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Senate

The Senate met at 9:32 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:

Dear Father, we need You. In Your presence we feel Your grace. We are assured that we are loved and forgiven. You will replenish our diminished strength with a fresh flow of energy and resiliency. The tightly wound springs of tension within us are released and unwind until there is profound peace inside. We relinquish our worries to You and the anxiety drains away. We take courage because You have taken hold of us. We spread out before You the challenges of the day ahead and see them in the proper perspective of Your power. We dedicate ourselves to do things Your way under Your sway. And now, Your joy that is so much more than happiness fills us and we press on to the work of the day with enthusiasm. It's great to be alive! Amen.

PLEDGE OF ALLEGIANCE

The Honorable GEORGE V. VOINOVICH, a Senator from the State of Ohio, led the Pledge of Allegiance, as follows:

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

RECOGNITION OF THE ACTING MAJORITY LEADER

The PRESIDENT pro tempore. The Senator from New Mexico is recognized.

SCHEDULE

Mr. DOMENICI. Mr. President, on behalf of the leader, I have an announcement. Today, the Senate will begin consideration of S. Con. Res. 101, the budget resolution. Amendments will be offered throughout the day. Therefore, Senators can expect rollcall votes occurring during today's session. Those Senators who intend to offer amendments should work with the chairman and ranking member on a time to offer and debate their amendments.

As a reminder, votes will occur throughout the week in an effort to complete action on the budget resolution no later than the Friday session of the Senate. If we are diligent, we might finish Friday night, although we do have a total of 50 hours of debate and there are certain conditions that make that a little bit longer than 50 hours in terms of adding up time on the floor.

As a further reminder, the Senate will recess from 12:30 until 2:15 today to accommodate the weekly party conference luncheons.

I thank my colleagues for their attention.

RESERVATION OF LEADER TIME

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

CONGRESSIONAL BUDGET FOR THE UNITED STATES GOVERNMENT FOR FISCAL YEARS 2001 THROUGH 2005

The PRESIDING OFFICER. Under the previous order, the Senate will now proceed to the consideration of S. Con. Res. 101, which the clerk will report by title.

The bill clerk read as follows:

A resolution (S. Con. Res. 101) setting forth the congressional budget for the United States Government for fiscal years 2001 through 2005 and revising the budgetary levels for fiscal year 2000.

Mr. DOMENICI. Mr. President, I ask unanimous consent that the presence and use of small electronic calculators be permitted on the floor of the Senate during consideration of the fiscal year 2001 concurrent budget resolution.

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

Who yields time?

Mr. DOMENICI. I have brief opening remarks, after which time I will be pleased to yield to either the minority whip or the ranking member.

First, a couple of observations. We are now on the budget resolution. It is now pending before the Senate. Before I summarize the resolution as reported by the Budget Committee last week, let me cover a couple of housekeeping or managerial items. For those Senators and staff here, and those who might be listening, I remind everyone that the procedure for considering a budget resolution in the Senate is unique compared to other legislation and other legislative items that we debate and amend on the floor.

First, a budget resolution is privileged. That means proceeding to its consideration as we have done this morning could not have been delayed by a Senator by filibuster or otherwise.

Second, the underlying law, the Congressional Budget and Impoundment Control Act—not the resolution—effectively establishes the rules for considering this resolution. The first of the rules is that there is a time limit for considering a budget resolution. That time limit is 50 hours. Less time can always be taken. While it has never been used, a nondebatable motion to reduce debate time is always in order. The 50 hours does not count the time in the quorums immediately preceding a vote, nor does it count the actual voting time. Fifty hours is evenly divided between the sponsor and the opponents of the resolution.

An amendment or amendments in the first degree to the resolution are limited to 2 hours evenly divided between the mover of the amendment and its opponents. Additional time can be yielded off the overall resolution by

the manager or the ranking member, or their designee, if such time is still available under the 50-hour rule. Amendments to amendments are limited to 1 hour, again, evenly divided between the mover and the opponent. As before, if overall time exists on the resolution, Members can add time to the debate on the second-degree amendment.

The next discussion is where it gets a little bit difficult. Senators who may want to amend this resolution should note there are very particular rules that apply. First, the committee-reported budget resolution forms the basis of germaneness.

There are four types of germane amendments: One, an amendment to strike language or numbers, which is germane per se; second, an amendment to change dates or numbers; third, an amendment adding sense of the Senate for matters within the jurisdiction of the Budget Committee; and fourth, an amendment that limits some power in the resolution. If not germane, it will take three-fifths of the Senators' affirmative votes to waive the point of order. If not, the amendment will fall.

I emphasize these procedures so Senators and their staffs will not be surprised if a germaneness point of order is raised on their amendment.

Later in this debate we will follow the rules the act laid out for us considering a budget resolution, and we will try to finish it in an orderly manner before the week is complete. I will briefly summarize the reported resolution before us today.

