erection, and dismantlement of temporary structures, and alteration and maintenance of necessary buildings and appurtenant facilities to which the United States has title; up to $100,000 for payments, at the discretion of the Secretary, for information or evidence concerning violations of laws administered by the Bureau; miscellaneous and emergency expenses of enforcement activities authorized or approved by the Secretary and to be accounted for solely on his certificate, not to exceed $10,000: *Provided*, That notwithstanding 44 U.S.C. 501, the Bureau may, under cooperative cost-sharing and partnership arrangements authorized by law, procure printing services from cooperators in connection with jointly-produced publications for which the cooperators share the cost of printing either in cash or in services, and the Bureau determines the cooperator is capable of meeting accepted quality standards.

UNITED STATES FISH AND WILDLIFE SERVICES

RESOURCE MANAGEMENT

For expenses necessary for scientific and economic studies, conservation, management, investigations, protection, and utilization of fishery and wildlife resources, except whales, seals, and sea lions, and for the performance of other authorized functions related to such resources; for the general administration of the United States Fish and Wildlife Service; for maintenance of the herd of long-horned cattle on the Wichita Mountains Wildlife Refuge; and not less than $1,000,000 for high priority projects within the scope of the approved budget which shall be carried out by the Youth Conservation Corps as authorized by the Act of August 13, 1970, as amended, $591,042,000, to remain available until September 30, 1999, of which $11,612,000 shall remain available until expended for operation and maintenance of fishery mitigation facilities constructed by the Corps of Engineers under the Lower Snake River Compensation Plan, authorized by the Water Resources Development Act of 1976, to compensate for loss of fishery resources from water development projects on the Lower Snake River, and of which not less than $2,000,000 shall be provided to local governments in southern California for planning associated with the National Communities Conservation Planning (NCCP) program and shall remain available until expended, and of which not to exceed $5,190,000 shall be used for implementing subsections (a), (b), (c), and (e) of section 4 of the Endangered Species Act of 1973, as amended.

CONSTRUCTION

For construction and acquisition of buildings and other facilities required in the conservation, management, investigation, protection, and utilization of fishery and wildlife resources, and the acquisition of lands and interests therein; $40,256,000, to remain available until expended.

NATURAL RESOURCE DAMAGE ASSESSMENT FUND

To conduct natural resource damage assessment activities by the Department of the Interior necessary to carry out the provisions of the Comprehensive Environmental Response, Compensation, and Liability Act, as amended (42 U.S.C. 9601, et seq.), Federal Water Pollution Control Act, as amended (33 U.S.C. 1251, et seq.), the Oil Pollution Act of 1990 (Public Law 101-380), and Public law 101-337; $4,128,000, to remain available until expended: *Provided*, That under this heading in Public Law 104-134, strike "in fiscal year 1996 and thereafter" in the proviso and insert "heretofore and hereafter", and before the phrase, "or properties shall be utilized" in such proviso, insert ", to remain available until expended,".

LAND ACQUISITION

For expenses necessary to carry out the Land and Water Conservation Fund Act of 1965, as amended (16 U.S.C. 4601-4-11), including administrative expenses, and for acquisition of land or waters, or interest therein, in accordance with statutory authority applicable to the United States Fish and Wildlife Service, $53,000,000, to remain available until expended.

COOPERATIVE ENDANGERED SPECIES CONSERVATION FUND

For expenses necessary to carry out the provisions of the Endangered Species Act of 1973 (16 U.S.C. 1531-1543), as amended, $14,000,000, for grants to States, to be derived

from the Cooperative Endangered Species Conservation Fund, and to remain available until expended.

NATIONAL WILDLIFE REFUGE FUND

For expenses necessary to implement the Act of October 17, 1978 (16 U.S.C. 715s), $10,000,000.

AMENDMENT OFFERED BY MRS. MALONEY OF NEW YORK

Mrs. MALONEY of New York. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mrs. MALONEY of New York: In title I in the item relating to "Department of the Interior—U.S. Fish and Wildlife Service—National Wildlife Refuge Fund", after the dollar amount insert "(reduced by $500,000)".

In title I in the item relating to "Department of the Interior—National Park Service—Construction", after the first dollar amount, insert "(increased by $500,000)".

Mrs. MALONEY of New York (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentlewoman from New York?

There was no objection.

Mrs. MALONEY of New York. Mr. Chairman, I rise today to offer this amendment on behalf of the gentlewoman from New York [Ms. SLAUGHTER] who has been called away due to a death in her family.

The amendment would designate $500,000 for critically needed repairs and restoration at the historic Susan B. Anthony home in Rochester, NY. The Susan B. Anthony House witnessed some of the most important moments of the women's rights movement. As Anthony's residence for her entire adult life, the house was the site of many visits and planning meetings between Ms. Anthony and her fellow activists, including abolitionist Frederick Douglass. This is also the place where Ms. Anthony was arrested for voting in 1872.

The Susan B. Anthony House is a vital part of our Nation's heritage. It is part of a complex of sites in upstate New York in and around Seneca Falls, NY, that include the Women's Rights National Historical Park and the National Women's Hall of Fame, celebrating the history of the women's rights movement.

Next year we will celebrate the 150th anniversary of the first women's rights convention in Seneca Falls. In terms of the women's movement, the women's rights convention in Seneca Falls is considered the most important single event making the struggle for women's rights possible. Just 2 weeks ago, we held a ceremony here in Congress moving a statue of two of the organizers of that convention as well as Susan B. Anthony herself into the Capitol rotunda. These women are finally taking their rightful place as important leaders in our Nation's history.

□ 1915

Next year many leaders in our Nation will come together for this historical anniversary for a year's worth of events on women's history, rights and suffrage. Celebrate 98 will educate and inspire the State of New York and our entire Nation with the story of the women's rights struggle.

What is important to realize and put into context is that the Susan B. Anthony House is not only a national historic landmark but a critical part of our Nation's history. It is not only a museum of Miss Anthony's pictures and papers, along with her trademark wire-rimmed glasses and Quaker shawl, but hundreds of pictures and papers and documents of her sister suffragettes.

Mr. Chairman, there is no national museum of women's history in the United States. The Susan B. Anthony House has filled that void by collecting the history of the women's movement and preserving it as best they could with volunteer labor and donations for the past 47 years.

Today time, weather, and Band-Aid repairs have taken their toll on this house. The Susan B. Anthony House recently launched a major initiative to finance a complete renovation and restoration of the property. In addition to needed repairs and maintenance, this project will begin the hard task of restoring the house to its appearance during Miss Anthony's lifetime.

Both the house itself and the collection pose special challenges. Many of the papers are fragile, and special preservation measures must be taken if they are to survive for the benefit of future generations. No complete catalog has ever been made of the collection.

This amendment would provide a modest one-time investment of $500,000 toward the Susan B. Anthony House restoration project. These funds would be used toward an historic structures report for the site and some basic physical repairs to the house. The historic structures report is a mandatory document for all national historic landmarks and provides a sort of baseline for repairs. This report will set the parameters for restoring the property to its appearance during Miss Anthony's lifetime.

The $500,000 provided by this amendment is only a first step toward restoring the house. The vast majority of the funds needed will be supplied through private donors and contributors. This amount is a modest contribution by the Federal Government to express our support for this vitally important piece of our Nation's history.

This amendment is the very least our Government can do to show the importance of the Susan B. Anthony House and the women's rights movement in our history. The amendment would offset this $500,000 by deducting the same amount from the U.S. Fish and Wildlife Service's wildlife and refuge account. The amendment represents only 1.7 percent of the $29 million increase granted by the committee over the administration's request for this account. It is a minuscule 0.18 percent of the account's total appropriation of $274 million.

The CHAIRMAN. The time of the gentlewoman from New York [Mrs. MALONEY] has expired.

(By unanimous consent, Mrs. MALONEY of New York was allowed to proceed for 1 additional minute.)

Mrs. MALONEY of New York. Mr. Chairman, the committee noted that this generous increase was to be used toward preparations for the National Wildlife Refuge System's 100th anniversary in the year 2003. Therefore it only seems appropriate to use some of this funding, considering that the Susan B. Anthony House will be a major attraction during the 150th anniversary of the first women's rights convention in Seneca Falls next year. Surely if we can prepare for the Wildlife Refuge System's centennial 5 years away, we can provide some small amount of money in commemoration of women's rights.

Would we let Mount Vernon or Monticello fall to pieces? Certainly not. Susan B. Anthony was a pioneer for women's rights including the right to vote, to own property, and to participate as equal partners in our democracy and our society. Susan B. Anthony revolutionized the lives of half our Nation's population. Surely she deserves no less than our full support. This amendment does not attempt to provide full support, but merely a token for the restoring renovation.

I really would like to ask for a recorded vote on this.

Mr. REGULA. Mr. Chairman, I rise in opposition to the amendment offered by the gentlewoman from New York.

I want to say, first of all, we extend our sympathy to the gentlewoman from New York [Ms. SLAUGHTER] on the death of her sister, and I think I speak for all the Members in that respect. I appreciate the gentlewoman from New York [Mrs. MALONEY] handling this matter for her.

Mr. Chairman, we have over a million structures on the National Register of historic places, and all of them have a very deserved place in this Nation's history. But we have a backlog of $500 million in refuges maintenance which this amendment would further exacerbate.

Mr. Chairman, this project is not within a unit of the National Park system, and what we have tried to do here in this bill is take care of what we have rather than starting new programs. The Park Service has advised us, in fact, that they cannot even spend these funds without specific legislative language authorizing the project. And as I

pointed out earlier, we have a $14 billion backlog of maintenance projects. I will not recite all of those again, but even in the Fish and Wildlife Service we are faced with a $500 million backlog. And if we were to adopt this amendment, we would offset it by decreasing Fish and Wildlife Service resource management by an equal amount of $500,000, and with the backlog that exists in these facilities it would be a very unjustified policy decision to make this action.

We had almost a hundred Members of Congress write to the committee in support of increased funding for the refuge system, and we could not answer a lot of those, we could not respond to a lot of those simply because we do not have enough money. So I think, as a matter of policy, it simply does not fit to take $500,000 out of the Fish and Wildlife Service to do this, particularly in light of the fact that it is not a unit of the National Park Service and in light of the fact that we have the millions of designated historic structures that have similar needs.

Mr. Chairman, I respect the fact that Susan B. Anthony played an enormously important role in this Nation's history, but nevertheless I think it would be an unwise policy to invade the funds that we now have for Fish and Wildlife Service resource management, and in light of this I regrettably have to urge the Members to vote no on this amendment.

Mrs. MALONEY of New York. Mr. Chairman, I ask unanimous consent to strike the last word to respond.

The CHAIRMAN. Is there objection to the request of the gentlewoman from New York?

There was no objection.

Mrs. MALONEY of New York. Mr. Chairman, I certainly appreciate the chairman's concerns for the underlying budget restraints, but I wanted to point out that before us today and included in the budget are two national historic landmarks which are already in the bill, and given the pressing point that the gentlewoman from New York [Ms. SLAUGHTER] has made over and over again, that there is no national women's museum in this country and that the Susan B. Anthony home has served as such a museum in gathering the materials, the history of the women's movement of the country, it is certainly deserving, and I appreciate the gentleman's concerns, but I certainly wanted to point out that Ohio and Maryland have two items in the bill, and we were hoping that given the fact of two historical landmarks in the bill, that the gentleman would consider this additional historic landmark given the fact that there is no women's museum in this country.

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

Mrs. MALONEY of New York. I yield to the gentleman from Ohio.

Mr. REGULA. Mr. Chairman, I understand what the gentlewoman is saying, but I would point out that the two that she refers to, one is a President of the United States, and the State is putting in a lot of money. What we are putting in is a small amount. The other is a project of the gentleman from Maryland [Mr. HOYER], and again the State of Maryland is putting in a lot of money.

I do not think there has been any indication here that there is any money being proposed by the State or any other entity to support this, that the total cost that is being proposed would be Federal, and I think perhaps the gentlewoman from New York [Ms. SLAUGHTER] would like in the future to find some matching funds that would make this kind of a project more attractive.

Mr. Chairman, I would still urge a vote of "no" on this amendment.

The CHAIRMAN. The question is on the amendment offered by the gentlewoman from New York [Mrs. MALONEY].

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

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

The CHAIRMAN. Pursuant to House Resolution 181, further proceedings on the amendment offered by the gentlewoman from New York [Mrs. MALONEY] will be postponed.

The point of no quorum is considered withdrawn.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

REWARDS AND OPERATIONS

For expenses necessary to carry out the provisions of the African Elephant Conservation Act (16 U.S.C. 4201–4203, 4211–4213, 4221–4225, 4241–4245, and 1538), $1,000,000, to remain available until expended.

NORTH AMERICAN WETLANDS CONSERVATION FUND

For expenses necessary to carry out the provisions of the North American Wetlands Conservation Act, Public Law 101–233, as amended, $10,500,000, to remain available until expended.

RHINOCEROS AND TIGER CONSERVATION FUND

For deposit to the Rhinoceros and Tiger Conservation Fund, $400,000, to remain available until expended, to carry out the Rhinoceros and Tiger Conservation Act of 1994 (Public Law 103–391).

WILDLIFE CONSERVATION AND APPRECIATION FUND

For deposit to the Wildlife Conservation and Appreciation Fund, $800,000, to remain available until expended.

ADMINISTRATIVE PROVISIONS

Appropriations and funds available to the United States Fish and Wildlife Service shall be available for purchase of not to exceed 108 passenger motor vehicles, of which 92 are for replacement only (including 57 for police-type use); not to exceed $400,000 for payment, at the discretion of the Secretary, for information, rewards, or evidence concerning violations of laws administered by the Service, and miscellaneous and emergency expenses of enforcement activities, authorized or approved by the Secretary and to be accounted for solely on his certificate; repair of damage to public roads within and adjacent to reservation areas caused by operations of the Service; options for the purchase of land at not to exceed $1 for each option; facilities incident to such public recreational uses on conservation areas as are consistent with their primary purpose; and the maintenance and improvement of aquaria, buildings, and other facilities under the jurisdiction of the Service and to which the United States has title, and which are utilized pursuant to law in connection with management and investigation of fish and wildlife resources: *Provided*, That notwithstanding 44 U.S.C. 501, the Service may, under cooperative cost sharing and partnership arrangements authorized by law, procure printing services from cooperators in connection with jointly-produced publications for which the cooperators share at least one-half the cost of printing either in cash or services and the Service determines the cooperator is capable of meeting accepted quality standards: *Provided further*, That the Service may accept donated aircraft as replacements for existing aircraft: *Provided further*, That notwithstanding any other provision of law, the Secretary of the Interior may not spend any of the funds appropriated in this Act for the purchase of lands or interests in lands to be used in the establishment of any new unit of the National Wildlife Refuge System unless the purchase is approved in advance by the House and Senate Committees on Appropriations in compliance with the reprogramming procedures contained in the report accompanying this bill: *Provided further*, That the Secretary may sell land and interests in land, other than water rights, acquired in conformance with subsections 206(a) and 207(c) of Public Law 101–816, the receipts of which shall be deposited to the Lahontan Valley and Pyramid Lake Fish and Wildlife Fund and used exclusively for the purposes of such subsections, without regard to the limitation on the distribution of benefits in subsection 206(f)(2) of such law.

NATIONAL PARK SERVICE

OPERATION OF THE NATIONAL PARK SYSTEM

For expenses necessary for the management, operation, and maintenance of areas and facilities administered by the National Park Service (including special road maintenance service to trucking permittees on a reimbursable basis), and for the general administration of the National Park Service, including not to exceed $2,500,000 for the Volunteers-in-Parks program, and not less than $1,000,000 for high priority projects within the scope of the approved budget which shall be carried out by the Youth Conservation Corps as authorized by 16 U.S.C. 1706, $1,232,325,000, of which $12,800,000 for research, planning and interagency coordination in support of land acquisition for Everglades restoration shall remain available until expended, and of which not to exceed $72,000,000, to remain available until expended, is to be derived from the special fee account established pursuant to title V, section 5201, Public Law 100–203.

NATIONAL RECREATION AND PRESERVATION

For expenses necessary to carry out recreation programs, natural programs, cultural programs, heritage partnership programs, environmental compliance and review, international park affairs, statutory or contractual aid for other activities, and grant administration, not otherwise provided for,

$43,934,000, of which $4,500,000 is for grants to Heritage areas in accordance with Titles I–VI and VIII–IX, Division II of Public Law 104–333 and is to remain available until September 30, 1999.

HISTORIC PRESERVATION FUND

For expenses necessary in carrying out the Historic Preservation Act of 1966, as amended (16 U.S.C. 470), and the Omnibus Parks and Public Lands Management Act of 1996 (Public Law 104–333), $40,412,000, to be derived from the Historic Preservation Fund, to remain available until September 30, 1999.

CONSTRUCTION

For construction, improvements, repair or replacement of physical facilities $148,391,000, to remain available until expended: *Provided*, That $500,000 for the Rutherford B. Hayes Home and $600,000 for the Sotterly Plantation House shall be derived from the Historic Preservation Fund pursuant to 16 U.S.C. 470A.

LAND AND WATER CONSERVATION FUND

(RESCISSION)

The contract authority provided for fiscal year 1998 by 16 U.S.C. 4601–10a is rescinded.

LAND ACQUISITION AND STATE ASSISTANCE

For expenses necessary to carry out the Land and Water Conservation Fund Act of 1965, as amended (16 U.S.C. 4601–4–11), including administrative expenses, and for acquisition of lands or waters, or interest therein, in accordance with statutory authority applicable to the National Park Service, $129,000,000, to be derived from the Land and Water Conservation Fund, to remain available until expended, of which $1,000,000 is to administer the State assistance program: *Provided*, That any funds made available for the purpose of acquisition of the Elwha and Glines dams shall be used solely for acquisition, and shall not be expended until the full purchase amount has been appropriated by the Congress: *Provided further*, That of the funds provided herein, $8,500,000 is available for acquisition of the Sterling Forest.

ADMINISTRATIVE PROVISIONS

Appropriations for the National Park Service shall be available for the purchase of not to exceed 396 passenger motor vehicles, of which 302 shall be for replacement only, including not to exceed 315 for police-type use, 13 buses, and 6 ambulances: *Provided*, That none of the funds appropriated to the National Park Service may be used to process any grant or contract documents which do not include the text of 18 U.S.C. 1913: *Provided further*, That none of the funds appropriated to the National Park Service may be used to implement an agreement for the redevelopment of the southern end of Ellis Island until such agreement has been submitted to the Congress and shall not be implemented prior to the expiration of 30 calendar days (not including any day in which either House of Congress is not in session because of adjournment of more than three calendar days to a day certain) from the receipt by the Speaker of the House of Representatives and the President of the Senate of a full and comprehensive report on the development of the southern end of Ellis Island, including the facts and circumstances relied upon in support of the proposed project.

None of the funds in this Act may be spent by the National Park Service for activities taken in direct response to the United Nations Biodiversity Convention.

The National Park Service may distribute to operating units based on the safety record of each unit the costs of programs designed to improve workplace and employee safety, and to encourage employees receiving workers' compensation benefits pursuant to chapter 81 of title 5, United States Code, to return to appropriate positions for which they are medically able.

UNITED STATES GEOLOGICAL SURVEY

SURVEYS, INVESTIGATIONS, AND RESEARCH

For expenses necessary for the United States Geological Survey to perform surveys, investigations, and research covering topography, geology, hydrology, and the mineral and water resources of the United States, its Territories and possessions, and other areas as authorized by 43 U.S.C. 31, 1332 and 1340; classify lands as to their mineral and water resources; give engineering supervision to power permittees and Federal Energy Regulatory Commission licensees; administer the minerals exploration program (30 U.S.C. 641); and publish and disseminate data relative to the foregoing activities; and to conduct inquiries into the economic conditions affecting mining and materials processing industries (30 U.S.C. 3, 21a, and 1603; 50 U.S.C. 98g(1)) and related purposes as authorized by law and to publish and disseminate data; $755,795,000 of which $66,231,000 shall be available only for cooperation with States or municipalities for water resources investigations; and of which $16,400,000 shall remain available until expended for conducting inquiries into the economic conditions affecting mining and materials processing industries; and of which $147,794,000 shall be available until September 30, 1999 for the biological research activity and the operation of the Cooperative Research Units: *Provided*, That none of these funds provided for the biological research activity shall be used to conduct new surveys on private property, unless specifically authorized in writing by the property owner: *Provided further*, That no part of this appropriation shall be used to pay more than one-half the cost of topographic mapping or water resources data collection and investigations carried on in cooperation with States and municipalities.

ADMINISTRATIVE PROVISIONS

The amount appropriated for the United States Geological Survey shall be available for the purchase of not to exceed 53 passenger motor vehicles, of which 48 are for replacement only; reimbursement to the General Services Administration for security guard services; contracting for the furnishing of topographic maps and for the making of geophysical or other specialized surveys when it is administratively determined that such procedures are in the public interest; construction and maintenance of necessary buildings and appurtenant facilities; acquisition of lands for gauging stations and observation wells; expenses of the United States National Committee on Geology; and payment of compensation and expenses of persons on the rolls of the Survey duly appointed to represent the United States in the negotiation and administration of interstate compacts: *Provided*, That activities funded by appropriations herein made may be accomplished through the use of contracts, grants, or cooperative agreements as defined in 31 U.S.C. 6302, et seq.: *Provided further*, That the USGS may contract directly with individuals or indirectly with institutions or nonprofit organizations, without regard to section 41 U.S.C. 5, for the temporary or intermittent services of science students or recent graduates, who shall be considered employees for the purposes of chapter 81 of title 5, United States Code, relating to compensation for work injuries, and chapter 171 of title 28, United States Code, relating to tort claims, but shall not be considered to be Federal employees for any other purposes.

MINERALS MANAGEMENT SERVICE

ROYALTY AND OFFSHORE MINERALS MANAGEMENT

For expenses necessary for minerals leasing and environmental studies, regulation of industry operations, and collection of royalties, as authorized by law; for enforcing laws and regulations applicable to oil, gas, and other minerals leases, permits, licenses and operating contracts; and for matching grants or cooperative agreements; including the purchase of not to exceed eight passenger motor vehicles for replacement only; $139,621,000, of which not less than $70,874,000 shall be available for royalty management activities; and an amount not to exceed $65,000,000 for activities within the Outer Continental Shelf (OCS) Lands Program, to be credited to this appropriation and to remain available until expended, from additions to receipts resulting from increases to rates in effect on August 5, 1993, from rate increases to fee collections for OCS administrative activities performed by the Minerals Management Service over and above the rates in effect on September 30, 1993, and from additional fees for OCS administrative activities established after September 30, 1993: *Provided*, That $1,500,000 for computer acquisitions shall remain available until September 30, 1999: *Provided further*, That funds appropriated under this Act shall be available for the payment of interest in accordance with 30 U.S.C. 1721 (b) and (d): *Provided further*, That not to exceed $3,000 shall be available for reasonable expenses related to promoting volunteer beach and marine cleanup activities: *Provided further*, That notwithstanding any other provision of law, $15,000 under this head shall be available for refunds of overpayments in connection with certain Indian leases in which the Director of the Minerals Management Service concurred with the claimed refund due, to pay amounts owed to Indian allottees or Tribes, or to correct prior unrecoverable erroneous payments.

OIL SPILL RESEARCH

For necessary expenses to carry out title I, section 1016, title IV, sections 4202 and 4303, title VII, and title VIII, section 8201 of the Oil Pollution Act of 1990, $6,118,000, which shall be derived from the Oil Spill Liability Trust Fund, to remain available until expended.

OFFICE OF SURFACE MINING RECLAMATION AND ENFORCEMENT

REGULATION AND TECHNOLOGY

For necessary expenses to carry out the provisions of the Surface Mining Control and Reclamation Act of 1977, Public Law 95–87, as amended, including the purchase of not to exceed 10 passenger motor vehicles, for replacement only; $94,937,000, and notwithstanding 31 U.S.C. 3302, an additional amount shall be credited to this account, to remain available until expended, from performance bond forfeitures in fiscal year 1998: *Provided*, That the Secretary of the Interior, pursuant to regulations, may utilize directly or through grants to States, moneys collected in fiscal year 1998 for civil penalties assessed under section 518 of the Surface Mining Control and Reclamation Act of 1977 (30 U.S.C. 1268), to reclaim lands adversely affected by coal mining practices after August 3, 1977, to remain available until expended: *Provided further*, That appropriations for the Office of Surface Mining Reclamation and Enforcement may provide for the travel and per

diem expenses of State and tribal personnel attending Office of Surface Mining Reclamation and Enforcement sponsored training.

ABANDONED MINE RECLAMATION FUND

For necessary expenses to carry out title IV of the Surface Mining Control and Reclamation Act of 1977, Public Law 95–87, as amended, including the purchase of not more than 10 passenger motor vehicles for replacement only, $179,624,000, to be derived from receipts of the Abandoned Mine Reclamation Fund and to remain available until expended; of which up to $5,000,000 shall be for supplemental grants to States for the reclamation of abandoned sites with acid mine rock drainage from coal mines through the Appalachian Clean Streams Initiative: *Provided*, That grants to minimum program States will be $1,500,000 per State in fiscal year 1998: *Provided further*, That of the funds herein provided up to $18,000,000 may be used for the emergency program authorized by section 410 of Public Law 95–87, as amended, of which no more than 25 per centum shall be used for emergency reclamation projects in any one State and funds for federally-administered emergency reclamation projects under this proviso shall not exceed $11,000,000: *Provided further*, That prior year unobligated funds appropriated for the emergency reclamation program shall not be subject to the 25 per centum limitation per State and may be used without fiscal year limitation for emergency projects: *Provided further*, That pursuant to Public Law 97–365, the Department of the Interior is authorized to use up to 20 per centum from the recovery of the delinquent debt owed to the United States Government to pay for contracts to collect these debts: *Provided further*, That funds made available to States under title IV of Public Law 95–87 may be used, at their discretion, for any required non-Federal share of the cost of projects funded by the Federal Government for the purpose of environmental restoration related to treatment or abatement of acid mine drainage from abandoned mines: *Provided further*, That such projects must be consistent with the purposes and priorities of the Surface Mining Control and Reclamation Act: *Provided further*, That the State of Maryland may set aside the greater of $1,000,000 or 10 percent of the total of the grants made available to the State under title IV of the Surface Mining Control and Reclamation Act of 1977, as amended (30 U.S.C. 1231 et seq.), if the amount set aside is deposited in an acid mine drainage abatement and treatment fund established under a State law, pursuant to which law the amount (together with all interest earned on the amount) is expended by the State to undertake acid mine drainage abatement and treatment projects, except that before any amounts greater than 10 percent of its title IV grants are deposited in an acid mine drainage abatement and treatment fund, the State of Maryland must first complete all Surface Mining Control and Reclamation Act priority one projects.

BUREAU OF INDIAN AFFAIRS

OPERATION OF INDIAN PROGRAMS

For operation of Indian programs by direct expenditure, contracts, cooperative agreements, compacts, and grants including expenses necessary to provide education and welfare services for Indians, either directly or in cooperation with States and other organizations, including payment of care, tuition, assistance, and other expenses of Indians in boarding homes, or institutions, or schools; grants and other assistance to needy Indians; maintenance of law and order; management, development, improvement, and protection of resources and appurtenant facilities under the jurisdiction of the Bureau, including payment of irrigation assessments and charges; acquisition of water rights; advances for Indian industrial and business enterprises; operation of Indian arts and crafts shops and museums; development of Indian arts and crafts, as authorized by law; for the general administration of the Bureau, including such expenses in field offices; maintaining of Indian reservation roads as defined in 23 U.S.C. 101; and construction, repair, and improvement of Indian housing, $1,526,815,000, to remain available until September 30, 1999 except as otherwise provided herein, of which not to exceed $93,825,000 shall be for welfare assistance payments and not to exceed $105,829,000 shall be for payments to tribes and tribal organizations for contract support costs associated with ongoing contracts or grants or compacts entered into with the Bureau prior to fiscal year 1998, as authorized by the Indian Self-Determination Act of 1975, as amended, and up to $5,000,000 shall be for the Indian Self-Determination Fund, which shall be available for the transitional cost of initial or expanded tribal contracts, grants, compacts, or cooperative agreements with the Bureau under such Act; and of which not to exceed $374,290,000 for school operations costs of Bureau-funded schools and other education programs shall become available on July 1, 1998, and shall remain available until September 30, 1999; and of which not to exceed $59,775,000 shall remain available until expended for housing improvement, road maintenance, attorney fees, litigation support, self-governance grants, the Indian Self-Determination Fund, land records improvements and the Navajo-Hopi Settlement Program: *Provided*, That tribes and tribal contractors may use their tribal priority allocations for unmet indirect costs of ongoing contracts, grants or compact agreements and for unmet welfare assistance costs: *Provided further*, That funds made available to tribes and tribal organizations through contracts, compact agreements, or grants obligated during fiscal years 1998 and 1999, as authorized by the Indian Self-Determination Act of 1975, or grants authorized by the Indian Education Amendments of 1988 (25 U.S.C. 2001 and 2008A) shall remain available until expended by the contractor or grantee: *Provided further*, That to provide funding uniformity within a Self-Governance Compact, any funds provided in this Act with availability for more than two years may be reprogrammed to two year availability but shall remain available within the Compact until expended: *Provided further*, That notwithstanding any other provision of law, Indian tribal governments may, by appropriate changes in eligibility criteria or by other means, change eligibility for general assistance or change the amount of general assistance payments for individuals within the service area of such tribe who are otherwise deemed eligible for general assistance payments so long as such changes are applied in a consistent manner to individuals similarly situated: *Provided further*, That any savings realized by such changes shall be available for use in meeting other priorities of the tribes: *Provided further*, That any net increase in costs to the Federal Government which result solely from tribally increased payment levels for general assistance shall be met exclusively from funds available to the tribe from within its tribal priority allocation: *Provided further*, That any forestry funds allocated to a tribe which remain unobligated as of September 30, 1998, may be transferred during fiscal year 1999 to an Indian forest land assistance account established for the benefit of such tribe within the tribe's trust fund account: *Provided further*, That any such unobligated balances not so transferred shall expire on September 30, 1999: *Provided further*, That notwithstanding any other provision of law, no funds available to the Bureau, other than the amounts provided herein for assistance to public schools under 25 U.S.C. 452 et seq., shall be available to support the operation of any elementary or secondary school in the State of Alaska in fiscal year 1998: *Provided further*, That funds made available in this or any other Act for expenditure through September 30, 1999 for schools funded by the Bureau shall be available only to the schools in the Bureau school system as of September 1, 1996: *Provided further*, That no funds available to the Bureau shall be used to support expanded grades for any school or dormitory beyond the grade structure in place or approved by the Secretary of the Interior at each school in the Bureau school system as of October 1, 1995: *Provided further*, That beginning in fiscal year 1998 and thereafter and notwithstanding 25 U.S.C. 2012(h)(1)(B), when the rates of basic compensation for teachers and counselors at Bureau-operated schools are established at the rates of basic compensation applicable to comparable positions in overseas schools under the Defense Department Overseas Teachers Pay and Personnel Practices Act, such rates shall become effective with the start of the next academic year following the issuance of the Department of Defense salary schedule and shall not be effected retroactively: *Provided further*, That the Cibecue Community School may use prior year school operations funds for the construction of a new high school facility which is in compliance with 25 U.S.C. 2005(a) provided that any additional construction costs for replacement of such facilities begun with prior year funds shall be completed exclusively with non-Federal funds.

CONSTRUCTION

For construction, major repair, and improvement of irrigation and power systems, buildings, utilities, and other facilities, including architectural and engineering services by contract; acquisition of lands, and interests in lands; and preparation of lands for farming, and for construction of the Navajo Indian Irrigation Project pursuant to Public Law 87–483, $110,751,000, to remain available until expended: *Provided*, That such amounts as may be available for the construction of the Navajo Indian Irrigation Project may be transferred to the Bureau of Reclamation: *Provided further*, That not to exceed 6 per centum of contract authority available to the Bureau of Indian Affairs from the Federal Highway Trust Fund may be used to cover the road program management costs of the Bureau: *Provided further*, That any funds provided for the Safety of Dams program pursuant to 25 U.S.C. 13 shall be made available on a non-reimbursable basis: *Provided further*, That for fiscal year 1998, in implementing new construction or facilities improvement and repair project grants in excess of $100,000 that are provided to tribally controlled grant schools under Public Law 100–297, as amended, the Secretary of the Interior shall use the Administrative and Audit Requirements and Cost Principles for Assistance Programs contained in 43 CFR part 12 as the regulatory requirements: *Provided further*, That such grants shall not be subject to section 12.61 of 43 CFR; the Secretary and the grantee shall negotiate and

determine a schedule of payments for the work to be performed: *Provided further*, That in considering applications, the Secretary shall consider whether the Indian tribe or tribal organization would be deficient in assuring that the construction projects conform to applicable building standards and codes and Federal, tribal, or State health and safety standards as required by 25 U.S.C. 2005(a), with respect to organizational and financial management capabilities: *Provided further*, That if the Secretary declines an application, the Secretary shall follow the requirements contained in 25 U.S.C. 2505(f): *Provided further*, That any disputes between the Secretary and any grantee concerning a grant shall be subject to the disputes provision in 25 U.S.C. 2508(e).

INDIAN LAND AND WATER CLAIM SETTLEMENTS AND MISCELLANEOUS PAYMENTS TO INDIANS

For miscellaneous payments to Indian tribes and individuals and for necessary administrative expenses, $41,352,000, to remain available until expended; of which $40,500,000 shall be available for implementation of enacted Indian land and water claim settlements pursuant to Public Laws 101–618, 102–374, 102–575, and for implementation of other enacted water rights settlements, including not to exceed $8,000,000, which shall be for the Federal share of the Catawba Indian Tribe of South Carolina Claims Settlement, as authorized by section 5(a) of Public Law 103–116; and of which $852,000 shall be available pursuant to Public Laws 99–264 and 100–580: *Provided*, That the Secretary is directed to sell land and interests in land, other than water rights, acquired in conformance with section 2 of the Truckee River Water Quality Settlement Agreement, the receipts of which shall be deposited to the Lahontan Valley and Pyramid Lake Fish and Wildlife Fund, and be available for the purposes of section 2 of such Agreement, without regard to the limitation on the distribution of benefits in the second sentence of paragraph 206(f)(2) of Public Law 101–618.

INDIAN GUARANTEED LOAN PROGRAM ACCOUNT

For the cost of guaranteed loans, $4,500,000, as authorized by the Indian Financing Act of 1974, as amended: *Provided*, That such costs, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974: *Provided further*, That these funds are available to subsidize total loan principal, any part of which is to be guaranteed, not to exceed $34,615,000.

In addition, for administrative expenses to carry out the guaranteed loan programs, $500,000.

ADMINISTRATIVE PROVISIONS

Appropriations for the Bureau of Indian Affairs (except the revolving fund for loans, the Indian loan guarantee and insurance fund, the Technical Assistance of Indian Enterprises account, the Indian Direct Loan Program account, and the Indian Guaranteed Loan Program account) shall be available for expenses of exhibits, and purchase of not to exceed 229 passenger motor vehicles, of which not to exceed 187 shall be for replacement only.

Notwithstanding any other provision of law, no funds available to the Bureau of Indian Affairs for central office operations or pooled overhead general administration shall be available for tribal contracts, grants, compacts, or cooperative agreements with the Bureau of Indian Affairs under the provisions of the Indian Self-Determination Act or the Tribal Self-Governance Act of 1994 (Public Law 103–413).

DEPARTMENTAL OFFICES

INSULAR AFFAIRS

ASSISTANCE TO TERRITORIES

For expenses necessary for assistance to territories under the jurisdiction of the Department of the Interior, $68,214,000, of which (1) $64,365,000 shall be available until expended for technical assistance, including maintenance assistance, disaster assistance, insular management controls, and brown tree snake control and research; grants to the judiciary in American Samoa for compensation and expenses, as authorized by law (48 U.S.C. 1661(c)); grants to the Government of American Samoa, in addition to current local revenues, for construction and support of governmental functions; grants to the Government of the Virgin Islands as authorized by law; grants to the Government of Guam, as authorized by law; and grants to the Government of the Northern Mariana Islands as authorized by law (Public Law 94–241; 90 Stat. 272); and (2) $3,849,000 shall be available for salaries and expenses of the Office of Insular Affairs: *Provided*, That all financial transactions of the territorial and local governments herein provided for, including such transactions of all agencies or instrumentalities established or utilized by such governments, may be audited by the General Accounting Office, at its discretion, in accordance with chapter 35 of title 31, United States Code: *Provided further*, That Northern Mariana Islands Covenant grant funding shall be provided according to those terms of the Agreement of the Special Representatives on Future United States Financial Assistance for the Northern Mariana Islands approved by Public Law 99–396, or any subsequent legislation related to Commonwealth of the Northern Mariana Islands grant funding: *Provided further*, That of the amounts provided for technical assistance, sufficient funding shall be made available for a grant to the Close Up Foundation: *Provided further*, That the funds for the program of operations and maintenance improvement are appropriated to institutionalize routine operations and maintenance improvement of capital infrastructure in American Samoa, Guam, the Virgin Islands, the Commonwealth of the Northern Mariana Islands, the Republic of Palau, the Republic of the Marshall Islands, and the Federated States of Micronesia through assessments of long-range operations maintenance needs, improved capability of local operations and maintenance institutions and agencies (including management and vocational education training), and project-specific maintenance (with territorial participation and cost sharing to be determined by the Secretary based on the individual territory's commitment to timely maintenance of its capital assets): *Provided further*, That any appropriation for disaster assistance under this head in this Act or previous appropriations Acts may be used as non-Federal matching funds for the purpose of hazard mitigation grants provided pursuant to section 404 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5170c).

COMPACT OF FREE ASSOCIATION

For economic assistance and necessary expenses for the Federated States of Micronesia and the Republic of the Marshall Islands as provided for in sections 122, 221, 223, 232, and 233 of the Compact of Free Association, and for economic assistance and necessary expenses for the Republic of Palau as provided for in sections 122, 221, 223, 232, and 233 of the Compact of Free Association, $20,445,000, to remain available until expended, as authorized by Public Law 99–239 and Public Law 99–658.

DEPARTMENTAL MANAGEMENT

SALARIES AND EXPENSES

For necessary expenses for management of the Department of the Interior, $58,286,000, of which not to exceed $8,500 may be for official reception and representation expenses, and of which up to $1,200,000 shall be available for workers compensation payments and unemployment compensation payments associated with the orderly closure of the United States Bureau of Mines.

OFFICE OF THE SOLICITOR

SALARIES AND EXPENSES

For necessary expenses of the Office of the Solicitor, $35,443,000.

OFFICE OF INSPECTOR GENERAL

SALARIES AND EXPENSES

For necessary expenses of the Office of Inspector General, $24,439,000.

NATIONAL INDIAN GAMING COMMISSION

SALARIES AND EXPENSES

For necessary expenses of the National Indian Gaming Commission, pursuant to Public Law 100–497, $1,000,000.

OFFICE OF SPECIAL TRUSTEE FOR AMERICAN INDIANS

FEDERAL TRUST PROGRAMS

For operation of trust programs for Indians by direct expenditure, contracts, cooperative agreements, compacts, and grants, $32,126,000, to remain available until expended for trust funds management: *Provided*, That funds for trust management improvements may be transferred to the Bureau of Indian Affairs: *Provided further*, That funds made available to tribes and tribal organizations through contracts or grants obligated during fiscal year 1998, as authorized by the Indian Self-Determination Act of 1975 (25 U.S.C. 450 et seq.), shall remain available until expended by the contractor or grantee: *Provided further*, That notwithstanding any other provision of law, the statute of limitations shall not commence to run on any claim, including any claim in litigation pending on the date of this Act, concerning losses to or mismanagement of trust funds, until the affected tribe or individual Indian has been furnished with an accounting of such funds from which the beneficiary can determine whether there has been a loss.

ADMINISTRATIVE PROVISIONS

There is hereby authorized for acquisition from available resources within the Working Capital Fund, 15 aircraft, 10 of which shall be for replacement and which may be obtained by donation, purchase or through available excess surplus property: *Provided*, That notwithstanding any other provision of law, existing aircraft being replaced may be sold, with proceeds derived or trade-in value used to offset the purchase price for the replacement aircraft: *Provided further*, That no programs funded with appropriated funds in the "Departmental Management", "Office of the Solicitor", and "Office of Inspector General" may be augmented through the Working Capital Fund or the Consolidated Working Fund.

GENERAL PROVISIONS, DEPARTMENT OF THE INTERIOR

SEC. 101. Appropriations made in this title shall be available for expenditure or transfer (within each bureau or office), with the approval of the Secretary, for the emergency reconstruction, replacement, or repair of aircraft, buildings, utilities, or other facilities or equipment damaged or destroyed by fire,

flood, storm, or other unavoidable causes: *Provided*, That no funds shall be made available under this authority until funds specifically made available to the Department of the Interior for emergencies shall have been exhausted: *Provided further*, That all funds used pursuant to this section are hereby designated by Congress to be "emergency requirements" pursuant to section 251(b)(2)(D) of the Balanced Budget and Emergency Deficit Control Act of 1985, and must be replenished by a supplemental appropriation which must be requested as promptly as possible.

SEC. 102. The Secretary may authorize the expenditure or transfer of any no year appropriation in this title, in addition to the amounts included in the budget programs of the several agencies, for the suppression or emergency prevention of forest or range fires on or threatening lands under the jurisdiction of the Department of the Interior; for the emergency rehabilitation of burned-over lands under its jurisdiction; for emergency actions related to potential or actual earthquakes, floods, volcanoes, storms, or other unavoidable causes; for contingency planning subsequent to actual oilspills; response and natural resource damage assessment activities related to actual oilspills; for the prevention, suppression, and control of actual or potential grasshopper and Mormon cricket outbreaks on lands under the jurisdiction of the Secretary, pursuant to the authority in section 1773(b) of Public Law 99–198 (99 Stat. 1658); for emergency reclamation projects under section 410 of Public Law 95–87; and shall transfer, from any no year funds available to the Office of Surface Mining Reclamation and Enforcement, such funds as may be necessary to permit assumption of regulatory authority in the event a primacy State is not carrying out the regulatory provisions of the Surface Mining Act: *Provided*, That appropriations made in this title for fire suppression purposes shall be available for the payment of obligations incurred during the preceding fiscal year, and for reimbursement to other Federal agencies for destruction of vehicles, aircraft, or other equipment in connection with their use for fire suppression purposes, such reimbursement to be credited to appropriations currently available at the time of receipt thereof: *Provided further*, That for emergency rehabilitation and wildfire suppression activities, no funds shall be made available under this authority until funds appropriated to "Wildland Fire Management" shall have been exhausted: *Provided further*, That all funds used pursuant to this section are hereby designated by Congress to be "emergency requirements" pursuant to section 251(b)(2)(D) of the Balanced Budget and Emergency Deficit Control Act of 1985, and must be replenished by a supplemental appropriation which must be requested as promptly as possible: *Provided further*, That such replenishment funds shall be used to reimburse, on a pro rata basis, accounts from which emergency funds were transferred.

SEC. 103. Appropriations made in this title shall be available for operation of warehouses, garages, shops, and similar facilities, wherever consolidation of activities will contribute to efficiency or economy, and said appropriations shall be reimbursed for services rendered to any other activity in the same manner as authorized by sections 1535 and 1536 of title 31, United States Code: *Provided*, That reimbursements for costs and supplies, materials, equipment, and for services rendered may be credited to the appropriation current at the time such reimbursements are received.

SEC. 104. Appropriations made to the Department of the Interior in this title shall be available for services as authorized by 5 U.S.C. 3109, when authorized by the Secretary, in total amount not to exceed $500,000; hire, maintenance, and operation of aircraft; hire of passenger motor vehicles; purchase of reprints; payment for telephone service in private residences in the field, when authorized under regulations approved by the Secretary; and the payment of dues, when authorized by the Secretary, for library membership in societies or associations which issue publications to members only or at a price to members lower than to subscribers who are not members.

SEC. 105. Appropriations available to the Department of the Interior for salaries and expenses shall be available for uniforms or allowances therefor, as authorized by law (5 U.S.C. 5901–5902 and D.C. Code 4–204).

SEC. 106. Appropriations made in this title shall be available for obligation in connection with contracts issued for services or rentals for periods not in excess of twelve months beginning at any time during the fiscal year.

SEC. 107. No final rule or regulation of any agency of the Federal Government pertaining to the recognition, management, or validity of a right-of-way pursuant to Revised Statute 2477 (43 U.S.C. 932) shall take effect unless expressly authorized by an Act of Congress subsequent to the date of enactment of this Act.

SEC. 108. No funds provided in this title may be expended by the Department of the Interior for the conduct of offshore leasing and related activities placed under restriction in the President's moratorium statement of June 26, 1990, in the areas of Northern, Central, and Southern California; the North Atlantic; Washington and Oregon; and the Eastern Gulf of Mexico south of 26 degrees north latitude and east of 86 degrees west longitude.

SEC. 109. No funds provided in this title may be expended by the Department of the Interior for the conduct of leasing, or the approval or permitting of any drilling or other exploration activity, on lands within the North Aleutian Basin planning area.

SEC. 110. No funds provided in this title may be expended by the Department of the Interior to conduct offshore oil and natural gas preleasing, leasing and related activities in the Eastern Gulf of Mexico planning area for any lands located outside Sale 181, as identified in the final Outer Continental Shelf 5-Year Oil and Gas Leasing Program, 1997–2002.

SEC. 111. No funds provided in this title may be expended by the Department of the Interior to conduct oil and natural gas preleasing, leasing and related activities in the Mid-Atlantic and South Atlantic planning areas.

SEC. 112. Advance payments made under this title to Indian tribes, tribal organizations, and tribal consortia pursuant to the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450, et seq.) may be invested by the Indian tribe, tribal organization, or consortium before such funds are expended for the purposes of the grant, compact, or annual funding agreement so long as such funds are—

(a) invested by the Indian tribe, tribal organization, or consortium only in obligations of the United States or in obligations or securities that are guaranteed or insured by the United States, or

(b) deposited only into accounts that are insured by an agency or instrumentality of the United States.

SEC. 113. (a) Employees of Helium Operations, Bureau of Land Management, entitled to severance pay under 5 U.S.C. 5595, may apply for, and the Secretary of the Interior may pay the total amount of the severance pay to the employee in a lump sum. Employees paid severance pay in a lump sum and subsequently reemployed by the Federal government shall be subject to the repayment provisions of 5 U.S.C. 5595(i) (2) and (3), except that any repayment shall be made to the Helium Fund.

(b) Helium Operations employees who elect to continue health benefits after separation shall be liable for not more than the required employee contribution under 5 U.S.C. 8905a(d)(1)(A). The Helium Fund shall pay for 18 months the remaining portion of required contributions.

(c) Benefits under this section shall be available to Helium Operations employees who are or will be involuntarily separated before October 1, 2002 because of the cessation of helium production and sales and other related activities.

SEC. 114. None of the funds in this or previous appropriations Acts may be used to establish a new regional office in the United States Fish and Wildlife Service without the advance approval of the House and Senate Committees on Appropriations.

TITLE II—RELATED AGENCIES

DEPARTMENT OF AGRICULTURE

FOREST SERVICE

FOREST AND RANGELAND RESEARCH

For necessary expenses of forest and rangeland research as authorized by law, $187,644,000, to remain available until expended.

STATE AND PRIVATE FORESTRY

For necessary expenses of cooperating with and providing technical and financial assistance to States, Territories, possessions, and others, and for forest health management, cooperative forestry, and education and land conservation activities, $157,922,000, to remain available until expended, as authorized by law.

NATIONAL FOREST SYSTEM

For necessary expenses of the Forest Service, not otherwise provided for, for management, protection, improvement, and utilization of the National Forest System, for forest planning, inventory, and monitoring, and for administrative expenses associated with the management of funds provided under the heads "Forest and Rangeland Research," "State and Private Forestry," "National Forest System," "Wildland Fire Management," "Reconstruction and Construction," and "Land Acquisition," $1,364,480,000, to remain available until expended, which shall include 50 per centum of all monies received during prior fiscal years as fees collected under the Land and Water Conservation Fund Act of 1965, as amended, in accordance with section 4 of the Act (16 U.S.C. 460l–6a(i)): *Provided*, That up to $10,000,000 of the funds provided herein for road maintenance shall be available for the planned obliteration of roads which are no longer needed.

