SENATE—*Friday, April 25, 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:

God of peace, whose peace cannot be kept unless it is shared, we seek to receive Your peace and communicate peace to others throughout this day.

We confess anything that may be disturbing our peace with You as we begin this day. We know that if we want peace in our hearts, we cannot harbor resentment. We seek forgiveness for any negative criticism, gossip, or destructive innuendoes that we may have spoken. Forgive any way that we may have brought acrimony to our relationships instead of helping to bring peace into any misunderstandings among or between the people around us. You have shown us that being a reconciler is essential for a continued, sustained experience of Your peace. Most of all, we know that lasting peace is a result of Your indwelling spirit, Your presence in our minds and hearts.

Show us how to be communicators of the peace that passes all understanding, bringing healing reconciliation, deeper understanding, and open communication. In the name of the Prince of Peace. Amen.

RECOGNITION OF THE ACTING MAJORITY LEADER

The PRESIDENT pro tempore. The able acting majority leader is recognized.

Mr. ENZI. I thank the Chair.

SCHEDULE

Mr. ENZI. On behalf of the majority leader, I will announce the schedule for today's session.

This morning, the Senate will be in a period of morning business until the hour of 11:30 a.m. to accommodate a number of Senators who have requested time to speak. By a previous consent agreement, at 11:30 a.m., the Senate will begin consideration of S. 562, the reverse mortgage bill. It is the understanding of the leadership that no Senator will request a rollcall vote on passage. Therefore, Senators should not expect a rollcall vote to occur during today's session of the Senate.

Following disposition of S. 562, it is the intention of the majority leader to ask the Senate to begin consideration of S. 543, the volunteer protection bill. If there is an objection to proceeding to that bill, it may be necessary for the majority leader to move to proceed to S. 543 and file a cloture motion on the motion to proceed. That cloture vote would occur on Tuesday of next week, and therefore there would be no rollcall votes during Monday's session of the Senate. Consequently, Senators can expect the next rollcall vote to occur on Tuesday, April 29, at 2:15 p.m. As always, Senators will be notified as soon as any agreement is reached and the rollcall vote is scheduled.

I thank my colleagues for their attention.

Mr. ASHCROFT addressed the Chair.

MORNING BUSINESS

The PRESIDING OFFICER (Mr. HUTCHINSON). The Senate is now in a time for morning business.

The Senator from Missouri is recognized.

Mr. ASHCROFT. I thank the Chair.

GOVERNMENT SHUTDOWN PREVENTION ACT

Mr. ASHCROFT. I rise to make brief remarks about an important topic. The topic is the way in which we control our deployment of the resources of the American people. That is just another way of saying it is about spending.

Over and over again, we come to the end of the fiscal year for the Federal Government and we are threatened with the absence of a spending plan. In the absence of a spending plan, we experience what are called Government shutdowns. It is at a time like that, when we have the potential for shutdown because we do not have any spending plan, that people begin to load up the budget with things they want. They know that the threat of a shutdown makes it more likely that things which could not pass muster on their own, which would not really be justified in the cold, hard light of reason and in the inspection and examination of normal debate, would be included.

This is one of the reasons the deficit has become so high; under the pressure of the deadline and potential of a Government shutdown people are able to get spending plans enacted which simply divert resources, waste resources, and spend more resources than we have. It exacerbates the deficit; it hurts the potential of this country; it shows the absence of discipline which is indicative of the irresponsibility of the Congress.

We should not allow that to happen. We should not put ourselves in a situation where we come to the end of the fiscal year and the President can say, if you do not put $10 billion or $11 billion or $14 billion more in the budget, I will veto the spending plan altogether, and we will end up with a shutdown and the American people will be held hostage until you agree to the plan for more spending.

When people are held hostage the debate does not focus on the merits of spending issues, it focuses on the pain of the people who are held hostage without Government services. We desperately need to develop a way in which to handle our budget and appropriations process that does not allow the people to be held hostage by the President at the end of the year. The President should not be able to say, I will veto anything you send unless it has great expansions of programs to which you would not otherwise agree.

It is with that in mind that I rise today to support what will be debated in this Senate, and I hope will be enacted shortly, and that is a continuing resolution. A continuing resolution is the way for us to have a spending plan which will be in place if we do not reach one in the ordinary budget and appropriations process. And it is a way of saying we will continue spending at some ratio of the previous levels, even in the absence of a budget for next year until we come to an agreement.

The real virtue of this is simply that it will allow us to debate issues about spending in the next budget even at the close of a budget year without the potential of the American people being held hostage to a shutdown.

I think that is a wise thing to do. That way we will look at each issue on its merits instead of looking at the pain that might be inflicted upon the country if the President vetoes a budget, shutting down the country and saying unless you do what I say, I am going to keep it shut down and see to it that these people have more injury and more pain.

We have been through that. We had the longest shutdown in history because of disagreements between the Congress and the President.

Now, there is a proclivity to say, well, it was the Congress' fault. Well, the Congress did pass a budget, but the President vetoed that budget. We do not want to be in that position again. So we need to put in place a continuing resolution, to do it now in the dispassionate cool of spring and not at the time at the end of the year when the President can say, well, if you do not do it my way, it is my way or the highway. You just send everything home. The people would be held hostage, and

● 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

we would not really debate the issue on its merits.

It is with that in mind I support the effort that is being made by the Senator from Texas [Mrs. HUTCHISON] to provide a basis for a continuing resolution. I think it is the kind of responsible Government that helps us represent the people well and keeps us from inappropriately, improperly spending the resources of taxpayers based upon demands that are made at a time when urgency causes people to make decisions that merit would not justify.

I thank the Chair.

The PRESIDING OFFICER. The Senator from Texas is recognized.

Mrs. HUTCHISON. Mr. President, I ask unanimous consent I be allowed to speak for 15 minutes in morning business.

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

Mrs. HUTCHISON. Thank, you Mr. President.

Mr. President, I want to talk today about something that I think will be coming up next week, and that is the supplemental appropriations bill. This will be the first appropriations bill that has come to the floor this year. So I think it is wise for us to set the policy for how we are going to handle appropriations for the full year.

All of us remember 1995 and the time that Government shut down, putting Government employees in a situation of not being quite sure if they would get paid, not being able to work even if they wanted to. We had people who had planned for family vacations who were not able to get into the Washington Monument or the Smithsonian or many of our national parks. As we begin to set the policy for how Congress is going to handle appropriations this year, I think it is most important we set the ground rules to have a functioning Government at a reasonable level so there will not be any fears of a Government shutdown; so that agencies can plan in case some of the appropriations bills are not passed by September 30.

Now, many people know that we have 13 different appropriations bills. Each appropriations bill goes forward for its particular agency or group of agencies. Many times we face the end of the fiscal year when six appropriations bills are passed and signed by the President and maybe seven are not yet finished because there are still negotiations between the President and Congress. There is no question that there are different priorities between the President and Congress in many areas. The defense bill, for instance, is one that usually is the last to pass because there will be a difference on how we prioritize our defense expenditures. It could also happen in the case of other agencies and other appropriations bills.

I think that it is just time that we set the policy. Senator JOHN MCCAIN and I have introduced a bill called the Government Shutdown Prevention Act. We are going to offer this bill to the upcoming supplemental appropriations bill because we think this is the appropriate time and the appropriate place to say this is how we will handle it this year.

This is good government. It is responsible government. We have some very important supplemental appropriations. We are going to, hopefully, be helping the flood victims of North Dakota and other disaster victims that have met with tragedies during the first part of this year. We are going to be making sure that our troops in Bosnia have the funding that they need, without taking so much from our defense budget that our other young men and women are not able to be trained.

So these are important supplemental appropriations. I think it is most important that we also take care of the business of governing, and that we say, right now, there is not going to be a Government shutdown. There is not going to be a disruption in services. We will fund Government at 98 percent of the 1997 spending levels. That 2 percent leaves Congress the ability to do what it is going to do in the negotiations that might occur after September 30 and not spend money that has not actually been appropriated. I think that is most important if we are going to have all the options that Congress should have regardless of whether it has reached an agreement with the President.

Now, all of us hope that we will have an agreement. But we believe it is not in anyone's interest to be up against a September 30 deadline when all of a sudden you have the hammer over people and lives being disrupted all over America. So you do things that are not based on the merits of the argument between spending in one area or spending in another. You do things because you have this artificial hammer hanging over your head, saying people's lives are going to be disrupted. They are not going to be able to get passports, they will not be able to take their vacations. They will not be able to assure that veterans benefits will be paid. Federal employees will not know for sure that they will get paid, although in my wildest imagination I cannot imagine any Congress not paying our Government employees. That is what we are trying to do with the Government Shutdown Prevention Act.

I think it is important we start talking about it now because this will be part of the debate next week. I would like to see this amendment put on in a bipartisan way, unanimously. I would like to see that everyone agrees that this is a reasonable approach.

We have talked to many people about it in Congress, on both sides of the rotunda, trying to come up with the right percentage. Many people wanted to go lower than 98 percent of previous year's funding. Many people were concerned about not having enough of an incentive to continue to negotiate. But I felt that 75 percent was not reasonable. I think we want to make sure that the Government that is going to keep running can run on a reasonable basis. If anyone doesn't think 98 percent is reasonable, welcome to the real world. Is there a family in America that hasn't had to make do with 2 percent less to spend? Is there a small business in America that hasn't made a 2-percent cut in their budget?

So if a Government employee tells me that the agency can't run at the 98-percent level, I would say that they are not qualified to manage their agency. We can save money to make sure that we are planning for the future. And that is another reason why I think we ought to pass this legislation right now. I think we should let our Government agencies know that if there is a disagreement in October, plan now to know that you are going to be able to operate at a 98-percent level. So, you can plan ahead, and if you need to make provisions, you can do it now. I think that is another good reason for us to do it early, rather than waiting until some other appropriations bill comes up to the floor, which might be in June or July. That is not as much planning time. So we are talking about good government. We are talking about responsible governing and trying to handle the issues for which we are responsible as a U.S. Congress in a responsible way.

Now, I think this is something that the Democrats would probably welcome because they have said, on the occasions where the potential for a Government shutdown has come, that they think this is not a responsible way to run a railroad. They have said that in many heated debates. I hope that they will come along and work with us—and I think they will, frankly. I think there are some Democrats who want to support this. Nobody has focused on it a whole lot because we have had the chemical weapons treaty for this week. But as people start to focus on it next week, I hope they will look at this and support it.

So what we are talking about is a safety net, a funding mechanism for fiscal year 1998 that would trigger on October 1, 1997, if any of the 13 appropriations bills have not been agreed to by the President and Congress. This is good government. This is responsible government, and I hope that we can do it in a bipartisan way.

Mr. President, I yield the floor and suggest the absence of a quorum.

Mr. MCCONNELL addressed the Chair.

The PRESIDING OFFICER. The Senator from Kentucky.

Mr. MCCONNELL. Madam President, I want to take the floor this morning

to make a few comments in favor of the Government Shutdown Prevention Act, which we hope will be a part of the supplemental appropriations next year, which will be offered next week by Senator MCCAIN and Senator HUTCHISON and which, it seems to me, embodies the elements of good government.

We had a pretty contentious discussion in the last Congress about how best to get a balanced budget. It led to a conclusion that no one was happy with. It involved several temporary shutdowns of the Federal Government. We think it is important that that be avoided for the future. Everybody now understands that was not a good result, and the amendment which will be offered by Senator MCCAIN and Senator HUTCHISON would prevent that.

It would simply provide 98 percent of the fiscal 1997 appropriations bill level and will be subject to all of the terms and conditions of the prior year's bill, with a specific prohibition on initiating any new projects or activities. To put it another way, if we are unable to reach an agreement, it provides for a reasonable funding level to avoid the Government shutdown.

It seems to me this is something we ought to pass on a bipartisan basis unanimously. Obviously, the American people are not interested in seeing the Government shut down again. They are also interested in seeing us reach bipartisan agreement to balance the budget, which we all hope will happen. But the McCain-Hutchison bill will eliminate the threat of a Government shutdown and leverage the President to garner additional funding for his priorities. It is a good-government proposal. It makes it clear that those on my side who thought the Government shutdown might be good leverage in the past decided that it isn't and that it should not be pursued.

It keeps the pressure an all of us to go forward to enact the appropriations bills, because that is what we would ultimately hope would happen in the course of this year as well. I think, Mr. President, this is clearly something that ought to be coupled with the supplemental appropriations which, presumably, we will be dealing with next week.

So I would like to add my strong support to the efforts of Senator MCCAIN and Senator HUTCHISON and commend them for their work on this important issue and suggest that the Senate, hopefully, will pass this unanimously at the appropriate time.

Mr. President, I yield the floor.

Mr. WELLSTONE addressed the Chair.

The PRESIDING OFFICER. The Senator from Minnesota.

Mr. WELLSTONE. I thank the Chair.

Mr. President, I would like to speak on several matters that are at least somewhat related.

CHILDREN OF ST. ANN

Mr. WELLSTONE. First of all, Mr. President, I would like to welcome, so that this would be part of the CONGRESSIONAL RECORD, the really beautiful children of St. Ann Episcopal Church in the South Bronx who came here yesterday for a visit. These are wonderful children. They were written about in Jonathan Kozol's book "Amazing Grace: The Lives of Children in the Conscience of a Nation." I wish to let those children know that it was really wonderful to have them here in the Nation's Capitol and I am sure that someday some of them will serve in the Senate.

SUPPLEMENTAL APPROPRIATIONS

Mr. WELLSTONE. On a second topic that is clearly related to this topic, Mr. President, I had an opportunity to talk to Senator BUMPERS and Senator COCHRAN, who are going to be very key in the appropriations bill, who are working on this supplemental appropriations bill, and I would like to thank them for their effort to really restore adequate funding for the Women, Infants, and Children Program. I think Senator COCHRAN and Senator BUMPERS are very committed to doing it. Both the Washington Post and New York Times had editorials yesterday.

The problem is what we get coming over from the House as opposed to an additional $76 million that the White House now realizes it needs to make sure that 180,000 women and infant children are not falling between the cracks with inadequate care. This has to do with avoiding low birthweight, childhood anemia, this has to do, frankly, with the whole issue of infant mortality. I cannot think of anything more cruel than for us not to fully fund this program. It works. There has not been one study by anybody, anywhere that has made the case that we must not invest in nutrition for our children.

I am really hopeful that when we mark this bill up next week on the Senate side we will get it right and we will not turn our gaze away from the conditions of children. Too many children are malnourished. Too many women who are expecting children are malnourished.

CONFIRMATION OF ALEXIS HERMAN

Mr. WELLSTONE. The third point, Mr. President—and I just have four to make in a short period of time—I come to the floor today to also urge my colleagues to move forward with final confirmation of Alexis Herman as Secretary of Labor. Really, I think it is time to let her go free.

Mr. President, you and I are both on the Senate Labor and Human Resources Committee. By unanimous vote, we passed her out of the committee. She is eminently qualified. We have a lot of work to do. We have a controversial TEAM Act that is going to be before us. We have the bill which we spent a lot of time on, the comptime, flextime bill that has passed out of committee and that is going to come before us. I have been the ranking member on the Subcommittee on Employment and Training. I think Senator DEWINE is doing an excellent job. We are very serious about moving forward with this job training, work force development bill, but we do not have a Secretary of Labor.

Quite frankly, I do not think that people in the Senate should be holding her hostage. They may agree or disagree with a particular Executive order by the President. I do not come here to debate that, although I agree with the President on what he has done. But the point is, it is just absolutely outrageous to hold her hostage, and it is time to free her. It is time to let Alexis Herman, who is eminently well qualified to be Secretary of Labor, become Secretary of Labor.

Please remember, this is a Cabinet-level position connected to the concerns and circumstances of the vast majority of people in this country who are focused on living wage jobs, who are focused on employment conditions, and who are focused on being able to make a decent living for their children, who are focused on economic security for themselves and their families. This is no small position. It is time to let her go forward.

Mr. President, I know that if that does not happen, we will have a major confrontation here in the Senate and I wish we would not have to have it. I hope we do not get to that point, but really it is time to let her free and it is time to no longer hold her hostage.

DISASTER RELIEF

Mr. WELLSTONE. My last point, Mr. President, which is again related—and I see my colleague from North Dakota has now come to the floor—is that one of the things I hope we will do next week—the sooner the better and I hope we will do it right—is, please, colleagues, help all of us out from the States of North Dakota, South Dakota, Minnesota and some other States as well. Many of the people who we truly love have just been devastated by this flooding. It really seems of Biblical proportions. It is unbelievable what has happened.

We are now trying to put together a disaster relief bill to enable people to get back on their own two feet, to be able to rebuild their lives, and to rebuild our communities. The bill that is coming over from the House Appropriations Committee takes us in that direction, but we have to do better on the Senate side. This is, of course, evolving. We do not know the extent of the

damage yet. But I ask my colleagues, I plead with my colleagues, please give us all of your support. We are going to have to especially make sure that we get the assistance directly to individuals.

For a lot of our small businesses that have been completely wiped out, completely wiped out—people have just lost their homes—right now we do not have near the direct grant assistance we need, and some of the loan programs just will not help them get back on their feet. All of us are working very hard on this. This is truly an example of there but for the grace of God go I.

Every time there has ever been a disaster relief bill come to the floor of the Senate, I have never hesitated to support it because I always know that this could happen to anybody.

Nobody in South Dakota or North Dakota or Minnesota asked for this. People did not ask for their towns to be under water, did not ask to lose their homes, did not ask to be refugees, and did not ask to have their small businesses wiped out. If there is ever a role for Government, it is to try to help people that really need help.

Mr. President, I just urge all of my colleagues, please, help us out, Democrats and Republicans alike. Please let us do well for the people in our States. This is something that I think really, truly should and must unite all of us together.

Mr. President, with that, I yield the floor.

Mr. CONRAD addressed the Chair.

The PRESIDING OFFICER. The Senator from North Dakota is recognized for 10 minutes.

Mr. CONRAD. I thank the Presiding Officer.

DISASTERS IN NORTH DAKOTA

Mr. CONRAD. Mr. President, I rise today to again update my colleagues on the extraordinary set of disasters that we have experienced in my home State of North Dakota.

As the President knows, we have had really an extraordinary set of events. First of all, the toughest winter in our history with over 10 feet of snow that fell in North Dakota, the most we have ever had, followed by, in the first week of April, the most powerful winter storm in 50 years that saw nearly 2 feet of snow fall in much of the State. It was accompanied by an ice storm that took down the electrical grid for 80,000 people in my State who were without power for a week.

On top of that, there were 70-mile-an-hour winds that were devastating. Then we followed that with a flood that has been termed a "500-year flood." But we are now told in testimony yesterday the National Oceanographic and Atmospheric Administration indicated it was a 1,000-year flood.

In the midst of all that, the city of Grand Forks, a city of 50,000, is almost entirely evacuated, the largest evacuation of a city that we have seen in the United States in anyone's memory. Virtually the entire city, 95 percent of the city, has been evacuated and have been told they may not be back in their homes for as much as a month.

Truly an extraordinary set of events.

Today, I would like to thank President Clinton for traveling to North Dakota to see the devastation firsthand. I would also like to thank the Cabinet officials who traveled with the President, including Health and Human Services Secretary Donna Shalala. Donna has a twin sister who lives in North Dakota and so has a special interest and concern about our State.

Agriculture Secretary Dan Glickman was there. Housing and Urban Development Secretary Cuomo was there, and Transportation Secretary Slater. I said to Secretary Slater, who has been there three times in the last 3 weeks, that he about qualifies for paying North Dakota income tax he has been there so often. And, of course, the head of FEMA, the Federal Emergency Management Agency, James Lee Witt, has also been there three times in the last 3 weeks. We deeply appreciate the help that he has brought to our State.

Also with us were high officials of the Corps of Engineers, who have waged a valiant fight. Let me just say that they were fighting this flood in 83 spots up and down the Red River Valley. They won many of those battles. We lost a fight in Grand Forks, but I want to make clear it was not because the corps did not wage a valiant and heroic effort. I think everyone in our State would say the Corps of Engineers has just done a superb job.

Mr. President, we now face the difficult task of recovery. We will be considering a disaster supplemental bill in the committee next Tuesday.

I want to just share briefly with my colleagues photographs from Grand Forks and from other parts of eastern North Dakota so people can see for themselves what has happened.

This shows part of downtown Grand Forks. As someone said to me, it looks like Dresden after the firebomb. After the flood completely swamped the city, 90 percent of the town was flooded, a town of 50,000 people. A fire then broke out that burned much of three blocks of downtown Grand Forks.

As you can see, this is one of the buildings that was gutted. Included in buildings that were destroyed were the newspaper, Grand Forks Herald, which has already announced plans to rebuild, and also the largest bank was destroyed. So we have had just one set of extraordinary occurrences after another.

I talked to one man who called me. He said, "Senator, I'm over in Detroit Lakes, MN. My home has been destroyed. I did not have flood insurance because I was outside the 100-year flood plain. Nobody thought there was any threat to us. My business has been destroyed. All of my inventory is gone. I was trying to reach my insurance agent to find out if I had any coverage, but of course I have no idea where he is. He's been evacuated to some other town."

He said, "I tried to call my banker, but my bank burned down. So I have no idea what the status of my accounts are there in terms of what's happened to receipts. I have 80 employees, and I'm responsible for their livelihood. I have no idea where they are. They were evacuated to different towns."

He said, "My wife turned to me when we were considering all this, and she said, 'Well, you know, let's remember what's important. We have our lives. We're healthy. And we can come back.'"

That is the attitude that has pervaded this community. I am just going to say how proud I am of the people who have that attitude—that we are going to rebuild, we are going to come back. But it is not going to be easy, Mr. President.

This picture shows a wider shot of the fire devastation. Here you can see an entire row of buildings that are absolutely gutted. By the way, they have already started the process of tearing down these buildings even though the flood water remains.

This is a picture taken in the residential district. It shows a house that has been floated right off of its foundation. There are thousands and thousands of homes flooded in this community. Ninety percent of the community—I think roughly 12,000 homes—many of them are absolutely destroyed. They are up to their eaves as you fly over much of this community. All you see are rooftops, and many homes have been forced right off their foundations.

The pressure and the current running here looks placid. It looks placid, but in fact there is a very strong current. My colleague, Senator DORGAN, just took a boat tour with the Coast Guard. They told him if anybody falls out of this boat, you are in deep trouble because the current is so strong it will suck you right down. So these are the conditions that people are having to deal with in Grand Forks.

This is another shot down one of the streets leading to the University of North Dakota. You can see these vehicles are completely engulfed in the flood water. As Senator DORGAN said, as he went in this boat, at one point they hit something, and they realized they had gone over a car in this boat as they went through the flood waters. In some places the water is 10 feet deep.

This is a picture of a church and graveyard. This is not in the city. This is out in the country. This shows how

widespread the flooding is. This is miles from the city of Grand Forks. Yet you can see on the gravestones how deep the water is. And it is still there.

This is a shot, and the last picture I will show, and it perhaps is a little hard to make out because it is a shot that was taken and provided to us by CBS News. I took a CBS News crew with me on a helicopter tour north of Grand Forks. This is something that is an untold story. The focus, understandably, has been on Grand Forks because of the remarkable set of events there. The untold story, now told by CBS News because they were the first to see it, is what has happened north of Grand Forks. Perhaps it is hard to make out. But what you are seeing here, as far as the eye can see—and we are up in a helicopter; this is a picture taken out of the helicopter—as far as the eye can see, it is water.

It is the most remarkable thing I have ever seen. We were at many places as we flew north from Grand Forks, which is 75 miles from the Canadian border, and we flew within 8 miles of the Canadian border. The entire way the river has expanded—not just river flooding but overland flooding from the extraordinary snowfall. The combination has led to a body of water 30 miles wide. As far as the eye can see, it is water.

You can see, here are some roads that are built-up roads. These are roads that are on raised elevations. You can see where they are flooded as well even though they are 3 to 4 feet above the farmlands. So you can see this water is 3 to 4 feet deep, in some places as much as 8 feet deep, and 30 miles wide. It is simply extraordinary.

Mr. President, I will end the presentation there just to say we will be considering the disaster supplemental next week. I ask my colleagues to help us pass that expeditiously and to provide the assistance that is so desperately needed, not only in North Dakota but neighboring Minnesota and South Dakota as well.

I thank the Chair and yield the floor.

Mr. KENNEDY addressed the Chair.

The PRESIDING OFFICER. The Senator from Massachusetts is recognized for 20 minutes.

Mr. KENNEDY. Mr. President, first of all, I thank our friend and colleague from North Dakota for his excellent presentation. All of the citizens in that part of the country have the extraordinary admiration, I think, of all Americans, certainly my region of the Nation, for their determination and courage and perseverance in facing this extraordinary act of nature.

We just want you to know from our area of the country that we want to cooperate and help and assist and will support your initiatives and other initiatives to try to help and assist the people who in so many instances lost so much but still have not lost their spirit. So we are full of admiration for their inner strength and for their resolution. I think all Americans have been very moved by what has happened out there, and we are eager to try to provide whatever help and assistance we can.

I thank the Senator very much for his statement.

TOBACCO NEGOTIATIONS

Mr. KENNEDY. Mr. President, in the short weeks since negotiations to settle litigation against the tobacco industry began on April 3, 28,000 more Americans have died from smoke-related illnesses and 69,000 children in the United States began smoking. One in three of these children will eventually die prematurely because of their tobacco addiction. That is the magnitude of the harm that cigarettes have caused in just 22 days.

The well-documented history of deceit and misrepresentation by the tobacco companies should make any Member of Congress extremely skeptical about the industry's good faith in these negotiations. No industry in America has a worse reputation than tobacco, and no industry in America has done more to earn such a highly negative image.

The tobacco industry has knowingly peddled an extraordinarily addictive drug to the American public for decades. It has targeted children with massive advertising and marketing schemes designed to hook them on smoking. It has concealed the harmful ingredients in their products. And it has repeatedly lied about its activities to Congress and the Nation.

Just last week, we learned from one of the Liggett documents that the major tobacco companies knew as early as 1958—1958—that smoking caused lung cancer. Given this record of deceit and manipulation, our current skepticism of the industry is clearly warranted.

Research by the Center on Addiction and Substance Abuse at Columbia University has revealed that the harm the cigarette companies have done has extended even beyond the extraordinary death and destruction their product creates directly. Cigarettes are a very significant gateway drug leading to cocaine and heroin addiction. Children who smoke are 12 times more likely to use heroin. Children who smoke are 19 times more likely to use cocaine. Even worse, the younger the children are when they begin smoking, the more likely they are to move on to illegal drugs.

It is not because their executives are suddenly experiencing pangs of conscience over their past behavior that the tobacco companies have initiated these settlement negotiations. The real reason is obvious. Big Tobacco desperately needs a strategy to avoid huge judgments for smoking victims in pending court cases, to evade massive public disclosure in those cases of the industry's scandalous behavior, and to prevent effective new Government regulation of the industry.

The industry sees that the tide is finally turning against tobacco. The combined efforts of the Food and Drug Administration, State attorneys general, public interest litigators, and public health advocates have had a dramatic impact. The Liggett settlement has already exposed some of the industry's darkest secrets to public scrutiny. Each new public survey shows an overwhelming majority of Americans view the industry as evil.

At long last, courts are about to hold tobacco companies financially accountable for decades of injury to individual smokers and the public treasury. We have crossed the Rubicon in the war against tobacco. And the industry knows it. That is why Philip Morris and RJR Nabisco have come to the table seeking a cease-fire. They want to purchase peace at the lowest possible price, with the smallest possible change in their malignant behavior.

That does not mean we should be unwilling to talk. It does mean we should not loosen our grip on the regulatory and litigation steps which have brought the tobacco industry to the negotiation table. We should hold firm to our demands both for fundamental change in the way the tobacco industry operates and for financial compensation from the industry in a magnitude commensurate with the harm its misconduct has caused.

The tobacco industry strategy is now to entice its adversaries into negotiations by making a series of quick concessions—especially their acquiescence in public health regulation. What is striking about their concessions is that most of them are within the power of the Federal Government to impose tomorrow. We do not need industry consent to implement most of these public health protections. All Congress needs is the will to act. What the industry is offering to do is merely call off its lobbyists.

According to those participating in the negotiations, the tobacco industry will agree to abide by the current FDA rule, and will agree in principle to significant further restrictions on their marketing practices. As part of a settlement, the industry has said it is ready to accept the following things:

First, much stronger warnings about the addictiveness and health dangers of smoking on each pack of cigarettes;

Second, full disclosure of cigarette ingredients;

Third, elimination of vending machines sales;

Fourth, additional restrictions on the advertising it can engage in; and

Fifth, expanded FDA jurisdiction over tobacco.

In essence, after years of opposition, the industry has conceded that all of these restrictions are reasonable. These concessions will stand on the public record regardless of the outcome of the talks. The industry cannot credibly return to its former position. It is within Congress' power to enact each of these reforms now—and we should do so. Congress does not need the tobacco industry's consent before we legislate to protect the public health.

What the tobacco industry has not agreed to—and what is essential to the public health—is full authority for the FDA to regulate nicotine as an addictive drug. Such authority would give the FDA the power to order cigarette manufacturers to reduce the level of nicotine in their products.

The evidence strongly suggests that tobacco companies have been deliberately manipulating and strengthening the level of nicotine to make cigarettes more addictive. It is time to reverse the process and reduce nicotine levels. This too is within Congress' power to enact today.

For a generation, the tobacco industry has been remarkably successful in evading such restrictions. No current settlement can anticipate every marketing trick the industry will use in the future.

Therefore, Congress should accept no restriction on the authority of the FDA or State government agencies to impose additional restrictions on the industry as warranted by future events.

If the tobacco industry is sincere in its promise not to target children, it should agree to a results test. Substantial financial penalties should be imposed on the industry each year that tobacco use by minors does not decline by a specific percentage. Industry dollars should be used to fund a national education campaign to publicize the addictiveness of tobacco and the health risks of smoking.

The financial settlement reportedly offered by the tobacco industry—$300 billion over 25 years—sounds enormous at first blush. People hear the $300 billion and don't register the 25 years. They are offering $12 billion a year. That number pales in comparison to the harm the industry causes. According to the Congressional Office of Technology Assessment, cigarettes cost the United States $68 billion a year in health care costs and lost productivity.

Some 419,000 Americans die each year due to smoking-related illnesses. Smokers lose an average of 15 years of their life. At current smoking rates, 10.5 million people will die prematurely due to tobacco during those years. Collectively, they will have lost 157 million years of life. Suddenly the industry's settlement offer does not sound large anymore.

If a financial settlement to compensate for past injuries is ever agreed to, payment should be made from the tobacco companies' profits, including the profits from their nontobacco subsidiaries. That would be the source of payment for any court judgment. It should similarly be the source of payment for any settlement. Compensation should come from the pockets of the wrongdoers.

Any increase in the tax on tobacco products—and I believe there should be a substantial one—should be used to fund needed initiatives to improve the Nation's health. No settlement proposal should seek to limit or cap, either directly or indirectly, Congress' authority to enact future tobacco tax increases. The cost of treating smoking-related diseases and the cost of lost productivity caused by those illnesses amount to $2.59 for each pack of cigarettes sold in the United States. We have a long way to go to recover those costs.

Such a tobacco tax increase should be large enough to discourage children from starting smoking. Higher tobacco taxes are one of the most effective weapons in reducing smoking amongst young people.

For generations, tobacco companies have targeted teenagers for a lifetime of addiction. It is especially appropriate therefore that revenue from a tobacco tax increase should be used to provide affordable health insurance coverage for the Nation's 10 million uninsured children. Senator HATCH and I have proposed a plan to do that, and we intend to do all we can to see that this Congress enacts it.

We also hear that the industry wants blanket immunity from suit for its decades of willful wrongdoing as the price of a settlement. If that is the price, there will be no settlement. It would be unconscionable to deny people poisoned by tobacco their day in court. Each year, millions of Americans learn that they have diseases caused by smoking. In too many cases, it is beyond our power to restore their health. We must never permit the tobacco industry to extinguish their right to justice as well.

The industry's current settlement proposals are utterly inadequate. Whether measured by the scope of regulation to protect the public health or the amount of financial compensation for past wrongs, tobacco company proposals fall far short of a reasonable offer. I am confident that those representing the public interest will never accept such a lopsided settlement. Certainly, no one should think for even a moment that Congress will put its stamp of approval on such an outrageously inadequate plan.

MEDICARE

Mr. THOMAS. Madam President, we want to take some time this morning to talk a little bit about an issue that is very current, is always current, but particularly current because the trustees of Medicare have given their annual report. So we want to take some time and talk a little bit about an issue that all of us are very much interested in. I think, universally, we want to keep health care for the elderly. But the difficulty has been in facing up to some of the realistic changes that have to be made if, indeed, we are going to continue to have Medicare.

The conflict has always been a political one, frankly, between those who say Medicare is the third rail of politics—touch it and you are dead. So nobody wants to talk about it. At the same time, there is a growing recognition, a growing certainty, that unless you make some changes, this program will not be available for the elderly in years to come. So there will be several of us talking about that.

First, I would like to yield to my friend, a very strong spokesman on this and other issues, the Senator from Idaho.

The PRESIDING OFFICER. The Senator from Idaho [Mr. CRAIG] is recognized.

Mr. CRAIG. Madam President, I thank my colleague from Wyoming for bringing this special order to the floor and to the attention of our colleagues.

For those who are watching this morning, yesterday, the Medicare trustees issued a report that was no surprise but, clearly, once again, reaffirmed to the administration and to the Congress of the United States that there is no good news when it comes to the strength and stability of the Medicare trust funds. What we had hoped for was just news. Knowing that it wasn't going to be good, the question was how bad was the bad news going to be?

Two years ago, the trustees forecasted that the Nation's Medicare Program would be bankrupt, out of money, by the year 2002. Just last year, the trustees revised that prediction, saying bankruptcy would come sooner, in the year 2001. CBO has also predicted that the trustee fund would be broke by 2001, that it would run a deficit. It is now running a deficit. It did for the first time this past year, and it will run a $10 billion deficit this year. In other words, more money is being pulled from the trust fund than is now flowing into the trust fund to make it safe and secure.

So let's face it. Our Medicare system is in critical condition, and it deserves to be treated as a patient with an illness. In this instance, we—the Congress of the United States and the President—are the doctor. Or, another way to say it, Madam President, is we sit on the board. We are the board of trustees, and the President is the chairman of the board.

It is our responsibility to fix the problems that are now very, very clear,

and which have been repeated for 5 years in a row by the trustees of Medicare. Two-thirds of these trustees are appointed by the President—this President. It is their job to report to him, as they did yesterday, and to the Congress on the health of Medicare. And they have reported that the health is not good at all. So, for 5 years running, not only have we received these reports, but the administration has received the identical reports.

Last year, recognizing that, we dealt with it. We looked at a 30-year-old health insurance program that provides health insurance coverage for 35 million Americans and said, in that 30-year history, it really hasn't had major overhaul or reform to fit modern health care needs and to fit modern seniors; therefore, we ought to do something about it. And we did.