First, let me say this annual exercise further strengthens my resolve to bring to the floor changes to this process, to change it into a biennial budget and biennial appropriations process. But we are charged with reporting an annual budget, and until the law is changed, or if it is changed, the committee-reported resolution abides by the current law.

I acknowledge that whatever fiscal policy we outline in any budget resolution the Senate considers this year, that resolution will be constructed in the heat of a very political year and it will, in truth, be ministered over by a new President and new Congress next year. So this resolution can only be a broad blueprint for fiscal policy. It allows us to complete our work expeditiously, if at all possible, this year. It recognizes the need for reform in many areas and that those reforms will undoubtedly have to wait until the next Congress and the next President.

While we now have the luxury of budgeting in a world of possible surpluses, that does not mean reform in Government is not necessary. Reforms to the process are needed, and this committee's resolution begins down that path so we can replace some cynicism that was built up about the Federal budgeting process with some minor but new enforcement tools. Some may not like them, but we are trying very hard to answer a call from many Senators that the budget resolution be enforced and that we understand precisely what we are doing and look to the resolution itself for how much we can spend and where we are going.

Reforms are needed to ensure the long-term solvency of the Social Security system, not simply placing more empty IOUs on future generations. We cannot reform the Social Security system without a President who is willing, and thus far we have not had such in the White House under the administration of President Clinton.

Reforms are needed in the Medicare program, not simply promising more politically popular benefits to a system in which, in 2010, the outgo will exceed income. In this budget resolution, we have provided $40 billion in two installments of $20 billion and $20 billion to do reform and add some prescription benefits, if that is what Congress decides to do.

Major reforms are needed to our Tax Code. We all know that. While the resolution before us proposes to make room for tax reductions, I acknowledge that until the unfairness of this system and its complexities are addressed, real tax reform waits.

Finally, reforms to government programs are broadly needed; there is no doubt about that. As GAO and the Congressional Budget Office have pointed out to us earlier this year, we really do not need 342 Federal economic-development-related programs. We really do not need 12 different agencies administering 35 different laws on food safety. It would seem one agency would be sufficient.

I am not sure we need over a dozen postsecondary education programs and 224 elementary and secondary education programs administered by the Department of Education with their overlapping, duplicating, inefficient delivery of Federal funds to States. Perhaps this year we will consider on the floor of the Senate some dramatic reforms that might alter the education system I have just described.

So when critics say this resolution does not provide enough for the discretionary accounts, both defense and nondefense, I have to respond: Not if you assume that everything the Government does today is done efficiently and effectively. But I am realistic, and reform of these programs will not come in the 70 days left in this Congress.

So the resolution before us is not everything an outgoing administration wants because, quite frankly, they are not going to be around to administer what I consider their bloated budget request. But it is a responsible step for the short amount of time left in Congress.

Let me conclude with some key points on this resolution.

No. 1, it protects Social Security. Not one penny of the Social Security surplus is touched.

No. 2, it balances the budget every year, not counting the Social Security surplus. In other words, even though we have not been able to adopt a lockbox, we have followed the premise and philosophy and substance of a lockbox; that is, none of the Social Security money surplus is being spent.

It retires debt held by the public, nearly $174 billion this year alone, and over $1.1 trillion over the next 5 years.

It sets aside $8 billion in non-Social Security surpluses for debt relief this year alone. In other words, that $8 billion could be spent without us touching the Social Security trust fund. We could still live up to that promise. But we have taken $8 billion of the surplus outside of Social Security and put that on the debt also.

It rejects the President's proposed cuts in Medicare. It strengthens Medicare and sets up a $40 billion reserve for a new prescription drug benefit immediately, with reform coming later.

Expenditures for the Department of Education would increase $4.5 billion this year, special ed would increase nearly $2.2 billion, and Head Start funding would be up nearly $255 million.

Funding for our national security would increase nearly 4.8 percent next year, up to $305.8 billion, nearly a $17 billion increase.

Funding for WIC, section 8 housing, National Park Service, highways and airports, all would increase next year, as would Head Start.

We provide immediate emergency assistance to depressed agricultural sections in the form of nearly $5.5 billion in income support needed this year, not next year.

And, yes, we provide $150 billion in tax relief for American families, for fairness and equity in the form of the marriage penalty, for small businesses and startups, for education and medical assistance. Remember, the President did not provide any tax relief for the next 5 years.

I believe this is a fair beginning. I am very hopeful we can have a lively debate about this on the floor of the Senate. For every $1 in tax relief, since there are those who continue to say the tax relief we seek is too big, too much, too risky—this resolution devotes $13 to debt reduction. For every $1 in tax relief, this resolution devotes $13 for debt reduction; 13-to-1 is the ratio in the first year. It is down to about 8-to-1 for the entire 5 years.

I believe it is a fair resolution. It is not a risky resolution, as some will claim. I contend that increasing spending for domestic programs nearly 14 percent next year, as the President would do, is much more risky to the future of Social Security and debt reduction than a modest tax reduction.