WILDLAND FIRE MANAGEMENT

For necessary expenses for forest fire presuppression activities on National Forest System lands, for emergency fire suppression on or adjacent to such lands or other lands under fire protection agreement, and for emergency rehabilitation of burned over National Forest System lands, $599,715,000 to remain available until expended: *Provided*, That such funds are available for repayment of advances from other appropriations accounts previously transferred for such purposes.

□ 1930

SEQUENTIAL VOTES POSTPONED IN COMMITTEE OF THE WHOLE

The CHAIRMAN. Pursuant to House Resolution 181, proceedings will now resume on those amendments on which further proceedings were postponed in the following order: amendment No. 11 offered by the gentleman from Vermont [Mr. SANDERS]; and the amendment offered by the gentlewoman from New York [Mrs. MALONEY].

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

AMENDMENT OFFERED BY MR. SANDERS

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

The Clerk will redesignate the amendment.

The Clerk redesignated the amendment.

RECORDED VOTE

The CHAIRMAN. A recorded vote has been demanded.

A recorded vote was ordered.

The CHAIRMAN. Pursuant to House Resolution 181, the Chair announces that he will reduce to a minimum of 5 minutes the period of time within which a vote by electronic device will be taken on the second amendment on which the Chair has postponed further proceedings.

The vote was taken by electronic device, and there were—ayes 199, noes 230, not voting 5, as follows:

[Roll No. 260]

AYES—199

Abercrombie
Ackerman
Allen
Andrews
Baldacci
Ballenger
Barcia
Barrett (WI)
Bass
Becerra
Bereuter
Berry
Bilbray
Bishop
Blumenauer
Boehlert
Bonior
Bono
Boswell
Boyd
Brown (FL)
Brown (OH)
Bryant
Burr
Camp
Campbell
Canady
Cannon
Capps
Carson
Chabot
Chenoweth
Christensen
Clay
Clayton
Clyburn
Coble
Collins
Condit
Conyers
Cox
Crapo
Cubin
Cunningham
Danner
Davis (FL)
Davis (IL)
Deal
DeFazio
DeGette
Delahunt
Dellums
Deutsch
Dickey
Doolittle
Duncan
Ehrlich
Emerson
Ensign
Eshoo
Evans
Farr
Fazio
Filner
Flake
Foley
Ford
Fowler
Furse
Gallegly
Ganske
Gibbons
Goode
Goodlatte
Goss
Gutierrez
Gutknecht
Hastings (FL)
Hayworth
Hefley
Herger
Hill
Hilliard
Hinchey
Hoekstra
Hooley
Horn
Houghton
Hulshof
Hutchinson
Jackson (IL)
Jefferson
Johnson (WI)
Jones
Kaptur
Kasich
Kelly
Kennedy (RI)
Kennelly
Kilpatrick
Kind (WI)
Kingston
Kleczka
Klug
Kolbe
Kucinich
LaFalce
Lantos
Latham
LaTourette
Leach
Lewis (KY)
LoBiondo
Luther
Maloney (NY)
Manton
Manzullo
McCarthy (MO)
McCarthy (NY)
McCollum
McHugh
McInnis
McIntyre
McKinney
McNulty
Meek
Menendez
Metcalf
Millender-McDonald
Miller (FL)
Minge
Moran (KS)
Morella
Nethercutt
Neumann
Norwood
Nussle
Oberstar
Obey
Olver
Owens
Pappas
Parker
Pascrell
Pastor
Paul
Payne
Peterson (MN)
Peterson (PA)
Petri
Pickering
Pombo
Portman
Rahall
Ramstad
Rangel
Riggs
Rivers
Rogers
Rohrabacher
Rothman
Roybal-Allard
Rush
Salmon
Sanders
Scarborough
Schaffer, Bob
Sensenbrenner
Serrano
Shadegg
Shays
Sherman
Skelton
Smith (MI)
Smith (OR)
Smith, Adam
Snyder
Spratt
Stearns
Strickland
Stump
Stupak
Sununu
Tanner
Taylor (MS)
Thomas
Thompson
Thune
Torres
Towns
Traficant
Turner
Velázquez
Waters
Watt (NC)
Weldon (FL)
Weller
Wexler
Weygand

NOES—230

Aderholt
Archer
Armey
Bachus
Baesler
Baker
Barr
Barrett (NE)
Bartlett
Barton
Bateman
Bentsen
Berman
Bilirakis
Blagojevich
Bliley
Blunt
Boehner
Bonilla
Borski
Brady
Brown (CA)
Bunning
Burton
Buyer
Callahan
Calvert
Cardin
Castle
Chambliss
Clement
Coburn
Combest
Cook
Cooksey
Costello
Coyne
Cramer
Crane
Cummings
Davis (VA)
DeLauro
DeLay
Diaz-Balart
Dicks
Dingell
Dixon
Doggett
Dooley
Doyle
Dreier
Dunn
Edwards
Ehlers
Engel
English
Etheridge
Everett
Ewing
Fattah
Fawell
Foglietta
Forbes
Fox
Frank (MA)
Franks (NJ)
Frelinghuysen
Frost
Gejdenson
Gekas
Gephardt
Gilchrest
Gillmor
Gilman
Gonzalez
Goodling
Gordon
Graham
Granger
Green
Greenwood
Hall (OH)
Hall (TX)
Hamilton
Hansen
Hastert
Hastings (WA)
Hefner
Hilleary
Hinojosa
Hobson
Holden
Hostettler
Hoyer
Hunter
Hyde
Inglis
Istook
Jackson-Lee (TX)
Jenkins
John
Johnson (CT)
Johnson, E. B.
Johnson, Sam
Kanjorski
Kennedy (MA)
Kildee
Kim
King (NY)
Klink
Knollenberg
LaHood
Lampson
Largent
Lazio
Levin
Lewis (CA)
Lewis (GA)
Linder
Lipinski
Livingston
Lofgren
Lowey
Lucas
Maloney (CT)
Markey
Martinez
Mascara
Matsui
McCrery
McDade
McDermott
McGovern
McHale
McIntosh
McKeon
Meehan
Mica
Miller (CA)
Mink
Moakley
Molinari
Mollohan
Moran (VA)
Murtha
Myrick
Nadler
Neal
Ney
Northup
Ortiz
Oxley
Packard
Pallone
Paxon
Pease
Pelosi
Pickett
Pitts
Pomeroy
Porter
Poshard
Price (NC)
Pryce (OH)
Quinn
Radanovich
Redmond
Regula
Reyes
Riley
Rodriguez
Roemer
Rogan
Ros-Lehtinen
Roukema
Royce
Ryun
Sabo
Sanchez
Sandlin
Sanford
Sawyer
Saxton
Schaefer, Dan
Schumer
Scott
Sessions
Shaw
Shimkus
Shuster
Sisisky
Skaggs
Skeen
Smith (NJ)
Smith (TX)
Smith, Linda
Snowbarger
Solomon
Souder
Spence
Stabenow
Stark
Stenholm
Stokes
Talent
Tauscher
Tauzin
Taylor (NC)
Thornberry
Thurman
Tiahrt
Tierney
Upton
Vento
Visclosky
Walsh
Wamp
Watkins
Watts (OK)
Waxman
Weldon (PA)
White
Whitfield
Wicker
Wise
Wolf
Woolsey
Wynn
Young (AK)
Young (FL)

NOT VOTING—5

Boucher
Harman
Schiff
Slaughter
Yates

□ 1957

Ms. STABENOW, Mr. COYNE, Ms. PELOSI, Mr. MATSUI, Mr. REYES, Ms. WOOLSEY, and Messrs. STARK, NADLER, ENGEL, and Mrs. LOWEY changed their vote from "aye" to "no."

Messrs. BARRETT of Wisconsin, NUSSLE, SALMON, CRAPO, NETHERCUTT, DICKEY, CHRISTENSEN, McINNIS, Mrs. KENNELLY of Connecticut, and Messrs. CHABOT, CAPPS, HULSHOF, FORD, RUSH, HEFLEY, CUNNINGHAM, LATHAM, GALLEGLY, COLLINS, NORWOOD, and PICKERING changed their vote from "no" to "aye."

So the amendment was rejected.

The result of the vote was announced as above recorded.

AMENDMENT OFFERED BY MRS. MALONEY OF NEW YORK

The CHAIRMAN. The pending business is the demand for a recorded vote on the amendment offered by the gentlewoman from New York [Mrs. MALONEY] on which further proceedings were postponed and on which the noes prevailed by voice vote.

The Clerk will designate the amendment.

The Clerk designated the amendment.

RECORDED VOTE

The CHAIRMAN. A recorded vote has been demanded.

A recorded vote was ordered.

The CHAIRMAN. This will be a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 77, noes 351, not voting 6, as follows:

[Roll No. 261]

AYES—77

Abercrombie
Ackerman
Andrews
Bass
Becerra
Bentsen
Berry
Blagojevich
Bonior
Brown (CA)
Carson
Conyers
Coyne
Cummings
Davis (IL)
DeFazio
DeGette
Diaz-Balart
Edwards
Engel
Eshoo
Farr
Fawell
Fazio
Filner
Frost
Gejdenson
Gephardt
Gilman
Gordon
Gutierrez
Hall (OH)
Hastings (FL)
Hefner
Hinchey
Horn
Hoyer
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Johnson, E. B.
Kennelly
Kucinich
LaFalce
Leach
Lipinski
Lowey
Maloney (CT)
Maloney (NY)
Manton
McNulty
Millender-McDonald

Mink
Moakley
Morella
Nadler
Olver
Owens
Payne
Rangel
Ros-Lehtinen
Roybal-Allard
Rush
Sanders
Schumer
Scott
Serrano
Sherman
Smith, Adam
Souder
Stabenow
Thurman
Towns
Velázquez
Vento
Waters
Waxman

NOES—351

Aderholt
Allen
Archer
Armey
Bachus
Baesler
Baker
Baldacci
Ballenger
Barcia
Barr
Barrett (NE)
Barrett (WI)
Bartlett
Barton
Bateman
Bereuter
Berman
Bilbray
Bilirakis
Bishop
Bliley
Blumenauer
Blunt
Boehlert
Boehner
Bonilla
Bono
Borski
Boswell
Boyd
Brady
Brown (FL)
Brown (OH)
Bryant
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Cannon
Capps
Cardin
Castle
Chabot
Chambliss
Chenoweth
Christensen
Clay
Clayton
Clement
Clyburn
Coble
Coburn
Collins
Combest
Condit
Cook
Cooksey
Costello
Cox
Cramer
Crane
Crapo
Cubin
Cunningham
Danner
Davis (FL)
Davis (VA)
Deal
Delahunt
DeLauro
DeLay
Dellums
Deutsch
Dickey
Dicks
Dingell
Dixon
Doggett
Doolittle
Doyle
Dreier
Duncan
Dunn
Ehlers
Ehrlich
Emerson
English
Ensign
Etheridge
Evans
Everett
Ewing
Fattah
Flake
Foglietta
Foley
Forbes
Ford
Fowler
Fox
Frank (MA)
Franks (NJ)
Frelinghuysen
Furse
Gallegly
Ganske
Gekas
Gibbons
Gilchrest
Gillmor
Gonzalez
Goode
Goodlatte
Goodling
Goss
Graham
Granger
Green
Greenwood
Gutknecht
Hall (TX)
Hamilton
Hansen
Hastert
Hastings (WA)
Hayworth
Hefley
Herger
Hill
Hilleary
Hilliard
Hinojosa
Hobson
Hoekstra
Holden
Hooley
Hostettler
Houghton
Hulshof
Hunter
Hutchinson
Hyde
Inglis
Istook
Jenkins
John
Johnson (CT)
Johnson (WI)
Johnson, Sam
Jones
Kanjorski
Kaptur
Kasich
Kelly
Kennedy (MA)
Kennedy (RI)
Kildee
Kilpatrick
Kim
Kind (WI)
King (NY)
Kingston
Kleczka
Klink
Klug
Knollenberg
Kolbe
LaHood
Lampson
Lantos
Largent
Latham
LaTourette
Lazio
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Linder
Livingston
LoBiondo
Lofgren
Lucas
Luther
Manzullo
Markey
Martinez
Mascara
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McCrery
McDade
McDermott
McGovern
McHale
McHugh
McInnis
McIntosh
McIntyre
McKeon
McKinney
Meehan
Meek
Menendez
Metcalf
Mica
Miller (CA)
Miller (FL)
Minge
Molinari
Mollohan
Moran (KS)
Moran (VA)
Murtha
Myrick
Neal
Nethercutt
Neumann
Ney
Northup
Norwood
Nussle
Oberstar
Obey
Ortiz
Oxley
Packard
Pallone
Pappas
Parker
Pascrell
Pastor
Paul
Paxon
Pease
Pelosi
Peterson (MN)
Peterson (PA)
Petri
Pickering
Pickett
Pitts
Pombo
Pomeroy
Porter
Portman
Poshard
Price (NC)
Pryce (OH)
Quinn
Radanovich
Rahall
Ramstad
Redmond
Regula
Reyes
Riggs
Riley
Rivers
Rodriguez
Roemer
Rogan
Rogers
Rohrabacher
Rothman
Roukema
Royce
Ryun
Sabo
Salmon
Sanchez
Sandlin
Sanford
Sawyer
Saxton
Scarborough
Schaefer, Dan
Schaffer, Bob
Sensenbrenner
Sessions
Shadegg
Shaw
Shays
Shimkus
Shuster
Sisisky
Skaggs
Skeen
Skelton
Smith (MI)
Smith (NJ)
Smith (OR)
Smith (TX)
Smith, Linda
Snowbarger
Snyder
Solomon
Spence
Spratt
Stark
Stearns
Stenholm
Stokes
Strickland
Stump
Stupak
Sununu
Talent
Tanner
Tauscher
Tauzin
Taylor (MS)
Taylor (NC)
Thomas
Thompson
Thornberry
Thune
Tiahrt
Tierney
Torres
Traficant
Turner
Upton
Visclosky
Walsh
Wamp
Watkins
Watt (NC)
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
Wexler
Weygand
White
Whitfield
Wicker
Wise
Wolf
Woolsey
Wynn
Young (AK)
Young (FL)

NOT VOTING—6

Boucher
Dooley
Harman
Schiff
Slaughter
Yates

□ 2007

Mr. SALMON changed his vote from "aye" to "no."

Mr. GUTIERREZ and Mrs. KENNELLY of Connecticut changed their vote from "no" to "aye."

So the amendment was rejected.

The result of the vote was announced as above recorded.

(Mr. SOLOMON asked and was given permission to speak out of order.)

RULES COMMITTEE PROCEDURE REGARDING AMENDMENTS TO LEGISLATION TO BE CONSIDERED DURING WEEK OF JULY 14, 1997

Mr. SOLOMON. Mr. Chairman, in making the two announcements, let me also announce that we do not expect any votes between now and about 10 o'clock. There will only be one more amendment, and perhaps an amendment thereto, so that there is no reason for Members to stand around here talking if they do not want to for the next hour and a half.

Mr. Chairman, the Committee on Rules is planning to meet during the week of July 14 to grant a rule for consideration of the foreign operations appropriation bill for fiscal year 1998. The bill was ordered reported by the Committee on Appropriations on July 9 and will be filed tomorrow, July 11. The bill is scheduled for floor action on Wednesday, July 16. That is next Wednesday.

The Committee on Rules may grant a rule which would require the amendments be preprinted in the CONGRESSIONAL RECORD. In this case amendments to be preprinted would need to be signed by the Member and submitted at the Speaker's table.

Mr. Chairman, because of the tight schedule on appropriation matters, the Committee on Rules plans to meet Monday at 5 p.m., that is this coming Monday, on the appropriation bills for veterans and HUD for fiscal year 1998. It is scheduled for floor consideration on Tuesday, July 15. The bill has been ordered reported by the Committee on Appropriations and the report is expected to be filed tomorrow.

The Committee on Rules is contemplating an open rule for this legislation. If Members have amendments to the bill, and they comply with House rules, there is no need to submit the amendments or to testify before the Committee on Rules. Members should use the Office of Legislative Counsel to draft their amendments. Again, it is not necessary to submit amendments to the Committee on Rules or to testify as long as the amendments comply with House rules.

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

Mr. SOLOMON. I yield to the gentleman from Washington.

Mr. DICKS. Mr. Chairman, could the distinguished chairman of the Committee on Rules or any of the Republican leadership tell us what we are going to be doing for the rest of the evening at this point?

Mr. SOLOMON. Well, reclaiming my time, I can tell the gentleman that there is an amendment about to be offered by the gentleman from Colorado [Mr. SKAGGS] that will not take but a few minutes.

Mr. DICKS. If the gentleman will continue to yield, perhaps the chairman can enlighten us about what the plan is for the rest of the evening.

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

Mr. SOLOMON. I yield to the gentleman from Ohio [Mr. REGULA] to explain that to the gentleman.

Mr. REGULA. Mr. Chairman, it is my understanding that we will go to the Porter amendment and all amendments thereto, and prior to that the gentleman from Colorado [Mr. SKAGGS] has an amendment which I am going to accept.

After we finish with the gentleman from Colorado we are going to go to the gentleman from Illinois [Mr. PORTER]. I would assume that that is probably going to take a considerable amount of time and that would be all we would get done tonight.

Mr. DICKS. Does the gentleman intend to vote on the Kennedy-Porter amendment tonight?

Mr. REGULA. I would hope so, yes. I would like to finish it tonight.

Mr. SOLOMON. Mr. Chairman, reclaiming my time, I will continue to yield to the gentleman to explain what might happen on the next vote on the Porter amendment. Will the Committee stay in Committee and continue to vote and then roll votes over until tomorrow? What is the intention of the chairman?

Mr. REGULA. We are going to try to do that, depending on how much time

the Porter amendment takes. The goal is to get far enough along that we can finish by 2 p.m. tomorrow. So we want to keep moving. And any votes after the Porter amendment we will roll over.

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

Mr. SOLOMON. I yield to the gentleman from Massachusetts, my good friend, the ranking member of the Committee on Rules.

Mr. MOAKLEY. The gentleman from New York alluded to a bill before the Committee on Rules on Monday on veterans. I thought there might be some chance that we may hear that Friday.

Mr. SOLOMON. Reclaiming my time, Mr. Chairman, I would say to the gentleman that that is all up to the Subcommittee on VA, HUD and Independent Agencies. If they can file their report tonight, I would be more than glad to meet tomorrow to save the Committee on Rules members from having to come back here Monday when there are not going to be any votes until Tuesday at 5 o'clock.

Mr. MOAKLEY. That is what I am referring to.

Mr. SOLOMON. I would ask my good friend to use his persuasion and get it done.

Mr. MOAKLEY. I used my persuasion on the Interior rule and nothing happened.

Mr. SOLOMON. I would suggest the gentleman persevere.

AMENDMENT OFFERED BY MR. SKAGGS

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

The Clerk read as follows:

Amendment offered by Mr. Skaggs:

Page 46, line 14, strike "$599,715,000" and in lieu thereof insert "$591,715,000".

Page 58, line 18, strike "$100,000,000" and in lieu thereof insert "$101,000,000".

Page 59, line 10, strike "$312,153,000" and in lieu thereof insert "$313,153,000".

Page 60, line 20, strike "$636,766,000" and in lieu thereof insert "$644,766,000".

Page 60, line 25, strike "$149,845,000" and in lieu thereof insert "$153,845,000".

Page 61, line 6, strike "$120,845,000" and in lieu thereof insert "$123,845,000".

Page 61, line 7, strike "$29,000,000" and in lieu thereof insert "$30,000,000".

Mr. SKAGGS (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

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

There was no objection.

The CHAIRMAN. Is there objection to consideration of this amendment at this time in the bill en bloc?

There was no objection.

Mr. SKAGGS. Mr. Chairman, this amendment would increase the bill's funding for energy conservation and efficiency programs by $8 million. These additional funds would be used for several important R&D programs at the Department of Energy, for State energy programs, and for weatherization. It also makes a small adjustment in the division of funds among some of the fossil energy programs.

I appreciate very much the willingness of the gentleman from Ohio, the chairman of our subcommittee, to work to develop this amendment, which he has indicated he would accept, and should, therefore, not be controversial.

As the chairman knows, I wish that we could go further than is provided in this amendment and to provide greater increases in these important efficiency and conservation programs, but we were unable to find the offsets to do that. In adopting this amendment, it will make a definite improvement in the bill. I hope we may be able to go a bit farther as the other body considers this legislation.

□ 2015

I urge adoption of the amendment.

Mr. Chairman, this amendment would increase the bill's funding for energy conservation and efficiency by $8 million. These additional funds will be used for several important research and development programs of the Department of Energy, for State energy programs, and for the weatherization program. It also makes a small adjustment in the division of funds for the fossil energy programs.

I greatly appreciate the willingness of the subcommittee chairman, the gentleman from Ohio, to work with me to develop an amendment that he will accept and that therefore should not be controversial.

As Chairman REGULA knows, this amendment does not go as far as I would have liked. I think these programs should receive an even greater increase in funds. But the amendment is a compromise, and just as it does not do all that I would have wanted, it goes further than would the bill as reported. So, adopting this amendment will make a definite improvement over the bill as reported, and I hope it will set the stage for further improvements when we get to a conference with the other body.

I urge the adoption of the amendment.

This amendment adds $8 million in budget authority to the energy conservation accounts. Of that total, $3 million is for the weatherization program; $1 million is for the State energy program; and the rest is allocated as follows:

Building equipment and materials will be increased by a total of $3 million. Of that total—

$250,000 will go to research in developing gas-fired heat pumps for heating and cooling residences and smaller commercial buildings ("Hi-cool Heat Pump program");

$1 million will go to the lighting programs, to support a variety of research programs including work on improved light fixtures, advanced lamp technologies, improved lighting controls, more sophisticated light distribution systems, and possibly work along lines suggested by the Hybrid Lighting Partnership;

$1 million will be for cooperative efforts between DOE and industries such as the manufactured-housing companies and utility firms to increase the adoption of efficiency measures in the marketplace—efforts that have been part of the "Energy Star" program, but that don't include other aspects of that program such as the training of retail personnel;

$150,000 will be to expand efforts to develop practical "superinsulation" materials, by working with insulation manufacturers; and

$600,000 will be for research projects concerning windows and glazing, including advanced window coating, electrochromic "smart" windows, and other new technologies that can produce great energy savings.

Three programs in the industry sector will receive a total increase of $1 million. Of that—

$300,000 will be for Industrial Assessment Centers, university-based centers that provide no-cost energy and environmental audits to help small and medium-sized businesses;

$300,000 will be for the "Motor Challenge" program, under which industry-government partnerships promote a systems approach in selecting, operating, and managing efficient electric motor systems; and

$400,000 will be for the "NICE-cubed" program, which provides competitively-selected grants to state-industry partnerships aimed at encouraging deployment of energy-efficient technologies and to demonstrate technologies that can improve energy efficiency, reduce waste, and save money.

Finally, the amendment will make a modest increase ($1 million) in funding for the consolidated fuel cell program, part of the fossil energy research and development activities of the Department of Energy.

The amendment is fully offset. The increases in the energy conservation accounts are offset by a reduction in the advance funding for forest service firefighting activities, and the increase for the fuel cell program is offset by an additional rescission from the clean coal program. These offsets will not have an adverse effect on these activities.

Mr. Chairman, I yield to my colleague, the gentleman from Florida [Mr. DAVIS].

Mr. DAVIS of Florida. Mr. Chairman, I support the Skaggs amendment.

Mr. Chairman, I rise in strong support of the Skaggs amendment which provides a much needed increase in funding for energy conservation programs. Included in the amendment is an additional $600,000 for the windows and glazing program. This program provides funding for a promising new technology with enormous energy savings potential for the commercial windows market.

It is my expectation that this funding increase will be used to further the development of plasma enhanced chemical vapor deposition [PECVD] techniques for electrochromic technologies. This technology provides a flexible means of controlling the amount of light and heat that passes through a glass or plastic surface. Such a capability would provide Americans, and indeed much of the world, with a premier energy saving opportunity in building construction. The Department of Energy has estimated that placing this technology on all commercial buildings in the United States would produce savings equivalent to the amount of oil that travels through the Alaska pipeline each year.

In recognition of the importance of this technology, my home State of Florida has provided $1.2 million in State funds to the University of South Florida which is utilizing a license

associated with technology developed by the National Renewable Energy Laboratory in Colorado. I believe the additional funds for the windows and glazing program will be available to assist with this excellent example of a public-private partnership.

Mr. Chairman, I want to thank Congressman SKAGGS for his hard work on this amendment and Chairman REGULA for his willingness to accept it. I believe it is a common sense amendment which will enhance our nation's important energy conservation programs and allow the United States to remain at the forefront of major new conservation technologies.

Mr. SKAGGS. Mr. Chairman, reclaiming my time briefly, I also wanted, if I could, to ask the chairman to engage with me briefly. I believe he has received a copy or has received a letter from the Secretary of Energy. I have a copy which I would like to put in the RECORD at this point. It is, I think, a very helpful indication of the administration's willingness to work with the chairman in some areas of concern to the subcommittee in the building program in particular.

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

Mr. SKAGGS. I yield to the gentleman from Ohio [Mr. REGULA] relative to the Secretary's letter and my amendment.

Mr. REGULA. Mr. Chairman, we have examined the amendment. We appreciate the fact that the gentleman from Colorado [Mr. SKAGGS] is willing to work out a compromise on this, and in view of that, we are prepared to accept the amendment.

Mr. SKAGGS. Mr. Chairman, reclaiming my time, let me also inquire of the chairman, I wanted to put Secretary Peña's correspondence to the chairman in the RECORD at this time.

As I mentioned a minute ago, I expect that the chairman finds this a very forthcoming expression of intended cooperation and accommodation by the administration in some areas that were of concern to the chairman in this particular part of the bill, and I just wanted to ask the gentleman's consent on that point.

Mr. REGULA. Mr. Chairman, if the gentleman would yield further, we have no objection to putting the letter in the RECORD at this point.

The letter referred to follows:

THE SECRETARY OF ENERGY,
Washington, DC, July 10, 1997.

Hon. RALPH REGULA,
Chairman, Subcommittee on Interior and Related Agencies, Committee on Appropriations, U.S. House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN: Thank you for your interest in helping us reshape the energy conservation programs of the Department of Energy and your continued support for the objectives of these programs. I know that we share the view that investments to increase the productivity of energy use are critical for finding ways to meet environmental goals, to increase American energy security, and to ensure continued economic growth.

I know that the House Committee on Appropriations has expressed concerns about the management of programs designed to improve the energy efficiency of buildings. While the Department's programs in this area have been highly successful in the past, I share your concern that they need a careful review. I agree with your observation that the programs should be focused around a set of objectives that are both clear and easily explained. These programs must be developed in close cooperation with the business and other groups who must be our partners in this work. Their support for our programs is vital to our success.

We are working to redesign our programs and will give the views expressed in the FY 98 House Interior Appropriations Committee report very serious consideration. Later this year I will provide you with a strategic plan that responds to the Committee's request; I want to assure you that it will receive my personal attention. Given the importance of energy efficiency—and the opportunities for improving the energy efficiency of buildings, in particular—it is essential that the federal government's RD&D program be well-focused and adequately supported.

I look forward to discussing this matter with you in more detail in the near future.

Sincerely,

FEDERICO PEÑA.

Mr. FOX of Pennsylvania. Mr. Chairman, as my colleagues know, I have been a strenuous supporter of funding for the Low-Income Weatherization Assistance Program and the State Energy Conservation Program funded through the Department of Energy accounts in the Interior appropriations bill. I have offered amendments in prior years to increase funding for these programs and I continue to support strong increases for these programs that go to the heart of the Federal Government's cooperation in community-based solutions to the needs of the people in our boroughs, townships, and counties.

I want to thank Mr. SKAGGS for working with us in supporting increased funding for these important programs. Today's amendment increases Weatherization by $3 million to $124 million in fiscal year 1998 and increases the State Energy Program by $1 million to $30 million. Even though the amendment is small, it begins to move in the right direction. The Appropriations Committee had supported flat funding with no inflation increase.

I also want to commend Chairman REGULA and his staff for his work on this very difficult appropriations bill. It is important to stress, however, that these two programs have taken the brunt of the cuts in the Department of Energy conservation accounts since fiscal year 1995, when Weatherization was funded at a level of $226 million and the State grants received $53 million. These cuts of almost 50 percent have affected people in every congressional district. Weatherization helps low-income Americans through the installation of insulation and otherwise improving the energy efficiency of homes. On average, these improvements save these poor households over $200 a year in energy costs. That makes a huge difference. The State Energy Program provides leveraging of funds to conduct energy improvements in schools and hospitals so that more money can go into education and health care. This program reaches into small business and homes to reduce energy costs and apply innovative technologies to solve our energy challenges.

These programs are still grossly underfunded. I want to stress to my colleagues that I hope we can increase these funding levels in conference. I will carefully observe our actions and I look forward to working with Chairman REGULA in balancing important interests, but providing critical resources to aid people in need.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Colorado [Mr. Skaggs].

The amendment was agreed to.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

RECONSTRUCTION AND CONSTRUCTION

For necessary expenses of the Forest Service, not otherwise provided for, $160,122,000, to remain available until expended for construction, reconstruction and acquisition of buildings and other facilities, and for construction, reconstruction and repair of forest roads and trails by the Forest Service as authorized by 16 U.S.C. 532–538 and 23 U.S.C. 101 and 205: *Provided*, That not to exceed $50,000,000, to remain available until expended, may be obligated for the construction of forest roads by timber purchasers: *Provided further*, That purchaser road credit will be limited to those companies that meet the Small Business Administration definition of small business as defined in title 13, Code of Federal Regulations, part 121.

POINT OF ORDER

Mr. SMITH of Oregon. Mr. Chairman, I raise a point of order against the legislative provision beginning with "provided further" on page 47, line 2, through "part 121" on line 6. This language violates clause 2 of House rule XXI, which prohibits a provision containing legislative language in a general appropriation bill.

The CHAIRMAN. Does any Member wish to be heard on the point of order?

The Chair is prepared to rule. The second of the unprotected provisos under the heading "reconstruction and construction," by restricting the availability of the purchaser road credit to a specified class of companies, includes legislation in violation of clause 2(b) of rule XXI.

Therefore, the point of order is sustained and the language is stricken from the bill.

Are there any further points of order against the language read?

AMENDMENT NO. 7 OFFERED BY MR. PORTER

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

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. PORTER:

Page 46, line 20, after the dollar amount insert "(reduced by $41,500,000)".

Page 46, line 126 after the dollar amount, insert "(reduced by $1)".

Mr. PORTER. Mr. Chairman, I hate to offer any amendment to the bill of the gentleman from Ohio [Mr. REGULA]. There is no one in the House for whom I have more respect and admiration, and I assure my friend and all of our colleagues from the West and so-called

timber districts that my difference with him and with them is one only of policy.

The amendment that I offer, together with the gentleman from Massachusetts [Mr. KENNEDY], the gentleman from Florida [Mr. MILLER], the gentleman from Ohio [Mr. KASICH], the gentlewoman from Oregon [Ms. FURSE], the gentleman from Delaware [Mr. CASTLE], the gentleman from Utah [Mr. COOK], the gentleman from Wisconsin [Mr. KLUG], the gentlewoman from Maryland [Mrs. MORELLA], and the gentleman from California [Mr. ROYCE] will put an end to the use of taxpayer subsidies for the construction of logging roads in our national forests. It will reduce the $89.5 million road construction and reconstruction account by $41.5 million. This amendment will eliminate the funds for the construction and reconstruction of timber roads and eliminate the funds used to administer the purchaser road credit program. As estimated by the CBO, the amendment will directly save taxpayers $42 million.

Mr. Chairman, this amendment will not affect recreation and general purpose roads, and it will not reduce the money for maintenance and road obliteration, which is funded through a separate account. Under this amendment, if timber companies want to build logging roads with their own money, they can; and there is $5.9 million left in the account for the Forest Service to inspect and oversee their work.

Under the present system, logging companies receive incentives to build roads but the taxpayers are left with future maintenance costs. A majority of the timber roads in our national forests were constructed through the purchaser road credit program.

The credit that is issued by the Forest Service is for an estimate of the cost of the road that, according to the GAO, includes a 15-percent profit margin. Mr. Chairman, that is a direct subsidy, and it is one that is often greater than the profit margin than the timber company can expect on the whole sale. Further, the estimate and the actual costs are never compared. That may be a further indirect subsidy.

Bottom line, there is no accountability for the estimate and credit offered by the Forest Service.

To argue that the purchaser road credit program does not offer a subsidy is absolutely absurd. If there was no subsidy, Mr. Chairman, the timber companies would not care if it is eliminated; and, very obviously, they do. The fact that the Price Waterhouse study says otherwise is refuted by the fact that it was paid for by the American Forest and Paper Association.

Mr. Chairman, the Forest Service is a land management agency. It was not created to be in the business of building roads. The two other land management agencies, the Bureau of Land Management and the Bureau of Indian Affairs, do not subsidize the construction and reconstruction of timber roads on their lands. Neither should the Forest Service.

The timber companies build a lot of roads under the Bureau of Land Management and Bureau of Indian Affairs, but none of them are subsidized.

I appreciate the efforts of the chairman of the subcommittee to improve the forest road program by limiting the number of roads that can be constructed in our national forests.

My colleagues will hear in the debate that only 8 miles of roads will be allowed to be built by the Forest Service. That is by the Forest Service, Mr. Chairman, and does not take into account the purchaser road credit program. Factoring in the roads under this program, the total is 302 miles of new subsidized timber roads at a cost to the taxpayer of $41.5 million.

Under this amendment, the roads can still be built, the logging can still take place, but the timber companies will have to pay for the cost of building the roads needed for the timber harvests. That is the way almost every for-profit company in America works in our economy, Mr. Chairman; they pay their own costs of doing business. That is called free enterprise.

Mr. Chairman, we already have 380,000 miles of roads in our national forests, enough to encircle the planet more than 15 times, 1.6 miles of road for every square mile of national forest. Do we really need more subsidized roads?

Mr. Chairman, I urge my colleagues to support this amendment.

Mr. KENNEDY of Massachusetts. Mr. Chairman, I rise in support of the Porter amendment.

First I want to say to my good friend, the gentleman from the State of Washington [Mr. DICKS], that I thought that when the House got rid of B–1 Bob that it might be the last we have seen of someone in that particular line of work. But we have got B–2 Norman to replace him, who has become the Paul Bunyan of our national forests.

The House of Representatives voted less than 2 weeks ago on a spending cut package to balance the Federal budget. Wrapped in those proposals were billions of dollars of reductions in the country's transportation budget, money needed to pave our highways and fill our potholes, money needed so that hard-working families can get to work on time, so that economic goods can be efficiently shipped to the marketplace, and so that the parents can get their kids to schools safely.

Yet today we are considering an Interior appropriations bill that contains millions of dollars to subsidize the construction of logging roads in our national forests so that wealthy timber companies can haul off even higher profits. Not enough money to fix our national highways, but plenty to spare for big profitable timber companies like Weyerhaeuser, Georgia Pacific, and International Paper.

American taxpayers will no longer stand for such corporate welfare schemes. Paul Bunyan and his blue ox Babe never needed a pocketful of Federal cash to do their job. But if we listen to the cries of the timber interests, their industry would go down the river if they were pulled away from the subsidy trough.

My colleagues would think that if we were going to allow private timber companies to come in and remove Federal assets from our forests for their own profit, at the very least these companies would have to pay for the roads that are needed to get to that timber. What is next? Paying for gasoline for the corporate jets? The American taxpayers already paid for 380,000 miles of roads that crisscross our national forests, which is more than eight times the size of the U.S. Interstate Highway System.

I am joined by my colleagues today to say, enough is enough, we do not need any new taxpayer subsidized logging roads. If new roads for logging purposes are warranted, practical and profitable, why should not these corporate giants build their own roads?

The amendment I offer today with my colleague from Illinois [Mr. PORTER] will end the practice of taxpayer subsidies for the construction of these new logging roads. We cut $41.5 million out of the construction and reconstruction component of the Forest Service roads budget.

Our amendment only affects the construction and reconstruction of logging roads themselves. It does not touch funds for recreation or general purpose roads or trail construction, nor does it affect the budget for the maintenance of the existing infrastructure.

The Forest Service fiscal year 1998 budget notes show how they would use the $41.5 million for timber roads. They want to spend roughly $10 million to build 1.3 miles of new timber roads and 38.1 miles of reconstructed timber roads. The remaining $31.5 million was slated for use, in the staff report, for the designing and engineering of timber roads under the purchaser credit program.

This program gives trees to timber companies in exchange for their cost to build the roads, another taxpayer giveaway that must end. This amendment leaves intact the $5.9 million the Forest Service requested to inspect and oversee the work when timber companies build roads under purchaser credit.

We still want the Forest Service to inspect and oversee their work. We just no longer want to reimburse timber companies for the cost of these roads. The savings we get from this amendment will be applied for deficit reduction.

We must stand up against the special interests and reverse this wasteful and environmentally damaging spending. The environment suffers because building these new roads in our national forest system has had a devastating impact on direct habitat loss, water quality, and wildlife populations.

□ 2030

Road construction, particularly on steep unstable slopes dramatically increases the risk of landsliding, erosion, and siltation of the streams. Such damage requires us to be more than idle observers.

Some points I would like to reiterate about this amendment.

The amendment will cut only money from the budget that would be used to build logging roads. We have never touched the funds that are needed to repair or maintain roads in the existing national forest infrastructure. There is $85 million in this bill under the entirely separate section entitled "Infrastructure Management" that is used for road maintenance. We do not touch the funds for building the general purpose or recreation roads or the construction of trails.

This money plain and simple is a direct handover to the lumber companies for going in and harvesting trees. All we say is if you want to go in and cut down the trees, pay for the roads yourself, and do not look to the Federal taxpayer for the subsidy.

AMENDMENT OFFERED BY MR. DICKS TO THE AMENDMENT OFFERED BY MR. PORTER

Mr. DICKS. Mr. Chairman, I offer an amendment to the amendment.

The Clerk read as follows:

Amendment offered by Mr. DICKS to the amendment offered by Mr. PORTER:

On line 2 of the Porter amendment strike the figure $41,500,000, and insert $5,600,000.

On line 4 of the Porter amendment strike the figure $1 and insert $25,000,000.

Mr. DICKS. Mr. Chairman, I have been listening to my colleagues today, many of which feel that the Kennedy-Porter amendment goes too far, that it makes too deep a cut in the timber purchaser credit program. It also makes a very severe cut in appropriated funds, most of which are being used for reconstruction of timber roads. Only 8 miles of new roads are being constructed under appropriated funds.

What I am offering here is a compromise. This will allow us to go forward and do the reconstruction, and it will also provide half of the money for timber purchaser credit.

By the way, most of the timber sales, over 75 percent of the timber sales, go to small businesses. These are not going to the elite. Most of them have gotten out of the business, at least in the Northwest, because they export off their private lands and they get very little if any Federal timber.

My colleagues have to understand what has happened in the timber area. We used to do about 10 to 12 billion board feet nationally each year. This year we have come down, and this is the history here, and in recent years we have come down to about 3.7 billion board feet. We have cut in third the timber program in this country.

What happens when we do that? What happens when we create this shortage? First of all we import. Over 30 percent of the softwood that comes in today comes in from Canada. They are up there cutting like mad to meet the U.S. market requirement. The other thing that happens is it forces up the price of lumber. We have got a letter here from the homebuilders saying that the average house has gone up about $2,800 per house because of increased lumber prices. So consumers have paid something like $2.8 billion more than they would have had to pay for their new houses over the last several years.

I ask tonight for some common sense, for some compromise. This is an amendment that will not devastate these programs. By the way, in case somebody did not understand, one cannot go in and do timber harvesting without roads. Ninety percent of the roads we have are used for recreational purposes. They are used for fire suppression. They are used to get people out into those great recreational areas. The Forest Service lands provide more recreational opportunity than our National Park System. That is something that is not well understood by some easterners, and if the gentleman from Massachusetts ever wants to come out, I will be glad to take him around and show him a few of the roads. But, seriously, these roads are very important in terms of the transportation system. I want to also point out the density of roads on the Forest Service lands are much lower than either BLM lands or in Forest Service lands.

The problem with what the gentleman from Massachusetts [Mr. KENNEDY] and the gentleman from Illinois [Mr. PORTER] have come up with is that they want to cut $41.5 million out of appropriated funds for timber roads. Most of that money, almost all of that money, I think $40 million of that money, would be used for reconstruction. Reconstruction means going out and fixing up roads that have problems and doing it so that you can put in culverts, you can fix the roads so if you have a big storm, they do not break apart and wind up blowing out and winding up in the salmon streams. That is why I have changed that part of their amendment to go to $5.6 million which is the administration's budget request. I think we then fix that part of the amendment. Then we preserve some of the money for purchaser credit so that the smaller companies out there can still use this program, which is important for them because they have a hard time. If they do not have this, they are going to have to finance the roadwork themselves, and some of these smaller companies have a difficult time doing that.

We have a way of fixing that with the purchaser elect program which will then allow the Forest Service to do some of this for them. There are two groups that are going to get really hurt by this amendment and doing away with timber purchaser credit. One is the counties. They are going to lose 25 percent of what they got before. Those Members who have been worried about PILT, counties get hurt here.

The CHAIRMAN. The time of the gentleman from Washington [Mr. DICKS] has expired.

(By unanimous consent, Mr. DICKS was allowed to proceed for 4 additional minutes.)

Mr. DICKS. Mr. Chairman, the counties get hurt and the small businesses who have used this program. That is why instead of eliminating it as the gentleman from Massachusetts [Mr. KENNEDY] and the gentleman from Illinois [Mr. PORTER] do, I have kept it in at $25 million.

Mr. KENNEDY of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. DICKS. I yield to the gentleman from Massachusetts.

Mr. KENNEDY of Massachusetts. I appreciate the gentleman yielding.

Mr. Chairman, I would love to go camping with the gentleman from Washington sometime, but this issue has nothing to do with recreational roads.

Mr. DICKS. Of course it does.

Mr. KENNEDY of Massachusetts. If the gentleman will just yield to me for a brief moment to answer some of the questions that he has brought up.

First and foremost, we specifically outline in the language in this amendment that would prevent any cut in funding for recreational road purposes, first. Second, the gentleman says that the cost of lumber will go up. Only 4 percent of the lumber in this country comes totally from our national forests. We have got 389,000 miles of forest, and we have only got 1.3 miles worth of new roads.

Mr. DICKS. Mr. Chairman, reclaiming my time, first of all, all these roads are used by people for recreational purposes.

Mr. KENNEDY of Massachusetts. Absolutely.

Mr. DICKS. All of them are used. When we do reconstruction on those roads, it is to keep those roads available for recreational purposes. The gentleman is taking out a big part of that money.

I am surprised that we even have, and I think it is 5 percent, by the way. Look at what we have done to timber harvesting in this country. We have taken it down to here. I know that someone will not rest until it is probably below this line. That is simply not

right because we have a responsibility. We can manage these forests on a sustainable basis. This is not James Watt running this place down there. It is Jim Lyons who used to be on the staff here of the Committee on Agriculture, it is Dan Glickman, it is ALBERT GORE, it is Bill Clinton, it is Bruce Babbitt. These are the people that are managing these forests.

All I want to say is that these people are managing this properly. They have also said that the Kennedy-Porter amendment goes too far. We have a letter here today and let me just read a couple of salient paragraphs:

"Small timber business purchasers would be adversely affected because of potential financial troubles they may encounter as they operate timber sales if the purchaser credit program is eliminated. Accordingly, the administration urges Congress to allow the Forest Service to do the purchaser election. The administration also supports reducing the construction of new roads on national forests as reflected in its budget. However, the $41.5 million reduction the amendment proposes goes too far in eliminating important construction and reconstruction efforts that provide public safety and environmental benefits."

The administration opposes the Kennedy-Porter amendment because it simply goes too far. This is a decent compromise.

Mr. KENNEDY of Massachusetts. If the gentleman will yield further, I would like to point out that I too got a letter from the Secretary after I received the letter that he sent to me at the gentleman's request, I got a letter from him later this afternoon indicating to me that he has no idea of what it was that the gentleman had talked to him about.

Mr. DICKS. No, no. Dan Glickman is a longtime member of the Committee on Agriculture.

The CHAIRMAN. The time of the gentleman from Washington [Mr. DICKS] has again expired.

(On request of Mr. KENNEDY of Massachusetts, and by unanimous consent, Mr. DICKS was allowed to proceed for 1 additional minute.)

Mr. DICKS. Mr. Chairman, I continue to yield to the gentleman from Massachusetts.

Mr. KENNEDY of Massachusetts. In clarifying the letter that I sent you this afternoon, the administration supports reducing the construction of new roads within the national forest system primarily for the environmental reasons and because of the extensive cost to maintain the road system that already exists.

In fact the President's budget proposes to eliminate the purchaser road credit program, which the gentleman just refunded in his amendment.

Mr. DICKS. By 50 percent.

Mr. KENNEDY of Massachusetts. The President opposes your amendment.

Mr. DICKS. I never said the administration supported my amendment.

Mr. KENNEDY of Massachusetts. But the gentleman certainly said Mr. Glickman supported his amendment.

Mrs. CHENOWETH. Mr. Chairman, will the gentleman yield?

Mr. DICKS. I yield to the gentlewoman from Idaho.

Mrs. CHENOWETH. I think the amendment of the gentleman from Washington [Mr. DICKS] is interesting, but I have some questions.

One is that on the purchaser road credits because of the volume of timber sales in the Reagan and Bush administration, then they dropped off sharply in the Clinton administration, large businesses as well as small businesses are carrying these purchaser road credits as assets on their books. If the purchaser road credits are eliminated in any form, that would be a taking of assets. Can the gentleman reassure me that in his amendment that would not occur?

Mr. DICKS. If my amendment is adopted, of course, we will keep the program going. Even if it is not, I am confident that there is nothing in the Kennedy-Porter amendment that retroactively takes away anybody's right.

The CHAIRMAN. The time of the gentleman from Washington [Mr. DICKS] has again expired.

(By unanimous consent, Mr. DICKS was allowed to proceed for 1 additional minute.)

Mr. DICKS. Mr. Chairman, I would like to assure the gentlewoman that there is nothing in my amendment and I do not believe anything in either amendment that would adversely affect prior timber purchaser credits. We would certainly work to put language in at some point to make sure that that is a clear understanding. We will work with the chairman and the administration to make sure that is taken care of.

Mrs. CHENOWETH. I thank the gentleman from Washington [Mr. DICKS] because I do believe it could conceivably take away those credits. I would appreciate language that would make sure that did not happen.

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

Mr. DICKS. I yield to the gentleman from Ohio.

Mr. REGULA. I think the point that is lost here, too, is that taking out this money which takes away the ability to reconstruct roads means we are going to have environmental problems. What this gentleman is proposing is a good environmental vote because it preserves the necessary money to reconstruct these roads in a way that not only can the public use them but we will avoid siltation, we will avoid a lot of problems that would result in an environmental degradation.

The CHAIRMAN. The time of the gentleman from Washington [Mr. DICKS] has again expired.

Mr. REGULA. Mr. Chairman, I ask unanimous consent that the gentleman from Washington have 2 additional minutes.

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

Mr. KENNEDY of Massachusetts. Mr. Chairman, I object.

The CHAIRMAN. Objection is heard.

Mr. REGULA. Mr. Chairman, I ask unanimous consent that debate on this amendment and all amendments thereto close in 1 hour and that the time be equally divided.

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

Mr. DEFAZIO. Mr. Chairman, reserving the right to object, I am not a member of the committee. I wish to speak on this. How can I be assured, since I am not a member of the committee, and I do not know how many members of the committee are going to rise, that I will be allocated any time during that hour? There are many other members on both sides of the issue who wish to speak.

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

Mr. DEFAZIO. Further reserving the right to object, I yield to the gentleman from Washington.

Mr. DICKS. Is the gentleman saying that it is an hour on the Dicks amendment?

Mr. REGULA. If the gentleman will yield, it is a total of 1 hour on the Porter and the Dicks.

Mr. DICKS. Mr. Chairman, I would object. I think that is too short a time frame. I think there are a lot of Members who want to speak on this and I am just afraid we will not be able to take care of everybody who wants to speak.

Mr. REGULA. Mr. Chairman, let me revise the unanimous-consent request to close all debate on this amendment and all amendments thereto in 1½ hours and, of course, that the time be equally divided.