That reform went in the balanced budget down to the White House, and the President vetoed it. For a year after that we saw television ad after television ad saying that the Congress of the United States had been irresponsible, that somehow they were trying to destroy Medicare as we know it for the stability and the security of our seniors when, in fact, we had offered a variety of modern options that would not only provide seniors with adequate health care and health care coverage but would address the deficit that, once again yesterday the trustees, appointed by this President, said, "Mr. President, Congress, we report to you that this sick patient called 'Medicare' is growing sicker by the day and that it is still a 2001 bankruptcy, but it is not going to be late in 2001 now. It is going to be early in 2001."

My guess is, if we do nothing this year, the trustees will come back next year and say, "Well, it is not going to be early 2001 now. It is going to be late 2000."

What is the point of our discussion here today? The point is that we are prepared, as a Congress of the United States, to work with this President to reform Medicare, to save it, to secure it, to strengthen it, and to modernize it for the senior citizens of this country.

I mentioned 35 million Americans being covered. By the year 2001, it is going to be 38 million Americans. So there is always a growing and greater dependency on this program. It clearly is our responsibility to address it, and to address it in the right and appropriate fashion. That is a bipartisan approach. That is the President and the Congress of the United States sitting at the same table. That is not one party trying to lead over another. I am sorry, the House and the minority leader of the House, it is not a political game anymore. You are not going to get any more mileage by demagoging or by pulling the programs out and sticking them under the general fund and allowing them to increase beyond the rate of private health care in this country.

It is time that we must come together as a group—the board of trustees, those responsible for the strength and security of Medicare—and address it in the appropriate fashion.

THE GOVERNMENT SHUTDOWN PREVENTION ACT

Mr. CRAIG. Madam President, I want to address one other issue briefly. It is going to become one that all of us will be increasingly involved in as this month plays out and as the House works on it. The Senate will soon deal with the supplemental appropriations.

My colleague from Texas, Senator HUTCHISON, has just entered the Chamber. She, I, and the leader all have recognized the importance of this supplemental appropriations. But we also recognize the importance of avoiding the kind of budget battles in the future that allowed the shutdown of Government a couple of years ago.

So the Senator from Texas has introduced what I call—and I believe she calls—a "safety net" funding mechanism for 1998 that will disallow Government shutdowns. We call it a "continuing resolution." We simply say the budget process goes on and the appropriating process goes on, and, while we work out our differences with this administration, let us pass a continuing resolution that is 98 percent of 1997 levels so that we continue to gain our savings toward a balanced budget, but we can turn rationally to the Government itself and say, "We are not going to hold you out as hostage. It is important that we work cooperatively together."

I hope that we will continue to look at this. It is time that we deal with it directly. The bill is clearly about politics as usual, and it would change the whole dynamics of the debate. It would allow us to work in a timely and appropriate fashion on the necessary appropriations bills. Twenty-seven days of Government shutdown in December 1995 and January 1996 furloughed over 800,000 Federal employees. There was a lot of political posturing. But in the end nobody gained, and a good number of people got hurt. The Congress of the United States and the President weren't doing what they should have done.

The Government Shutdown Prevention Act as a continuing resolution coupled with the supplemental will build that very kind of safety net so we can go ahead to continue to work together in a bipartisan manner as we work to resolve our budget differences, strike a budget that is balanced by the year 2002, and deal with the Medicare crisis impending by the reports of the trustees of just this past day.

These are important issues that the Senate of the United States and this President must come together on. I hope we can do that in the next month, especially on supplementals. But I also hope the President recognizes that Medicare really doesn't deserve to be tinkered with nor nibbled around the edges anymore as a way of solving the problem.

We don't need a 1-year or a 2-year fix. We really need a long-term reform approach that strengthens, maintains, and offers a variety of options for the seniors of our country so they can have the understanding that this Congress has dealt with their concerns in a way that should not alarm but assures them a strong and a safe program.

I thank my colleague from Wyoming for establishing this special order. And I yield the floor.

Mr. GRAMS addressed the Chair.

The PRESIDING OFFICER. The Senator from Minnesota.

Mr. GRAMS. Madam President, thank you very much.

(The remarks of Mr. GRAMS pertaining to the introduction of S. 652 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

Mr. THOMAS addressed the Chair.

The PRESIDING OFFICER. The Senator from Wyoming.

Mr. THOMAS. Madam President, I would like to return to our conversations about Medicare, and I am very pleased to have my fellow Senator from Texas here. Senator GRAMM has been chairman and continues to be chairman of the task force on health care, and I am particularly pleased he has joined us this morning to talk about Medicare and Medicare reform.

Mr. GRAMM addressed the Chair.

The PRESIDING OFFICER. The Senator from Texas is recognized.

Mr. GRAMM. Madam President, I thank Senator THOMAS for his leadership today by asking people to come talk about Medicare. I am the chairman of the of the Finance Committee's Health Care Subcommittee, which has jurisdiction over Medicare. I wanted today to come over and talk about Medicare in light of the report issued yesterday afternoon at 4 o'clock which reaffirmed that Medicare is in the red for the first time in its history and that the trust fund which funds the hospital care portion of Medicare will be totally insolvent in 4 years. The cumulative debt that will be imposed on the American people by the existing Medicare program in the next 10 years will rise to $1.567 trillion—that is "trillion" with a "T." Obviously, a lot of people were alarmed by this report. I agree with virtually everything that the Secretary of Health and Human Services, Secretary Shalala, said, except one comment. That one comment was when she sought to reassure people that there was no current crisis in Medicare. Madam President, if this is not a crisis, I would like to know what a crisis looks like.

What I would like to do today, very briefly, is to outline the crisis. I am a

firm believer in the old Biblical admonition, you shall know the truth and the truth will make you free. So I want to start with the bad news, because if we do not understand this problem, there is no way we can fix it. Then I would like to conclude with the good news. The good news is that as bad as the problem is, we can fix it. We can strengthen Medicare for existing beneficiaries, and more importantly, we can restructure Medicare to guarantee that it is going to be there for our children and our grandchildren. But we cannot do any of these things if we are not willing to make tough decisions.

Part of the problem we face is that the Medicare has been too politicized with fear. It has been used as a partisan issue. The President has probably been more irresponsible than any public official on this issue. What we are going to have to do—and by "we," I mean all Members of the Senate, but specifically I mean Republicans—is set aside all of the partisanship on Medicare. We are going to have to forget the bitter experience of the last election where the President, in essence, said to the American people, "There is no problem, this is simply Republicans who want to cut your benefits." We can pout about it, but pouting will not solve the problem. What we have to do is to get on with the solution.

Let me try to define the problem. If this sounds overwhelming, it is because the problem is overwhelming.

First, Medicare was enacted in 1965, and when it started, it was to be funded by a 0.7-percent tax on the first $6,300 of earnings of all American workers. That was going to pay for Medicare. In fact, the cost projection for Medicare made in 1965 for the year 1995 was only off by a margin of 100 to 1. In other words, the program turned out to be 100 times more expensive than was originally predicted when Medicare went into effect.

We started with a 0.7-percent tax on the first $6,300 a year you earned to pay for Medicare, but have since raised that tax on a continuing basis. Today it is 2.9 cents out of every dollar of income earned by every American worker. Yet, despite that massive increase in taxes, the Medicare trust fund is still exhausted; it is in the red. The trust fund is not only in the red, but all of the existing assets will be depleted in 4 years.

When you add up the both parts for Medicare, the part that pays for hospitals and the part that pays for doctors, according to the Congressional Budget Office, the nonpartisan accounting branch of the Congress that looks at these numbers, we are looking at roughly $1.6 trillion of debt in Medicare within a decade. That is the crisis.

Unlike a lot of crises that we talk about in Congress, this is not something that is going to happen in sweet by-and-by. This is something that is happening right now.

I have a chart that shows the estimates that are made by HCFA, a part of Health and Human Services and obviously, part of the Clinton administration. This chart shows the financial health of the Medicare trust fund beginning in 1995, where we had a very slight surplus. That now is virtually exhausted, and unless we make dramatic changes in Medicare, this exploding red chart shows what is going to happen in terms of the debt of the Social Security trust fund.

For example, 32 years from today, the debt of Medicare, simply the hospital part of the program, will be over $11.5 trillion. I don't know how to define a trillion dollars, but I have a constituent who knows what a billion dollars is, Ross Perot. I may have a few constituents who know what a million dollars is, and most of us know what a thousand dollars is. But not many of us know what a trillion dollars is.

Let me put it another way. In 32 years, unless we do something, the debt of one-half of the Medicare program will be over twice as big as the whole current national debt. Needless to say, whether you are a Democrat or Republican, liberal or conservative, whether you work for the Urban Institute think tank or whether you work for the Cato conservative think tank, everybody who has looked at this problem with any degree of scientific basis concludes one thing: This is not sustainable. Twenty-five years from now, if we don't change this program, we are going to have to triple the payroll tax in order to pay these benefits.

I want to remind you that the average American family now is paying over 15 cents out of every dollar they earn in payroll taxes and, at the margin of the last dollar they earn, 28 cents out of every dollar in income taxes. If such an explosion in the tax rate at a moment where we have the highest tax rate in American history, as we do today, doesn't frighten you, it should.

What is causing this problem? There are really two causes. The first one is an explosion in Medicare per capita costs. It is easy looking back at 1965—when many of us were not in the Senate and when some of us were in college and not worried about this problem—and criticize people who wrote the Medicare program. But in retrospect, the structure of the system makes no sense. I will give you only one example.

On hospital care, a big component of Medicare critical to our seniors, if you are in a hospital for up to 60 days, you have no copayment. Every penny of the hospital bill, except for a deductible, is paid by the taxpayer, but on the 61st day, you become responsible for a copayment of $190 a day. On the 91st day, it goes up to $380 a day, and on the 150th day, they throw you out in the street. If you have been in a hospital for 61 days, you are sick. If you have been in a hospital 61 days, the presence of a copayment is not going to change your behavior, because you are already very, very ill.

What this irrational structure has done is it has forced our seniors to dig into their pockets and pay between $1,100 and $1,300 for what is called medigap insurance. My mother pays about $1,100 a year for a medigap policy that fills up all these gaps in Medicare so she doesn't have to worry about losing her home if she ends up in the hospital for an extended period of time. But once she has paid for this medigap policy, she then has no copayments and no deductibles on anything other than prescription drugs.

So what we have done is set up a system where the copayments are at the end of the system, inducing people to have great risk, but they do not change anybody's behavior. Instead, force people to spend a lot of money to guarantee against it, but once they spend the money, health care to them is free.

There are a lot of reforms we need in Medicare, but two are obvious to a blind person. No. 1, we need to give our seniors the ability to pick and choose among competing alternatives, not just an HMO in places where one is available. They need to have a whole range of other options that people can choose. The Federal Government needs to do something in Medicare which long ago everybody else started to do, and that is bargain. The Federal Government with Medicare is the largest consumer of health care in America, and it is the only consumer that does not bargain on the basis of price.

The second thing we need to do is reform the current Medicare policy to put the deductibles and copayments up front. I know this sounds extraordinary, but I want to mention it today. As the debate unfolds, I will talk a great deal more about it. We could take the amount that the average senior is now spending on health care, including what they spend on medigap insurance, copayments, deductibles, and pharmaceuticals—which is not covered—and instead have a simple deductible of $1,000 and copayments of 20 percent, with a cap on those copayments of $1,000. Doing this would change the system in a way where the average senior would not be spending 1 penny more than they are currently spending. But by changing the incentive, we could save enough money to pay for pharmaceuticals for all of our seniors. The cost of such a drug benefit is $62 billion over the next 5 years. That is how inefficient the system is.

So we want to defend the benefits and defend the seniors, but we have to be willing to fix a system that is broke. If we do those things, we can stop the explosion of per capita costs, and we can actually improve the system, in my opinion.

That is only part of the problem. The next part of the problem is a demographic time bomb, and let me explain how it came about and how big the problem is and then talk about how we fix it.

When Medicare was written, something extraordinary was going on in America. It was 1965, and what we call the baby boomer generation was just beginning to enter the labor market. This chart I have shows the birth rate in America from 1930 to 1985. It is a pretty extraordinary chart. What happened is that the birth rate was relatively low in the Depression. There was a little spike during the war. But when Americans came home from the war—while economists were worried about whether were we going back into the Depression or what the future was going to look like—Americans decided the future was going to be great. One of the things they started doing was having babies at an unprecedented rate since the colonial period.

In fact, a number of Members of the Senate today were born as part of this baby boom generation.

When Medicare was written, it was the first year a baby boom group had entered the labor market. In fact, these first baby boomers, born in 1946—causing this big spike—came into the labor market the same year that Medicare was written. That year four times as many new workers came into the labor market as had come in just 2 years before, and as far as they could see, it did not look like it was ever going to end.

However, had they actually gone over to the Census Bureau and looked at the data, they would have seen it had already ended. But, when you are spending money and making people happy, you do not want bad news; you want good news. The good news was we were about to have this explosion of new American workers, and so Congress decided that we could fund Medicare by simply using a transfer payment, almost like a chain letter, and I do not intend to be critical. They decided that these workers are so numerous—and wages immediately after the war had grown twice as fast as they had grown in the modern era—that we can simply tax them and begin providing medical benefits for retirees immediately, funding this as a transfer payment.

Now, this system worked great until these baby boomers started to near retirement. This chart is an extraordinary chart because you can see where we are. The people who are retiring today were born in 1932. You can see from this chart the birth rate in 1932—in fact, here it is, 65 years ago. The birth rate in 1932 was relatively low, and in fact this year only 200,000 people are going to retire. This is as good of a year as we are going to get.

In fact, these should be the best years in the history of Medicare. These are really the fat years since there are relatively few retirees and every baby boomer is still in the work force.

Let me just use a story from the Bible. Remember Joseph, Jacob's son, who was the favorite son of his father because he was real smart. His father bought him a multicolored coat. You remember the story. His jealous brothers kidnaped him, hid him in a well and sold him into slavery in Egypt. One day the Pharaoh of Egypt dreamed of seven fat cows and seven skinny cows. The seven skinny cows ate the seven fat cows. Nobody could interpret the dream. Then he hears about Joseph, this guy who can interpret dreams. He sends for Joseph, and he interprets the dream. He explains that there will be 7 years of plenty followed by 7 years of drought. The Pharaoh commissions Joseph to set up stores of grain during the years of plenty. He stores the grain, and then the drought comes, and the people are happy.

Now, today we are in the fat years. We have all these baby boomers still working. We have the lowest number of people retiring that we have had in the recent past or that we will ever have again in the history of the country. Yet in the midst of the fat years we are broke. In the midst of the fat years there is no grain being stored. We have guaranteed benefits to a whole generation of Americans, and we have not set aside a penny to pay for them.

Whereas only 200,000 people are going to retire this year, 15 years from today 1.6 million people are going to retire, and that number is not going to change for 20 years. The impact of that is cataclysmic—cataclysmic.

Now we are beginning see apologists write letters and say, OK, look, people like this guy GRAMM and a lot of other people are saying we have this terrible problem. We are going from 5.9 workers when Medicare started per retiree to 3.9 workers per retiree today to 2.2 workers per retiree by 2030. People who say, don't worry about it might agree that we are about to have this huge number of people retire and claim a benefit for which we cannot pay. But, they say, we can rejoice in the fact there are fewer children, and since the average family spends $110,000 on things for their children before they are 18, we could get them to give us that money so that we could spend it on somebody else. We might be able to solve this problem with additional taxes.

Well, look, here is the problem. We do spend mammoth amounts of money on our children, but we are joyful givers in doing giving to our children. People do not feel the same way about paying taxes. We are pretty efficient in spending money on our children most of the time, yet our Government is not terribly efficient.

That is the problem. I do not care how you try to gloss over it, this is a big problem. Solving this problem is going to cost more money in real, inflation-adjusted dollars than it cost to win World War II.

So what is the good news? The good news is the following. No. 1, today, the average 22-year-old worker, who is paying 2.9 percent of their income into Medicare, and is paying for Social Security benefits, unless we do something and do it quickly, will never get the kind of benefits I would. It would not be possible to get the kind of benefits their parents are getting today. But if they simply took 1.3 percent of their wages and invested that in an annuity that earned a 3.0-percent real rate of return—a pretty conservative rate of return—they would have assets when they retired at 65 big enough to fund a private health policy that would cover everything Medicare covers.

Now, think about it. The average 22-year-old today is paying over twice what they would have to pay if they could simply set aside part of their income to pay for their own retirement health care. In fact, the average 39-year-old worker, if allowed, could put that 2.7 percent into a real investment, instead of giving it to Medicare, and could fund their health care in retirement.

Now, what we are going to have to do to fix Medicare is the following. We are going to have to, first of all, set up a system where young workers can put at least part of what they are paying into Medicare today in a real trust fund that will guarantee them some health care benefits. If we do not do that, we are simply going to have a generation that is going to pay for benefits that they never get.

So the first thing we have to do in dealing with this long-term structural problem is to take at least part of the tax for Medicare being paid by young people and set up a real trust fund for them.

Second, we are going to have to admit that we have an unfunded liability on Medicare of $2.6 trillion. Now, swallow hard and think about that number. That is the number that we owe because we guaranteed these benefits, and we never set aside any money to pay for it.

What we are going to have to do is take part of the premiums of young people and invest them to guarantee their benefits. Over the next 50 years we are going to have to come up with $2.6 trillion to pay off this debt we have. That is a lot of money, but let me tell you, if we set up a transition program, we could do it.

Let me conclude with this point. We are in the midst of a budget debate. You are going to hear in the next few weeks debate on the floor of the Senate about the budget, and you are going to hear people talking about cutting Medicare or politicizing the Consumer Price Index to cut Social Security to pay for balancing the budget or to pay for tax cuts.

We are not going to make money by saving Medicare. We are not going to make money by saving Social Security. Anybody who thinks that by saving Medicare we are going to enable ourselves to spend money on other things simply does not understand the problem. It is going to cost money to save Medicare. It is going to, 20 years later, cost money to save Social Security. And if we want to balance the budget, we are going to have to do it by having less bureaucracy and less Government. Every penny we save in reforming Medicare has to go to save Medicare. If we ultimately, as a result of decisions by economists and not politicians, change the Consumer Price Index and we save money on Social Security, every penny of that money has to go to strengthen Social Security. We cannot let Congress go out and spend it on something else because the problem is already a severe problem, and every day we put it off it gets worse.

Let me conclude with the Fram oil filter argument. If today we decided to fix Medicare and change the system to stop the explosion in per capita cost, then get Medicare benefits purchased by the Government as purchased as efficiently as medical care purchased by the private sector, then we set up a 50-year transition program that allowed us to pay off the money we owe to provide the benefits to current beneficiaries of Medicare, it would cost us about $2.6 trillion, which is about half of the existing Federal national debt. We owe the money we committed. We are going to have to pay it. But if we wait 10 years to do anything, that unfunded liability is going to rise to $3.9 trillion. And if we wait 20 years to do anything, it is going to rise to $6.1 trillion, which is bigger than the current national debt.

So what we have to do in Medicare is this. First, we have to admit that we have a terrible problem, and it really boils down to two things. No. 1, we do not have a system that is efficient and that encourages economy, and we have to change it. No. 2, we have a huge unfunded liability because Congress has guaranteed all these benefits year after year after year. At the very moment when we ought to be piling up big surpluses to pay for these benefits, the system is going broke.

So we have all these guarantees and we have not a penny to pay for them. And we are going to have to pay for them. Nobody is arguing that we forfeit on these commitments we made.

Now, I know, as we get into this debate, there will be people on the floor of the Senate and there will be many professional advocate groups that will say, my goodness, you are talking about these big debts. Don't you realize this is Medicare, and it is wonderful and it is great? That is like when you are trying to call the fire department because the house is on fire, and somebody says, well, it is burning, but isn't it a beautiful house? Isn't it great and don't we want to keep it the way it is? Well, the point is it is on fire.

The second thing we have to do is to come up with a long-term funding mechanism. All these issues can be demagoged. All of them can be very rich politics for somebody who wants to exploit them. But look at the cost of doing that. The cost is dramatically changing the real income of our children and grandchildren.

If we do not deal with Medicare now, if we do not deal with Social Security 15 years from now, we are going to have the first generation in American history that is going to have lower living standards.

I am not saying these problems are easy to deal with. When you guarantee a benefit and you do not set aside money to pay for it, when people start claiming it, there is no easy out. But the point is, there are things we can do. And we have been putting off and putting off and putting off doing something about Medicare. The time has come to start making some tough decisions.

And it seems to me, Mr. President, that on the day when we have just gotten another report from the Social Security trustees and from the Medicare trustees basically saying, "Alert. Medicare is going to be insolvent in 4 years," and it is going to have a cumulative debt for the hospital and physician portions of about $1.6 trillion over the next 10 years, the time has come to do something.

I hope we can do it on a bipartisan basis. As chairman of this subcommittee, whether we have a budget or not, my goal is going to be to try to do something about Medicare. This is not a budget problem. This is not about the deficit. This is about maintaining the viability of a program that is critically important.

As I said yesterday at a press conference, there are a lot of things I am going to do in my life that I do not want to do. But I am never going to pick up the phone and call my 83-year-old mother, and say "Momma, Medicare went broke today. It went broke because Congress didn't want to tell anybody that there was a problem, and we didn't have enough courage to do something about it."

I am going to talk about this problem a lot because 4 years from now all America is going to know about it. And 4 years from now every Member of the Senate who is still here is going to have to answer the question: Where were you when all this happened? Where were you when all this was going on? Why didn't you say something about it? Why didn't you do something about it?

I am going to say a lot about it. I hope to do something about it.

I want to thank the Chair for giving me this opportunity today to come over.

This is a speech that is going to have to be given many, many times. The first reaction, when you get news like this, is denial. I guess it is sort of like going in to see the doctor, and the doctor says, "Well, I hate to tell you this, but you've got a debilitating disease that can ruin your life." I mean, the first thing we all want to do is say, "No. You have messed up this test. This is somebody else's test. This can't be me. I am a guy that works out. I run. I say my prayers. It's not me."

But in my concluding remark, let me say that while this is the doctor saying, "You've got a debilitating disease and it can ruin your life," the important thing is that the doctor also is saying, "but I can cure this disease. I can cure this disease. But the cure involves you changing your lifestyle. You're going to go on a diet."

Now it is up to us. I am ready to do both. And I am confident ultimately Congress will—ultimately we will fix this problem. If we do it now, the burden is going to be heavy but it is going to be bearable. If we delay it we are going to end up ultimately denying some benefits and we are ultimately going to lower the living standards of the next generation. Both those things can be avoided. I hope we can avoid them.

I yield the floor.

Mr. KYL addressed the Chair.

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

Mr. KYL. Mr. President, I want to, first of all, thank Senator GRAMM of Texas for his leadership in dealing with this Medicare funding crisis that faces our country. The comments that he just made ought to illustrate to us why it is incredibly important for the Senate and the House to work very quickly to address the challenge set forth in the report issued yesterday by the President's trustees on Medicare.

As Senator GRAMM pointed out, and I will quote from the trustees' report:

> The Part A Hospital Trust fund will be able to pay for benefits for only about four years [until 2001] and is severely out of financial balance in the long range. The trustees urge enactment of legislation this year to further control program costs and extend the life of the trust fund.

Clearly, Mr. President, the time is upon us. We cannot wait any longer. What I am going to talk about briefly today is the fact that we have some proposals that are very short range and very minor in their improvements, while Senator GRAMM is taking a longer look at the problem here toward the end of fixing it for a long time so that we do not have to keep putting these Band-Aid, short-range approaches into effect.

The primary problem is caused by the aging of the baby-boom generation.

Instead of this generation providing the workers who are supporting, with taxes, a relatively smaller number of people in retirement, those baby boomers are going to be the retirees who need the medical care, and they will not be supported by as large a group of workers as exists today.

The Medicare part A hospital program is already starting to feel this baby-boom bulge. As I said, it is caused by the rapidly aging group of baby boomers turning 65 and becoming eligible for Medicare.

Medicare will hospitalize 200,000 more seniors this year than last year. And the net increase will get larger and larger until it plateaus somewhere between the years 2012 and 2032. During that 20-year period, the system will experience a steady net increase of 1.6 million new seniors per year. Think of that, Mr. President, 1.6 million baby boomers retiring each year for 20 years, creating this huge bulge of retirees that are going to be eligible for Medicare benefits.

And at the same time, during this same period, the relative number of workers is going to be decreasing so the payroll tax revenues will dramatically decline. Without prompt congressional action and Presidential support—it is obvious; and the trustees made this point yesterday—Medicare will soon be unable to fulfill its commitment that our Federal Government has made to our retiree population.

Let me discuss briefly the two plans of the parties. Neither the Republican plan or Democratic plan, frankly, were sufficient last year to deal with this problem.

The Democratic plan relied primarily on provider reimbursement reductions to reduce costs. That means we just pay the hospitals and doctors less money to do the same thing. Well, there is a point beyond which that does not work. Obviously, the hospitals and doctors do not have to treat these patients and they will conclude after a point that it simply is not cost efficient for them to do so and they are not going to do so.

Unfortunately, the Republican plan also relied, to a certain extent, on reductions in reimbursement to providers though less heavily than the Democratic plan.

The Republican plan also had another feature which was good and that was that there had to be some real reform in the system. And competition was the centerpiece of that reform. The idea was that you controlled costs by having increased competition among those who were providing the benefits to the Medicare patients. You create different products—products that have names like PPO's, preferred provider organizations; PSO's, provider sponsored organizations; and Medicare savings accounts, MSA's; to go along with the HMO's, the hospital managed organizations; and others that provide the care to the seniors through different mechanisms, different combinations of hospitals and physicians, sometimes in what are called capitating plans, sometimes in other kinds of plans, but all of which are competing with each other and therefore through that competition costs are kept in line.

The Republican plan also included medical malpractice reform to curb the high costs of defensive medicine practiced by physicians and hospitals as a means of avoiding liability lawsuits.

The Congress and the President have acknowledged the need to slow the rate of increase in Medicare costs. According to the Congressional Budget Office, the President's current proposal would save about $89 billion over 5 years. The Republican plan last year would have saved about $105 billion over the same period, along with the savings attributed to increased competition. But the key point here is that no one contends that either of these plans will achieve long-term solvency. More is needed to save Medicare than just greater reductions to reimbursement providers.

As I said, the overload of the system begins in about the year 2010 when the first wave of this baby-boom generation begins to retire. And the President's plan does not even make it to that year. The President's savings only work to about the year 2007. Then you would have to start all over. The Republican alternative is better but it staves off bankruptcy only until about the year 2012. So clearly, before this baby-bulge meltdown occurs we have to have longer-range reform.

Regardless of the reimbursement to provider reductions or product competition structural reforms something more will have to be done because there just are not enough workers that will support the growing number of retirees.

To put it in perspective, Mr. President, in 1964 there were 3.5 workers for every beneficiary. And the total has grown to 37 million beneficiaries. The Medicare trustees estimate that by the year 2030 when the last baby boomer turns 65 there will be only 2.2 workers per beneficiary. So the current system which functions on a transfer-payments basis made directly from worker to beneficiary is clearly unsustainable. That 2.2 workers cannot possibly pay all of the expenses to run the Federal Government, all of the retirement benefits for Social Security and in addition to that support this growing group of seniors for their health care needs.

It is time to investigate whether an investment-based health care system may be part of the solution to this approaching meltdown. This is the subject that Senator GRAMM was talking about a few minutes ago. His investigation is into several proposals that would ensure the long-term solvency of the Medicare Program.

And one of those proposals would allow workers to create their own medical IRA, an individual retirement account, for medical purposes by redirecting some or all of their payroll tax—it is now 2.9 percent—into a savings account for medical purposes. His idea is that each employee's account would grow over his or her working life and would pay for health care after retirement.

A series of studies have been done here at Texas A&M. And economists there in studying this have reached some interesting conclusions. For example, assuming a real rate of return of 3 percent—a very low rate of return on investment—a 22-year-old person could direct 1.3 percent rather than the current 2.9 percent of their payroll tax into a medical IRA, and at age 65 this person could purchase a policy that would provide roughly the same coverage that Medicare provides today. So you could put much less money that you are earning into this payroll tax and still come out the same place when you retire.

If the real rate of return were the Standard & Poor's average over the last 70 years of 6.5 percent, a 22-year-old would have to invest only 0.4 percent of his or her wages to achieve the same result. So you can see that a real investment in an IRA-type investment by people would provide the same benefit at far less cost if the rate of return were even no better than the average that has existed over the last 70 years.

Obviously, this kind of proposal would have to address some transition costs, the costs of converting from the current system to an investment-based system as well as Medicare's unfunded liability which is estimated today to be $565 billion. Without reform, this amount is projected to reach $3.9 trillion in 10 years, and in 20 years $6 trillion.

Clearly, we cannot allow this system to continue. We are going to go bankrupt taking care of our Medicare population if we do not invoke fundamental reform.

So the Congress and the President, both, must heed the trustees' warning, work together to protect current beneficiaries, while also working to provide a secure retirement for today's workers who are going to need something better than the Medicare system that is in existence today. We are going to need some kind of innovative program, such as that suggested by Senator GRAMM, to enable them to invest a small amount today, which over time will grow to an amount that will take care of them in their retirement years.

Increased Medicare product competition and medical IRA's funded by investing the payroll tax represent two of the many potential components of reform. We need to develop a consensus on these reforms on how to protect the current beneficiaries and the new

group of baby boomers. If we begin doing it today, by the time the problem is really upon us, we may have a system in place that will provide this protection. If all we do today is support another short-range solution, we are going to find ourselves in true bankruptcy by the time the baby-boom generation retires.

I commend the efforts of Senator GRAMM of Texas in bringing this to our attention, in bringing innovative solutions to the floor. I hope my colleagues and I will be able over the next several weeks to put this into legislative form so in the long run we will have solved the problem, and future generations here will not have to worry about it the way we have to struggle with it today.

Mr. ROTH. Mr. President, yesterday, the Medicare and Social Security trustees released their annual reports on the actuarial status of both trust funds—a report which is actually due on April 1 of each year. The board of trustees has six members: the Secretaries of Treasury and Labor; the Commissioner of Social Security, and two public trustees appointed by the President.

As expected, there are no surprises in yesterday's reports, and there is no good news.

As most Americans know by now, the Medicare hospital insurance [HI] trust fund is close to bankruptcy. In fact, the trustees' report confirms that the expected bankruptcy date remains just 4 years away—in 2001. The problem is pretty basic—more money is flowing out of the HI trust fund than is flowing in. Trust fund assets are quickly being depleted. In 2001, they're gone.

Although most attention is focused on the impending bankruptcy of the HI trust fund, the trustees report that the supplemental medical insurance [SMI] trust fund (Medicare part B) is also a serious problem. SMI spending is a blank check on the Treasury. Over the past 5 years, SMI spending has grown 14 percent faster than the economy. Without savings in part B, we cannot say we have affectively tackled the problem of fixing Medicare. In the words of the public trustees, part B growth is unsustainable over time.

In bringing about a lasting solution that will protect and preserve the Medicare Program, all the Medicare stakeholders will have a role to play—hospitals, doctors, nursing homes, beneficiaries, and others. The public trustees appointed to represent the public expressed this challenge. They stated that, "Medicare cannot stay exactly as it is and it is misleading to think that any part of the program—beneficiary premiums, providers payments, controls on utilization, covered service or revenues—can be exempt from change."

I agree with the trustees' recommendation that a bipartisan advisory group should be put together to craft a long-term solution to Medicare's fiscal crisis. In fact, in February, with Senator PAT MOYNIHAN, I introduced a bill to address Medicare long-term challenges by establishing a national bipartisan commission on the future of Medicare. This Medicare commission would serve as an essential catalyst to congressional action, consolidating bipartisan support, and ultimately lead to a solution that will preserve and protect the Medicare Program for current beneficiaries, their children, and grandchildren.

Although the financial plight of the Medicare Program is urgent, we must also be mindful of the longer term—but no less serious—problems of Social Security. Beginning about 2012, payroll taxes will no longer cover benefits. We must surely act sooner than later if we are to avoid a crisis in Social Security.

We need to assure the trust in the trust funds remains, not just for today's beneficiaries, but also for tomorrow's. We must ensure that Medicare and Social Security will be there for our children and grandchildren.

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. KYL assumed the chair.)

Mr. THOMAS. 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. THOMAS. Mr. President, I want to thank my colleagues for coming this morning to talk about Medicare. I want to take a couple of minutes to sum up and make some comments with respect to my views on Medicare.

First of all, I cannot think of a more important issue to deal with, one that is more difficult to deal with, one that has been put off politically because of the difficulty of dealing with it. But certainly the time has come to which we have to face up to doing it. I think it is likely that we will.

Over the last several years, particularly in the last election, it was used as an election issue. The President and the administration generally said those Republicans simply want to do away with Medicare, want to cut it. That is not the point at all. I think most everyone knew at the time that was not the point at all. Some very unfactual things were said. Now most anyone who has paid any attention at all to the system, to the status, has to say, "Look, we have to make some changes. If we do not make changes we will not have the results we need." And the results we have seen are an increasing challenge to the validity of the program, and the fact that the program will not last over another 4 years.

So the report of the trustees is there—trustees appointed, most of them, by the President—who have laid out the facts, who have said the good news is that it still will expire in 2001, the same year it was said to expire last year. The bad news is that it is no better than it was and we are 1 year closer to it. That report is there. It is projected that the program will go broke in 4 years. This confirms what we have known over a period of time. Now the time has come to do something. We ought to take advantage of this opportunity. We can make some changes. I think both the Senator from Arizona and the Senator from Texas indicated we have a difficult issue, but we can make some changes. The longer we wait, the more difficult it will be to rectify the problem.

We have already begun to move into the area of giving some choice to seniors. I think that is a great idea. If we are going to have choice of managed care, for example, which has brought down the costs in many cases, we have to do something about the payments that are made currently. The payments for Medicare, HMO's in some counties in New York are $750 a month. Those same payments in Wyoming, and in North and South Dakota are $220. We do not have the opportunity in our States to use managed care. Furthermore, those high payments have allowed the benefits in this New York county to be greater than the benefits in Wyoming for a program that has all been financed by the same payments from everyone—2.9 percent. That is unfair. We need to change it. There are aging and disabled persons who depend on it. We need to do something. We need to give some flexibility. We need to be able to use some managed care plans.

We also need to take a long look at fraud and abuse. We had some hearings a couple of years ago, and I am sure things have not changed, where nearly 10 percent of this enormous fund was lost in fraud and abuse. We can do something about that.

Mr. President, I simply again want to thank my friends for coming here. I think we have to focus on this program. The sooner we find some solutions, the less severe any changes will have to be. We can, indeed, do that.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call.

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

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

THE CHEMICAL WEAPONS CONVENTION

Mr. KYL. Mr. President, I ask unanimous consent to have printed in the

RECORD various op-ed pieces that relate to yesterday's debate on the Chemical Weapons Convention.

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

[From the New York Times, Apr. 22, 1997]

ON MY MIND—MATTER OF CHARACTER

(By A.M. Rosenthal)

For collectors' of flips, flops, mistakes and outrages in the conduct of American foreign policy, last week was a treasure trove, pure heaven. For the national interest it was a pure mess.