Let me explain. If you increased domestic discretionary spending by 14 percent a year, it would only take 3 years until you would have to use the Social Security surplus to pay for domestic spending. What does that mean? It means either the President sent us a one-time political year 14-percent increased budget or he is serious that we

need that amount every year to meet the so-called needs of domestic programs. In either case, it is not the right thing to do.

If it was sent up here as a one-time political budget with everything in it but the kitchen sink, then it should be denied. If it was sent up here to set a pattern for 3 or 4 years, then it truly would be an injustice to senior citizens and the Social Security trust fund.

But even if the tax reductions we plan for do not become law, we make sure every penny of that which would have gone to tax reductions is returned in the form of debt reduction, not new spending. So for those who say there will be no tax reduction or tax relief this year, and for the President who says even though Republicans will try, he will not let it happen, then obviously we will put another $150 billion, or some substantial portion of it, on the debt, which only adds to the numbers I have already discussed with you with reference to tax reduction in this budget resolution.

It is a resolution that will allow us to get our work done. I say to the Republicans, my side of the aisle, this budget resolution cleared the committee on a party line vote with every Republican voting for it and every Democrat voting against it. I do not know how it will turn out 3, 4, or 5 days from now, but I do hope Republicans will consider that what they want to change in it may, indeed, change whether or not we can adopt a budget resolution at all on the floor.

I hope Republicans will consult and talk with the chairman and manager of the bill as we consider this resolution so that our end product will be that we will pass a budget resolution and go to conference with the House and let our appropriations committees start their work.

I do want to say at the beginning and, obviously, I will at the end, that it has been a pleasure working with Senator LAUTENBERG. This is his last time managing the budget resolution because he will be leaving the Senate.

We started off not knowing each other very well, maybe being a little guarded about how we would think about what each one said, whether we would be cynical about it, whether we would believe it. I compliment him. His job has become very important to him, and he has become very important to this job. It will be a pleasure working with him for the next 4 or 5 days. I very much thank the Senator from New Jersey for what he has done. I thank everyone for listening.

I yield the floor.

The PRESIDING OFFICER (Mr. CRAPO). The Senator from New Jersey.

Mr. LAUTENBERG. Mr. President, I thank Senator DOMENICI. I appreciate his comments.

As noted, this is my last year as the ranking member of the Budget Committee. As everyone around here knows, the ranking member harbors usually one thought, and that is to move to the chairmanship to give their colleague on the other side of the aisle a chance to work as a ranking member, to understand fully what it is like.

Before I begin a discussion of the budget resolution—and I again thank Senator DOMENICI for his kind comments; the relationship has been a good one—it has been a privilege and an honor to represent the Senate Democrats on the Budget Committee, and I am going to miss it. In my early days in the Senate, I never played with the thought of being a leader in budget matters, never expecting to be the senior Democrat. In fact, I did not even in the beginning days intend to be on the Budget Committee. But I had a good friend whom I knew before I came to the Senate, Senator JOE BIDEN from Delaware. He pulled me aside early in my career and made me an offer that sounded too good to be true. ''FRANK,'' he said, ''you're such a good friend and such a good Senator that I'm going to resign my seat on the Budget Committee, and I'm going to give it to you.''

Only later did I come to realize what Senator BIDEN was really up to. He knew what the Budget Committee function was. He knew how difficult some of the discussions would become, and he knew conclusions arrived at are rarely satisfactory. I forgive him. It has taken me a decade to do that, and I am not going to hold a grudge any longer.

Seriously, while I fell into the position of ranking member—that is, the senior Democrat on the Budget Committee—I found it not only interesting but a rewarding position. One of the principal reasons is that I have had the privilege to serve with a very distinguished Senator, our chairman, PETE DOMENICI. Senator DOMENICI and I worked together from different beliefs, with very different views about Government and its proper role. While we have often disagreed, I have tremendous respect and even affection for him. We learned something about the personal sides of each other's lives, which reduces barriers that often arise from competitive views. When one understands what makes the other person tick and hears his concerns and lets him understand your concerns, it makes for a different kind of alliance than the traditional debate.

Over the years, we developed an appreciation and respect for one another. Senator DOMENICI's mastery of the budget comes not only from years of experience but lots of hard work as well. It comes from a genuine commitment he has to serving his country to the best of his ability. I have learned a lot from Senator DOMENICI, and I publicly thank him for his friendship over the years.

By their nature, debates on the budget tend to be more partisan than other debates. After all, setting a broad plan for allocating resources necessarily depends on judgments based on established principles we bring with us from our views and priorities influenced by our respective parties and affiliations.

It is no surprise that our parties have different perspectives on this. In fact, in some ways, this diversity of views is one of our Nation's great strengths; we can talk about these things and air our views and give the public a chance to hear what it is we are saying and in what we believe.

Still, I cannot help but regret that budget debates over the past decade have often become so entirely partisan. I saw it with the Democrats as well as Republicans. No one party is at fault. It does not serve the Nation as we would all want to do. I hope perhaps, if the era of surpluses can be sustained longer, we can finally inject more bipartisanship into the process.