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

Mr. KENNEDY of Massachusetts. Mr. Chairman, reserving the right to object, I have to clarify this issue with the Chair for a brief moment. If we limit the total debate to 1½ hours, how do we separate the amount of time that would be dedicated to the Dicks amendment versus the underlying Porter amendment?

□ 2045

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

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

Mr. REGULA. Mr. Chairman, we do not attempt to separate them. We will roll the votes. There will be a vote on the Dicks substitute, and then there will be a vote on Porter-Kennedy.

Mr. KENNEDY of Massachusetts. So the entire debate will then center around the Dicks substitute?

The CHAIRMAN. The Chair would announce it would be the Chair's intention to divide the time, if the unanimous-consent agreement is reached, as follows: 45 minutes to be controlled by the gentleman from Ohio [Mr. REGULA], 22½ minutes to be controlled by each of the proponents of the amendments on the floor, that being the gentleman from Illinois [Mr. PORTER] and the gentleman from Washington [Mr. DICKS].

Mr. DICKS. What about my amendment, Mr. Chairman?

I think we have to object. I think it is too short. I think we are not ready yet.

The CHAIRMAN. Is there objection?

Mr. DICKS. I object.

Mr. REGULA. Mr. Chairman, I have a unanimous-consent request pending.

The CHAIRMAN. There has been an objection.

Does the gentleman from Ohio [Mr. REGULA] seek recognition?

Mr. REGULA. Mr. Chairman, let us start over.

Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments thereto close in 1½ hours and that the time be equally divided.

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

Mr. PORTER. Reserving the right to object, Mr. Chairman, the Chair announced that the allocation of time would basically be skewed toward opponents of the Porter amendment and proponents of the Dicks amendment. I would ask the gentleman from Ohio if he would change his unanimous-consent request to request that all debate on both amendments be concluded by 10:30 p.m. and that half of the time be controlled by the gentleman from Ohio [Mr. REGULA] and half the time be controlled by myself.

Mr. OBEY. If the gentleman will yield under his reservation, Mr. Chairman, I am very interested in trying to obtain a time limitation. I have been trying to do that working with the majority party for the last 45 minutes, but I do not think it is an especially sweet deal when all of the time is controlled by that side of the aisle.

Mr. REGULA. Mr. Chairman, I withdraw my unanimous-consent request, and we will try to work it out.

The CHAIRMAN. The request is withdrawn.

Mr. SMITH of Oregon. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I want to discuss for a minute real purchaser credits because again this is one of the situations in which we have been debating where myth seems to override fact. And let me try to bring back to what is actually at stake here with respect to real purchaser credits which have been, they have been accused of being the handmaiden of the rich. It is the process that has been accused of being a subsidy, and let me explain exactly what happens:

If I am a timber purchaser and the Forest Service has a sale, the Forest Service identifies the amount of money for the road. When I bid the timber contract, I determine by my own assessment what the road is worth. If the road is in my estimation, in the estimation of the Forest Service, too expensive, I bid less on the timber. If I think I can build a road for the amount of money that is explained through the engineering process in the Forest Service, or less, than I bid more for the timber. So I adjust my timber bid depending upon my assessment of the road allocation determined by the Forest Service and by the engineering process.

When I am through the road is a wash. I do not bid the road to make money on trying to get the timber contract. So when it is all over, there is no advantage to me in the road process. However it is an advantage if I am a small business man because some way I am given a credit for the expense of the road in more timber.

That is the size of it. There is not a subsidy around it; there never has been.

Now do not press me. Look, I am from the west, I am from a timber country. My gosh, I am probably kidding my colleagues. But my colleagues all know Price-Waterhouse. My colleagues all know that they are a very successful auditing company in the United States. Price-Waterhouse has examined this issue. Price-Waterhouse says this is not a subsidy, Price-Waterhouse says this is not a bonus to any big timber companies, and therefore I suggest that a third party witness says and disputes, disputes the thought that this is some sort of subsidy and therefore some sort of corporate pork. It is not.

Mr. Chairman, this issue is not an environmental issue, and it is not even a budget issue. This is a question of the management of forests.

Now let us assume that we eliminate all of the appropriated money, as has been suggested. When we eliminate all the appropriated money, we eliminate the engineering process in America.

Now those of my colleagues who want to shut down the operation of every timber program in America, they are right, they are right. Go with the gentleman from Massachusetts [Mr. KENNEDY]. You betcha; that is what is done.

If my colleagues believe in the management of forests for the protection of everything we want to protect, the endangered species, the water quality and quantity, the stream bank programs, the wildlife, and when I am finished I will yield, then my colleagues have to realize that we have to have roads for the protection not only of the structure of the forests, but what about wild fires? What about recreation? What about all the opportunities that we all enjoy in the forests? Eliminated.

If we eliminate, by the same token, the forest or the timber credit program, we have eliminated small business. Seventy-five percent of all contracts in the forests are given to small business, 75 percent. One of the reasons that they are still in business is simply because of the road credit program because, yes, they can collect their money earlier, they do not have to wait until the end of the program, they do not have to wait 3 years. Sometimes these contracts are out 3 years. They can assume timber in exchange for the cost, the cost of the road. Not profit, the cost. Therefore, my colleagues, this is not, should not be couched in the terms that we have heard.

So supporting any program that has appropriated funds for engineering, supporting any program that protects someone, road purchaser credits is essential to the health of the timber industry in the west.

Please understand this is the issue.

Mr. REGULA. Mr. Chairman, I want to make a unanimous-consent request, and I yield to the gentleman from Wisconsin [Mr. OBEY].

Mr. OBEY. Mr. Chairman, I do not care who makes the unanimous-consent request. I think there is bipartisan agreement on the committee at least.

Mr. REGULA. That is the request I am going to make.

Mr. OBEY. And I think we ought to just proceed with the request, so why does the gentleman from Ohio not go ahead?

Mr. REGULA. Mr. Chairman, I ask unanimous consent that all debate on the Porter amendment and all amendments thereto close in 80 minutes, the time to be allocated as follows: 20 minutes to the gentleman from Washington [Mr. DICKS], 20 minutes to the gentleman from Massachusetts [Mr. KENNEDY], 20 minutes to the gentleman from Illinois [Mr. PORTER] and 20 minutes to myself.

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

Mr. RIGGS. Reserving the right to object, Mr. Chairman, I just would like to ask the distinguished subcommittee chairman, since there are a number of us waiting here for the opportunity to participate in this debate who represent districts that are home to Federal forest lands and which are directly impacted by the proposed amendments when we would have an opportunity to speak under the proposed unanimous-consent agreement limiting time for debate on those 2 amendments or any subsequent amendments thereto.

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

Mr. RIGGS. Further reserving the right to object, I yield to the gentleman from Ohio.

Mr. REGULA. Mr. Chairman, obviously we would have 40 minutes between myself and the gentleman from Washington [Mr. DICKS] and he could assign some time and I could.

Now, if my colleague does not think 40 minutes is enough, he can object to the unanimous-consent request. We are simply trying to expedite this, and it would amount to probably about 2 minutes per speaker.

Mr. OBEY. Mr. Chairman, would the gentleman yield under his reservation?

Mr. RIGGS. I yield to the distinguished ranking member, the gentleman from Wisconsin.

Mr. OBEY. Mr. Chairman, let me just suggest that it is my hunch that there will be enough time for everybody who wants to to speak provided that people who want to speak simply let the four floor managers know who they are so that they can allocate time to everybody without squeezing people out. The problem they have is that at this time of night people come out of the woodwork and the fellows managing the time do not have any idea who wants to speak.

I mean I cannot imagine in 80 minutes that we will not have enough time for everybody to participate. I have got forest lands in my district. I do not need to talk. I will simply be happy to give that time to somebody else. I just want to get this thing done in a reasonable time before people start losing their tempers.

The CHAIRMAN. Does the gentleman from California [Mr. RIGGS] insist on his objection?

Mr. RIGGS. I reserve the right to object, Mr. Chairman.

The CHAIRMAN. Does the gentleman from California insist upon his reservation of objection?

Mr. RIGGS. Mr. Chairman, I withdraw my reservation of objection.

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

There was no objection.

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

Mr. Chairman, the debate, as I understand it now, will be for 80 minutes, 20 minutes controlled by the gentleman from Washington [Mr. DICKS], 20 by the gentleman from Massachusetts [Mr. KENNEDY], 20 by the gentleman from Illinois [Mr. PORTER] and 20 by myself, and then after the 80 minutes of debate, then they will be intermingled. We will take votes on the Dicks substitute, and following that there will be a vote on Porter-Kennedy.

Then I want to announce to the Members that once that is completed it would be the intention of the Chair to continue to take amendments with no further votes tonight. We will go to Line 7, Page 76 and stop just before the NEA issue, and the committee at that point will rise. So we would have two more votes tonight at the end of the 80-minute period in which we debate the Kennedy–Porter and the Dicks substitute.

Mr. Chairman, I want to make it clear there will be no action on the NEA issue tonight. We are going to stop just prior to reaching that point in the bill, which is Page 76, Line 7.

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

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

Mr. OBEY. Mr. Chairman, I am having difficulty still hearing what the gentleman has said. I just want to make sure. There will be which other amendments then debated tonight after these two? The Klug? Royce?

Mr. REGULA. Mr. Chairman, any amendment will be in order that a Member might wish to offer until we reach Line 7, Page 76. If there were any votes ordered, they will be rolled over.

Mr. OBEY. All of the votes will be rolled?

Mr. REGULA. That is correct, there will be no votes after Porter-Kennedy and Dicks.

Mr. OBEY. One additional question.

It is essential that we not be in the committee marking up the transportation bill tomorrow when the NEA vote comes to the floor. Do we have an assurance that that double duty will not occur?

Mr. REGULA. Mr. Chairman, I am advised by staff that the leadership of the Committee on Appropriations, the gentleman from Louisiana [Mr. LIVINGSTON] is trying to work this problem out to avoid the very thing the gentleman from Wisconsin described.

Mr. OBEY. My point is I want assurances that the debate on NEA will not occur while we are in full committee marking up because we cannot be in two places at the same time and everyone feels very strongly about that.

□ 2100

Mr. REGULA. That is my intention that that will not happen; that is, the debate, if there is any committee markup ongoing at that time. Let me assure the gentleman that we are not going to debate the NEA issue while the full committee is in markup.

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

Mr. KENNEDY of Massachusetts. Mr. Chairman, I yield 2 minutes to the gentlewoman from Colorado [Ms. DEGETTE].

Ms. DEGETTE. Mr. Chairman, I would like to respond to a couple of points made by the gentleman from Washington [Mr. DICKS].

First of all, this issue that everybody, all of the recreational users, are using these roads. In fact, the GAO has stated that 70 percent of all Forest Service roads are designated as closed to vehicular traffic or for rough, high clearance vehicles. These logging roads are built for and used primarily by logging companies, and are generally inaccessible to vehicles driven by most Americans. I spent a lot of time in the national forests in my State, and I will tell Members that recreational users do not use these logging roads.

Second, with respect to the thought that housing sales will drastically increase if we cut this program, the truth is only 4 percent of all timber activity in the United States occurs in our national forests, and yet there are 377,000 miles of roads crisscrossing these areas. This is eight times the length of the highway system, and it seems incredibly disproportionate to be building these roads, as well as incredibly unlikely that housing costs will go up if we simply stop this program.

Finally, Mr. Chairman, I think it is important for me to add my two cents as a westerner, because I know exactly the damage that timber roads can do to the environment and to the health of our forest ecosystems, as well as the wasting of the taxpayers' money.

When we do this kind of clear-cutting in western forests, we wreak havoc on wildlife and we decimate mountainsides for floods. We have seen a lot of this in Idaho with the recent flood damage, and the fact that a lot of the mudslides have been caused by timber roads in our national forests. It is ecologically wrong and it is a financial drain on our budget. We should simply vote against the Dicks amendment. It does not cut enough. We should vote for the Kennedy–Porter amendment.

Mr. Chairman, I thank the gentleman from Massachusetts [Mr. KENNEDY] and the gentleman from Illinois [Mr. PORTER] for raising these important issue.

Mr. REGULA. Mr. Chairman, I yield 2 minutes to the gentleman from Washington [Mr. NETHERCUTT], a member of the subcommittee.

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

I want to respond to a few comments by my friends, the gentleman from Massachusetts [Mr. KENNEDY] and the gentleman from Illinois [Mr. PORTER], both of whom I have great respect for. I am from the West. I am from the east side of the State of Washington, where we have small timber companies. The idea of big timber companies is foreign to us. We have small timber companies, two and three and five and ten people who really rely on the timber purchaser credit program. It is not for big companies, it is for the small operator.

I think it is instructive for all of us to think about the fact that, with all due respect to the sponsors of this amendment, in my judgment, in my opinion, in my education, there is not one of them that has the kind of forest lands and the kind of timber communities and the kind of people that I do in my district, so it is easy to sit in Chicago or New York or Massachusetts and say I am going to take care of you

out West, and talk about special interests.

Let me tell the Members who the special interests are in this case. They are the people who are driving these fine gentlemen and the sponsors of this amendment to a no harvest-no cut policy on Federal lands. That is not only damaging to Federal property, it is damaging to the recreational interests.

People who go and use these Federal lands and forest areas, they use the roads to get there. It is absolutely inaccurate to say that special interests on our side are trying to protect this program. My special interests are the little guy. That is who is being hurt by this. My special interests are the recreational people who want to go into the forest and use it on a weekend, and they use a timber road to get there.

I want Members to know, let us put this into perspective. There is a special interest driving the sponsors of this amendment. They want a no cut policy on Federal lands and they want to put my region out of work. They want to hurt my little people. I am not going to stand for it.

Mr. PORTER. Mr. Chairman, I am pleased to yield 3 minutes to the gentleman from Florida [Mr. DAN MILLER], a sponsor of the amendment and a member of the committee.

Mr. MILLER of Florida. Mr. Chairman, I stand up here to a certain degree reluctantly, being a strong supporter of this particular amendment, because I am a member of the subcommittee with the chairman, the gentleman from Ohio [Mr. REGULA], and I have no greater admiration for anyone than I have for the gentleman, especially with the hard work he has done to bring this bill to the floor today.

So many of my colleagues and friends who I vote with most of the time are on the other side of the issue. But this is an issue that if one is a fiscal conservative and one also loves the environment, it is a natural amendment to vote for.

Mr. Chairman, let us get the facts straight here. First of all, we have heard the number of miles we are talking about, 380,000 miles. That is 15 times around the world. That is a lot of miles to be built in the national forests to start with.

Mr. Chairman, the amount of logs that are taken out of the national forests is a very small amount of the total number of logs in the United States. It only represents 4 to 5 percent of the total amount of commercial logging in the United States. So we are not talking about devastating the entire logging industry of the United States.

Mr. Chairman, there are two major reasons I believe we should be supporting the amendment; first, as a fiscal conservative, it is an issue of money. GAO did a study here about a year or so ago talking about the money. It costs us hundreds of millions of dollars every year to run this program. In 1995 it was a $234 million net cost. It was $278 million in 1995, and it was $455 million back in 1994.

So the total cost of the timber harvesting business is costing the Federal taxpayers money. Why should the Federal taxpayers be subsidizing this program? That is what it is, is corporate welfare, when it has a subsidy. It is a net cost. The GAO said that.

Mr. Chairman, the other issue we talked about is the environment. It does affect the environment, especially when we combine logs, logging, with the roads. I am not opposed to logging in the national forests. My environmental friends may not agree with me on that issue, but I believe it is sustainable, logging in the national forests.

But there are some environmental impacts we have to be concerned with, because when we cut the trees and make the logs it allows more water to flow down the mountainside into the streams, taking all the silt that builds up in there and the rocks and such, and it has caused damage to streams out West, so there are some environmental impacts that we have to be concerned with.

If Members are fiscal conservatives, if they believe in smaller government, if they want to reduce the size and scope of the Government, this is a good amendment.

Let me conclude with a couple of quotes from some editorials, lots of editorials around the country. One is from my area of Florida and Tampa. This is a conservative newspaper, by the way. Their editorial says, "This issue," talking about logging, "should unite both conservatives who want to cut to Big Government and environmentalists who want to stop the destruction of America's woodlands." It says, "The issue for Congress should be easy. Washington shouldn't spend taxpayers' money to despoil public resources."

From USA Today yesterday, let me read one paragraph. "Fact is, the road-building subsidy is an anachronism, a fossil from the last century when Federal policy was aimed not at managing resources but rather enhancing economic development and westward expansion. Well, times change. The railroads now stretch from sea to sea. The land has been tamed. Let the timber industry pay its own way, or at least pay for its own roads."

Mr. Chairman, I include for the RECORD three newspaper articles:

[From the New York Times, May 23, 1997]

QUIET ROADS BRINGING THUNDERING PROTESTS—CONGRESS TO BATTLE OVER WHO PAYS TO GET TO NATIONAL FOREST TREES

(By Carey Goldberg)

COEUR D'ALENE, ID.—They are only pretty little forest roads after all, the kind that inspired Robert Frost, the kind that bring memories of bumping happily over canopied ruts on a bike. Or family outings jouncing by car past lacy walls of birches to a beloved pond or hunting ground.

But in the current battle over logging in the country's national forests, woodland roads have nowhere near so innocent a mien.

Logging roads are increasingly blamed for contributing to landslides, floods like those threatening parts of Idaho, and changes in rivers and streams like those that have devastated fish stocks in rivers and lakes around this town in the Coeur d'Arlene (pronounced kur da LANE) National Forest.

The cost of building roads is also increasingly cited as the reason that many national forests lose money on lumber sales. And the dirt roads so web the country's woods, with more than 380,000 miles nationwide—enough to circle the globe nearly 15 times—that here in Idaho, one square mile of forest can be riddled by as many as 20 miles of roads.

"We're concerned about the road network we have and the fact that it's two and a half times the size of the national highway system, which is amazing," said Jim Lyons, the Agriculture Department Under Secretary who oversees the Forest Service. "Our No. 1 water quality problem in the National Forest System is roads.

The opposition to logging roads has reached the point, some national conservation groups say, that they expect it to spark one of the biggest environmental fight in Congress this session.

"This is going to be a pretty big showdown," said Marty Hayden, senior policy analyst for the Sierra Club Legal Defense Fund, of a proposed amendment that would slash money for the roads.

The amendment, offered by Representative Joseph P. Kennedy 2d, a Massachusetts Democrat and John Edward Porter, an Illinois Republican, would prevent the Forest Service from using taxpayer money to build roads in national forest. The measure has support from both environmentally inclined lawmakers and fiscal conservatives who oppose corporate subsidies, joined in an alliance known as the Green Scissors.

The timber industry and its allies are fighting the measure, saying that construction of the roads has dropped significantly—to 483 miles in 1996, at a cost of $74.3 million from 1.311 miles in 1991, at a cost of $1.409 million.

The American Forest and Paper Association, an industry group in Washington, D.C., also challenges the assertion that the Government has been misspending money for logging roads. Frank Stewart, the groups spokesman, said a recent Price-Waterhouse report commissioned by the association found "that, no, this is an efficient and effective way to fund road reconstruction" in national forests.

The Forest Service has obliterated more than 18,000 miles of roads in the last six years while just 4,575 miles of roads were constructed, the Price-Waterhouse report noted.

The Clinton Administration is taking something of a middle position, Mr. Lyons said, requesting only a small amount for new roads in comparison to what it is asking for maintaining, reconstructing and obliterating logging roads in the national forests.

But the Administration is also, for the first time, pushing for the abolition of the program under which timber companies subtract the cost of road-building from the price they pay for the trees they log in national forests, called the purchaser credit plan.

As the road fight plays out in Congress, environmentalists here in the Idaho Panhandle

and in eastern Washington, where national forests are some of the most heavily roaded in the country, say they will be watching with the trepidation that stems from a first-hand knowledge of the damage roads can do.

"The roads have largely destroyed the Coeur d'Alene River here; the river has died a death of a thousand cuts," said John Osborn, founder of the Inland Empire Public Lands Council, a forest conservation group. In Spokane, Wash. "This is the worst case of watershed damage in the National Forest System."

Roads damage ecosystems in several ways, scientists say, and when heavy road-building is combined with cutting all the timber in an area, known as clear-cutting, the result is a one-two punch.

Trees absorb water. When they have been cut, more water flows down slopes like those that dominate the Coeur d'Alene National Forest.

When roads wash out, the scientists say, they dump rocks and soil on lower slopes and into streambeds; even when they remain intact, roads act as channels for water and contribute further to the erosion of lands and streams. The overall effect is that the streams and rivers fill with silt, the scientists say, and the shallower waters mean ruined fish habitats and more flooding.

"It took only one-half the water in 1996 to cause the same damage as the floods in 1974 because the river flooded so much more easily," said Barry Rosenberg of the Inland Empire Public Lands Council.

Roads reduce the complement of fish species in an area, said Chip Corsi, a biologist at the Idaho Fish and Game Department. Researchers have found that as little as 1.7 miles of roads per square mile of forest have that effect. Mr. Corsi said, adding, "And here we have from 4 to 10 to 15 to up to 20 miles of road per square mile—so it's extreme."

He added that roads can also hurt some forms of wildlife by opening their areas of the forest to other species, whether noxious weeds or human beings.

But the greatest damage roads do, Mr. Corsl and others said, is to watersheds, and warnings to that effect have been coming from scientists and environmentalists for decades. The heavy flooding in the Northwest in 1996—including landslides that cost several lives—focused particular attention on the perils of forest roads.

Last June, the proposal by Representatives Kennedy and Porter that the Government stop reimbursing the timber companies for road construction lost by just one vote in the House. The new head of the Forest Service, Michael Dombeck, said when he was appointed in February that the national forests' roadless areas should be preserved.

The construction of roads in the national forests has already shrunk significantly. Mr. Lyons said that under the Forest Service's current proposed budget, it would build only 8 miles of new roads and timber purchasers would build an additional 300 miles, of which 132.6 miles would be in currently roadless areas. More than 2,000 miles of road would be reconstructed.

Even that is too much for environmentalists, who argue that the money should be spent on repairing old roads to minimize the damage they cause.

According to calculations by Public Employees for Environmental Responsibility, a whistle-blower group of Federal, state and local workers in resource management, the Forest Service loses millions of dollars each year on timber sales; in extreme cases, the group says, road building can cost the agency $1,000 for just $100 worth of timber. But the cost of building roads and the price of timber vary tremendously.

In areas like the North Fork of the Coeur d'Alene River here, state employees worry that there is not even enough money in the budget to maintain the roads that exist, let alone to obliterate them.

Viewed from the air, the forest is so ringed and edged and swirled with roads that in places it looks patterned in paisley. It is because of areas like this that the discussion in Congress is expected to be so charged.

"Part of the problem," Mr. Lyons said, "is trying to sit down and explain to people what you need in terms of road maintenance and reconstruction and obliteration to protect the resource—to deal with salmon habitat and things that matter in the Northwest. There is this perception all the money we request for roads goes into building new roads."

[From USA Today, July 9, 1997]

TIMBER! LET SUBSIDIES FALL

Congress this week will try again to end the ridiculous practice of paying loggers millions to build roads.

More than 100 years ago, in 1891, Congress created the National Forest Reserve as a means of protecting the nation's woodlands and increasingly muddied watersheds from the scouring clear-cuts inflicted by the 19th century timber industry.

Like many good resource-management ideas in those bad old robber-baron days, the protections didn't last long. In 1897, Congress voted to permit logging in the reserves, and the ensuing swarm of timber industry payouts and subsidies continues to finagle taxpayer dollars today. Among the most egregious: a program through which taxpayers spend millions of dollars a year to build roads that logging companies use to harvest cut-rate federal timber.

There is much to complain about when it comes to timber sales, which routinely cost the Treasury hundreds of millions of dollars a year. But the issue at hand is far narrower. For the second year running, a bipartisan congressional alliance of environmentalists and budget hawks will try Thursday to end the road-building subsidy, valued this year at $41 million in direct costs. Last year's effort failed on a tie vote.

More power to them. The program survives on spurious rationales.

Supporters say the roads open the forest to recreation. But have you ever tried driving on one? When they are passable at all, they usually lead to vast fields of deadwood and slash, hardly places that invite picnicking or other pleasures. Moreover, the roads contribute to runoff that ruins fishing streams. Or isn't fishing a recreation?

And it's not as though we don't have enough roads already. The national forests are latticed by 377,000 miles of roads, almost nine times the length of the interstate highway system. In some places, there may be 20 miles of road per square mile of forest, as dense as some cities.

Does the road-building subsidy have economic importance? Hard to see how. The national forests account for only about 4% of the nation's timber production, hardly enough to affect prices or jobs. Other factors are far more influential. Between 1950 and 1994, the timber harvest increased by 64%, while employment in the wood and paper industries fell 4%.

Fact is, the road-building subsidy is an anachronism, a fossil from the last century when federal policy was aimed not at managing resources but rather enhancing economic development and westward expansion. Well, times change. The railroads now stretch from sea to sea. The land has been tamed. Let the timber industry pay its own way, or at least for its own roads.

WHY WASTE MONEY ON LOGGING ROADS?

Washington spends about $30 million a year subsidizing the construction of logging roads in national forests. These roads cause erosion, pollute creeks and deface the wilderness. They are blamed for landslides that occurred during the flooding in the Northwest last year.

As U.S. Rep. Elizabeth Furse, an Oregon Democrat who is working with both Republicans and Democrats to get rid of the subsidies, says, "First we pay to build them. Then every time there is a flood, the public has to pay for it again."

The House of Representatives is scheduled this week to review a proposal to cut or eliminate the subsidies. President Clinton favors eliminating the expense.

This issue should unite both conservatives who want to cut Big Government and environmentalists who want to stop the destruction of America's woodlands.

The timber industry defends the expense, saying the roads also allow for greater recreational use of the forests. That's so much sawdust.

There already are more than 380,000 miles of logging roads carved through the forests. This is eight times the length of the interstate highway system.

Hunters, hikers and others do not lack for access to the national forests. Outdoors enthusiasts would much prefer clean creeks and pristine forests to more roads and additional erosion.

The issue for Congress should be easy. Washington shouldn't spend taxpayers' money to despoil public resources.

Mr. KENNEDY of Massachusetts. Mr. Chairman, I yield myself 15 seconds. I want to respond to the gentleman from Washington [Mr. NETHERCUTT], who indicated this is a program which supports small businesses. The truth of the matter is that out of the 12,000 companies, only 33 of them are small businesses, and they represent 4 percent of the total road building program in our national forests in this country.

Mr. DICKS. Mr. Chairman, I yield 3 minutes to the distinguished gentleman from Oregon [Mr. DEFAZIO].

Mr. DEFAZIO. Mr. Chairman, we have too many miles of forest roads. There is absolutely no question, 380,000 miles is too much. But thousands of miles, though, one cannot just walk away from too many miles of road and from poorly constructed roads. We have thousands of miles of roads in need of maintenance.

Unfortunately, the Forest Service often calls that reconstruction. If you take a 6-inch culvert and replace it with a 12 because it is blocked, that is not maintenance, that is reconstruction. That would be virtually eliminated by the Kennedy–Porter amendment.

The Dicks amendment takes the appropriated funds down to the level requested by the Clinton-Gore administration for construction-reconstruction. I can guarantee the Members

most of that budget, virtually all of that budget, is going to be used for reconstruction of roads, which is environmentally benign. Some of it will even be used for removal.

I had hoped to come to the floor to add funds to maintenance and add funds to removal, but it is not allowed under the bizarre rules under which we consider appropriations bills at this point.

There is a $440 million backlog, everybody admits to that, for maintenance. But they are saying, we are just cutting construction and reconstruction. No, you are not just cutting construction and reconstruction. Much of that backlog is reconstruction, and reconstruction is maintenance to the rest of us in the world, but not to the pointy heads down at the Forest Service. We need to get that work done.

Reducing purchaser credits by one-half, which the gentleman from Washington, Mr. NORM DICKS, does with this amendment, by 50 percent according to the Clinton administration, I checked with them on this, will eliminate all new road building, including any roads into roadless areas, under the purchaser credit program. That is the way they would use that reduction.

What will the other $25 million go to? It will go to maintenance, which the Forest Service calls reconstruction. It will go to Aufderheide Drive, the most heavily used recreational road in my district in the Willamette National Forest. It will go to other critical roads that have been identified in the President's forest plan as needing immediate removal, reconstruction, repair, or upgrading, because they present dangers to watersheds and fish. That is what this is all about.

It is well-intentioned on the part of these gentlemen, and I do not want to subsidize the industry. No one can accuse me of that. So what, the gentleman from Washington, Mr. NORM DICKS, is proposing will eliminate the roads into the roadless areas, it will eliminate the new road construction under purchaser credits. If you buy into the argument by eliminating these monies, you do that. You cannot have the language in the bill. That is not allowed. And it will put enough money back into the construction and reconstruction program to do what the Clinton administration wants to do, to reconstruct problem roads across western Oregon, Washington, the western United States, that they have identified are in need of immediate upgrade, immediate maintenance, and they unfortunately call reconstruction.

What we really need is to have a debate where we make a more rational forest policy in this country and a more rational roads policy at the Forest Service, in the authorization committees, and bring that to the floor to the debate, as opposed to what we are doing here tonight, because we cannot get at the real problem.

Mr. REGULA. Mr. Chairman, I yield 2 minutes to the gentlewoman from Idaho [Mrs. CHENOWETH], chairman of the authorization subcommittee.

Mrs. CHENOWETH. Mr. Chairman, the 1998 appropriations bill will fund the reconstruction of 160 miles of damaged Forest Service roads. Through the purchaser credits program an additional 2,000 miles of roads will be reconstructed. Reconstruction will protect riparian systems, provide access for forest health projects, and wildfire prevention. The Kennedy-Porter amendment will eliminate these programs, including reconstruction, which will lead to an overall demise of the resource.

By effectively eliminating the roads program, the Kennedy-Porter amendment will seal the fate of thousands of small timber companies and businesses that depend upon the Forest Road Program.

Mr. Chairman, I find two very interesting common threads running with the sponsors of the Porter-Kennedy amendment. None of the sponsors that are from the Republican side, anyway, and I do not believe the gentleman from Massachusetts [Mr. KENNEDY], have any forest roads in their district. They do not serve on any of the natural resources subcommittees.

Furthermore, I find it interesting, these same individuals will debate strenuously for a subsidy to the NEA, $99.5 million last year. They debated strenuously for a subsidy for people's pleasure. Yet, we find them all excited about road credits, which are not a subsidy. I know these are intelligent people, and I know they understand the difference between subsidies and road credits. There are no direct subsidies going from the Federal Government to timber companies.

Furthermore, I want to make it clear that in 1996, small business brought 75 percent of the U.S. timber, 75 percent. It is not the great big timber companies. The gentleman from Washington [Mr. NETHERCUTT] was absolutely right.

I want to ask the sponsor of this amendment, if it will not affect the lives of his constituents, it will affect the lives of mine. I ask him to explain to the children who live in Elk City and Grangeville, ID, and the children of other timber-dependent communities throughout the country how they will make up the funding they count on for their schools that come out of timber sales.

I ask him to tell the sawmill owner in Bonners Ferry, ID, how he can now afford to purchase a timber sale to keep his mill operating. The Kennedy-Porter amendment will effectively shut down the national forests. If we pass this amendment today, our hands are tied. Fighting wildfires and addressing forest health problems will be nearly impossible.

Mr. KENNEDY of Massachusetts. Mr. Chairman, I yield 2 minutes to the gentleman from Minnesota [Mr. VENTO].

Mr. VENTO. Mr. Chairman, I rise in support of the Kennedy amendment, and am opposed to the amendment of my good friend, the gentleman from Washington [Mr. DICKS], my classmate.

Mr. Chairman, I think that our colleague and friend, the chairman of the subcommittee, raised the question before. He said if you have too many roads already and you cannot maintain them, then why are we going to build more?

□ 2115

That is really what this big fight is all about, because we are falling behind. We have the 380,000 miles of roads. We cannot maintain them. And we get studies that come back that look at the economic aspects, but they do not look at any of the physical aspects, the nontangible aspects in terms of what is happening with these roads in terms of fragmentation, in terms of erosion.

All these issues we have been talking about are being compounded by a program that is basically out of control. This does not cut down timber sales. The BLM, the BIA, the State programs do not rely upon the type of program that the Forest Service has instituted that has built all these roads. And the fact is that most of these roads, 80 percent of them have nothing to do with or little to do with recreation. In fact, if that were the case, we could not have recreated any of these forests before the roads were built. We know that is not accurate.

When we talk about small business, the definition of small business is 500 employees or more in these forest industries Road Credit Program. You say this is a small business program. Of the 13,000 companies involved, only about 30, 35 of them do not qualify for the purchase or credits. What this is is we are setting up a bank account. We are borrowing out the money, and we are not even checking what is happening in terms of what the consequence of the road building results.

The consequences are turning out to be a program that is out of control, that is heavily subsidized. I admit that this particular procedure is a blunt instrument in terms of dealing with this issue. We should deal with it much more surgically. But that is not the choice we have in terms of this rule or what is presented today in this chamber.

The choice we have tonight is to vote up an amendment that will in fact eliminate or stop this particular wasteful subsidized program, not stop timber cutting, saying you are going to do it the way the BLM does it, you are going to do it the way the States do it. It will continue timber cutting but on a business basis not on the basis of Federal Government subsidy but on the basis of business economics the market place not the Federal dole.

Mr. DICKS. Mr. Chairman, I yield 3 minutes to the gentleman from Utah

[Mr. HANSEN] chairman of the Subcommittee on National Parks and Public Lands.

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

I chaired this committee on the Forest Service for a while, had a lot to do with it. I think the gentleman from Washington [Mr. NETHERCUTT] came up with some very good things. These folks say that there is no recreation. It is obvious where they are coming from. I have spent my life in the outback in Idaho, Wyoming, Utah, that area. I was a guide at one time. I think I understand it very well.

Let me just say, they are used for recreation, about 90 percent. All these roads that are going to be built, they are going to have people who hunt, fish, camp, watch birds, and they are going to be on it. What I worry about is so-called Joe Sixpack, which a lot of us may fall into that category. I worry about the guy that does not have the opportunity to go out on that land, take his camper, take his kids, put up a tent and enjoy it for a little bit.

We are saying to him, you cannot do this anymore. A guy I really worry about a lot and I know you folks in the East probably do not watch what goes on in the West, but do my colleagues know what is going to happen this year?

Let me tell you something. I do not have to be a prophet to say this. It just happens to be the gospel truth. We are going to have fires like you have never seen before. We have got all of this water that came out. Now it has stopped. Now up come these things. Guess what is going to happen? Last year we had more fires than we have ever had.

As one of the senior members of the Committee on National Security, I am always amazed how all these people want to buy all these old airplanes and put them back together. Guess what those fires cost us last year? $1.2 billion.

When you talk to the firefighters they say, but there are no roads to get in. Fine, do it on helicopters that cost $500 an hour. Jump out of those things and get yourself killed. That is all right.

Are we worried about those people? I sure am. I think they are very important. I worry a lot about the people who run stock in that area. I worry about the people, the young people of America.

I built the house I lived in in 1968. I paid 83 cents for a 2-by-4. Now they are around $4 apiece. Let us see what that means to the price.

So in a way, if you are a fiscal conservative, you will vote against the Kennedy bill and you will vote for the gentleman from Washington [Mr. DICKS], my good friend, on this particular bill.

Carrying that on, if you want to see the cost of this thing go up, if you want a tax increase, vote for Porter-Kennedy. You will get a tax increase, I will promise you that.

If you want to hold taxes down, do not do it. These folks in a way are saying, let us give a tax increase to America. Let us burn the West, and that is what they are saying. Go ahead and laugh. That just happens to be the gospel truth.

Mr. KENNEDY of Massachusetts. Mr. Chairman, I yield myself 35 seconds.

I just want to point out that the truth of the matter is that this bill has nothing to do with taxes. Whenever there is an issue that Members feel they are going to lose, they say it is going to mean taxes. This time we are going to hear that we will create fires.

The only thing this legislation does is stop new roads for the exclusive purposes of building those roads for logging. All the funds remain in this bill that are contained for the purposes of recreational roads and for fire prevention or other forest management purposes.

All the funds remain in this bill for recreation, fire prevention and any other purpose other than logging roads.

Mr. Chairman, I yield 2 minutes to the gentlewoman from New York [Mrs. LOWEY].

Mrs. LOWEY. Mr. Chairman, this is not about raising taxes. It is not often that we have an opportunity to enhance environmental protection, reduce the deficit and end corporate tax subsidies in one single vote. But that is exactly what this amendment offers us today.

For years the Forest Service has provided taxpayer-funded subsidies to timber companies to construct nearly 400,000 miles of logging roads through our national forests. These subsidies not only provide a handout to the timber industry for costs they should be paying on their own, they also underwrite activities that take a serious toll on our forests' fragile ecology. These are the habitats for a diverse array of fish and wildlife, including many threatened and endangered species. Logging roads fragment habitats, increase erosion and siltation into rivers and streams.

As for the expense to taxpayers, the General Accounting Office estimates that between 1992 and 1994, the logging road program cost the Treasury more than $245 million. And just for a point of reference, that is almost three times the cost of the entire budget for the National Endowment for the Arts.

This amendment is plain common sense. Trout Unlimited, hardly a bastion of environmental extremism, is among the many groups supporting this measure. Let us be very clear. This amendment will not prohibit timber companies from building new logging roads. It simply says, do so at your own expense; go build them but pay for it at your own expense, not with taxpayer dollars. Do not expect the taxpayers to give you a handout. Is that not what welfare reform is all about? The Forest Service's logging road construction program epitomizes the kind of wasteful, environmentally destructive corporate welfare program that we have a duty, a responsibility, to terminate as we move toward a balanced budget.

My colleagues, for all those who want to move towards a balanced budget, I urge support of this bipartisan amendment.

Mr. REGULA. Mr. Chairman, I yield 2 minutes to the gentleman from Arizona [Mr. SHADEGG].

Mr. SHADEGG. Mr. Chairman, this debate is not about corporate welfare and it is not about the Federal budget. It is about proper land management of our forests, our land. If you owned a piece of land, would you let someone else come in and build a road on your piece of land and let them control where that road was, what the quality of the road was going to be, and whether the road was going to be permanent or temporary and receded? Absolutely not. That is what this debate is about. It is not about corporate welfare. It is about who manages that decision.

I talked to professional foresters today about this issue. They make it very clear, that the purchase road credit program allows them to manage these decisions. I listened just a few minutes ago to one of my colleagues come to the floor and say, if you are a fiscal conservative or if you are an environmentalist, you will support the Porter-Kennedy amendment. The absolute opposite is true. If you are a fiscal conservative, you would understand that there is no subsidy here.

The timber companies do not keep the roads. We keep the roads. Recreationalists use the roads. And our professional forest managers need to design where those roads go, the quality of the road and whether it is a permanent or a temporary road. It is not also about the environment. If we allow the timber companies to build the road with their own money, they will bulldoze the cheapest, quickest road they can get in and do as much environmental damage as may happen. If we design the road through the purchase credit program, then we can protect the environment.

This is a debate full of red herrings. It is a debate that misses the point. The fundamental issue here is that the Forest Service should be designing these roads and we should be forcing timber companies to pay for them. The current Forest Service credit program does that. If we abandon this program, the forest timber companies will bid, will estimate the cost of the roads at the highest possible figure. They will reduce their bid for the timber by that amount of money. The net effect will

be less money to the Federal Treasury. It is not about reducing a corporate subsidy because there is no corporate subsidy.

The fact is right now the bid price includes the cost of building the road. I urge my colleagues to vote against the Porter-Kennedy amendment.

Mr. PORTER. Mr. Chairman, I yield 3 minutes to the gentleman from New York [Mr. BOEHLERT].

Mr. BOEHLERT. Mr. Chairman, I rise in strong support of the Porter-Kennedy amendment to promote fiscal responsibility and protect our natural resources. I think it is clear that the American people want us to get our fiscal house in order. And it is equally clear that they want us to protect the environment. The Porter-Kennedy amendment accomplishes both of these goals by eliminating an unwise Federal subsidy which benefits large corporations and harms our national forests.

I do not oppose timbering on public lands. I understand the importance of accessibility to timber sales. But we already have 380,000 miles of roads in our national forests. That is eight times the size of our interstate highway system. And most of those roads can be used only by timber companies and are not suited for recreational use.

It is time that American citizens stopped subsidizing the construction of more logging roads.

It is important to note that this amendment does not affect, let me stress, this amendment does not affect the funding of the Forest Service for the maintenance of existing roads, nor does it hamper the construction of recreational or general purpose roads.

It simply says that if a timber company needs to build another road to reach another timber sale, the company, not the American taxpayer, should pay for it.

I think that makes perfect sense. So, too, do the Citizens Against Government Waste. So, too, do the Taxpayers for Common Sense and the Wilderness Society and the U.S. Public Interest Research Group. The list goes on and on.

Support U.S. taxpayers and the environment. Support the Kennedy–Porter amendment.

Mr. DICKS. Mr. Chairman, I yield 2¼ minutes to the gentleman from Mississippi [Mr. PARKER].

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

To my good friends from Illinois and Massachusetts sponsoring this amendment, I think it is well-intentioned, but they do not know the difference between a skidder and a knuckle boom.

□ 2130

I must tell my colleagues that I do not care for the Dicks amendment a whole lot. I am going to support it simply because it is better than the amendment of the gentleman from Massachusetts, because this gentleman's amendment is devastating.

We do not have to have roads in national forests. All we have to do is allow people an easement to go in, cut the timber and come out. I would agree that it would be a subsidy if that logging company or that logger took the road with him. But he does not keep the road, he leaves it there for the Federal Government to have.

I must tell my colleagues that that road is not just any road. In the private sector they go in and they build temporary roads. And those temporary roads, they do not last. They are temporary. But I must also tell my colleagues that the roads that the Federal Government requires, the Forest Service says it must be built to these certain specifications. They are interstates without blacktop. They have got drainage, concrete, culverts. Everything we would ever want on a road, they have it.

Why would we ever expect a timber company or a logger to go in on that property and build to the specifications that the Federal Government demanded and then turn around and say, "By the way, you have invested in that; you cannot take any credit whatsoever." It is ludicrous.

There is one other point that is even more ludicrous. My home county, Franklin County, MS, Meadville, 490 people, all good people, 70 percent of the county is national forest. Homochitto National Forest. They tell me in my home county that, if the amendment of the gentleman from Massachusetts passes, that we are going to cut revenue in timber sales by 40 percent. What does that do?

I ask the supporters of this amendment, I would like to find out from them, what will they say to the schoolchildren that will be devastated by the loss of revenue that we use to educate those children. The money that the Federal Government is going to keep them from having because the county is owned basically by the Federal Government. What will we do?

It is a sad representation that this amendment will do anything good for our economy.

Mr. KENNEDY of Massachusetts. Mr. Chairman, I yield myself 30 seconds.

Mr. Chairman, I want to show the gentleman from Mississippi his idea of an interstate highway. This is in fact the real truth about what happens on these logging roads.

These logging roads are built by the American taxpayer. The companies, in fact, get a huge subsidy from the American taxpayer. And the American taxpayer is then forced to maintain these roads. It is a terrible subsidy. It should stop. And we are talking about 8 miles worth of roads in this amendment. Eight miles.

Mr. Chairman, I yield 2 minutes to the gentleman from Virginia [Mr. MORAN].

Mr. MORAN of Virginia. Mr. Chairman, I rise in support of the Porter-Kennedy amendment because eliminating the logging road subsidy will stop those sales that lose the most money and are the most environmentally harmful.

Logging road construction, particularly on steep, unstable slopes, dramatically increases the risk of landslides, erosion and siltation into streams. And this picture demonstrates what I am talking about. After the winter storms in the last 2 years in the Pacific Northwest, the Forest Service found in Idaho that 70 percent of the 422 landslides were associated with these Forest Service logging roads.

Over two-thirds of the roads built in our national forests are logging roads constructed primarily to access timber sales. There is no good reason why the Forest Service should be in the business of constructing these roads on behalf of the timber companies. The Forest Service should follow the lead of the Bureau of Indian Affairs and the Bureau of Land Management and require the timber companies to build their own roads at their own cost. These companies can figure out where it is economical to build a road and make a timber sale and where it is not.

By building these roads for these companies, the Forest Service facilitates logging in many areas that would not otherwise be profitable. Last year 87 percent of the logging operations in our national forests lost money for the Forest Service. Why? Because we are building roads for timber companies to log in areas that should never have been logged and are not economical.

As a result of this backward policy, making our national forests into a logging highway, we now have 378,000 miles of road crisscrossing the acres of forest not designated as wilderness. Our forests contain enough road to circle the globe 14 times over. Imagine that. That is equivalent to one and a half miles of road per square mile of land. It is 50 percent more road than in non-Forest Service land.

This amendment is not going to stop roads from being built in our national forests, but it will stop taxpayers from footing the bill for timber roads. Support the amendment.

Mr. REGULA. Mr. Chairman, I yield 1½ minutes to the gentlewoman from the State of Washington [Ms. DUNN].

Ms. DUNN. Mr. Chairman, I rise in opposition to the Porter amendment and in favor of the Dicks substitute.

I want to talk on a couple of points I have heard here today. The first one is that there is no subsidy for the timber roads in this legislation. As the gentlewoman from Ohio told us earlier, according to a recent economic analysis released by Price Waterhouse: "The forest roads program does not contain

a subsidy for timber purchases; it provides an efficient and effective mechanism for financing road construction and reconstruction."

These roads are primarily used in the national forest system for recreation, Mr. Chairman. Ninety-seven percent of the road system in any given national forest is used for recreational purposes by the public. I do not think that is a subsidy. They are used by folks who want to go up and see the wildlife, or by the disabled, for years by my family when we did hiking in the North Cascades and never would have gotten into that territory without access to these timber roads.

Second, Mr. Chairman, it is very important that we consider the rural counties that are located next to these national forests. They receive 25 percent of the gross receipts from timber sales in lieu of property taxes on Federal lands. They cannot tax Federal land property, so it is important for us to be supported by the Government in our rural school districts.

In my State, loss of funding would place an unbearable burden on rural school districts because of the number of acres of Federal land in our State that cannot be taxed. We are talking $28.2 million for schools and roads, 76 percent of the timber receipts in my State, because of the impact of Federal regulation.

I stand in opposition, Mr. Chairman, and urge my colleagues to vote against the Porter-Kennedy and in favor of the Dicks amendment.

Mr. DICKS. Mr. Chairman, I yield 1 minute to the gentleman from Georgia [Mr. CHAMBLISS].

Mr. CHAMBLISS. Mr. Chairman, my perspective on this is a little different from most of these folks that have been up here tonight. I come from the Southeast, but my district is the second largest timber producing district in the country. And whether one is in the Southeast or the Northwest, the issue is the same when it comes to proper forest management. In order to have proper forest management, we have to have control of burning and we have to have the removal of dead and diseased trees.

In order to get those dead and diseased trees and to control burning, we have to have access to those forests. Without the construction of roads, we do not have that access. It is a very, very simple issue.

Once those roads are constructed, they are not only used for removal of these trees and controlled burning, they are used by hikers, by campers, by bird watchers, by hunters, by fishermen; all folks ought to have access to public lands.

If this amendment passes, every single Member of this House will have constituents that are negatively affected. I urge a no vote on the Kennedy-Porter amendment.

Mr. PORTER. Mr. Chairman, I yield 3 minutes to the gentlewoman from Maryland [Mrs. MORELLA].

Mrs. MORELLA. Mr. Chairman, I thank the gentleman for yielding me this time, and I rise to give my strong support to the Porter-Kennedy amendment.

It is really a win-win situation. First of all, the Forest Service will save over half the amount it annually spends on the construction and reconstruction of roads. It will spend $41.5 million instead of $89.5 million.

Second, almost no timber industry jobs will be lost, since only 4 percent of all timber comes from our national forests and many of the construction workers will still be hired if the logging company wants to build a road.

And the riparian ecology would be left unchanged for future generations.

Of course, I believe that environmental concerns are of paramount importance, and this amendment preserves the environment. However, economics makes passage of this amendment essential.

I believe that Paul Roberts summarized the economic impact in his sobering Harper's magazine article, "The Federal Chainsaw Massacre," when he wrote, "According to government and independent auditors, once realistic accounting methods are applied, most Federal forests actually lose money."

Why then do Members continue to hear from timber interests in support of this Federal subsidy? Well, it seems to me there is a simple explanation. Would we not want to have government pay if it is willing to do so?