Three times the Clinton Administration floundered or double-talked itself into loss of credibility—and on three of the more important international issues facing the country: the treaty on banning chemical weapons, the struggle against state-sponsored terrorism and the war on drugs.

The most immediate issue is the treaty prohibiting production, storage and use of chemical weapons.

This should have been a breeze. Americans could normally be counted on to support international outlawing of chemical weapons, which the U.S. has already forsworn. But a lack of candor at home and of political courage with our allies has made it a tossup as to whether it will pass when it comes up for a Senate vote on Thursday.

Written into the treaty are loopholes that are deal breakers for many senators. Article 10 alone would break it for me.

ARTICLE 10 AND OTHER OUTRAGES.

The article mandates that all signatory countries have the right to the "fullest possible exchange" of all materials and information about "protections" against chemical weapons. Those materials and techniques could show terrorist nations how to produce chemical weapons that could evade the defense of their chosen victims. Iran just loves Article 10.

Since the treaty was first proposed in the Reagan Administration, four important facts have become part of international reality.

One: Some of America's friends like Russia and Germany, have sold techniques and components of weapons of mass destruction to countries bitterly hostile to the U.S. Two: Under Presidents Bush and Clinton, the U.S. has not shown the willpower to stop or punish the "friendly" sellers or their customers. Three: China has become a major rogue distributor, to major rogue nations. And four: America has not been able to stop that either.

Article 10 would permit salesmen of death to peddle chemical-weapon materials and techniques entirely legally, by labeling them "defensive."

The answer that the Secretaries of Defense and State gave was that the treaty will go into effect whether the U.S. likes it or not, so we should sign and keep an eye on it from the inside.

There's a far better way. The senate should adopt a proposed amendment making actual U.S. participation conditional on the President obtaining deletion of Article 10 and some other loopholes.

The week's outrage on state-sponsored terrorism sacrifices the right of Americans to get important non-classified information. Washington decided to withhold a white paper about Iranian terrorism it had planned to make public. This came after a German court found Iran guilty of terrorism against Iranian dissidents in Germany, and as information pops up that Iran was involved in the slaughter-bombing of an American military installation in Saudi Arabia.

The white paper was withheld because the State Department does not want to upset European nations that have tried to use "engagement" to persuade Iran to behave sweetly, a policy the U.S. says has failed. Hello? State, are you all there?

Drugs: Mexico now is the major transporter of marijuana and Colombian cocaine into the U.S. The hotshot general who headed Mexico's antidrug effort has been arrested as the secret agent of the drug cartels. The Mexican Government had allowed this traitor to go to Washington for embraces and top-secret briefings with his American counterpart, Gen. Barry McCaffrey, without informing any American that their man was about to be jailed.

Bonded to Mexico by Nafta and the peso bailout, an embarrassed White House decided not to lift Mexico's certification as a country doing its best to fight drugs.

Mr. Clinton plans to visit Mexico next month. Instead of preparing Mexico's public to hear some hard truth about their country's contribution to the drug war, last week the Administration began almost apologetically making nicey-nice to Mexico, to put the visit in the "right light" for Mr. Clinton.

Underlying these fumbles, mistakes and outrages are not simply defects of policy but of character: the inability to face and correct mistakes and the addiction to evasion and denial. As at home, so abroad.

[From the Wall Street Journal, Apr. 24, 1997]

REVIEW & OUTLOOK

CHEMICAL REACTIONS

Before today's vote on the Chemical Weapons Convention, we hope that some Senator will twist his tongue around the 20 chemicals listed nearby and read their names into the record. This list makes two important points about what's wrong with the treaty.

First is that many ordinary chemicals can be put to deadly use. The chemicals on this list can be used in such mundane products as laundry soaps, ink and fumigation agents—or they can be used in lethal weapons. Bear this in mind when you hear the President assert that the CWC will "banish poison gas from the Earth."

The second point is that the CWC not only will permit trade in these 20 potentially deadly chemicals, it will require it. American companies currently are restricted from exporting these dual-use chemicals under the terms of an organization called the Australia Group, which is made up of 29 Western countries committed to ensuring that their exports don't contribute to the spread of chemical weapons.

But Articles X and XI of the CWC require member countries to transfer chemicals and technology to any other member country that asks. This goes a long way toward explaining why the Chemical Manufacturers Association is so loud in its support of the treaty.

Senators who are still considering how to vote might consider whether selling such chemicals to China or Iran or Cuba will help make the world safe from chemical weapons—or make the world a more dangerous place?

Trade in these 20 precursors for chemical weapons agents, now regulated, would be permitted under the Chemical Weapons Convention:

3-Hydroxy-1-methylpiperidine, Potassium fluoride, 2-Chloroethanol, Dimethylamine (DMA), Dimethylamine hydrochloride, Hydrogen fluoride, Methyl benzilate, 3-Quinuclidone, Pinacolone, Potassium cyanide, Potassium bifluoride, Ammonium bifluoride, Sodium fluoride, Sodium bifluoride, Sodium cyanide, Phosphorus pentasulfide, Diisopropylamine (DIPA), Diethylaminoethanol (DEAE), Sodium sulfide, Triethanolamine hydrochloride.

[From The Wall Street Journal, Apr. 22, 1997]

REVIEW & OUTLOOK

LOTT'S MIRRORS

Trent Lott's problem with the impending Senate vote on the chemical weapons treaty vote is not merely that it binds the U.S. to deal with the likes of Cuba and China. The larger question for Republicans is whether they can cope with the Clinton Presidency, a political hall of mirrors invariably reflecting any given reality back into the body politic as something slightly off-center.

So with the chemical weapons treaty. The issue is being represented to the public as a huge vote on foreign policy, which typically means an austere, almost hyper-intellectualized debate free of the usual, grimy domestic constituencies. We should be so lucky.

If that were true, this treaty would already be dead. The Senate today is full of men and women who've never had the opportunity before to vote on one of these arms-control projects. Some of them must be wondering how the subject ever got so mystical. We ourselves have watched arms-control tiltings since the days of Camelot, and we'd like to reassure the younger class of Republican Senators that if they feel there is a certain "lightheadedness" about this effort, their instincts are correct.

President Clinton was panting over the weekend. "There is no such thing as perfect verifiability," he said of the kind of weapons a Japanese cult cooked up in a bathtub. His "bottom line"—will we go from leading the fight against poison gas to joining the company of pariah nations this treaty seeks to isolate?"—sounded like something from an AFL–CIO commercial on Social Security. And of course, even a flawed treaty would be "an advance over no treaty at all."

This is liberal sentimentalism at its worst. It says, Our hearts are in the right place, so let's not let a bunch of operational details get in the way of doing the right thing. Presumably this policy woolly-mindedness, in both domestic and foreign politics, is precisely what the current crop of Republicans came to Washington to stop. And that they did with the welfare reform act.

So why all the drama over this vote?

Mainly because the real drama is in watching Trent Lott figure out which path he should take in leading the Republicans safely through the Clinton hall of mirrors between now and the off-year elections in 1998. Just ahead, there is the budget mirror, the capital-gains mirror, the MFN mirror, the Helsinki mirror and any other issue that might require the Republicans to balance on a tree limb with Bill Clinton.

The case for waving through a terribly flawed chemical weapons treaty is that a grateful Bill Clinton will be inclined to do deals with the GOP on the budget, capital gains and the like. This strategy inevitably casts Trent Lott as the President's errand boy, the Charlie Brown of politics, willing to believe that this time Bill Clinton won't pull the ball like Lucy of the promises—that he won't double-cross Mr. Lott as he did on the CPI adjustment, that he won't sic Bob Rubin on a capital-gains cut the way he did on the balanced budget amendment.

The only reason that Beltway Republicans would consider playing this game again with so unreliable a partner as Bill Clinton is their belief that absent deals of some sort, the Democrats in 1998 will accuse them of obstruction and failure, all the while running TV ads about Republicans and "poison gas."

Until a few weeks ago, the treaty almost certainly would have passed for these reasons. But then the broader interests of the Republican Party stepped forward to be heard. Jack Kemp and Steve Forbes came out against the treaty. Four former GOP Secretaries of Defense—Weinberger, Cheney, Rumsfeld and Schlesinger—testified against it. Grass-roots conservatives such as Grover Norquist and Gary Bauer joined the active opposition.

These people want, as do we, the party's legislative accomplishments to reflect identifiable Republican beliefs. Notwithstanding the participation of Republican Presidents, arms control today is an idea flowing entirely from a Democratic liberal's view of the world. This chemical weapons treaty perfectly reflects that view. It is a state of mind that would regard Senator Lott's objection to sharing chemical-weapons defense technology with Iran as a "killer amendment," and that would solve the Lott objection by promising only to give Iran "emergency medical supplies."

We're about to go through a few days of high Washington drama before the vote as all eyes focus on the "undecideds." This group now includes GOP Senators Hatch, Bennett, Nickels, Hutchison, Abraham, Santorum and of course Majority Leader Lott. We suspect most of this group knows the treaty should fail on its merits. The larger question is what they believe should define the Republican Party—what they see in the mirror, or reflections from the mirrors Bill Clinton puts before them.

[From the Los Angeles Times, Apr. 21, 1997]

KIRKPATRICK: THE THREAT WILL REMAIN

Ratifying the Chemical Weapons Convention will not prevent the manufacture or use of chemical weapons because the convention is neither verifiable nor enforceable. Proponents attempt to dismiss the many loopholes in the treaty with the assertion that nothing is perfect. But perfection is not the question.

Proponents also seek to minimize the fact that the rogue states and countries with the most highly developed programs either have not signed or have not ratified the treaty—Syria, Iraq, North Korea, Libya have not signed at all. Russia, which has the most chemical weapons, has not ratified, and China has not completed the ratification process. Of course, signing will not prevent signatories from breaking their promises not to produce noxious gases, as Russia has recently broken a promise to the United States.

Will U.S. ratification make the world safer? Did the Maginot line make France safer? To the contrary. It created a comforting illusion that lulled France into a false sense of security and facilitated Hitler's conquest.

The world is less dangerous today than during most of my lifetime. I cherish this sense of lessened threat. But we are not so safe that we can afford to create a false sense of security by pretending that we have eliminated the threat of chemical weapons. President Clinton said, "We will have banished poison gas from the Earth." It will not be so. We had better do some hard thinking about how to defend ourselves and the world against the poison gases that have been and will be produced.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Under the previous order, morning business is closed.

SENIOR CITIZEN HOME EQUITY PROTECTION ACT

The PRESIDING OFFICER. The Banking Committee is discharged from S. 562, and under the previous order the Senate can proceed to consider that bill.

The clerk will report.

The assistant legislative clerk read as follows:

A bill (S. 562) to amend section 255 of the National Housing Act to prevent the funding of unnecessary or excessive costs for obtaining a home equity conversion mortgage.

PRIVILEGE OF THE FLOOR

Mr. D'AMATO. Mr. President, I ask unanimous consent that Lehn Benjamin be admitted to the floor for the purposes of this legislation.

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

Mr. D'AMATO. Mr. President, I rise today to support the legislation known as the Senior Citizens Home Equity Protection Act. Now, that is legal jargon for saying that we have a real problem, one that is, on a daily basis, getting worse and worse, one that is exposing our most vulnerable homeowner population—our senior citizens—to very, very serious abuses.

Let me, if I might, just explain to you the problem without going through all of the intricacies of this legislation, which I might add is supported and cosponsored by approximately 25 of my colleagues. The bill's cosponsors are about equally divided, Republicans and Democrats, and include just about the entire Banking Committee.

Who are these people who are being scammed, who are being victimized? They are our parents, our grandparents, our senior citizens. They are elderly homeowners in America who are being induced by some people who masquerade as estate planners. This is not an attack on estate planners. This is not an attack on those financial consultants who give people advice. This is an attempt to stop thieves, con artists and swindlers, masquerading as helpers to the elderly, but who are nothing more than rip-off artists.

What do they do? Congress, through HUD, has initiated a program of reverse mortgages whereby many seniors who are cash poor and who have equity in their homes, people who have paid off their homes, and find themselves without the ability to pay their taxes, to keep up their home, or to take care of their daily needs, people have utilized reverse mortgages whereby they can go to the bank. They might have $100,000 value in their home and may receive a $50,000 mortgage which they may take out on a monthly basis or they may take out the entire amount and thereby budget for themselves their needs.

Now who is a typical borrower of this reverse mortgage plan? What is the profile? They are 76 years old. They are with less means than a typical elderly home owner. Their annual income is $10,400 per annum. One-quarter of them have incomes of less than $7,700. Mr. President, 78 percent of the total income that they have comes from Social Security.

What do the scam artists do? Today, because of the availability of so much credit information and information with respect to the lives of every citizen, they solicit those people who are elderly, who own their own home. Many of them are living alone. Sixty percent of these people that use the HUD reverse mortgage program need to use it because they do not want to be forced to sell their homes and leave their communities. That is where their friends and neighbors and relatives live. Sixty percent are females living alone, 12 percent are males living alone. So, fully over 70 percent are elderly who are living alone.

So they get a profile on these people and they literally go door-to-door and say, "We are in the business of financial consulting. If you would like, we could help you obtain a mortgage, a reverse mortgage, one you do not have to pay back. Only when you eventually sell your home or if you pass away, will the proceeds come due, and we can get you $50,000 or $60,000 or $70,000." For this advice, they often charge these people 10 percent of the mortgage loan amount. Most times they never tell them that there will be any kind of a fee, nor do they advise them that this information is available free, or that HUD will make this available, or send them the information.

So literally, because they know of this program, they are able to go out and take as much as 10 percent for a $50,000 mortgage for information that is available at no cost, and literally do nothing but relieve the people of their money.

Here is, Mr. President, an advertisement. They are not happy just going door-to-door or by telemarketing themselves. They are now franchising, franchising, this kind of thievery. Here is an advertisement called "America's Trust, Inc.—Tap into a totally new market of opportunity. Duplicate the system that allowed us to expand by 400 percent in 60 days." It goes on to say if you want to become one of our door-to-door solicitors or one of our telemarketers, why, you can earn a 3-percent commission, and, by the way, you can do literally dozens of these referrals on a weekly basis and we will

give to you a 3-percent commission, because they give them 3 percent and they keep 7 percent. And this poor homeowner is paying money for a service that virtually gives them nothing, but just refers them to a Government program. That is wrong.

Mr. President, that is why we are seeking to pass this legislation that would stop unscrupulous high-pressure middle men from preying on elderly homeowners by exploiting the reverse mortgage program.

I have explained to you what the problem is. The bill will put an immediate stop to the practice of predators taking advantage of senior citizens. HUD's Federal Housing Administration Conversion Mortgage Program, known as HECM, is a reverse mortgage program. It allows seniors age 62 and older to borrow against the equity in their homes. It is a great program; it has assisted approximately 20,000 people. But, again, we find the masquerader coming and preying on the elderly. The average person is 76 years old and has an average income of $10,400. These homeowners are tracked down and enticed to apply for a reverse mortgage and conned into paying thousands of dollars for this service, which HUD provides for free. They are totally unregulated companies, often changing names and locations.

The following are true examples: One 75-year-old woman who resides in southern California read a brochure about reverse mortgages at a senior citizens center. She contacted the so-called information service, one of these scam artists, who met with her and referred her to a lender. The FHA-approved lender then handled the loan for her. She was surprised and shocked to learn that she now had to pay $5,200 to the so-called information service for that referral. That is just wrong.

Another elderly woman, also in California, was called by a telemarketer who persuaded her to apply for the HUD reverse mortgage program. This person called himself an estate planner. She paid the planner $5,500 just for the referral—no other services. She paid a 10-percent fee just for them saying, "Here, call HUD."

Here is another heartbreaking story. A 91-year-old California widow with cataracts was solicited for a reverse mortgage. While she originally refused, she said she was eventually worn down and agreed. Due to her cataracts, she was unable to read the mortgage documents, and nobody explained to her what she was signing, and she ended up paying a 10-percent fee. She states that she would not have applied for the mortgage had she known she would be paying a 10-percent fee.

This is what goes on and on and on. There are stories about people who are literally coerced, because of their age, to invest their mortgage proceeds in annuities they had no real reason to want or need. These practices must be stopped. This bill will provide HUD the ability to issue an immediate interim order, setting rules and regulations so that legitimate estate planners can continue, and those high-jinx artists who are abusing and defrauding—and actually franchising—what is left of senior citizens' assets will be precluded from doing so.

HUD—and I have spoken to Secretary Cuomo who, within an hour of the final passage of this legislation, will enact those rules and regulations that will prevent these scam artists from dealing with FHA-approved lenders. They will no longer be permitted to do that. The lender will be precluded from working with anyone who is receiving these types of commissions. Now, HUD has attempted to do this. The court system has said, no, you must follow proper rulemaking procedures. That is why we are here. That is why it is a situation of some exigency, because every day, every hour, we have more and more seniors who are potentially being victimized. So it is an urgent question of time.

Mr. D'AMATO. Mr. President, I ask unanimous consent that Senator MCCAIN and Senator DOMENICI be added as cosponsors to S. 562.

The PRESIDING OFFICER (Mr. SMITH of New Hampshire). Without objection, it is so ordered.

Mr. D'AMATO. Mr. President, I simply want to say that no one has worked harder in bringing this matter to light and sponsoring this legislation than Senator BRYAN. He has pointed out that there are 12 million elderly homeowners who own their homes free and clear, and what has taken place is that they have become targets of these people who masquerade as estate planners. There are tens of thousands of older homeowners who are house-rich but cash-poor and have successfully utilized this program. But we have to see to it that we keep these scam artists from moving in further. The success of the reverse mortgage program has opened the door to scam artists that are moving into our communities.

To date, fortunately, this has not become a situation that is widespread. Hopefully, we will be educating people by speaking to them today and telling them to watch out. But, more importantly, we should see to it that they have the protections afforded by this legislation. Let me also say that the State of Nevada has many senior citizens who are potential targets. Obviously, the Senator from Nevada is very concerned.

Mr. SARBANES. Mr. President, I strongly support the Senior Citizens Home Equity Protection Act and commend Chairman D'AMATO and Secretary Cuomo for identifying this problem and moving so quickly to develop a solution. The act will give HUD the tools it needs to put an end to the unethical practice of charging senior homeowners what has amounted to millions of dollars for information which HUD provides for free on the Home Equity Conversion Mortgage Program.

The Home Equity Conversion Mortgage Program enables seniors, who have built up equity in their home, to borrow that equity to meet medical costs, make repairs on their homes, or meet their daily living expenses. Working with participating lenders, FHA insures this loan, smoothing the way to complete the transaction. Homeowners receive payments from lenders on a monthly basis, in a lump sum, or as a line of credit. The size of the loan depends on the owner's age, the interest rate, and home's value, but the average size of the loan is $42,465. Lenders recover their loan plus interest from the sale of the home when the owner dies or moves. Typically, the seniors that use this program depend largely on social security, perhaps supplemented by a very modest pension. For them, this program provides an invaluable service.

The initial demonstration program was authorized in the 1987 Home and Community Development Act, which I supported. Many of the roughly 20,000 reverse mortgages made to date have been made to low- and moderate-income seniors who have been able to build up equity in their homes over the years but now live on fixed, restricted incomes. This program enables them to turn a valuable but nonliquid asset into cash payments to supplement their resources. Clearly this is an important program that contributes significantly to the quality of life for our senior citizens. It is unthinkable that this important Federal program and the people it is intended to serve are being exploited by certain estate planning agencies who charge seniors 6–10 percent off the top of this loan—which, on the average $42,000 loan, can amount to over $4,000. This is tantamount to taking away the equity that seniors worked so hard to put into their homes over the years. In fact, HUD reports that some of these operators pressure seniors into taking out their equity in lump sums, just so the estate planner can collect their fee up front. A little over 77 percent of householders age 65 and older are homeowners—or 15.7 million senior Americans. The companies involved in this practice claimed to have done close to a thousand of these deals and have the potential to do much more harm if this is not addressed.

As a Nation we have long encouraged and recognized the value of home ownership—the stability it creates in communities, the asset it becomes to the owner, and the security it provides over time. I have long supported programs that increase home ownership

among low- and moderate-income people, such as the Home Investment Partnership Program and affordable housing goals for Government sponsored enterprises, such as Fannie Mae. It is the low- and moderate-income senior homeowners to whom the reverse mortgage program is so important.

In Maryland, we are making a special effort to increase the home ownership rates in low-income communities because there is no better way to start climbing the ladder of economic opportunity. A few weeks ago, HouseBaltimore, a partnership between the city of Baltimore, the Baltimore Empowerment Zone, and Fannie Mae announced that they have increased the number of low- and moderate-income homeowners in the city of Baltimore by 6,000 over the last 3 years. Earlier this month, the city of Baltimore was awarded a home ownership zone grant of over $5 million. The zone will create 322 new home ownership opportunities, 242 newly constructed units, and 80 rehabilitated units. These so-called estate planners undermine these efforts by taking a portion of this valuable asset away from senior Americans.

Again, I want to thank Senator D'AMATO and my colleagues on the Banking Committee for their responsiveness and willingness to undertake this effort, enabling HUD to take swift action and stop this practice. We need to continue to ensure all of our citizens live in decent, safe homes.

Mr. President, one who has worked tirelessly in this matter has been Senator DODD. I yield the floor to my friend and colleague, Senator DODD.

The PRESIDING OFFICER. The Senator from Connecticut.

Mr. DODD. Mr. President, I thank my colleague from New York. Let me begin these brief remarks by commending our colleague, the chairman of the Banking and Housing Committee, Senator D'AMATO, for pushing this as effectively and expeditiously as he has. We know it is hard to get on the agenda here with all the other matters we have to consider. The fact that we are considering this legislation as quickly as we are is a credit to him and also to the leadership of the majority leader, Senator LOTT, and the Democratic leader, Senator DASCHLE. It is noncontroversial because all of our colleagues, I think, recognize what is being done to senior citizens.

Senator D'AMATO has rightfully pointed out the tremendous work done by RICHARD BRYAN, our colleague from Nevada, who has been deeply involved in this issue. Also, Andrew Cuomo, the Secretary of Housing and Urban Development and his staff have done an excellent job on this issue. He has worked hard to prevent scam artists from taking advantage of elderly Americans in these reverse mortgage opportunities. So many people can rightfully sit at the table and take credit for where we are today—about to pass critical legislation that will help our senior citizens.

Mr. President, everyone in this country needs a safe and secure place to live; that is a dream as old as the Republic. In recent years, the Department of Housing and Urban Development has developed a number of innovative programs that are helping many more Americans achieve the dream of home ownership. The National Home Ownership Strategy, a public-private partnership of 62 organizations, has helped to increase home ownership to a rate of 65.6 percent, Mr. President. That is the highest rate in 15 years. As an aside, I am very hopeful that we will continue to work on creative ideas, under the leadership of the chairman of the committee, and others, to increase home ownership in more of our disadvantaged areas. We have subsidized rents for years, and there has been real value in that, in providing decent shelter for people. I would like to see us do more to subsidize equity and ownership. Nothing does more to clean up a street or a neighborhood than people who have an equity interest or financial interest in what happens to the buildings on their block.

I know the chairman and others have expressed a strong interest in this. So maybe we can move even further than we already have, and increase home ownership rates even higher.

The bill we are considering today will help protect homeowners. It will protect senior citizens who have worked hard, struggled to save, and built decent homes for their families. Our senior citizens fought very hard to get their homes. These are people who didn't have the advantages of a lot of new opportunities that banks provide, and that HUD has provided, to get out and make those downpayments on that first home. These are our retired citizens now, who have fought to keep their homes, who held two, three, four jobs to do so, and paid off those mortgages. They are sitting there holding their home free and clear of any debt. And now, as a result of that, financial institutions very creatively are offering the reverse mortgage, which the chairman has talked about, and are saying you can borrow against that equity in order to take care of medical bills, groceries, or heating bills you may have, and other things that come up. It is a very creative idea to be able to reverse a mortgage, in effect, for things that people need.

But what happens, of course, when something like this comes along, there are always the thugs who try to take advantage of people. This is nothing new. They are always out there. They run around and go door to door, literally, Mr. President, where these elderly people live and rip them off, as the chairman pointed out passionately this morning. These are people who have worked hard and done everything right and live alone, in some cases, and their family may be removed and they don't get the kind of advice they should be getting. You can say "caveat emptor, buyer beware; you ought to do a better job." But it is difficult. They are frightened and scared, and some fast-talking salesman comes in with a quick deal and they don't know the difference.

As a result of the chairman's efforts this morning and the unanimous support that I think we are going to have from all of our colleagues here, we are going to slam the door on these scam artists—loan sharks is really what they are. That is simple terminology that most people can understand.

So I am very pleased, Mr. President, to join my colleague from New York, and others, this morning in urging the adoption of this legislation and urging the House, which I hope will move quickly on this, so that we can submit this bill to the President for signature. I know the President strongly supports our efforts here as well.

This is a good example of a Congress working together to take care of a problem that exists in the country. This legislation will provide our elderly citizens, our seniors, with the security of knowing that the reverse mortgage, which they are taking out for their needs, will not cost them more than it should. So I am delighted to be a cosponsor of this. I commend the chairman again, and others, for their work. I thank the Housing and Urban Development Agency, under the leadership of Andrew Cuomo, for being so supportive. I look forward to the passage of this bill, Mr. President.

I thank my colleague and I yield the floor.

Mr. D'AMATO. Mr. President, let me commend Senator DODD for his leadership in this and say to him that, No. 1, it is absolutely imperative that we see to it that our senior citizens are protected. If you stop and look at the numbers that I have indicated to you, 72 percent of all of these seniors live in their homes alone. For the most part, they are widows or widowers. What targets, what inviting targets they are. They are struggling to keep their homes, and these scam artists come along and say, "We have the way for you to do it." Well, there is a way provided by the reverse mortgage program, without being ripped off for $5,000 or $6,000. They are bandits. We are going to make this immoral, horrible practice now illegal. Technically, they have been able to get away with this. This legislation will give to Secretary Cuomo the ability to prevent this. He has said to us that, within 1 hour of Congress giving him that authority, he will exercise that authority. So that is the least we can do.

I ask that Senator HELMS be added as an original cosponsor.

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

Mr. D'AMATO. Let me say that Senator DODD has mentioned something that I think we can do, and that is we will attempt to do two things. First, where we have struggling communities that are working to upgrade themselves, we can and should be able to make the kind of investment that for not much in the way of dollars will lead to revitalization.

I have met with people in the community today from Riverhead, Long Island, where a self-help program is attempting to take some of the old homes, in many cases that have been abandoned, and upgrading them. They are doing this on their own initiative. They are doing this without any Federal funds.

It seems to me that through an enlightened program of revolving credit that we could provide a minimal amount of money—not tens of millions—but in some cases $100,000, or maybe something in the area of several hundreds of thousands of dollars, which communities could use in their own self-help programs to purchase distressed properties, coupled with low-rate mortgages for first-time home buyers. They want to be in a position where they can say to their communities, "Help us rehabilitate these distressed properties" and then provide young people the opportunity of homeownership that otherwise might not be available.

I am looking forward to working with Senator DODD in this area. Sometimes it is a small program in a community that can grow and develop a pride that can bring about increased support for homeownership in that community.

I am looking forward to working to do that. I think the potential is unlimited. We have an obligation to attempt to do that. We don't need big national organizations that sometimes become counterproductive. They are worried about their own image, and they have lost sight of how to help smaller communities help themselves as opposed to Big-Brother Government coming in and saying, "By the way, we can give them some of these tools."

So I share this with you because I was so impressed by Mrs. Stark, whose husband is the local supervisor in the Town of Riverhead, who said "This is what we are doing, Senator." I said, "You know, we should be part of this to try to provide that opportunity."

We are talking about an important subject, protecting the elderly. We have an obligation to see to it that we protect them, but also to give real opportunities to young families as well.

I look forward to working with my friend and colleague on this.

Mr. D'AMATO. Mr. President, I know of no one else in the majority who seeks to speak to this issue. We would yield back all of our time.

Mr. DODD. On behalf, Mr. President, of Senator SARBANES of this side, we yield back this time as well.

The PRESIDING OFFICER. The bill is before the Senate and open to amendment. If there be no amendment to be proposed, the question is on the engrossment and third reading of the resolution.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed as follows:

S. 562

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 "Senior Citizen Home Equity Protection Act".

SEC. 2. DISCLOSURE REQUIREMENTS; PROHIBITION OF FUNDING OF UNNECESSARY OR EXCESSIVE COSTS.

Section 255(d) of the National Housing Act (12 U.S.C. 1715z–20(d) is amended—

(1) in paragraph (2)—

(A) in subparagraph (B), by striking "and" at the end;

(B) by redesignating subparagraph (C) as subparagraph (D); and

(C) by inserting after subparagraph (B) the following:

"(C) has received full disclosure of all costs to the mortgagor for obtaining the mortgage, including any costs of estate planning, financial advice, or other related services; and";

(2) in paragraph (9)(F), by striking "and";

(3) in paragraph (10), by striking the period at the end and inserting "; and"; and

(4) by adding at the end the following:

"(11) have been made with such restrictions as the Secretary determines to be appropriate to ensure that the mortgagor does not fund any unnecessary or excessive costs for obtaining the mortgage, including any costs of estate planning, financial advice, or other related services.".

SEC. 3. IMPLEMENTATION.

(a) NOTICE.—The Secretary of Housing and Urban Development shall, by interim notice, implement the amendments made by section 2 in an expeditious manner, as determined by the Secretary. Such notice shall not be effective after the date of the effectiveness of the final regulations issued under subsection (b).

(b) REGULATIONS.—The Secretary shall, not later than the expiration of the 90-day period beginning on the date of the enactment of this Act, issue final regulations to implement the amendments made by section 2. Such regulations shall be issued only after notice and opportunity for public comment pursuant to the provisions of section 553 of title 5, United States Code (notwithstanding subsections (a)(2) and (b)(B) of such section).

SECTION 2

Mr. MACK. I would like to engage the chairman of the committee in a colloquy to further define the purpose of section 2 of the Senior Citizen Home Equity Protection Act. Section 2 would authorize new disclosure requirements by amending the existing eligibility requirements of HUD's home equity conversion mortgage [HECM] program. The National Housing Act would be amended to ensure that to be eligible for FHA insurance a home equity conversion mortgage shall have been executed by a mortgagor who has received full disclosure of all costs to the mortgagor for obtaining the mortgage, including any costs of estate planning, financial advice or other related services.

Is it correct that this section would authorize HUD to require HUD-approved housing counseling agencies and FHA-approved lenders offering the HECM program to ask potential borrowers a series of questions aimed at determining if they have been or are about to be charged unnecessary or excessive fees by a service provider?

Mr. D'AMATO. That is absolutely correct. Questions asked should include: has the prospective reverse mortgage recipient made or signed any agreement or contract authorizing any fees to a third party? Does the homeowner have the intention to or made any commitments to a third party to use the reverse mortgage proceeds to purchase any annuities, life insurance policies, or for other investment purposes? Has the homeowner been referred to the HUD-approved housing counseling agency or FHA-approved lender by a third party broker?

Mr. MACK. Is it also the intent of the legislation that any third party broker should be required to inform the homeowner of the availability of information and assistance regarding the HUD home equity conversion mortgage program at little or no cost from HUD, HUD-approved housing counseling agencies and FHA-approved lenders?

Mr. D'AMATO. Yes, that is the intention. S. 562 also includes a requirement for disclosure to the mortgagor of the costs of all services related to obtaining the HECM loan, including estate planning and financial advice. HUD should implement this disclosure requirement in a reasonable manner. HUD will not be required to mandate disclosure of the costs of services of persons such as attorneys or accountants who are in the business of giving professional advice. For fees not required to be included in the mortgagee's good faith estimate under the Real Estate Settlement Procedures Act, mortgagees should be permitted to rely on inquiries made to the mortgagors to determine if mortgagors have received the necessary disclosure of cost.

Mr. MACK. Would the Senator please describe the implementation requirements of S. 562?

Mr. D'AMATO. I would be pleased to do so. I believe the National Housing Act currently gives HUD the power to protect elderly homeowners seeking home equity conversion mortgage loans, including the authority to regulate or prohibit unnecessary or excessive fees that mortgagors pay to third parties for referrals to HECM lenders and related services. Due to the urgent need to protect elderly homeowners, S.

562 will require HUD initially to implement these provisions through an interim notice in the Federal Register. HUD will also be required to proceed with formal notice and comment rulemaking and issue a final rule within 90 days. If needed to meet the 90-day target, HUD may provide an abbreviated public comment period.

Mr. BRYAN. Mr. President, many of our senior citizens are once again being targeted by scam artists. This time, senior citizens are being charged excessive fees by so-called estate planners who provide information on reverse mortgages and charge 8 percent to 10 percent of the loan.

More than 12 million elderly homeowners own their homes free and clear of mortgages. This implies the availability of a potentially large market for home equity conversion programs. Reverse mortgages, one of the hottest financial products of the 1990's for seniors, allow homeowners to tap into the equity in their homes and use that equity as a source of income. They work much like traditional mortgages, only in reverse. Rather than making a payment to your lender each month, the lender pays the homeowner. Depending on the loan, a reverse mortgage becomes due with interest when the homeowner moves, sells the property, or dies.

The reverse mortgage program provides tens of thousands of older homeowners, who are "house-rich, but cash-poor," the opportunity to turn their home equity into spendable cash to deal with major financial setbacks such as home repairs, significant health costs, or basic living needs. Reports of abusive practices should not diminish the value of this product. Rather, we must find a way to protect senior homeowners from scam artists who prey on the vulnerabilities of elderly Americans.

Mr. President, senior citizens across the country are being charged scandalous fees for information that can be obtained free from HUD. According to HUD, many older Americans who sign contracts with estate planning services and are charged large fees are unaware that the same information is available from HUD at no cost. Generally, estate planners fees range from 6 to 10 percent of the loan amount. This translates into $3,000 to $5,000 for a $50,000 loan or $6,000 to $10,000 for a $100,000 loan.

Pauline and Jim Mitchell both 79 years old from Henderson, NV were forced to spend most of their savings when Pauline's mother—who was stricken with Alzheimers—moved in with the Mitchells for 7 years before she passed away last year. When the Mitchells were approached by a door-to-door salesman about obtaining a reverse mortgage to pay off expenses, they were extremely interested. What they did not know, however, was that it would cost them $4,500. It was not until they received their lump sum check of $31,000, did they realize that $4,500 had been taken out—in addition to the normal closing costs. That represents a 12 percent commission above and beyond closing costs—for a service they could get for free if they had contacted HUD or the lender directly. At most, they should have been charged a few hundred dollars referral fee—not $4,500.

Mickey Kimberlin and her husband James from Las Vegas were charged $4,000 for information about a reverse mortgage. The Kimberlins were interested in obtaining a reverse mortgage to help pay for mounting family medical bills. When they were contacted by a representative of America's Trust Inc. of San Juan Capistrano in California, they did not realize they would be charged 8.5 percent of the loan.

The Senior Citizen Home Equity Protection Act will protect senior citizens receiving a HUD home equity conversion mortgage from further exploitation by these predator lenders. Our legislation will no longer allow scam artists to hide outrageous reverse mortgage fees. Full disclosure of the costs and the ability of HUD to prevent excessive fees are important and necessary steps to take to protect senior citizens seeking reverse mortgages.