I may represent Democrats, but I have respect for my colleagues on the other side of the aisle. I do not always appear to be understanding of their views, but they, too, adhere to the principles that brought them here. While it is not pleasant for me to accept it, I am often reminded: They were sent here as a majority by the people across this country and we have to respect or acknowledge that fact. But though I serve in the minority, I sincerely believe the approach the budget brings to the table is the right one for America. I know from personal experience that Government has a role to play, in my view, in the lives of our people and is to exercise that role responsibly.

I make that judgment based on personal experience. I have said it before on the floor of the Senate, and I will take a minute in this twilight of my career to restate it.

My father died when he was 43. My mother was 36. I had already enlisted in the Army. I watched my father's health disintegrate in front of my eyes—13 months of pain, agony, and degradation. He died, again, after I had enlisted in the Army. He died not only leaving the grief and the heartache which accompanies the death of a young man—my sister, my mother and I comprised the entire family; my sister was 12, and I was 18—not only did we experience the pain of the loss, but we were deeply in debt to doctors and hospitals. My mother tried her best to meet those obligations. I was sending home, when I had the opportunity, $50 a month out of my pay. That was not very much.

Oh, if we had only had health insurance at that time, if we had only some way for the Government to join us in our quest to stay alive as a family and do what my father always wanted us to do—be productive citizens.

My next experience which helped develop my thinking about Government's role was when I was able to take advantage of the GI bill after my service in World War II in Europe during the height of the war and go to a university that otherwise would have been unavailable to me. We could never have afforded the tuition no matter how

hard we worked because we also had to support and unite the three of us.

That GI bill made an enormous difference, not only in my life, but permit me a moment of immodesty to say that I helped create a business that created an industry, the computing industry, which is a bigger part of the computer atmosphere, the computer functioning, the computer industry, than the hardware side: Computing, providing services. We were pioneers. And I am a member of something called the Hall of Fame of Information Processing in Dallas, TX.

Education enabled me to do that. I became very active in philanthropy and was national chairman of one of the largest charities in the world. At the same time, I ran a company that employed lots and lots of people—over 16,000—when I came to this Senate.

So much of what I have done has been dependent on the education I was able to receive as a contribution by my fellow Americans and my country.

Then, the privilege of serving here for 18 years has made an impression on me that will last for life.

That is how I have acquired my view of what Government's role might be. And we dare not turn our back on it.

With that, I will turn to the business directly at hand.

Mr. President, in my role as ranking member, I begin by laying out the broad budget principles with which most Democrats agree. Perhaps most fundamentally, Democrats believe the budget should address the needs of ordinary Americans as it prepares our Nation for the future. It should strengthen Social Security and Medicare; provide prescription drug coverage for our seniors desperate for some relief as they try to protect their health from the financial burden of high prescription costs; invest in education, health care, defense, and other compelling needs.

We should provide targeted tax cuts for those struggling to advance the well-being of the next generation. At the same time, it should maintain fiscal discipline, reduce our debt, as most people in our country would want to do on a personal basis. The happiest day for lots of families is when the mortgage is paid off or when the bills are finally paid for something that was necessary to acquire or, as we know these days, to help people provide an education or assist in providing an education for their children. At the same time, we want to protect our Nation's economic prosperity.

In my view, this budget resolution fails to meet these goals. It would use virtually the entire non-Social Security surplus for tax breaks that disproportionately benefit the wealthy. It would require deep and unrealistic cuts in domestic priorities, such as education and health care.

It proposes far less debt reduction than the budgets developed by President Clinton and the Senate Democrats. It fails to ensure that the Congress will consider legislation to establish a prescription drug benefit. Finally, by covering only 5 years of operations, unlike the 10 years we worked with last year, the resolution hides its long-term costs and weakens fiscal discipline.

I want to address each of these points.

The Congressional Budget Office, CBO, says that over the next 5 years, the non-Social Security surplus is going to be $171 billion. We do not have any disagreement about that. That is what they say. This assumes that Congress freezes discretionary spending at the current real levels, which means, very simply, that in order to protect the funding of these programs, we have to allow for some inflation increases, some inflationary adjustments, as modest as they might be.

In fact, if Congress increases domestic spending at the same rate as recent years, which has been higher than inflation, the actual surplus would even be smaller than that $171 billion.

Still, to give the majority the benefit of the doubt, we will ignore history for the moment and optimistically assume the non-Social Security surplus will be as projected, $171 billion.

The budget resolution, passed by the Republican majority, calls for tax breaks of $150 billion. I say that is at a minimum because there is a reserve there for additional increases.

But this reduction in future surpluses would also require that the Government would pay more interest on the outstanding debt, in this case $18 billion more. Thus, the real cost of the tax breaks isn't $150 billion; it is $168 billion when we add the $18 billion for additional interest. That consumes virtually the entire non-Social Security surplus of $171 billion. This isn't mysterious; it is plain arithmetic.