What we need to ask is, is this subsidy beneficial to the public? Is it profitable? Do we believe that it is the duty of government? To all of these I think the answer is no.

I do not oppose logging but I do oppose unnecessary and wasteful subsidies. Timber users should pay the same fair costs for their product as they would in the 96 percent of private lands available for logging.

In 1992–94 the GAO found that, while timber sales in our national forests returned $302 million to the Treasury, taxpayers spent $1.298 billion in administrative costs; a net loss of $995 million.

This amendment will also reduce the number of timber sales that lose money. It is highly unlikely that a logging company would be willing to accept the risk of constructing a road for sale where it is going to cost more to access, log and transport the trees than would be recouped at current free market timber values.

I hope this House will join me in supporting this very reasonable and important amendment.

Mr. NETHERCUTT. Mr. Chairman, I yield 1½ minutes to the gentleman from Idaho [Mr. CRAPO].

Mr. CRAPO. Mr. Chairman, I join with many of my colleagues who tonight have spoken in opposition to the Kennedy-Porter amendment.

This is not an issue of corporate subsidy or corporate welfare. As the Price Waterhouse study has shown, with or without the purchaser road credit, the net receipts to the Federal Government from this program will not change. And the administration has affirmed that.

Many of the points I wanted to make tonight have already been made, and I think it is important that someone from the Northeast have an opportunity to speak on this side who would not otherwise have an opportunity because of the limited time we have and, therefore, I yield the remainder of my time to the gentleman from New Hampshire [Mr. BASS].

Mr. BASS. Mr. Chairman, I thank my colleague from Idaho.

I want to say a couple of things. First of all, from my perspective, from the perspective of a businessman, this amendment is nothing but a pig in a poke. The fact of the matter is logs do not fly. They will not sprout wings and fly out of the forests, and somebody will have to pay for these logging roads.

Now, contracts for timber are let exactly the same way a contract would be let to build a building or parking lot or anything else. There is a sale price and cost of sales, and then there is a back charge or credit the cost, especially of capital improvements, into the sale price.

These roads are going to get built, unless we plan to end timber harvest completely in this country, which would be a terrible idea. We will not end up saving money, because the bids will have to be lowered in order to cover this capital expense.

So let us defeat this amendment and get on with the business of approving this Interior appropriations.

Mr. NETHERCUTT. Mr. Chairman, what is the relative time left in the debate?

The CHAIRMAN. The gentleman from Ohio [Mr. REGULA] has 11 minutes remaining, the gentleman from Washington [Mr. DICKS] has 10¾ minutes remaining, the gentleman from Illinois [Mr. PORTER] has 11½ minutes remaining, and the gentleman from Massachusetts [Mr. KENNEDY] has 10½ minutes remaining.

Mr. NETHERCUTT. Mr. Chairman, I yield 2 minutes to the gentleman from California [Mr. RIGGS].

□ 2145

Mr. RIGGS. Mr. Chairman, I want to thank the gentleman for yielding to me.

I just want to tell my colleagues that I think we went through this debate about a year ago, that this debate really has a deja vu view quality. To quote Yogi Berra, "It feels like deja vu all over again."

We seem to talk right past one another on this one particular issue.

There is this enormous continental divide that somehow separates us from ever reaching any kind of middle ground on this particular issue. I just find it fascinating and, yes, distressing that people, representatives, well-intentioned in this body, who represent largely urban districts, whether they be in Massachusetts, Illinois, New York, Florida, Northern Virginia, Maryland, wherever it might be, apparently have no understanding nor any appreciation for the concerns of us that represent these districts that are home to timber-dependent communities.

Now, make no mistake about it, this is bad policy. These are public roads that provide public access to Federal forest lands for a variety of purposes. And I thought we wanted to encourage the idea of multiple use of Federal forest lands. It is going to further reduce PILT payments, payments in lieu of taxes, to local communities and local schools. It is going to worsen forest health and exacerbate the fire damage on Federal forest lands.

I would just quote to my colleagues from a letter from the 225,000 members of the International Association of Fire Fighters, who say that "the forest roads program and the purchaser road credit program are essential to providing safe passage for fire fighters and protecting our national forests and surrounding communities from catastrophic wildfires." We urge our colleagues to oppose the Kennedy amendment and any other efforts to reduce funding for forest roads construction and maintenance.

The International Association of Fire Fighters are joined by several other important national labor organizations in opposing this amendment, including the United Paperworkers International Union, the Association of Western Pulp and Paperworkers, and the United Brotherhood of Carpenters and Joiners of America.

Mr. DICKS. Mr. Chairman, I yield 2 minutes to the distinguished gentleman from Michigan [Mr. STUPAK].

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

I rise in opposition to the Kennedy-Porter amendment. This amendment would have a devastating impact on the health of our national forests, jobs, small businesses, recreation, education, local government.

In a letter from the Society of American Foresters, one of the oldest conservation organizations in the world and which is widely respected as the leader in forestry science, they state that the Kennedy-Porter amendment would have a negative impact on forest health. The letter states, and I quote:

> Forest roads are the single most important infrastructure component that supports natural resources professionals in the maintenance of healthy forest ecosystems.

In addition, the Kennedy-Porter amendment would have a devastating impact on jobs and small businesses across the country. According to the Forest Service, timber harvesting annually supports over 64,000 jobs, which results in over $337 million in Federal income tax revenues. Small businesses purchase two-thirds of the timber harvested in national forests.

Contrary to what supporters say of the Kennedy-Porter amendment or as they have tried to portray, 97 percent of forest roads are open for recreational use. That means for everyone from hunters to fishers, mountain bikers, snowmobilers, hikers, and most importantly, of course, fire fighters. All benefit from forest roads.

Finally, supporters claim that this forest program is a subsidy. This is blatantly false. As has been repeatedly said tonight, the Price Waterhouse report concludes that the road program is not a subsidy.

Mr. Chairman, the Kennedy-Porter amendment is well intended but complete ill-advised. Those of us who depend upon the forest for our living in northern Michigan, we know. I urge all Members here to oppose this amendment and cast a vote in favor of local government, forest health, small businesses, recreation, education and jobs.

Mr. PORTER. Mr. Chairman, I yield 2 minutes to the gentlewoman from Oregon [Ms. FURSE].

Mr. KENNEDY of Massachusetts. Mr. Chairman, I add an additional 3 minutes to the time of the gentlewoman from Oregon [Ms. FURSE].

The CHAIRMAN. The gentlewoman from Oregon is recognized for 5 minutes.

Ms. FURSE. Mr. Chairman, I would like to talk a little bit about some of the things I have heard today. I am a sponsor of this amendment and, obviously, I rise in strong support of the Porter-Kennedy amendment. It would end taxpayer subsidies for the construction of logging roads in our national forests. People said it is not a subsidy? USA Today says it is a subsidy. The Washington Post says it is a subsidy.

I have heard a great amount of talk about the recreational needs and how people who are recreating would use these roads and why they would oppose this amendment. However, I wanted to point out who does support this amendment: Trout Unlimited. They recreate; Steelhead Committee of the Federation of Fly Fishers; the Northwest Sports Fishing Association; the Association of Northwest Steelheaders; Idaho Rivers United; Puget Sound Gill Netters; Washington Trout. They support this amendment because they know that this amendment is good for recreaters.

My region has been plagued by catastrophic floods that triggered hundreds of mud slides. Study after study found that the majority of these slides were associated with logging roads and the clear cuts they accessed.

Mud slides also cause job loss. They destroy the habitat of our imperiled salmon runs. These fisheries once provided more than 60,000 jobs and revenues to my region annually. But the runs have gone belly up because, amongst other things, we have very destructive road-building activity.

According to the National Marine Fisheries, and I quote, "Road construction has been a primary source of salmonid habitat decline." And the American Fisheries Society, the professional society of fishery scientists reports, "Only rarely can roads be built that have no negative effects on streams."

So that is why the sports and commercial fishery interests support this amendment, the same groups that I have spoken of before, the Pacific Coast Federation of Fishermen's Associations. That is the largest group of commercial fishers in the West.

Again, let us look at recreational use of roads. Seventy percent of logging roads are closed to vehicles that are not high vehicles, 70 percent, so the recreational use is not there. It is limited to logging.

This amendment allows logging roads to be built. Want to repeat that. This amendment allows logging roads to be built. What it does not allow is for the taxpayer to pay so that a company can go in, take public timber, take the profit, and we pay for the roads.

Do we pay just once? No. The taxpayer pays three times for these roads. The taxpayer pays to build the road, the subsidy. The taxpayer pays to maintain the road, another subsidy. And then the taxpayer comes along and pays for the flood damage. Do the timber companies pay for the flood damage? No. The taxpayer pays for the flood damage. We already have 380,000 miles of road in our national forests.

So I say that for the sake of fishers, for the sake of the fish, for the sake of the taxpayer, for the sake of the environment, I say it is time to stop the subsidy.

And I would like to comment, at the end, by telling my colleagues that I am in an area which has lots of timber companies. I have heard from not one timber company that has said they cannot afford to build a road. If they are not telling us that, if they are willing to go in and build a road, it is the cost of doing business. We do not build a road inside a company and say, "Gee, in order for you to do business, we are going to build you a road within your company headquarters."

So let us stop the subsidy. Let us listen to the thousands and thousands of our constituents who have said, "We are sick of paying subsidies to companies who can well afford to pay them." Let us listen to the user groups. Let us listen to the fishers. Let us listen to the recreational users. Let us say, let

us save some money. Let us stop subsidizing. Let us, in fact, give the taxpayer a break. Let us support the environment. Let us stop the subsidy. Let us support the Porter-Kennedy amendment.

Mr. NETHERCUTT. Mr. Chairman, I yield 2 minutes to the gentleman from Colorado, Mr. BOB SCHAFFER.

Mr. BOB SCHAFFER of Colorado. Mr. Chairman, I thank the gentleman for yielding.

The real problem here is that the Federal Government owns an awful lot of land. All of us conservatives and those who have kind of a libertarian perspective on government need to deal with that. The real issue is that the Government owns so much land.

Now we are not going to resolve that debate here tonight. But given the fact that the Federal Government owns so much land, the next question is, since we are part of that Government, since we are, in fact, Members of Congress who preside over that body, that entity, how do we manage properly the land that we own?

These issues are not big issues for private land owners. They manage their forests properly. In my county back in Colorado, the county I live in, 70 percent of the land in my county is owned by the Government. Seventy percent. These are critical issues for us.

Now think about that. I think those of my colleagues who are proposing this amendment might really understand this if the Federal Government thought about taking over and occupying more of their State. But this seems to be an issue that is of great concern out in the West.

Now what about those forest areas and those lands where the timber sale may not cover the cost of roads? Those are rare occasions, but they do occur. But I would submit that we still need to be concerned about logging those areas, for the following reason: The timber industry and timber harvest is an integral part to sound forest management.

Let me show my colleagues what happens when you do not properly manage a forest. Now the gentleman over here showed a black-and-white picture of something he believed to be a hazard. This is a color picture. This picture is in color. It just looks black-and-white because there is no life left here. Everything is dead.

This is what happens when you do not get in and thin a forest. The trees get crowded. They compete with one another for water. They get stressed. The bugs and disease move in. The trees die. They become brittle. They will catch on fire, and it burns to the ground and there is nothing left there for anybody, no wildlife, no valuable timber, no recreation, nothing. It is going to rain here and all of it is going to wash into the river and kill the fish.

Mr. KENNEDY of Massachusetts. Mr. Chairman, how much time does each side have, please?

The CHAIRMAN. The gentleman from Washington [Mr. DICKS] has 8¾ minutes, the gentleman from Massachusetts [Mr. KENNEDY] has 7½ minutes, The gentleman from Ohio [Mr. REGULA] has 7 minutes, and the gentleman from Illinois [Mr. PORTER] has 9½ minutes.

Mr. KENNEDY of Massachusetts. Mr. Chairman, I yield 2 minutes to the gentlewoman from New York [Mrs. MALONEY].

Mrs. MALONEY of New York. Mr. Chairman, I rise in strong support of the amendment offered by my colleagues, the gentleman from Illinois [Mr. PORTER] and the gentleman from Massachusetts [Mr. KENNEDY].

This amendment would help protect the last frontier of our national forest. The United States does not need this wood. In fact, in 1995 timber companies exported the equivalent of 500,000 logging truck loads of logs to foreign countries. These companies were bypassing American jobs by exporting the wood raw.

Our national forests represent a major portion of the last remaining untouched forest in our country. If we cannot completely protect this small remaining percentage of our forests from the chain saws, the least we can do is prevent the American taxpayers from having to pay some of the bills for that logging.

Let us remember that these American treasures belong to all the American people, not the timber industry or foreign countries. End this wasteful handout.

Mr. DICKS. Mr. Chairman, I yield 2 minutes to the gentleman from Minnesota [Mr. OBERSTAR], the distinguished ranking member of the Committee on Transportation, a noted expert on these matters.

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

I rise in opposition to the Porter amendment and in support of the Dicks amendment, and might add that my colleague from across the water in northern Wisconsin [Mr. OBEY] joins me in that position.

We sure heard a lot of hyperbole and imagery tonight. Paul Bunyan, you left out his ox Babe, and corporate giants. Let me introduce my colleagues to Tony Vukelich, logger from northern Minnesota, 3 or 4 pulp cutters, maybe 10 or 15 in his little sawmill. Let me introduce my colleagues to Howard Hedstrom up in the Gunflint Trail up in northeastern Minnesota in a small sawmill, and about 10 or 15 loggers. Let me introduce my colleagues to Toivo Maki, a Finnish pulp cutter from northern Minnesota. I do not think their income, their gross revenue, is $100,000.

□ 2200

We are talking about small operators, heart and soul of northern Minnesota, the heart and soul of rural America, people who try to make an honest living in the woods.

A logger has to bid on these sales that are offered by the U.S. Forest Service and has to include in the bid the price of the road that he has to build. That road is there available for snowmobilers in the wintertime and for the hikers and the campers and for the people going out fishing, all sorts of recreational uses on that road. They do not get charged for it. But it is there for everybody's use. We used to call them tote roads in northern Minnesota.

The annual allowable cut in our two forests of the Chippewa and the Superior is way down to about half of what it was. Yet we are still cutting timber that was harvested on sales that was harvested first in the 1930's and then in the 1960's and now it is being harvested in the 1990's. This is a renewable resource. This is not an issue between corporate giants and little guys. This is silk stocking urban environmentalists against us rural hicks from the sticks, and I am fed up with it.

Mr. REGULA. Mr. Chairman, I yield 2 minutes to the gentleman from Pennsylvania [Mr. PETERSON].

Mr. PETERSON of Pennsylvania. Mr. Chairman, I appreciate the gentleman yielding me this time.

Mr. Chairman, I find it very frustrating this evening, it is the first time I have heard this debate personally. I come from rural Pennsylvania, where the Allegheny National Forest is in my district, 520,000 acres. I happen to know the person that runs the forest, manages the forest. He talked this morning with the man that does the contracts. I know the design engineer that designs the roads. I understand how the system works. The gentlemen may not like the system, but what they are doing is not the way to fix it.

The Porter-Kennedy amendment is like an MX missile on rural Pennsylvania's economy and our rural road system. It is devastating. It will harm parts, and even more so in the west, that have 15 and 20 percent unemployment. We have a group of urban legislators who in my view of listening to all of their testimony know very little about this issue and how it really works. I mean that sincerely.

We are playing with the rural economy of this country and the parts of the country that are most struggling economically. We are really cutting $91 million out of rural road maintenance when we take $50 million out of the credit program and $41 million out of the maintenance program because that is what the majority of it is used for. We are trying to change policy through the appropriations process.

It is unfortunate that we have an urban group who does not understand

the rural economy and are trying to devastate it in behalf of the people who do not want to cut timber in this country. It is not a fiscal issue. If it was a fiscal issue, we would be talking about cutting Amtrak, which has $783 million. That is a subsidy. We would be talking about $4.3 billion that we spend for mass transit. That is a subsidy. And $91 million, if you want to call it a subsidy, it is for rural America, it is for roads that campers use, that tourists use, the hikers use, the fishermen use.

Mr. PORTER. Mr. Chairman, I yield 2 minutes to the gentleman from Oregon [Mr. BLUMENAUER].

Mr. BLUMENAUER. Mr. Chairman, I thank the gentleman for yielding me this time, and I thank the gentleman for the patience that he and his staff have demonstrated in helping work through some of these issues, because these issues, Mr. Chairman, are complex. I think the American people who have listened to the debate so far this evening may be a little confused. Earlier in the evening I had one of my new colleagues confess that he was confused and in fact last year I confessed that since there were two votes, I actually ended up voting on both sides of this issue. I voted because I was attempting to determine what was in fact in the best interests of the areas that I represent but, most importantly, what would make the most difference in terms of the environment of our forests.

I hope that this debate will spark a serious analysis and real action on the problems related to roads in our national forests. For people who care deeply about the environment and look beyond the rhetoric, it is sometimes hard to know the best way to protect that environment.

In part, this confusion evidenced this evening shows why we should not attempt to legislate or set policy via the appropriations process. It is the blunt instrument that people have referenced. While the passage of this amendment may in fact slow or stop some roadwork, it will not achieve what some advocates claim. It will not stop logging roads, and it is not clear how much, if any, money this will save.

What we need to do is focus on policy solutions that make sense for the environment and the economy. We do need, in fact, additional protections for roadless areas. We do need to use our resources more carefully. We do need to reduce the number of road miles and their impact on our national forests while we adequately maintain roads to avoid degradation of stream and wildlife habitat. We need to take this opportunity to bring the Forest Service, the administration, the industry and environmental advocates together to develop a plan that meets everybody's needs. This vote is a signal for Congress to provide the leadership and guidance to provide a road policy.

Congress needs to provide leadership and guidance through the legislative process. I would like to work with my colleagues involved in this debate to help move that effort forward to create sound road policy in the next year—a policy that improves the environment and saves money—a policy that can be understood—and, importantly, a policy that allows us to monitor our progress toward an environmentally sound National Forest System.

Mr. DICKS. Mr. Chairman, I yield 2 minutes to the distinguished gentleman from West Virginia [Mr. WISE].

Mr. WISE. Mr. Chairman, many of the speakers in opposition to this amendment are from the West. The only thing west about West Virginia is its name, but we have got national forests and we have got loggers and we have got timber people and we have got folks working in the woods, too, 20,000 of them, and, no, they are not all working in the national forest doing logging. There are going to be thousands more that are in the national forests who are the hunters, people who want to go fishing, people on recreation, people going hiking, a wide range of people.

How do you get into the national forest? Unless you have got some real desire to go see the primeval forest you go in on a road, you go in on a road to fight the fire, for recreation, for forest management. Yes, you go in on a road for logging. And yes, loggers pay for those roads. They pay to build them. It is reflected in the bid for the property.

Some people say, "Well, they don't pay to maintain them." They do not use them after they build them. They leave a road there that many others use. Loggers are the only ones who actually pay to build the roads into the forests in the first place. Price Waterhouse analyzes this and says there is no subsidy here. There is no subsidy because they are actually paying for the road that they build and that later many others will use, many others that need access to these forests.

I guess I am really concerned about this debate, because I think it misses the point altogether, that in rural areas this is not a subsidy, it is a way of life. It is an important way for our economies to grow and that indeed there is no subsidy here, that thousands indeed across the country, indeed millions of people derive benefit from these roads that never have anything to do with logging.

I would urge the House to accept the Dicks amendment and to reject a perhaps well-intentioned but ill-founded Kennedy-Porter amendment.

Mr. PORTER. Mr. Chairman, I yield 2 minutes to the gentlewoman from Oregon [Ms. HOOLEY].

Ms. HOOLEY of Oregon. Mr. Chairman, I rise today to express my views on the Porter-Kennedy amendment.

I have come to Congress to find solutions, to find ways to use the legislative process to help us resolve our differences. I know firsthand that forest issues can be extremely divisive. To be honest, I am very frustrated with the polarized options we are being asked to consider today. We need to work to find commonsense solutions, that balance conservation concerns with the tremendous need for road reconstruction and maintenance.

What I find most troubling is that we do not have the means to maintain the massive road network that we have created. According to the U.S. Forest Service, this Nation has a forest road maintenance backlog of $440 million. In my district alone, it is a $20 million backlog. When we fail to maintain necessary road and decommissioned roads which have long been out of use, we create serious environmental hazards and threats to public safety. There is simply no sense in allocating scarce dollars to construct the new roads when we need to be repairing and reconstructing existing roads.

While I plan to vote for the Porter-Kennedy amendment, I want to make it very clear that I do not think this amendment is the ultimate solution to our forest road dilemmas. I am supportive of the amendment's emphasis on not spending Federal Government moneys on new road construction. I think that eliminating purchaser road credits is a move in the right direction.

The Bureau of Land Management timber purchasers have never used the purchaser road credits and have been able to build roads and access timber in an affordable and efficient manner. Forest Service purchasers should do the same. However, I find it disturbing that this amendment takes funding away from forest road reconstruction. In the forests in my district, reconstruction funds go to flood repair in damaged areas and roads that are badly in need of maintenance.

While I commend this amendment for defunding new roads, I think that this amendment does not, take, as broad a view of the problems confronting our forests as it should.

What we really need is comprehensive forest legislation which takes funds earmarked for new road construction and puts that money into road maintenance.

I plan to do everything I can in the coming days to make sure our existing roads are safe and I hope my colleagues will join me in this effort.

Mr. KENNEDY of Massachusetts. Mr. Chairman, I yield 2 minutes to the gentleman from Texas [Mr. DOGGETT].

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

Mr. Chairman, as a member of the committee on resources and a cosponsor of this amendment, I am pleased that tonight in a single vote this Congress can both protect the taxpayers pocketbook and do something to enhance our precious natural resources. With this bipartisan amendment, we

seek to end yet another form of corporate welfare, in this case essentially food stamps for timber companies.

The roads that are being constructed at public expense in our national forests are of course too rough for most people to drive a car over, but in many ways they are very similar to the tollways near you. Tolls are charged for these timber roads across our forests. It is just that the taxpayer is the one who has to pay the tolls while corporate timber interests get a free ride at taxpayer expense. As we continue to try to balance the Federal budget, this is exactly the kind of corporate welfare we need to get rid of.

I voted last year to end certain types of welfare to individuals, and it is time to apply the same reasoning to corporate interests. Groups as diverse as the Sierra Club and the National Taxpayers Union agree that this is the type of taxpayer financed corporate freebie that we need to eliminate.

This amendment does not prevent private logging companies from building roads at their own expense. If a company is allowed to log, they can build whatever roads they need. The only difference would be that the timber companies, the people who benefit from the roads, will pay for it, not the taxpayer. If these roads do not make economic sense for the timber companies, then why in the world should the taxpayers of America be asked to pay for them?

We have over 379,000 miles of roads in our national forests, almost 9 times the mileage of the national highway system. If we need to build one more mile, let the logging companies pay for it themselves. This is not a small amount. It is $91 million of waste that ought to be eliminated as we balance the Federal budget.

Mr. REGULA. Mr. Chairman, I yield 1½ minutes to the gentleman from South Dakota [Mr. THUNE].

Mr. THUNE. Mr. Chairman, I thank the gentleman from Ohio for yielding me this time.

Mr. Chairman, the proponents of the Kennedy–Porter amendment make it sound very simple. If it sounds too good to be true, it probably is. The fact of the matter is that the Federal Government gets paid for the timber. I think we all know that the agenda by those who oppose logging is to eliminate all timber sales on Federal lands. If that happens, the Federal Government gets no revenue. Let CBO score that. Plus you will have killed a part of an industry that is predominantly small businesses.

When we talk about some parts of the country, I can tell my colleagues for a fact that the people who are in the logging business in South Dakota are small businesses. Small logging businesses will be out of business. Furthermore, it is the local governments who will suffer. Sixteen percent of the land in South Dakota is Federal lands. That is 16 percent that is off the tax rolls. Timber sales help offset that loss of tax revenue.

The proponents think they are helping the taxpayer. They are just sticking it to the taxpayer in another way, because all we are simply doing here is having a taxpayer pay the Government but they are paying it in a different government pocket.

The taxpayer is supposed to feel good about this amendment. I think the only people who benefit from this, it looks like to me, and are the only ones who are going to come out ahead in this are the special interests who are trying to kill the logging industry.

□ 2215

I think that we need to defeat the Porter-Kennedy amendment.

Mr. PORTER. Mr. Chairman, I yield 2 minutes to the gentleman from Wisconsin [Mr. KLUG], one the sponsors of the amendment.

Mr. KLUG. Mr. Chairman, I thank my colleague from Illinois for yielding this time to me.

Let me just ask one simple question in this room. If there is no subsidy involved in this program, why are they fighting so hard to preserve it? And if there is no implication whatsoever if we eliminate it, then they should not be fighting to eliminate it. That is the bottom line in this whole debate. And let us make the very point that the Dicks amendment, which is before us as well, essentially cuts the savings in the Porter amendment in half.

So, if one person is trying to save double and we cut it in half, then obviously there is somehow money involved in this program in the first place, and that is the simple mistake.

Now my friend from South Dakota made the point to say that essentially the mission of many of us who are in support of the Porter amendment is to eliminate timber sales in national forests. That is simply not true. My fundamental point of view is not to eliminate timber sales, but it is to make money on timber sales in national forests, which it seems to me a very fundamental Republican principle.

Mr. Chairman, there are 380,000 miles of roads in the national forest system, and three-quarters of them are closed to the American public at large. Three-quarters of them are essentially exclusively for the use of the timber industry.

Again, I have got no objections if the timber industry harvests in those forests, I have no objections if the timber industry builds more roads. There is nothing in this amendment that says they cannot build as many roads as they want. What it simply says is the roads will not be built with a subsidy in for the taxpayers.

I understand it is not dollars they are getting; instead they are getting trees. But trees have value; when they sell them they make money on them. So it is a barter system which is, frankly, even older than money.

And finally let me make the point again we have been criticized continually this evening, saying, "If you eliminate this, there won't be money left for a number of Forest Service opportunities and programs that are needed." That is not true. There is money still left after this rescission for firefighting roads, for road maintenance, to build more roads to be available to tourism and the recreational industry, and additionally there is $5.9 million left in this program specifically to oversee the construction of new roads by the timber companies.

Mr. DICKS. Mr. Chairman, I yield 2 minutes to the distinguished gentleman from Texas [Mr. TURNER].

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

Mr. Chairman, I want to speak out tonight on behalf of the loggers and the small sawmill owners in my district in east Texas, who just about an hour ago made it back to the house and probably are on the front porch right now trying to work on their chain saws and get ready for tomorrow. Those folks would certainly disagree with the Washington Post if the Washington Post said that the road credit is a subsidy.

The truth of the matter is that we, in order to protect the national forests, require higher quality of roads in areas of the forest or logs than are required in the private sector; and to offset that increased cost of building the kind of roads we want in our national forests to protect the public interests, we offer a road credit. That is to say the road that is built there by the loggers is going to be a road that lasts for many, many years.

Mr. Chairman, I can assure any of my colleagues who have ever been on a track of land that was logged in the private sector that I know that the roads that are built in the private sector do not last 15 or 20 years.

So it is a good program, it is environmentally sound, and it does not cost the taxpayer one cent because we, as taxpayers, are getting a quality road, and the taxpayers are getting every benefit that was intended for them to get in the road credit program. It is not a subsidy. It is good environmental policy, it protects the national forests, and it allows the Forest Service to control the type of road that is built.

Secondly, this Kennedy amendment is environmentally unsound because it cuts $42 million out of road maintenance in the national forest. If my colleagues believe in the environment, they want those bar ditches and those culverts to be maintained, they want that erosion controlled. That is what the $42 million is all about; that is why it is there. The amendment of the gentleman from Washington [Mr. DICKS]

returns this bill to the administration's proposal that cuts only $5.6 million.

Mr. Chairman, I urge my colleagues to support the Dicks amendment.

Mr. KENNEDY of Massachusetts. Mr. Chairman, I yield such time as she may consume to the gentlewoman from Texas [Ms. JACKSON-LEE].

Ms. JACKSON-LEE of Texas. Mr. Chairman, I rise in support of the Porter-Kennedy amendment.

Mr. Chairman, the Porter-Kennedy amendment is a commonsense amendment. Unlike the National Endowment for the Arts which benefits many—and was recklessly eliminated in this bill, this timber subsidy benefits very few. The U.S. Forest Service cannot even maintain the existing roads reporting in March that it had a $440 million backlog of road maintenance needs. Why should new logging roads, giving a subsidy to private companies, when there is no money available to maintain the ones already there? This makes little sense and spends taxpayers dollars foolishly without a measurable benefit.

Besides being unnecessarily expensive because of the steep slopes and rough terrain, these new logging roads will hurt our national forests which already have extensive road systems which result in road density that brings about a decline in many species in our wildlife population.

Vote Common Sense. Vote for our environment—vote for the Porter-Kennedy amendment.

Mr. Chairman, I rise in support of the Porter-Kennedy amendment to H.R. 2107, the Interior Appropriations Act of 1998. This important measure would prevent the further destruction of our Nation's Federal forest and especially the few old growth forest which remain on public land.

The Porter-Kennedy amendment to H.R. 2107 would reduce by $42 million the Forest Service's $160 million in the funding for reconstruction and construction. The amendment also reduces the bill's limitation—from $50 million to $1—on the Forest Service's Purchaser Credit Program. Both changes are intended to eliminate support for the construction of new logging roads into roadless areas. Under the Purchaser Credit Program, timber companies may build roads into national forest for logging purposes, and, in return, receive up to $50 million in credits against the amount they owe the Federal Government for timber sales.

The stewardship of our Nation's Federal lands should and must be of the greatest priority of this Congress—it is a public trust which we cannot fail.

This amendment would protect Federal lands from the destruction created by logging roads which harm the forest environment by degrading and polluting nearby streams, dividing wildlife habitats into small fragments, and allowing the spread of exotic plants and animal species.

A thousand communities depend on national forest watersheds for clean water supplies which are threatened by silt and runoff from lands with road construction.

Road into national forest degrade forest even before any trees are cut. They cause erosion and sedimentation—and massive mudslides—are inescapable byproducts of roadbuilding in steep terrain. In Idaho, for example 70 percent of last year's 422 mudslides were associated with national forest roads.

This amendment would not affect funding for building recreation and general purpose roads which are funded separately. The Porter-Kennedy amendment would allow routine road maintenance for necessary upkeep and repair of roads which includes timber, recreation and general purpose roads.

According to the Forest Service there are over 380,000 miles of forest roads in the existing road system that are in need of repair. There is a backlog of maintenance on the 232,000 miles with a cost $440 million.

The Interior appropriations bill will retain $85 million for maintenance of existing roads.

I would like to urge my colleagues to join me in support of the Porter-Kennedy amendment.

Mr. KENNEDY of Massachusetts. Mr. Chairman, I yield 2 minutes to the gentleman from California [Mr. DOOLEY].

Mr. DOOLEY of California. Mr. Chairman, I rise in support of the Kennedy-Porter amendment, in opposition to the Dicks amendment, and I do so not to engage in a lot of the rhetoric and whether or not there is, in fact, a subsidy that is being provided to the timber industry; I rise in support of this amendment because I think that if we are going to be trying to refashion government in the manner in which we are sending the appropriate signals to the timber industry, that this is an approach to take.

What we are talking about now is how do we design a system so that we have more market forces coming to bear? I do not think there is going to be an overall change in the level of revenue which the Federal Government is going to achieve, because I, quite frankly, agree with some of the opponents' amendments in that the bids that timber companies are going to be offering for these tracts of timber are actually going to be lower. But what is going to change by accepting Kennedy-Porter is that we are no longer going to be insulating the determination in terms of what is going to be the cost for building a road from the market forces. We are no longer going to be, in effect, having a cost-based reimbursement, and that is what is important.

We are now going to be putting in place a more market-based mechanism which is going to ensure that the timber companies which are bidding on these tracts of land are going to have a financial incentive to build these roads in the most cost-effective manner, and that is what is in the taxpayers' interest. Unfortunately, while some of the rhetoric is based upon what is going to generate, whether or not it is a subsidy or not, my interest in supporting Kennedy-Porter is how can we put in place a system which is going to ensure that the market forces are going to ensure that taxpayers are going to be getting the greatest return on their investment.

And that, I think, is the most compelling reason, and why those who are most interested in ensuring that taxpayers of this country are getting the greatest return on their investment should support the Kennedy-Porter amendment, and I urge my colleagues to support it.

Mr. DICKS. Mr. Chairman, I yield 1 minute to the gentleman from Georgia [Mr. KINGSTON], one of the major sponsors of this amendment. I wish I had more time to give him.

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

As my colleagues know, in the narrow scope of an appropriation bill and the accompanying rules, the substitute, which I stand in support of, works out a good compromise.

No. 1, the Porter-Kennedy amendment eliminates a very important maintenance account, maintenance for fire, maintenance for recreational purposes. This restores it but does not increase it except for to the President's level, No. 1.

No. 2, it puts in $25 million, reducing the amount for purchase credits by half. Now $25 million, and listen to this, listen to this very carefully, is less than the NEA allocations for California and New York. That is what it is; yes, very, very important for small timber purchases. What this money will do is if there are two roads, but they need to build a third road to get to the trees, what happens is when the logger builds that road, the money also goes to the first and second road, and so three roads are maintained by, as our jobs, as are the forests.

Vote for the substitute; it is a very good compromise.

Mr. REGULA. Mr. Chairman, I yield 1 minute to the gentleman from California [Mr. HERGER].

Mr. HERGER. Mr. Chairman, I am appalled by the incredible misinformation that we are hearing this evening.

I represent a district in northern California that is probably one of the most productive tree-growing areas in the world, and we have eight national forests in our district. I would like to state a few facts and compare it with policy, if I could.

As the gentleman from Ohio [Mr. REGULA] pointed out earlier, this is a 2-by-4. This very 2-by-4 we could buy for 22 cents in 1989. Now this builds homes in each of our districts, those of my colleagues who have homes in the big cities that are out trying to support the Kennedy amendment now. In 1997 this same 2-by-4 sells for 44 cents, double the price. Double the price it was.

Now let us go through some facts. We have heard a number of points that were mentioned tonight. One was that only 5 percent of the timber comes off Federal land. Well, guess what? Here is a fact: 50 percent of all soft wood grown in the United States today is grown on

Federal land, but because of present policy we have the doubling of wood price.

Oppose the Kennedy amendment.

Mr. PORTER. Mr. Chairman, I yield 1½ minutes to the gentleman from Delaware [Mr. CASTLE].

Mr. CASTLE. Mr. Chairman, I too rise in strong support of the Porter-Kennedy amendment.

When I came to Washington after the election in 1992, one of my goals was to work to eliminate unnecessary and wasteful government programs, and I believe many of my colleagues, if not most of them, came here with this very same goal.

Well, today presents to us a golden opportunity. I am a cosponsor of the Porter-Kennedy amendment to eliminate logging roads subsidies because of a very simple reason. Federal construction of logging roads is a wasteful, unnecessary program that is a bad deal for the taxpayers and the environment. It is such a bad deal that a unique coalition has formed in support of this amendment. Republicans and Democrats from across the entire political spectrum have joined forces in support of this reasonable amendment.

Let me make something very clear. I do support responsible logging in our national forests, but saying that does not mean I support asking the American taxpayers to spend millions and millions each year so that big-profit timber companies do not have to pay for their own roads.

Mr. Chairman, this amendment will not affect recreation or general purpose roads for fire safety or affect jobs. But what it will affect is the American people's confidence in this Congress' ability to cut wasteful Federal spending as we work to balance the budget and make the tough decisions on which programs receive Federal funding and which should not. It makes good sense to target subsidy programs that waste taxpayer dollars and harm the environment.

I ask my colleagues to support the bipartisan timber roads amendment.

Mr. KENNEDY of Massachusetts. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, there has been a lot of rhetoric that we have heard on this floor over the course of the last couple of hours. I have heard this amendment accused of fire, I have heard it accused of taxes, I have heard it accused of running up the cost of 2-by-4's, I have heard it accused of floods. The only thing left is pestilence, and I am sure in the next few minutes we will hear that, too.

But the truth of the matter is that for those that say some guy from Massachusetts does not know a lot about the forest, they may be right, but I did take the time yesterday to meet with the National Forest Service. I met with them for a couple of hours in my office to try to understand exactly what this amendment would do and exactly what the program that is in place currently does.

□ 2230

Mr. Chairman, this amendment, this amendment in no way cuts this country's capability of fighting fires. It in no way cuts this country's ability to build recreational roads. It in no way cuts this country's ability to build trails. It in no way cuts the maintenance of existing roads. It in no way cuts roads needed for forest health.

Anyone who has stood up on the House floor in the last couple of hours and made a speech saying that that is what the Porter-Kennedy amendment does is just plain wrong. They have not read it. That is not what this amendment does.

All it does is say that for the funds that are going to be utilized for the sole purposes of building roads for the purposes of harvesting timber, they cannot get a subsidy from the people of this country. If a lumber company wants to go build those roads and harvest those trees, we say, have at it. Just pay for the roads yourself. You do not need a taxpayer subsidy to go out and pay for the roads.

People that say that the purchaser credit program does not require a subsidy, of course it does. Instead of paying them in dollars, we pay them in trees. That is what this is all about. If the program did not need a subsidy, why are we dealing with it in an appropriations bill? The program does not pay for itself. This program costs the American taxpayer over $1 billion a year; that is, $1 billion over 3 years. That is the GAO report.

The gentleman from Washington [Mr. DICKS] is going to stand up there and tell us how many trees we have not cut down. I do not know how many of those are in the Alaskan wilderness, but I will tell Members one thing, the truth of the matter is if we want to harvest trees, we cannot do this solely by going after national Forest Service roads. We only cut 4 percent of the trees from the national forest.

Support the Porter-Kennedy amendment and defeat the Dicks amendment.

Mr. REGULA. Mr. Chairman, I yield 1½ minutes to the gentleman from Montana [Mr. HILL].

Mr. HILL. Mr. Chairman, the one thing I have learned this evening is how little the proponents of the Porter amendment understand about timber sales. What people have to understand is that when the Federal Government sells timber, in some instances it is necessary to construct a road and in other instances it is necessary to reconstruct an existing road in order to provide access to the timber.

The standing practice is that the Forest Service will either construct the road, or allow credit against the timber sale for the cost of the construction. Why is that not a subsidy? It is not a subsidy because the timber sale anticipates or takes into consideration access. Therefore, the Government receives a higher price for the timber because access is provided. If the bidder had to provide that access, then the bid price would simply be lower.

The problem with all this for me and my folks in Montana is that by eliminating the prepaid credit, it is going to hurt local governments. The reason for that is that 25 percent of the proceeds of the timber sales, including the road credits, is given to local governments. It goes to counties and it goes to school districts. This amendment, pure and simple, will take $10 million out of the budgets of local governments. It is important to understand that in recent years there have been dramatic reductions in the timber harvest on these Federal lands. The result has been large reductions in payments to these communities already. The reduction in harvest has been accompanied with plant layoffs.

So at a time when there are fewer jobs, high unemployment, considerable disruptions in these communities, the authors of this amendment want to make the problem in those communities worse. By lowering the value of timber and therefore reducing the revenues from these timber sales, they will destroy these communities. Please oppose this amendment.

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

Mr. Chairman, I rise tonight in opposition to the Kennedy-Porter amendment, and ask Members to vote for the Dicks-Kingston-Hansen amendment.

Our amendment basically does this. It is a compromise. Instead of cutting $50 million out of timber purchaser credit, our amendment would only cut $25 million. Instead of cutting $41.5 million out of appropriated funds for timber roads, we would only cut $5.6 million, which takes it back to the administration's budget request.

Look at what happened here in timber sales in our country. In the 1980's, we were up at around 12 billion board feet. Now we are down to 3.7 billion board feet. What has that done? That has driven up the cost of timber. It has made our homes more expensive. If we are going to have access even to the 3.7 billion board feet we have to have some additional new roads. That is where the Kennedy amendment really does hurts us.

Second, recreation. Let me just read the Members what these roads are all about: Access for over 300 million visitor days of recreation use a year, access to over 121,000 miles of trail, access to more than 34 million acres of designated wilderness, access to 19 national recreation areas, access to over 18,000 recreation facilities, access to

about 7,000 miles of scenic byways, access to 50 major visitors centers, and major ski resorts.

So I am telling the Members that this amendment offered by the gentleman from Massachusetts [Mr. KENNEDY] and the gentleman from Illinois [Mr. PORTER] will have a devastating effect. It will reduce the timber harvest by 3.7, down to about 1.7. It will probably cost us somewhere between $200 million and $300 million in revenue lost to the Treasury.

So please vote for the Dixon amendment and against the Porter-Kennedy amendment.

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

Mr. Chairman, we have heard a lot of Chicken Little this evening, but believe me, the sky is not falling. We have heard from the gentleman from Georgia and many others that we are going to be cutting out the maintenance of roads and the obliteration of roads. That is simply not true. We have heard that the recreation roads are going to be cut. Not true. It does not affect them at all. Fire control, not true. It does not affect them at all.

We have heard from the gentleman from Oregon that land management and the engineering process is going to be undermined. Not true. There is $5.9 million remaining in the account for management and oversight by the Forest Service. We have heard that this amendment involves $89.5 million. It does not, it is $41.5 million. It is a subsidy. If it is not a subsidy, why are the Members worried about it? Obviously it is a subsidy.

Finally, let me say also that the question of small businesses was raised. The chairman protected this entire account for only small business, and a point of order was offered and sustained to put Weyerhauser and Georgia-Pacific back in the subsidy.

No, this is about subsidizing the timber companies, and believe me, Mr. Chairman, it is time that they simply have to pay their own way in a free enterprise society. This amendment is quintessentially Republican. Seven of the nine sponsors of the amendment are Republican. We believe in free markets and competition, not in captive markets and subsidies.

Mr. Chairman, the Bureau of Land Management does not work this way. The Bureau of Indian Affairs does not work this way. It is time we let the free market system dictate timber sales in our national forests as well.

Mr. Chairman, we have reformed welfare, we have reformed agriculture in this Congress and in the previous one. Now is the time to reform and eliminate subsidies of this type. They are an anachronism. I urge Members to support the Porter amendment and oppose the Dicks amendment.

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

Mr. Chairman, let me say to all of the Members who are watching us on C-SPAN and coming over here to vote, the right vote is to vote for the amendment of the gentleman from Washington [Mr. DICKS]. Why do I say that? Let me quote from the Secretary of Agriculture, one of our former colleagues, who understands it, who is responsible for the management of our forests.

Secretary Glickman says in his letter, "However, the $41.5 million reduction the amendment proposes," that is the Porter-Kennedy amendment, "goes too far in eliminating important construction and reconstruction efforts that provide public safety and environmental benefits." It says it all. It says it all.

If Members care about people, if they care about the 76 million people that take their families to the national forests for recreation, if they care about their safety, if they care about the environment, Members will vote for the Dicks amendment, because it does not go too far, as does the Porter amendment.

Mrs. EMERSON. Mr. Chairman, I rise in strong opposition to the Kennedy-Porter amendment, which would undermine the health of our national forests and effectively shut them down to recreation, industry, and sportsmen. This amendment is completely contrary to the wise and effective management of our national forests. The International Association of Firefighters says that the programs targeted by the Kennedy/Porter amendment are "essential to providing safe passage for firefighters and protecting our national forest and surrounding communities from catastrophic wildfires."

One of the most misunderstood aspects of the forest roads program is how the money is actually spent. The fact of the matter is that new road construction accounts for a very small portion of the funding. In fact, the forest service intends to build only 8 miles of new roads in the entire 190 million acre national forest system, and just 1 mile of this is a timber road. The essential point here is that almost all of the road construction funds provided to our 122 national forests goes for reconstruction of existing roads.

I would also like to address the issue of how county governments and local communities would be affected by the Kennedy/Porter amendment. Each year, 25 percent of all revenues collected by national forests are returned to the States where those national forests are located. This is money that pays for bedrock community projects, such as public schools and county roads. In addition, counties also receive payments in lieu of taxes [PILT], which can supplement school and roads funding or go toward other important community needs. In many of the counties in my district, this can mean more than $100,000 annually. In fact, the residents of Oregon County in my district would stand to lose as much as $140,000 were the Kennedy/Porter amendment to pass.

The damaging effects of this amendment are made even more evident when you consider the loss in jobs and economic activity. The timber industry in the State of Missouri accounts for approximately 20,000 jobs and $3 billion dollars in economic activity. These are family owned businesses, hard-working folks. Their work is an important part of our local economy and a key element in the wise management of our national forests.

Finally, let us make no mistake about the special interests and the real agenda of this amendment. Its chief proponent is the Sierra Club, which is bent on halting all logging in our national forests. If the Sierra Club had its way, the lives and livelihoods of good people would be disregarded in favor of its own extremist agenda. I urge a strong "no" vote on this amendment.

Ms. PRYCE of Ohio. I am not a Westerner and I have no vested interest in this issue. But last year when this was debated I looked at it closely.

Mr. Chairman, I rise again in opposition to the amendment. Last year, we witnessed a devastating fire season with more than six million acres burned by catastrophic wildfire. While fire is an important part of mother nature's cycle, these un-natural, slow-moving, hot-burning fires are the by-product of dense fuel loading in our forests, which often kills healthy trees and sterilizes the soil from future growth.

The timber forest road program, which this amendment seeks to reduce, provides important access for our wildlife firefighters in their effort to protect our natural resources. A member of my staff understands this fact first-hand, having spent two weeks last summer fighting fires in the Umatilla National Forest in eastern Oregon. The forest roads provided their sole access over land to get to the fire and, more importantly, a safe means to evacuate personnel when the fire got out of control.

But, it's not just access for our wildlife firefighters that is important. These roads also provide important access for resource managers, foresters, hunters, fishermen, campers, hikers, and yes, even those who just want to take a walk in the woods.

Mr. Chairman, I urge my colleagues to look past the political rhetoric that many groups would have them believe. If you support promoting long-term forest health and sound environmental stewardship, I urge you to support the forest roads program and defeat this amendment.

The CHAIRMAN. All time has expired.

Under the unanimous-consent agreement, the question is on the amendment offered by the gentleman from Washington [Mr. DICKS] to the amendment offered by the gentleman from Illinois [Mr. PORTER].