Mr. President, I urge my colleagues to join me in supporting this important legislation to protect our Nation's senior citizens.

Mr. GRAMS. Mr. President, I rise today in support of the Senior Citizens Home Equity Protection Act. This bill will help protect low-income seniors from being gouged by people who are charging them massive and unnecessary referral fees when they receive a reverse mortgage through the Federal Home Equity Conversion Mortgage Insurance Demonstration Program.

The Home Equity Conversion Mortgage Insurance Demonstration Program is a Federal program to benefit low- to moderate-income seniors that was authorized by section 417 of the Housing and Community Development Act of 1987.

HECM provides an FHA guarantee for a special type of home equity loan for homeowners who are 62 years of age or older. HECM permits a senior citizen to borrow against the equity of his or her home. The senior receives cash through a reverse mortgage by either: First, a lump sum payment, second, a lifetime guaranteed monthly payment, third, a line of credit, or fourth a combination of monthly payment and line of credit. The HECM loan is repaid after the senior citizen passes away by his or her estate.

Since the program's inception, approximately 20,000 loans have been closed. HECM is a good program, because it permits low-income seniors who are homeowners to be able to conveniently tap into their home equity. The median age of the participants is 76 years old and the median income level is approximately $10,000 a year.

Unfortunately, a few companies are calling up seniors to let them know about the availability of HECM and then charging them a referral fee of 8 to 10 percent of the total loan. This is a scam, as the senior could contact a lender or HUD directly and not have to pay such a fee.

The Senior Citizens Home Equity Protection Act responds to this problem. This bill amends section 255 of the National Housing Act to permit HUD, which manages this Federal program, to define and prohibit excessive referral fees for the HECM program.

I am proud to be a cosponsor of this bill, and I commend Senator D'AMATO for bringing this bill before us today.

Mr. President, I yield the floor.

Ms. MOSELEY-BRAUN. Mr. President, I am an original cosponsor of the Senior Citizen Home Equity Protection Act because I do not believe we can sit idly by while senior citizens are charged excessive and unnecessary fees for seeking to access the equity in their homes. It is an unconscionable practice.

The Senior Citizen Home Equity Protection Act provides basic consumer protections for working people in their senior years who want to obtain a reverse mortgage so that they may live with a level of economic security. Reverse mortgages benefit people who have worked their entire lives, have managed to buy their own homes, but who do not have much extra income to live on after they retire.

Under a reverse mortgage, the owner of the home gives a lender a mortgage on the home. The homeowner receives either a lump sum of money or monthly payments in return. The funds do not have to be repaid until the home is sold or the homeowner dies. The FHA's Home Equity Conversion Mortgage Program guarantees these reverse mortgages.

This is a good program for some seniors and one which the Government supports. Unfortunately, there are some who are taking advantage of seniors and charging them excessive fees to complete the reverse mortgage transactions, including fees of up to 10 percent of the loan amount. The way these scams work is that mortgagors will offer to serve as financial advisors to senior citizens and then charge them exorbitant fees for providing the seniors with public information about the HUD reverse mortgage program.

Those seeking a reverse mortgage generally do not have much income to spare. The average borrower is 76 years old and has an annual income of $10,400. Charging a $10,000 fee for a $100,000 reverse mortgage, as is done, is highway robbery.

The Senior Citizen Home Equity Protection Act is not complicated legislation. There are only two provisions.

The first provision requires that the senior has received "full disclosure of all costs to the mortgagor for obtaining the mortgage, including any costs of estate planning, financial advice, or other related services." This will provide seniors with the information they need to make sound judgments concerning the value of the services they are receiving.

The second provision provides that the HUD secretary has the authority to impose restrictions to ensure that a lender does not charge excessive, or unwarranted costs to the borrower for providing a reverse mortgage. This is a basic protection that allows HUD to police the bad actors who are ruining reverse mortgages as an option for too many seniors.

HUD tried to address the problem, but a court ruled that the department had to go through its normal procedure to issue a rule governing fees charged by the advisers. Formal rulemaking can take as long as 6 or 7 months. We do not have 6 or 7 months. Every day seniors face the prospect of losing part of the equity in their homes because these scams are allowed to continue. This legislation will put an end to the scams.

I thank Senator D'AMATO for introducing this bill, I am proud to be an original cosponsor, and I urge all my colleagues to join me in supporting the Senior Home Equity Protection Act so that we can quickly enact this simple but crucial legislation.

Mr. FAIRCLOTH. Mr. President, I felt compelled to speak today on behalf of S. 562 which I support as a cosponsor. It is a good bill and apparently long overdue. This legislation provides protections to homeowners who are receiving reverse mortgages by ensuring that there are no unnecessary or excessive costs charged for obtaining the mortgage.

I state that this bill is apparently overdue because of the horrendous stories we have heard about the elderly being charged outrageous fees simply to find out information about the reverse mortgage program. Because the reverse mortgage program is only available to individuals over 62 years of age, these so-called scam artists are preying on older citizens who typically are cash-poor and in need of additional dollars, sometimes for health care costs or home improvements.

A reverse mortgage is a loan that works backwards. It is beneficial for those who are house-rich but cash-poor. Instead of receiving a lump-sum amount that must be repaid in monthly installments, the homeowner gets to borrow money based on the equity in his home and nothing has to be repaid until the owner moves or dies. When the home is sold, the loan, along with the accrued interest, is repaid from the proceeds.

Some of the estate planning companies who provide information on the reverse mortgage have been charging referral fees of up to 10 percent of the amount of the loan that is eventually taken out by the individual. The exorbitant fees being charged are outrageous. These companies have been preying on our country's older citizens, and this practice must be stopped.

Just a few weeks ago, the Secretary of HUD, Andrew Cuomo, attempting to halt these practices, issued a departmental directive preventing lenders who insure loans through the FHA from dealing with the referral companies. However, just 10 days after the announcement of HUD's directive, a Federal judge here in Washington set the directive aside awaiting further hearing. While some of the mortgage originators have indicated that they have stopped dealing with the estate planning firms by their own initiative, many of us in the Senate want better safeguards.

Senate bill 562 ensures that the practice of charging exorbitant fees in the reverse mortgage program are halted by doing two things. One, the bill requires that all fees and costs associated with the reverse mortgage program be disclosed to the homeowner. Two, the bill gives authority to the Secretary of HUD to ensure that the homeowner does not pay any unnecessary or excessive costs for obtaining the mortgage. This would include any costs of estate planning, financial advice, or other related services. S. 562 does not set prices or products in the reverse mortgage program, it only acts as a safeguard from excessive costs.

I am proud to say that my State is home to the largest servicer of the FHA reverse mortgage. Wendover Funding, a Greensboro based mortgage banker, is the Nation's largest wholesale lender and administrator of these loans. Wendover currently services more than 11,500 reverse mortgages, representing approximately 60 percent of the market. Of these, Wendover has funded more than 400 loans to seniors in North Carolina.

Many believe that FHA's involvement provided much-needed consumer protection to the reverse-mortgage industry. Lenders who make FHA-backed loans have to abide by strict rules on rates and set-up fees and can't charge any hidden fees to make extra money. Unfortunately, some of the estate planning companies who refer the borrowers to the FHA lenders have not had the same restrictions put upon them.

The several unscrupulous companies that have scammed thousands of unnecessary and exorbitant fees from elderly citizens have forced this Congress to act. The protections placed in S. 562 will ensure that senior citizens are no longer taken advantage of when they are looking at this new source of income. Our grandparents, as they face longer years of needed income and want to stay in their homes, will be able to do so and still be protected.

Thank you Mr. President. I urge my colleagues support.

Mr. JOHNSON. Mr. President, I rise today to express my strong support for the Senior Citizen Home Equity Protection Act introduced by Senator D'AMATO, and to thank Chairman D'AMATO for moving so quickly in response to the needs of the Department of Housing and Urban Development in efforts to crack down on the exploitation of our vulnerable low-income senior citizens.

The Senior Citizen Home Equity Protection Act will assure that a homeowner pursuing a HUD home equity conversion mortgage, or reverse mortgage, is not charged unnecessary or excessive costs for obtaining that mortgage. The median age of reverse mortgage applicants is 76 years. Most of these borrowers are very low income, Social Security dependents, typically seeking additional funds for basic needs and medical expenses. Information on the program and the application process is provided by HUD free of charge. Yet, some businesses have been convincing seniors of services and counseling required before reverse mortgages can be secured. Many of these middlemen charge up to 10 percent for services that seniors do not realize are unnecessary.

S. 462 clarifies HUD's authority to appropriately restrict unnecessary or excessive costs related to the origination of a reverse mortgage. I believe it necessary to grant this regulatory authority to end fraudulent business activity so that legitimate business interests can be protected and the loan program can remain a viable alternative for seniors to turn to in the financial marketplace.

My State of South Dakota recently remedied State law to allow for participation in HUD's reverse mortgage program, at the urging of the South Dakota AARP and the South Dakota Bankers Association. While we have been fortunate not to have felt the impact of these deceitful businesses in South Dakota, I am a strong supporter of this legislation to prevent the spread to my State, now that seniors can pursue these reverse mortgages.

Senator D'AMATO worked closely with HUD Secretary Cuomo to ensure that seniors can be protected while the viability of the loan program remains intact, and I urge my colleagues to support the Senior Citizen Home Equity Protection Act.

Mr. D'AMATO. Mr. President, I know of no one else in the majority who seeks to speak to this issue. We would yield back all of our time.

Mr. DODD. On behalf, Mr. President, of Senator SARBANES of this side, we yield back this time as well.

Mr. D'AMATO. Mr. President, I move to reconsider the vote by which the bill was passed.

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

The motion to lay on the table was agreed to.

MORNING BUSINESS

The PRESIDING OFFICER. The Senate, under a previous order, will proceed to morning business with Senators permitted to speak for 5 minutes each, with the following exceptions: Senator SMITH of Oregon for 30 minutes, Senator DORGAN for 30 minutes, Senator DASCHLE, or his designee, for 30 minutes, and Senator WELLSTONE for 10 minutes.

Mr. D'AMATO addressed the Chair.

The PRESIDING OFFICER. The Senator from New York is recognized.

BREAST CANCER RESEARCH

Mr. D'AMATO. Mr. President, let me speak, if I might, to an issue of critical national importance—an issue that has plagued the people of the State of New York, most particularly those in Long Island. I am talking about Nassau and Suffolk County, the communities of Long Island. A major county is described legally as a county that has more than 250,000 women, for the purposes of compiling these statistics. And they are dreadful statistics because we are talking about the incidence of breast cancer. Long Island has had an unenviable position of being ranked No. 1 in the incidence rates of breast cancer in years gone by.

It is incredible. As a result, the National Institutes of Health has undertaken a very comprehensive study, one of the first of its kind, which says we will look to see what environmental factors may be contributing to these high rates of breast cancer. They are undertaking that study. Some $5 million has been allocated. Mr. President, that $5 million is not enough, even though it is among the most sophisticated studies being undertaken.

Recently, some very real questions have arisen as it relates to what impact there may be as it relates to radioactive materials, radio nuclides, and other materials that may have gained entry into the groundwater system, or that may, as a result of being dispersed in the air, some of these radioactive materials out in Brookhaven, Long Island. What impact has this had, if any?

Indeed, it seems to me, if we were to spend $5 million, that is not an inconsequential sum. But one of the most comprehensive studies undertaken—this is a study that will take over 5 years; not to complete this study, addressing all concerns, as it relates to the high rate of breast cancer on Long Island, would be wrong. The scientific community will not have completed its chore. And part of that is to be able to say to the public we have examined the situation.

Brookhaven National Lab—and it seems we may have an additional responsibility—has been run under the aegis of the Department of Energy. May I say here and now that it has been run abysmally as it relates to the impact of its operation on the community.

Over the years, there has been a litany of abuses of burying of waste materials, hazardous waste, of creating almost a dump site of indifference to the operation of this lab where, indeed, the water tables have been impacted and have actually had radioactive materials—tritium—discharged; and the reports of leaks, and the reports of these discharges have been systematically withheld from the public. The lab has operated with an indifference to public health—"The public be damned" attitude. I commend the Assistant Secretary for Energy, who has come in to look at what can be done to straighten this fiasco out. The scientists have been more concerned with the success of their project than they have in terms of what the operational impact is. You would think some of the world's leading scientists would know that to even pose a threat to contaminate the drinking water, the drinking supply system, is just unconscionable. Yet they have been there with total indifference.

So I mention this because there is a real reason why that study should be expanded. The NIH has done an outstanding job with the funds available. They have not had sufficient funds.

That is why it was last Wednesday I spoke to Senator STEVENS, chairman of the Appropriations Committee. We are going to be undertaking a supplemental appropriations on this floor.

By gosh, let me tell you when we have disasters, we should take care of them. This is a disaster. We should see to it that there are the necessary funds. Not only on Long Island, but we have another facility in Seneca, NY. It is a small community with an incredibly high incidence of breast cancer.

Why do I mention Seneca? There is very direct Government responsibility because we operated a huge storage depot there for all kinds of materials, such as atomic, et cetera. Some of them are still classified and are stored there. It has one of the highest rates of breast cancer in the Nation. They should be included. The people of that community should have a comprehensive study.

I have requested of Senator STEVENS consideration that we increase the NIH funding. We are not talking hundreds of millions. But we are asking, and I have asked him. Hopefully they will include some $15 million so that Long Island's study can be brought to a successful conclusion so that they can monitor the operation as it relates to whether radioactive materials have had any impact on the groundwater and in the incidence of breast cancer and to the health of Long Island.

So whether it be Seneca, or whether it be my colleagues who seek funding from other parts of the country, California, New Jersey, or wherever it might be, the State of Florida, where people would come and say, "We want to know. Are there environmental factors that are contributing to the higher rates?" We should be doing this.

I want to commend Senator STEVENS for his looking at this. I hope that we will all be supportive.

So it is not a question of us appropriating money just so that we can do this for Long Island. I am concerned about that, and Seneca in upstate New York, but, indeed, the people of this Nation.

I can't think of a better allocation of resources than to use this to ascertain with definitiveness with the best science available so the communities can raise their children with a piece of mind that there are hazards that can be avoided and are identified.

I just leave you with one chilling statistic as it relates to the 3 million people who live in Nassau County and Suffolk County. More than half of them are women. Women who live on Long Island for more than 40 years are 70 percent more likely to come down with breast cancer than a woman of comparable age, et cetera, and background who lives there for 20 years. Why? That is why there are so many of us who think there are some very real environmental factors that must be considered.

So I hope that all of my colleagues could support this increase of $15 million, which is a very modest sum, to expand the NIH; and, yes, to earmark for breast cancer research to ascertain what impact the environment may have in causing the higher incidence.

I thank the Chair. I thank my colleagues for being so generous in permitting me the opportunity of making this presentation in morning business.

I yield the floor.

Mr. DORGAN addressed the Chair.

The PRESIDING OFFICER. The Senator from North Dakota.

PRIVILEGE OF THE FLOOR

Mr. DORGAN. Mr. President, I ask unanimous consent that Andrea Nygren, a fellow of my office, have privilege of the floor during this session.

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

DISASTERS IN NORTH DAKOTA

Mr. DORGAN. Mr. President, I just returned from my home State of North Dakota. And I know my colleague has spoken as well about the challenges that we are facing in North Dakota and in our region as a result of the disasters that have occurred. I wanted to

visit with my colleagues and explain to those who watch these proceedings what is happening in this State, and in this region.

North Dakota, as everyone knows who has watched the news in the last couple of weeks, has been dealt about as tough a blow as you can deal a State or region with a series of tough storms, floods, and fires.

It is normally, for those who visit and especially those of us who live there, a State blessed with enormous beauty and with sturdy, determined, and wonderful people. But for much of the past 6 months our State has been hit with some of the worst weather known to man. We have been hit with five to seven major blizzards, and additional minor blizzards, during this winter.

This photograph is of a farmer in North Dakota who stands on flat ground. But as you can see, the snowdrift is somewhere around 15 to 18 feet high on his farm. He sent me the picture just to demonstrate what kind of snow has come to his farm, and what these blizzards and winds have done to him. These nine blizzards that we have seen have dropped 3 years' worth of snow in North Dakota, and in 3 months. Anyone who knows about North Dakota winters knows that we have some pretty difficult days in the winter from time to time.

But when you give us 3 years' worth of snow, over 10 feet of snow in a several-month period, that is an enormous quantity of moisture, and if that was not bad enough, that 3 years' worth of snow this winter arrived after 4 straight years of rainfall that was far above normal. So that snow fell on a ground that was already saturated. So when the spring thaw came, there was nowhere for melting snow to go.

Most Americans have now seen on the front pages of their newspapers and on their television sets and heard on radio news programs the result of all this. Today I want to report to you on some of the things that you may not have seen.

This is an aerial view of Harwood, ND. This is just a few miles north of Fargo, ND. This is land that is in the Red River Valley, some of the most fertile land in our entire country. It is flat as a table top. There is not a hill that you can see anywhere. And you can see what has happened. This city of Harwood, incidentally, is one of the only cities that built a little ring dike and you can see that this city is dry. It is a very small community but the flood is all around it. It gives you some dimension of this flood. I have flown over the flood about three or four times in the last week or so and all you see are miles and miles and miles of water. And you cannot see any evidence of a river. The tiny river, which is the Red River, normally not very substantial at all, has now become a 200-mile lake.

I want to talk to you about the scope of the disaster. There isn't anything that I have seen, and I have seen a fair number of disasters, both in North Dakota and around the country, that compares with it. It is deeper, it is wider and it is longer reaching with longer-term implications than any I have ever seen, and it touches almost everybody and everything. The people who keep statistics on these things tell me that about 20 percent of North Dakotans have been severely affected by this ongoing disaster. The damage to property alone will likely exceed $1 billion and probably run into the several billions of dollars if you include all of the other ancillary problems that will result from this including preventing planting for agricultural crops and more.

Property damage is just one part of the story, and one of the reasons I have come to the Senate Chamber today is to say that even though we have lost a staggering amount of property in these floods, much more than property has been and is being destroyed. This is a challenge to our State and our region's economy that is unlike any other challenge I have ever seen.

It is really a significant blow to an economy of a region in our country. The disaster is, of course, in our cities but it is also on our farms. You have seen the pictures of the cities and you perhaps know that Grand Forks, ND, the second-largest city with 50,000 people, is now virtually a ghost town.

Two days ago, in the City of Grand Forks—and this picture, by the way, is a picture of one of the bridges. None of the bridges are usable in Grand Forks. All of the bridges are closed and most of them are underwater. This is just before this bridge went underwater. But you will see the Red River inundates all of the buildings on all sides of the river.

Two days ago I was in a boat on the main street of Grand Forks, ND, with the water, I would guess, up to a person's neck. I was not out standing in it. I was in a Coast Guard boat. We ran over a car, as a matter of fact, ran over the top of a car and did not know what we hit. We knew we hit something with this Coast Guard boat, and we looked back and saw there was an antenna, a radio antenna of a car sticking out of the water about 2 inches. That is how we knew we hit a car in this boat. Cars are under the water, submerged under the water on the main street of this town. And it demonstrates what this town faces. It is a community of 50,000 people where there is no water, no sewer system, and no electricity in most of the town. Virtually all of the people were evacuated during this flood.

So when you go through this community, you discover a town of 50,000 people with no one home and most of the houses and businesses submerged or with water up to their windows, in some cases up to the eves troughs. Most people have seen pictures of the destruction of this city. And it is only one city, as you know.

We have seen the destruction of the downtown area of Grand Forks, with a fire in the buildings which destroyed nearly a city block. This is a picture of the firemen in Grand Forks who were fighting the fire in waist-deep floods. I talked to the fire chief and to some firemen and almost nowhere will firefighters be confronted with standing in ice-cold water, water up to their waist and their chest, water filled with sewage, water filled with fuel, standing their trying to fight a fire, incidentally, without water in their fire hoses. Some of these valiant firefighters were trying to fight a fire that was destroying an entire city block with fire extinguishers because that was all the tools they had at their disposal.

Well, you have seen the pictures of what occurred in downtown Grand Forks. That is only part of the story. The other part of the story is a picture of North Dakota farms. This is a picture of a North Dakota farm and, of course, it looks like a picture of the Great Lakes. There is, indeed, a barn and a silo, but all of the rest of what is farmland now appears for all other purposes like a lake because it is all underwater.

We have a substantial disaster on our farms. During all of these massive blizzards and the flooding, farmers and ranchers in North Dakota alone have lost over 150,000 head of cattle—150,000 head of livestock dead from these storms.

By itself, that would categorize this winter as a pretty tough winter, but there is much more. The damage to farm buildings, farm homes, barns, and granaries from the most recent blizzard alone is estimated to be about $21 million, according to early estimates.

As you know, about 2½ to 3 weeks ago, just as the spring thaw began to occur and just as calving season began in North Dakota on our farms and ranches, we were hit with a blizzard that dumped up to 20 and in some cases 24 inches of snow on our State, with 50 and 60 mile an hour winds and another whiteout blizzard where people could not see. Of course, now all of that is beginning to melt and it has caused, along with all of the other moisture, the catastrophic flooding in our State.

This is another picture of what is farmland, probably land on which either wheat or sugar beets or potatoes are grown in the Red River Valley. Now, we are at a time of the year when people should be in the fields with tractors and seeders, planting. Instead, their fields are flooded. We have 1.7 million acres under water at this point and much of those 1.7 million acres of flooded farmland will probably not be planted this year at all. That is a very

difficult blow to our agricultural economy.

Where oceans of wheat would wave in the wind, we now have oceans of water this spring in the Red River Valley. And when the water does recede, it is still going to take weeks to get into those fields. It is going to be touch and go as to whether much of them will be planted this year.

Those are some statistics and images of the disaster with respect to dead cattle, inundated farm land, ravaged cities.

Much of the disaster is also taking place in our small towns. Towns like Pembina and Drayton, and Harwood and scores like them in North Dakota, all have had to fight these floods in 1997. In fact, in Pembina and Drayton right now as I speak the crest is just beginning. Up in the Pembina area, they are fighting like the devil to try to save their homes. They have been evacuated. They have had to abandon most of the sandbag lines, and it appears that this entire city will have to be completely evacuated, and whatever the flood does to Pembina it does to Pembina. All of us are hoping and praying that that small community is able to get through this, but because of the evacuation we will not know what the fate of Pembina, ND, is until the water is gone.

There is a meeting this weekend that President Clinton is hosting with President Ford and President Bush and Colin Powell and others on the issue of voluntarism. That meeting could probably learn a lot from the last several weeks in North Dakota. The general who heads the Corps of Engineers told me that up and down the Red River Valley, in Wahpeton, Breckenridge, Fargo-Moorhead, and on, he said he has never seen a more aggressive flood fight by people than he has in the Red River Valley this year. Thousands and thousands of people have decided to volunteer their time to be on sandbag lines and to do all of the things that are necessary to help build dikes and try to fight this flood. So what I want to do is talk a little about the people in North Dakota as well, and some of the real heroes in our State that we do not hear quite as much about.

I have described a little about all of these volunteers. I want to talk a little about some of them as well.

I spoke in this Chamber one day some while ago after we had another one of those whiteout blizzards in North Dakota, the kind that came raging in and no one could see their hand in front of their face. That is called a whiteout blizzard, the wind blowing 50 miles an hour and snowing. You cannot see a thing. It is dangerous and takes lives and kills livestock.

I told them about a fellow named Don Halvorson, who is a farmer near Grafton, ND, and a woman named Jan Novak, who was going home from work at 10 in the evening. She drove into this whiteout blizzard outside of Grafton, ND, could not see, and pulled off the road and became stuck. There she was at 10 or 11 at night in a desperate blizzard, temperatures were way below zero with massive winds. And she told me that she prayed and prayed and she worried very much that she may not survive this.

The county sheriff got a call from Jan Novak's husband who said that his wife had not returned home and he was very worried about her being lost in the blizzard. The county sheriff began a search with members of law enforcement and they discovered that they could not search because they could not see anything either. They could not be on the roads because there was no visibility. They began to call the farms up and down the line where she might have driven, and they called a farm that was operated by Don Halvorson and his wife. Don was in bed; it was 3 a.m. They woke him up and asked him if he had seen Jan Novak. He did not know her, of course. But they said she was out in this blizzard and had not been heard from. And he, of course, said, no, he had not seen her, and he went back to bed.

He told me that he laid there but could not sleep, and so at 3:30 a.m. he got back up. He bundled himself up, went out in this whiteout blizzard, got on his tractor that had a cab over it. And in his tractor without visibility beyond his front wheels he went up and down the roads looking for Jan Novak, for 3 hours. And at 6:30 in the morning Jan Novak said she thought at that point she may not get out of this. And her head was bowed and she was praying in her car in the middle of this raging blizzard, and this Don Halvorson drove up in his tractor. She saw the tractor and this fellow who did not know her but could not sleep at 3:30 in the morning because someone was out there, rescued her, saved her life. And she said if you ever think prayers don't matter, when I saw this fellow I didn't know driving this tractor, risking his life in this blizzard to save mine, I now understand about the power of prayer.

You do not hear so much about heroes these days, I suppose, but people like Don Halvorson really deserve to be mentioned because they do things for each other that save lives and make life better. And the only way you can really survive in these tough times is to have people like Don Halvorson and Jan Novak and others who care about each other.

Another hero is Jeff Differdin. He is a Valley City snow plow operator. During the blizzard just 3 weeks ago, Jeff drove his snow plow up and down interstate 94—the interstate had long been closed; nobody could see anything—searching for a car that had been stranded for more than 6 hours. They were worried about the safety of the people in that car.

The visibility was so poor, he learned later that he once had driven within 8 feet of that car but couldn't see it in a whiteout blizzard. He kept looking, kept looking, risked his life and finally found that car and saved all of the occupants.

I was in Mandan, ND, and met the fellows who went out and saved a little boy in the middle of a raging blizzard, with a snowbank 15 feet high over a road. A little boy was suffering a severe and acute medical problem and would have died from it had he not gotten to a hospital, except the problem was he was miles and miles and miles away from the hospital. And between him and the hospital, in a whiteout blizzard, was a 15-foot snowdrift. Two ambulance crews and two road crews of volunteers went looking for that boy. They plowed through from both sides of this 15-foot drift and got him out and got him to a hospital and saved his life. I talked about those folks a while ago on the floor of the Senate as well.

I would also like to talk just for a moment about the 27 members of the Grand Forks Fire Department. I mean, they are real-life, big-size heroes of the last few weeks. That blaze that raged through downtown Grand Forks Saturday and Sunday, a lot of people don't know—they know they fought a blaze, this fire department, under heroic conditions. A lot of people do not know, in those buildings, in the downtown that was destroyed—and here is a picture of the firemen, you can see, fighting the fire in water up to their waists, sewage-infested water, ice cold water. An entire city block burned. I saw that block the other day from a boat, sitting right in front of it. It looks like the pictures of Dresden in World War II. These firemen saved the lives of 20 people, pulled them out of those buildings and fought that fire for 16 hours in contaminated, freezing water, so cold it was causing hypothermia.

They did not have, as some fire departments do, waterproof hip-waders. That is not what they were standing in that water in. They did not have, necessarily, all the right equipment. And they did not have water to fight the fire with. One of those young firemen said to me, "You know, normally water is our ally. When we see a fire, as firefighters, we know what we are going to do. Water is our ally. We were standing in waist deep water and had no water to use." So they improvised. A portable water gun was brought in and mounted on a nearby parking garage, and they fought it with that for a while and with their fire extinguishers. They had to hook up the water gun, groping around in the dark to find a fire hydrant. They plugged it in, and then the water main failed, so they fought the fire with fire extinguishers.

Then they got big crash trucks in from the Grand Forks airport and from the Grand Forks Air Force Base on a

flatbed trailer. It was raised up so they could bring it in through the water. One of the Grand Forks Fire Department's own pumper trucks was brought in, hauled by a 5-ton National Guard truck. At that point the firefighters finally began to make some headway, after an entire block of downtown Grand Forks was destroyed.

These folks fought that fire as beams were falling and bricks were falling and crashing into the surging flood water that was raging around them. This flood water that they are in, I must tell you, the current is so incredibly strong that when they go down an intersection and face the current, they have to crab a boat deeply into the intersection, just to get across the intersection. That describes the current, and these folks were standing in that current fighting this fire. Even as they fought this fire by getting some helicopters to come in and dump some fire retardant chemicals on those burning buildings, those firefighters were still there, underneath those helicopters, fighting that fire.

I cannot think of a more difficult set of circumstances in which someone would ever have to fight a fire, but they did, for 16 hours. They limited the loss. Yes, they lost a city block and they lost some other buildings and they have had to fight other fires since, home fires in a city of 50,000 where no one lives and where homes had to be evacuated.

The Grand Forks Fire Chief, Richard Aulich, and 27 members of his department, are people, I think, who an entire nation would say represent the finest in public service and heroism.

The more than 100 workers from the Corps of Engineers, public servants, Federal employees—more than 100 workers from the Corps of Engineers were waging flood fights in 80 locations up and down the Red River Valley.

There were also 11 people in the basement of a building in Grand Forks who kept a telephone service working, a building that was flooded like the rest of town. These 11 people stayed in that building 5 days to keep telephone service working. It was critical for public safety. They are heroes, employees of U.S. West, who kept telephone service for the FAA, for FEMA, for all the emergency workers. They kept it up and operating during that entire flood.

In Fargo, ND, in the middle of the night, Sylvia Hove's son-in-law discovered that the dike in her backyard was leaking and he put in a call to the police department. He flagged down, actually, Fargo Police Officer Lt. John Sanderson, and then Lt. Sanderson radioed for help. At 4 in the morning, Sgt. Wayne Jorgenson and a number others showed up. They had just completed working an exhausting shift. But rather than going home, they rushed to Mrs. Hove's home and they sandbagged furiously at 4:30 in the morning on this ruptured dike and prevented the dike from breaking. Eventually that dike broke and Sylvia lost her home. I know Sylvia Hove. They fought a valiant fight. The point is, at 4:30 in the morning when a leak developed, they put out a call and police officers just finishing their shift rushed to that scene to help sandbag.

There are legions of heroes in North Dakota, fighting this battle even today, whose names we will not know and I cannot give here because they are ordinary people who, in extraordinary times, demonstrated uncommon courage.

I want to mention the men and women at the Grand Forks Air Force Base. I have talked about how much a part they are of the community in Grand Forks. There is no better example of that than what they have done. I was at the Air Force base where they have three hangars where evacuees from the city are living on cots, 1,000 people in each hangar. But more than that, the people who live on the Air Force base have actually gone to the hangers and said, "Come live in our homes," and taken people into their homes. The day before yesterday there was a farmer and his wife from Thompson, ND, 15 miles away, who were standing outside of the hangar. They said, we have come because we know there are evacuees. We have taken one family in and we have room in our home for a second family and we have come to get them and offer them our home. That's the kind of thing that was happening on the Grand Forks Air Force Base.

There are boys and girls from our high schools, junior high schools, senior high schools and colleges, from all over the Red River Valley who have worked their hearts out sandbagging, helping save their towns. There is an 8-year-old girl and her 7-year-old brother who squatted on the ground for 2 hours at "Sandbag Central" in Fargo, holding empty sandbags open as the men and women filled those sandbags.

Two men from back East here, who were going to Montana to take new jobs, heard the radio reports and diverted in North Dakota and showed up in Fargo and said they were there to help fight the floods, and they spent their days sandbagging rather than driving to the next job. There were the women who baby-sat for free and caregivers and others, men and women, who helped other moms and dads with child care to fight the flood; employers who gave workers time off. The North Dakota colleges and universities—incidentally, who have dismissed for the year—made their facilities available for the flood fight.

What is happening here is North Dakotans and others who have come to our State have reached out and responded in this crisis. They have helped sandbag. They have donated money and canned goods and clothes. All of these efforts in their own way are heroic.

As I finish, again, 2 days ago, when I was in Grand Forks, ND, and I took a boat tour of the downtown, a fellow who—President Clinton came to North Dakota on Tuesday. I appreciated it. It was a wonderful thing for him to do and was a real morale booster for people who were terribly tired and fatigued but still facing this crisis. As I came out of this boat the day before yesterday, there was a fellow laying on the grass in Grand Forks. The Coast Guard had just pulled him out. He had been in his home all of these days. When the evacuation order came, he was stubborn. He said, "I am not leaving my home." He was up there in the second floor and would not leave. So for days he was there with no electricity, no water, stuck in his home. He said, "I saw this current going down the street. My home is flooded. I saw this current." He said, "I saw dead cows come past my home. I saw telephone poles. I saw ice jams the size of semi trucks come past my home."

Then he said, "You know, you really need to tell the President what is happening up here."

I said, "Sir, the President was just here yesterday."

He said, "You're kidding me."

Of course, he had been out of radio contact with anybody and had no idea what was happening in his city, because he had been living in the middle of that flood.

The extraordinary spirit, I think, and the steady strength of North Dakotans as they endure and persevere to meet this crisis is something that all Americans will remember.

I want to close just with two requests.

Those who have written to my office and my colleagues' offices asking how they can help—there are many ways they can help. Yesterday, someone sent a letter to my office with a check for $1,000 made out to North Dakota. What he said was 60 years ago, as a young man, this fellow had been helped by a North Dakotan. He said, "I have never forgotten it, so I just want to pay North Dakota. I want to help North Dakota. Please send this to the right place."

This morning as I just left my office, a couple of other envelopes showed up from people around the country saying, "Can you get these to the right place to help North Dakotans?" What a wonderful thing it is.

I will just tell people, the Red Cross is doing wonderful work in our State, and the director of the Red Cross indicates they need help. The Salvation Army is, as always, doing wonderful work. And other charitable organizations that do this kind of relief work do a great deal of work in this kind of crisis. They just do a wonderful job. I

encourage people to be supportive of them.

I ask, as the north part of North Dakota now and the Canadian provinces who are, even this morning, evacuating, I believe 15,000 people in Winnipeg, I ask the American people to offer their prayers of strength and hope to the people who are continuing to fight this flood. This region of the country will suffer the consequences of these disasters for some long while. We have met with the President. We visited again yesterday with President Clinton. We have been meeting with appropriators. Congress, on a bipartisan basis, is working on a disaster relief bill we will mark up on Tuesday in the Senate Appropriations Committee, of which I am a member. I think this Congress will do what it has done in all previous disasters, extend the helping hand of our country to say to a region, North Dakota, South Dakota, and Minnesota, "You have been dealt a tough blow, but you are not alone. The rest of the country understands and is prepared to help, is prepared to help you recover and get back on your feet." That is part of the generous spirit of our country, to reach out and help others in times of need.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from Rhode Island.

Mr. REED. Mr. President, I would like to express the common sentiment of the Senate, and that is the great respect and esteem we have for the people of the Northwest in their great trials in this historically unprecedented flooding, and particularly to indicate how hard and tirelessly their Senators are working to make sure the people of America respond to their needs—Senator DORGAN and Senator CONRAD of North Dakota, Senator DASCHLE and Senator JOHNSON of South Dakota, Senator WELLSTONE and Senator GRAMS of Minnesota. So we are all admirers of the great courage of the people of the West.