People watching this debate might ask themselves: If the tax breaks use virtually the entire non-Social Security surplus, how can the resolution also provide funding for any of the new initiatives it claims to support, such as increases in military spending, prescription drug coverage, agricultural risk management reform, payments to counties, nuclear waste disposal activities, and various other claims of increases in discretionary programs?

The real answer is, it cannot. There is no way to fit all of this new spending in roughly the $3 billion that remains of the non-Social Security surplus. The numbers just do not add up.

Unfortunately, the majority seeks to sidestep the problem by assuming huge unspecified cuts in domestic programs. The resolution calls for a 6.5-percent cut in nondefense discretionary programs over the next 5 years.

Because we are trying to address this to the public at large, I am going to take a moment to explain what this means.

A 6.5-percent cut in nondefense discretionary means, outside of defense, those programs that many of us think are essential that have been in place will get a 6.5-percent cut. A 6.5-percent cut over 5 years is pretty substantial because by the time you got to the fifth year, the cut enlarges to 8.2 percent. In fact, since the resolution claims to protect some specific programs, the cuts in other areas would be well over 10 percent.

The Office of Management and Budget has analyzed how cuts such as this could affect ordinary Americans. Here are just a few examples.

Mr. President, 20,000 teachers planned to be hired would not be hired. Those teachers were planned to be hired to reduce class sizes.

Five thousand communities would lose assistance to help construct and modernize their schools. There are not many people in this country who do not realize we have this enormous number of school buildings that are just inadequate for the purpose that they exist; that is, to provide an atmosphere where our children can learn. If plaster is falling from the ceilings, or there is no heating in the winter or ventilation in the summer, we know that is not an atmosphere conducive to learning.

So there are 5,000 communities that would get help, but they won't under the Republican plan; 62,000 fewer children would be served by the Head Start Program—one of the most successful programs this country has; 19,000 fewer researchers, educators, students receive support from the National Science Foundation. And if there is one place where America excels, it is in research and in science.

I took a trip to the South Pole in January. People ask, ''Why did you go there?'' It's a far and tough trip. I went there because I am worried about the climate, about the forecasts which talk about ever more severe tornadoes and things such as cyclones and other natural disasters. I wanted to know what is happening with the weather and climate studies that we do down there.

I will tell you, one need not be a scientist to know that we have problems. Now we are talking about an icefloe that is cracking away from the main part of the continent twice the size of Delaware. We had one the size of Rhode Island float off some years ago. One day we are going to see an iceberg, an icefloe that is the size of Texas. What are we going to do about that? Are we going to say maybe we can push it back and glue it together? Everybody knows that is not going to happen. It says the ice is melting at an ever faster rate, and 70 percent of the fresh water in the world exists at the South Pole. If that starts mixing with the saline of the oceans, we will have serious problems. They may not be problems that affect anybody working in this room today, but I worry about my grandchildren and about their children and about the future of mankind.

There will be 19,000 fewer researchers. Funding for all new federally led cleanups of toxic waste sites would be eliminated. I notice that the Republican

candidate for President, George W. Bush, announced his interest in a brownfields program, which is something we have been trying to do here for a long time. I am glad to see that acknowledgement take place, to turn these fallow sites into productive, functioning areas where business can flourish and people can visit. We can give some life to some communities—many of them urban communities that are in various stages of decay and would like to be able to move up and away from that.

We would have 430 fewer border patrol people available to safeguard our borders. Everybody knows what that problem is.

The list goes on and on. As most people around here recognize, cuts of this magnitude are totally unrealistic, and they are not going to happen. We are going to play games—ping-pong—with the budget of the United States. In the final analysis, neither Republicans nor Democrats will tolerate these cuts.

This is not the first time the Senate has assumed deep, unspecified cuts in a budget resolution. Last year's resolution included similarly unrealistic things. Not surprisingly, by the end of the year, the Republican majority—not the President—had approved the appropriations bills, spending about $35 billion more than it planned for the year initially. That is the same time and the same status that we have right now. No doubt, something similar is going to happen this year. We are not going to see Government close down. We learned that lesson. It was vivid and searing, and it is going to stay forever in our memories.

So we are not going to take those cuts that would make departments of Government inoperative or inadequate. Who is going to let go all these FBI agents and the border guards? One of the greatest concerns our citizens have is to be secure in their homes, on the streets, and in their communities. Are we going to reduce law enforcement? We are not. We may say so, or we may not even say so. We simply hide it in the volume of pages and numbers that are presented to the public.

Unfortunately, the Republican budget relies on these unrealistic cuts for its various increases in mandatory spending, such as aid to farmers, prescription drugs, and other programs long ago, for the most part, considered essential. The cost of those increases—$62 billion for those mandatory programs—would be locked in up front. The savings, however, would not be. When Congress later fails to make the assumed cuts in appropriations bills, funds for these new entitlements, it will come from only one place—Social Security.