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

RECORDED VOTE

Mr. PORTER. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 211, noes 209, not voting 14, as follows:

[Roll No. 262]

AYES—211

Aderholt
Archer
Armey
Bachus
Baesler
Baker
Ballenger
Barcia
Barr
Barrett (NE)
Bartlett
Barton
Bass
Bateman
Bereuter
Berry
Bishop
Bliley
Blunt
Boehner
Bonilla
Bono
Boswell
Boyd
Brady
Bryant
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Canady
Cannon
Chambliss
Chenoweth
Christensen
Coble
Coburn
Collins
Combest
Cooksey
Cramer
Crane
Crapo
Cubin
Cunningham
Danner
Deal
DeFazio
DeLay
Diaz-Balart
Dickey
Dicks
Dingell
Doolittle
Doyle
Dreier
Duncan
Dunn
Edwards
Ehrlich
Emerson
English
Ensign
Everett
Frost
Gallegly
Gekas
Gibbons
Gilchrest
Goode
Goodlatte
Goodling
Graham
Granger
Hall (TX)
Hansen
Hastert
Hastings (WA)
Hayworth
Hefley
Hefner
Herger
Hill
Hilleary
Hilliard
Hobson
Holden
Hostettler
Hunter
Hutchinson
Hyde
Inglis
Istook
Jenkins
John
Johnson (WI)
Johnson, E. B.
Jones
Kaptur
Kim
King (NY)
Kingston
Klink
Kolbe
LaHood
Largent
Latham
LaTourette
Lewis (CA)
Lewis (KY)
Linder
Lipinski
Livingston
Lucas
Manzullo
Mascara
McCollum
McCrery
McDade
McHugh
McInnis
McIntyre
McKeon
Metcalf
Mica
Mollohan
Moran (KS)
Murtha
Myrick
Nethercutt
Neumann
Ney
Northup
Norwood
Nussle
Oberstar
Obey
Ortiz
Oxley
Packard
Parker
Paxon
Peterson (MN)
Peterson (PA)
Petri
Pickering
Pickett
Pitts
Pombo
Pomeroy
Radanovich
Rahall
Redmond
Regula
Riggs
Riley
Rodriguez
Rogers
Ryun
Salmon
Sandlin
Schaefer, Dan
Schaffer, Bob
Sessions
Shadegg
Shimkus
Sisisky
Skeen
Skelton
Smith (MI)
Smith (OR)
Smith (TX)
Smith, Adam
Smith, Linda
Snowbarger
Solomon
Souder
Spence
Stearns
Stenholm
Stump
Stupak
Sununu
Talent
Tanner
Tauzin
Taylor (MS)
Taylor (NC)
Thomas
Thompson
Thornberry
Thune
Thurman
Tiahrt
Traficant
Turner
Wamp
Watkins
Watts (OK)
Weldon (FL)
Weller
White
Whitfield
Wicker
Wise
Wynn
Young (AK)
Young (FL)

NOES—209

Abercrombie
Ackerman
Allen
Andrews
Baldacci
Barrett (WI)
Bentsen
Bilbray
Bilirakis
Blagojevich
Blumenauer
Boehlert
Bonior
Borski
Brown (CA)
Brown (FL)
Brown (OH)
Campbell
Capps
Cardin
Carson
Castle
Chabot
Clay
Clayton
Clyburn
Condit
Conyers
Cook
Costello
Cox
Coyne
Cummings
Davis (FL)
Davis (IL)
Davis (VA)
DeGette
Delahunt
DeLauro
Dellums
Deutsch
Dixon
Doggett
Dooley
Ehlers
Engel
Eshoo
Etheridge
Evans
Ewing
Farr
Fattah
Fawell
Fazio
Filner
Flake
Foglietta
Foley
Forbes
Ford
Fox
Frank (MA)
Franks (NJ)
Frelinghuysen
Furse
Ganske
Gejdenson
Gephardt
Gillmor
Gilman
Gonzalez
Gordon
Goss
Green
Greenwood
Gutierrez
Gutknecht
Hall (OH)
Hamilton
Harman
Hastings (FL)
Hinchey
Hinojosa
Hoekstra
Hooley
Horn
Houghton
Hoyer
Hulshof
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Johnson (CT)
Johnson, Sam
Kanjorski
Kasich
Kelly
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
Kilpatrick
Kind (WI)
Kleczka
Klug
Knollenberg
Kucinich
LaFalce
Lampson
Lantos
Lazio
Leach
Levin
Lewis (GA)
LoBiondo
Lofgren
Lowey
Luther
Maloney (CT)
Maloney (NY)
Manton
Markey
Matsui
McCarthy (MO)
McCarthy (NY)
McDermott
McGovern
McHale
McIntosh
McKinney
McNulty
Meehan
Meek
Menendez
Millender-McDonald
Miller (CA)
Miller (FL)
Minge
Mink
Moakley
Moran (VA)
Morella
Nadler
Neal
Oliver
Owens
Pallone
Pappas
Pascrell
Pastor
Paul
Payne
Pease
Pelosi
Porter
Portman
Poshard
Price (NC)
Quinn
Ramstad
Rangel
Reyes
Rivers
Roemer
Rogan
Rohrabacher
Rothman
Roukema
Roybal-Allard
Royce
Rush
Sabo
Sanders
Sanford
Sawyer
Saxton
Scarborough
Schumer
Scott
Sensenbrenner
Serrano
Shaw
Shays
Sherman
Skaggs
Smith (NJ)
Snyder
Spratt
Stabenow
Stark
Stokes
Strickland
Tauscher
Tierney
Torres
Towns
Upton
Velázquez
Vento
Visclosky
Walsh
Waters
Watt (NC)
Waxman
Weldon (PA)
Wexler
Weygand
Wolf
Woolsey

NOT VOTING—14

Becerra
Berman
Boucher
Clement
Fowler
Martinez
Molinari
Pryce (OH)
Ros-Lehtinen
Sanchez
Schiff
Shuster
Slaughter
Yates

□ 2257

Mr. GREEN and Mrs. MALONEY of New York changed their vote from "aye" to "no."

Messrs. CRAPO, BONILLA, and NEY changed their vote from "no" to "aye."

So the amendment to the amendment was agreed to.

The result of the vote was announced as above recorded.

PERSONAL EXPLANATION

Ms. PRYCE of Ohio. Mr. Chairman, on rollcall No. 262, I was unavoidably detained. Had I been present, I would have voted "yes."

PERSONAL EXPLANATION

Ms. SANCHEZ. Mr. Chairman, I was unavoidably detained on rollcall vote No. 262, the Dicks amendment. Had I been present, I would have voted "no."

The CHAIRMAN. The question is on the amendment offered by the gentleman from Illinois [Mr. PORTER], as amended.

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

RECORDED VOTE

Mr. KENNEDY of Massachusetts. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 246, noes 179, not voting 9, as follows:

[Roll No. 263]

AYES—246

Abercrombie
Ackerman
Allen
Andrews
Baldacci
Barrett (WI)
Bentsen
Bilbray
Bilirakis
Blagojevich
Blumenauer
Boehlert
Bonior
Borski
Boyd
Brown (CA)
Brown (FL)
Brown (OH)
Campbell
Capps
Cardin
Carson
Castle
Chabot
Christensen
Clay
Clayton
Clyburn
Condit
Conyers
Cook
Costello
Cox
Coyne
Cummings
Davis (FL)
Davis (IL)
Davis (VA)
DeFazio
DeGette
Delahunt
DeLauro
Dellums
Deutsch
Dicks
Dingell
Dixon
Doggett
Dooley
Edwards
Ehlers
Engel
English
Eshoo
Etheridge
Evans
Ewing
Farr
Fattah
Fawell
Fazio
Filner
Flake
Foglietta
Foley
Forbes
Ford
Fox
Frank (MA)
Franks (NJ)
Frelinghuysen
Frost
Furse
Ganske
Gejdenson
Gephardt
Gilchrest
Gillmor
Gilman
Gonzalez
Goodling
Gordon
Goss
Green
Greenwood
Gutierrez
Gutknecht
Hall (OH)
Hamilton
Harman
Hastings (FL)
Hefner
Hinchey
Hinojosa
Hoekstra
Hooley
Horn
Hoyer
Hulshof
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Johnson (CT)
Johnson (WI)
Johnson, E. B.
Kanjorski
Kasich
Kelly
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
Kilpatrick
Kim
Kind (WI)
Kingston
Kleczka
Klug
Kolbe
Kucinich
LaFalce
Lampson
Lantos
LaTourette
Lazio
Leach
Levin
Lewis (GA)
Lipinski
LoBiondo
Lofgren
Lowey
Luther
Maloney (CT)
Maloney (NY)
Manton
Markey
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McDermott
McGovern
McHale
McHugh
McKinney
McNulty
Meehan
Meek
Menendez
Metcalf
Millender-McDonald
Miller (CA)
Miller (FL)
Minge
Mink
Moakley
Moran (VA)
Morella
Nadler
Neal
Neumann
Ney
Northup
Obey
Olver
Ortiz
Owens
Pallone
Pappas
Pascrell
Pastor
Paul
Payne
Pease
Pelosi
Petri
Pomeroy
Porter
Portman
Poshard
Price (NC)
Quinn
Rahall
Ramstad
Rangel
Rivers
Rodriguez
Roemer
Rogan
Rohrabacher
Rothman
Roukema
Roybal-Allard
Royce
Rush
Sabo
Salmon
Sanchez
Sanders
Sanford
Sawyer
Saxton
Scarborough
Schumer
Scott
Sensenbrenner
Serrano
Shaw
Shays
Sherman
Skaggs
Smith (MI)
Smith (NJ)
Smith (TX)
Smith, Adam
Snyder
Spratt
Stabenow
Stark
Stokes
Strickland
Tanner
Tauscher
Thornberry
Thurman
Tierney
Torres
Towns
Upton
Velázquez
Vento
Visclosky
Walsh
Wamp
Waters
Watt (NC)
Waxman
Weldon (PA)
Wexler
Weygand
White
Wolf
Woolsey
Wynn
Young (FL)

NOES—179

Aderholt	Fowler	Oberstar
Archer	Gallegly	Oxley
Armey	Gekas	Packard
Bachus	Gibbons	Parker
Baesler	Goode	Paxon
Baker	Goodlatte	Peterson (MN)
Ballenger	Graham	Peterson (PA)
Barcia	Granger	Pickering
Barr	Hall (TX)	Pickett
Barrett (NE)	Hansen	Pitts
Bartlett	Hastert	Pombo
Barton	Hastings (WA)	Pryce (OH)
Bass	Hayworth	Radanovich
Bateman	Hefley	Redmond
Bereuter	Herger	Regula
Berry	Hill	Reyes
Bishop	Hilleary	Riggs
Bliley	Hilliard	Riley
Blunt	Hobson	Rogers
Boehner	Holden	Ros-Lehtinen
Bonilla	Hostettler	Ryun
Bono	Houghton	Sandlin
Boswell	Hunter	Schaefer, Dan
Brady	Hutchinson	Schaffer, Bob
Bryant	Hyde	Sessions
Bunning	Inglis	Shadegg
Burr	Istook	Shimkus
Burton	Jenkins	Sisisky
Buyer	John	Skeen
Callahan	Johnson, Sam	Skelton
Calvert	Jones	Smith (OR)
Camp	Kaptur	Smith, Linda
Canady	King (NY)	Snowbarger
Cannon	Klink	Solomon
Chambliss	Knollenberg	Souder
Chenoweth	LaHood	Spence
Coble	Largent	Stearns
Coburn	Latham	Stenholm
Collins	Lewis (CA)	Stump
Combest	Lewis (KY)	Stupak
Cooksey	Linder	Sununu
Cramer	Livingston	Talent
Crane	Lucas	Tauzin
Crapo	Manzullo	Taylor (MS)
Cubin	Mascara	Taylor (NC)
Cunningham	McCrery	Thomas
Danner	McDade	Thompson
Deal	McInnis	Thune
DeLay	McIntosh	Tiahrt
Diaz-Balart	McIntyre	Traficant
Dickey	McKeon	Turner
Doolittle	Mica	Watkins
Doyle	Molinari	Watts (OK)
Dreier	Mollohan	Weldon (FL)
Duncan	Moran (KS)	Weller
Dunn	Murtha	Whitfield
Ehrlich	Myrick	Wicker
Emerson	Nethercutt	Wise
Ensign	Norwood	Young (AK)
Everett	Nussle	

NOT VOTING—9

Becerra	Clement	Shuster
Berman	Martinez	Slaughter
Boucher	Schiff	Yates

□ 2315

Mr. SUNUNU and Mr. REYES changed their vote from "aye" to "no."

Mr. ROHRABACHER changed his vote from "no" to "aye."

So the amendment, as amended, was agreed to.

The result of the vote was announced as above recorded.

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

Mr. Chairman, I rise to advise the Members that there will be no more votes tonight. We are going to have two more amendments, one by the gentleman from Wisconsin [Mr. KLUG] on the clean coal, and possibly another energy.

But any votes that will be called for will be rolled over until tomorrow. I would reiterate that it is our goal to finish by 2 o'clock tomorrow, and we will try to get time agreements if necessary to meet that target.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

LAND ACQUISITION

For expenses necessary to carry out the provisions of the Land and Water conservation Fund Act of 1965, as amended (16 U.S.C. 4601–4–11), including administrative expenses, and for acquisition of land or waters, or interest therein, in accordance with statutory authority applicable to the Forest Service, $45,000,000, to be derived from the Land and Water conservation Fund, to remain available until expended.

ACQUISITION OF LANDS FOR NATIONAL FORESTS SPECIAL ACTS

For acquisition of lands within the exterior boundaries of the Cache, Uinta, and Wasatch National Forests, Utah; the Toiyabe National Forest, Nevada; and the Angeles, San Bernardino, Sequoia, and Cleveland National Forests, California, as authorized by law, $1,069,000, to be derived from forest receipts.

ACQUISITION OF LANDS TO COMPLETE LAND EXCHANGES

For acquisition of lands, such sums, to be derived from funds deposited by State, county, or municipal governments, public school districts, or other public school authorities pursuant to the Act of December 4, 1967, as amended (16 U.S.C. 484a), to remain available until expended.

Mr. RIGGS. Mr. Chairman, I move to strike the last word to engage in a colloquy with the gentleman from Ohio [Mr. REGULA], the distinguished subcommittee chairman.

Mr. Chairman, on September 28th last year representatives of the Federal Government, representatives of the State of California government, and the Pacific Lumber Co. headquartered in Humboldt County, California, signed an agreement providing for the Federal acquisition of 75,000 acres of timberland in Humboldt County, in my congressional district.

This land includes 3,000 acres known as the Headwaters Forest, which is the largest privately-owned old-growth redwood forest in the world. This is an un-entered tract of redwood timberland that is zoned for timber production. It is the highest and best use of the land.

The funds for the Headwaters agreement would come from a combination of State and Federal accounts. The Federal share of the total acquisition cost is $250 million. The budget agreement, as I think the distinguished subcommittee chairman knows, between the Congress and the White House anticipates a $700 million increase in the Land and Water Conservation Fund for priority Federal land acquisitions and land exchanges.

Of this, I believe it is understood that $250 million would be earmarked for the completion of the Headwaters Forest agreement. However, none of these funds were included in the fiscal year 1998 Interior appropriations bill before us on the floor at this time.

I am a signatory to the Headwaters Forest agreement, but I have always been concerned about the impact that agreement could have on Humboldt County. My district, as the chairman probably knows, is home to all or part of four Federal forests as well as the national redwood park and the State redwood parks. Unemployment is high and the local economy is suffering as a result of the current restrictions on timber harvesting on both private and public lands.

With the removal of the Headwaters Forest from private ownership, the transfer of the Headwaters Forest and the 7,500 acres of forest land from private ownership to public ownership, Humboldt County stands to lose potential millions of dollars in future tax revenues.

Mr. Chairman, I did submit to the committee several proposals that would let the Headwaters Forest agreement go forward while providing economic mitigation for Humboldt County. I had intended to offer an amendment prohibiting the Land and Water Conservation Fund to be used to acquire the Headwaters until two conditions have been met.

First, all of the terms and conditions of the Headwaters Forest agreement itself must by satisfied or fulfilled by the parties to that agreement. Second, legislation must be enacted or an appropriation approved providing economic assistance to Humboldt County, California, to mitigate the loss of tax revenues incurred because of the Headwaters Forest agreement and, again, the transfer of this land from private to public ownership.

Mr. Chairman, section 205 of the joint House-Senate budget resolution, again negotiated between the Congress and the White House, includes the money for the Land and Water Conservation Fund and, as I mentioned earlier, $250 million for the Federal Government to acquire this timberland in question.

Again, I reiterate my concerns, Mr. Chairman, about the potential impact of this agreement and this land acquisition on Humboldt County, and bring to your attention the fact that Humboldt County again stands to lose potentially millions of dollars in future tax revenues.

I am seeking your assurance, Mr. Chairman, that any money for the acquisition of the Headwaters Forest agreement through the Land and Water Conservation Fund or through the fiscal year 1998 Interior appropriations bill will not be approved, will not be appropriated unless there is adequate mitigation for Humboldt County.

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

Mr. RIGGS. I yield to the gentleman from Ohio.

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

The gentleman from California has repeatedly made his concerns for Humboldt County, California, known to me.

I fully understand how important an issue this is to the gentleman from California [Mr. RIGGS] and the people of Humboldt County.

The $700 million was not included in the bill reported from the committee. However, it is possible that the Senate will include all or part of these funds. I assure the gentleman from California [Mr. RIGGS] that I will raise his concerns for the need of economic mitigation for Humboldt County if the funds are an issue with the House-Senate conference on the Interior appropriations bill.

Mr. RIGGS. Mr. Chairman, reclaiming my time, I would like to thank the gentleman for his attention to this very important matter and point out to him that I am eager to work with him and the other House-Senate conferees on this particular issue, not only to secure the funding for the Headwaters Forest acquisition but also the equally important funding to provide economic assistance to Humboldt County to compensate for the loss of future tax revenues.

Again, I appreciate the assurance of the chairman that he will work with me and his fellow House-Senate conferees to resolve this issue of economic mitigation for Humboldt County. Given that assurance, I will not offer my amendment later today or tomorrow.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

RANGE BETTERMENT FUND

For necessary expenses of range rehabilitation, protection, and improvement, 50 per centum of all moneys received during the prior fiscal year, as fees for grazing domestic livestock on lands in National Forests in the sixteen Western States, pursuant to section 401(b)(1) of Public Law 94–579, as amended, to remain available until expended, of which not to exceed 6 per centum shall be available for administrative expenses associated with on-the-ground range rehabilitation, protection, and improvements.

GIFTS, DONATIONS AND BEQUESTS FOR FOREST AND RANGELAND RESEARCH

For expenses authorized by 16 U.S.C. 1643(b), $92,000, to remain available until expended, to be derived from the fund established pursuant to the above Act.

MIDEWIN NATIONAL TALLGRASS PRAIRIE RESTORATION FUND

All funds collected for admission, occupancy, and use of the Midewin National Tallgrass Prairie, and the salvage value proceeds from sale of any facilities and improvements pursuant to sections 2915 (d) and (e) of Public Law 104–106, are hereby appropriated and made available until expended for the necessary expenses of restoring and administering the Midewin National Tallgrass Prairie in accordance with section 2915(f) of the Act.

COOPERATIVE WORK, FOREST SERVICE

For restoring the balances borrowed for previous years firefighting, $128,000,000, to remain available until expended: *Provided*, That the appropriation shall be merged with and made a part of the designated fund authorized by Public Law 71–319, as amended.

ADMINISTRATIVE PROVISIONS, FOREST SERVICE

Appropriations to the Forest Service for the current fiscal year shall be available for: (a) purchase of not to exceed 159 passenger motor vehicles of which 22 will be used primarily for law enforcement purposes and of which 156 shall be for replacement; acquisition of 25 passenger motor vehicles from excess sources, and hire of such vehicles; operation and maintenance of aircraft, the purchase of not to exceed two for replacement only, and acquisition of 20 aircraft from excess sources notwithstanding other provisions of law, existing aircraft being replaced may be sold, with proceeds derived or trade-in value used to offset the purchase price for the replacement aircraft; (b) services pursuant to 7 U.S.C. 2225, and not to exceed $100,000 for employment under 5 U.S.C. 3109; (c) purchase, erection, and alteration of buildings and other public improvements (7 U.S.C. 2250); (d) acquisition of land, waters, and interests therein, pursuant to 7 U.S.C. 428a; (e) for expenses pursuant to the Volunteers in the National Forest Act of 1972 (16 U.S.C. 558a, 558d, 558a note); and (f) the cost of uniforms as authorized by 5 U.S.C. 5901–5902; and (g) for debt collection contracts in accordance with 31 U.S.C. 3718(c).

None of the funds made available under this Act shall be obligated or expended to change the boundaries of any region, to abolish any region, to move or close any regional office for research, State and private forestry, or National Forest System administration of the Forest Service, Department of Agriculture without the consent of the House and Senate Committees on Appropriations.

Any appropriations or funds available to the Forest Service may be advanced to the Wildland Fire Management appropriation and may be used for forest firefighting and the emergency rehabilitation of burned-over or damaged lands or waters under its jurisdiction.

Funds appropriated to the Forest Service shall be available for assistance to or through the Agency for International Development and the Foreign Agricultural Service in connection with forest and rangeland research, technical information, and assistance in foreign countries, and shall be available to support forestry and related natural resource activities outside the United States and its territories and possessions, including technical assistance, education and training, and cooperation with United States and international organizations.

None of the funds made available to the Forest Service under this Act shall be subject to transfer under the provisions of section 702(b) of the Department of Agriculture Organic Act of 1944 (7 U.S.C. 2257) or 7 U.S.C. 147b unless the proposed transfer is approved in advance by the House and Senate Committees on Appropriations in compliance with the reprogramming procedures contained in the report accompanying this bill.

None of the funds available to the Forest Service may be reprogrammed without the advance approval of the House and Senate Committees on Appropriations in accordance with the procedures contained in the report accompanying this bill.

No funds appropriated to the Forest Service shall be transferred to the Working Capital Fund of the Department of Agriculture without the approval of the Chief of the Forest Service.

Notwithstanding any other provision of the law, any appropriations or funds available to the Forest Service may be used to disseminate program information to private and public individuals and organizations through the use of nonmonetary items of nominal value and to provide nonmonetary awards of nominal value and to incur necessary expenses for the nonmonetary recognition of private individuals and organizations that make contributions to Forest Service programs.

Notwithstanding any other provision of law, money collected, in advance or otherwise, by the Forest Service under authority of section 101 of Public Law 93–153 (30 U.S.C. 185(1)) as reimbursement of administrative and other costs incurred in processing pipeline right-of-way or permit applications and for costs incurred in monitoring the construction, operation, maintenance, and termination of any pipeline and related facilities, may be used to reimburse the applicable appropriation to which such costs were originally charged.

Funds available to the Forest Service shall be available to conduct a program of not less than $1,000,000 for high priority projects within the scope of the approved budget which shall be carried out by the Youth Conservation Corps as authorized by the Act of August 13, 1970, as amended by Public Law 93–408.

None of the funds available in this Act shall be used for timber sale preparation using clearcutting in hardwood stands in excess of 25 percent of the fiscal year 1989 harvested volume in the Wayne National Forest, Ohio: *Provided*, That this limitation shall not apply to hardwood stands damaged by natural disaster: *Provided further*, That landscape architects shall be used to maintain a visually pleasing forest.

Any money collected from the States for fire suppression assistance rendered by the Forest Service on non-Federal lands not in the vicinity of National Forest System lands shall be used to reimburse the applicable appropriation and shall remain available until expended as the Secretary may direct in conducting activities authorized by 16 U.S.C. 2101 (note), 2101–2110, 1606, and 2111.

Of the funds available to the Forest Service, $1,500 is available to the Chief of the Forest Service for official reception and representation expenses.

Notwithstanding any other provision of law, the Forest Service is authorized to employ or otherwise contract with persons at regular rates of pay, as determined by the Service, to perform work occasioned by emergencies such as fires, storms, floods, earthquakes or any other unavoidable cause without regard to Sundays, Federal holidays, and the regular workweek.

To the greatest extent possible, and in accordance with the Final Amendment to the Shawnee National Forest Plan, none of the funds available in this Act shall be used for preparation of timber sales using clearcutting or other forms of even aged management in hardwood stands in the Shawnee National Forest, Illinois.

Pursuant to sections 405(b) and 410(b) of Public Law 101–593, of the funds available to the Forest Service, up to $2,000,000 may be advanced in a lump sum as Federal financial assistance to the National Forest Foundation, without regard to when the Foundation incurs expenses, for administrative expenses or projects on or benefitting National Forest System lands or related to Forest Service programs: *Provided*, That of the Federal funds made available to the Foundation, no more than $500,000 shall be available for administrative expenses: *Provided further*, That the Foundation shall obtain, by the end of the period of Federal financial assistance,

private contributions to match on at least one-for-one basis funds made available by the Forest Service: *Provided further*, That the Foundation may transfer Federal funds to a recipient of Federal financial assistance for a project at the same rate that the recipient has obtained the non-Federal matching funds: *Provided further*, That hereafter, the National Forest Foundation may hold Federal funds made available but not immediately disbursed and may use any interest or other investment income earned (before, on, or after the date of enactment of this Act) on Federal funds to carry out the purposes of Public Law 101–593: *Provided further*, That such investments may be made only in interest-bearing obligations of the United States or in obligations guaranteed as to both principal and interest by the United States.

Pursuant to section 2(b)(2) of Public Law 98–244, up to $2,000,000 of the funds available to the Forest Service shall be available for matching funds, as authorized by 16 U.S.C. 3701–3709, and may be advanced in a lump sum as Federal financial assistance, without regard to when expenses are incurred, for projects on or benefitting National Forest System lands or related to Forest Service programs: *Provided*, That the Foundation shall obtain, by the end of the period of Federal financial assistance, private contributions to match on at least one-for-one basis funds advanced by the Forest Service: *Provided further*, That the Foundation may transfer Federal funds to a recipient of Federal financial assistance for a project at the same rate that the recipient has obtained the non-Federal matching funds.

Funds appropriated to the Forest Service shall be available for interactions with and providing technical assistance to rural communities for sustainable rural development purposes.

Notwithstanding any other provision of law, 80 percent of the funds appropriated to the Forest Service in the "National Forest System" and "Reconstruction and Construction" accounts and planned to be allocated to activities under the "Jobs in the Woods" program for projects on National Forest land in the State of Washington may be granted directly to the Washington State Department of Fish and Wildlife for accomplishment of planned projects. Twenty percent of said funds shall be retained by the Forest Service for planning and administering projects. Project selection and prioritization shall be accomplished by the Forest Service with such consultation with the State of Washington as the Forest Service deems appropriate.

Funds appropriated to the Forest Service shall be available for payments to counties within the Columbia River Gorge National Scenic Area, pursuant to sections 14(c)(1) and (2), and section 16(a)(2) of Public Law 99–663.

Any funds available to the Forest Service may be used for retrofitting the Commanding Officer's Building (S–2), to accommodate the relocation of the Forest Supervisor's Office for the San Bernardino National Forest: *Provided*, That funds for the move must come from funds otherwise available to Region 5: *Provided further*, That any funds to be provided for such purposes shall only be available upon approval of the House and Senate Committees on Appropriations.

The Secretary of Agriculture is authorized to enter into grants, contracts, and cooperative agreements as appropriate with the Pinchot Institute for Conservation, as well as with public and other private agencies, organizations, institutions, and individuals, to provide for the development, administration, maintenance, or restoration of land, facilities, or Forest Service programs, at the Grey Towers National Historic Landmark: *Provided*, That, subject to such terms and conditions as the Secretary of Agriculture may prescribe, any such public or private agency, organization, institution, or individual may solicit, accept, and administer private gifts of money and real or personal property for the benefit of, or in connection with, the activities and services at the Grey Towers National Historic Landmark: *Provided further*, That such gifts may be accepted notwithstanding the fact that a donor conducts business with the Department of Agriculture in any capacity.

Funds appropriated to the Forest Service shall be available, as determined by the Secretary, for payments to Del Norte County, California, pursuant to sections 13(e) and 14 of the Smith River National Recreation Area Act (Public Law 101–612).

For purposes of the Southeast Alaska Economic Disaster Fund as set forth in section 101(c) of Public Law 104–134, the direct grants provided in subsection (c) shall be considered direct payments for purposes of all applicable law except that these direct grants may not be used for lobbying activities.

No employee of the Department of Agriculture may be detailed or assigned from an agency or office funded by this Act to any other agency or office of the Department for more than 30 days unless the individual's employing agency or office is fully reimbursed by the receiving agency or office for the salary and expenses of the employee for the period of assignment.

DEPARTMENT OF ENERGY

CLEAN COAL TECHNOLOGY

(RESCISSION)

Of the funds made available under this heading for obligation in fiscal year 1997 or prior years, $100,000,000 are rescinded: *Provided*, That funds made available in previous appropriations Acts shall be available for any ongoing project regardless of the separate request for proposal under which the project was selected.

AMENDMENT NO. 5 OFFERED BY MR. KLUG

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

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 5 offered by Mr. Klug: Page 58, line 18, after the dollar amount, insert the following: "(increased by $292,000,000)".

Mr. REGULA. Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments thereto close in 30 minutes and that the time be equally divided.

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

There was no objection.

The CHAIRMAN. The time will be 15 minutes for the gentleman from Ohio [Mr. REGULA] and 15 minutes for the gentleman from Wisconsin [Mr. KLUG].

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

What we have before us tonight, Mr. Chairman, is I think a very clear debate over the subject of corporate welfare, corporate in the sense that the money we are talking about this evening to do coal research benefits a number of major corporations across the country and across the world, corporations like Alcoa, worth $2.5 billion, or GE, $70 billion, and welfare in the sense that we have been subsidizing research for an industry to essentially make leaps forward in industrial technology since the 1930's.

□ 2330

In fact we have been funding coal programs since Franklin Roosevelt was President. We have to ask ourselves after 60 years if the program has not paid back dividends to this point, why do we have any reasonable expectation that it will pay back dividends in the future, either in the near future or in the long-term future whatsoever?

The program is fundamentally unnecessary because financial incentives already exist for private industry to develop cleaner burning coal technologies under the 1990 Clean Air Act Amendments. The 1991 General Accounting Office report concluded that the program has been plagued by chronic cost overruns and scheduling problems, it funds technologies already commercially developed, those unlikely to be used because they fail to reduce emissions as much as existing technologies and many in fact within the industry have already been developed without any kind of Federal assistance or Federal financing.

In fact at this point, Mr. Chairman, we have already spent $2.75 billion on clean air technology research, nearly $3 billion aimed at large multinational corporations and at this point the government has recovered only $400,000 on its investment. While recognizing the need for Federal assistance with high risk research, the Department of Energy testified before Congress that these type of demonstration projects are not the wisest use of taxpayer dollars, and I could not agree more.

The other thing, Mr. Chairman, to point out is the fact that this program has been absolutely overrun with abuses and failures since the beginning. Since the first projects were initiated 10 years ago, there were 51 initial projects included in essentially 5 rounds of proposals and competition. Fifteen have been withdrawn, 6 are still in the books, never to get to the construction stage, one of the project sponsors has already been forced into bankruptcy, and one of the projects is now on its fifth site in 10 years unable to find any kind of financial backing for the technology. I think any of my colleagues who look at this objectively as well as a number of outside groups like Citizens against Government Waste, Friends of the Earth, Taxpayers for Common Sense, the National Taxpayers Union, Citizens for a Sound Economy, the Competitive Enterprise Institute, all fundamentally recognize

that this is a corporate welfare program that has to be eliminated if we are ever going to get this Nation's books in order and if we are ever to end up actually running in the black.

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

Mr. REGULA. Mr. Chairman, I yield 3 minutes to the distinguished gentleman from California [Mr. BROWN], ranking member of the Committee on Science.

Mr. BROWN of California. Mr. Chairman, first of all, let me commend the committee for the excellent job that it has done with regard to the legislation before us. I think they have been moderate in proposing cuts in the various programs that required cuts and they have maintained those programs which have the prospect of providing lasting improvements in the efficiency of our fossil energy economy in future years.

I think it is well that we should understand that despite all of the efforts that we have made in supporting research in alternative forms of energy other than fossil, we are still going to be highly dependent upon fossil energy for as far as we can determine into the future. It is by far our largest reserve of energy, and we are going to have to use it.

Much of the program that is being attacked by this amendment supports research that will provide for the utilization of this huge resource in more efficient ways; that is, it will produce more energy more efficiently and it will also provide that this energy meets the environmental standards which we have set for this country.

The fact of the matter is we very badly need this continued research. As I remarked in earlier remarks today, it seems a long time ago now, in opposing another effort to cut into energy research in order to support other worthy programs, energy research and energy in this country, the ability to use energy efficiently and to develop new energy sources is the backbone of our economic growth. We recognize that there are limits on how much of this we can do. The committee, as the chairman has pointed out, has taken steps to make very large rescissions in many of these fossil energy programs. But the criticism that is being made of the programs that remain are largely unwarranted.

I and one of my colleagues have made this point over and over again, that we need to complete these programs. They will be terminated in the relatively near future, but we need the results that we will obtain from them. The attacks made on them, that they represent corporate welfare to large corporations, is simply not the case. Most of these programs are operated by small and medium sized organizations.

I urge a "no" vote on this amendment. The program is working well. The committee is supervising it closely.

Mr. KLUG. Mr. Chairman, I yield myself such time as I may consume to make a couple of quick points.

What we have just heard is the fundamental argument we always get on any science program, that we cannot cancel it because they just started it and there might be potential, or we cannot cancel it because they have invested so much money they might as well finish the project to see if it pays dividends.

There is never an optimal point to terminate a science project according to many people in this Chamber, but I will say fundamentally that if the program is going to be terminated in the near future, we might as well save the money today.

Mr. Chairman, I yield 3 minutes to the gentleman from Florida [Mr. MILLER].

Mr. MILLER of Florida. I thank the gentleman for yielding me this time.

Mr. Chairman, as a new member of the Subcommittee on Interior, it is two amendments in a row that I stand up in disagreement with my chairman. My chairman is one of the great Members of this body and it is with a certain amount of reluctance that I do that, but as someone who has been a fiscal conservative and opposed to corporate welfare since I came here, this is a classic case of corporate welfare.

What we are talking about doing is saving the American people $292 million, $292 million that our taxpayers have to send to Washington for us to pay back and give to large corporations to build power plants. What this program is about, starting back in 1986, was to test the new technology on power plants. There were approximately 45 projects around the United States that received millions of dollars. In fact, over $2 billion has been spent on this program to date.

What we are talking about doing is saying, wait a minute, wisely we decided to stop creating these new projects back in 1993, but there are still some projects in the design phase. We can stop them now. That is how we can save the $292 million. We do not need these programs. One of the programs that is being talked about is in bankruptcy right now. Another one is on its fifth location and cannot even find a site. Another one DOE says they may cancel because the sponsor could not guarantee the technology would survive. Another program is on a second site location because the initial backers decided the technology was not economically viable. That was a $183 million program. I think our taxpayers in this country deserve to keep their own money rather than taking $292 million and sending it back for these projects.

I support basic research as a responsibility of the Federal Government. I am a strong supporter of NIH. I think the National Science Foundation is an appropriate place for basic research. But this is applied research. This is building power plants to provide energy power. This program was created back in 1986. The Clean Air Act changed the rules back in 1990. That is the reason we do not need this right now.

This has the strong support of fiscal conservative organizations, supported by the Citizens Against Government Waste, the Taxpayers for Common Sense, Citizens for a Sound Economy, the National Taxpayers Union, Americans for Tax Reform, and the Competitive Enterprise Institute. It has got wide support by the conservative organizations because this is an effort to save money.

It is misnamed by calling it clean coal. It is clean coal in name only because the environmental community supports this amendment, because what the environmental community is saying, coal is not the best type of energy source we have. We have organizations like the Sierra Club supporting this amendment. This is a program that I think has outlived its usefulness. We have a chance to save the American taxpayers money. It is corporate welfare, and I think it is time that we end it.

Mr. Chairman, I urge support for the Klug amendment.

Mr. REGULA. Mr. Chairman, I yield 3 minutes to the gentleman from Pennsylvania [Mr. DOYLE].

Mr. DOYLE. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from Wisconsin. This amendment claims to save money while helping clean up our environment. What we have in fact here, Mr. Chairman, is a case of false advertising. Will this amendment save taxpayers money? The simplistic view is yes, but the truth of the matter is that it will end up costing more than it purports to save.

The clean coal technology program is comprised of a number of cooperative agreements between government and industry. These agreements are legally binding contracts. Maybe some Members do not understand what a contract is, but the Federal Government is going to remain liable for its share of these agreements regardless of what action we take here in this bill. So if we pass this amendment, not only will we likely end up paying for the cost of the programs, but we are going to saddle the American taxpayer with the cost of the Federal Government defending itself against litigation.

Let us look at whether this amendment really does much for environmental protection. It is all well and good to support R&D in areas such as solar and biomass, which is something I have fought for, but it is not realistic to expect that these options will be a significant segment of our energy supply for the foreseeable future.

The Energy Information Agency in its examination of trends in the energy

sector has determined that in the year 2010, 88 percent of our energy is going to come from fossil resources. Consider this while taking into account the likelihood that the United States is going to commit to emissions reduction targets later this year in Kyoto.

How are we going to meet these limits? The answer is through technological innovation in areas where emission reductions can be realized. Since coal is our most abundant domestic resource, it makes sense to try and develop methods to burn it cleaner. The type of large-scale efforts we need to do are too risky for the private sector to assume on their own. That is why Congress came up with the Clean Coal Technology Program to meet this challenge, to find ways to make use of a secure and plentiful energy resource in a clean and efficient manner.

The clean coal program is exploring methods that have made burning coal as clean as natural gas and are sound investments. Clean coal technologies can cut acid rain emissions by 98 percent, fly ash emissions by 99 percent and CO_2 emissions by over 40 percent. Obviously, continuing with this effort is the better environmental alternative and cutting it would be shortsighted.

Let us look further at some of the arguments put forward by the proponents of this amendment. They criticize the Clean Coal Technology Program because some of the projects have failed. Of course some of the projects are going to fail. These are high risk endeavors. That is why the government is involved, to leverage an investment that the private sector would not otherwise make. If their success were guaranteed, there would be no need for government participation. Keep in mind, when a project fails, the industrial partner also does not profit.

Mr. Chairman, I urge defeat of this amendment.

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

If I could for a moment quote from a study that was done by the Department of Energy in 1985 at part of the time this program was first being considered. It says:

> Given the size and availability of U.S. coal reserves, the security of the domestic coal supply and the comparative economics of coal as a fuel, free market forces are operating to select and commercialize the most efficient and environmentally effective clean coal technologies. Federal subsidies could alter these market forces and adversely affect the development of competing technologies both within and outside the coal industry.

In other words, if there are innovations to be made in the coal industry, they are much more likely to be made without the Federal Government's involvement.

Mr. Chairman, I yield such time as he may consume to the gentleman from California [Mr. ROYCE] to further support that point.

□ 2345

Mr. ROYCE. Mr. Chairman, I rise in support of this amendment.

The clean coal technology program is unnecessary. Financial incentives already exist for private industry to develop cleaner burning technologies; the recipients of these funds represent several corporations that do have billions of dollars in revenues a year; and, lastly, even the Department of Energy has stated that demonstration projects such as those supported by the clean coal technology program are not, quote, "the proper place or certainly in these fiscally constrained times the wisest place for Federal funding." This is from the Department of Energy.

The clean coal program has a history of waste and mismanagement. According to a General Accounting Office Report, almost half of the program's ongoing projects have exceeded their budgets, fallen behind schedule or scaled back their scope. If the program proceeds as planned, taxpayers will hand out a total of $2.3 billion to the private coal industry and receive little in return. According to the General Accounting Office and the Department of Energy, it is unlikely that we will ever be able to recover taxpayers' investment in clean coal projects.

Join with me and Citizens Against Government Waste in ending this unnecessary program and take a step towards balancing the budget. Vote "yes" on this amendment offered by the gentleman from Wisconsin [Mr. KLUG].

Mr. REGULA. Mr. Chairman, I yield myself 30 seconds, and I would point out that the GAO report of 1994, the most recent report, and I quote, "the program has shown that the government and the private sector can work together effectively to develop and demonstrate new technologies. The lessons learned from DOE's experience with the program should be useful for similar programs in which costs are shared."

Mr. Chairman, I yield 15 seconds to the gentleman from Wisconsin [Mr. OBEY].

Mr. OBEY. Mr. Chairman, I would simply note that I am going to vote for this amendment because it does not do nothing to nobody. The outlay savings from this amendment are exactly zero. This money is never going to be spent, it is there simply as a cushion against contractual obligations, and so vote for it because this budget authority reduction will result in not one dollar of outlay savings.

Mr. REGULA. Mr. Chairman, I yield 2 minutes to the gentleman from Illinois [Mr. POSHARD].

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

Mr. Chairman, I represent southern Illinois which is part of the Illinois coal basin, and it is part of the coal that we have in this country, 300 years of coal supply in this country to supply energy needs for America. The problem is much of it is high sulfur coal; we cannot sell it.

The Clean Air Act cost us nearly 15,000 jobs in the Illinois coal basin alone when it was passed, and I guess the question that I would ask of our colleagues is where do we think that we are going to go in the future for supplying the energy needs of this country? We have barely 30 years of proven oil and gas reserves left in the entire world right now, we are decommissioning our nuclear power plants all over this country, and that is going to rapidly expand as their life runs out. We are kidding ourselves if we think we are going to go to solar or wind or some of the other things.

Mr. Chairman, coal is the single greatest energy supply we have, and we simply have to find a way to clean it with either pre- or post-combustion technology so that we can use it to supply the energy needs of this country, and that is what the clean coal technology program has done for us.

Already more than $9 billion in sales of advanced U.S. technology in the United States and overseas can be traced back to the achievements of the clean coal technology program. One-quarter of the coal-fired capacity in the United States now uses technology pioneered in this program. Twenty-five percent, 25 percent of all of the coal-fired capacity, again I repeat, in this country uses technology pioneered in this program, accounting for almost $1 billion in domestic sales, and by the year 2000 this will have increased to 75 percent.

Let us vote against this amendment, keep our technology afoot, clean our coal up, save our jobs.

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

Let me point out a few facts to rebut points made by my colleague from Illinois. This is what the Congressional Budget Office has to say about this argument:

Since the passage of the Clean Air Act amendments of 1990 the private sector has faced a clear legislative mandate for lowering coal emissions. Electric utilities and large industrial users of coal now have a clear economic motive for selecting among current practices and new technologies the lowest cost option for reducing emissions.

In other words, the passage of the Clean Air Act has led ultimately to the cleanup as private industries have used their own brain power to develop innovative technologies. It is not the DOE clean coal program which that same congressional office report argues has, in fact, been a waste of money because there has been very little payback scientifically, and there has been very little payback in terms of commercial technology.

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

Mr. REGULA. Mr. Chairman, I yield 3 minutes to the gentleman from Pennsylvania [Mr. HOLDEN].

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

Mr. Chairman, I rise tonight in strong opposition to the amendment offered by my friend from Wisconsin [Mr. KLUG] which seeks to rescind an additional $292 million from the clean coal technology program.

I recognize that these are tough budgetary times. Therefore, we must prioritize, and I believe that one of our priorities should be to reduce our dependence on foreign oil.

Coal is the largest domestic source of energy produced in the United States. Current estimates demonstrate a 250-to-300-year coal resource base in the United States. We have more coal than the rest of the world has recoverable oil. Think about that, more coal than the rest of the world has in recoverable oil. Therefore, it is important that we invest in the research and development that will allow Americans to continue benefiting from this abundant, secure, and affordable fuel source without compromising the environment.

I am proud to represent an area in Pennsylvania that sits on the largest anthracite coal deposit in the country. Anthracite is considered the cleanest burning solid fuel on the commercial market today. With continued research of anthracite coal, the potential of the United States becoming energy self-sufficient in an environmentally friendly manner is enhanced.

The clean coal technology program is important for several reasons: cleaning up the environment by burning waste coal. In my home County of Schuylkill alone there is an excess of 1 billion, with a B, billion, tons of waste coal that has accumulated over the years.

Reducing emissions of nitrogen oxides and air toxics.

Developing cleaner, more efficient power systems.

Sponsoring promising technologies that are too risky for private industry to undertake alone.

Providing a model for future government-industry technology partnerships.

And providing tremendous job opportunities in this country, not in the Middle East.

Coal research and development will provide huge benefits for the Nation and pay for itself many times over through taxes flowing back to the Treasury from expanded economic activity. Let us not curtail the research that will help us achieve energy self-sufficiency in this country.

This amendment presents a clear choice between investing in the future or just giving up and remaining dependent on foreign oil. I urge a "no" vote on my friend's amendment.

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

Mr. Chairman, I am going to close at this point in the hopes that we can get out of here a little bit earlier this evening. I want to essentially take a look at three arguments in support of continuing to fund clean coal and then three arguments that I think will instead argue for the continued rescission of this program and to knock it down to zero.

First of all, we heard my colleague from Illinois argue that clean coal technology was supposed to reduce acid rain. The fact is according to the Department of Energy and according to the Congressional Budget Office EPA regulations, the Clean Air Act passed by this Congress, is the primary cause of improvements in air quality and contained incentives to further control emissions. We are going to set targets and let private industry reach those targets through its own set of innovations, not by technology developed by the Government and essentially set down.

Now again the idea of the clean coal technology program argument No. 2 is that it was going to result in commercial technologies. Let me reemphasize that we have invested $3½ billion and at this point only had $400,000 come back to the Department of Energy. Any company that was running that kind of return on its investment would long ago be out of business, and frankly this program should have long ago been out of business.

The other argument is that it supports the coal industry and that somehow without this research the coal industry could not exist, and the fact of the matter is the coal industry has done very well over the years, but more and more technology, frankly, is shifting to natural gas. There is more use in natural gas, there are more applications of natural gas, it burns cleaner, it sells for cheaper prices, and when the marketplace essentially has these targets out there that industry is supposed to hit, it hits those targets, but it does through again through industry innovation as folks shift to clean, natural gas away from coal and some of the coal problems.

And again one of the fundamental arguments we have been beating on tonight, and I will say it one more time, this is corporate welfare. This money is going to Alcoa, a $2½ billion company; Daimler Benz, $12 billion; GE, $70 billion. If there is research to be done, clearly these corporations can afford to do it themselves. It is unlikely that this program in any form and fashion is going to be able to generate profits that are going to go back to the Federal Government or go back to the Department of Energy period.

It has not worked in terms of cleaning the air; other government programs have done that. It has not resulted in wide scale commercial technologies. In fact the marketplace has already moved in other directions. And it is industry, quite frankly, and it is welfare, quite frankly, that those large multinational corporations can afford to do on their own.

I urge my colleagues when they return in the morning to vote for the Klug-Miller-Foley-Royce amendment.

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

The CHAIRMAN. The gentleman from Ohio is recognized for 4 minutes.

Mr. REGULA. Mr. Chairman, Corporate Welfare has taken a real beating tonight, and the truth of the matter is that that term is badly abused. This is not corporate welfare, this is people welfare. This program is designed to help the people of this Nation.

How does it help them? It provides an ability to burn a resource where we have 250 years of supply. It means they can have low cost fuel for their lights, for their appliances; more and more we use electricity. It means they can have jobs because the costs of energy will be competitive for our industries.

Does it work? It certainly does. As was pointed out earlier, one quarter of the coal fired capacity in the United States now uses technology pioneered in the clean coal program.

Do people believe in it? The private sector has committed 60 percent of the cost of this program. This says very clearly that they believe that it is an efficient and a very effective program, and there is very few programs that have a 60 percent private/ 40 percent public cost share of an experimental nature.

Does it help us otherwise? Sales of clean coal technology already exceed $9 billion both here and abroad.

What does it mean? China, as I mentioned earlier in the evening, is consuming even more coal then the United States and with the growth of their economy that will probably double. The market for clean coal technology is enormous and will help our balance of payments, it will create jobs for Americans, it will help to clean up the environment worldwide. Other nations are concerned about their emissions because they do go into the atmosphere that ultimately all of us breathe.

This program is a success.

Now we have been practical about it. In this bill we rescind $100 million of clean coal technology because a couple of programs that were on line decided that they did not want to go forward.

□ 0000

Mr. Chairman, we have been trying to manage this with good judgment in a very responsible way. But speaking of responsibility, I would point out that there are contracts pending that will require a commitment of this available funding to meet the fact that the private sector is willing to go forward on other types of technology.

This is a successful program. It is a good program. It means jobs for the future. It means clean air. It means energy independence. We do not have to send a team of soldiers to protect coal that is in the United States of America. We do not have to build underground facilities to store it. It is there. Clean coal technology will enable us to use this source of energy to improve the quality of life and maintain our economic leadership in the world.

Mr. Chairman, I strongly urge a "no" vote on this amendment.

The CHAIRMAN. All time has expired.

Pursuant to the unanimous-consent agreement, the question is on the amendment offered by the gentleman from Wisconsin [Mr. KLUG].

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

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

The CHAIRMAN. Pursuant to House Resolution 181, further proceedings on the amendment offered by the gentleman from Wisconsin [Mr. KLUG] will be postponed.

The point of no quorum is considered withdrawn.

The Clerk will read.

The Clerk read as follows:

FOSSIL ENERGY RESEARCH AND DEVELOPMENT

For necessary expenses in carrying out fossil energy research and development activities, under the authority of the Department of Energy Organization Act (Public Law 95–91), including the acquisition of interest, including defeasible and equitable interests in any real property or any facility or for plant or facility acquisition or expansion, and for conducting inquiries, technological investigations and research concerning the extraction, processing, use, and disposal of mineral substances without objectionable social and environmental costs (30 U.S.C. 3, 1602, and 1603), performed under the minerals and materials science programs at the Albany Research Center in Oregon, $312,153,000, to remain available until expended: *Provided*, That no part of the sum herein made available shall be used for the field testing of nuclear explosives in the recovery of oil and gas.

AMENDMENT OFFERED BY MR. ROYCE

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

The Clerk read as follows:

Amendment offered by Mr. ROYCE: Page 59, line 10, insert after the dollar amount "(reduced by $21,014,000)".

Mr. ROYCE. Mr. Chairman, my amendment simply cuts funding appropriated above the administration's request for five fossil energy research and development programs, programs earmarked for coal, natural gas, and the oil industries, programs that have been discussed at some length tonight.