THE SENIOR CITIZEN HOME EQUITY PROTECTION ACT

Mr. REED. I would like, if I may, to talk about Senate bill 562. I am pleased the Senate took favorable action today. This legislation, the Senior Citizen's Home Equity Protection Act, would protect seniors from unscrupulous market activities of a very small group of business people. We have, throughout the United States and through the auspices of HUD, introduced a program called the reverse mortgage program. This allows seniors who have their house mortgage paid off, they have all the equity in the home, rather than selling the home to confront the costs of being a senior, they are allowed through this program to essentially go to the bank and have a monthly or a lump sum payment in lieu of the equity in their home. This allows many seniors to stay in their homes. It allows them to meet the needs of health care and all the pressing needs of seniors.

What has happened though is that a group of unscrupulous operators have come in, under the guise of estate planning, and now are charging exorbitant fees to inform seniors of this reverse mortgage program, sometimes collecting up to $10,000. What is particularly alarming, indeed, and particularly reprehensible is the fact that all of this information is absolutely free from the HUD office in their locality.

So what this legislation proposes to do—I am so pleased it was favorably responded to this morning—is to give HUD the authority to step in with very, very stern measures to preempt these practices, to move these unscrupulous operators out of the marketplace, and allow seniors to reap the full benefit of the reverse mortgage program.

In my State of Rhode Island, over 500 seniors have taken advantage of the reverse mortgage program. In fact, we had our State program in place before the Federal program was initiated. Much of the effort at the Federal level has been led by the Assistant Secretary for Housing, Nick Retsinas, who is a Rhode Islander and who in fact was a leader in Rhode Island for this program. So we in Rhode Island understand very well the effect and the efficacy of this program.

Our Rhode Island Housing and Mortgage Finance Corporation, RIHMFC, has done a remarkable job promoting these programs and also a remarkable job of policing these programs because we have not seen any evidence in Rhode Island of these scandals. However, throughout the country, as I indicated before, these unscrupulous operators have tried to move in and take advantage of very vulnerable seniors.

We know so many seniors are house rich but cash poor. They have equity in their home but do not have the means to make ends meet each week. This reverse mortgage program should help them. It should not be an opportunity to be taken upon or set upon by unscrupulous operators.

In Rhode Island, for example, the Providence Journal reported a typical story, that of George Tarbox and his wife. Mr. Tarbox and his wife were the perennial house rich and cash poor family. They purchased their home in 1958. They paid off the mortgage, but they were facing very difficult circumstances. They were on a fixed income, like most seniors. And they needed the resources to simply live. The choice between eating and buying medicine is very difficult. The reverse mortgage program allowed them to meet their needs. They were able to pay off their original mortgage. They were able to make their daily expenses. They were able to get the proceeds and resources that they needed to live. And this is just a typical story, a very, very good typical story of the effectiveness of the reverse mortgage program.

Today, with action on S. 562, we are sending a very strong message out to those unscrupulous operators who might try to prey on seniors that we are going to take a tough, tough hard stand. This program is there. It is for seniors. It is not for speculators. It is for seniors. It is not for those who prey on seniors. And it allows seniors to have access, through their home, to the resources they need to lead lives of decency and dignity.

I am so pleased with Senator D'AMATO and Senator MACK for their leadership on this, and for my colleagues who joined in sponsoring this legislation. I hope that it will move quickly through the Congress, the President will sign it, and we will give HUD the tools that it needs to eradicate this detestable practice, and allow the seniors of America to fully enjoy what they have worked so hard for, their homes and the proceeds of their homes.

Thank you very much, Mr. President. I yield back the balance of my time.

The PRESIDING OFFICER. Does the Senator suggest the absence of a quorum?

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

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. SMITH of New Hampshire. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

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

The Senator from New Hampshire is recognized for 30 minutes.

Mr. SMITH of New Hampshire. Mr. President, it is not my intention to use the full 30 minutes, I say to any colleague who may be waiting or intending to speak.

SYMPATHY FOR FLOOD VICTIMS

Mr. SMITH of New Hampshire. Mr. President, first of all, I will comment on the remarks made by the distinguished Senator from North Dakota, Senator DORGAN, during the time that I was in the chair regarding the terrible tragedy of the floods in North Dakota, Minnesota, and the West. He did an outstanding presentation in terms of the extreme acts of heroism that have taken place in that region of the country.

One of the great things about America and the American people is the capacity that they have to reach back in times of great crisis—whether it be war, flood, earthquake, or whatever

—and help their neighbors. Certainly, Senator DORGAN captured in great detail and with a great personal touch that terrible tragedy. Of course, our hearts and prayers are with them as they go through this terrible time.

GOVERNMENT SHUTDOWNS

Mr. SMITH of New Hampshire. Also, Mr. President, I want to comment on a piece of legislation that two of my colleagues, Senator MCCAIN, and the Senator from Texas, Senator HUTCHISON, introduced regarding the prevention of the Government shutdown.

We went through this game, as you know, last year, and wound up having the Government shut down and innocent people, who were doing a good job in their capacity working for the Government, were caught in this whipsaw of conflict between the Congress and the President.

Senator HUTCHISON and Senator MCCAIN have brought forth this amendment, this idea, which essentially will see that that does not happen. I am a bit surprised, given the amount of criticism that we took from the President on the Government shutdown—he gave us most of the blame, although he, I think, deserves equal credit, if you will—at the opposition, stated opposition to this amendment by the President. I hope the President could support a proposal which eliminates the threat of a Government shutdown as we work toward getting a budget agreement.

Basically, it locks in place spending at last year's appropriation levels until we do it, and not shut down the Federal Government. I hope the President will reconsider that and endorse this proposal which I believe will be attached to the supplemental, and see that we do not have a Government shutdown again, and that Congress and the President get together and do what the American people want them to do, which is come to a budget agreement that balances the budget, that really balances the budget by the year 2002—no smoke and mirrors—and that we get entitlement reform, we get some tax relief for the American people, and do it all.

If there is gridlock because we do not get that agreement, then the people who are trying to run the Federal Government, from passing out the Social Security checks to immigration, visas and so forth, that we do not get those people again caught in that conflict.

I commend my colleagues for that and am pleased to be a supporter of it.

TERM LIMITS FOR FEDERAL JUDGES

Mr. SMITH of New Hampshire. Mr. President, earlier this week I introduced a piece of legislation that no doubt will create some discussion, if not controversy, around the country. It involves the term limits for judges—Federal judges.

This is something that, of course, would change the Constitution, so it would be a constitutional amendment. For over 200 years we have had lifetime appointments for judges, so I did not expect to have 100 Senators and all Members of the House, and everybody writing in, all over America, supporting this proposal, as soon as I introduced the proposal.

However, I do hope, as people think about it and carefully consider it, they begin to realize how important I think this change to our Constitution would be. I think, frankly, Jefferson and Hamilton would support the amendment if they were here today, because if they could look back on history and see what has happened in the Federal Judiciary, I think they would agree with me it is time we put term limits on judges.

Senator SHELBY of Alabama has joined me in this effort. We call it Senate Joint Resolution 26. It is a constitutional amendment for term limits for judges. When I introduced the amendment a couple of days ago I did not have the opportunity, because of debate on the Chemical Weapons Convention, I did not have the opportunity to make a few remarks. I want to take this time to do that.

Mr. President, the Framers of our Constitution intended that the judicial branch, which was created by article III in the Constitution, would have a limited role. That was their strong belief, that the role be limited, and that they be an equal partner in the three parts of our Government. They believed in the necessity of judicial restraint, and they recognized, and said so, the danger of judicial activism.

Now, in Federalist No. 48, James Madison wrote that to combine the judicial power with executive and legislative authority would be the very definition of tyranny. Madison's own words—"The very definition of tyranny." To repeat, to combine the judicial power with executive and judicial authority would be the very definition of tyranny.

Thomas Jefferson said, "The very notion that the Supreme Court should have the final word on constitutional questions is a very dangerous doctrine, to consider the judge as the ultimate arbiters of all constitutional questions." He also said, "It is one which would place us under the despotism of an oligarchy," meaning government of the select few. Very interesting that Jefferson and Madison, of all people, would be saying that.

It is interesting to look at the debate as the Constitution was written. Some people like to decide what they think the intent of the Founding Fathers was as we look at these court decisions that have been made over the past couple hundred years, but it is interesting to look at what they said. Sometimes what they said, what they actually said, the Founding Fathers, and what other people think they meant are not one and the same and are totally different.

Another founder, in Federalist No. 78, Alexander Hamilton, argued that the judicial branch "will always be the least dangerous to the political rights of the Constitution. Courts have neither force nor will but merely judgment, and can take no active resolution whatever."

That was Hamilton.

Even as he advocated the ratification of the Constitution, and he was one of the strongest advocates as the Federalist Papers prove, he also issued a warning. The courts, he said, must declare the sense of the law. If they should be disposed—they being the justices, the judges—to exercise will, will, instead of judgment, the consequence would equally be the substitution of their pleasure to that of the legislative body.

So, what a judge's personal view is, what his or her pleasure is in terms of a decision is irrelevant, is not the issue. It is what the best judgment in terms of the interpretation of the Constitution is. Mr. President, 200 years after Alexander Hamilton issued this warning, it is abundantly clear that the abuse of judicial power that he feared has become a reality. If Hamilton were here today, I believe he would be the first to recognize it.

Instead of applying law as they find it in a neutral manner, which is a judge's role, exercising what Hamilton called their judgment, activist judges are in effect substituting their own policy views, in what Hamilton called their will, for the policies established by the people through their elected representatives in the political branches of the Government.

Now, Mr. President, I have been in the Congress for 13 years and I have thought a lot about this. Thirteen years ago I thought about introducing an amendment to do this, but I did not. I sat back and said, Maybe this will change, maybe I am wrong. Maybe Hamilton was wrong. Maybe it is not as bad as I think. The truth of the matter is, it is worse than I thought.

Finally, the last 2 or 3 weeks I finally made up my mind that the time has come, and I think there is a lot of proof to show and to demonstrate that the time has come. Let me give some examples, and this is not meant in any way to impugn the integrity of the three justices that I will mention. They were fine individuals who acted as they saw fit to interpret the Constitution. I want to make a point here. Justices Brennan, Marshall, and Blackmun have all taken their personal opposition to the death penalty and read it into the Constitution.

Now, the Founding Fathers discussed capital punishment as they wrote the Constitution. They mentioned capital punishment in the Constitution. The death penalty is explicitly mentioned and its constitutionality is unquestionable in the due process clauses of both the 5th and 14th amendments to the Constitution. Yet, these three Justices rendered decisions time and time again because of their personal opposition to the death penalty. Whatever anyone's view is of the death penalty is not relevant when a matter comes before the Court, if the intent of the Founders and the Constitution itself says that the death penalty is constitutional. What a personal view is—for or against it—is irrelevant. Yet, decisions were made because of their personal opposition to the death penalty. That is judicial activism.

Evidently taking their cue from Supreme Court Justices who feel free to ignore the plain meaning of the Constitution, judges on the Federal courts of appeals have also engaged in what amounts to legislating from the bench.

More examples:

Two U.S. courts of appeals—the ninth and the second circuits—have discovered in the post-Civil War 14th amendment a heretofore unknown constitutional right to physician-assisted suicide. They have just discovered this.

Now, that is a pretty bizarre reading of the 14th amendment that simply cannot be justified by the language, it cannot be justified by the meaning, and it cannot be justified even by the history of the constitutional provisions in question. Yet, the ninth and second circuits, two U.S. courts of appeals, have discovered that, now, in this post-Civil War 14th amendment, we now have a constitutional right to physician-assisted suicide. Where does it say that in the Constitution? It doesn't matter to these judges whether it says it or not. Likewise, Federal district judges have repeatedly abused their authority by blocking the implementation of entirely constitutional measures enacted through State ballot referenda simply because they disagree with the policy judgments of the voters. Now, again, that is not the role of a Federal judge. Just since 1996, a single Federal district judge, who had been an activist with the ACLU before going on the bench, blocked the implementation of the California civil rights initiative. However you feel about the initiative, for or against, isn't the issue. The California voters passed it in the State. Earlier this month, in reversing the judge's order, the U.S. Court of Appeals made the compelling comment that "A system which permits one judge to block, with a stroke of a pen, what 4,736,180 State residents voted to enact as law, tests the integrity of our constitutional democracy."

Who said that, because a judge is appointed to a court of the Federal Government, they are omnipotent, that they are flawless, that they are perfect? I don't recall that in the Constitution. I don't recall that in the discussions of the Founders. Judges are human beings, and they can be wrong. Consider the Dred Scott case in 1857, if you think judges are perfect. There will be some out there, probably from the American Bar Association, who will notify me over the weekend, or on Monday, that they are, because I am sure they are opposed to this amendment. But in 1857, the Supreme Court Chief Justice Roger Taney was sitting on the Court when a black former slave by the name of Dred Scott tried to bring a case before the Supreme Court for his freedom. Taney wrote the deciding majority decision, and he said Dred Scott couldn't sue in Federal Court because he was "property," not a human being. Now, was that Justice right in that decision? No, he was not right, but he did it and there was no recourse because he was a lifetime appointee.

There are many more examples, Mr. President, of activist judges who have taken control of prisons and school districts. There was the famous Kansas City case, where a judge raised the taxes of the city of Kansas City to pay for school busing. Activist judges have ordered tax increases, and they have created new rules to protect criminal defendants that result in killers, rapists, and other violent criminals being turned loose to continue to prey on society.

Almost every time you hear about some horrible murder, a violent crime against another member of our society, almost every time, if you read below the headline, you will find that this person was out on parole, or was released by a judge and given a second chance. He probably had a difficult childhood, so we have to give him another chance to kill or rape somebody else, or beat somebody else up, or abuse some child. We have to give him a third chance and a fourth chance. Time and time and time again, over the last 30, 40 years, these judges have put these animals back on the street to prey on us and prey on us and prey on us. But they are perfect, these judges—lifetime, no touch; you can't do anything about it. It is time, Mr. President, that we stop it.

Former U.S. Attorney General Edwin Meese estimates that over 100,000 criminal cases each year cannot be successfully prosecuted because of these court-created rules. You can't even prosecute some of these people because of these rules. Judicial activism has become such a severe problem that one of the leaders of the House, Representative TOM DELAY of Texas, has even suggested that we ought to consider using the constitutional power of impeachment to remove activist Federal judges from office.

Now, I understand Congressman DELAY's concern. It is a justifiable concern, but I think there is a better way to do this, which is to limit their terms—limit their terms. That way, after a Federal judge has served 10 years—and that is what my amendment does, limit the term to 10 years—if the President wants to reappoint a judge who does some of these horrible things I have talked about, and that person can get through the Senate confirmation process, good luck. But at least we would have had the opportunity, as the elected representatives of the American people, to say, hold on, this person has made decisions that are ridiculous and we are not going to tolerate it.

The term limits for judges amendment would end the life tenure for judges on the district court, circuit courts, and the Supreme Court—all three levels of the Federal judiciary. They would be nominated by the President, and with the advice and consent of the Senate they would be appointed for 10-year terms. They could be reappointed. The good thing about this proposal, Mr. President, is that no President of the United States would have the opportunity to reappoint a judge because, as we all know, the President's term is limited to two terms, 8 years. He or she could also serve up to an additional 2 years of a President who left office, if that person were the Vice President. So the maximum they could serve would be 9 years and 364 days. Therefore, that same President would not have the opportunity to reappoint a judge.

Now, my amendment does not remove current judges from office—we do have a grandfather clause—but it would get things started, and we would begin to have this opportunity to see some change.

Activist judges are routinely violating the separation of powers by usurping legislative and executive powers. This is a widespread abuse of judicial authority, and it is serious enough to warrant a constitutional response. Term limits for judges would establish a check on the power of activist judges, and no longer could they abuse their authority with impunity. Under the term limits for judges amendment, judges who used their offices by imposing their own policy views, instead of interpreting the laws in good faith, could be passed over for new terms by the President, or rejected for reappointment by the Senate if the President persisted in offering the name up.

The term limits for judges amendment would make the President and the Senate more accountable to the people for their judicial selections. Now, you are going to hear the argument—and probably many listening to me now are already thinking it—that "this is just going to interject politics; politics is now going to be in all the court decisions, and all judges are

going to make decisions based on politics so they can be reappointed."

Stop and think about that argument. If a judge is good and if a judge is honest and has integrity and makes a decision in his or her mind based on what is right, under the Constitution, if that's the case—and I would think that all of us would like to think that every judge fits that mold—but if that's the case, then, why would a judge make a different decision if that judge knew they were only going to be there for 10 years or life? What difference does it make? The point is, if they are good and they think it is a right decision under the law, then you make your decision whether you are going to be there 1 day or 100 years. What difference does it make?

The opposite has happened, Mr. President. What has happened now is that judges, knowing that they can't be touched, knowing that they have a lifetime appointment, are now making decisions that are political. They are imposing their will upon the American people, rather than actually judging the Constitution and interpreting the Constitution as the Founding Fathers suggested.

With all due respect to the criticism, the modern-day judiciary is too independent and too unaccountable to the taxpayers and to the people who pay their salaries and pay for their courthouses all over America. They are insulated by life tenure and free, for all intents and purposes, from any threat of impeachment. You have to commit a high crime to be removed from office as a Federal judge; we all know that. Very few judges in history have had that happen.

These activist judges, because of almost impunity, feel free to impose their political will on all of us, without having to answer to anybody. I believe that judges appointed for 10-year terms would be far more likely to follow that law rather than imposing their political will. The best way to go for a judge serving a 10-year term, who would like to serve another 10, would be to follow the law and not his or her own political agenda. Follow the law. That is what we put you on the bench to do, to follow the law. That applies to a conservative judge as well as a liberal judge. No conservative agenda, no liberal agenda. Follow the law. If you follow the law, you will get reappointed. If you don't follow the law and you follow your agenda, you don't.

It is interesting, when you talk to those who oppose this amendment, they are very aggressive in saying, "Well, these judges are fine people and you are impugning the integrity of judges." There will always be—unless Congress changes it—nine slots on the Supreme Court. The world is not going to come to an end if one judge leaves and another takes his or her place. We are not irreplaceable. So that is not a valid argument. It is very bogus. If one judge leaves—or if it is the Supreme Court, one Justice leaves—another judge or Justice takes his or her place.

So what? It doesn't have to be the same person for life making these decisions.

So, Mr. President, I just want to notify my colleagues that I welcome their support. I don't expect the door to be beaten down over the next few days. But I am going to be very, very aggressive and very, very persistent in taking this case to the American people that it is time for a change in our Constitution. No one wants to amend the Constitution unless it is absolutely necessary. But I think if every American citizen would look at what has happened with some of these outrageous judicial decisions by activist judges who have gone far beyond what the intent of the Constitution was, they would recognize that it is time for a change.

Hamilton said it, Madison said it, and Jefferson said it; three pretty distinguished Founding Fathers, if I do say so myself. They warned us. I read for you their quotes. We know how they felt.

I think it is time that we pursue this. I intend to take this case to the American people because I have seen polls on this that indicate that over 85 percent of the American people support term limits for judges. We have term limits for the Presidents. A lot of people favor trying to pass term limits for Members of Congress. Why not term limits for judges? Why does the world come to an end, and why does constitutional democracy of the United States of America come to an end because we don't have lifetime judges? That is ridiculous. The argument is silly.

The Founding Fathers warned us on the possibility of this. And some will say, "OK. Why didn't they put in the Constitution that we have term limits?" Because they could not possibly imagine what judges would have done in the past 200 years.

But I guarantee that if Hamilton, Jefferson, and Madison could vote today they would be voting for this amendment, and they would be supporting this amendment.

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

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. SMITH of New Hampshire. 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 VERY BAD DEBT BOXSCORE

Mr. HELMS. Mr. President, at the close of business yesterday, Thursday, April 24, 1997, the Federal debt stood at $5,343,216,863,246.54. (Five trillion, three hundred forty-three billion, two hundred sixteen million, eight hundred sixty-three thousand, two hundred forty-six dollars and fifty-four cents)

One year ago, April 24, 1996, the Federal debt stood at $5,110,704,000,000. (Five trillion, one hundred ten billion, seven hundred four million)

Five years ago, April 24, 1992, the Federal debt stood at $3,879,889,000,000. (Three trillion, eight hundred seventy-nine billion, eight hundred eighty-nine million)

Ten years ago, April 24, 1987, the Federal debt stood at $2,264,943,000,000. (Two trillion, two hundred sixty-four billion, nine hundred forty-three million)

Twenty-five years ago, April 24, 1972, the Federal debt stood at $427,998,000,000 (Four hundred twenty-seven billion, nine hundred ninety-eight million) which reflects a debt increase of nearly $5 trillion—$4,915,218,863,246.54 (Four trillion, nine hundred fifteen billion, two hundred eighteen million, eight hundred sixty-three thousand, two hundred forty-six dollars and fifty-four cents) during the past 25 years.

FROM RAGS TO RADIO RENOWN

Mr. HATCH. Mr. President, Samuel Johnson said that "Adversity has ever been considered the state in which a man most easily becomes acquainted with himself."

On April 7, Arch L. Madsen, a remarkable broadcast pioneer, died at the age of 83 in Salt Lake City. Arch's contributions to the world of radio and television were made all the more noteworthy by the formidable personal challenges he overcame. In rising above adversity with the help of an extraordinary woman, his wife Peggy, Arch discovered the potential within himself that only she and God knew existed.

The half-century public career of Arch Madsen is a matter of record. He was president of KSL radio and television stations, founder and president of the Bonneville International Corp. media empire, and an influential member of national and international bodies fighting for freedom of speech. He was appointed by President Reagan to the nine-member Board for International Broadcasting overseeing the operations of Radio Free Europe and Radio Liberty. It was Arch's dream that truth carried on airwaves across the Iron Curtain would lead those on the other side finally to throw off the yoke of totalitarianism. He lived to see his dream fulfilled in Europe.

For the inspiring story of Arch's private world we are indebted to his son, Erik H. Madsen, who spoke at the funeral on April 12.

I ask unanimous consent that excerpts from Erik's remarks be printed in the RECORD.

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

REMARKS OF ERIK H. MADSEN

I spoke at my mother's funeral, and I thought that was fair. I didn't think that I would be speaking at my father's funeral. But I've always done every reasonable thing that he's asked me to do. And so I'm here at his request.

I am well qualified to speak about him, because I probably knew him as well as anybody still living. I am his oldest child and he was a master of delegation. Therefore I have been his servant, and slave and gofer longer than any other living person. There is a saying that no man is a hero to his valet. But my father was a hero to his gofer. . . .

He used to tell me that when he met my mother, he was a totally defeated and broken man. And I believe that he was.

His physical handicaps have already been mentioned. He had polio at the age of five, and this made him physically weak in general.

He was emotionally scarred. He grew up in almost a frontier situation, on a farm, where he was expected to do the work of a normal person. And often, he had very little power to do it.

He was educationally disadvantaged. He had a high school diploma and two quarters at BYU. But he confessed to me that when he was a senior in high school, they had called him into the office and encouraged him not to seek any further education. Nevertheless, he persisted and went to the BYU. When he was dismissed from the BYU for his inability to pay his tuition, he was again told by the representative of the college that he was really not college material and that he should focus his life on manual labor. However, being extremely weak, he found that focus impossible to pursue.

Because he had been somewhat shunned by his peers and frequently persecuted by them, his skill lay mainly in occasionally clowning. And I think this may have developed later in life into his remarkable flamboyancy. But, he was uncomfortable in society.

And he was destitute. Shortly after my mother met him, he was admitted to the county hospital for malnutrition, because he couldn't earn enough money to buy the food he needed for adequate nutrition. He dressed in worn out overalls—the clothing of a destitute person.

His career aspirations were limited. He knew how to build radio sets. And so, he thought that he might become some kind of low level radio technician.

His religious faith was broken. He believed in God. But he felt so inferior that he didn't think that he would ever be able to do enough to qualify for God's love.

It was in this condition, while he was working as a janitor in one of my mother's father's businesses, that she met him. If we were to meet him today, as he was then, we would think, "This is truly an oddball. He is a nerd. He just doesn't fit into normal society at all. He is one of those physically weak, mentally weak souls, who has come here with a defective mind and a defective body. He's not going to live very long. And it's going to be sad." That's what we would have thought.

No one could understand what my mother saw in him. On their first date, all he could think to do was to talk about how to build radio sets. So, he taught her how to build radio sets. And we still have a drawing on a napkin which she saved from their first date, showing his explanation to her of a radio circuit.

On their second date, he talked about how it might be a good thing for her to look into the LDS church. He told her that he really couldn't get too involved himself because he was not good enough. But he told her that she might get involved, and perhaps find someone else who would be suitable for her to marry in the temple.

My mother saw that if she married my father she would have to give up her family's approval and wealth, which would have provided her with a lifetime of leisure and security. But she said that she saw qualities in him that interested her. He seemed to be a hard worker, to work long and diligently, and she thought she could totally trust him. She believed that he would be faithful to her for his life, that he would be faithful to his marriage vows.

When they were married, things looked bad for them. No one thought their marriage would even last. How could my mother give all this up? And how could my father earn enough to provide for two people, when he couldn't even provide for himself. . . .

There are four themes of my father's life that I would like to briefly illustrate. They were important to his success.

The first theme is about the technician. My father was a man who solved electronic problems. The key to his progress was that first, he never stopped studying about how the physical laws worked, and later about how political, economic and social laws worked. How the world worked. But he always felt outclassed by those with a far better education. And so he had discovered a secret weapon—he would pray. And he would pray like nobody else. He would continuously and obsessively pray until I think he did weary the Lord. And then it was given to him to know the answer, which usually came to him in terms of seeing something. He often saw far beyond that thing, far, far into the future. Not everything that would happen, but just a laserlike view. He usually saw something technical.

An example of this occurred when I was 8 years old and I didn't really think much about it at the time, but I remembered it and I even wrote it down. He had asked me to build a crystal set. And when I finally got it right (because you see he gave me the directions and said build it and left) it worked. And I asked him, "How does it work?" And he said, "The electrons have to run through certain patterns in order to receive the signal. There are patterns inside the crystal which make them do this." And I asked him, "What are the patterns?" And he said, "We don't really know what they are, but they are probably like the patterns we make with our tubes, and resistors, and wires." And then he said something else. He said, "Someday men will put patterns in crystals. They will be far more complex than any patterns we can find in a natural crystal. We'll put whole radio receivers and television receivers into one tiny crystal." And I said, "Why do you think this?" And he said. "I prayed about something a little different from this and then I saw it. It will certainly happen." And I said, "When?" And he said, "Probably in your lifetime, but I'm not really sure. When I see into the future, I can't tell exactly how far I've seen. So, it could be anytime." I forgot about this experience until the transistor was invented and then, I guess what you'd call the computer chip appeared. And I remembered everything he'd said about the crystal.

And so this theme of my father's life is sort of a testimony of the power of prayer, at least to me. And of the reality that God answer prayers and inspires men to see and know things which would normally be invisible and unknowable. This is one of the great gospel truths which enabled my father to succeed. Many people throughout the world have wondered at his vision. It wasn't his vision. I mean, it wasn't his IQ. He received it from a higher source.

The second theme is love. My father attributed all his successes to my mother. We often talked about why this was so. He always said, "When I knew that your mother loved me and believed in me, my view of the world changed. I decided to do everything I could to live up to her love and faith in me. I decided to believe that God loved me too. I decided to love myself, and to be as good as I could be, and to do all the good that I could in this world."

The scriptures indicate that God personifies love. John said "Let us love one another, for love is of God and everyone that loveth is born of God and knoweth God." (1 John 4:7–8).

So, my father learned to know God because of the love of one other person. It's a great example. We all could help each other in this way. My father loved my mother. He loved the Lord and the church and many people of many creeds and nationalities. And many of the honors that have come to him have come because he just reached out to these people.

The third theme is: My father included people. He tried to understand them, communicate with them, and bring them into involvement with all of the good things that he could.

My mother told me a story which illustrates this theme in an unusual way.

At the conclusion of a meeting of the Interamerican Association of Broadcasters in South America, there was a celebration of the achievements and agreements which had been accomplished. The principal participants were broadcasting leaders from Catholic countries. They were all Roman Catholics. They were standing in a circle, and each of them was given a large cup filled with strong, alcoholic drink. Each man in turn proposed a toast and then drank the whole cup. There were no substitute drinks available. As the turn worked its way around to my father, my mother thought, "What can he do but refuse?" It would have been easy for him to say, "I am a member of the Church of Jesus Christ, and we do not consume alcohol." The other participants would certainly have understood. But it would have put a little chill, a little distance between my father and his colleagues. And remember, he wanted to be included and to include them. Instead, when the turn came to him, he proposed a toast just like everyone else. Then he poured a little bit of the drink into his hand and sprinkled it on his head. Then he said, "I baptize myself with our toast." This made perfect sense to all of them because that is the way there were all baptized. They all laughed, and slapped him on the back, and hugged him, and gave him "abrazos" which is what they do.

By seeing life from their Catholic point of view, he had accepted them, and he had accepted their toast, and he had still kept the word of wisdom. So, he had a certain way of including others.

In every business that he managed, he tried to include as many employees in the process of continuing education and training and career advancement as he could. He believed in his own personal growth and he included those he worked with in growth. He offered them opportunities to participate in

seminars and conferences, to implement the things that they had learned, and to advance and grow in their careers.

He involved himself and included many others in worthwhile charitable, humanitarian, economic and civic associations.

Even his vigorous efforts to communicate the benefits and blessings of the Church of Jesus Christ of Latter-Day Saints were expressions of his desire not to prove something, but just to include others in one of the very best things in his life.

I suppose that this theme of including others is really just an extension of the theme of love that we talked about before. But it is a special kind of love that we need a lot more of in this world. And my father was a good example for us to follow.

The fourth theme is that of commitment and hard work. My father always gave 100 percent effort. He was always fully committed to that which he believed in. He was an exhausting person. He totally exhausted my mother and all of his children. He exhausted his co-workers.

And, by the way, he was not a physically strong man. It was the power of his spirit that exhausted us all. His spirit picked up his body and carried it around.

A little story illustrates this. When I was away at college, occasionally my father would come through town, and he would invite me to go to lunch or dinner. Once he showed up for lunch with two tired looking younger men who introduced themselves as follows: "I'm John Doe. I'm Mr. Madsen's morning assistant. I work with him from 5 AM to 2 PM". The other said, "I'm Jack Doe. I'm Mr. Madsen's afternoon assistant. I work with him from 2 PM to 11 PM."

Noticing that they looked tired, I asked them how they were holding up. John Doe said that they were trying very hard. They were trying very hard to talk my father into getting a third man. Because they just couldn't keep it up much longer.

No one could ever wonder about my father's commitment. Now this wasn't all good. He was a workaholic. And his life was quite out of balance. It was hard on him. And it was hard on the people around him. But it was the only thing he knew. Remember, he thought he was worthless. And he never thought he had done enough. So he just kept trying to do enough. And no one could ever wonder about his commitment.

It is written in the Book of Revelation: "I know thy works, that thou art neither hot nor cold. I would that thou wert cold or hot. So then, because thou art lukewarm and neither cold nor hot, I will spew thee out of my mouth." (Revelation 3:15,16)

In other words, the Lord will reject the half-hearted worshiper.

My father, Arch Madsen, flamboyant, impetuous, out of balance, and racing almost out of control everyday of his life, lived a life that was hot. It was incandescently hot.

These illustrations show a few of the themes of my father's life. There are many other themes, important ones, which we cannot discuss today. Some examples are:

He was gracious in victory;

He was gracious in defeat;

He was kind to his enemies;

He always looked for blessings and opportunities in the disaster of his life. He tried many things and failed often. In a way, his life could be viewed as a series of tribulations and disaster, which turned into blessing as he struggled with them and as the Lord helped him.

This is not to say that he was perfect. He had glaring weaknesses and flaws. We just don't want to talk about them today.

But these four positive themes we have talked about today communicate to me two testimonies.

The first is a testimony to the love and faith and courage that he had. The love and faith and courage of a week, severely handicapped person. A person who, seeing the hopelessness of his situation, once he knew that he was loved, once he knew that somebody loved him and that God loved him, didn't do the rational thing, the prudent thing. Instead of giving up, he impetuously attacked, and he never stopped.

The second testimony is now amazing it is what the Lord can do through the life of even the humblest, weakest, most handicapped person—if that person will try to live the gospel with all the energy that is in him, each and every day of his life.

In the Doctrine and Covenants it is written, "Behold, the Lord requireth the heart and a willing mind, and the willing and obedient shall eat the good of the land of Zion in these last days (D&C 64:34).

Arch Madsen's life is also a call to repentance to all of us who are lukewarm. Whose hearts are set partly upon righteousness and life and partly upon worldliness and death. The whole world is starving for the life and happiness which only comes from living the gospel.

Will we fully live the gospel, and send out a message of its blessings?

Will we try to communicate it as vigorously as my father did?

The last stanza of the song he loved "To Dream the Impossible Dream," goes like this:

And the world will be better for this,
That one man, scorned and covered with scars,
Still strove with his last ounce of courage,
To reach the unreachable star.

And, in the Book of Revelation it is written: "And he that overcometh, and keepeth my works to the end, to him will I give power. . . . And I will give him the morning star (Revelation 2:26,28) I, Jesus . . . am the bright and morning star (Revelation 22:16).

I believe and I pray that Arch and Peggy Madsen do keep his works to the end, and I feel certain that they will be given the morning star.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. McCathran, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

MESSAGES FROM THE HOUSE

ENROLLED BILL SIGNED

At 12:54 p.m., a message from the House of Representatives, delivered by Mr. Hays, one of its reading clerks, announced that the Speaker has signed the following enrolled bill:

H.R 1225. An act to make a technical correction to title 28, United States Code, relating to jurisdiction for lawsuits against terrorist states.

The enrolled bill was signed subsequently by the President pro tempore [Mr. THURMOND].

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 1749. A communication from the assistant legal adviser for treaty affairs, Department of State, the report of the texts of international agreements, other than treaties, and background statements; to the Committee on Foreign Relations.

EC 1750. A communication from the director of the Office of Regulatory Management and Information, Office of Policy, Planning, and Evaluation, U.S. Environmental Protection Agency, transmitting, pursuant to law, seven rules including a rule entitled "Imidacloprid" (FRL–5599–5, FRL5712–7, 5713–1, 5712–8, 5815–5, 5812–7, 5813–9); to the Committee on Environment and Public Works.

EC 1751. A communication from the chief counsel of the Office of Foreign Assets Control, Department of the Treasury, transmitting, pursuant to law, a rule relative to Yugoslav vessels received on April 17, 1997; to the Committee on Banking, Housing, and Urban Affairs.

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. GRAMS (for himself and Mr. WELLSTONE):

S. 651. A bill to amend the Internal Revenue Code of 1986 to provide that the conducting of certain games of chance shall not be treated as an unrelated trade or business; to the Committee on Finance.