One might think that assumptions of deep, unrealistic cuts in discretionary spending would allow the Republicans to claim significantly more debt reduction than the budgets proposed by Democrats. However, if one assumes that the Republican spending cuts actually materialize, which is extremely unlikely, if not impossible, the Republican budget still would reduce much less than President Clinton and Senate Democrats. The Republican plan will use non-Social Security surpluses to reduce only $19 billion, which is contrary to what is being said, over the next 5 years. By contrast, the President's budget would reduce the $90 billion of debt, over the same period, nearly five times as much. This difference in debt reduction helps show how extreme the GOP tax breaks are.

Throughout the markup on the resolution, Republicans claimed that their budget contained over $1 trillion of debt reduction. However, this figure is based almost entirely on Social Security surpluses, and these surpluses are off budget, and both parties have committed to protecting them. Yet when it comes to the portion of the budget that remains subject to congressional discretion, Republicans have refused to devote significant resources for debt reduction. In doing so, they have rejected repeated calls by Federal Reserve Chairman Alan Greenspan to make debt reduction our first priority.

My next concern about the budget resolution is that it fails to ensure Congress will act on legislation establishing a prescription drug benefit. This is in marked contrast with its treatment of tax breaks which the resolution's reconciliation instructions require of the Finance Committee. This differential treatment is troubling, especially given resistance from the Republican leadership to a meaningful universal benefit. I hope that as the debate proceeds we can take steps to ensure Congress really does approve a prescription drug benefit this year.

My final concern about the budget resolution is that it covers only 5 years—I mentioned that earlier—not the 10 included in last year's resolution. Those projections came out with—even though we know that forecasts are not necessarily precise, they are a gauge. Last year, we included them because it seemed to present a favorable position to the Republican few. This year, we dropped back to 5 years because they know very well that the second quintile is going to be one that spells disaster. This has the effect of hiding the long-term costs of its tax breaks, and it also weakens the budget resolution as a means of enforcing long-term fiscal discipline since points of order would not be available against tax breaks that explode in cost after 5 years.

During markup, it was suggested that the budget resolution should cover only 5 years because CBO produces only 5-year estimates. That isn't true. In fact, since last year, CBO has been producing 10-year projections. So why are these projections being ignored? Because they, again, don't like the outcome of the second 5 years. Thus, no longer is there a good excuse to restrict the budget resolution to only 5 years.

Considering that we are facing huge new liabilities when the baby boomers retire, we need to think longer term. We need to take all long-term costs into account when establishing and enforcing fiscal policy.

Thus, I reluctantly conclude that the Republican budget fails to prepare for our future or address the needs of ordinary Americans today. It allocates virtually the entire non-Social Security surplus for tax breaks. It would require drastic, unrealistic cuts in these particular programs—such as education and health care. It fails to make debt reduction a priority. It fails to ensure prompt action to provide prescription drugs to seniors. And it fails to maintain fiscal discipline for the long term.

For all of these reasons, I join with the Democrats on the Budget Committee in opposing this resolution.

When we discussed tax breaks and discussed what the standard bearer for the Republican party has advocated—tax breaks that come in at over $500 billion the first 5 years—there was a strange silence that took place over the majority of the Republicans sitting on the Republican side of the Budget Committee.

There were a couple of murmurs about: Well, we haven't given up. We are not going to pass that now.

They did that by a vote. One of our distinguished Democrats proposed it in a vote, and the support just wasn't there.

Again for these reasons, joining with the Democrats, I hope we can make appropriate adjustments and amend that process for a more realistic budget.

I look forward to working with colleagues on both sides of the aisle in an effort to improve the resolution before it gets voted on in the Senate.

I yield the floor.

I understand my colleagues are pressed for time and would like to speak. I hope they will be recognized at this point.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. Mr. President, I understand the Senator from Illinois wants to speak. I will not interrupt as far as speaking. But I want to say to Senators on our side that we would like very much for anyone who has remarks on the budget to come down before we recess. Then we will start. We will not take any amendments until after we come back from that recess so that Democrats have a chance to talk in their caucus and we have a chance to talk in our policy luncheon.

If you want to speak about the resolution with general statements, we will be here until 12:30. Both sides are going to apply the same rules, according to Senator LAUTENBERG. There will be no amendments until after the 12:30 luncheon.

The PRESIDING OFFICER. Who yields time?

Does the Senator from New Jersey yield time?

Mr. LAUTENBERG. I do.

The PRESIDING OFFICER. The Senator from Illinois.

Mr. DURBIN. Mr. President, I seek to be recognized for 10 minutes and ask that my colleague from Oregon have 5 minutes, if that would be appropriate. We are going to a meeting. I think the Senator from California also is seeking recognition.

Mr. LAUTENBERG. I yield time in accordance with the Senator's request.

Mrs. BOXER. Mr. President, I ask the Senator from New Jersey if I could have 10 minutes.

Mr. LAUTENBERG. It would be a pleasure to allow my colleague from California to address the Senate.

The PRESIDING OFFICER. The Chair's understanding is that the Senator from Illinois is to be recognized for 10 minutes, the Senator from Oregon is to be recognized for 5 minutes, and the Senator from California is to be recognized for 10 minutes on Senator LAUTENBERG's time.