Mr. Chairman, I believe none of these programs merit Federal funding. U.S. private industry does not need these programs, period, but my amendment at least saves the American taxpayer some $21 million, about 7 percent of the total spending, for the many fossil energy research programs contained in the appropriations bill.

This savings is why this amendment is endorsed by Citizens Against Government Waste, the Competitive Enterprise Institute, the National Taxpayers' Union, and Americans for Tax Reform, among several other organizations.

Why do American corporations not need these programs? Let me refer to a report done by the Congressional Budget Office that looks at the Department of Energy's fossil fuel programs. It reports, and I quote from that report, "The major new technologies for enhanced oil recovery have come from private industry, not the Department of Energy." The Energy Department says, "This has little in the way of commercial applications to show for its investment."

The fact that technological innovation and new commercial applications is found in the private sector, not the government, comes as no surprise. A Brookings Institute study found that Federal energy R&D has been an abject failure. It reported, "The overriding lesson is that the goal of economic efficiency is so severely constrained by political forces that an effective, coherent national commercial R&D program has never been put in place."

As we have heard tonight, the 1997 budget resolution reached a similar finding about DOE energy R&D programs. No, these corporate research subsidies, and subsidies is what they are, going to large corporations, some of the largest multinationals in the world, as a matter of fact, is not the direction we should be going.

We praise the American economy for being the most productive economy in the world. I will tell Members one thing, our economy was not built on government subsidies like the one this amendment modestly cuts, and those economies in the world that are built on subsidies, think of the European countries, those are economies that are hurting.

Mr. Chairman, let me close with this argument. I want to make the point that tonight we have heard a lot about the importance of research to our economy. We have heard a lot about the importance of energy to our economy. No one doubts this. It is obvious, but that does not mean that every DOE research program deserves immunity. These five programs certainly do not.

I ask Members to consider that these five programs targeted by this amendment are administered by the Department of Energy. That alone should give Members of this body pause. We have been hearing about waste and inefficiency in the DOE for years now. Many Members in this body as well as former Energy secretaries have supported abolishing the Energy Department.

They are right, the Department of Energy was founded in 1976 on a dubious idea; that this country needs a national energy policy coordinated by Washington. It has since grown into a multi-billion dollar bureaucracy with numerous wasteful missions. We do not have a national energy policy today, thankfully. By the way, the price of gas at the pump is at an historic low. This is due to market forces, not government research programs. But we are stuck with the DOE and its many wasteful programs.

The Department of Energy itself has not asked us to spend this money. It does not request these funds. Yet, we are going to go ahead and spend it anyway? What kind of sense does that make? There is no reason to plus up these subsidies. I urge my colleagues, even those who support government-supported fossil fuel programs, to support this fiscally responsible amendment.

Mr. REGULA. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, we have been responsible. We have reduced the research programs by 30 percent over the past few years, but we have tried to keep the good ones. Does anyone believe we did not send soldiers to Saudi Arabia and Desert Storm to not protect an energy source that is overseas? Of course we did. We spent billions of dollars doing it.

That illustrates how important fossil fuel sources are to this Nation, and makes a very powerful case to continue research programs that will do a number of things; that will allow us to use fossil fuels in a more efficient way, to get more Btus that are useful in the energy stream of this Nation. Fossil fuel is going to be the choice that we have to depend on for many, many years to come. These programs are designed to make our use of fossil sources more efficient.

Obviously, the private sector believes in them because they put up a good part of the money to do the research. As I said earlier, we do not fund commercialization. We have carefully guarded against any programs that get beyond the development of technology. But we think it is very important for the future of this Nation to ensure that we have adequate energy sources from fossil sources, that we use these energy sources in an effective way so we do not deprive future generations of the same quality of life we have had, and to use these sources in a way that will keep us competitive in the world marketplace.

Mr. Chairman, I think at this point it would be a serious mistake to violate contracts that are already in place, to stop programs that are shown to have potential in midstream, and to cut at this juncture would not be a good management on the part of our fossil program.

Mr. Chairman, I have to say to all of the Members that we as a committee have been very careful in determining what programs work and what do not, and to make sure that we manage the taxpayers' money efficiently on behalf of their future in the fossil energy resource programs. I strongly urge a no vote on this amendment. Let us keep these programs going so we can ensure that we have energy independence as a Nation in the future, and we can insure that those who follow us will have the same quality of life and opportunities that result from having an adequate supply of fossil-generated energy.

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

Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from California [Mr. ROYCE]. This is one of many amendments that foolishly looks for savings in energy security, an area of great importance to our national security.

Our economic well-being depends on a secure and reliable energy supply. The Energy Information Agency has predicted that for the foreseeable future, we will be getting over 85 percent of our energy from fossil sources. So if Members are looking to adjust the Federal investment in R&D in this area, then Members had better understand the ramifications of what they are trying to do.

The Royce amendment is a textbook example of how not to interfere with a program. After hearing hours and hours of testimony, the Subcommittee on Interior of the Committee on Appropriations decided to alter the administration's budget. Some programs were increased in order to more effectively meet their missions. In order to pay for these increases, the Committee on the Interior has acted responsibly by finding offsets for these cuts.

The Royce amendment takes a simplistic approach to deficit reduction. It simply looks at any line item which the Committee on Interior increased, ignores the fact that the plus-ups were offset, and eliminates the increase. So the point of this amendment is to cut any program that the committee determined to be of the highest priority.

Let us look at the programs it cuts: The low emission boiler system, a cleaner-burning, high-efficiency technology that is moving into its final stage of development. This is exactly the type of technology our country is going to need to meet the requirements of the Clean Air Act and international emission reduction requirements.

This stage requires the construction of an actual plant, an undertaking that requires more funding than did the planning and design phase of earlier years. The committee recognized this, found an offset, and provided the necessary funding.

The Royce amendment also cuts research on particulate matter monitoring. Any Member who is concerned about the Clean Air Act compliance should care about this. Our current monitoring capability is insufficient, and an effective understanding of our air quality situation requires an improved monitoring expertise.

The committee recognized this as a high priority area, but once again, this amendment seeks to ignore the priorities of those who best understand these programs. Mr. Chairman, in this era, where we must emphasize domestic solutions to the challenge of meeting our ever-increasing energy needs, the Royce amendment is a decisive step backwards. I urge its defeat.

Mr. KLUG. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, briefly, I rise in support of the Royce amendment. Let me, if I can, put this in context. Again, we hear from opponents of the amendment that sense that somehow if we go back to the levels originally requested by the administration, that energy research in this country stops in its tracks. But the Department of Energy spends $3.2 billion a year on a variety of applied and basic research projects. This amendment simply says, in 5 areas where we have done fossil research for 60 years, and again, we have told welfare recipients they have to be off the dole for 2 years, but these research programs can go on for 60 years, and in five very specific programs we simply roll back $21 million back to what the administration requested. I think it is very clear the Department of Energy still has a lot of money to spend on programs it wants to fund, but I think we ought to let the Department of Energy, the experts, set the parameters.

I think, first of all, we need to keep in mind in this entire debate that I think private industry is much better, much better suited to identify and target technologies that are commercially viable than DOE. According to our own Congressional Budget Office, listen to this, "The major new technologies for advanced oil recovery, for example, have come from private industry, not from DOE. In other instances, DOE continues to develop technologies in which the market clearly has no interest."

So the bottom line is we have thousands of dollars in excess government subsidies flowing to programs that have delivered very little results; frankly, in this case, in the Committee on Appropriations, more money than the Department of Energy wants to fund technology that, frankly, has already been the subject of billions of dollars in Federal grants.

I urge my colleagues to support the Royce amendment, and to put an end to corporate welfare as we know it.

Mr. MILLER of Florida. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of the Royce amendment. While this may be only $21 million, every million dollars counts. What we are only talking about is going back to what the Department of Energy requested in this particular appropriation process.

Mr. Chairman, when I first got elected and campaigned back in 1992, I had a basic question I kept saying, and I have been asking it every year for the past 4 years I have been here. It is, is this a Federal responsibility? Do we really have to have the Federal Government doing this program?

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I am not convinced this is one. This is why it is called corporate welfare. The private sector can do that. We have a lot of strengths in the private sector. We have a lot of belief in the private sector. While we have made great progress along the past couple years in the spending on this particular appropriations subcommittee, this is one that, do we really need to keep spending this money? Why cannot the private sector?

I go along with the gentleman from California [Mr. ROYCE] and the gentleman from Wisconsin [Mr. KLUG], and I think this is an appropriate way to cut spending and to get some more sensibility back into the total amount of money spent at the Department of Energy.

Mr. BROWN of California. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, there are several aspects of this debate which trouble me a little bit. I think we have all paid tribute to the work that the Committee on Appropriations has done in examining these programs and making recommendations which will protect the public interest and give us the most value for the taxpayers' dollars that are being spent here.

I am also informed that we are not above the President's request in these items, that we are below the President's request so we are not loading this up excessively.

But the thing that really troubles me is that the subject matter of this debate has been before the committee, which I have the pleasure to serve on, the Committee on Science, the authorizing committee, over the years. We have conducted extensive research on these programs. We have tried to monitor the Defense Department. We have not found any department, including the Energy Department, we have not found any department, including energy, which is free from mistakes. And we make an honest effort to correct those wherever it is possible to do so. We think we have a sound program here which is in the best interest of this country.

I have a sense, however, that those who are arguing against these programs have certain fundamental ideological objections to the government

participating in these. They do not like the idea that this country can benefit from a partnership between the government and the business community of this country.

This for a long time produced an atmosphere in which the government and industry were fighting each other. We have worked very hard to overcome that, to find ways in which government could play a role, the private sector could play a role, appropriate to each, and in most cases this means that we cooperate in developing the basic research.

The private sector then carries that research on through applications and commercialization. This is what we are trying to achieve. It is a delicate balance. We admit that it is a delicate balance. But there are some Members who persist in insisting that this is government subsidy or government welfare. I see some nods coming from my good friend on the other side. I deny that this is the case.

Those countries which pose the greatest threat to our economy are those which have achieved the most effective balance and cooperation between government and industry. There is nothing perfect in these arrangements. They have to be constantly scrutinized. There has to be a sense of really what is in the best interest by people who have an understanding of the problems that face the Nation and the problems that face the private sector in achieving solutions to those problems.

I guarantee Members that there is not a corporation in this country that will invest money in a program in which there is no payoff for 10 years. There is just no incentive for them to do so. They would prefer to muck up the environment or do whatever else is necessary to avoid spending money that does not have a payoff within 10 years.

This is that area in which cooperation is essential. We have to leverage the interest of the private sector. We have to provide an incentive for them to spend their money in the hopes of making a profit and moving forward into a commercially viable activity. That is the whole thrust of this program.

There are those here on this floor who deny that that is a proper role for government. I think we need to face this realistically. We can nitpick the particular projects. We can do anything we want. It will be easy to find cases in which we misjudge, both the industry and the government misjudged what the results might be. But in the long run, what we are doing is basically aimed at preserving our energy independence in this country, producing a viable, growing, healthy economy and providing for the welfare of our children and our children's children and the future. I think that after the scrutiny that we have given these programs over the years, we are approaching an understanding of what that proper balance is.

I think it is contained, as closely as we can get, in the report that the subcommittee has made here. I commend the chairman and the members of that committee for the hard work and the analysis that they have put into this.

I can assure my colleagues that we have done the same thing in the Committee on Science for a large number of years, and it is my fond belief, my strong belief that this is the only way this country is going to succeed in maintaining its economic priority in the world before us.

Mr. ROHRABACHER. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in total support of the Royce amendment to bring some sanity to the spending of taxpayer dollars when it comes to shelling out taxpayers' dollars to huge corporations that make billions of dollars worth of profit.

I would, first of all, like to say that I have deep admiration for the speaker who just presented his case before us. The gentleman from California [Mr. BROWN] had been the distinguished chairman of the Committee on Science for many years. He is the ranking member now. But over the years he was fair to every Republican that ever worked on the Committee on Science, and he is an honest and fair man. And what we have here is an honest and fair disagreement as to a basic philosophy of what government should do and what government should not do.

What we have here is the gentleman from California [Mr. ROYCE] who stands for a philosophy, a more conservative free enterprise philosophy, versus the gentleman from California [Mr. BROWN] who has presented more of a philosophy of government intervention in the name of benefit to the community and to the country as a whole.

I think this is an honest disagreement. I think it is. I respect the opinion of the gentleman from California [Mr. BROWN], and I respect his motivation.

Let me say I believe that he is wrong. I believe the philosophy that he is talking about has been an utter failure over and over and over again. The partnership between powerful government and powerful interest groups like big business and big labor has never worked for the benefit of the average person. Instead these partnerships have tended to freeze out the little guy, have tended to use the taxpayers' money for the benefit wealthy interests and the taxpayers end up footing the bill for all of this.

This is no different. What we are arguing about tonight is a $21 million add-on that goes beyond what the Department of Energy has requested from the Congress. That is $21 million extra from what has been requested from the Department of Energy. I even question some of the projects the Department of Energy has proposed.

But here we are just talking about, should the Federal Government rush into relationships with companies that they themselves can afford the research and development of the new products or of the new technologies that are being discussed?

My friend from Pennsylvania discussed boiler technology. Why should we, for example, support millions of dollars for boiler technology so that some company can make a big profit on it? Why should we do that, when other companies and other people in our society are investing in wind technology for energy, they are investing in solar technology?

I just had a conversation with a company that has invested, unlike what the gentleman from California [Mr. BROWN] has suggested, invested millions of dollars over two decades, not just one decade but two decades, to come up with new solar technology. We are undercutting the entrepreneurs in our society who know best by shoveling government money, scarce government money to people who we, as politicians, think they should succeed as compared to other people in the private sector who are investing their own money, other people who may have just as good a chance of succeeding in developing technology.

Quite often we know that the money is going for people who are developing technology who have special connections politically. My friend from Pennsylvania comes from a coal-burning State or a coal-producing State. Is there any question he is looking out for his constituents? He should. But this is not the way to make decisions that will be in the best interest of the people in the long run, especially of the people of the United States of America.

In France they have tried this, where you have a partnership between big business and big government. What they have is they have massive unemployment in France that would never be acceptable in the United States. In Japan, Japan has gone through an economic catastrophe in the last few years. Why is that? It is because you have government planning the economy and so when things go wrong, it is not just one company that has miscalculated, it is an entire industrial plan that has gone wrong.

We should run away as far as possible from this idea that there should be a partnership between government and the private sector. Although I will say that it is motivated, those who advocate this plan, they have the best of motivations, the best of motivations. They want what is right for America.

I do not think it is going to take us in the right direction. It has not taken

France in the right direction, did not take Japan in the right direction. I will tell my colleagues, it certainly did not take the socialist countries in the right direction. The socialist countries that were all basically one big industrial plan failed in a big way.

So I would ask support of the Royce amendment and a tough stand for the taxpayers.

Mr. DICKS. Mr. Chairman, I move to strike the requisite number of words. I rise in opposition to the amendment, and I ask for a vote on the amendment.

The CHAIRMAN. The question is on the amendment offered by gentleman from California [Mr. ROYCE].

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

Mr. ROYCE. Mr. Chairman, I demand a recorded vote.

The CHAIRMAN. Pursuant to House Resolution 181, further proceedings on the amendment offered by the gentleman from California [Mr. ROYCE] will be postponed.

The Clerk will read.

Mr. REGULA. Mr. Chairman, I ask unanimous consent that the remainder of the bill through page 76, line 7, be considered as read, printed in the RECORD, and open to amendment at any point.

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

There is no objection.

The text of the remainder of the bill through page 76, line 7 is as follows:

ALTERNATIVE FUELS PRODUCTION

(INCLUDING TRANSFER OF FUNDS)

Monies received as investment income on the principal amount in the Great Plains Project Trust at the Norwest Bank of North Dakota, in such sums as are earned as of October 1, 1997, shall be deposited in this account and immediately transferred to the General Fund of the Treasury. Monies received as revenue sharing from operation of the Great Plains Gasification Plant shall be immediately transferred to the General Fund of the Treasury.

NAVAL PETROLEUM AND OIL SHALE RESERVES

For necessary expenses in carrying out naval petroleum and oil shale reserve activities, $115,000,000, and such sums as are necessary to operate Naval Petroleum Reserve Numbered 1 between May 16, 1998 and September 30, 1998, to remain available until expended: *Provided*, That notwithstanding any other provision of law, revenues received from use and operation of Naval Petroleum Reserve Numbered 1 in excess of $163,000,000 shall be used to offset the costs of operating Naval Petroleum Reserve Numbered 1 between May 16, 1998 and September 30, 1998: *Provided further*, That revenues retained pursuant to the first proviso under this head in Public Law 102-381 (106 Stat. 1404) shall be immediately transferred to the General Fund of the Treasury: *Provided further*, That the requirements of 10 U.S.C. 7430(b)(2)(B) shall not apply to fiscal year 1998.

ENERGY CONSERVATION

For necessary expenses in carrying out energy conservation activities, $636,766,000, to remain available until expended, including, notwithstanding any other provision of law, the excess amount for fiscal year 1998 determined under the provisions of section 3003(d) of Public Law 99-509 (15 U.S.C. 4502): *Provided*, That $149,845,000 shall be for use in energy conservation programs as defined in section 3008(3) of Public Law 99-509 (15 U.S.C. 4507) and shall not be available until excess amounts are determined under the provisions of section 3003(d) of Public Law 99-509 (15 U.S.C. 4502): *Provided further*, That notwithstanding section 3003(d)(2) of Public Law 99-509 such sums shall be allocated to the eligible programs as follows: $120,845,000 for weatherization assistance grants and $29,000,000 for State energy conservation grants.

ECONOMIC REGULATION

For necessary expenses in carrying out the activities of the Office of Hearings and Appeals, $2,725,000, to remain available until expended.

STRATEGIC PETROLEUM RESERVE

(INCLUDING TRANSFER OF FUNDS)

For necessary expenses for Strategic Petroleum Reserve facility development and operations and program management activities pursuant to the Energy Policy and Conservation Act of 1975, as amended (42 U.S.C. 6201 et seq.), $209,000,000, to remain available until expended, of which $209,000,000 shall be repaid from the "SPR Operating Fund" from amounts made available from the sale of oil from the Reserve: *Provided*, That notwithstanding section 161 of the Energy Policy and Conservation Act, the Secretary shall draw down and sell in fiscal year 1998 $209,000,000 worth of oil from the Strategic Petroleum Reserve: *Provided further*, That the proceeds from the sale shall be deposited into the "SPR Operating Fund", and shall, upon receipt, be transferred to the Strategic Petroleum Reserve account for operations of the Strategic Petroleum Reserve.

SPR PETROLEUM ACCOUNT

Notwithstanding 42 U.S.C. 6240(d) the United States share of crude oil in Naval Petroleum Reserve Numbered 1 (Elk Hills) may be sold or otherwise disposed of to other than the Strategic Petroleum Reserve: *Provided*, That outlays in fiscal year 1998 resulting from the use of funds in this account shall not exceed $5,000,000.

ENERGY INFORMATION ADMINISTRATION

For necessary expenses in carrying out the activities of the Energy Information Administration, $66,800,000, to remain available until expended.

ADMINISTRATIVE PROVISIONS, DEPARTMENT OF ENERGY

Appropriations under this Act for the current fiscal year shall be available for hire of passenger motor vehicles; hire, maintenance, and operation of aircraft; purchase, repair, and cleaning of uniforms; and reimbursement to the General Services Administration for security guard services.

From appropriations under this Act, transfers of sums may be made to other agencies of the Government for the performance of work for which the appropriation is made.

None of the funds made available to the Department of Energy under this Act shall be used to implement or finance authorized price support or loan guarantee programs unless specific provision is made for such programs in an appropriations Act.

The Secretary is authorized to accept lands, buildings, equipment, and other contributions from public and private sources and to prosecute projects in cooperation with other agencies, Federal, State, private or foreign: *Provided*, That revenues and other moneys received by or for the account of the Department of Energy or otherwise generated by sale of products in connection with projects of the Department appropriated under this Act may be retained by the Secretary of Energy, to be available until expended, and used only for plant construction, operation, costs, and payments to cost-sharing entities as provided in appropriate cost-sharing contracts or agreements: *Provided further*, That the remainder of revenues after the making of such payments shall be covered into the Treasury as miscellaneous receipts: *Provided further*, That any contract, agreement, or provision thereof entered into by the Secretary pursuant to this authority shall not be executed prior to the expiration of 30 calendar days (not including any day in which either House of Congress is not in session because of adjournment of more than three calendar days to a day certain) from the receipt by the Speaker of the House of Representatives and the President of the Senate of a full comprehensive report on such project, including the facts and circumstances relied upon in support of the proposed project.

No funds provided in this Act may be expended by the Department of Energy to prepare, issue, or process procurement documents for programs or projects for which appropriations have not been made.

In addition to other authorities set forth in this Act, the Secretary may accept fees and contributions from public and private sources, to be deposited in a contributed funds account, and prosecute projects using such fees and contributions in cooperation with other Federal, State or private agencies or concerns.

The Secretary is authorized to accept funds from other Federal agencies in return for assisting agencies in achieving energy efficiency in Federal facilities and operations by the use of privately financed, energy saving performance contracts and other private financing mechanisms. The funds may be provided after agencies begin to realize energy cost savings; may be retained by the Secretary until expended; and may be used only for the purpose of assisting Federal agencies in achieving greater efficiency, water conservation, and use of renewable energy by means of privately financed mechanisms, including energy savings performance contracts. Any such privately financed contracts shall meet the provisions of the Energy Policy Act of 1992, Public Law 102-496 (42 U.S.C. 8287).

DEPARTMENT OF HEALTH AND HUMAN SERVICES

INDIAN HEALTH SERVICE

INDIAN HEALTH SERVICES

For expenses necessary to carry out the Act of August 5, 1954 (68 Stat. 674), the Indian Self-Determination Act, the Indian Health Care Improvement Act, and titles II and III of the Public Health Service Act with respect to the Indian Health Service, $1,829,008,000, together with payments received during the fiscal year pursuant to 42 U.S.C. 238(b) for services furnished by the Indian Health Service: *Provided*, That funds made available to tribes and tribal organizations through contracts, grant agreements, or any other agreements or compacts authorized by the Indian Self-Determination and Education Assistance Act of 1975 (25 U.S.C. 450), shall be deemed to be obligated at the time of the grant or contract award and thereafter shall remain available to the tribe or tribal organization without fiscal

year limitation: *Provided further*, That $12,000,000 shall remain available until expended, for the Indian Catastrophic Health Emergency Fund: *Provided further*, That $359,348,000 for contract medical care shall remain available for obligation until September 30, 1999: *Provided further*, That of the funds provided, not less than $11,889,000 shall be used to carry out the loan repayment program under section 108 of the Indian Health Care Improvement Act: *Provided further*, That funds provided in this Act may be used for one-year contracts and grants which are to be performed in two fiscal years, so long as the total obligation is recorded in the year for which the funds are appropriated: *Provided further*, That the amounts collected by the Secretary of Health and Human Services under the authority of title IV of the Indian Health Care Improvement Act shall remain available until expended for the purpose of achieving compliance with the applicable conditions and requirements of titles XVIII and XIX of the Social Security Act (exclusive of planning, design, or construction of new facilities): *Provided further*, That of the funds provided, $7,500,000 shall remain available until expended, for the Indian Self-Determination Fund, which shall be available for the transitional costs of initial or expanded tribal contracts, compacts, grants or cooperative agreements with the Indian Health Service under the provisions of the Indian Self-Determination Act: *Provided further*, That funding contained herein, and in any earlier appropriations Acts for scholarship programs under the Indian Health Care Improvement Act (25 U.S.C. 1613) shall remain available for obligation until September 30, 1999: *Provided further*, That amounts received by tribes and tribal organizations under title IV of the Indian Health Care Improvement Act shall be reported and accounted for and available to the receiving tribes and tribal organizations until expended.

INDIAN HEALTH FACILITIES

For construction, repair, maintenance, improvement, and equipment of health and related auxiliary facilities, including quarters for personnel; preparation of plans, specifications, and drawings; acquisition of sites, purchase and erection of modular buildings, and purchases of trailers; and for provision of domestic and community sanitation facilities for Indians, as authorized by section 7 of the Act of August 5, 1954 (42 U.S.C. 2004a), the Indian Self-Determination Act, and the Indian Health Care Improvement Act, and for expenses necessary to carry out such Acts and titles II and III of the Public Health Service Act with respect to environmental health and facilities support activities of the Indian Health Service, $257,310,000, to remain available until expended: *Provided*, That notwithstanding any other provision of law, funds appropriated for the planning, design, construction or renovation of health facilities for the benefit of an Indian tribe or tribes may be used to purchase land for sites to construct, improve, or enlarge health or related facilities.

ADMINISTRATIVE PROVISIONS, INDIAN HEALTH SERVICE

Appropriations in this Act to the Indian Health Service shall be available for services as authorized by 5 U.S.C. 3109 but at rates not to exceed the per diem rate equivalent to the maximum rate payable for senior-level positions under 5 U.S.C. 5376; hire of passenger motor vehicles and aircraft; purchase of medical equipment; purchase of reprints; purchase, renovation and erection of modular buildings and renovation of existing facilities; payments for telephone service in private residences in the field, when authorized under regulations approved by the Secretary; and for uniforms or allowances therefore as authorized by 5 U.S.C. 5901–5902; and for expenses of attendance at meetings which are concerned with the functions or activities for which the appropriation is made or which will contribute to improved conduct, supervision, or management of those functions or activities: *Provided*, That in accordance with the provisions of the Indian Health Care Improvement Act, non-Indian patients may be extended health care at all tribally administered or Indian Health Service facilities, subject to charges, and the proceeds along with funds recovered under the Federal Medical Care Recovery Act (42 U.S.C. 2651–53) shall be credited to the account of the facility providing the service and shall be available without fiscal year limitation: *Provided further*, That notwithstanding any other law or regulation, funds transferred from the Department of Housing and Urban Development to the Indian Health Service shall be administered under Public Law 86–121 (the Indian Sanitation Facilities Act) and Public Law 93–638, as amended: *Provided further*, That funds appropriated to the Indian Health Service in this Act, except those used for administrative and program direction purposes, shall not be subject to limitations directed at curtailing Federal travel and transportation: *Provided further*, That notwithstanding any other provision of law, funds previously or herein made available to a tribe or tribal organization through a contract, grant, or agreement authorized by title I or title III of the Indian Self-Determination and Education Assistance Act of 1975 (25 U.S.C. 450), may be deobligated and reobligated to a self-determination contract under title I, or a self-governance agreement under title III of such Act and thereafter shall remain available to the tribe or tribal organization without fiscal year limitation: *Provided further*, That none of the funds made available to the Indian Health Service in this Act shall be used to implement the final rule published in the Federal Register on September 16, 1987, by the Department of Health and Human Services, relating to the eligibility for the health care services of the Indian Health Service until the Indian Health Service has submitted a budget request reflecting the increased costs associated with the proposed final rule, and such request has been included in an appropriations Act and enacted into law: *Provided further*, That funds made available in this Act are to be apportioned to the Indian Health Service as appropriated in this Act, and accounted for in the appropriation structure set forth in this Act: *Provided further*, That funds received from any source, including tribal contractors and compactors for previously transferred functions which tribal contractors and compactors no longer wish to retain, for services, goods, or training and technical assistance, shall be retained by the Indian Health Service and shall remain available until expended by the Indian Health Service: *Provided further*, That reimbursements for training, technical assistance, or services provided by the Indian Health Service will contain total costs, including direct, administrative, and overhead associated with the provision of goods, services, or technical assistance: *Provided further*, That the appropriation structure for the Indian Health Service may not be altered without advance approval of the House and Senate Committees on Appropriations.

OTHER RELATED AGENCIES

OFFICE OF NAVAJO AND HOPI INDIAN RELOCATION

SALARIES AND EXPENSES

For necessary expenses of the Office of Navajo and Hopi Indian Relocation as authorized by Public Law 93–531, $18,345,000, to remain available until expended: *Provided*, That funds provided in this or any other appropriations Act are to be used to relocate eligible individuals and groups including evictees from District 6, Hopi-partitioned lands residents, those in significantly substandard housing, and all others certified as eligible and not included in the preceding categories: *Provided further*, That none of the funds contained in this or any other Act may be used by the Office of Navajo and Hopi Indian Relocation to evict any single Navajo or Navajo family who, as of November 30, 1985, was physically domiciled on the lands partitioned to the Hopi Tribe unless a new or replacement home is provided for such household: *Provided further*, That no relocatee will be provided with more than one new or replacement home: *Provided further*, That the Office shall relocate any certified eligible relocatees who have selected and received an approved homesite on the Navajo reservation or selected a replacement residence off the Navajo reservation or on the land acquired pursuant to 25 U.S.C. 640d–10.

INSTITUTE OF AMERICAN INDIAN AND ALASKA NATIVE CULTURE AND ARTS DEVELOPMENT

PAYMENT TO THE INSTITUTE

For payment to the Institute of American Indian and Alaska Native Culture and Arts Development, as authorized by title XV of Public Law 99–498, as amended (20 U.S.C. 56, Part A), $3,000,000.

SMITHSONIAN INSTITUTION

SALARIES AND EXPENSES

For necessary expenses of the Smithsonian Institution, as authorized by law, including research in the fields of art, science, and history; development, preservation, and documentation of the National Collections; presentation of public exhibits and performances; collection, preparation, dissemination, and exchange of information and publications; conduct of education, training, and museum assistance programs; maintenance, alteration, operation, lease (for terms not to exceed thirty years), and protection of buildings, facilities, and approaches; not to exceed $100,000 for services as authorized by 5 U.S.C. 3109; up to 5 replacement passenger vehicles; purchase, rental, repair, and cleaning of uniforms for employees; $334,557,000, of which not to exceed $32,718,000 for the instrumentation program, collections acquisition, Museum Support Center equipment and move, exhibition reinstallation, the National Museum of the American Indian, the repatriation of skeletal remains program, research equipment, information management, and Latino programming shall remain available until expended, and including such funds as may be necessary to support American overseas research centers and a total of $125,000 for the Council of American Overseas Research Centers: *Provided*, That funds appropriated herein are available for advance payments to independent contractors performing research services or participating in official Smithsonian presentations.

CONSTRUCTION AND IMPROVEMENTS, NATIONAL ZOOLOGICAL PARK

For necessary expenses of planning, construction, remodeling, and equipping of buildings and facilities at the National Zoological Park, by contract or otherwise,

$3,850,000, to remain available until expended.

REPAIR AND RESTORATION OF BUILDINGS

For necessary expenses of repair and restoration of buildings owned or occupied by the Smithsonian Institution, by contract or otherwise, as authorized by section 2 of the Act of August 22, 1949 (63 Stat. 623), including not to exceed $10,000 for services as authorized by 5 U.S.C. 3109, $50,000,000, to remain available until expended: *Provided*, That contracts awarded for environmental systems, protection systems, and exterior repair or restoration of buildings of the Smithsonian Institution may be negotiated with selected contractors and awarded on the basis of contractor qualifications as well as price.

NATIONAL GALLERY OF ART

SALARIES AND EXPENSES

For the upkeep and operations of the National Gallery of Art, the protection and care of the works of art therein, and administrative expenses incident thereto, as authorized by the Act of March 24, 1937 (50 Stat. 51), as amended by the public resolution of April 13, 1939 (Public Resolution 9, Seventy-sixth Congress), including services as authorized by 5 U.S.C. 3109; payment in advance when authorized by the treasurer of the Gallery for membership in library, museum, and art associations or societies whose publications or services are available to members only, or to members at a price lower than to the general public; purchase, repair, and cleaning of uniforms for guards, and uniforms, or allowances therefor, for other employees as authorized by law (5 U.S.C. 5901–5902); purchase or rental of devices and services for protecting buildings and contents thereof, and maintenance, alteration, improvement, and repair of buildings, approaches, and grounds; and purchase of services for restoration and repair of works of art for the National Gallery of Art by contracts made, without advertising, with individuals, firms, or organizations at such rates or prices and under such terms and conditions as the Gallery may deem proper, $55,837,000, of which not to exceed $3,026,000 for the special exhibition program shall remain available until expended.

REPAIR, RESTORATION AND RENOVATION OF BUILDINGS

For necessary expenses of repair, restoration and renovation of buildings, grounds and facilities owned or occupied by the National Gallery of Art, by contract or otherwise, as authorized, $6,442,000, to remain available until expended: *Provided*, That contracts awarded for environmental systems, protection systems, and exterior repair or renovation of buildings of the National Gallery of Art may be negotiated with selected contractors and awarded on the basis of contractor qualifications as well as price.

JOHN F. KENNEDY CENTER FOR THE PERFORMING ARTS

OPERATIONS AND MAINTENANCE

For necessary expenses for the operation, maintenance and security of the John F. Kennedy Center for the Performing Arts, $11,375,000.

CONSTRUCTION

For necessary expenses for capital repair and rehabilitation of the existing features of the building and site of the John F. Kennedy Center for the Performing Arts, $9,000,000, to remain available until expended.

WOODROW WILSON INTERNATIONAL CENTER FOR SCHOLARS

SALARIES AND EXPENSES

For necessary expenses of the Woodrow Wilson International Center for Scholars, $1,000,000.

The CHAIRMAN. Are there further amendments to the bill from pages 59, line 14, through page 76, line 7?

Mr. REGULA. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker pro tempore (Mr. MILLER of Florida) having assumed the chair, Mr. LATOURETTE, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 2107) making appropriations for the Department of the Interior and related agencies for the fiscal year ending September 30, 1998, and for other purposes, had come to no resolution thereon.

□ 0028

HOUR OF MEETING ON FRIDAY, JULY 11, 1997

Mr. ROYCE. Mr. Speaker, I ask unanimous consent that when the House adjourns today, it adjourn to meet at 9:30 a.m. today.

The SPEAKER pro tempore (Mr. MILLER of Florida). Is there objection to the request of the gentleman from California?

There was no objection.

TAX CUTS

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

Mr. SMITH of Michigan. Mr. Speaker, I think it is very disingenuous when our friends from the other side of the aisle say they want tax cuts. First of all, I think Republicans are making a mistake because what is happening now is the liberals spend 10 percent of their time on developing policy and 90 percent on spinning it. Republicans spend 90 percent on developing policy but only spend 10 percent on spinning it. So there is a great deal of misunderstanding out there.

Mr. Speaker, I will include as part of my remarks Jim Glassman's article in yesterday's Washington Post that spells out some of the differences between the Republicans and the Democrats.

I would like to simply conclude that we have a tax system that punishes our businesses to the extent that they have to move out of this country. The cost of labor is 10 to 12 percent of the cost of producing an item. The taxes run up to 39 percent in this country. We need to be looking at the kind of tax policy that is going to expand the economy.

[From the Washington Post, July 8, 1997]

THEN THERE'S PLAN B

(By James K. Glassman)

The new Labor government of Tony Blair last week passed its first budget, and the main feature was a tax cut that gives British businesses the lowest rates in the industrialized West. "The central purpose," said Chancellor of the Exchequer Gordon Brown, "is to insure that Britain is equipped to rise to the challenge of the new and fast-changing global economy."

Contrast those sophisticated sentiments with what President Clinton was doing at the same time in Washington—making noises that he'll veto an extremely modest tax-relief bill if it doesn't meet his own specifications. Clinton may be just bluffing, but he's taking delight in fanning the flames of class warfare just as Britain's Socialists are eschewing such nonsense.

But what if the president does veto the bill that emerges from a House-Senate conference? Then, Republican leaders—notably, Speaker Newt Gingrich—should tell him, in the immortal words of Clint Eastwood, "Go ahead. Make my day."

They should make it clear that if Clinton rejects the puny cuts in the current bills (amounting to one percent of projected tax revenues over the next five years), then the budget deal is off forever, and Plan B will swing into effect. I'll describe Plan B below, but, first, let's look at what divides the antagonists:

Child credit. Under GOP bills, families that earn less than $110,000 will be able to knock $400 to $500 per child off their final tax bills. The median two-earner family (making $53,000 a year) with three kids would see taxes fall from $5,100 to $3,600—a huge cut. Clinton wants the credit to apply as well to many families that don't make enough to pay income taxes, and he starts phasing out the break for couples making $60,000.

Capital gains. Under the House and Senate bills, the top rate would fall from 28 percent to 20 percent on the sale of assets such as stocks and bonds. Clinton wants a 30 percent "exclusion" from ordinary income, which means that, for top earners, the rate would fall to just 27.7 percent—a nose-thumbing mockery. The House wouldn't tax profits boosted by inflation.

Democratic critics of the GOP plan say that it reduces taxes more for those with high incomes than those with low. Maybe so, but it's nearly impossible for a cut in income taxes to do anything else. That's because low-income Americans pay little or nothing.

The figures are astonishing. According to the IRS, the top 5 percent of earners pay 47 percent of the nation's income taxes. The top 10 percent pay 59 percent, and the bottom 50 percent of earners pay only a 5 percent share.

Apparently unaware of such numbers, the Democratic Policy Committee recently sent an outraged fax to talk-radio hosts around the country: "Under the current GOP proposals, the top 1 percent of Americans would receive more benefits than the combined bottom 60 percent in tax cuts."

But the IRS reports that the top one percent of Americans pay 29 percent of the nation's income tax bill; the bottom 60 percent pay just 9 percent. So, to be fair, the top one percent should get triple the cuts of the bottom 60 percent.

Teh resourceful administration has a way to give tax cuts to people who don't owe taxes. It wants to send checks—welfare benefits to inspire breeding—to millions of families that don't qualify for tax breaks because their income tax bills amount to zero.

Will Republican leaders compromise with the White House before going to conference? If they do, they should be laughed out of office. Economic consultant Jude Wanniski told clients last week that the president's "tax proposal is clearly at the level of fun and games, with Clinton trying to steal Newt's underwear after talking him out of his outer garments in the 104th Congress."

What happens if Gingrich stands firm and Clinton issues his veto? That triggers what I call Plan B:

(1) The budget deal negotiated in good faith in May is null and void. (2) In its place, Congress passes a stripped-down spending plan for the federal government with none of the president's $30 billion-plus in new and expanded programs. (3) Congress passes a back-up resolution that sets spending at 1997 levels for departments covered by any appropriations bills the president vetoes.

Finally, (4) Medicare won't be touched. Instead, reductions needed for a balanced budget by 2002—or, preferably, sooner—will come from cuts in spending growth and postponement of tax relief. Congress will then get down to the real work of reforming entitlements and the tax code, not the silly hodgepodge of the current budget.

Tax relief, 1997-style, wouldn't be a great loss. (The lack of capital gains cuts could trigger a stock market crash, but shares would likely recover.) Indeed, in many ways, the tax bills are abominable. They further complicate the code and include Clinton's latest steps to nationalize health care and establish new education subsidies for a favored few, plus breaks for consumers of hard apple cider, for speedboaters, Oklahoma oil-well owners, sellers of archery products and whaling captains.

These payoffs to interest groups—including the religious right, which is backing the child credits—are just business as usual for tax writers. They're also a serious detour from the road to a far more sensible goal, a flat-rate income tax, which, according to a poll last month for Fox News, has the support of 57 percent of Americans and the opposition of just 27 percent.

As it stands, the GOP tax plan is barely acceptable. If the president insists on any changes, he'll tip the balance. Like Eastwood, I'm half-hoping he does.

FREEDOM FROM RELIGIOUS PERSECUTION ACT

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

Mr. WOLF. Mr. Speaker, I have a bill which about 80 Members have cosponsored on both sides of the aisle, called the Freedom From Religious Persecution Act. It is H.R. 1685. Now that the MFN debate has gone, I will now ask Members from both sides to join us.

This is not a trade bill. This is a bill which would, among other things, create a new White House position, the director of Office of Religious Persecution Monitoring, who would do a country-by-country report every year on the different persecutions.

Mr. Speaker, there is more persecution of people of faith taking place today than any other time in history of our country.

It is H.R. 1658, and I would ask Members on both sides to cosponsor the bill so we can pass it before 100,000 churches of all denominations have a prayer service some time in the month of November to pray for the persecuted church around the world.

WOLF-SPECTER "FREEDOM FROM RELIGIOUS PERSECUTION ACT"

CREATES NEW WHITE HOUSE POSITION—DIRECTOR OF THE OFFICE OF RELIGIOUS PERSECUTION MONITORING

The Director would issue an annual report assessing whether Category 1 or Category 2 religious persecution exists in a country.

Sanctions—Sanctions would be automatic upon a positive finding by the Director. They would be waivable by the President, subject to a detailed written explanation to Congress and a 45-day notice of the intent to waive.

1. Degree of religious persecution

Category One Activity—Religious persecution is ongoing and widespread and includes killing, rape, imprisonment, abduction, torture, enslavement or forced mass resettlement. Persecution is carried out by the government or with the government's support.

Category Two Activity—Religious persecution, as defined above, that is not carried out with government support but where the government fails to take serious and sustained efforts to eliminate the persecution.

2. Imposition of sanctions

Immediate Sanctions—The bill would ban all exports to foreign government entities that directly carry out acts of religious persecution. There would also be a ban on all goods, products and services that are being used or intended for use directly to facilitate religious persecution. These sanctions would take effect immediately upon identification of the relevant entities and products. Products and entities banned under this legislation are to be defined as narrowly as is practical.

Sanctions Subject to Findings—Additional sanctions would also take effect after either 90 days (Category One activity) or 1 year (Category Two activity).

U.S. Assistance—The U.S. would cut off all non-humanitarian aid to the persecuting country.

Multilateral Assistance—U.S. representatives would be instructed to vote against any multilateral development banks loans to the offending country and to take all necessary steps to ensure that such loans are not forthcoming.

WTO Membership—In deciding whether to support a country's membership in the World Trade Organization, the President would be instructed to consider a significant factor whether a country had engaged in religious persecution.

Visa Ban—Ban on visas individuals who carry out, order or oversee religious persecution.

Asylum for Persecuted Religious Minorities—Asylum proceedings would be improved to ensure expedited, priority consideration for victims of religious persecution.

Full Asylum Hearing—Amends "credible fear" standard in asylum proceedings to ensure asylum applicants from persecuted communities in Category 1 and 2 countries receive a full asylum hearing.

Priority Status—Provides refugees from persecuted communities in Category 1 and 2 countries priority processing status equal to that given to all groups of "special humanitarian concern" to the United States.

Training—Requires asylum officers and refugee claims adjudicators to undergo training on the nature, severity and location of religious persecution.

Sudan Sanctions—The legislation includes immediate sanctions against Sudan, a country where * * *.

THE REPUBLICAN TAX BILL IS BAD FOR EDUCATION

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

Mr. McGOVERN. Mr. Speaker, if the United States is to be the economic superpower in the 21st century, then Congress must make education its No. 1 priority. Any tax bill that passes this Congress must expand educational opportunity for working families.

Unfortunately, the tax bill that passed the House recently fails that test. The Republican tax bill fails to provide the full HOPE scholarship requested by the President, and it does virtually nothing for students in their third and fourth year in college.

Furthermore, the Republican tax bill contains provisions to actually raise taxes on students, faculty, and staff in higher education institutions. It is both cynical and dishonest for Congress to claim to be committed to tax relief while raising taxes on those hard-working members of our academic community.

Democrats have offered a tax alternative that includes the full $500 HOPE scholarship, and provides significant tax relief for college students in their junior and senior years. I urge my Republican colleagues to remove the anti-education measures in their tax bill. Let us give tax relief to hard-working families struggling to send their kids to college.

Mr. Speaker, I include for the RECORD a letter I sent to President Clinton yesterday urging his continued support for initiatives to expand educational opportunities for working families:

The material referred to is as follows:

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, DC, July 9, 1997.

WILLIAM JEFFERSON CLINTON,
President of the United States, The White House, Washington, DC.

DEAR MR. PRESIDENT, I would like to express again my support for the leadership you have demonstrated this year on education initiatives. Education, however, is once again under attack: this time in the form of H.R. 2014, the so-called Taxpayer Relief Act, that has been approved by the House of Representatives and is now facing negotiations in a House-Senate Conference Committee on the budget reconciliation and tax bills. Mr. President, your leadership is needed again to prevent our students, faculty, and higher education institutions from unfairly becoming targets of tax increases. Specifically, I urge you to:

Support the provision in the Senate version of the tax bill to retain the tax-exempt status of the TIAA-CREF retirement program. Revoking the tax exemption for the pension system of TIAA-CREF, granted

by the IRS in 1920, would cause irreparable harm to the employees, higher education institutions, and the Massachusetts and New England education and research community as a whole. The Senate has recognized this fact and has not included this provision in its tax bill. TIAA–CREF's pension assets are exclusively and irrevocably used for the benefit of its pension participants. And unlike the reserves of other insurance companies, TIAA's pension reserves can be used for no other purpose than to support participants' retirement benefits. TIAA is already subject to taxes, imposed in 1986, on its non-pension insurance business. The net effect of revoking TIAA-CREF's tax exemption after seventy-five years would be to significantly reduce the earnings of current employee's retirement accumulation as well as the pension income of retired employees. By imposing this unprecedented tax, the House measure would not only undermine the recruitment and retention of men and women in teaching professions and assault the financial security of higher education employees' retirement, it would summarily undercut your efforts, Mr. President, to improve educational opportunities for all of America's youth. On behalf of the current and retired employees of New England's 260 tax-exempt colleges and universities, I urge you to use your special offices to guarantee the continuation of the tax exempt status of TIAA–CREF'S pension program.

In a similar contrast between the House and Senate tax bills, I urge you to use your good offices to retain Section 117(d) of the tax code so that graduate students engaged in teaching and research would continue to receive tuition waivers that would exclude this income from federal taxes. The tuition waiver for graduate teaching and research assistance is what makes graduate school a financially viable opportunity for many students. The effect of the House provision to transform this tuition assistance into taxable income will no doubt be to drive out of graduate school and away from careers in research and teaching many of our most promising young Americans, especially those of modest means and middle income families. The changes proposed in the House version of the tax bills would make graduate school unaffordable to millions of Americans throughout the next decade, require dramatic increases in college costs so that institutions might increase the pay to graduate teaching and research assistants, and cause dramatic cut-backs in America's university research programs precisely at the moment when the nation as a whole is attempting to become more competitive internationally. Mr. President, the House proposal runs contrary to the goals you have established for our nation and I urge you to oppose it and to support the Senate bill's retention of section 117(d) of the IRS tax code.

This same subsection also ensures that the children of employees of higher education institutions might also receive tuition waivers. This provision has allowed the children of faculty and staff—from the families of janitors, food service workers, administrative staff and modestly paid faculty—to live out their parents' dreams and attain a college education. Mr. President, please fight on behalf of these families' hopes and aspirations.

I want you to know, Mr. President, that I am a strong supporter of your efforts to save the HOPE Scholarship tax credit, to allow the interest on student loans to be tax deductible, and to permanently extend Section 127 of the tax code on employer provided education assistance not just to undergraduate students, but to graduate students as well, where it is most needed.

I assure you, Mr. President, that I will also convey these concerns directly to the House and Senate conferees, but it will need your leadership and commitment to ensure that our higher education community do not suffer under the terms of these congressional tax bills.

Thank you for your attention to these requests. I look forward to working with you on this fight for America's future.

Sincerely,

JAMES P. MCGOVERN,
Member of Congress.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. MANTON (at the request of Mr. GEPHARDT) for today before 1 p.m. on account of medical reasons.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. DOYLE) and to include extraneous matter:)

Mr. ACKERMAN.
Mr. SANDERS.
Mr. MANTON.
Mr. KUCINICH.
Mr. EVANS.
Mr. MCGOVERN.
Mr. SKELTON.
Mr. VISCLOSKY.
Mr. HILLIARD.
Mr. VENTO.
Mr. FRANK of Massachusetts.
Mr. BARCIA.
Ms. HARMAN.
Mr. SMITH of Washington.
Mr. DAVIS of Florida.
Mr. KANJORSKI.
Mr. KILDEE.
Ms. WOOLSEY.
Mr. FILNER.

(The following Members (at the request of Mr. ROYCE) and to include extraneous matter:)

Mr. SHUSTER.
Mr. LOBIONDO.
Mr. GILMAN.
Mr. PORTMAN.
Mr. FOX of Pennsylvania.
Mr. SOLOMON.
Mr. BOB SCHAFFER of Colorado.
Mr. EVERETT.
Mr. PORTER.
Mr. BEREUTER.
Mr. COLLINS.