By Mr. GRAMS (for himself and Mr. JOHNSON):

S. 652. A bill to facilitate recovery from the recent flooding of the Red River of the North and its tributaries by providing greater flexibility for depository institutions and their regulators, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

By Ms. SNOWE:

S. 653. A bill to amend the Internal Revenue Code of 1986 to allow a deduction from gross income for home care and adult day and respite care expenses of individual taxpayers with respect to a dependent of the taxpayer who suffers from Alzheimer's disease or related organic brain disorders; to the Committee on Finance.

S. 654. A bill to amend the Internal Revenue Code of 1986 to make the dependent care credit refundable, and for other purposes; to the Committee on Finance.

S. 655. A bill to amend title XIX of the Social Security Act to require States to adopt and enforce certain guardianship laws providing protection and rights to wards and individuals subject to guardianship proceedings as a condition of eligibility for receiving funds under the Medicaid program,

and for other purposes; to the Committee on Finance.

By Mr. WARNER (for himself, Mr. THOMAS, Mr. COCHRAN, Mr. ENZI, Mr. HELMS, Mr. HUTCHINSON, Mr. ROTH, and Mr. SESSIONS):

S. 656. A bill to amend the Fair Labor Standards Act of 1938 to exclude from the definition of employee firefighters and rescue squad workers who perform volunteer services and to prevent employers from requiring employees who are firefighters or rescue squad workers to perform volunteer services, and to allow an employer not to pay overtime compensation to a firefighter or rescue squad worker who performs volunteer services for the employer, and for other purposes; to the Committee on Labor and Human Resources.

By Mr. DASCHLE (for himself and Mr. JEFFORDS):

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; to the Committee on Armed Services.

By Mr. TORRICELLI (for himself and Mr. DURBIN):

S. 658. A bill to amend title 18, United States Code, to prohibit gunrunning, and provide mandatory minimum penalties for crimes related to gunrunning; to the Committee on the Judiciary.

By Mr. GLENN (for himself, Mr. LEVIN, Mr. MOYNIHAN, Mr. DEWINE, Ms. MOSELEY-BRAUN, and Mr. KOHL):

S. 659. A bill to amend the Great Lakes Fish and Wildlife Restoration Act of 1990 to provide for implementation of recommendations of the United States Fish and Wildlife Service contained in the Great Lakes Fishery Restoration Study Report; to the Committee on Environment and Public Works.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. GRAMS (for himself and Mr. WELLSTONE):

S. 651. A bill to amend the Internal Revenue Code of 1986 to provide that the conducting of certain games of chance shall not be treated as an unrelated trade or business; to the Committee on Finance.

THE UNRELATED BUSINESS INCOME TAX CHARITABLE GAMBLING EXEMPTION ACT OF 1997

Mr. GRAMS. Mr. President, I rise today to introduce S. 651, a bill to amend the Internal Revenue Code to exempt charitable gambling activities from Federal unrelated business income tax [UBIT].

Charitable gambling consists mostly of games such as pull tabs and raffles. The difference between charitable and regular gambling is where and how the profit is spent. Most of the income derived from charitable gambling games are spent in communities to fund activities such as Boy and Girl Scouts, Head Start, and city and school programs.

In fact, charitable gambling and bingo games have become one of the most important sources to provide funding for many activities in communities for people of all ages. In my home State, Minnesota, charitable gambling pumped up $77.5 million in profits into a variety of community and charitable causes in 1995. The beneficiaries include youth recreation and eduction, as well as organizations serving the sick, handicapped, retarded and disabled and many other community programs.

Many charitable gambling games are set up solely for the purpose of raising money for public projects, thus reducing the burden on taxpayers. For example, Minnesota Belle Plaine Friends of the Library charitable gambling was started 4 years ago for the purpose of helping fund a new library in town. Today, they have donated more than $105,000 to the library project.

In 1978, President Carter signed into law a bill that classified bingo income as related business income. As a result, this charitable game is not subject to the Federal UBIT. But the law did not include other forms of charitable gambling. Consequently, the income of these charitable gambling games is taxed under the UBIT.

Taxes take a big bite out of charitable gambling income. It has seriously undermined nonprofit organizations' ability to provide financial assistance for local activities. Here is an example of the revenue loss. Last year, the Minnesota American Legion donated $103,000 to the Cancer Research Center at the University of Minnesota. However, under current law, the income is subject to the UBIT. Only $5,150 of the $103,000 was a deductible contribution, and $97,850 was taxed at rates up to 38 percent.

This is simply not fair. Charitable donations should be encouraged, not penalized, to fund more local initiatives, projects and programs that benefit our communities. That's what the bill is all about.

By Mr. GRAMS (for himself and Mr. JOHNSON):

S. 652. A bill to facilitate recovery from the recent flooding of the Red River of the North and its tributaries by providing greater flexibility for depository institutions and their regulators, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

THE DEPOSITORY INSTITUTION DISASTER RELIEF ACT OF 1997

Mr. GRAMS. Mr. President, I want to speak about a subject this morning dealing with the flood situations back in Minnesota, and North Dakota and South Dakota as well.

Mr. President, as you know, over the past several weeks, towns and farms in Minnesota, North Dakota, and South Dakota have been battered by the flood waters of the Red River and Minnesota River. It is impossible to describe the devastation the floods are causing in Minnesota and North Dakota because the enormity of the damage is far, far beyond what anyone has ever had to put into words.

As I made my third trip into the flood disaster area this week, traveling with President Clinton and my colleagues in the Minnesota and North Dakota congressional delegations, I found myself searching for adjectives but finding none that could reflect the loss and heartache inflicted upon our neighbors. Their lives have been shattered. Entire communities—homes, schools, churches, hospitals, libraries—have literally been washed away. Thousands of residents have no home to go home to, so they crowd into shelters, unsure what the river will leave behind when it finally releases its hold. Many cannot sleep because there is so much uncertainty. They cannot bathe because there is no running water. They cannot make plans because there are so many unanswered questions.

At the moment, it does not seem like much of a life. By nature, Minnesotans are a stoic people. In a land where the temperatures can plunge to 30 degrees below zero in mid-winter and soar past a hundred in the summer, we have learned how to get on with life without too much complaining. But for many, the veneer is wearing a little thin. It is hard to be stoic when you have lost your home and your job. It is hard to look forward to tomorrow when all you have got is a cot on the floor of an airplane hanger, where you may be living for weeks.

Mr. President, I am working with the Governor of Minnesota and my fellow Senators in the flood area to assess how to address the needs of these deserving people. Part of our effort will be to get the funds and assistance to rebuild through the supplemental appropriations bill that we will pass next week. Part of it will be the efforts of myself and my staff to listen to the concerns of our constituents, and to make sure they get speedy assistance from the agencies that are administering the State and Federal relief efforts.

I would like to announce this morning that I am opening a new, temporary office in Crookston, with FEMA and other members of our delegation, and my staff will be immediately available to help out in the flood relief projects that are currently underway.

While I will be involved in many efforts to ease the suffering of my constituents, I am here today to introduce—with my colleague from South Dakota, Senator JOHNSON—the Depository Institution Disaster Relief Act. This bill will complement the other relief efforts by making it easier for farmers, homeowners, small businesses, and local governments to rebuild from the devastation brought by the floods.

The Depository Institution Disaster Relief Act will help speed up the pace of recovery for the flooded farms and towns. Our legislation will permit

homeowners, farmers, and small businesses to have faster access to a larger pool of credit from the banks and credit unions that serve their communities, by ensuring that there will be no regulatory roadblocks to local lending. It will permit Federal banking and credit union regulators to make temporary exceptions to current laws that act to reduce access to banks and credit unions in disaster areas. It will also permit Federal regulators to provide temporary relief from regulations so that it is easier for flood victims to get loans.

The temporary regulatory relief offered by this bill is strictly limited to those counties in Minnesota, North Dakota, and South Dakota that have been declared Federal disaster areas. Because of its targeted scope and limited duration, it will permit flood victims to rebuild their homes, farms, and businesses without compromising the integrity of our banking system.

When I served in the House of Representatives, I authored similar legislation in 1993 during the Mississippi River flooding. My legislation received bipartisan support, and was signed into law by President Clinton as part of the supplemental appropriations bill for disaster relief. Since this legislation worked well to help flooded communities rebuild in 1993, I will ask Chairman STEVENS to include this bill as part of the emergency supplemental that the Senate will likely be considering next week. I urge my colleagues to support my effort.

Mr. President, I ask unanimous consent that a summary of the bill's provisions be printed in the RECORD.

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

DEPOSITORY INSTITUTION DISASTER RELIEF ACT OF 1997

PURPOSE

Over the past several weeks, towns and farms in Minnesota, North Dakota and South Dakota have been demolished by the flood waters of the Red River of the North. Because of the extreme level of flood damage, President Clinton has declared these areas to be eligible for federal disaster relief pursuant to Section 401 of the Disaster Relief and Emergency Assistance Act.

The Depository Institution Disaster Relief Act ("DIDRA") will significantly speed up the pace of recovery for the flooded farms and towns. DIDRA will permit homeowners, farmers, small-businesses and local governments in the flood disaster areas to have faster access to a larger pool of credit from the banks, thrifts and credit unions that serve their communities. DIDRA will do this by permitting federal financial institution regulators to make temporary exceptions to current laws that (1) hamper the ability of banks, thrifts and credit unions to reopen their doors to depositors, (2) slow down the lending process and (3) reduce the availability of credit.

SUMMARY OF PROVISIONS

Section 1—Title of statute

The bill is called the "Depository Institution Disaster Relief Act of 1997" (DIDRA). This bill contains provisions that are substantially identical to temporary emergency relief legislation that was signed into law in 1992 and 1993.

Section 2(a)—Exceptions to Truth in Lending Act

The Federal Reserve Board may make exceptions to the Truth In Lending Act (TILA) for loans given by a bank, thrift or credit union that is in the disaster area. The exceptions must be made within 180 days of enactment of DIDRA, and may only last a maximum of one year. For example, this permits the Federal Reserve Board to permit consumers to receive the proceeds from their loans 3 days faster by permitting them to sign preprinted forms that waive their 3 day right of rescission period pursuant to Section 125 of TILA (15 U.S.C. 1635).

Section 2(b)—Exceptions to Expedited Funds Availability Act

The Federal Reserve Board may make exceptions to the Expedited Funds Availability Act (EFAA) to any bank, thrift or credit union in the disaster areas, so that they may restart their check processing operations sooner. The exception must be made within 180 days of enactment of DIDRA, and may only last for a maximum of one year. For example, this permits the Federal Reserve Board to let a bank, thrift or credit union restart serving its customers even though the disruption from the flooding makes it need more than one business day to process cash deposits and government checks as required by Section 603 of EFAA (12 U.S.C. 4002).

Section 3—Exception to the Federal Deposit Insurance Act to Permit the Deposit of Insurance Proceeds in Bank Accounts

Farms, businesses and local governments in the flood disaster areas will be receiving large amounts of insurance proceeds. This money will invariably be deposited in banks, thrifts and credit unions for a short duration until the money is used for rebuilding. Unfortunately, the depositing of large amounts of insurance proceeds may cause banks and thrifts to be deemed undercapitalized pursuant to Section 38 of the Federal Deposit Insurance Act (FDIA) (12 U.S.C. 1831o). This could cause credit to dry up in the disaster areas, as Section 38 would automatically require a depository institution to file a capital restoration plan with the FDIC, even if the insurance proceeds were invested in assets creating little additional risk to the depository institution. Section 38 of the FDIA would compel a depository institution to obtain formal approval from the FDIC in order not to be restricted in its lending policies. Section 3 of DIDRA permits the OCC, the Federal Reserve Board, the FDIC and the OTS to subtract insurance proceeds from the depository institution's assets when they calculate whether the depository institution meets the FDIA's minimum leverage standards (i.e., equity capitalization requirements). Any exception that the regulators make to Section 38 of FDIA will expire after 18 months.

Section 4—Authority of Regulators to Act Quickly to Facilitate Recovery in Disaster Areas

Within 180 days after the enactment of DIDRA, a qualifying regulatory agency is given the flexibility to take any actions permitted under its existing statutory authority to facilitate recovery in the disaster area without being delayed or impeded by (1) having to provide a general notice of proposed rule-making in the Federal Register, (2) having to hold a hearing, (3) being restricted by time limits with respect to agency action or (4) having to meet certain publication requirements. However, within 90 days of taking an action, the qualifying regulatory agency must publish in the Federal Register a statement that (1) describes what it did and (2) explains the need for the action.

Section 5—Sense of Congress re: Exceptions to Appraisal Requirements

The Depository Institutions Disaster Relief Act of 1992 (PL 102-485, Oct. 23, 1992) amended the Financial Institutions Reform, Recovery and Enforcement Act (FIRREA) to give regulators the authority to waive certain appraisal standards in disaster areas. The waiver of certain appraisal standards for real estate loans in disaster areas will (1) permit homes to be rebuilt faster by expediting the lending process and (2) lower the cost of receiving loans to rebuild such homes. Section 1123 of FIRREA (12 U.S.C. 3353) currently permits the OCC, OTS, FDIC, Federal Reserve Board and NCUA to waive such appraisal standards for 3 years in disaster areas.

Section 5 of DIDRA states that it is the sense of the Congress that these federal regulators should exercise their authority under Section 1123 of FIRREA to temporarily waive such standards.

Section 6—Limitation of DIDRA

DIDRA shall not limit the authority of any federal agency under any other provision of law.

Section 7—Definitions

This section defines certain terms used in DIDRA: (1) appropriate federal banking agency, (2) Board, (3) Federal financial institutions regulatory agency, (4) insured depository institution, (5) leverage limit, and (6) qualifying amount attributable to insurance proceeds.

Mr. GRAMS. Mr. President, we need to assure the people of Minnesota and North Dakota that the Senate stands behind them,. . . . and that the entire Congress and the President stand behind them as well.

I urge swift action on my legislation and the emergency supplemental appropriations, which I expect will have the overwhelming, bipartisan support of my colleagues when it comes to the floor.

Minnesota Governor Arne Carlson and his staff have been here in Washington these past 2 days, working with my staff and that of my colleagues to ensure Federal officials are doing everything in their power to help our residents put their lives back together.

Director James Witt and his team at FEMA have been outstanding. I can say with confidence that everyone here understands the gravity of the situation and the magnitude of the work that remains.

Mr. JOHNSON. Mr. President, today I am proud to be an original sponsor, along with my colleague from Minnesota, Senator GRAMS, of the Depository Institution Relief Act of 1997. This act represents a small measure that we in Congress can undertake to help alleviate some of the suffering caused in South Dakota, North Dakota, and Minnesota by the natural disasters of this past winter and spring.

South Dakotans are a hearty stock, and during my years serving the people

of South Dakota, I have repeatedly witnessed their ability to overcome any obstacle Mother Nature throws their way. However, I don't believe I have ever seen South Dakotans rise to the occasion in quite the manner they are right now. I recently toured the disaster areas of South Dakota, North Dakota, and Minnesota with both President Clinton and Vice-President GORE and viewed terrible scenes of cattle stranded in fields, dead cattle across the area, flooded highways, communities lining up to pile sandbags, and people forced to stay in motels because their homes are in such danger. The devastation caused to Grand Forks, ND will not soon be forgotten by those who witnessed nature's awesome fury first-hand. The situation in South Dakota also was far worse than I expected. During my recent tour, I saw a compelling combination of the furor of Mother Nature and the determination of South Dakotans, North Dakotans, and Minnesotans to survive yet another battle with this awesome force. Mother Nature—as only she can do—had changed the rules of the game and given the residents of our region more water than initially anticipated and more than we could safely handle.

But, through it all—through all the heart-wrenching, indiscriminate loss of property, possessions, and livestock—folks in our South Dakota communities have pulled together. The scene in my home State, and across the region, is something that nearly defies description, but clearly will not be forgotten for many years to come. As the flood waters begin to recede, and these hard-working folks begin to rebuild shattered lives, I rise to seek the support of my colleagues in providing certain regulatory relief that will greatly enable this process. As we did in response to previous tragic flooding along the Mississippi River in 1992 and 1993, let us now undertake to do for the residents of South Dakota, North Dakota, and Minnesota through the Depository Institution Disaster Relief Act of 1997.

This act will enable lending institutions—banks, credit unions, and thrifts—to help the people most severely affected by this disaster to begin the arduous process of recovery. The bill permits the regulatory agencies to waive some of the regulations which delay the procedures for helping these people. The major provisions will allow consumers to receive loan proceeds 3 days faster than they ordinarily would, helps lending institutions reopen for business quicker even though the disruption from the flooding may require more than 1 day to process cash deposits and government checks, and loosens capitalization requirements that will be buffeted by the large amounts of insurance deposits that will shortly be flowing through the region. We also call upon Federal regulators to use their ability to waive certain appraisal standards for real estate loans in the disaster areas. These actions will enable the regulating agencies to work with the primary lending institutions to make it easier for the impacted citizens to begin the strenuous and extremely difficult process of recovery.

Mr. President, my region has just suffered a 500-year flood right on the heels of the worst winter in memory. As the valiant residents of South Dakota, North Dakota, and Minnesota begin to rebuild their lives and homes, I urge the Congress to take these minimal steps to help that process.

The Depository Institution Disaster Relief Act of 1997 represents an immediate, concrete step we can and should take in that direction. I urge my colleagues to support our efforts to attach this important disaster relief bill to the supplemental appropriations bill which will be considered by the Senate in the near future.

By Ms. SNOWE:

S. 653. A bill to amend the Internal Revenue Code of 1986 to allow a deduction from gross income for home care and adult day and respite care expenses of individual taxpayers with respect to a dependent of the taxpayer who suffers from Alzheimer's disease or related organic brain disorders; to the Committee on Finance.

ALZHEIMER'S LEGISLATION

By Ms. SNOWE:

S. 654. A bill to amend the Internal Revenue Code of 1986 to make the dependent care credit refundable, and for other purposes; to the Committee on Finance.

DEPENDENT CARE TAX CREDIT LEGISLATION

By Ms. SNOWE:

S. 655. A bill to amend title XIX of the Social Security Act to require States to adopt and enforce certain guardianship laws providing protection and rights to wards and individuals subject to guardianship proceedings as a condition of eligibility for receiving funds under the Medicaid Program, and for other purposes; to the Committee on Finance.

THE GUARDIANSHIP RIGHTS AND RESPONSIBILITIES ACT OF 1997

• Ms. SNOWE. Mr. President, today I introduce a package of three bills which will have a significant impact on the lives of American families.

The first bill I am reintroducing today provides a tax credit for families caring for a relative who suffers from Alzheimer's disease. Today, "Alzheimer's" is a household term. But it was not always so. For many years, victims of Alzheimer's disease and their families struggled in isolation against this illness. However, President Reagan's poignant disclosure in 1994 that Alzheimer's disease was attacking him as he entered the "twilight years" of his life captured the collective heart of our Nation, and brought new attention to this devastating disease. We have come a long way from when I first came to Congress over 18 years ago, when there was not a single piece of legislation devoted to Alzheimer's disease. Thankfully, that has changed.

Alzheimer's disease is now the most expensive uninsured illness in America. The financial costs are staggering. Alzheimer's will consume more of our national wealth—approximately $1.75 trillion—than all other illnesses except cancer and heart disease. The number of Americans affected by Alzheimer's is rising and will continue to rise dramatically, from 4 million today to over 14 million by the middle of the 21st century.

In addition to the significant financial costs related to caring for a family member with Alzheimer's disease, there is also a tremendous emotional cost as well. It is a cost born by the millions of spouses, children, relatives, and friends of Alzheimer's victims who see their loved ones slowly overwhelmed by the disease.

We can, however, lessen both the emotional and financial costs of this disease by passing the bill I am reintroducing today which will provide some relief to Alzheimer's patients and their families. My bill would allow families to deduct the cost of home care and adult day and respite care provided to a dependent suffering from Alzheimer's disease.

The second bill I am reintroducing today will strengthen the dependent care tax credit and restore Congress' original intent to provide the greatest benefit of tax credit to low-income taxpayers. My legislation expands the dependent care tax credit, makes it applicable for respite care expenses, and makes it refundable.

The increase in women entering the work force and the aging population have brought a corresponding increase in the need for both child and elder care. Expenses incurred for such care can significantly strain a family's budget. In 1993, full-time child care costs averaged approximately $4,000. Managing these costs is difficult for many families, but is exceptionally burdensome for those in lower income brackets.

In 1976, Congress enacted the dependent care tax credit to help low- and moderate-income families alleviate the burden of employment-related dependent care. Over the years, the DCTC has provided significant Federal assistance to millions of families with child and adult dependent care expenses.

Under current law, parents can deduct up to $2,400 annually for employment-related child care expenses for one children, and up to $4,800 for two or more children. Parents can deduct an amount equal to 30 percent of their

child care expenditures if they have earnings below $10,000, with the percentage decreasing on a sliding scale to 20 percent if their income is above $28,000. The credit is nonrefundable, meaning that an individual can only receive the credit if he or she pays taxes.

Unfortunately, the value of the dependent care tax credit for low- and moderate-income families has eroded in recent years. This is largely due to the lack of inflationary indexing and refundability.

The Tax Reform Act of 1986 provided for inflationary indexing of all the basic provisions of the Internal Revenue Code that determine tax liability except for DCTC. As a result, fewer and fewer families with incomes low enough to take advantage of the maximum credit amount, 30 percent, have any tax liability.

The result is a shift in DCTC benefits away from low-income families and toward moderate-income families. Fewer and fewer low-income family's annual income reach the tax threshold necessary to receive the tax credit; and those low-income individuals who do reach the threshold lose out on the maximum credit available. Therefore, rather than helping low-income families with dependent care expenses, which was Congress' original intent, the DCTC is evolving into assistance for less needy middle-income families.

I believe it is critical to get the DCTC back on track helping those families most in need in our country. If we do not address these issues now, each year increasing tax thresholds will prevent more and more low-income individuals from benefiting from the DCTC.

The legislation I am reintroducing would make the adjustments necessary to restore this important benefit to low-income individuals and families. It indexes the DCTC to inflation, and makes it refundable so that those who do not reach the tax thresholds still receive Federal assistance for their dependent care expenses.

My legislation, however, goes even further to help families struggling with dependent care expenses. Recognizing the realistic costs of dependent care, my bill raises the DCTC sliding scale from 30 to 50 percent of work-related dependent care expenditures for families earning $15,000 or less. The scale would then be reduced by 1 percentage point for each additional $1,000 more of income, down to a credit of 20 percent for persons earning $45,000 or more.

Finally, this legislation expands the definition of dependent care to include respite care, thereby offering relief from this additional expense. A respite care credit would be allowed for up to $1,200 for one qualifying dependent care and $2,400 for two qualifying dependents. The credit for respite care expenses would be available regardless of the caregiver's employment status.

Congress intended the dependent care tax credit to help low- and moderate-income families manage the costs of dependent care assistance which is vital to so many families' economic livelihood. However, each year that we do not address the issues of inflationary indexing and refundability, we deny those very families assistance, and, instead, help families with greater financial means.

The third bill I am reintroducing today is the Guardianship Rights and Responsibilities Act of 1997, which establishes a bill of rights for adults who, because of physical or mental incapacity, become wards of the courts.

Wards are individuals whose legal rights, decisionmaking authority, and possessions have been transferred to the control of a guardian or conservator based on a judgment that the person is no longer capable of handling these affairs. This legal system severely limits an individual's personal autonomy and has considerable problems and widespread abuses. Horror stories abound about guardians who force unnecessary nursing home care, embezzle assets or otherwise abuse their wards.

The Guardianship Rights and Responsibilities Act of 1997 would require States to adopt and enforce laws to provide basic protection and rights to wards as a condition of receiving Federal Medicaid funds. It would assure due process protections such as counsel, the right to be present at their proceedings, and to appeal decisions. Also required would be: Clear and convincing evidence to determine the need for a guardianship; adequate court monitoring; and standards, training, and oversight for guardians.

This legislation will help to protect the most vulnerable elderly and disabled from exploitation, and will help to assure them the highest possible autonomy. I hope my colleagues will join me in supporting these important bills.●

By Mr. WARNER (for himself, Mr. THOMAS, Mr. COCHRAN, Mr. ENZI, Mr. HELMS, Mr. HUTCHINSON, Mr. ROTH, and Mr. SESSIONS):

S. 656. A bill to amend the Fair Labor Standards Act of 1938 to exclude from the definition of employee firefighters and rescue squad workers who perform volunteer services and to prevent employers from requiring employees who are firefighters or rescue squad workers to perform volunteer services, and to allow an employer not to pay overtime compensation to a firefighter or rescue squad worker who performs volunteer services for the employer, and for other purposes; to the Committee on Labor and Human Resources.

THE VOLUNTEER FIREFIGHTER AND RESCUE SQUAD WORKER ACT

Mr. WARNER. Mr. President, I rise today to once again introduce the Volunteer Firefighter and Rescue Squad Worker Act.

The purposes of this legislation, which was S. 324 in the 104th Congress, are to preserve the spirit of volunteerism in our communities and to assist our volunteer firefighters and rescue squad workers in their mission to provide vital life-saving and property protection services in their communities.

Under current law, it is illegal for a firefighter or rescue squad worker to work on a volunteer basis for the same community which employs him or her during the workweek. My bill would amend the Fair Labor Standards Act of 1938 to reflect the realities of the work force of the 1990's by excluding from the definition of "employee" firefighters and rescue squad workers who are performing volunteer services, thus removing the need to pay these volunteers overtime pay for those hours volunteered.

The need for this legislation stems from a 1993 U.S. Department of Labor ruling that a career firefighter cannot serve as a volunteer firefighter within the same county in which he or she is employed. My legislation would allow professional firefighters and rescue squad workers to volunteer their services during off-duty hours and to waive overtime pay. The bill specifically prohibits employers from requiring firefighters and rescue squad workers to volunteer when they would otherwise be entitled to receive overtime compensation, and it requires that any agreement by such employees to waive their right to overtime compensation be put in writing. I have also added new anticoercion language to the bill to specifically define behavior that would be considered coercive.

Historically, volunteer fire and rescue services have played an important role in our communities. Millions of people, at some point in their lives, have depended upon the services of such volunteers to protect life and property. In many cases, it is the professional firefighters and rescue workers who volunteered their expertise and training to their communities as a way of giving something back to their friends and neighbors. The current law, in comparison, does not even allow a firefighter or rescue worker to respond to an emergency without FLSA regulation.

Moreover, many municipalities and counties rely upon volunteer services because they lack the funds to operate a full-time professional and rescue service. I am concerned that until this bill is passed, many of our citizens will lack the level of protection that would voluntarily be provided by these professionals. This problem is especially acute for rural areas where fire and rescue units are less common and more remote.

Mr. President, I thank my colleagues, Senators COCHRAN, ENZI,

HELMS, HUTCHINSON, ROTH, SESSIONS, and THOMAS, who are cosponsors of this legislation. I hope my other colleagues will support this important legislation to return an important resource to localities to protect the property, and indeed the very lives, of Americans across our great nation.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

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

S. 656

Be it enacted by the Senate and House of representatives of the United States of America in Congress assembled,

SECTION 2. SHORT TITLE.

This Act may be cited as the "Volunteer Firefighter and Rescue Squad Worker Act".

SEC. 2. FIREFIGHTER AND RESCUE SQUAD SERVICES.

Section 3(e)(4) of the Fair Labor Standards Act of 1938 (29 U.S.C. 203(e)) is amended by adding at the end the following new subparagraph:

"(C) The term 'employee' does not include a firefighter or a member of a rescue squad during the period in which the firefighter or rescue squad member volunteers to perform firefighting or rescue squad services at a location where the firefighter or member is not then or regularly employed.".

SEC. 3. WAIVER OF OVERTIME COMPENSATION.

The employer of a firefighter or member of a rescue squad shall not be required to pay the firefighter or member overtime compensation under section 7 of the Fair Labor Standards Act of 1938 (29 U.S.C. 207) for a period during which the firefighter or member—

(1) volunteered to perform services for the employer; and

(2) signed a legally binding waiver of such compensation.

SEC. 4. LIMITATIONS ON THE PERFORMANCE OF VOLUNTEER SERVICES.

(a) OVERTIME COMPENSATION REQUIREMENT.—Section 7 of the Fair Labor Standards Act of 1938 (29 U.S.C. 207) is amended by adding at the end the following:

"(r) No employer may require (directly or indirectly) an employee who is a firefighter or member of a rescue squad to volunteer the employee's firefighting or rescue squad services during any period in which the employee would be entitled to receive compensation for overtime employment under subsection (a).".

(b) PROHIBITION AGAINST COERCION.—

(1) IN GENERAL.—An employer shall not directly or indirectly intimidate, threaten, or coerce, or attempt to intimidate, threaten, or coerce, an employee who is a firefighter or member of a rescue squad for the purpose of requiring the employee to volunteer the employee's firefighting or rescue squad services.

(2) DEFINITION.—In this subsection, the term "intimidate, threaten, or coerce" includes promising to confer or conferring any benefit (such as appointment, promotion, or compensation) or effecting or threatening to effect any reprisal (such as deprivation of appointment, promotion, or compensation).

By Mr. DASCHLE (for himself and Mr. JEFFORDS):

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; to the Committee on Armed Services.

THE MILITARY RETIREMENT EQUITY ACT OF 1997

Mr. DASCHLE. Mr. President, current law—grounded in a century-old statute—requires individuals in receipt of disability compensation from the Department of Veterans Affairs, VA, to offset by an equal amount any retired military pay for which they are eligible. The offset requirement discriminates unfairly against disabled career soldiers by requiring them, in effect, to fund their own disability benefits.

To correct this gross inequity, Senator JEFFORDS and I are introducing legislation today that would eliminate the offset on a graduated scale based on the inverse of the retiree's disability rating.

For example, a veteran who is 80 percent disabled would have to offset his retirement pay by the amount equal to 20 percent of his total VA disability. This compromise would establish the right of a disabled military retiree to receive at least a portion of his earned military retirement.

Current law is problematic because it ignores the proper distinction between military retirement and disability compensation entitlements. Whereas the former is paid to recognize a soldier who has dedicated 20 or more of his or her years to our country's defense, the latter is designed to compensate a veteran for injury incurred in the line of duty. Because the two types of compensation serve two entirely different purposes, receipt of one should not displace receipt of the other.

Concurrent receipt is fundamentally a fairness issue. The present law simply discriminates against career military personnel. Career military retirees are the only group of Federal retirees who are required to waive their retirement pay in order to receive VA disability pay.

The unequal gap between the compensation received by disabled servicemembers who choose different career paths is patently clear.

Disabled veterans who choose careers in military service will see, upon retirement, their earned retirement benefits reduced proportionate to their receipt of VA disability payments. Conversely, disabled veterans who elect to leave military service and go into either other Federal employment or the private sector will, upon retirement, continue to receive their full disability payments, along with any earned retirement benefits.

This inequity needs to be corrected. Over the past several years, the Congress and the Department of Defense have sought to deal with this issue in a variety of ways. In the past, many attempts to rectify this situation have been accompanied by staggering cost estimates. This legislation represents an effort to ease the offset burden on retired disabled servicemembers while avoiding significant deficit expansion.

It is also supported by veterans service organizations, including the Veterans of Foreign Wars, the Disabled American Veterans, the American Legion, and the Paralyzed Veterans of America. Although these organizations would prefer a complete elimination of the offset, they all welcome this effort as a step in the right direction.

We now have an opportunity to show a measure of our gratitude to all those remarkable men and women who have sacrificed in the name of freedom and democracy.

These dedicated servicemembers deserve our special commendation, both for having suffered while serving our country and for continuing to work in the Armed Forces until retirement. It is time for Congress to reverse the law that prohibits career military personnel who are wounded or injured during service to our country from receiving earned retirement benefits. I hope the Senate will consider this legislation expeditiously and end, at long last, this unfairness by finally passing this bill, or something like it, into law in the near future.

Mr. President, this legislation represents an honest attempt to correct an injustice that has existed for too long. By allowing disabled veterans to receive military retired pay and veterans disability compensation concurrently, with an offset that is inversely related to the degree of disability, we can restore some fairness to Federal retirement policy in a cost-effective manner. Common sense tells us that this is the right thing to do.

I ask unanimous consent that the text of the Military Retirement Equity Act of 1997 be printed in the RECORD.

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

S. 657

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 "Military Retirement Equity Act of 1997".

SEC. 2. CONCURRENT PAYMENT OF RETIRED PAY AND COMPENSATION.

(a) LIMITATION ON DUPLICATION OF BENEFITS.—Chapter 71 of title 10, United States Code, is amended by adding at the end the following new section:

"§1413. Concurrent payment of retired pay and veterans' disability compensation

"(a) CONCURRENT PAYMENT.—Subject to subsection (b), a person entitled to retired pay may be paid that pay concurrently with the payment of veterans' disability compensation for a service-connected disability if the person's entitlement to retired pay is based solely on—

"(1) the person's age;

"(2) the length of the person's service in the uniformed services; or

"(3) both the person's age and the length of such service.

"(b) OFFSET OF DISABILITY COMPENSATION.—In the case of a person who is receiving both retired pay and veterans' disability compensation, the amount of retired pay paid such person shall be reduced (but not below zero) based on the rating of the person's disability for veterans' disability compensation purposes as follows:

"(1) If and while the disability is rated 10 percent, by the amount equal to 90 percent of the amount of the disability compensation paid such person.

"(2) If and while the disability is rated 20 percent, by the amount equal to 80 percent of the amount of the disability compensation paid such person.

"(3) If and while the disability is rated 30 percent, by the amount equal to 70 percent of the amount of the disability compensation paid such person.

"(4) If and while the disability is rated 40 percent, by the amount equal to 60 percent of the amount of the disability compensation paid such person.

"(5) If and while the disability is rated 50 percent, by the amount equal to 50 percent of the amount of the disability compensation paid such person.

"(6) If and while the disability is rated 60 percent, by the amount equal to 40 percent of the amount of the disability compensation paid such person.

"(7) If and while the disability is rated 70 percent, by the amount equal to 30 percent of the amount of the disability compensation paid such person.

"(8) If and while the disability is rated 80 percent, by the amount equal to 20 percent of the amount of the disability compensation paid such person.

"(9) If and while the disability is rated 90 percent, by the amount equal to 10 percent of the amount of the disability compensation paid such person.

The retired pay of a person entitled to disability compensation may not be reduced under this subsection if and while the disability of such person is rated as total.

"(c) DEFINITIONS.—In this section:

"(1) RETIRED PAY.—The term 'retired pay' includes retainer pay and emergency officers' retirement pay.

"(2) VETERANS' DISABILITY COMPENSATION.—The term 'veterans' disability compensation' has the meaning given the term 'compensation' in section 101(13) of title 38.".

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by adding at the end the following new item

"1413. Concurrent payment of retired pay and veterans' disability compensation.".

SEC. 3. EFFECTIVE DATE AND PROHIBITION ON RETROACTIVE BENEFITS.

(a) IN GENERAL.—The amendments made by this Act shall take effect on October 1, 1997.

(b) RETROACTIVE BENEFITS.—No benefits shall be paid to any person by virtue of this Act for any period before the effective date of this Act.