The Senator from Illinois is recognized.

Mr. DURBIN. Thank you, very much.

Mr. President, I thank Senator LAUTENBERG of New Jersey, who is on the Budget Committee. This will be the last budget resolution he will manage on the floor. He is retiring from the Senate. We will miss him. He has been a leader on so many issues. I have worked with him on issues over the years such as gun control. He has certainly been a leader for his State and the Nation, and he has taken on a tough job in working on the Budget Committee.

We all acknowledge that the chairman of the committee, Senator DOMENICI, is a man we respect very much. We may disagree on political issues. We find him as a colleague to be a real professional and a man truly dedicated to reducing the budget deficit and keeping the fiscal house in order. We may see the world a little differently, but we have a high respect for Senator DOMENICI.

I will miss Senator LAUTENBERG. He is a great friend and has been a great colleague over the years. I am happy he is here for this important and vital battle.

The budget resolution that we debate may be one of the toughest to sell to the American people because it is a dry subject. We are talking about percentages—billions of dollars in appropriations, and money in the outyears. Pretty soon, you are lost in the sauce trying to figure out what in the world these people are talking about.

Does this have any relevance or importance to the lives of ordinary people across America? Should families even pay attention to it? If they are watching on C–SPAN, they are probably clicking away now. As Billy Crystal said the other day, he liked the movie ''The Sixth Sense.'' He said: I see dead people too. I see them on C–SPAN.

I think people who watch C–SPAN will understand that we are very much alive. They understand the issues we are debating today are very important to them.

Take a look at this little graphic prepared on the Democratic side. We have a great ship of state, the ''U.S. Economy.''

Take a look at the U.S. economy over the past 8 or 9 years. You will see that an amazing thing has occurred.

We have seen the greatest economic growth in the history of America, with terrific employment, new housing, new businesses, and inflation under control. We have seen our debt coming down at a time when many people have given up, thinking that the national debt was just going to increase.

These are all positive things—a stock market which was at 3,000 with the Dow Jones average when President Clinton took office. It is now over 10,000. It may be over 11,000, I haven't checked. All of these things are good news about the American economy.

This great ship of state sails on with the U.S. economy stronger than it has ever been in recorded history. This is not political hyperbole. This is a fact, and America's families know it. They know we are moving in the right direction in this country. Above all, they want Congress to get out of the way. Don't stop this economy from moving forward.

Let me tell you that this budget resolution we are debating on the floor of the Senate today is going to get in the way of that economy. It is going to be an obstacle to our economic progress.

Look at this looming iceberg. Does this remind you of a movie? Here you see the tip of the iceberg—a $168 billion Republican tax cut. But look below the surface. This Republican tax scheme is much larger.

Why would politicians be for tax cuts? Every American family would applaud a tax cut. We would all like to have one. It helps you get by. But if you ask what that tax cut will cost, a lot of people in America back off and say: Wait a minute. It doesn't make a lot of sense for us to be giving tax breaks to the wealthiest people in America and jeopardizing the growth in our economy. You see, what the Republicans do in their budget resolution is couple it with a tax cut plan over the next 5 years that literally gobbles up every single dollar of surplus that we have so there is no money available for us to spend on other things that America knows we need.

Does America know we need better schools and better education? You bet we do. Every parent, every grandparent, and every family knows that. The Republican plan shortchanges that. They take the money away from the cut. They say: No, we would rather give it as a tax cut to wealthy people than put it in education.

Let's ask another question. Would American families want to see a prescription drug benefit under the Medicare program for our parents and grandparents? You bet we would. We understand that a lot of senior citizens are choosing between food and medicine. They can't afford to buy the drugs to keep themselves healthy and strong, out of the hospital, and out of the nursing home.

We believe on the Democratic side—and the President agrees—that we should take a part of our surplus and put it into a prescription drug benefit so that the elderly and disabled across America have that peace of mind. Yet if you look at the Republican budget proposal, the money is not there for this prescription drug benefit. Instead, it is there for this tax scheme that can derail the economy.

Not only that, you have to ask yourself whether or not we are dedicating the resources we need for the growth of our country for investment in infrastructure and people. That really counts.

This Republican tax scheme, which is the cornerstone of this budget resolution we are debating, is bad policy for this country. Don't take my word for it. Don't take the word of any Democrat for it. Take the word of the Chairman of the Federal Reserve, Alan Greenspan. He tells us the No. 1 priority for the good of America and its economy is reducing our national debt—not a tax cut for the wealthiest people.

This tax cut from the Senate Republicans is a mere shadow of the tax cut proposed by Governor George W. Bush in his Presidential campaign. It is a tax cut that, frankly, goes to the wealthiest people in America. It is worse than the one proposed by the Senate Republicans in this budget resolution. This is the George W. Bush tax cut to the top 1 percent of wage earners in America. The George W. Bush tax cut will provide a $50,000 a year tax cut. If one happens to be in the lower 60 percent of wage earners, the tax cut is $249 a year—20 bucks a month.