ADJOURNMENT

Mr. ROYCE. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 12 o'clock and 30 minutes a.m.), under its previous order, the House adjourned until today, Friday, July 11, 1997, at 9:30 a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

4152. A letter from the Congressional Review Coordinator, Animal and Plant Health Inspection Service, transmitting the Service's final rule—Tuberculosis in Cattle and Bison; State Designation; Hawaii [Docket No. 97–063–1] received July 10, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

4153. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Fenpropathrin; Pesticide Tolerances for Emergency Exemptions [OPP–300515; FRL–5731–3] (RIN: 2070–AB78) received July 10, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

4154. A letter from the Secretary of the Interior, transmitting the annual report on the Youth Conservation Corps program in the Department for Fiscal Year 1996, pursuant to 16 U.S.C. 1705; to the Committee on Agriculture.

4155. A letter from the Secretary of Defense, transmitting a report on the evaluation of TRICARE; to the Committee on National Security.

4156. A letter from the Assistant Secretary, Department of Education, transmitting notice of Final Funding Priorities for Fiscal Year 1997–1998 for a Rehabilitation Research and Training Center, pursuant to 20 U.S.C. 1232(f); to the Committee on Education and the Workforce.

4157. A letter from the Assistant General Counsel for Regulations, Department of Education, transmitting the Department's report on the Notice of Final Funding Priorities for Fiscal Years 1997–1998 for a Rehabilitation Research and Training Center, pursuant to 5 U.S.C. 801(a)(1)(B); to the Committee on Education and the Workforce.

4158. A letter from the Deputy Executive Director and Chief Operating Officer, Pension Benefit Guaranty Corporation, transmitting the Corporation's final rule—Allocation of Assets in Single-Employer Plans; Interest Assumptions for Valuing Benefits [29 CFR Part 4044] received July 10, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Education and the Workforce.

4159. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—OMB Approval Number under the Paperwork Reduction Act; National Emission Standards for Hazardous Air Pollutant Emissions: Group I Polymers and Resins; National Emission Standards for Hazardous Air Pollutant Emissions: Group IV Polymers and Resins [AD-FRL–5858–1] (RIN: 2060–AD–56 and RIN: 2060–AE–37) received July 10, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

4160. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Approval and Promulgation of Air Quality Implementation Plans; Delaware—General Conformity Rule [DE030–1008a; FRL–5856–1] received July 10, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

4161. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Land Disposal

Restrictions Phase III—Emergency Extension of the K088 National Capacity Variance [EPA#-530-Z-96-P33F-FFFFF; FRL-5857-7] received July 10, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

4162. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Clean Air Act Approval and Promulgation of Revisions to the Mississippi State Implementation Plan (SIP) [MS21-1-9718a; MS22-1-9719a: FRL-5857-5] received July 10, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

4163. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Approval and Promulgation of Implementation Plan; Minnesota; Correction [MN43-02-7268; FRL-5855-8] received July 10, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

4164. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting notification of a proposed manufacturing license agreement for production of major military equipment with the United Kingdom (Transmittal No. DTC-73-97), pursuant to 22 U.S.C. 2776(d); to the Committee on International Relations.

4165. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting certification of a proposed license for the export of defense articles or defense services sold commercially to Germany (Transmittal No. DTC-72-97), pursuant to 22 U.S.C. 2776(c); to the Committee on International Relations.

4166. A letter from the District of Columbia Auditor, transmitting a copy of a report entitled "Fiscal Year 1996 Annual Report on Advisory Neighborhood Commissions," pursuant to D.C. Code section 47-117(d); to the Committee on Government Reform and Oversight.

4167. A letter from the Executive Director, Committee for Purchase From People Who Are Blind or Severely Disabled, transmitting the Committee's final rule—Additions to and Deletions from the Procurement List [I.D. 97-013] received July 9, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Government Reform and Oversight.

4168. A letter from the Director, Office of Sustainable Fisheries, National Oceanic and Atmopheric Administration, transmitting the Administration's final rule—Fisheries of the Exclusive Economic Zone Off Alaska, Pacific Ocean Perch in the Western Regulatory Area of the Gulf of Alaska [Docket No. 961126334-7025-02; I.D. 070397A] received July 9, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

4169. A letter from the Acting Director, Office of Sustainable Fisheries, National Oceanic and Atmospheric Administration, transmitting the Administration's final rule—Fisheries of the Exclusive Economic Zone Off Alaska; Greenland Turbot in the Bering Sea Subarea of the Bering Sea and Aleutian Islands [Docket No. 961107312-7021-02; I.D. 070197C] received July 9, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

4170. A letter from the Director, Office of Sustainable Fisheries, National Oceanic and Atmospheric Administration, transmitting the Administration's final rule—Fisheries of the Exclusive Economic Zone Off Alaska; Northern Rockfish in the Western Regulatory Area of the Gulf of Alaska [Docket No. 961126334-7025-02; I.D. 070397B] received July 9, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

4171. A letter from the General Counsel, National Tropical Botanical Garden, transmitting the annual audit report of the National Tropical Botanical Garden, Calendar Year 1996, pursuant to Public Law 88-449, section 10(b) (78 Stat. 498); to the Committee on the Judiciary.

4172. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Ayres Corporation S2R Series Airplanes (Federal Aviation Administration) [Docket No. 97-CE-44-AD; Amdt. 39-10071; AD 97-13-11] (RIN: 2120-AA64) received July 10, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

4173. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Cessna Aircraft Company Model 172R Airplanes (Federal Aviation Administration) [Docket No. 97-CE-35-AD; Amdt. 39-10070; AD 97-12-06] (RIN: 2120-AA64) received July 10, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

4174. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Industrie Aeronautiche E Meccaniche Model Piaggio P-180 Airplanes (Federal Aviation Administration) [Docket No. 96-CE-62-AD; Amdt. 39-10072; AD 97-14-14] (RIN: 2120-AA64) received July 10, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

4175. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Pilatus Britten-Norman Ltd. BN-2A and BN-2A Mk 111 Series Airplanes (Federal Aviation Administration) [Docket No. 96-CE-24-AD; Amdt. 39-10058; AD 97-14-01] (RIN: 2120-AA64) received July 10, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

4176. A letter from the Secretary of Health and Human Services, transmitting the Department's final rule—Medicare Program; Schedule of Limits on Home Health Agency Costs Per Visit for Cost Reporting Periods Beginning on or After July 1, 1997 (Health Care Financing Administration) [BPD-889-NC] (RIN: 0938-AH88) received June 30, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); jointly to the Committees on Ways and Means and Commerce.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. CRANE (for himself and Mr. MATSUI):

H.R. 2132. A bill to extend nondiscriminatory treatment—most-favored-nation treatment—to the products of the Lao People's Democratic Republic, and for other purposes; to the Committee on Ways and Means.

H.R. 2133. A bill to authorize the extension of nondiscriminatory treatment—most-favored-nation treatment—to the products of Mongolia; to the Committee on Ways and Means.

By Mr. McCOLLUM:

H.R. 2134. A bill to amend the Federal Rules of Criminal Procedure with respect to bail bond forfeitures; to the Committee on the Judiciary.

By Mr. DOGGETT (for himself, Mr. WAXMAN, Mr. HANSEN, Mr. MEEHAN, Mr. BROWN of California, Mr. BROWN of Ohio, Mr. CAPPS, Ms. DEGETTE, Mr. DELLUMS, Mr. HINCHEY, Mr. KIND of Wisconsin, Mr. LEWIS of Georgia, Mr. LUTHER, Mr. MILLER of California, Mr. OLVER, Ms. PELOSI, and Ms. WOOLSEY):

H.R. 2135. A bill to make exports of tobacco products and the advertising of tobacco products abroad subject to the restrictions on labeling and advertising applicable to tobacco products in the United States, and for other purposes; to the Committee on International Relations, and in addition to the Committees on Commerce, and Ways and Means, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. ENSIGN (for himself and Mr. GIBBONS):

H.R. 2136. A bill to direct the Secretary of the Interior to convey, at fair market value, certain properties in Clark County, NV, to persons who purchased adjacent properties in good faith reliance on land surveys that were subsequently determined to be inaccurate; to the Committee on Resources.

By Mr. FOX of Pennsylvania:

H.R. 2137. A bill to require the review of all Federal departments and agencies and their programs, and for other purposes; to the Committee on Government Reform and Oversight, and in addition to the Committee on Rules, for period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. HEFLEY (for himself, Mr. PASTOR, and Mr. GALLEGLY):

H.R. 2138. A bill to amend the Federal Water Pollution Control Act to provide for the use of biological monitoring and whole effluent toxicity tests in connection with publicly owned treatment works, municipal separate storm sewer systems, and municipal combined sewer overflows, including control facilities, and other wet weather control facilities, and for other purposes; to the Committee on Transportation and Infrastructure.

By Mr. JOHNSON of Wisconsin:

H.R. 2139. A bill to amend the Dairy Production Stabilization Act of 1983 to ensure that all persons who benefit from the dairy promotion and research program contribute to the cost of the program; to the Committee on Agriculture.

By Mr. KLINK (for himself, Mr. FOX of Pennsylvania, Mr. KILDEE, Mr. ENGLISH of Pennsylvania, Mr. MASCARA, Ms. DELAURO, Ms. WOOLSEY, Mr. ANDREWS, Mr. DOYLE, Mr. HOLDEN, and Mr. COYNE):

H.R. 2140. A bill to amend the Higher Education Act of 1965 to improve accountability and reform certain programs; to the Committee on Education and the Workforce.

By Mr. McCOLLUM (for himself, Mr. SHAW, and Mr. SPENCE):

H.R. 2141. A bill to provide for a judicial remedy for U.S. persons injured as a result of violations by foreign states of their arbitral obligations under international law; to the Committee on the Judiciary.

By Mr. McNULTY:

H.R. 2142. A bill to amend title 38, United States Code, to extend eligibility to receive dependency and indemnity compensation to veterans' surviving spouses whose subsequent marriages have terminated; to the Committee on Veterans' Affairs.

By Mr. MILLER of California:

H.R. 2143. A bill to provide that certain escrowed oil and gas revenues be available for improving National Park System visitor facilities, and for other purposes; to the Committee on Resources.

By Mrs. MINK of Hawaii (for herself and Mr. ABERCROMBIE):

H.R. 2144. A bill to authorize appropriations for the expansion of the columbarium of the National Memorial Cemetery of the Pacific; to the Committee on Veterans' Affairs.

By Mr. PICKERING:

H.R. 2145. A bill to amend the Consolidated Farm and Rural Development Act to authorize the Secretary of Agriculture to make guaranteed farm ownership loans and guaranteed farm operating loans of up to $600,000, and to increase such maximum loan amounts with inflation; to the Committee on Agriculture.

H.R. 2146. A bill to designate the U.S. Post Office building located at 750 Highway 28 East in Taylorsville, MS, as the "Blaine H. Eaton Post Office Building"; to the Committee on Government Reform and Oversight.

By Mrs. LINDA SMITH of Washington (for herself, Mr. SANFORD, and Mr. WAMP):

H.R. 2147. A bill to amend the Federal Election Campaign Act of 1971 to prohibit the use of soft money by political parties and to require annual written authorization for the use of amounts withheld from an individual's wages or salary for political activities, and for other purposes; to the Committee on House Oversight.

By Mr. SPENCE (for himself and Mr. SISISKY):

H.R. 2148. A bill to suspend temporarily the duty of certain other single viscose rayon yarn; to the Committee on Ways and Means.

By Mr. VENTO:

H.R. 2149. A bill to enhance the conservation and protection of the Boundary Waters Canoe Area Wilderness; to the Committee on Resources.

By Ms. SLAUGHTER (for herself, Mr. YATES, Mr. ROHRABACHER, Mr. ABERCROMBIE, Mr. PAYNE, Mr. UNDERWOOD, Mr. BROWN of California, Mr. MILLER of California, Ms. WATERS, Mr. MCNULTY, Mr. PASTOR, and Ms. DANNER):

H. Con. Res. 114. Concurrent resolution expressing the sense of the Congress concerning the world-wide trafficking of women and girls, whereby women and girls are coerced, abducted, or deceived into migrating within or across national borders, and particularly the trafficking of Burmese women and girls in Thailand for the purposes of forced prostitution; to the Committee on International Relations.

By Mr. RANGEL:

H. Res. 183. Resolution honoring the life of Betty Shabazz; to the Committee on Government Reform and Oversight.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

148. The SPEAKER presented a memorial of the Legislature of the Territory of Guam, relative to Resolution No. 130 calling upon the members of the United States Congress to rebuke the current policy of the U.S. Department of Defense regarding the return of excess lands in Guam to its original landowners, and to express the outrage of the people of Guam over this unjust policy; to the Committee on National Security.

149. Also, a memorial of the Legislature of the Territory of Guam, relative to Resolution No. 94 requesting Congressman Robert A. Underwood to desist from introducing a measure to amend the Organic Act of Guam before Congress relative to the Office of the Governor and Lieutenant Governor; to the Committee on Resources.

150. Also, a memorial of the General Assembly of the Commonwealth of Massachusetts, relative to Resolutions memorializing the Congress of the United States to include the town of Bellingham, Massachusetts within the Blackstone River Valley National Heritage Corridor; to the Committee on Resources.

151. Also, a memorial of the General Assembly of the Commonwealth of Massachusetts, relative to Resolutions memorializing the Congress of the United States to include the towns of Charlton, Dudley, Oxford, Southbridge, Sturbridge, and Webster within the Quinebaug and Shetucket Rivers Valley National Heritage Corridor; to the Committee on Resources.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII,

Mr. MCNULTY introduced a bill (H.R. 2150) for the relief of Mrs. Lorraine Barde; which was referred to the Committee on the Judiciary.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 51: Mr. HALL of Texas.
H.R. 81: Mr. BUYER.
H.R. 96: Mr. LAZIO of New York.
H.R. 113: Mr. PORTMAN.
H.R. 145: Mrs. MCCARTHY of New York, Ms. NORTON, Mr. CONDIT, and Mr. SMITH of New Jersey.
H.R. 203: Mr. DELLUMS and Mr. LUCAS of Oklahoma.
H.R. 216: Mr. BERRY.
H.R. 230: Mr. DAVIS of Florida.
H.R. 306: Mr. ROEMER, Mr. GILCHREST, Mr. CLEMENT, and Mr. VENTO.
H.R. 404: Mr. MATSUI, Mr. CONDIT, Mr. GREEN, and Mr. SESSIONS.
H.R. 438: Mr. GOODLATTE, Mr. KLECZKA, and Mr. FRANK of Massachusetts.
H.R. 475: Mr. JENKINS and Mr. CRAMER.
H.R. 505: Mr. DOYLE.
H.R. 586: Mrs. NORTHUP.
H.R. 630: Mr. DOOLITTLE.
H.R. 633: Mr. WOLF.
H.R. 676: Ms. MCKINNEY and Mrs. MINK of Hawaii.
H.R. 681: Ms. SANCHEZ.
H.R. 695: Ms. PRYCE of Ohio, Mr. LEWIS of Kentucky, Mr. KASICH, Mr. ARCHER, Mr. HANSEN, Mr. HERGER, Mr. RILEY, Mr. HILL, Mr. TAUZIN, Mr. MORAN of Kansas, Mr. BURR of North Carolina, Mr. BLUMENAUER, Mr. POMEROY, Mr. RIGGS, and Mr. KINGSTON.
H.R. 758: Mr. BARTLETT of Maryland, Mr. PARKER, and Mr. WAMP.
H.R. 805: Mr. KIM.
H.R. 859: Mr. CAMPBELL.
H.R. 900: Ms. BROWN of Florida.
H.R. 901: Mr. NUSSLE and Mr. HOEKSTRA.
H.R. 906: Mr. EWING, Mr. GILLMOR, Mr. BLILEY, Mr. DELLUMS, and Mr. GORDON.
H.R. 953: Mr. HINCHEY.
H.R. 979: Mr. PRICE of North Carolina, Mr. CLEMENT, Mr. GUTKNECHT, Mr. KLUG, Ms. MCCARTHY of Missouri, and Mr. OBERSTAR.
H.R. 1002: Mr. BROWN of California.
H.R. 1009: Mr. PICKETT and Mr. KIM.
H.R. 1054: Mr. LARGENT and Mr. ENGEL.
H.R. 1063: Mr. WATTS of Oklahoma, Mr. MICA, and Mr. LUCAS of Oklahoma.
H.R. 1114: Mr. BENTSEN.
H.R. 1120: Mr. FAZIO of California.
H.R. 1124: Mr. GRAHAM.
H.R. 1126: Mr. HUNTER and Mr. PETERSON of Pennsylvania.
H.R. 1180: Mr. LOBIONDO.
H.R. 1231: Mr. HINCHEY.
H.R. 1281: Mr. MORAN of Virginia.
H.R. 1296: Mr. MCGOVERN.
H.R. 1329: Mrs. MORELLA, and Mr. FILNER.
H.R. 1355: Mr. GRAHAM and Mr. FATTAH.
H.R. 1371: Ms. LOFGREN, Mr. BONO, Mr. TIAHRT, Mr. ETHERIDE, and Mr. SOUDER.
H.R. 1390: Mr. LEVIN.
H.R. 1515: Mr. WHITFIELD, Mr. BUNNING of Kentucky, and Mr. JONES.
H.R. 1518: Mr. MCHUGH.
H.R. 1524: Mr. GIBBONS, Mr. HAYWORTH, and Ms. PRYCE of Ohio.
H.R. 1531: Mr. ROTHMAN and Mr. WATTS of Oklahoma.
H.R. 1542: Mr. COLLINS.
H.R. 1573: Mr. VENTO and Mr. SYNDER.
H.R. 1609: Mr. SAXTON.
H.R. 1631: Mr. GOODLING and Mr. STUPAK.
H.R. 1670: Mr. MCGOVERN.
H.R. 1711: Mr. UPTON.
H.R. 1748: Mr. SANDERS and Mr. CAMPBELL.
H.R. 1764: Mr. GIBBONS.
H.R. 1773: Mr. FALEOMAVAEGA.
H.R. 1787: Mr. GUTIERREZ, Mr. SANDERS, Mr. SHAYS, Mr. ACKERMAN, and Ms. DEGETTE.
H.R. 1788: Mr. SCHUMER and Mr. ACKERMAN.
H.R. 1802: Mr. TORRES and Mr. DOOLITTLE.
H.R. 1836: Mr. SESSIONS, Mr. SHAYS, and Mr. CUMMINGS.
H.R. 1839: Mr. SKEEN.
H.R. 1842: Mr. CRAPO.
H.R. 1854: Ms. STABENOW, Mr. GREEN, and Mr. COSTELLO.
H.R. 1904: Mr. EVANS, Mr. STRICKLAND, Mr. LIPINSKI, and Mr. PETERSON of Minnesota.
H.R. 1908: Mr. BEREUTER.
H.R. 1917: Mrs. CUBIN.
H.R. 1951: Mr. REYES, Mr. MARTINEZ, Mr. ABERCROMBIE, Mr. CLAY, Mr. RUSH, Mr. BLUMENAUER, Ms. MCKINNEY, Mr. FRANK of Massachusetts, Mr. TIERNEY, and Mr. DAVIS of Illinois.
H.R. 1955: Mr. NORWOOD.
H.R. 1993: Mr. GREEN and Mr. GONZALEZ.
H.R. 2005: Mr. LAZIO of New York and Mr. FOX of Pennsylvania.
H.R. 2006: Mrs. JOHNSON of Connecticut.
H.R. 2007: Mr. STENHOLM.
H.R. 2022: Mr. OXLEY, Mr. UNDERWOOD, Mr. KLECZKA, Mr. GOODLATTE, and Ms. LOFGREN.
H.R. 2064: Mr. FALEOMAVAEGA.
H.R. 2092: Mr. BURTON of Indiana.
H.R. 2101: Ms. DUNN of Washington and Mr. HUTCHINSON.
H.R. 2120: Mr. GREEN.
H.R. 2122: Ms. LOFGREN.
H. Con. Res. 12: Mr. MEEHAN.
H. Con. Res. 13: Mr. SERRANO.
H. Con. Res. 38: Mr. CUMMINGS, Mr. KING of New York, Mr. GEJDENSON, and Mr. DAVIS of Virginia.
H. Con. Res. 65: Mr. PALLONE, Mr. NETHERCUTT, Mr. VENTO, and Mr. LEVIN.
H. Con. Res. 80: Ms. NORTON, Mrs. THURMAN, Mr. EVERETT, Mr. FOLEY, and Mr. MCHUGH.
H. Con. Res. 107: Mr. DICKEY and Mr. ABERCROMBIE.

H. Con. Res. 109: Mrs. MORELLA, Mr. HOSTETTLER, Mr. SCHUMER, Mr. BLUNT, Mr. TALENT, Mr. MCINNIS, Mr. SPRATT, and Mr. SENSENBRENNER.

H. Res. 16: Mr. GUTKNECHT.

H. Res. 37: Mr. DREIER, Mr. MANZULLO, Mr. DIXON, Mr. BOSWELL, Mr. MCGOVERN, Mr. HINCHEY, Mr. HEFNER, Mr. SAWYER, Mr. MURTHA, Mr. KENNEDY of Rhode Island, Mr. WEYGAND, Mr. HINOJOSA, Mr. KLECZKA, and Mr. TORRES.

H. Res. 122: Mr. METCALF.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.R. 2107

OFFERED BY: MR. STUPAK

AMENDMENT NO. 15: Page 89, after line 15, insert the following:

SEC. 325. None of the funds made available by this Act may be used for the eviction of any person from real property in Sleeping Bear Dunes National Lakeshore that the person was authorized, on July 10, 1997, to occupy under a lease by the Department of the Interior or a special use permit issued by the Department of the Interior.

EXTENSIONS OF REMARKS

PRESERVING PATIENT ACCESS TO METERED DOSE INHALERS

HON. CHRISTOPHER H. SMITH

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 9, 1997

Mr. SMITH of New Jersey. Mr. Speaker, today Mr. CLIFF STEARNS, my good friend from Florida, and I are introducing legislation aimed at helping those who suffer from respiratory conditions, particularly children with asthma, and preserve their access to medicines they rely upon to breath—metered dose inhalers (MDI's).

Our legislation calls upon the Food and Drug Administration [FDA] and the Environmental Protection Agency [EPA] to delay their plans to remove chlorofluorocarbon-based MDIs from the marketplace before 2005. The resolution implores the EDA to continue to allow these critically important medicines to remain on the market while environmentally safe alternatives are developed and manufactured.

As many of you know, nearly 30 million Americans suffer from respiratory diseases of one kind or another, including asthma, chronic obstructive pulmonary disease [COPD], and cystic fibrosis. When the symptoms of these diseases strike, patients reach for the safe, effective, and proven medication delivery systems that have kept them alive for years—metered dose inhalers. Quite literally, metered dose inhalers enable patients to breathe freely and often mean the difference between life and death.

These inhalers are generally powered by chlorofluorocarbon [CFC] propellants. Under the 1987 Montreal Protocol, CFC's are to be phased out globally because of the damage they are believed to cause to the ozone layer. I believe it is important to point out, however, that the signatories to this Protocol explicitly recognized that certain uses of CFC's—such as MDI's—pose relatively small environmental risk yet generate tremendous health and safety benefits, and consequently, MDIs were given a temporary Essential-Use exemption from the treaty.

Despite this global exemption and the internationally recognized health benefits of MDI's, the U.S. FDA has unilaterally decided to accelerate the phase-out of CFC containing metered dose inhalers. Under the proposed framework, CFC containing inhalers—used safely and regularly by millions of asthmatic children, adults, and senior citizens—would be banned and consumers would be forced to purchase alternative products, even if there was but a single alternative on the market. I believe that this proposal is outrageous and totally unwarranted at this time.

Although pharmaceutical companies are working diligently to develop CFC-free MDI's, the FDA proposal will force patients to abandon their existing medications and could place them at the mercy of a single supplier in certain cases. This is fatally flawed in two important respects: first, each patient is unique and responds differently to asthma medication—even to the same medication—so the one-size-fits-all approach that FDA is pursuing will harm many of these patients; and second, consumers will be charged higher prices due to the lack of competition in alternative MDI products.

Mr. Speaker, it is a well known fact that asthma is currently the No. 1 reason for school absences, and that roughly 5,000 Americans die each year from asthma-related complications. Furthermore, for millions of asthma sufferers, the single most important part of successful treatment is maintaining a steady medication routine. disrupting this routine, which is a certain byproduct of the FDA's proposal, will needlessly put the lives and health of our children and senior citizens at risk.

I am also dismayed that the FDA, by seeking to ban CFC MDI's even when only a single alternative MDI is on the market, is making the erroneous assumption that all significant patient subpopulations—such as children and the elderly—will be equally served by the alternative product. This assumption is not only incorrect, but it violates the FDA's very own procedures and rules. All products that wish to obtain a pediatric indication must be reviewed separately by the FDA to determine whether the effect of a drug on children is the same as an adult. Yet, in its zeal to phase out CFC products before the United States is even required to do so, the FDA is trampling on this principle.

An additionally egregious aspect of the FDA's proposed rule is that it is an answer in search of a problem. The United States is in absolutely no danger of missing the Montreal Protocol's compliance deadline (2005) for completely eliminating CFC's, and there is no need to abruptly ban MDI's that have been widely and safely used for years.

Furthermore, the amount of CFC's used in metered dose inhalers is so small—less than 0.025 kg per inhaler—that the marginal environmental improvement in the ozone layer that would result from the FDA plan would be virtually undetectable.

To put these amounts into perspective, consider that in 1996, transitional stockpiles of CFC's for use in air conditioners and refrigeration equipment totaled between 36,000 and 72,000 tons. The total production of CFC's used for MDI's that year was only 2,600 tons, and MDI's are responsible for less than 1 percent of the risk to the ozone layer, as measured by atmospheric chlorine levels.

In addition, while the United States and developing countries must eliminate all CFC's by 2005, developing nations can continue to produce CFC's until 2010. Unless the FDA drastically modifies or delays its plan, asthma patients in the United States will have their dependable and effective medications taken away from them while consumers in China and Inodonesia continue to use CFC's in hair spray and cosmetics.

It seems incomprehensible that anybody could support a proposal that secures negligible environmental benefits at a very steep cost to human lives and health. Notwithstanding, the FDA continues to move forward with its plan despite overwhelmingly negative public comments. I understand that the magnitude of the public reaction to the FDA's advance notice was among the greatest—in terms of the numbers of letters received—in recent history. This is even more remarkable considering that the ban on metered dose inhalers has received very little media coverage.

In conclusion, Mr. Speaker, let me say there is no doubt that pharmaceutical companies should be encouraged by the FDA to develop, test, and bring alternative products to market before 2005. However, it is absurd and downright dangerous to put asthma patients—including children whose very lives depend on adhering to familiar medical routines—at risk by pulling effective and safe products from our shelves in order to meet a self-imposed standard. There is absolutely no reason to disrupt the lives of asthma and cystic fibrosis patients in the manner FDA has proposed. That is why I have joined my friend Congressman STEARNS in introducing this resolution today.

The alternative approach that we suggest to the FDA is very straightforward: allow the existing products—proven safe and effective over years of use—to be used until 2005, and encourage the development and use of alternative [CFC-free] metered dose inhalers so that asthma patients can gradually become accustomed to the different medications without undue disruptions and risks. Rather than forcing patients to switch medications suddenly and involuntarily, our approach would allow environmentally safe products to flourish and attain widespread acceptance.

I call upon my colleagues on both sides of the aisle to reject the FDA's cold turkey policy—Australia has already rejected that strategy. The United States can achieve its goal of zeroing out CFR production in 2005 without the heavy-handed, one-size-fits-all approach that the FDA has proposed. The children and senior citizens who depend on metered dose inhalers to breathe and live normal lives surely deserve better than that.

TRIBUTE TO JACKIE O'CONNOR DOLLAR

HON. FRANK RIGGS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 9, 1997

Mr. RIGGS. Mr. Speaker, I rise today to commend the activities of Jackie O'Connor

Dollar, the director of the Head Start Program in Napa and Solano Counties, which I represent. Last week, Jackie was presented with the Head Start-Johnson & Johnson Excellence in Management Award for her outstanding work on behalf of Napa and Solano Counties' children.

In September 1995, the Napa and Solano County Head Start programs were consolidated into one. Although this merger increased her area of responsibility by 400 percent, Jackie handled the change in stride and went ahead with her plans to begin new programs in the Heat Start classroom.

One of her most notable accomplishments is the implementation of an inclusive school project in which preschool children with severe disabilities are integrated with regular classroom students. By working closely with the county education offices and unified school districts, 90 students who would have normally attended classes for severely mentally and physically disabled children were, for the first time, to join mainstream classes.

I have personally visited the sites that Jackie has set up and have been impressed time and again with her hard work and commitment to the education of children with special needs.

Programs like Head Start work because of people like Jackie O'Connor Dollar. Her hard work, innovation, and accomplishments on behalf of northern California's children should be held up as a model for others.

TRIBUTE TO PETER C. CAMPANELLI, PSY.D.

HON. EDOLPHUS TOWNS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 9, 1997

Mr. TOWNS. Mr. Speaker, Mr. Peter Campanelli provides vital clinical services to individuals afflicted with mental illness. In his capacity as president and chief executive officer for the Institute for Community Living, Inc. [ICL], he is confronted with a difficult task.

He has organized and directed a private not-for-profit corporation for the purpose of development and operation of community residences for the mentally ill within the catchment areas of two large State psychiatric hospitals. ICL currently provides approximately 560 residential beds within various levels of care. Truly, Dr. Campanelli provides vital services to a constituency desperate for health and social services.

Dr. Campanelli's career of commitment and dedication is exemplary. He combines his passion with pragmatism. Additionally, he passes on the breadth and depth of his experience through the process of teaching in the university environment. It is my distinct pleasure to introduce him to my House colleagues.

TRIBUTE TO THE REVEREND WILLIE T. BARROW WELLNESS MEDICAL CENTER

HON. BOBBY L. RUSH

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 9, 1997

Mr. RUSH. Mr. Speaker, I rise to honor the Reverend Willie T. Barrow Wellness Medical Center of the Doctor's Hospital of Hyde Park that is being dedicated today in Chicago, IL. Originally founded in 1916 as the Illinois Central Railroad Hospital, the Doctor's Hospital of Hyde Park proudly serves more than 7,000 patients a month with a range of comprehensive community health services. And today, the hospital officially names The Wellness Center in honor of an electrifying community and spiritual leader, Dr. Willie T. Barrow, chairwoman of Operation PUSH.

The dedication of the Reverend Willie T. Barrow Wellness Medical Center marks a victory for residents of the first congressional district and the south side of Chicago. As the health care industry grows more complex and costly, and community hospitals are shuttered, it is vital that poor and working people, the very young and the very old, continue to have access to quality, preventive health care. And in a community where the infant mortality rate soars above 20, this is critical.

The hospital and the center are models of what community health care should be. Open 7 days a week, the hospital serves all in need. People without insurance, walk-ins, the homeless—all walk through the doors and receive quality care by a hard-working, well-trained staff.

The hospital and center are truly committed to the community. When the Hyde Park Community Hospital faced financial difficulties a few years ago, the leadership and perseverance of Dr. James H. Desnick assured that the hospital remained in the community, preserving more than 500 jobs and preserving health care services for residents.

Today, Dr. Desnick and the community officially name the Wellness Center in honor of Rev. Willie T. Barrow. Reverend Barrow exemplifies dedication in her life's work. As chairwoman of Operation PUSH, a founder of the Coalition of Labor Union Women, copastor of Mount Vernon Church of God in Chicago, and a long-time resident of the south shore community, Reverend Barrow truly serves the people. And in Chicago, she will be long remembered for her tireless work to elect Harold Washington, Chicago's first African-American mayor. Her commitment to human rights, civil rights, women's rights, and workers' rights inspires people across the Nation and across the globe.

As Congressman of the first congressional district, I send my heartiest congratulations to Dr. Desnick, the hospital board, the Community Advisory Board, and the 700 staff members, on the occasion of the dedication of the Reverend Willie T. Barrow Wellness Medical Center.

I am honored to represent the district that is home to the Reverend Willie T. Barrow Wellness Medical Center and to my good friend, Rev. Willie T. Barrow. And I pledge to continue my fight both in Congress and the city of Chicago to protect the survival of health programs like the center that promise to be a model for comprehensive community health care for people in need.

I am proud to offer these words of congratulations.

TRIBUTE TO LOLETA, CA, ON ITS CENTENNIAL

HON. FRANK RIGGS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 9, 1997

Mr. RIGGS. Mr. Speaker, I rise to celebrate the centennial of the beautiful community of Loleta in Humboldt County, CA, which I am privileged to represent.

I visited Loleta, which overlooks the picturesque Eel River Valley, just 2 weeks ago. The origin of its name is credited to the Wiyot Indians of the valley as a name for a pleasant landmark. In this case, we are told, a quiet slough.

A.J. Doolittle made a map of Humboldt County in 1860, and it was adopted by the Humboldt County Board of Supervisors. There was no Loleta then, nor much of anything else. But from the gentle slope of the last of the foothills now occupied by today's Loleta, the map shows a nearby road from Dungan's Ferry, past W.J. Wing's, W. Ellery's, T.H. Foss', to L.H. Hawk's, en route to J.A. Sawyer's on Table Bluff.

An old Humboldt County Great Register for 1888 indicates Samuel Swauger, a 59-year-old native of Pennsylvania, ranched on what is now Loleta and registered to vote the previous year.

The late historian M.A. Parry, who wrote his masters thesis at Humboldt State University on Loleta, said Eel River & Eureka Railroad built Swauger's Station, now Loleta, in 1886. "From 1884 to 1886 the station amounted to no more than an uncovered loading platform standing beside a short length of track," he wrote. In 1898, as traffic increased, a new and larger depot was constructed. Swauger Station had been on the old structure, while "Loleta" appeared on the new.

Parry had this to say about the name of Swauger and Loleta: "In 1897, a faction of the community not satisfied with the name of the town, settled on 'Loleta' as what they wanted in place of 'Swauger's Station.' The word was of Indian origin and was said to mean 'pleasant place.' Actually it was three Indian words, 'Lo-le-tah,' meaning, 'pleasant place at the end of the water.' Loleta was just that; a pleasant place at the end of Hawk's Slough which no longer extends so far inland."

By adopting Loleta as the town name, the community did no more than adopt the name the community's Indians had used for years. The name became official in February 1897 when Will Perrott filed a map with the county recorder entitled "Loleta—Amended Map of Swauger's." The railroad company and the post office followed suit the following year.

And now, beautiful Loleta, famous for its fine dairy farms and livestock ranches, prepares for the centennial celebration. I congratulate Robert Laffranchi, president of the

Loleta Chamber of Commerce, and all the people of Loleta for what I'm sure will be a wonderful day of festivities.

TRIBUTE TO YASHPAL ARYA, M.D.

HON. EDOLPHUS TOWNS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 9, 1997

Mr. TOWNS. Mr. Speaker, I rise today to recognize Dr. Yashpal Arya. Dr. Arya is chief of gastroenterology/endoscopy at Wyckoff Heights Medical Center. He has worked at Wyckoff since 1976.

Born in India, and medically trained in his homeland, Dr. Arya has established an impressive portfolio of professional achievements. He is a member of numerous committees and organizations, including the American College of Gastroenterology, the New York State Medical Society, and the Queens Medical Society. Additionally, he has been the recipient of the Isadore Caputo Memorial Award from Wyckoff Medical Center, and the Teaching Excellence Award from Wyckoff Medical Center.

I am pleased to recognize the contributions of Dr. Arya, and wish him continued success in the medical profession. The community of Brooklyn is fortunate to have a medical practitioner with Dr. Arya's background and commitment working at Wyckoff Heights Medical Center.

NATIONAL GUARD HONORED

HON. JIM DAVIS

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 9, 1997

Mr. DAVIS of Florida. Mr. Speaker, the brave men and women of the National Guard were honored at the world premier of Charles Gabriele's "National Guardian's March" presented in Venice, FL, on May 19, 1997, at a concert of the Venice Concert Band directed by Bill Millner. The National Guard in recent years served in Desert Shield and Desert Storm, and in Florida in the aftermath of Hurricane Andrew and Hurricane Opal.

During the concert, U.S. Army Brig. Gen. Steven Solomon, Commander of the 83d Troop Command, presented the Venice Concert Band and Professor Gabriele each with a framed Certificate of Appreciation "for exceptional service to the National Guard." Gabriele is noted worldwide for his classical compositions and patriotic marches, such as "Korea Veterans March," which was performed by the U.S. Army Band for the dedication of the Korean War Memorial in Washington, DC. Also during the program, Sarasota County Commission Chairman Robert Anderson presented the Venice Concert Band and Dr. Gabriele with commendations; and city of Venice Vice Mayor David Farley, Councilmen Earl Midlam, Burt Brown, and Virginia Warren presented them with commendations and a flag of the city of Venice.

Members of the band who performed in the historic premier of the "National Guardian's March" were: Renee Arata, Marilyn Bay, Jan Bonds, Henry Busche, Russell Byron, Fred Capitelli, Harokl Chase, Rogers Cumming, Carmelo Cuscina, Vicki Elmore, Mary Ann Farrell, Jay Fish, Judson, Vincent Gigliotti, Harry Gilmore, Les Gowan, Ed Gremp, Charles Heidorn, Willie Jacus, Bob Kaltenbaugh, David Leath, Carl Linden, Mary Lipton, Julie Mahler, Robert McMullen, Les McRea, Alex Meldrum, Bill Meyer, Rex Morse, Shirley Morse, Mary Mullen, George Olisar, Stanley Ovaitt, Fred Ploch, Marilyn Sexton, Jane Sibole, Larry Shields, Ken Sotherlund, Bob Spangle, Missy Thornley, Connie Timm, Michael Torino, Basil Wanshula, Agnes Warfield, Roger Wolfe, and Don Yasso.

Mr. Speaker, I ask that my colleagues join me in applauding this well-deserved tribute to the National Guard.

TRIBUTE TO FRANK LONARDO

HON. EDOLPHUS TOWNS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 9, 1997

Mr. TOWNS. Mr. Speaker, I rise today to commend Mr. Frank Lonardo for his vast contributions on behalf of organized labor. Mr. Lonardo is a 40-year veteran of the International Longshoremen's Association, AFL–CIO. He is the president of ILA 1814 and was reelected International General Organizer at ILA's 1995 convention.

To his credit, Mr. Lonardo has worked his way through the ILA organization. He started working on the docks of Brooklyn as a teenager and throughout his career has served in a number of capacities, including assistant treasurer of the Brooklyn Longshore Credit Union, and as assistant to the president of Local 1814.

Among his other duties, he has served on the executive board of the New York City Central Labor Council and is a trustee of the New York Maritime Ports Council of the Maritime Trades Department. Frank and his wife Patricia are the parents of four children, Jeanine, Frank Jr., Joseph, and Alicia.

COMMEMORATING INDIA'S 50TH ANNIVERSARY OF INDEPENDENCE

HON. CHARLES E. SCHUMER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 9, 1997

Mr. SCHUMER. Mr. Speaker, I rise today and ask my colleagues to join with me today in commemorating the upcoming 50th anniversary of Indian independence.

On August 15, 1947, India gained its freedom from British colonial rule and became an independent nation. The Indian peoples struggle for democracy mirrored very much our Nations' own experience. We share a kinship because we believed, then and now, in the same principals and notions of democracy for our citizens. India's great national leader, Mahatma Gandhi, studied American thinkers, such as Emerson and Thoreau, for their ideas, inspiration, and courage to press on with the struggle for democracy. And leaders in America looked to his example of nonviolence in guiding our Nation during its most turbulent civil rights period.

On August 15, 1997, we celebrate half a century of democracy in India which has developed into the largest democracy in the non-Western world. This populous democracy is home to 950 million people and represents a true multiethnic state where 18 major languages and over 100 dialects are spoken. Let us celebrate their commitment to human rights, the rule of law and the principals of peace, and the successful transition of power in that country's most recent parliamentary elections. It is clear to me, as it should be to all here today, India's democratic institutions remain quite strong and we can look forward to many more years of democratic growth and independence.

TRIBUTE TO CHARLES E. SIMPSON

HON. EDOLPHUS TOWNS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 9, 1997

Mr. TOWNS. Mr. Speaker, I would like to recognize Mr. Charles E. Simpson for his consistent and competent efforts in the field of corporate reorganizations, divestitures, and workouts.

Presently, Mr. Simpson is in charge of bankruptcy/creditors' rights department of the firm of Windels, Marx, Davies and Ives in New York City. During his professional career, Charles has developed an impressive track record on behalf of clients such as Bancorp, Pantry Pride, Central Railroad, Braniff, Vanguard Oil & Service, and a host of other companies.

Mr. Simpson is a member of numerous boards, including the Brooklyn Red Cross. He served in the U.S. Army, attended Harvard Law School, and received his undergraduate degree from Pepperdine University. I am pleased to highlight Mr. Simpson for his tireless and persistent endeavors.

ALMOR WEST AND PIONEER PARK SCHOOLS EARN AWARD

HON. J.C. WATTS

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 9, 1997

Mr. WATTS of Oklahoma. Mr. Speaker, recently the Department of Education announced the selection of elementary and middle schools which were awarded the prestigious Blue Ribbon School Award. I am proud to announce that two schools from Lawton, OK, have been recognized.

I am delighted to congratulate Pioneer Park Elementary School and Almor West Elementary School on this great achievement.

These schools display the qualities of excellence that are necessary to prepare our young people for the challenges of the next century. Blue Ribbon School status is awarded to

schools which have strong leadership; a clear vision and sense of mission that is shared by all connected with the school; high quality teaching; challenging, up-to-date curriculum; policies and practices that ensure a safe environment conducive to learning; a solid commitment to parental involvement; and evidence that the school helps all students achieve high standards.

This is an honor that is vigorously sought by thousands of schools across the Nation. We are so very proud of the students and teachers, the parents and administrators, and all at Pioneer Park and Almor West Elementary Schools who have been selected for this distinguished recognition.

TRIBUTE TO DECOSTA HEADLEY

HON. EDOLPHUS TOWNS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 9, 1997

Mr. TOWNS. Mr. Speaker, it is my pleasure and privilege to honor Mr. DeCosta Headley for his contributions in the community of Brooklyn. Mr. Headley is the founder of the Rosetta Gaston United Democratic Club and a dynamic player in the political and economic affairs of the communities of Brownsville and east New York.

DeCosta was raised in Brownsville and east New York, and has been instrumental in providing college scholarships for youth, jobs for community residents, and full services for senior citizens.

As an entrepreneur, Mr. Headley is the president of Diversified Flintlock Corp., a general contracting company. His company has built numerous medical centers, low-income affordable housing units, and has just recently completed a senior citizen housing unit of Berean Missionary Baptist Church in Brooklyn's east New York neighborhood, and a branch of the Carver Federal Savings Bank in Harlem.

DeCosta has been widely recognized for his civil, political, and corporate endeavors. I am pleased to commend his efforts and recognize his vast contributions.

TRIBUTE TO OFFICER WILLIAM COLEMAN COOK AND OFFICER ROBERT VARGAS

HON. CARRIE P. MEEK

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 9, 1997

Mrs. MEEK of Florida. Mr. Speaker, it is indeed a distinct honor to join with our community on July 11, 1997 to pay tribute to two of Dade County's finest, Officer William Coleman Cook and Officer Robert Vargas, who sacrificed their lives in the line of duty.

When he responded to a domestic disturbance on Wednesday May 16, 1979, 25-year-old Officer William Coleman Cook was already a 6-year veteran of the Metro-Dade Police Department. Officer Cook was shot and killed in the process of apprehending a U.S. Army deserter who had shot his wife, another woman, and critically wounded two other Metro-Dade officers.

Officer Robert Vargas had just celebrated his 28th birthday on February 4, 1997 when he was assigned to a robbery task force as part of Dade County's Operation Clean Sweep. On February 7, he responded to a call for assistance from fellow officers in pursuit of fleeing robbery suspects. While en route to assist his colleagues, Officer Vargas collided with two vehicles as he attempted to avoid a wheelchair bound individual along the way. His car was struck head-on by another vehicle, and he died instantly on the scene.

Officers William Cook and Robert Vargas represent the best and the noblest of our Dade County Police Department. They put their lives on the line on behalf of our community and risked their own safety. Their ultimate sacrifice truly exemplifies the willingness and readiness with which they served and protected us—above and beyond the call of duty.

The dedication and commitment to duty shown by Officer Cook and Officer Vargas is a great legacy they have forever bequeathed to our community. We owe a debt of gratitude to them and the loved ones they left behind.

Public servants to the very core, Officers Cook and Vargas truly epitomize the genuine bravery and heroism of which the great soldier, Gen. Douglas McArthur, spoke when he said, "They only are fit to live—those who are not afraid to die."

TRIBUTE TO ANTHONY WATSON

HON. EDOLPHUS TOWNS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 9, 1997

Mr. TOWNS. Mr. Speaker, I rise today to recognize Mr. Anthony Watson for his outstanding contributions to the health care community. Mr. Watson is the president and chief executive officer of the Health Insurance Plan of Greater New York [HIP], one of the largest health maintenance organizations [HMO's] and the largest HMO in the northeastern United States.

HIP is celebrating its 50th anniversary and Anthony Watson has played a pivotal role for HIP since 1985. Anthony has almost 20 years of experience in major public health agencies. He was formerly the supervising public health adviser at the Centers for Disease Control [CDC], the former deputy director of the New York City Comprehensive Health Planning Agency, in addition to having served as an instructor in health planning at the Herbert J. Lehman College of the City University of New York. Anthony has received numerous accolades and awards. He serves on various boards.

Mr. Watson resides in New York City with his wife, Desiree, and their two children, Alayja and Sheridan.

A TRIBUTE TO DAVID MAYER

HON. GERALD D. KLECZKA

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 9, 1997

Mr. KLECZKA. Mr. Speaker, I rise today to pay tribute to an outstanding individual, David Mayer of Franklin, WI. On July 5, 1997, David was honored by the Franklin Civic Celebrations Commission with a moving recognition ceremony highlighting his many years of dedicated service to his community.

David was born in the town of Franklin in the fall of 1918. For many years he was a partner with his brothers in a business founded by his father, Robert Mayer. He is a World War II veteran who has raised four children with his wife, Doris.

David was first elected as a Franklin supervisor in 1948 following the retirement of his father. He was responsible for many of the early accomplishments in the growing community. The town's first fire truck was brought to Franklin with David's help. That same truck was in Franklin's Fourth of July Parade this year.

David was a vital part of Franklin's city incorporation in the mid-1950's, going house to house to collect signatures from supporters of the incorporation. In the city's first election on October 2, 1956, he was elected as an alderman, and for the next 40 years he would serve under 7 mayors until his retirement in 1993.

As an alderman, David was active on many boards and commissions. He served as the council president and was also a member of the 4th of July Commission, the board of public works, and the library board. David was also an active member of the Franklin Historical Society.

I am proud to say that I know David Mayer. He has always been a man of integrity, warmth, and sincerity. Congratulations, David, on this ceremony. You truly deserve it.

TRIBUTE TO BRIAN DOUGLAS

HON. EDOLPHUS TOWNS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 9, 1997

Mr. TOWNS. Mr. Speaker, Brian Douglas of Cablevision of New York City has been a vital contributor in the field of telecommunications. As the public affairs manager for Cablevision he is responsible for government relations, community affairs, and public relations.

His duties include administration of the company's franchisee requirement with the city of New York, dealing with elected officials, educational outreach, and responding to the public and the press.

Brian has been employed by Cablevision since 1988 and is formerly a sales representative for Time Warner's Brooklyn Queens Division. He holds a B.A. in television and radio from Brooklyn College and graduate degree in mass communications from Drake University. Brian is also a member of the National Association of Minorities in Communications

[NAMIC]. I am pleased to commend Brian for his numerous contributions and to introduce him to my House colleagues.

IN RECOGNITION OF DR. MINA SARA BARRETT

HON. GARY L. ACKERMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 9, 1997

Mr. ACKERMAN. Mr. Speaker, I rise today to join with my constituents and the students and faculty of SUNY College at Old Westbury, NY, as they honor Mina Barrett for outstanding professional and public service. Dr. Barrett was born in New York City in 1948 and at a very early age established her academic credentials. She was an honor student at Oceanside High School and received her graduate and undergraduate degrees at the State University of New York at Stony Brook in the field of psychology.