Mr. JEFFORDS. Mr. President, current law requires retired military personnel individuals in receipt of disability compensation from the Department of Veterans Affairs, VA, to offset any retired military pay for which they become eligible. Today Senator DASCHLE and I are introducing legislation that would gradually eliminate this offset based on the inverse of the retiree's disability rating. This offset requirement unfairly discriminates against career soldiers who become disabled by requiring them to fund their own disability benefits.

As an example, a veteran with 60-percent service-connected disability would have to offset his retirement pay by the amount equal to 60 percent of his total VA disability. This compromise legislation would establish the right of a disabled military retiree to receive at least a portion of his earned military retirement while avoiding an insurmountable cost that, under budget rules, would require an offset in other funding areas of the Department of Defense.

Current law does not take into account the obvious distinction between military retirement and disability compensation entitlements. Military retirement is paid to recognize a soldier who has dedicated 20 or more of his or her years to our country's defense. Disability benefits are intended to compensate a veteran for injury for injury incurred in the lined of duty. Because these two types of compensation serve two different purposes, receipt of one should not prevent a veteran from receiving the other.

Congress has sought to deal with this issue over the years in a number ways—most of these attempts have brought with them unreasonable cost estimates. This legislation would ease the offset burden on retired disabled service members and still avoid significant expansion in the deficit. Also, because career military retirees are the only group of Federal retirees who are required to waive their retirement pay in order to receive VA disability, the need to change current law is especially pressing. Inversely, disabled veterans who elect to leave military service and go into either other Federal employment or the private sector will, upon retirement, continue to receive their full disability payments, along with any earned retirement benefits.

This bill is supported as a step in the right direction by the Nation's veterans service organizations, including the American Legion, Veterans of Foreign Wars, the Disabled American Veterans, and the Paralyzed Veterans of America.

Congress should move quickly to reverse this law prohibiting career military personnel who are wounded or injured during their service from receiving earned retirement benefits. I hope the Senate will act to end this unfairness once and for all by passing legislation to ease the offset. In allowing disabled veterans to receive military retired pay and veterans disability compensation concurrently, with an offset that is inversely related to the degree of disability, we will restore some fairness to Federal retirement policy cost-effectively. Our veterans have earned that and much more.

By Mr. TORRICELLI (for himself and Mr. DURBIN):

S. 658. A bill to amend title 18, United States Code, to prohibit gunrunning, and provide mandatory minimum penalties for crimes related to gunrunning; to the Committee on the Judiciary.

THE GUN KINGPIN PENALTY ACT OF 1997

Mr. TORRICELLI. Mr. President, I rise today, along with my colleague from Illinois Senator DURBIN, to introduce the Gun Kingpin Penalty Act of 1997. In introducing this bill, Senator DURBIN and I hope that our colleagues will soon join us in sending a clear and strong signal to gunrunners—your actions will no longer be tolerated.

Mr. President, recent numbers gathered by the Bureau of Alcohol, Tobacco and Firearms clearly demonstrate what many of us already knew all too well—several key North-South highways in this country have become pipelines for merchants of death who deal in illegal firearms.

My own State of New Jersey is proud to have some of the toughest gun control laws in the Nation. But for far too long, the courageous efforts of New Jersey citizens in enacting these tough laws have been weakened by out of State gunrunners who treat our State like their own personal retail outlet.

We learned from the ATF data that in 1996, New Jersey exported fewer guns used in crimes, per capita, than any other State—less than 1 gun per 100,000 residents, or 75 total guns. In contrast, Mississippi exported 29 of these guns per capita last year.

Meanwhile, an incredible number of guns used to commit crimes in New Jersey last year came from out of State—944 guns were imported and used to commit crimes compared to only 75 exported—a net import of 869 illegal guns used to commit crimes against the people of New Jersey. In fact, the top six exporters of illegal guns used to commit crimes in New Jersey supplied 62 pecent of the guns—585—and only one of those six States—North Carolina—has strong gun control laws.

This represents a one way street—guns come from States with lax gun laws straight to States, like New Jersey, with strong laws.

It is clear that New Jersey's strong gun control laws offer criminals little choice but to import their guns from States with weak laws. We must act on a Federal level to send a clear message that this cannot continue and will not be tolerated.

Mr. President, once again this year Senator LAUTENBERG and I have introduced our one-gun-a-month bill, which would go a long way toward preventing bulk sales and massive trafficking in firearms.

But today's bill is the next logical step—hitting illegal traffickers where

it hurts with tough mandatory minimum sentences that will get these gunrunners off our streets.

The Gun Kingpin Penalty Act of 1997 would create a new Federal gunrunning offense for any person who, within a 12-month period, transports more than five guns to another State with the intent of transferring all of the weapons to another person. The act would establish mandatory minimum penalties for gunrunning as follows:

A mandatory 3-year minimum sentence for a first offense involving 5 to 50 guns; a mandatory 5-year minimum sentence for second offense involving 5 to 50 guns; and a mandatory 15-year minimum sentence for any offense involving more than 50 guns.

Additionally, the bill contains two blood-on-the-hands provisions, which will significantly increase penalties for a gunrunner who transfers a gun subsequently used to seriously injure or kill another person. A mandatory 10-year minimum sentence is required if one of the smuggled guns is used within 3 years to kill or seriously injure another person. And a mandatory 25-year minimum sentence must be imposed if one of the smuggled guns is used within 3 years to kill or seriously injure another person and more than 50 guns were smuggled.

Finally, our bill adds numerous gunrunning crimes as RICO predicates, and authorizes 200 additional Treasury personnel to enforce the act—Congress must provide law enforcement with the resources to enforce the laws we pass.

The fight against gun violence is a long-term, many-staged process. We succeeded in enacting the Brady bill and the ban on devastating assault weapons. Last year, we told domestic violence offenders that they could no longer own a gun.

And these laws have been effective: 186,000 prohibited individuals have already been denied a handgun due to Brady background checks. Some 70 percent of these people were convicted or indicted felons.

Traces of assault weapons have plummeted since the ban, and prices have gone up. And not a single law enforcement officer has been killed with an assault weapon in over a year.

Mr. President, I will soon be introducing a companion piece to this legislation—the Gun Kingpin Death Penalty Act of 1997. That bill, modeled after the drug kingpin legislation passed by Congress several years ago, will allow for the Federal death penalty if a gunrunning kingpin commits murder in the course of his or her operations. As I said before, this is a many-staged fight, and we can never rest when it comes to gun violence.

This problem will not just go away, and we cannot standby and watch as innocent men, women, and children die at the hands of criminals armed with these guns. I urge my colleagues to support this bill, and I ask that the full text of the legislation be printed in the RECORD following this statement. I yield the floor to my friend from Illinois Senator DURBIN.

Mr. DURBIN. Mr. President, I thank the distinguished Senator from New Jersey and join him today in introducing the Gun Kingpin Penalty Act of 1997.

Mr. President, Interstate 55 runs straight through Mississippi to Memphis and St. Louis before veering northeast into Springfield and Chicago. And, in addition to carrying cars with their passengers and trucks with their cargo, I-55 is a firearm freeway into my home State. Gunrunners ship trunkloads of guns up I-55 for use by criminals.

Two years ago, one of those guns—that probably came into Illinois via I-55—was used to shoot Chicago Police Officer Daniel Doffyn in the head. Officer Doffyn was fresh out of the police academy. He was out on a burglary call, and a Tec-9 from Mississippi killed him.

The legislation Senator TORRICELLI and I introduce today lets everyone know that we are committed to closing down the illegal gunrunning operations that put that Tec-9 into the hands of the man who killed Daniel Doffyn.

And let no one underestimate the deadly impact of gunrunning across State lines. My home State of Illinois has tough gun laws. The local firearms dealers, police, and licensing authorities work hard to make sure that felons cannot go into a store and buy guns. They also work hard to keep the illegal gun market under control.

But we have learned that one State alone cannot overpower the illegal gun market. Earlier this year we obtained data from the Bureau of Alcohol, Tobacco and Firearms detailing the results of their efforts to trace guns used in crimes. We analyzed that data and produced a report. That report concluded that:

First, guns used in crimes are most likely to come from just a few States with relatively weak gun control laws. Of the traceable guns used nationwide in crimes, 16,635 of the 47,068, or 35 percent, were out-of-State guns.

Second, in States with strong gun laws, criminals obtain many of their guns from other States with weaker gun laws.

Third, in States with lax gun laws, criminals obtain the majority of their guns from their home State.

Fourth, the trafficking of guns moves primarily in one direction; from States with weak gun laws to States with tough gun laws.

Fifth, when neighboring States have different levels of gun control laws, the State with lax laws floods its stricter neighbor with guns.

In Illinois we can see how these conclusions play out. Illinois is a net traced-guns importer. In 1996, Illinois accounted for a total of 399 crime guns traced in all the other States combined. However, 1,596 guns from out of State were traced to crimes in Illinois. Thirty-five percent of the guns traced from crimes in Illinois were from out of State. And 10 percent of the guns traced from crimes in Illinois were from Alabama, Mississippi, and Texas. Mississippi is the top supplier of out-of-State guns to Illinois, 306, and Wisconsin, 75. In contrast, Illinois exported only two guns traced to crime in Mississippi.

In Mississppi, 268 guns involved in a crime were traced right back to Mississippi. In contrast, 306 Mississippi guns were traced to crimes in Illinois. Overall, Illinois pays a heavier price for Mississippi's lax gun control laws than Mississippi does.

In contrast to the weak gun law States, Illinois has tough gun laws. That's why per capita, Illinois barely plays a role in the gunrunning business. States with laxer gun control laws are acting as exporters to Illinois. Illinois accounted for 2 percent of the gun exports traced in crimes in other States. In contrast, Texas and Florida accounted for almost 14 percent of those gun exports.

Mr. President, I believe that it is time to shut down the firearms freeway to Illinois. That is why I am happy to sponsor this bill. This measure will let everyone know that we are quite serious about this, that the gunrunning black market is not just a harmless little business venture. People who run trunkloads of guns into another State are doing so for the sole purpose of making money off selling guns to people they know intend to use the gun in crime. This bill provides for a 3-year mandatory minimum for gunrunners. And the penalties will go up with the number of guns. If you run 50 guns, the penalty is 15 years. This legislation also makes gunrunning a RICO or racketeering predicate. With this tool in place, we can shut down entire gunrunning syndicates.

I believe that we should all easily support this measure. It is aimed at taking guns out of the hands of criminals.

Mr. President, I ask unanimous consent that the text of the bill and additional material be printed in the RECORD.

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

S. 658

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 "Gun Kingpin Penalty Act".

SEC. 2. PROHIBITION AGAINST GUNRUNNING.

Section 922 of title 18, United States Code, is amended by inserting after subsection (x) the following:

"(y) It shall be unlawful for a person not licensed under section 923 to ship or transport, or conspire to ship or transport, 5 or more firearms from a State into another State during any period of 12 consecutive months, with the intent to transfer all of such firearms to another person who is not so licensed.".

SEC. 3. MANDATORY MINIMUM PENALTIES FOR CRIMES RELATED TO GUNRUNNING.

Section 924 of title 18, United States Code, is amended by adding at the end the following:

"(p)(1)(A)(i) Whoever violates section 922(y) shall, except as otherwise provided in this subsection, be imprisoned not less than 3 years, and may be fined under this title.

"(ii) In the case of a person's second or subsequent violation described in clause (i), the term of imprisonment shall be not less than 5 years.

"(B) If a firearm which is shipped or transported in violation of section 922(y) is used subsequently by the person to whom shipped or transported, or by any person within 3 years after the shipment or transportation, in an offense in which a person is killed or suffers serious bodily injury, the term of imprisonment for the violation shall be not less than 10 years.

"(C) If more than 50 firearms are the subject of a violation of section 922(y), the term of imprisonment for the violation shall be not less than 15 years.

"(D) If more than 50 firearms are the subject of a violation of section 922(y) and 1 of the firearms is used subsequently by the person to whom shipped or transported, or by any person within 3 years after the shipment or transportation, in an offense in which a person is killed or suffers serious bodily injury, the term of imprisonment for the violation shall be not less than 25 years.

"(2) Notwithstanding any other provision of law, the court shall not impose a probationary sentence or suspend the sentence of a person convicted of a violation of this subsection, nor shall any term of imprisonment imposed on a person under this subsection run concurrently with any other term of imprisonment imposed on the person by a court of the United States.".

SEC. 4. CRIMES RELATED TO GUNRUNNING MADE PREDICATE OFFENSES UNDER RICO.

Section 1961(1)(B) of title 18, United States Code, is amended by inserting "section 922(a)(1)(A) (relating to unlicensed importation, manufacture, or dealing in firearms), section 92(a)(3) (relating to interstate transportation or receipt of firearm), section 922(a)(5) (relating to transfer of firearm to person from another State), or section 922(a)(6) (relating to false statements made in acquisition of firearm or ammunition from licensee), section 922(d) (relating to disposition of firearm of ammunition to a prohibited person), section 922(g) (relating to receipt of firearm or ammunition by a prohibited person), section 922(h) (relating to possession of firearm or ammunition on behalf of a prohibited person), section 922(i) (relating to transportation of stolen firearm or ammunition), section 922(j) (relating to receipt of stolen firearm or ammunition), section 922(k) (relating to transportation or receipt of firearm with altered serial number), section 922(y) (relating to gunrunning), section 924(b) (relating to shipment or receipt of firearm for use in a crime)," before "section 1028".

SEC. 5. ENFORCEMENT.

The Secretary of the Treasury may hire and employ 200 personnel, in addition to any personnel hired and employed by the Department of the Treasury under other law, to enforce the amendments made by this Act, notwithstanding any limitations imposed by or under the Federal Workforce Restructuring Act.

WAR BETWEEN THE STATES: HOW GUNRUNNERS SMUGGLE WEAPONS ACROSS AMERICA

SUMMARY OF "WAR BETWEEN THE STATES: HOW GUNRUNNERS SMUGGLE WEAPONS ACROSS AMERICA"

This report examines the deadly commerce practiced by interstate gunrunners. These profiteers legally buy weapons in a state with mild gun laws, and then sell them illegally in another state with tough rules.

When these smugglers load up their car trunks with piles of lethal merchandise, they transfer countless weapons from legitimate commerce to the black market—and the guns often end up in criminals' hands.

A handful of states like Mississippi and Florida are typical shopping stops for the nation's gunrunners, who then sell the weapons in states like New York, New Jersey, and Illinois—the losers in this deadly game of firearms smuggling.

The five worst offenders per capita are Mississippi, South Carolina, West Virginia, Nevada, and Kansas.

Several interstate highways are "firearms freeways"—favorite smuggling routes for gunrunners. Illegally transported guns head north up I-95 from Florida, Georgia and South Carolina to New York, New Jersey and Massachusetts, or north from Mississippi along I-55 to Illinois.

This independent analysis of data on 1996 firearms traces makes several trends crystal clear:

1. Gunrunners' bazaars: Guns used in crimes are most likely to come from just a few states with relatively weak gun control laws. Just the top four states—Florida, Texas, South Carolina, and Georgia—account for a quarter of the traces. This trend is even more stark when analyzed based on population: several small states provide far more than their share of guns to criminals, and these states have particularly weak laws.

2. Home sweet home: In states with strong gun laws, criminals obtain the majority of their guns from other states; in states with weaker gun laws, criminals obtain the majority of their guns locally.

3. One-way streets: Illicit traffic along the "firearms freeways" moves only in one direction: from states with less gun control to those with more.

4. Love thy neighbor: When neighboring states have different approaches to firearms regulation, the state with lax laws floods its stricter neighbor with guns that are used in crime.

These clear patterns show the urgent need for a nationwide effort to stop gun smuggling between states. In particular, Congressman Schumer is proposing tough new federal penalties for gunrunning crimes and increased resources for investigations of firearms trafficking.

FINDINGS: GUNRUNNING IS A NATIONAL PROBLEM

The tables that follow this page tell the story of a thriving illegal trade that crisscrosses the nation. The customers for this business are street gangs and murderers, drug dealers and muggers. The salespeople are interstate gunrunners who exploit the discrepancies in different states' gun laws to supply weapons on the black market. And the suppliers are states where gun laws get a failing grade.

Table 1: Guns crossing State lines

Table 1 shows how many guns sold in a particular state were traced to crimes in other states by the federal Bureau of Alcohol, Tobacco, and Firearms in 1996.

The table demonstrates how lopsided these figures are. The two states that provide the most guns to criminals in other states—Florida (1,243) and Texas (1,068)—account for almost 14% of all such traces, and the top four states account for a quarter. A majority of the out-of-state guns (54.2%) come from just the top ten states—more than the other 40 states and Washington, DC combined.

Note that the numbers in Table 1 account for all guns recovered by law enforcement and traced, not all guns used in crimes. In reality, these states are selling far more guns to criminals than indicated on the table.

Table 2: Guns crossing State lines per capita

Table 2 adjusts for population, more clearly demonstrating the link between weak gun laws and the sale of guns used in other states' crimes.

The "export rate" shows how many guns were traced from crimes elsewhere per 100,000 state residents. In other words, for every 100,000 Mississippi residents, 29 guns were sold in Mississippi and traced to crimes in another state. For every 100,000 New Yorkers, 1.19 guns were sent to out-of-state criminals.

Each state was rated on how strongly its rules crack down on gunrunners' easy access to weapons. The ratings of state gun laws are explained more fully in an appendix. Overall, 27 of the states are rated "very weak" because they have no significant restrictions beyond those required under federal regulation, such as the Brady Law. Four of the states were rated "weak," four "moderate," six "strong," and ten "very strong."

By controlling for population, Table 2 underscores the dramatic impact of state gun laws on gun trafficking patterns. None of the top ten states on Table 2 had "strong" or "very strong" ratings. Six of the ten are "very weak."

TABLE 1.—CRIME GUNS CROSSING STATE LINES—1996

[State-by-State breakdown of guns used in out-of-State crimes by place of origination]

Rank	State	Total exports
1	Florida	1,243
2	Texas	1,068
3	South Carolina	992
4	Georgia	939
5	Virginia	924
6	California	828
7	Ohio	823
8	Mississippi	782
9	North Carolina	752
10	Indiana	665
11	Pennsylvania	532
12	Alabama	516
13	Arizona	487
14	Maryland	457
15	Kentucky	428
16	Illinois	399
17	Kansas	364
18	Louisiana	339
19	Tennessee	317
20	West Virginia	286
21	Arkansas	279
22	Oklahoma	262
23	Nevada	230
24	Wisconsin	224
25	Washington	223
26	Colorado	216
27	New York	215
28	Michigan	200
29	Missouri	155
30	New Mexico	152
31	Connecticut	134
32	Oregon	116
33	Minnesota	106
34	Iowa	99
35	Idaho	94
36	Massachusetts	90

TABLE 1.—CRIME GUNS CROSSING STATE LINES—1996—Continued

[State-by-State breakdown of guns used in out-of-State crimes by place of origination]

Rank	State	Total exports
37	New Hampshire	79
38	New Jersey	75
39	Delaware	74
40	Utah	69
41	Alaska	68
42	Maine	62
43	Montana	58
44	Nebraska	54
45	Vermont	46
46	South Dakota	45
47	Wyoming	31
48 (Tie)	District of Columbia	18
	Rhode Island	18
50 (Tie)	North Dakota	15
	Hawaii	15
	U.S. total exports	16,663

Source: Bureau of Alcohol, Tobacco, and Firearms.

TABLE 2.—CRIME GUNS CROSSING STATE LINES—PER CAPITA—1996

[Number of guns used in out-of-State crimes by place of origination per 100,000 residents]

Rank	State	Rating	Export rate
1	Mississippi	VW	29.00
2	South Carolina	M	27.01
3	West Virginia	VW	15.65
4	Nevada	VW	15.03
5	Kansas	VW	14.19
6	Virginia	W	13.96
7	Georgia	VW	13.04
8	Alabama	M	12.13
9	Arizona	VW	11.55
10	Indiana	M	11.45
11	Alaska	VW	11.26
12	Arkansas	VW	11.23
13	Kentucky	VW	11.09
14	North Carolina	VS	10.45
15	Delaware	VW	10.32
16	Maryland	S	9.06
17	New Mexico	VW	9.02
18	Florida	VW	8.65
19	Idaho	VW	8.08
20	Oklahoma	VW	7.99
21	Vermont	VW	7.86
22	Louisiana	VW	7.81
23	Ohio	VW	7.38
24	New Hampshire	W	6.88
25	Montana	VW	6.67
26	Wyoming	VW	6.46
27	South Dakota	VW	6.17
28	Tennessee	W	6.03
29	Colorado	VW	5.76
30	Texas	VW	5.70
31	Maine	VW	5.00
32	Pennsylvania	M	4.41
33	Wisconsin	VW	4.37
34	Washington	W	4.11
35	Connecticut	VS	4.09
36	Oregon	VW	3.69
37	Utah	VW	3.54
38	Iowa	S	3.48
39	Illinois	VS	3.37
40	Nebraska	S	3.30
41	District of Columbia	VS	3.25
42	Missouri	S	2.91
43	California	S	2.62
44	North Dakota	VW	2.34
45	Minnesota	VS	2.30
46	Michigan	VS	2.09
47	Rhode Island	S	1.82
48	Massachusetts	VS	1.48
49	Hawaii	VS	1.26
50	New York	VS	1.19
51	New Jersey	VS	0.94
	U.S. Average		6.33

Rating Legend: VS: Very Strong; S: Strong; M: Moderate; W: Weak; VW: Very Weak.

Source: Bureau of Alcohol, Tobacco and Firearms.

TREND 1: GUNRUNNERS' BAZAARS—STATES WITH WEAK LAWS SUPPLY THE BULK OF CRIME GUNS

Many states with weak gun control laws are giant bazaars for gunrunners—and those with tough laws sell very few guns used in other states' crimes. The medium-sized and large states that dominate the top of Table 1 are responsible for a vast proportion of the guns traced to crimes across the country.

The top two states, Florida and Texas, supplied 14% of the guns traced to crime in other states. These two states along with South Carolina and Georgia account for a quarter of the traces.

A majority of the guns traced across state lines in 1996 (54.2%) came from just the top ten states—more than the other 40 states and Washington, DC combined. Five of these states have gun laws rated "very weak" (Florida, Texas, Georgia, Ohio, and Mississippi).

In contrast, New York, New Jersey, Michigan and Minnesota, four very large states with strong gun laws, accounted for only 3.6% of those out-of-state guns.

Top-ranked Florida dealers sold about as many guns traced to crime in other states (1,243) as did ten other medium-sized or large states combined: New York (215), Michigan (200), Missouri (155), Connecticut (134), Oregon (116), Minnesota (106), Iowa (99), Massachusetts (90), New Jersey (75), and Nebraska (54).

By controlling the data for population, Table 2 demonstrates how weak gun laws attract gunrunners. Analyzing the data on a per capita basis demonstrates that even quite small states can be mother lodes for gunrunners—if their laws are accommodating.

Adjusted for population, Mississippi supplied the most guns traced to other states' crimes. The explanation: except for some limitations on juveniles, Mississippi has no significant gun control laws of its own. Mississippi was closely followed as a gun-providing state by South Carolina, West Virginia, Nevada, and Kansas. Three of these four states have gun control laws just as weak as Mississippi.

On a per capita basis, the fewest out-of-state guns came from New Jersey, New York, Hawaii, Massachusetts, Rhode Island, Michigan and Minnesota. All these states except Rhode Island were rated "very strong;" Rhode Island's laws are "strong."

A gun traced to crime is twenty-five times more likely per capita to come from Mississippi or South Carolina than from New York or New Jersey.

Although New York's population is seven times larger than Mississippi, Mississippi had three times more out-of-state traces than New York.

TREND 2: HOME SWEET HOME—IN STATES WITH LAX LAWS, MORE CRIME GUNS COME FROM IN-STATE

In states with weak gun laws, criminals can shop at their neighborhood gun store. By contrast, criminals in states with tough gun control laws must obtain out-of-state guns on the black market to perpetrate violent crimes.

More than three quarters of the gun traces from crimes in South Carolina, Mississippi, Georgia, Florida, Kansas, Ohio and Texas lead back to dealers in the same state.

Less than one quarter of the guns traced from crimes in New York (23.5%), New Jersey (21.2%) were bought in these states, which have strict laws.

A majority (53%) of the crime guns traced to states with "very strong" laws were purchased out-of-state. There were 13,760 guns traced to crimes in these 10 states (New Jersey, New York, Hawaii, Massachusetts, Michigan, the District of Columbia, Illinois, Connecticut, and North Carolina).

Less than a quarter (23%) of the crime guns traced to states with "very weak" laws were purchased out-of-state. There were 15,046 guns traced to crimes in 26 of these states (data for West Virginia was incomplete and not included in this figure).

TREND 3: ONE-WAY STREETS—"FIREARM FREEWAYS" MOVE IN ONLY ONE DIRECTION

The data shows how gunrunners use major interstate highways as their smuggling routes. It also shows how those routes move primarily in one direction—from states with less stringent gun control to those with stricter rules.

I-95: The Most Travelled Highway in America Extends from Southern Florida to Northernmost Maine:

North Carolina, South Carolina, Georgia, and Florida—the four southernmost states on I-95—were the source of 1,199 guns traced to crimes in the nine northeast states from Pennsylvania to Maine. These same nine northeastern states accounted for a total of just 64 guns traced to the four southeastern states—95% fewer.

702 guns bought in South Carolina, Georgia, or Florida were traced to crimes in New York or New Jersey. On the other hand, just 11 guns bought in New York or New Jersey were traced to crimes in South Carolina, Georgia, or Florida.

Despite distance of 1,200 miles, Florida was the largest supplier of out-of-state guns traced to crimes in Massachusetts (40 gun traces). In contrast, just three guns from Florida crimes came from Massachusetts. Georgia was the second biggest source for Massachusetts, sending 30 guns to the Bay State, while not a single trace from any Georgia crime led back to Massachusetts.

I-55: Beginning in New Orleans, I-55 Runs Alongside the Mississippi River to Jackson, Memphis and St. Louis before Veering East to Springfield and Chicago:

Mississippi is the top supplier of out-of-state guns to Illinois (306) and Wisconsin (75). Illinois and Wisconsin are home to only four guns traced to crime in Mississippi.

Of all the guns traced to Mississippi, there were more linked to crimes hundreds of miles away in Illinois (306) than at home in Mississippi (268).

Louisiana sold 89 guns traced to crimes in Illinois, Michigan, Missouri, and Wisconsin. These four states combined sent just six guns down to Louisiana.

TREND 4: LOVE THY NEIGHBOR—THE BORDERS BETWEEN SOME STATES ARE HOT ZONES FOR GUNRUNNERS

When a state with loose gun laws borders on one with stricter rules, the lax state floods the tough neighbor with firearms.

Kansas: Dealers in Kansas sold 238 guns that were traced to crime in Missouri. Missouri, which has a gun permit requirement rated "strong," sent only three crime guns back across the border to Kansas.

South Carolina: Dealers in South Carolina sold 430 guns that were traced to crimes in North Carolina. North Carolina, which has much stricter gun control laws, is home to only two guns traced to crimes in South Carolina.

Ohio: Ohio is perhaps the gunrunners' favorite northern state, spreading firearms to criminals throughout the region. Ohio sold 235 guns that went north to Michigan criminals, but only 26 traces went the other way from Michigan dealers to Ohio criminals. Similarly, Ohio was the source of 226 guns traced to crimes in Pennsylvania, Maryland, New York, New Jersey and the District. These five jurisdictions were the source of just 24 guns traced to crimes in Ohio.

Indiana: While 306 guns from Indiana were traced to crimes in Illinois, only 41 Illinois guns were traced to crimes in Indiana. Hoosier gun dealers also sold 50 guns traced from Wisconsin (which sent 22 to Indiana) and 77 to Michigan (which sent 17 to Indiana).

NOTES ON SOURCES

This study analyzes the 47,068 guns which the federal Bureau of Alcohol, Tobacco and Firearms (ATF) traced to a final retail purchaser in 1996. ATF traces firearms at the request of law enforcement agencies; not all firearms seized in crimes are traced, and some are traced by local authorities rather than by ATF. ATF supplied raw data at Congressman Charles Schumer's request and did not contribute to the analysis contained in this report.

Of all the traces, 16,663—35%—were used in crimes outside of the state where they were bought. This subset was used for analysis on "out-of-state" guns.

Handgun Control, Inc. provided summaries of state laws on gun control, but bears no responsibility for the rankings. Supplementary information was obtained from law enforcement authorities or government offices in various states.

Population data was based on the 1995 Census as reported in the "Statistical Abstract of the United States."

By Mr. GLENN (for himself, Mr. LEVIN, Mr. MOYNIHAN, Mr. DEWINE, Ms. MOSELEY-BRAUN, and Mr. KOHL):

S. 659. A bill to amend the Great Lakes Fish and Wildlife Restoration Act of 1990 to provide for implementation of recommendations of the U.S. Fish and Wildlife Service contained in the Great Lakes Fishery Restoration Study Report; to the Committee on Environment and Public Works.

THE GREAT LAKES FISH AND WILDLIFE RESTORATION ACT OF 1997

Mr. GLENN. Mr. President, this week our nation celebrates the 27th anniversary of Earth Day. In 1970, the inaugural year of Earth Day, the Nation's consciousness was raised about the plight of our environment. The Great Lakes were held up as some of the worst examples of human abuse; Lake Erie was given up for dead, the victim of unrestrained pollution and the misuse of its precious natural resources. The Cuyahoga River caught fire and phosphate-based soap suds washed up on shorelines throughout the Nation. The Great Lakes region responded to the alarm with unprecedented vigor.

In 1971 I headed the Governor's Task Force on Environmental Protection in Ohio, a forerunner to today's Ohio EPA. In a spirit of regional cooperation, the surrounding States, Native American Tribes, and Canada entered into collective agreements that recognized the Great Lakes as a set of shared resources within a single ecosystem. Important environmental legislation was designed and implemented to combat pollution and clean up the environment.

Since that time, water quality has improved dramatically and fisheries scientists are witnessing recovery of fish populations in each of the lakes. Lake Erie is experiencing rebounds in lake whitefish populations thought impossible just 10 years ago. This past summer, the Fish and Wildlife Service announced that lake trout populations in Lake Superior are now self-sustaining, needing no further stocking. There are many success stories in the Great Lakes, suggesting the ecological health of our lakes is on the mend, but the job is not yet complete. Degraded habitats, reduced fish and wildlife populations, and the threat from nonindigenous species still imperil the well being of our lakes.

Today my colleague from the House of Representatives, Congressman LA TOURETTE of Ohio, and I will introduce a bill into the House and Senate that will continue the recovery process of the Great Lakes and their associated natural resources. This bill, the Great Lakes Fish and Wildlife Restoration Act of 1997 builds upon the Great Lakes Fish and Wildlife Restoration Act of 1990. The 1990 act authorized the U.S. Fish and Wildlife Service to undertake a comprehensive study to first, assess the status of fishery resources and their habitats and second, to gauge the effectiveness of management strategies used to protect these resources. The study's findings recommend a definite course of action for the continued restoration of the region's natural resources. The full implementation of the strategic plan for management of Great Lakes fisheries and the institution of a comprehensive and standardized ecological monitoring system for all lakes are just 2 of 32 specific recommendations set forth by the study.

The Great Lakes Fish and Wildlife Restoration Act represents a new generation of environmental legislation, one that recognizes the complexity and interrelatedness of ecosystems. This act seeks to address natural resource management in a comprehensive and conscientious manner by building partnerships among the Great Lakes States, United States and Canadian Governments, and Native American tribes. Through regional cooperation, I believe we can address the environmental and economic concerns of the Great Lakes basin and continue the recovery that began some 27 years ago. By supporting this legislation, we in the Congress will be taking the right next step toward responsible stewardship of the Great Lakes as we venture into the new millenium.

ADDITIONAL COSPONSORS

S. 146

At the request of Mr. ROCKEFELLER, the names of the Senator from Hawaii [Mr. INOUYE] and the Senator from Pennsylvania [Mr. SPECTER] were added as cosponsors of S. 146, a bill to permit Medicare beneficiaries to enroll with qualified provider-sponsored organizations under title XVIII of the Social Security Act, and for other purposes.

S. 347

At the request of Mr. CLELAND, the name of the Senator from Delaware [Mr. BIDEN] was added as a cosponsor of S. 347, a bill to designate the Federal building located at 100 Alabama Street NW, in Altanta, GA, as the "Sam Nunn Federal Center."

S. 460

At the request of Mr. BOND, the names of the Senator from Texas [Mr. GRAMM], the Senator from Kansas [Mr. ROBERTS], and the Senator from Missouri [Mr. ASHCROFT] were added as cosponsors of S. 460, a bill to amend the Internal Revenue Code of 1986 to increase the deduction for health insurance costs of self-employed individuals, to provide clarification for the deductibility of expenses incurred by a taxpayer in connection with the business use of the home, to clarify the standards used for determining that certain individuals are not employees, and for other purposes.

S. 527

At the request of Mr. LAUTENBERG, the name of the Senator from Indiana [Mr. LUGAR] was added as a cosponsor of S. 527, a bill to prescribe labels for packages and advertising for tobacco products, to provide for the disclosure of certain information relating to tobacco products, and for other purposes.

S. 528

At the request of Mr. CAMPBELL, the name of the Senator from New Hampshire [Mr. GREGG] was added as a cosponsor of S. 528, a bill to require the display of the POW/MIA flag on various occasions and in various locations.

S. 561

At the request of Mr. SHELBY, the name of the Senator from Arkansas [Mr. HUTCHINSON] was added as a cosponsor of S. 561, a bill to require States receiving prison construction grants to implement requirements for inmates to perform work and engage in educational activities, to eliminate certain sentencing inequities for drug offenders, and for other purposes.

S. 562

At the request of Mr. D'AMATO, the names of the Senator from Arizona [Mr. MCCAIN], the Senator from New Mexico [Mr. DOMENICI], and the Senator from North Carolina [Mr. HELMS] were added as cosponsors of S. 562, a bill to amend section 255 of the National Housing Act to prevent the funding of unnecessary or excessive costs for obtaining a home equity conversion mortgage.

At the request of Mr. COVERDELL, his name was added as a cosponsor of S. 562, supra.

S. 620

At the request of Mr. GREGG, the name of the Senator from Mississippi [Mr. COCHRAN] was added as a cosponsor of S. 620, a bill to amend the Internal Revenue Code of 1986 to provide greater equity in savings opportunities for families with children, and for other purposes.

S. 627

At the request of Mr. JEFFORDS, the name of the Senator from Georgia [Mr. COVERDELL] was added as a cosponsor of S. 627, a bill to reauthorize the African Elephant Conservation Act.

SENATE RESOLUTION 64

At the request of Mr. ROBB, the names of the Senator from Montana [Mr. BAUCUS], the Senator from New Mexico [Mr. BINGAMAN], the Senator from California [Mrs. BOXER], the Senator from Nevada [Mr. BRYAN], the Senator from West Virginia [Mr. BYRD], the Senator from Louisiana [Mr. BREAUX], the Senator from South Dakota [Mr. DASCHLE], the Senator from Connecticut [Mr. DODD], the Senator from Illinois [Mr. DURBIN], the Senator from Georgia [Mr. CLELAND], the Senator from Kentucky [Mr. FORD], the Senator from Florida [Mr. GRAHAM], the Senator from Nebraska [Mr. KERREY], the Senator from Louisiana [Ms. LANDRIEU], the Senator from New Jersey [Mr. LAUTENBERG], the Senator from Vermont [Mr. LEAHY], the Senator from Connecticut [Mr. LIEBERMAN], the Senator from Illinois [Ms. MOSELEY-BRAUN], the Senator from Washington [Mrs. MURRAY], the Senator from Rhode Island [Mr. REED], the Senator from Nevada [Mr. REID], the Senator from West Virginia [Mr. ROCKEFELLER], the Senator from Maryland [Mr. SARBANES], the Senator from New Jersey [Mr. TORRICELLI], the Senator from Minnesota [Mr. WELLSTONE], the Senator from Colorado [Mr. ALLARD], the Senator from Utah [Mr. BENNETT], the Senator from Missouri [Mr. BOND], the Senator from Kansas [Mr. BROWNBACK], the Senator from Montana [Mr. BURNS], the Senator from Rhode Island [Mr. CHAFEE], the Senator from Indiana [Mr. COATS], the Senator from Maine [Ms. COLLINS], the Senator from Wyoming [Mr. ENZI], the Senator from Tennessee [Mr. FRIST], the Senator from Minnesota [Mr. GRAMS], the Senator from Iowa [Mr. GRASSLEY], the Senator from New Hampshire [Mr. GREGG], the Senator from Nebraska [Mr. HAGEL], the Senator from Arkansas [Mr. HUTCHINSON], the Senator from Texas [Mrs. HUTCHISON], the Senator from Arizona [Mr. MCCAIN], the Senator from Alaska [Mr. MURKOWSKI], the Senator from Oklahoma [Mr. NICKLES], the Senator from Kansas [Mr. ROBERTS], the Senator from Maine [Ms. SNOWE], the Senator from Pennsylvania [Mr. SPECTER], the Senator from Wyoming [Mr. THOMAS], and the Senator from Washington [Mr. GORTON] were added as cosponsors of Senate Resolution 64, a resolution to designate the week of May 4, 1997, as "National Correctional Officers and Employees Week."

NOTICE OF HEARING

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 the time has been changed for the May 1, 1997, hearing scheduled before the Subcommittee on National Parks, Historic Preservation, and Recreation of the Committee on Energy and Natural Resources to receive testimony on S. 357, a bill to authorize the Bureau of Land Management to manage the Grand Staircase-Escalante National Monument.

The hearing will now take place at 2 p.m. in room SD–366 of the Dirksen Senate Office Building in Washington, DC, instead of 9:30 a.m. as previously scheduled.

For further information, please contact Jim O'Toole of the subcommittee staff at (202) 224–5161.

ADDITIONAL STATEMENTS

RECOGNITION OF THE WE THE PEOPLE . . . COMPETITORS FROM MISSOURI

• Mr. BOND. Mr. President, on April 26–28, 1997, more than 1,200 students from 50 States and the District of Columbia will be in Washington, DC to compete in the national finals of the We the People * * * The Citizen and the Constitution Program. I am proud to announce that the class from Westminster Christian Academy will represent Missouri. These young scholars have worked diligently to reach the national finals by winning local competitions in their home State.

The distinguished members of the team representing Missouri are: David Bradsher, Christopher Brown, Russell Bruch, Jessica Cozad, Tony Culella, Josh Darr, Elizabeth Erkmann, Lauren Gray, Joshua Hamer, Matthew Harris, Angela Heirendt, Joshua Hendricks, Sarah Henning, Rachael Higby, Charles Hinderliter, Valerie Hopkins, Shauna Kruse, Nina Langenberg, Taylor Long, Stacey McDowell, Mark Pollitt, Kelly Reed, Jordan Reinwald, Christine Shoemaker, Anna Suh, and Megan Turner.

I shall also recognize their teacher, Ken Boesch, who also serves as district coordinator for the program, and Terry Taylor, the State coordinator, who also contributed a significant amount of time and effort to help the team reach the national finals.

The We the People * * * The Citizen and the Constitution Program is the most extensive educational program in the country developed specifically to educate young people about the Constitution and the Bill of Rights. The 3-day national competition simulates a congressional hearing in which students' oral presentations are judged on the basis of their knowledge of constitutional principles and their ability to apply them to historical and contemporary issues.

Now in its 10th academic year, this constitutional studies program has had more than 75,000 teachers and 24 million students participate nationwide at both the elementary and secondary school levels. Members of Congress and their staff enhance the program by discussing current constitutional issues with students and teachers. The We the People * * * Program provides an excellent opportunity for students to gain an informed perspective on the significance of the U.S. Constitution and its place in our history and our lives. I wish these students the best of luck in the national finals and look forward to their continued success in the years ahead.•

HONORING R. PAUL NELSON

• Mr. LEVIN. Mr. President, I rise today to pay tribute to a remarkable educator from my home State of Michigan, R. Paul Nelson. Mr. Nelson, the president of Aquinas College in Grand Rapids, MI, is retiring after 28 years of service to the Aquinas College community.

Paul Nelson joined Aquinas College in 1969, where he was responsible for advising and retaining students. In 1975, Mr. Nelson became dean for continuing education, where he implemented innovative programming in adult education. He helped to create Aquinas' Graduate Management Program, which is now the largest masters degree program in western Michigan.

In 1984, Mr. Nelson became vice-president for student development, and he established a model career development program which used both field experience and internships to help students explore and begin to attain their career goals.

In 1990, Paul Nelson was named president of Aquinas College by the board of trustees. In his 7 years at the helm of this vibrant institution, Mr. Nelson brought to life his vision of an Aquinas College which serves as a "faith and values-centered learning community committed to educating the whole person for a life and career of service."

Mr. Nelson has been an accessible leader whose remarkable ability to remember the name of any student he met on campus is well known. His dedication to educating people of all ages and promoting lifelong learning should be a model for all who seek a career in higher education. I have no doubt that his career will be an inspiration for future educators, students and administrators at Aquinas College.

Mr. President, I am honored by the opportunity to recognize the achievements of R. Paul Nelson, and hope my

colleagues will join me in extending congratulations and best wishes to him on the occasion of his retirement as president of Aquinas College.•

LOYALTY DAY

• Mr. ASHCROFT. Mr. President, on July 18, 1958, through Joint Resolution 479, the Senate and the House of Representatives designated the first day of May of each year as Loyalty Day. On this special day, Americans celebrate the reaffirmation of their loyalty to the United States of America in recognition of America's unmatched heritage of freedom. I would like to join Americans across the land in this celebration, particularly the fine Americans of Climax Springs VFW Memorial Post 3600 in Climax Springs, MO. Post 3600 will have their 12th annual Loyalty Day parade on May 3, 1997.

On this important day of reaffirming our loyalty to America, we must reflect on what it truly means to be an American. Thomas Jefferson identified the ideals so important to us when he said that all men are "endowed by their Creator with certain inalienable rights, that among these are life, liberty, and the pursuit of happiness." Even in a time of great national trauma, Abraham Lincoln could echo these sentiments by stating that America is a nation "conceived in liberty and dedicated to the proposition that all men are created equal," and "that this nation under God shall have a new birth of freedom * * * that government of the people, by the people, for the people shall not perish from this Earth."

The fundamental principle in these two statements by these two great Americans is the significance of liberty in the American experience. This historical commitment to freedom, most clearly seen in the lives of those who have fought and died for our country, deserves not only our loyalty but a celebration of that loyalty. That is the essence of Loyalty Day and I urge all Americans throughout this great land to join Climax Springs VFW Post 3600 in the celebration of the freedoms God has blessed us with in America.•

THE CHEMICAL WEAPONS CONVENTION

• Mr. SESSIONS. Mr. President, I supported Senate Executive Resolution 75, a substitute for the resolution of ratification of the Chemical Weapons Convention [CWC] offered by Senator HELMS. I thank my colleagues Senator HELMS, Senator KYL, and Senator BIDEN for their hard work over the last several days and their leadership in bringing the Chemical Weapons Treaty debate to the floor.

I also wish to thank Senator DICK LUGAR for his support as we prepared for this debate. Senator LUGAR's detailed analysis of the many complicated issues of the treaty have been invaluable. Without doubt this treaty is better than when we started.

Mr. President, though new to this body, I am fully aware of the seriousness of the task before us and I appreciate the thorough quality of the debate.

I have studied this treaty and its components. I have reviewed a tremendous amount of associated materials provided me from all quarters.

I, like so many of my colleagues, even at this late moment in the debate, still have outstanding concerns with certain provisions of the Chemical Weapons Convention, most notably the effects articles X and XI will have on our country. Yesterday, the President, in a letter to the majority leader, basically stated that,

> In the event that a state party or states parties to the convention act contrary to the obligations under Article I . . . I would, consistent with Article XVI of the CWC, and in consultation with the Congress, be prepared to withdraw from the treaty.

Mr. President, I am still not sure that the President will act, or at least act decisively, when the situation warrants because our current track record of taking strong action when other nations violate treaties and agreements with us is not good. Let me cite a few examples of what I mean.

The 1972 AMB Treaty. Recently, the President reaffirmed his commitment to the outmoded ABM treaty in Helsinki. This agreement will limit the ability of this Nation to deploy even a limited national missile defense. Is this wise, given the way the Soviets responded to the initial treaty by continuing to work on a new generation of ICBM's and associated warheads? Was not this treaty ironclad? Apparently not. What did we really do in the face of the violations? Nothing.

The Iran-Iraq war. Iraq, according to a conversation I had with former Secretary of Defense under President Carter Jim Schlesinger, Iraq has been and is a signatory to the Geneva Convention which since after World War I has prohibited the use of chemical weapons, yet in the Iran-Iraq war of the eighties, Iraq used poison gas as a way of stemming the human wave attacks of the Iranians. What was the reaction of the United States and of other Western Powers to this blatant violation of the Geneva Convention? "To avert our gaze" might be a way to put it. Stated another way, we stood by and did nothing even though the war was not one of international proportions.

There are other examples as well: Saddam Hussein chose not to employ his chemical weapons against American troops for one reason only. It was because of the reminder that President Bush provided him, rather than our reliance on a treaty.

Oh yes, that reminder was, according to Secretary Baker, that the United States made it very clear that if Iraq used chemical weapons against United States forces, that the American people will demand vengeance, and that we had the means to achieve it. This is an example of where we were finally willing to do what was necessary.

Mr. President that is my point this evening. We are a superpower. We have the means to achieve the ends required by our national interests should it be required. The question then is whether this treaty achieves those ends, or whether this treaty will create a false sense of security; a phantom security that is provided by others whose interests more often than not conflict with our own. I find it difficult to believe that a rogue state with little means at its disposal would be willing to divest itself of such weapons.

Mr. President, in 1987, former Senator Malcolm Wallop explained in his book how arms control can be a delusion. We might stop and consider this point before we vote because former Senator Wallop also reminds us that arms control presents four dangers: the falsehood that security is to be found in the promises of adversaries rather than in one's own prudence and preparedness; the falsehood that one should fear inanimate things—weapons—rather than the evil men and regimes who would use them for bad purposes; the falsehood that armaments are militarily valuable only as bargaining chips in the arms control process; and finally, the falsehood that U.S. strategic superiority is both useless and destabilizing to the world. Mr. President, I believe strongly in this Nation. I believe strongly that our strength lies where it has always been, both in the hearts of Americans, and in our own industry. I am not ashamed to admit I would rather be self-reliant because that means our confidence will be placed in Americans, not in some inspector from an international bureaucracy.

I, Mr. President, am not ashamed to admit that I am proud of the military superiority our Nation enjoys, paid for by American taxpayers, and manifested in the men and women of our Armed Forces. They deserve the best equipment, training, and protection this Nation can provide. It troubles me that while we sit here ready to hand over the security for chemical defense that rightfully belongs here, we are allowing the Department of Defense to reduce its chemical defense program. Finally, Mr. President, I am not ashamed to admit that when our adversaries consider chemical weapons we need to send a message just as strong as the message that America sent to Saddam Hussein—we will respond, and we will do so in an overwhelming and devastating manner. That is a message all state parties can understand. We

shouldn't wobble, nor shy away from the responsibility to our citizens. People are responsible for the proliferation of chemical weapons, not pieces of paper, and to this end we are woefully overconfident if we think a simple piece of paper will stop the proliferation of chemical weapons.

Mr. President, the question is truly one of vigilance. Are we better off taking care of ourselves, using our own resources, empowering our own intelligence services to keep abreast of the threats abroad? I think so.

I cannot agree with the proposition, that I read in the Washington Post recently, "That standards and values violated are better than no standards or values at all." America has standards and it certainly has values. We are eliminating our chemical weapons and we must not rely unverifiable and unenforced international norms, which according to former Secretary of Defense Jim Schlesinger "will induce a false sense of security in law-abiding societies."

Mr. President, in closing I want to leave my colleagues with the words of Senator Wallop: "Unverifiable, unenforceable accords do not promote valuable international norms. The difference is that the former threaten to make arms control a sham—an outcome that can translate into incalculable harm to our Nation and its people." We should not enter into a treaty which we know at the start will not be honored. This demeans the treaty process and only increases the likelihood that we will fail in our duty to protect the security of this Nation. I thank the Chair.●

VOLUNTEER PROTECTION ACT OF 1997—MOTION TO PROCEED

Mr. SMITH of New Hampshire. Mr. President, I ask unanimous consent that the Senate now turn to the consideration of S. 543 regarding protections to volunteers.

The PRESIDING OFFICER. Is there objection?

Mr. SMITH of New Hampshire. Mr. President, I object on behalf of my colleagues on the Democratic side.

The PRESIDING OFFICER. Objection is heard.

CLOTURE MOTION

Mr. SMITH of New Hampshire. Mr. President, I now move to proceed to S. 543 and send a cloture motion to the desk.

The PRESIDING OFFICER. The cloture motion having been presented under rule XXII, the Chair directs the clerk to read the motion.

The assistant legislative clerk read as follows:

CLOTURE MOTION

We, the undersigned Senators, in accordance with the provisions of rule XXII of the Standing Rules of the Senate, hereby move to bring to a close debate on the motion to proceed to S. 543, a bill to provide certain protections to volunteers, nonprofit organizations, and governmental entities in lawsuits based on the activities of volunteers:

Trent Lott, Paul Coverdell, Connie Mack, Slade Gorton, Don Nickles, Spencer Abraham, Larry Craig, Michael Enzi, Craig Thomas, Phil Gramm, Dan Coats, Rick Santorum, Mitch McConnell, Orrin Hatch, Robert Bennett, Mike DeWine.

Mr. SMITH of New Hampshire. Mr. President, the leader has asked me to announce for the information of all Senators that this cloture vote on the motion to proceed will occur on Tuesday, April 29.

I now ask unanimous consent that the mandatory quorum under rule XXII be waived and the vote occur at 2:15 on Tuesday, April 29.

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

Mr. SMITH of New Hampshire. I now withdraw the motion to proceed.

The PRESIDING OFFICER. The motion is withdrawn.

Mr. SMITH of New Hampshire. I further ask unanimous consent that if cloture is invoked on Tuesday, immediately following the cloture vote there be 1 hour of debate equally divided between the chairman and ranking member, or their designees, with the vote occurring on the motion to proceed following the conclusion or yielding back of time.

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

ORDERS FOR MONDAY, APRIL 28

Mr. SMITH of New Hampshire. Mr. President, I now ask unanimous consent that when the Senate completes its business today, it stand in adjournment until the hour of 2 p.m. on Monday, April 28.

I further ask unanimous consent that on Monday, immediately following the prayer, the routine requests through the morning hour be granted, and there then be a period of morning business until the hour of 3:30 p.m., with Senators to speak for up to 5 minutes each, and further, immediately following morning business, the Senate resume consideration of the motion to proceed to S. 543, the Volunteer Protection Act.

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

PROGRAM

Mr. SMITH of New Hampshire. Mr. President, for the information of all Senators, following the period of morning business on Monday, the Senate will resume consideration of the motion to proceed to S. 543, the Volunteer Protection Act. Under the order previously agreed to, there will be a cloture vote on the motion to proceed to S. 543 at 2:15 p.m. on Tuesday, April 29. There will be no rollcall votes on Monday, April 28. However, the Senate will continue to debate the motion to proceed to the volunteer protection legislation.

ORDER FOR ADJOURNMENT

Mr. SMITH of New Hampshire. 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 following the remarks of Senator DASCHLE, the minority leader.

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

Mr. SMITH of New Hampshire. Mr. President, I suggest the absence of a quorum.

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

The legislative clerk proceeded to call the roll.

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

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

Mr. DASCHLE. I thank the Chair.

(The remarks of Mr. DASCHLE pertaining to the introduction of S. 657 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

Mr. DASCHLE. Mr. President, I yield the floor.

ADJOURNMENT UNTIL MONDAY, APRIL 28, 1997, AT 2 P.M.

The PRESIDING OFFICER. Under the previous order, the Senate stands in adjournment until 2 p.m., Monday, April 28, 1997.

Thereupon, the Senate, at 2:27 p.m., adjourned until Monday, April 28, 1997, at 2 p.m.

NOMINATIONS

Executive nominations received by the Senate April 25, 1997:

DEPARTMENT OF COMMERCE

ANDREW J. PINCUS, OF NEW YORK, TO BE GENERAL COUNSEL OF THE DEPARTMENT OF COMMERCE, VICE GINGER EHN LEW.

FOREIGN SERVICE

THE FOLLOWING-NAMED PERSONS OF THE AGENCIES INDICATED FOR APPOINTMENT AS FOREIGN SERVICE OFFICERS OF THE CLASSES STATED, AND ALSO FOR THE OTHER APPOINTMENTS INDICATED HEREWITH:

FOR APPOINTMENT AS FOREIGN SERVICE OFFICER OF CLASS ONE, CONSULAR OFFICER AND SECRETARY IN THE DIPLOMATIC SERVICE OF THE UNITED STATES OF AMERICA:

AGENCY FOR INTERNATIONAL DEVELOPMENT

JOHN R. SWALLOW, OF INDIANA

DEPARTMENT OF COMMERCE

JOHN A. HARRIS, OF TEXAS

FOR APPOINTMENT AS FOREIGN SERVICE OFFICERS OF CLASS TWO, CONSULAR OFFICERS AND SECRETARIES IN THE DIPLOMATIC SERVICE OF THE UNITED STATES OF AMERICA:

DEPARTMENT OF COMMERCE

ROBERT L. FARRIS, OF VIRGINIA
TIMOTHY J. SMITH, OF NEW YORK
EDWARD L. YAGI, OF OREGON

WILLIAM ZARIT, OF FLORIDA

FOR APPOINTMENT AS FOREIGN SERVICE OFFICERS OF CLASS THREE, CONSULAR OFFICERS AND SECRETARIES IN THE DIPLOMATIC SERVICE OF THE UNITED STATES OF AMERICA:

AGENCY FOR INTERNATIONAL DEVELOPMENT

BEVERLY ANN BUSA, OF CALIFORNIA
ANTHONY S. CHAN, OF NEW YORK
MARY EILEEN DEVITT, OF ILLINOIS
MARK STEVEN NORMAN, OF VIRGINIA
JAMES WALTER RORIE, SR., OF FLORIDA
CAROL SUE SNOWDEN, OF OHIO
KENNETH R. STRANGE, JR., OF VIRGINIA

DEPARTMENT OF AGRICULTURE

SHARYNNE G. NENON, OF VIRGINIA
KATHERINE C. NISHIURA, OF CALIFORNIA
CATHERINE S. OTTE, OF INDIANA
ERIC A. WENBERG, OF WYOMING

DEPARTMENT OF COMMERCE

MARGARET A. HANSON-MUSE, OF MARYLAND
DAVID W. HUNTER, OF FLORIDA
JAMES KOLODITCH, OF NEW JERSEY
MICHAEL A. LALLY, OF THE DISTRICT OF COLUMBIA
ALAN A. LONG, OF VIRGINIA
WILLIAM B. SMITH, JR., OF FLORIDA
RICHARD STEFFENS, OF MARYLAND

UNITED STATES INFORMATION AGENCY

BRUCE A. LOHOF, OF MONTANA

FOR APPOINTMENT AS FOREIGN SERVICE OFFICER OF CLASS THREE, CONSULAR OFFICER AND SECRETARY IN THE DIPLOMATIC SERVICE OF THE UNITED STATES OF AMERICA, EFFECTIVE JULY 12, 1994:

UNITED STATES INFORMATION AGENCY

SUSAN ZIADEH, OF WASHINGTON.

FOR APPOINTMENT AS FOREIGN SERVICE OFFICERS OF CLASS FOUR, CONSULAR OFFICER AND SECRETARIES IN THE DIPLOMATIC SERVICE OF THE UNITED STATES OF AMERICA:

DEPARTMENT OF COMMERCE

MICHAEL J. RICHARDSON, OF FLORIDA

UNITED STATES INFORMATION AGENCY

RUTHANN A. AMIRTHANAYAGAM, OF ILLINOIS
TANYA CECELIA ANDERSON, OF PENNSYLVANIA
GRACE MORSE BRUNTON, OF NEVADA
ANGELA BARBANO EMERSON, OF FLORIDA
BONNIE SUE GUTMAN, OF CALIFORNIA
LISA MIRIAM HEILBRONN, OF PENNSYLVANIA
SHEILA M. HOBAN, OF CALIFORNIA
BRUCE PHILLIPP KLEINER, OF IDAHO
MARY ELLEN NOONAN KOENIG, OF MISSOURI
CAROL JEAN LOCKE, OF FLORIDA
ROBIN LYNN YEAGER, OF NEW JERSEY

THE FOLLOWING-NAMED MEMBERS OF THE FOREIGN SERVICE OF THE DEPARTMENT OF COMMERCE AND THE DEPARTMENT OF STATE TO BE CONSULAR OFFICERS AND/OR SECRETARIES IN THE DIPLOMATIC SERVICE OF THE UNITED STATES OF AMERICA, AS INDICATED:

CONSULAR OFFICERS AND SECRETARIES IN THE DIPLOMATIC SERVICE OF THE UNITED STATES OF AMERICA:

RAMIN ASGARD, OF NEW JERSEY
JOHN PAUL ATWELL, OF VIRGINIA
PATRICIA J. AZLIN, OF VIRGINIA
WALLACE ROBERT BAIN, OF OREGON
JAMES A. BAUER, OF NEW YORK
CHRISTOPHER MAURICE BECKER, OF VIRGINIA
GEORGE STANDISH BEEBE, OF VIRGINIA
WILLIAM JOSEPH BISTRANSKY, OF VIRGINIA
MARTHA L. BLOMSTROM, OF MARYLAND
BARBARA D. BREBRICK, OF VIRGINIA
J. GREGORY BRISCOE, OF MARYLAND
EARL A. BROWN, OF VIRGINIA
DEBORAH ANN BRUNNER, OF VIRGINIA
CARLOS RODOLFO BURGOS, OF VIRGINIA
SCOTT A. CARNEAL, OF MARYLAND
JAMES D. CECH, OF VIRGINIA
MATTHEW DAVID CHRIST, OF NEW HAMPSHIRE
JOHN A. CLOUTIER, OF VIRGINIA
MARC A. COLLINS, OF THE DISTRICT OF COLUMBIA
MARK W. CULLINANE, OF TEXAS
THOMAS E. DAVIES, OF VIRGINIA
DOROTHY V. DAVIS, OF VIRGINIA
ELIZABETH R. DAVIS, OF VIRGINIA
MICHAEL F. DEFAZIO, OF VIRGINIA
GREGORY S. D'ELIA, OF NEW YORK
SHIRLEY J. DENNISON, OF VIRGINIA
JOSEPH R. DETRANI, OF VIRGINIA
JENNIFER A. DEWITT, OF WYOMING
DOUGLAS L. DURGIN, OF VIRGINIA
JILL R. ECKELS, OF VIRGINIA
DOUGLAS N. EDGER, OF VIRGINIA
PIROOZ ENGHETA, OF VIRGINIA
STEVEN H. FAGIN, OF NEW JERSEY
SUZANNE M. FLEISCHAUER, OF VIRGINIA
GALE MOORE FOULDS, OF THE DISTRICT OF COLUMBIA
CARL B. FOX, OF CALIFORNIA
MATTHEW L. FREY, OF MARYLAND
GRATTON JON GILES, OF VIRGINIA
MAURICE F. GLORIOSO, OF ALABAMA
JULIE CLAIRE GLUCK, OF THE DISTRICT OF COLUMBIA
MICHAEL J. GOFF, OF VIRGINIA
DEREK L. HAIRSTON, OF VIRGINIA
SUSAN ROBERTA HAKALA, OF VIRGINIA
MARY J. HARBRANT, OF MARYLAND
SCOTT JAMES HATCH, OF VIRGINIA
SUSAN L. HATTON, OF THE DISTRICT OF COLUMBIA
SCOTT EMRIC HOPKINS, OF VIRGINIA
PATRICK HUGHES, OF THE DISTRICT OF COLUMBIA
REBECCA K. HUNT, OF FLORIDA
CHRISTOPHER PATRICK JESTER, OF PENNSYLVANIA
CLAIRE KANESHIRO, OF CALIFORNIA
JARED ALLEN KARTCHNER, OF VIRGINIA
DAVID F. KLINGAMAN, OF VIRGINIA
MICHELE M. KORPAL, OF VIRGINIA
BRUCE ROBERT KRAFT, OF CALIFORNIA
JUDITH LANG, OF MICHIGAN
JOHN MICHAEL LEO, OF VIRGINIA
BRIAN C. LEPAK, OF MARYLAND
BO-MAY LIU, OF MARYLAND
ELIJAH PARISH LOVEJOY, IV, OF CALIFORNIA
DIEN TRUNG LY, OF VIRGINIA
MARTIN A. LYONS, OF VIRGINIA
DAVID EUGENE MANUEL, OF VIRGINIA
HENRY JOSEPH MAU, OF VIRGINIA
GRAHAM D. MAYER, OF VIRGINIA
JENNIFER A. MC CANN, OF VIRGINIA
DARRELL J. MORAN, OF VIRGINIA
CLIFFORD G. MORGENEGG, OF VIRGINIA
STEPHEN K. MORRISON, OF CALIFORNIA
VICTOR MYEV, OF ARIZONA
DWIGHT D. NYSTROM, OF ALABAMA
A. JAMES PANOS, OF CALIFORNIA
TRACI A. PARKS, OF TEXAS
BRUCE FOSTER PARSELL, OF VIRGINIA
STEPHEN E. PAQUETTE, OF VIRGINIA
MARY K. PEREZ, OF CALIFORNIA
GEORGE L. PURVIS, OF VIRGINIA
CHRISTINE J. RAMOS, OF WEST VIRGINIA
MARCO RAVIOLA, OF VIRGINIA
TIMOTHY J. REARDON, OF VIRGINIA
GERALD SCOTT REES, OF VIRGINIA
JOEL MAX ROBINSON, OF VIRGINIA
SHANNON M. ROSS, OF WASHINGTON
LESLIE C. SCHAAR, OF TEXAS
KEARN C. SCHEMM, JR., OF NEW JERSEY
NICOLAS L. SCHWARZENBACH, OF TEXAS
JOSEF CORWIN SHAW, OF VIRGINIA
DAVID MATTHEW SHEMENSKI, OF VIRGINIA
STEPHEN FLETCHER STEGER, OF MISSOURI
MICHAEL A. SULLIVAN, OF TENNESSEE
WILLIAM D. SWANEY, OF VERMONT
INGER ANN TANGBORN, OF WASHINGTON
PETER M. THOMPSON, OF CONNECTICUT
CHRISTOPHER THUMA, OF VIRGINIA
SONYA M. TSIROS, OF FLORIDA
KAOLU TURNER, OF VIRGINIA
ARMANDO ALEXIS URENA, OF VIRGINIA
SCOTT C. UEHLINGER, OF VIRGINIA
WILLIAM REED USHER, III, OF THE DISTRICT OF COLUMBIA
TAMIR GLENN WASER, OF VIRGINIA
STEVEN WEIDMAN, OF THE DISTRICT OF COLUMBIA
NIKOLAI GODET WENZEL, OF VIRGINIA
JAMES C. WILSON, OF VIRGINIA
NEIL P. WISER, OF VIRGINIA

THE FOLLOWING-NAMED CAREER MEMBER OF THE SENIOR FOREIGN SERVICE OF THE DEPARTMENT OF STATE FOR PROMOTION WITHIN THE SENIOR FOREIGN SERVICE TO THE CLASS INDICATED, EFFECTIVE OCTOBER 16, 1994:

CAREER MEMBER OF THE SENIOR FOREIGN SERVICE OF THE UNITED STATES OF AMERICA, CLASS OF MINISTER-COUNSELOR:

DAVID BRYAN DLOUHY, OF TEXAS

THE FOLLOWING-NAMED CAREER MEMBERS OF THE FOREIGN SERVICE OF THE DEPARTMENT OF STATE FOR PROMOTION INTO THE SENIOR FOREIGN SERVICE TO THE CLASS INDICATED, EFFECTIVE FEBRUARY 16, 1997:

CAREER MEMBERS OF THE SENIOR FOREIGN SERVICE OF THE UNITED STATES OF AMERICA, CLASS OF COUNSELOR:

VICTOR A. ABEYTA, OF NEW MEXICO
GEORGE S. DRAGNICH, OF VIRGINIA

THE FOLLOWING-NAMED CAREER MEMBERS OF THE FOREIGN SERVICE OF THE U.S. INFORMATION AGENCY FOR PROMOTION INTO THE SENIOR FOREIGN SERVICE TO THE CLASS INDICATED, AND FOR APPOINTMENT AS CONSULAR OFFICER AND SECRETARY IN THE DIPLOMATIC SERVICE, AS INDICATED.

CAREER MEMBER OF THE SENIOR FOREIGN SERVICE OF THE UNITED STATES OF AMERICA, CLASS OF COUNSELOR:

SUSAN B. ARAMAYO, OF MARYLAND
JOY BOSS, OF TEXAS
ROBERT S. MORRIS, OF CALIFORNIA

IN THE AIR FORCE

THE FOLLOWING-NAMED OFFICER FOR APPOINTMENT IN THE U.S. AIR FORCE TO THE GRADE INDICATED WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, UNITED STATES CODE, SECTION 601:

To be lieutenant general

MAJ. GEN. STEWART E. CRANSTON, 8502.

THE FOLLOWING-NAMED OFFICER FOR APPOINTMENT IN THE RESERVE OF THE AIR FORCE TO THE GRADE INDICATED UNDER TITLE 10, UNITED STATES CODE, SECTION 12203:

To be major general

BRIG. GEN. WALLACE W. WHALEY, X...

THE FOLLOWING AIR FORCE NATIONAL GUARD OF THE UNITED STATES OFFICER FOR APPOINTMENT IN THE RESERVE OF THE AIR FORCE, TO THE GRADE INDICATED, UNDER TITLE 10, UNITED STATES CODE, SECTION 12203:

To be brigadier general

COL. TOMMY L. DANIELS, X...

THE FOLLOWING-NAMED OFFICER FOR APPOINTMENT IN THE U.S. AIR FORCE TO THE GRADE INDICATED WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, UNITED STATES CODE, SECTION 601:

To be lieutenant general

MAJ. GEN. JOHN W. HANDY, X...

IN THE ARMY

THE FOLLOWING-NAMED OFFICER FOR APPOINTMENT IN THE U.S. AIR FORCE TO THE GRADE INDICATED WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, UNITED STATES CODE, SECTION 601:

To be lieutenant general

MAJ. GEN. HENRY T. GLISSON, X...

THE FOLLOWING-NAMED OFFICERS FOR APPOINTMENT IN THE RESERVE OF THE ARMY TO THE GRADE INDICATED UNDER TITLE 10, UNITED STATES CODE, SECTION 12203:

To be major general

BRIG. GEN. JAMES W. DARDEN, X...
BRIG. GEN. MICHAEL E. DUNLAVEY, X...
BRIG. GEN. MICHAEL T. GAW, X...
BRIG. GEN. GEORGE O. HILLARD, III, X...

To be brigadier general

COL. RICHARD W. HAMMOND, X...
COL. JOHN R. TINDALL, JR., X...
COL. GARY C. WATTNEM, X...

IN THE MARINE CORPS

THE FOLLOWING-NAMED OFFICER FOR APPOINTMENT IN THE U.S. MARINE CORPS TO THE GRADE INDICATED UNDER TITLE 10, UNITED STATES CODE, SECTION 624:

To be brigadier general

COL. TERRY L. PAUL, X...

IN THE NAVY

THE FOLLOWING-NAMED OFFICERS FOR APPOINTMENT IN THE RESERVE OF THE NAVY TO THE GRADE INDICATED UNDER TITLE 10, UNITED STATES CODE, SECTION 12203:

To be rear admiral

REAR ADM. (LH) WILLIAM H. BUTLER, X...
REAR ADM. (LH) CASEY W. COANE, X...
REAR ADM. (LH) WILLIAM E. HERRON, X...
REAR ADM. (IH)STEPHEN T. KEITH, X...
REAR ADM. (IH)WILLIAM J. LOGAN, X...

IN THE ARMY

THE FOLLOWING NAMED ARMY NATIONAL GUARD OF THE UNITED STATES OFFICERS FOR APPOINTMENT TO THE GRADE INDICATED IN THE RESERVE OF THE ARMY UNDER TITLE 10, UNITED STATES CODE, SECTIONS 12203 AND 12211:

to be colonel

JAMES A. ADKINS, X...
RICHARD A. BADDOUR, X...
EDWARD H. BALLARD, X...
IVAN T. BEACH, X...
TERRY G. BLAKEMORE, X...
REBECCA D. BLOCKER, X...
JAMES L. BRUCKBAUER, JR., X...
ANTHONY T. BRYANT, X...
MARGARET B. BURKE, X...
RONALD S. CHASTAIN, X...
JAMES H. CHISMAN, II, X...
MICHAEL J. CHRISTENSEN, X...
RODNEY B. COLEMAN, X...
BOBBY R. CRAWFORD, X...
PHILLIP L. DAVIDSON, X...
TIMON W. DAVISON, X...
SAM GAINES, X...
JOE T. GAY, X...
PETER J. GILHAWLEY, X...
PHILLIP T. GUSTAFSON, X...
DONALD R. HARMON, X...
JOSEPH H. HOTTES, X...
EDWARD J. KELLY, X...
ANTHONY C. KORVAS, X...
MARTIN J. LUNCENTI, X...
ROGER A. MAXFIELD, X...
ARCHIE M. MEADOR, JR., X...
TERRY L. MURRAY, X...
EUGENE C. NEUMAN, X...

MARK R. PETERS, x...
ROBERT D. SCHWEITZER, x...
ROBERT L. STEPHENS, x...
BARRY F. STOUT, x...
JAMES W. TANEYHILL, x...
JEAN R. THIBAULT, x...
JAMES L. WEBER, x...
JAMES L. WELCH, x...
JIMMY G. WELCH, x...
ROBERT E. WELCH, x...
WILLIAM R. YOWN, x...
ABRAHAM P. ZIMELMAN, x...