In 1975, Dr. Barrett came to SUNY College at Old Westbury and became one of the founders of the Psychology Department. Rising to the position of associate professor, Dr. Barrett immediately became active on a variety of academic committees. Yet to the great benefit of both the academic and general communities of the greater New York metropolitan area, Dr. Barrett embarked upon a course of community service that would serve as a model for effective community activism.

Recognized for her deep understanding of the human mind, Dr. Barrett was appointed as a Red Cross Disaster mental health psychologist and became codirector of the Nassau County Chapter of the Red Cross for mental health. It was in 1994 that she was called upon by the city of Los Angeles to serve in an assisting office in the city's tragic earthquake. For her service rendered to the city of Los Angeles she received the Henri Dunant Humanitarian Award. Her services were again utilized by the residents of Long Island in 1994 during the east end fires for which she received a service citation. During the tragic crash of TWA flight 800, she served as coordinator of mental health, rescue and relief working 18 hours a day training and directing health teams.

Mr. Speaker, Dr. Barrett's activities in human relations and women's issues have given her an international reputation. I ask my colleagues to join with me and rise to salute Dr. Mina Barrett for her devotion and for all she has done to enhance our world.

TRIBUTE TO JOHN L. EDMONDS

HON. EDOLPHUS TOWNS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 9, 1997

Mr. TOWNS. Mr. Speaker, it is my pleasure to highlight the accomplishments of Mr. John L. Edmonds, a prominent real estate developer in New York City. Mr. Edmonds and the Edmonds Group specializes in the development and rehabilitation of housing units for low- and moderate-income families.

It is the dream of every American family to own their own home. The Edmonds Group has been directly responsible for making home ownership a reality for many families in New York. The group utilizes a combination of sources to achieve home ownership, including Federal funds, HUD tax credits, and State and local loan guarantees.

As the largest minority developer in the city of New York, Mr. Edmonds has recently developed five low-income housing projects in Manhattan. Despite fierce competition, the Edmonds Group has been able to prosper and has a 100 percent completion rate of projects it has undertaken in New York City.

ODYSSEY OF THE MIND WORLD FINALS

HON. RON PACKARD

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 10, 1997

Mr. PACKARD. Mr. Speaker, today, I come before you to recognize a few very special and talented young people from my district. On Wednesday June 6, the opening ceremonies for the Odyssey of the Mind world finals were held at the University of Maryland. This competition challenges the intelligence, creativity, and team work of those participating. Competitors came from all over the world to be a part of this wonderful event.

Among those who placed were 13 young men and women from the 48th Congressional District of California. Palmquist Elementary School in Oceanside and Aliso Viejo Middle School in Aliso Viejo won top honors. Both schools won first place in the Odyssey of the Mind State competition and earned their way to the world competition this summer.

It is refreshing to see programs like Odyssey of the Mind, that challenge the young people of this country to get involved. These men and women hold the key to the future of America. It is encouraging to see their young minds at work, bettering themselves and this country with each new challenge they take on.

I congratulate each of these young people for their accomplishment. With that in mind, I would like to close with the Odyssey of the Mind's pledge: "Let me be a seeker of knowledge, let me travel uncharted paths, and let me use my creativity to make the world a better place in which to live." This is a motto we could all live by.

TRIBUTE TO SETH EDWARDS

HON. EDOLPHUS TOWNS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 9, 1997

Mr. TOWNS. Mr. Speaker, I rise today to recognize Mr. Seth Edwards for his valuable contributions in the banking industry. Mr. Edwards is a vice president in Chase Manhattan Bank's Community Development Group, and is the manager for Chase's community affairs in Brooklyn.

During his 28 years of service with Chase, he has performed a variety of duties at international posts in Greece, the Middle East, Canada, and the Dominican Republic.

Seth was born in Oklahoma and grew up in Liberia, West Africa. He graduated magna cum laude from the University of Liberia with degrees of anthropology and sociology. He joined Chase after a year of graduate study in France, and a tour of duty in South Vietnam with the United States Army. He is presently on the board of the HOPE Program and on the business advisory council of community school district 13. I am pleased to acknowledge Seth Edwards' contributions.

DISAPPROVAL OF MOST-FAVORED-NATION TREATMENT FOR CHINA

SPEECH OF

HON. VINCE SNOWBARGER

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 24, 1997

Mr. SNOWBARGER. Mr. Speaker, during the past several months, I have listened carefully to the residents of the third district who took the time to contact me about renewal of most-favored-nation status for the People's Republic of China.

To those who passionately oppose renewing MFN because of China's treatment of dissidents, let me say that we agree on everything but the solution. I have heard from many of my constituents that China's human rights record is an abomination—and I agree. Many have pointed out that China's repression of Christians and members of other faiths is an outrageous assault on the most basic of human liberties—and I agree. Others have suggested that the Chinese Government's policy of forced abortions and sterilizations cries out for condemnation from every civilized country—and I agree. Still others have expressed grave concern about China's involvement in the proliferation of weapons of mass destruction—and I agree.

We disagree on one point. I do not accept the notion that the United States can effectively deal with human rights abuses in China by raising taxes on Americans. And that is what this issue is about.

I have enormous respect for those, like Dr. James Dobson, who point to the need to address China's human rights violations. However, I also note that others whose moral vision I hold in equally high esteem, such as Dr. Billy Graham and many Christian missionaries in China itself, argue just as passionately against disengagement with China. The persecution of Christians and other religious minorities in China is appalling. Yet those that preach the gospel in China say that if America were to revoke MFN Christians would face even greater persecution.

It seems to me the key test of the effectiveness of any sanction, such as withholding MFN, is whether the sanction is likely to produce the desired effect. Does anyone believe that a government that is willing to commit heinous crimes against its own people will be moved to reform its system as a result of a sanction aimed more at Americans than at China? Clearly, there is legitimate difference of opinion on how best to support those who

suffer under the Chinese Government's oppression. I would hope that those who differ on the means would not vilify each other when they share the same ends.

I have co-sponsored a bill that would target tough sanctions at the elements of the Chinese Government that are responsible for atrocities against their own people and threats to our country. Under this proposed bill, the Chinese companies responsible for the illegal importation of AK–47's into California would be prohibited from exporting to the U.S. and the Federal Government would be required to publish a list of all companies affiliated with the Chinese People's Liberation Army [PLA]. It would prohibit the granting of U.S. visas to Chinese government officials involved in the Tiananmen massacre. The United States would be required to reduce assistance to organizations that support China's so-called family planning program and to vote against all loans to China from international organizations to which we belong. Finally, the President would be required to encourage our allies to join us in these sanctions.

Many Members of Congress—on both sides of this issue—have taken stands for their beliefs. It would have been easy to voice my outrage at China's transgressions by voting against renewal of MFN, regardless of whether doing so would have any impact on China's behavior.

But I believe I owe it to my constituents to base my vote on the merits of the issue, not on the politics. My vote is based on what revocation of MFN would do to Americans. First, we should understand that most-favored-nation status is the normal trade treatment we extend to nearly every country in the world. In fact, there are only six countries that the United States does not extend MFN to: Cuba, Laos, Vietnam, Afghanistan, North Korea, and what's left of Yugoslavia. Even Iran, Iraq, and Lybia, on which the United States has imposed a total embargo on trade, technically have most-favord-nation status.

Revoking MFN means that imports from that country are subject to dramatically higher taxes—taxes that are paid not by China, but by American companies and passed on to American consumers. A cut-off of MFN would increase the average tariff on Chinese imports from about 6 percent more than 44 percent, resulting in $27 to $29 billion in higher costs to American consumers. The shoes Kansas families buy would jump in price from $11 to possibly $20 to $25. This is the kind of sudden price increase that can blow a big hole in a family's budget

I did not come to Congress to raise taxes—even import taxes—on American citizens, especially not a 74-percent increase.

Moreover, China would likely retaliate against a loss of MFN status by restricting U.S. exports to and investment in China. Hong Kong and Taiwan would also be especially hurt: Hong Kong would lose at least 61,000 jobs.

But more important would be the effect on my Kansas constituents. One out of every seven Boeing 737's built in Wichita is sold to China and subcontractors in the Kansas City area would lose jobs if this trade were interrupted. China always has the option of buying Airbus; Boeing cannot so easily sell its airplanes somewhere else. And if Boeing can't sell its planes, many of my constituents will lose their jobs. And, of course, China is also a prime customer of Kansas farmers.

There is also the question of what China would do to make up for the loss of hard currency that removal of MFN would cause. What else does China make that finds an international market? Arms—and technology that can be used for producing weapons of mass destruction. If China were to increase these sales, our security interests would be directly threatened.

I do not intend to defend the Clinton administration's policy—if indeed it even has one—toward China. In fact, the many allegations involving illicit Chinese involvement in the American political system and how that involvement might be related to administration policy toward China has been a major concern of mine about the renewal of MFN. This administration's reluctance to address the potential security threat that China's military buildup could pose to the United States in the future has contributed greatly to the public's unease about trade relations with China.

But I do not agree with those who believe this vote represents appeasement of an obviously hostile power. Unlike the case of the Soviet Union in the late 1940's, I do not see evidence that the Chinese Government has resolved to proceed with an aggressive military strategy to achieve their goals. What is certain is that our allies, both in East Asia and Europe, will not treat China as a military treat.

Americans—especially farmers in Kansas and elsewhere—learned a painful lesson during the Carter administration about the futility of unilateral sanctions. Since clearly the United States cannot at this time—especially under the present administration—rally the rest of the world into an anti-China coalition, any move by the United States to isolate China would instead isolate us.

I was frequently asked during my campaign last year about my position on this difficult issue. I responded then that I favored MFN not for China's sake, but for America's. Having weighed carefully the substantial evidence on both sides, I continue to believe that it is in this country's interest, and in the interest of the moral principles we represent, to maintain a normal trading relationship with China.

TRIBUTE TO MORTI HIRSCH

HON. EDOLPHUS TOWNS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 9, 1997

Mr. TOWNS. Mr. Speaker, I want to recognize Mr. Morti Hirsch, a long-time resident of Brooklyn, for his outstanding civic contributions. Morti is the owner of Active Fire Sprinkler Corp., the largest fire sprinkler company in Brooklyn. His company employees several hundred Brooklynites.

A professional engineer, Morti Hirsch is affiliated with the American Society of Sanitary Engineers, of which he is a past president. He has also been the past president of the New York Fire Sprinklers Contractors Association. Active in many professional arenas, Mr. Hirsch also founded the Brooklyn Navy Yard for Foreign Business, of which 200 small- and medium-size companies are members.

Mr. Hirsch was born in Brownsville, Brooklyn, where he has lived for over half of his life. For the past 27 years he has worked at the Brooklyn Navy Yard and is the father of three children, Eve, Joseph, and Ann. I am pleased to acknowledge the contributions of Mr. Morti Hirsch.

BALANCED BUDGET ACT OF 1997

SPEECH OF

HON. MAX SANDLIN

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 25, 1997

Mr. SANDLIN. Mr. Speaker, today the House of Representatives passed the Budget Reconciliation Spending Act, H.R. 2015, a bill to reduce spending programs. I voted to protect seniors, children, low income workers, and Texas. While I strongly support the goal of the legislation to balance the Federal budget, and while I voted for the balanced budget agreement of 1997, I could not support this legislation.

I support Medicare reform to extend the solvency of the Medicare Program. However, this bill cuts Medicare by $115 billion and still only extends the program for only 8 years, not the 10 years called for in the budget agreement. The proposed changes saddle health care providers with over $100 billion of the cuts, potentially leading to a deterioration in the quality of care. In addition to these cuts, Medicare premiums for the average beneficiary would rise by over $15 per month, placing an unbearable burden on many seniors vulnerable to rising costs.

In addition to higher premiums for Medicare beneficiaries, this bill also hits another senior group by cutting veterans' benefits. The legislation reduces veterans' benefit cost of living adjustment [COLA] by rounding down and by limiting future increases.

We have created laws to protect workers from abuse in our society. However, the Budget Reconciliation Spending Act specifically exempts from these laws workers who are trying to leave the welfare rolls for jobs. These workers would be denied worker protections against discrimination and sexual harassment and not allowed time off for family and medical leave to be with their families in times of need. We should be giving these workers more reasons to find a good job, not giving them more reasons to stay on welfare.

Workers in my district would be further harmed by this legislation because of provisions to privatize food stamp and Medicaid eligibility. Aside from concerns regarding a profit-seeking company determining the Medicaid eligibility of an impoverished family, this provision would jeopardize the jobs of State employees everywhere. These people work hard at their jobs, do an excellent job, and do not deserve to lose their jobs in order to reach a questionable goal.

Finally, the State of Texas bears a disproportionate share of Medicaid savings under the House reconciliation proposal regarding

disproportionate share hospital [DSH] payments. Texas alone represents over 13 percent of the cuts to the DSH program, and will have DSH payments cut by 40 percent in the year 2002. Texas has the third largest Medicaid population in the country and is disproportionately affected by legal and illegal immigrant populations. DSH payments to Texas are used to serve the uninsured population, especially in rural areas. Many people in this population, with no other options for health care, could be denied basic health care services if this provision is included.

I want to see a balanced budget. I have made a pledge to the people of east Texas to work for a balanced budget. Unfortunately, I cannot support a balanced budget that balances the budget on the backs of seniors, children, workers, and Texas health care funds. This bill is bad for the American working families, bad for the American economy, and bad for America. I urge my colleagues on the conference committee to compromise on a bill that benefits working Americans instead of one that harms them.

THE BOROUGH OF PHILIPSBURG—200 YEARS OF HISTORY AND SPIRIT

HON. BUD SHUSTER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 10, 1997

Mr. SHUSTER. Mr. Speaker, I rise today in recognition of the 200th anniversary of the founding of one of the great boroughs in my congressional district, the borough of Philipsburg in Centre County, PA.

Philipsburg is located in the Moshannon Valley, a region rich in history and spirit. The area was a dense wilderness in 1794 when two Englishmen, one by the name of Henry Philips, decided to settle on a tract of land in a mountainous region beside Moshannon Creek. The only road into town was a footpath, a far cry from modern Philipsburg's transportation network. In 1797, Philips and his partner attracted the first 12 settlers by offering them each a house lot in town and 4 acres of land. These 12 individuals faced a formidable task in carving out a settlement from the thick forest. Nevertheless, by winter of that same year, sings of civilization appeared in the form of cabins and mills, and the first use of the word "Philipsburg" appeared in the daybook of the Philips' store. Over the next 67 years, the settlement matured into a thriving community, finally being incorporated as the town of Philipsburg by petition on November 29, 1864.

Although the face of Philipsburg has changed in its evolution, its most basic tenets have not. Since its formation, Philipsburg has been a growth-oriented community well-known for its residents' strong work ethic and sense of family values. Residents truly appreciate the value of an honest day's work and take great pride in their efforts. These characteristics make the town and the Moshannon Valley as a whole very attractive to business and industry. Indeed, the success and expansion of several local businesses offers testimony to the caliber of the work force. The fact that several national corporations have chosen Philipsburg as home also reflects their overall confidence in the region.

Nevertheless, there is more to a community than its history and development. For some, the most important component of a community is its character, especially for those individuals seeking an exception quality of life. True to form, Philipsburg does not disappoint in this category either. The beauty and serenity of the surrounding hills truly make it an ideal place to live. Each season distinctly enhances the town's natural beauty, whether it be the colorful fall foliage of the peaceful blanket of winter's snow. Recreation and other activities abound within the area. Festivals, parades, church suppers, and youth sports are embraced by the community as a whole and evoke a sense of hometown atmosphere to native residents and newcomers alike. Visitors are not viewed as strangers as is so often the case today, but treated as family.

Mr. Speaker, I am indeed privileged to serve such an idyllic and distinguished community. I urge you and all of our colleagues to join me in wishing the citizens of Philipsburg a very happy 200th anniversary with positive outlook for another 200 years of continued growth and prosperity.

AMITY PRESBYTERIAN CHURCH CELEBRATES ITS 200TH ANNIVERSARY

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 10, 1997

Mr. GILMAN. Mr. Speaker, I am pleased to rise today in recognition of the Amity Presbyterian Church's 200th anniversary. It has served the spiritual needs of the people of the Warwick township in Orange County, NY for 200 years, and God willing, it will serve the people for many more years to come.

The Amity Presbyterian Church has grown as America has grown. It was organized when our Nation was just 21 years old under the name of the Presbyterian Society of Amity. At the time of the organization, John Adams was President, and our Nation was in its first year without the father of our country, George Washington. As our Nation grew so has the church. The Amity Presbyterian Church has been there during our Nation's moments of triumph, and during our darkest times. For 200 years, the Amity church has heard the prayers, and problems of Americans. It still stands, much like our Nation, strong, proud, and glorious.

The Amity church moved into its present building just after the conclusion of the War Between the States, and was remodeled in 1931. The church is presently undergoing a renovation, which started in 1994, which will hopefully restore it to its former glory.

Mr. Speaker, I invite our colleagues to join with me in extending our congratulations to the congregants of the Amity Presbyterian Church as they celebrate this significant milestone.

TRIBUTE TO ROBERT (BUTCH) BEMMES

HON. ROB PORTMAN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 10, 1997

Mr. PORTMAN. Mr. Speaker, I would like to acknowledge to many outstanding contributions of a good friend and constituent, Robert (Butch) Bemmes, who is retiring as a member of the city council of Reading, OH, on July 15, 1997.

A lifelong resident of Reading, Butch Bemmes has spent years giving back to his community. He is a carpenter by trade and owned the Butch Bemmes and Sons Construction Co. He volunteered for years with the Valley Youth Organization, coaching Little League baseball. For 30 years, he volunteered by carrying down markers at Reading High School football games. This year, he personally collected donations to purchase a wheelchair lift for Veterans Stadium in Reading to allow the disabled to enjoy the Friday night football action. He also served as president of the Reading athletic boosters during the 1970's.

Butch has also been active in public service. He served two teams on the Reading city council, where he served as chairman of the recreation committee; chairman of the zoning, planning and environment committee; and a member of the laws and contracts committee. He also served as Reading's city representative to the Ohio-Kentucky-Indiana Regional Council of Governments, city representative for the Mill Creek Watershed committee and liaison for council and the school board committee.

Even with all these accomplishments, his first love has always been his family. Butch and his wife, Paula, raised nine children to whom they are devoted. And their family now includes 26 grandchildren and 3 great-grandchildren.

Mr. Speaker, throughout his life, Butch Bemmes has worked to make his city and his country a better place to live. I salute his many contributions and wish him well.

NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 1998

SPEECH OF

HON. FRANK A. LoBIONDO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 25, 1997

The House in Committee of the Whole House on the State of the Union had under consideration the bill (H.R. 1119) to authorize appropriations for fiscal years 1998 and 1999, for military activities of the Department of Defense, to prescribe military personnel strengths for fiscal years 1998 and 1999, and for other purposes:

Mr. LoBIONDO. Mr. Chairman, I rise alongside my colleagues from the Coast Guard and Maritime Transportation Subcommittee in strong support of the amendment to H.R. 1119 offered by my good friend, Mr. FRELINGHUYSEN.

Mr. Chairman, the Delaware Bay, which stretches across the width of the second district, is a high-traffic area for tankers transiting to and from Philadelphia. From Cape May Point, watching the tankers on the horizon, I am reminded that a disaster like the *Exxon Valdez* spill could happen again at any time—so I am thankful for the much-needed safeguards put in motion by the Oil Pollution Act of 1990 [OPA 90]

The double hull provisions in OPA 90 were created expressly for the purpose of preventing another disaster like the *Valdez spill.* Anyone who doubts the wisdom of these requirements should visit the bayside communities in the second district. It would be plain to see the amount of wildlife and coastal vegetation that would be affected by a spill is too staggering to comprehend. Commercial and recreational fishermen who rely on the Delaware Bay would face certain losses as well.

That is why I strongly object to shippers attempting to remeasure or reduce their vessels' gross tonnage in order to evade the double hull requirements. Each year that owners or operators extend the life of older vessels only increases the chance of a disastrous hull breach. Mr. Chairman, we can close this loophole in OPA 90 now, or agonize over why we did not after the next spill occurs.

While I am a strong supporter of American cabotage, and believe that international shipping is vital to the commerce of the United States, we cannot have shippers abusing the law. Mr. FRELINGHUYSEN'S amendment is a commonsense improvement, and I urge its support to all my colleagues.

TAXPAYER RELIEF ACT OF 1997

SPEECH OF

HON. MAX SANDLIN

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 26, 1997

The House in Committee of the Whole House on the State of the Union had under consideration the bill (H.R. 2014) to provide for reconciliation pursuant to subsections (b)(2) and (d) of section 105 of the concurrent resolution on the budget for fiscal year 1998:

Mr. SANDLIN. Mr. Chairman, east Texans are overburdened by taxes. They work hard and take home too little of their paycheck. I understand that the deficits of the 1980's have limited the amount of tax relief we can offer to the people, but I feel strongly that we must offer what we can. Families need help covering the expenses of raising their children. They need help paying for the expenses of higher education. They need to be able to keep more of the money they earn from their long term investments. And they need to be able to pass family farm or a family business to their children without having to sell it to pay taxes when they pass away.

East Texans need tax relief, and that is why I voted for H.R. 2014, the Taxpayer Relief Act. No legislation is without flaws, and I hope to see a slightly different bill when it comes back from conference committee. Tax relief should be directed toward working middle class families—the backbone of our Nation—and I am concerned that the current bill gives too great a tax break to those with higher incomes at the expense of hard working families. However, this bill is an important step in reducing the tax burden of the people in east Texas.

The budget agreement crafted by Congress in 1993 put us on a path for tax relief. Our deficits have fallen significantly over the past 4 years, and it is now time to reward the people for shouldering their share of the load. Today, we passed legislation to give families $500 for each child they are raising, to offer tax breaks on tuition for students in higher education, to reduce the capital gains tax, and to increase the exemption for the estate tax.

As I said, this bill is far from perfect. For example, the legislation does not adequately protect worker's rights and fails to immediately raise the estate tax exemption. The exemption, now $600,000, would increase to $1 million with this bill, but not until 2007. Many families in east Texas who own farms or small businesses could end up losing significant portions of their family property waiting for this provision to be implemented. The exemption should be $1 million now, not 10 years from now.

I voted for this bill in spite of its imperfections which must be corrected in conference committee. I voted for this bill because I want tax relief for working families in east Texas. Over the next several weeks, I will be working with my colleagues to improve the bill so that we offer tax relief in a fair and equal manner; today, however, I am proud to say that I voted to save the taxpayers $85 billion in taxes over the next 5 years.

BLENHEIM CELEBRATES 200 YEARS

HON. GERALD B.H. SOLOMON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 10, 1997

Mr. SOLOMON. Mr. Speaker, the true character of America was shaped, not in its largest cities, but in countless small towns and villages.

The spirit of pride, patriotism, and voluntarism is alive and well in these smaller communities, where everybody knows and cares about everybody. I'd like to say a few words this morning about one such community, one of my favorites.

The town of Blenheim was the largest of six towns formed in Schoharie County on March 17, 1797. Its most famous landmark is the Blenheim Covered Bridge, the longest single span wooden covered bridge in the world and a national registered landmark. The town's most famous son was Hezekiah Dickerman, who built a large tannery after moving there in the 1840's.

Another famous figure was Capt. Jacob Hager, who, along with his brothers fought in the Revolutionary War and had several encounters with the Iroquois Indians in the Schoharie Valley. Some of the present-day Hagers still live on part of the original Hager property.

The town of Blenheim is also home to Lansing Manor, home of Judge John Lansing's daughter and her husband. Lansing played a role in developing our Bill of Rights. The Lansing Manor is currently home to the New York State Power Authority Visitors' Center.

The town still has a one-room school house which has been reopened as a museum. Every year, third and fourth graders visit the school to learn about the Revolutionary War heroes who came to Blenheim to lease land on the Blenheim patent. The museum is also used for collecting, preserving, interpreting, and promoting interest in the art, history, and culture of the town of Blenheim and surrounding area.

In the period immediately after the Revolutionary War, the area was primarily agricultural. The town of Blenheim has adjusted to the modern era, but not at the expense of its small-town charm, which present-day residents have been careful to preserve.

On Saturday, July 12, the town of Blenheim will celebrate its 200th birthday. The celebration will feature the New York State champion fiddler and many exhibits on the theme of the Revolutionary War.

Mr. Speaker, let us today express our own birthday wishes to this most American of small towns, and wish her and all her residents best wishes in the future. Better yet, Mr. Speaker, come up and visit the town of Blenheim some time for a good glimpse of what made this Nation great.

HONORING NORMAN L. GEISSLER

HON. JON D. FOX

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 10, 1997

Mr. FOX of Pennsylvania. Mr. Speaker, I rise today to honor a heroic and selfless man, Mr. Norman Geissler. Mr. Geissler is a valuable citizen in the Elkins Park, Montgomery County community, and a keystone of the Commonwealth of Pennsylvania.

Mr. Geissler devoted most of his life in service to the people of Montgomery County. Starting at the age of 18, Mr. Geissler progressed through the ranks and became a chief figure in the fire-fighting force of Pennsylvania. His positive leadership and heroism make him a role model in the eyes of both the citizens of Pennsylvania and its most elite firefighters.

Mr. Geissler grew up in Abington Township. In 1946, shortly after his 18th birthday, he joined his father's fire company and he soon advanced to assistant chief. In 1950, he joined Elkins Park Fire Company in Cheltenham Township and became the chief engineer and secretary of the active crew.

Advancing yet again in 1957, Mr. Geissler became the secretary of the Montgomery County Fireman's Association. This role was especially significant because he followed in his father's footsteps, and he remained in this leadership rank for 26 years.

In 1970, Mr. Geissler advanced to the president of the Fireman's Association of the State of Pennsylvania and in 1971 he chaired their convention in Erie.

Elected president of the Keystone State Fire Chiefs in 1987, Mr. Geissler continued to put forth effort and dedication to his duty for the

next 2 years. On February 24, 1985, he was inducted into the Chapel of Four Chaplain and given their award for heroism. Mr. Geissler was also honored with the prestigious James A. Miller Award for Meritorious Service at the Firemen's Association convention, the highest award given by this eminent association.

Mr. Geissler holds several highly ranked leadership positions. He is the parliamentarian emeritus of the Firemen's Association, as well as the parliamentarian of the Montgomery County Firemen's Association and their representative to the Firemen's Legislative Federation. In addition, he is the chairman of the by-laws-committee for the Keystone Fire Chiefs.

Mr. Geissler received his 50-year award in March 1990 by the Elkins Park Fire Co. at their annual banquet. Paul Ditzel, a renowned historian of the fire service, gave special recognition to Mr. Geissler in his book, "A New Look at the Old Firehouse."

In addition to well deservingly receiving all of these awards and prestigious positions, Mr. Geissler is a dedicated fireman in practice. The most exemplary incident occurred on April 21, 1963. Mr. Geissler heroically rescued Sharon, Laurie, and Paul Newman from suffocation from a fire in the kitchen. Despite the potential danger to himself, Mr. Geissler entered the dwelling, crawled to the second floor, gathered the children, and carried them downstairs. In recognition of this life-threatening and heroic act, the commission awarded him a well-deserved bronze medal and $500 award.

The fact that Mr. Geissler progressed all the way through these prestigious positions and the multitude of well-deserving awards illustrates his dedication to his job as well as to his State. Not only do his neighbors think highly of him, but across Pennsylvania he is thought of as a man with integrity, heroism, and extreme loyalty to the Commonwealth.

In addition, Mr. Geissler is devoted to the many fire-fighting organizations of which he has been a part or a leader. His genuine heroism, desire and ability to improve, and dedication to task combines to provide him as a positive leader, ideal role model, and keystone in the fire-fighting force of the Commonwealth of Pennsylvania.

As Mr. Geissler and his family have just celebrated his 75th birthday, I extend to him my personal warm wishes and ask that the Congress of the United States honor him for a lifetime of devotion to his family, his community, and his Nation.

NO TAXATION WITHOUT RESPIRATION

HON. BOB SCHAFFER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 10, 1997

Mr. BOB SCHAFFER of Colorado. Mr. Speaker, taxes on inheritance ought to be abolished, and the sooner the better.

In Congress, we are moving toward our goal of eliminating the tax on property and savings when inherited by descendants.

Even though total elimination of the tax may take several years, we have already approved a measure to protect more Americans from the ravages of inheritance taxes.

The tax, often called the death tax, currently attacks individual estates of more than $600,000, and twice that for couples. I'm working hard in Congress to raise the threshold to $1 million then index that figure for inflation thereafter.

The death tax is wrong, plain wrong. It comes at the wrong time and hurts the wrong people. It breaks up family farms and small family businesses. It robs families of the fruits of their labor and the earnings of their investments.

For the Government, there is little value in the death tax since it brings in only a sliver of the Nation's revenues. Yet, it's very expensive to administer.

The only people helped by the death tax are lawyers, accountants, and IRS tax agents. For example, the Center for the Study of Taxation found compliance and enforcement costs total 65 cents for every dollar collected.

Every IRS field office maintains a separate death tax unit to deal with 380 pages of rules and laws associated with the tax. Federal courts are now backlogged with 10,000 estate-tax cases.

Although led by Republicans, our death tax relief proposals enjoy bipartisan support. Finally, Congress is realizing that a pro-family, pro-agriculture, pro-business tax policy entails death tax relief.

Taxing people after they die just doesn't seem fair. As I've often stated on the floor of the House, "no taxation without respiration."

ON PHILIP ALBERT PLANTNER'S ATTAINMENT OF EAGLE SCOUT

HON. DENNIS J. KUCINICH

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 10, 1997

Mr. KUCINICH. Mr. Speaker, I rise to honor Philip Plantner of North Olmsted, OH, who will be honored on August 10, 1997 for his attainment of Eagle Scout.

The attainment of Eagle Scout is a high and rare honor requiring years of dedication to self-improvement, hard work and the community. Each Eagle Scout must earn 21 merit badges, 12 of which are required, including badges in: Lifesaving; First Aid; Citizenship in the Community; Citizenship in the Nation; Citizenship in the World; Personal Management of Time and Money; Family Life; Environmental Science; and, Camping.

In addition to acquiring and proving proficiency in those and other skills, an Eagle Scout must hold leadership positions within the troop where he learns to earn the respect and hear the criticism of those he leads.

The Eagle Scout must live by the Scouting Law, which holds that he must be: trustworthy, loyal, brave, helpful, friendly, courteous, kind, obedient, cheerful, thrifty, clean, and reverent.

And the Eagle Scout must complete an Eagle Project, which he must plan, finance and evaluate on his own. It is no wonder that only 2 percent of all boys entering scouting achieve this rank.

My fellow colleagues, let us recognize and praise Philip for his achievement.

STATE APPROVING AGENCIES—50 YEARS OF DEDICATED SERVICE TO VETERANS

HON. LANE EVANS

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 10, 1997

Mr. EVANS. Mr. Speaker, I am pleased to announce that July 1997 marks the 50th anniversary of State approving agencies [SAA's] and their representative organization, the National Association of State Approving Agencies [NASAA]. With the enactment of the Servicemen's Readjustment Act of 1944 and the subsequent implementation of the World War II GI bill, Congress recognized that each State has a right, and responsibility, to monitor the quality of education within its borders. Congress also acknowledged the Federal Government's responsibility to ensure that the readjustment benefits provided by our grateful Nation to our veterans effectively assist in the adjustment to civilian life following military service. Accordingly, Congress established a triangular alliance that has been uniquely successful. Within this three-sided partnership, the SAA approves education and training programs; the Department of Veterans' Affairs administers veterans' education programs; and the institutions and their approved programs provide the training for our veterans—be it educational, professional, or vocational.

The philosophy of State approving agency [SAA] personnel can best be described in the Creed of NASAA that was written in 1960 and still stands today—

We believe the veterans education and training program is an important aspect of a free, democratic society, deserving of the rights and benefits bestowed by the Congress of the United States.

We believe the security of the country to be vested in the young men and women in our armed forces—that they are the guardians of our people.

We believe such sacrifice on their part can and should be offset with opportunities for education and training and other necessary adjustments to help them to a better life for themselves, their families and their communities.

We believe that as the Approving Agencies for the education and training programs, we are the working partner of the veteran.

We believe most firmly in the future of this partnership—in its ability to grow and prosper in the pursuit of its acknowledged goal—and we believe that goal to be the proper utilization of the natural abilities of the veterans.

We believe that belonging to this partnership we are charged with certain responsibilities and that among these are:

maintaining a working knowledge of local and national conditions, methods and problems,

providing the trained personnel necessary in giving prompt and efficient service,

being always ready and willing to offer guidance on problems, and

being always ready and willing to offer guidance on problems, and

maintaining high standards to insure each veteran of the best possible training.

We believe, finally, that belonging to this partnership is a trust, a trust to be constantly exercised by being at one time a good

citizen, a conscientious worker, and by making ours the best program possible—and, if we do this, we believe we will have accomplished our purpose.

The contributions of NASAA and its individual member SAA's have been tremendous. SAA personnel have not only worked to ensure the integrity and the success of the various GI bills, but also have been instrumental in the creation and refinement of the programs. They were at the table during discussions about how best to serve the education and training needs of returning Korean war veterans, Vietnam veterans, Desert Storm veterans, and all the others who have served our country through military service. Of special note, SAA's worked side by side with our former colleague and chairman of the Committee on Veterans' Affairs, the Honorable G.V. "Sonny" Montgomery, to ensure that the Montgomery GI bill would provide the broadest possible education and training opportunities. With their assistance, we were able to expand the Montgomery GI bill to include apprenticeship and other on-the-job training; vocational/technical training, graduate school, and flight training programs. All of this, Mr. Speaker, has been for the purpose of ensuring that our Nation's veterans are never forgotten or disadvantaged because they took time out of their lives to serve their country.

Before closing, Mr. Speaker, I want to compliment NASAA and the member SAA's on the outstanding job that they do in protecting the best interests of those who are serving or have served their country. The world of education and training is changing at lightning speeds. The many new fields of knowledge and the new and innovative ways to deliver instruction have received the immediate and thoughtful attention of SAA personnel because they work diligently to stay in the forefront of education and training. The SAA national training curriculum ensures internal and interstate consistency and a high level of professionalism. A new reporting system provides a common data base of shared information. Additionally, SAA's actively engage in outreach to encourage usage of the MGIB by veterans.

In short, NASAA is a progressive organization whose membership works hard—and succeeds—in their efforts to ensure that the education and training programs available to our veterans are the very best that can be offered.

ST. JOHN THE EVANGELIST SCHOOL IN ST. JOHN, IN, CELEBRATES ITS SESQUICENTENNIAL CELEBRATION

HON. PETER J. VISCLOSKY

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 10, 1997

Mr. VISCLOSKY. Mr. Speaker, it is my distinct honor to congratulate St. John the Evangelist School, in Saint John, IN, on the completion of its recent sesquicentennial celebration.

St. John the Evangelist School is a parochial elementary school under the jurisdiction of the Catholic Diocese of Gary. Upon its founding in 1846 by the Brothers and Sisters of the Holy Cross from Notre Dame, IN, St. John the Evangelist was the first school opened within the town of Saint John. With the beginning of the Civil War, the parochial school was closed, and was reopened after the war as a public school. In 1903, the school returned to its Catholic origin and was in use until the building of the present school in 1969. Due to increased enrollment, a second floor addition was built in 1988. St. John the Evangelist has a current enrollment of 351 students.

The Saint John community began commemorating the 150th anniversary of St. John the Evangelist School on Friday, April 18, 1997, with an all-day celebration, entitled "150 Years of Quality Catholic Education." The day's events, which took place in the school gymnasium, included a prayer service, a giant birthday cake, and a program put together by the St. John the Evangelist students. The student program depicted the theme "Eras of Education" with costumed, musical presentations of past decades. Eighth-graders in turn-of-the century garb portrayed the construction of the Panama Canal, a malaria outbreak, and such inventions as the airplane, toaster, and Model T. Ford. Each class within the school researched an assigned era and similarly presented their interpretations. School Principal, Sister Angela Mellady, commented that the students learned a great deal about American history, as well as the heritage of their school, while planning the event.

Some celebration activities which will take place throughout the year, include the wearing of St. John the Evangelist birthday celebration shirts each Friday in place of the student uniform, and an appreciation luncheon for local businessmen who have supported the school throughout the years. The anniversary celebration will close with a 150th birthday reunion this coming Saturday, July 12, 1997. Approximately 1,000 St. John the Evangelist alumni have been invited to the reunion, where past experiences and memories will be shared.

Mr. Speaker, I would like to once again extend my most heartfelt congratulations to St. John the Evangelist School on achieving its sesquicentennial anniversary. Everyone involved in the school's growth and success over the years should be commended, as the values and quality instruction provided to students have undoubtedly served as a cornerstone of education in the Saint John, IN community.

TRIBUTE TO MR. VIRGIL KOECHNER

HON. IKE SKELTON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 10, 1997

Mr. SKELTON. Mr. Speaker, today I pay tribute to a distinguished gentleman from the Fourth Congressional District of Missouri, Virgil Koechner. He recently retired after more than 44 years of dedicated service for the Southwestern Bell Telephone Company.

Mr. Koechner, from California, MO, served for 5 years in the United States Navy before beginning work for Southwestern Bell in 1952. He was not only an employee of Southwestern Bell, but was also elected local president of the Communications Workers of America for 32 consecutive years. In retirement, Mr. Koechner plans to stay active in the labor movement.

Mr. Koechner and his wife Mary Jane have been long time friends of mine. It is dedicated people like Virgil Koechner who are the heart and soul of what makes this country great. I know that other Members of this body join me in congratulating Virgil Koechner on his retirement and wish him the very best in the days ahead.

FARMERS CELEBRATE NEW FREEDOM

HON. DOUG BEREUTER

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 10, 1997

Mr. BEREUTER. Mr. Speaker, last year Congress passed a farm bill which provided farmers with the freedom they need to respond to market forces and more effectively compete in the global marketplace. This legislation represents a very fundamental departure from previous farm policy and allows much greater flexibility in planting decisions. Farmers have responded favorably to this new independence which places the decisions where they belong—with the farmers, not the Federal Government. This Member would like to commend to his colleagues the following editorial from the July 4, 1997, edition of the Lincoln Journal-Star, which highlights the positive changes brought about by the 1996 farm bill.

By the way, this editorial viewpoint represents a turnaround in views by this Lincoln newspaper—apparently based upon the results obtained.

[From the Lincoln Journal Star, July 4, 1997]

FARMERS GET MORE FREEDOM, WHICH WILL BENEFIT EVERYONE

This Fourth of July, many farmers are celebrating their newfound independence.

In a front-page story in the Journal Star this week, Associated Press writer Robyn Tysver drew this telling image:

"'Free at last. Free at last,'" Minden farmer LaMoine Smith warbled one morning from the field on his cellular phone."

The celebration is because this year, for the first time in decades, farmers are free to plant what they want, thanks to the Freedom to Farm Act. No more government restrictions. No more trips to the Farm Service Agency in town to submit a farm plan. No more certification of acres.

The Journal Star joins in the celebration. Putting decision-making in the hands of the farmers will, in the long run, benefit them and the taxpayers who have been subsidizing them. The change puts incentives before farmers to become better business managers. There are rewards to stay on the cutting edge.

The picture of farmer Smith in the field cheering on his cellular phone is an accurate one, for city folk who have lost contact with agriculture. Farming ain't like the reruns of "Green Acres.' Farming today is cellular phones, commodity prices by computer modem, fertilization by Global Position System and more.

The farmers who learn to use those hi-tech tools most efficiently will be the ones reaping the greatest rewards under the new system. Under the new system, there are real decisions to be made. The best decision-makers are the ones who will prosper.

In the initial year of the Freedom to Farm Act, there have been some changes in planting patterns, but farmers generally were cautious.

Because land no longer must remain idle under government regulation, farmers put more into production. For example, the number of acres planted in corn went up by 600,000 in comparison with last year.

Other responses were more directly market-driven. This spring, soybeans were at $8.50 a bushel, prompting Nebraska farmers to plant 650,000 acres more than last year.

There was also a little experimentation. Farmers in Kansas planted 12,000 acres of cotton. Farmers in Mississippi planted 550,000 acres of corn.

It's easy to celebrate this year, we acknowledge, because for now farmers have the best of both worlds. They have both freedom and a safety net, because the farm payments still exist. The payments will be reduced gradually over a seven-year period. This year, farmers still have a fallback if they made the wrong decisions last spring.

By 2002, when price-support guarantees are scheduled to end, there will no longer be a safety net. Freedom has its price.

Even now, support for the Freedom to Farm Act is far from universal. A majority of farmers favor it, but there is a minority who were happy with old regulations and the comfort they brought.

Their ranks could grow if the weather puts bumper crops of soybeans and corn on the markets this fall, which would depress prices.

Farmers might have more freedom this Fourth of July, but not from worrying about the weather. Some things never change.

PETER M. WEBER—A DISTINGUISHED RECORD OF SERVICE TO THE CITY AND PEOPLE OF ROLLING HILLS ESTATES

HON. JANE HARMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 10, 1997

Ms. HARMAN. Mr. Speaker, I rise today to congratulate Councilman Peter M. Weber for 23 distinguished years of service to the city of Rolling Hills Estates and to the citizens of the 36th Congressional District.

No Councilmember in the history of Rolling Hills Estates has served the City Council for more years than Peter Weber. He has served six 4-year terms as councilman, including 5 1-year terms as mayor. Marked by his affection for and dedication to preserving the city's unique character, he stood behind the critical decisions that have preserved its rural atmosphere and fostered its financial strength. To provide for the city quality recreation, Councilman Weber lobbied in favor of bringing the city stables under Rolling Hills Estates management. Also during his tenure, the annual Tracy Austin Tournament was brought under the auspices of the city's Park and Recreation Commission. Further improving the scenic qualities of the city, both Ernie Howlett and Highridge Parks were developed. In addition to parks, Peter Weber successfully prioritized the establishment of nature preserves. During his tenure, George F. Canyon and the Chandler Preserve were acquired and dedicated as open space in perpetuity, and the George F. Canyon Nature Center was conceptualized and subsequently opened to the public. These assets of Rolling Hills Estates remind us of the dedication and vision Councilman Weber had for the community, and they should be sources of great pride for Peter Weber.

Councilman Weber was instrumental in the creation of the Peninsula Emergency Response Team [PERT], an information-gathering network to assist the Sheriff's department in times of civil unrest or natural disaster. As mayor, Peter Weber helped to establish the city's Economic Development Commission to enhance the city's commercial area. These agencies will help to ensure the future safety, success, and stability of Rolling Hills Estates.

Peter Weber will always hold a place in the hearts of the citizens of Rolling Hills Estates. I am proud to join them in extending sincere admiration and appreciation to Peter and his family.

"INVENTORS OF THE YEAR"

HON. JOHN EDWARD PORTER

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 10, 1997

Mr. PORTER. Mr. Speaker, our Nation's efforts against AIDS have taken a major step forward with the development of a new class of antiretroviral drugs known as protease inhibitors. One of the corporate leaders in this field is Abbott Laboratories, which is headquartered in my district.

Recently, some of the scientists at Abbott responsible for this pharmacological breakthrough were named "Inventors of the Year" by the Intellectual Property Law Association, and the National Intellectual Property Owners Association. They are Dale J. Kempf, Ph.D., Daniel W. Norbeck, Ph.D., Hing L. Sham, Ph.D., and Chen Zhao, Ph.D. I join with these organizations in strongly commending their efforts.

The Abbott protease inhibitor, NORVIR, was approved by the Food and Drug Administration in March 1996 in one of the fastest pharmaceutical approvals ever issued by that agency. This drug, like other protease inhibitors, prevents the human immunodeficiency virus [HIV] protease enzyme from carrying out its essential tasks during viral maturation and reproduction. For this reason, protease inhibitors have been found to provide significant anti-viral activity when used with other anti-HIV drugs in combinations known as cocktails.

Since their introduction, numerous studies have demonstrated that protease inhibitors, in combination with other drugs, were able to reduce the level of circulating HIV to less than currently detectable concentrations in some patients. There is also hope that the emergence of drug resistant HIV strains will be more hindered with protease inhibitor treatment as compared to the level of inhibition known to occur with older drugs. Both the scientific and popular press have hailed the development of protease inhibitors as one of the most important scientific breakthroughs of the decade.

Mr. Speaker, it is in this context that I rise to recognize these national heroes for their very significant contributions to our Nation's war against the disease known as AIDS.

PATHFINDER

HON. DOUG BEREUTER

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 10, 1997

Mr. BEREUTER. Mr. Speaker, this Member highly commends to his colleagues the following editorial supporting the Pathfinder mission which appeared in the Lincoln Journal Star on July 7, 1997.

[From the Lincoln Journal Star, July 7, 1997]

PATHFINDER MISSION EXAMPLE OF FEDERAL FUNDS WELL SPENT

The Web site operated by the National Aeronautics and Space Administration is logging as many as 40 million hits a day as the six-wheeled Sojourner rover explores the surface of Mars.

There's a bit of irony in the statistic.

Many of the cybersurfers hitting the site are using computers with more brains than the rover itself. Sojourner has a mere 8,500 transistors in its brain, compared with millions in the Pentium models. The vehicle's designers were on a tight budget.

Spending for the U.S. interplanetary space program in the 1990s contrasts sharply with the Viking missions of the 1970s. Those missions cost $3 billion in today's dollars. The Mars Pathfinder mission's cost is pegged at $266 million.

It's money well spent.

Humanity has an inherent need to push into the unknown. It's biologically wired into our makeup. Evidence abounds, from the migration of humans across the Bering land bridge into North America to the curiosity of children exploring a new campground.

Humans have been fascinated with Mars since Cro-Magnon tribes watched the movement of the night sky's only red object. When the medieval invention of telescopes revealed lines on the planet's surface, theories sprang that they were a system of canals.

Today, the fascination with extraterrestrial matters borders on the obsessive. The popular television show" File" is based on a premise that aliens are among us; last summer's megahit movie "Independence Day" was about an alien invasion. Roswell, N.M., has turned into a tourist destination because of rumors that aliens landed there 50 years ago.

The question is not whether humans will spend money because of their fascination with space. They already are plunking down dollars for books, movies and travel about the subject.

Spending tax dollars in pursuit of facts on the subject is a far better use of society's resources. The imagination of authors and filmmakers are diverting entertainment. At a deeper level, however, people want scientific fact, not unsubstantiated storytelling.

When man landed on the moon in 1969, the popularity of the space program and NASA

was at an all-time high. From that high point, public support declined. NASA's reputation plummeted because of the Challenger explosion. Pressure built to reduce the program's bloated expenses.

The low-budget, unpiloted Pathfinder mission is the result. When Daniel S. Goldstein was appointed NASA director in 1992, he approved a low-cost plan developed by Donna L. Shirley, who now heads the Mars exploration program at NASA's Jet Propulsion Laboratory in Pasadena, Calif.

Shirley has been a proponent of finding low-cost ways to explore Mars since the 1980s, when she headed a panel that said if the dream of exploration were to become a reality, ways had to be found to do it on the cheap.

Now her dreams are being realized. They are dreams shared universally by people across the globe. Finally, there may be answers to questions that have existed since prehistoric humans watched the red planet dance across the night sky.

Funding the Pathfinder mission to Mars is a worthwhile use of tax dollars.

TRIBUTE TO HEADQUARTERS AND HEADQUARTERS COMPANY, 926TH ENGINEER GROUP, USAR

HON. TERRY EVERETT

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 10, 1997

Mr. EVERETT. Mr. Speaker, I am proud to bring to the attention of the House, the accomplishments of a fine group of dedicated citizens that serve in both a military and civilian capacity in this great Nation. I am pleased to inform you that the Headquarters and Headquarters Company 926th Engineer Group, U.S. Army Reserve [USAR], Montgomery, AL, received the company size unit award for the training year, 1996. The group was presented the award at the ROA National Convention in Kansas City on June 21, 1997.

The Headquarters and Headquarters Company, 926th Engineer Group was selected from hundreds of Army Reserve companies across America, based on stringent criteria of readiness, training, drill attendance, and personnel strength. The 926th Engineer Group has conducted, in a superior manner, a meaningful and effective training program throughout the training year. They have demonstrated to the highest degree, the ability to accomplish their wartime mission.

As a member of the Committee on National Security, promoting strong national defense, I wish to congratulate Cap. Joseph K. Roberts, company commander, and all the members of the Headquarters and Headquarters Company, 926th Engineer Group from my congressional district for their achievements and adherence to the highest standards.