I gave the Senate Republicans on the Budget Committee two opportunities to vote for George W. Bush's tax cut in committee. They say they want him for President. He says it is the most important thing in his campaign. One would think the Senate Republicans would rush to be in his corner when it comes to standing for this tax cut. Do you know what. On two different occasions they tried to avoid, and did avoid, even having a recorded vote on their standard bearer's tax cut. They don't want to be on record in favor of that tax cut. They know it eats up all of our surplus that goes into the Social Security trust fund.

At this moment in time, the Senate Budget Republicans have denied George W. Bush twice. I will give him another chance on the Senate floor in the next few days. Will the Senate Budget Republicans deny George W. Bush thrice? We will find out. I hope they come to their senses and understand they should go on record in opposition to it.

America wants to spend money on things important for our future, such

as education, health care, training the next generation of workers, making certain this economy keeps moving along. A lot of people have prospered under this economy, but a lot of working families are just starting to believe things are getting better for them. They do not want to derail the economic progress we have seen under the Clinton-Gore administration. They want America to continue to move forward. They want America to continue to grow. I believe that is the right track to follow.

I yield the floor to my colleague from Oregon. I hope to get another chance to address the budget resolution which should be defeated by the Senate so we can continue the economic progress we have seen in America.

The PRESIDING OFFICER. The Senator from Oregon.

Mr. WYDEN. Mr. President, I will pick up briefly on the point made by the distinguished Senator from Illinois about moving forward with an agenda that meets the needs of the American people.

When we started this budget markup, the Senator from Texas, Mr. GRAMM, said the Senate ought to stand pat on the budget until after the election. In spite of the pressing health and education concerns of the American people, the concerns we will try to address on this floor this week, Senator GRAMM said we ought to stand pat; we should not take any significant steps with regard to action on many of these important issues in the health and education area.

I come to the floor this morning to say I am not prepared, and I think my colleagues are not prepared, to say to the millions of older people in this country and their families that we are going to stand pat given the huge problem they are facing with their prescription drug costs. I have come to the floor of the Senate more than 20 times in the last few months to talk about the older people who are supposed to take three pills a day and are taking only two; they are breaking up their anticholesterol capsules because they cannot afford the medicine. I am of the view this Nation can no longer afford to deny prescription drug coverage to the Nation's older people.

In my home State, we have older people being hospitalized in order to get prescription drug coverage because Part A of Medicare will pick up those bills and Part B, the outpatient part of the program, will not cover them. There has to be a sense of urgency about this important issue of prescription drug coverage for older people. I feel the same way, frankly, about education.

That is what we tried to do in the budget resolution. The chairman of the committee made a comment earlier with which I agree completely, questioning whether there could be comprehensive reform of the Medicare program this session. That is right. We ought to have comprehensive reform.

In the Budget Committee, at least as a beginning for significant reform, we said it is urgent to act this year. There is language that stipulates if the Finance Committee doesn't move on this issue by the fall, it is possible for any Member of the Senate to come to this floor and have the issue dealt with directly. We locked in the money to do the job right, $40 billion, which, by the way, is tied to reform of the program. We have language that talks about using marketplace principles and competitive purchasing techniques. It is a chance to finally get justice for older people and their families.

Medicare started off as half a loaf. It didn't cover prescription drugs in 1965. The big buyers—the health plans and HMO plans, the managed care plans—negotiate discounts. Democrats are having folks come to our townhall meetings, those people who are without prescription drug coverage—and only about a third of the older people do have good prescription drug coverage now. Those people in effect are subsidizing the big buyers. They are subsidizing the people in those health plans and the managed care organizations.

I think it is time to bring the revolution in private sector health care to the Medicare program. If we can get the anticoagulant drugs covered, which we want to do on this side of the aisle, we might spend $1,000 a year to help an older person with medicine but we will save $100,000 by being able to prevent the stroke an older person might otherwise incur.

We will try to convey a sense of urgency about this issue. I hope we will be able to get additional colleagues from the other side of the aisle to join. I particularly commend Senator SNOWE and Senator SMITH because they share our sense of urgency. They share our view we cannot just stand pat on this issue, as Senator GRAMM talked about in the Budget Committee. This country has now made it clear they want the Congress to act on this issue, and they want Congress to act now. They don't want it put off until after the election. We are going to try to convey that during this week's budget debate.

I yield the floor.

Mr. REID. Mr. President, the Senator from California has been granted 10 minutes by unanimous consent. I ask she be extended 15 minutes rather than 10 minutes.

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

The Senator from California.

Mrs. BOXER. Mr. President, I rise as a member of the Budget Committee. I am honored to serve on that committee. Our chairman, PETE DOMENICI, is an expert on understanding the budget. Our ranking member, Senator LAUTENBERG, whom we will miss greatly when he retires, is likewise an expert.

What is intriguing about this year's budget is that it shows the difference between the two parties. Sometimes we come to the floor and it is hard to know the differences between the parties because the rhetoric may sound the same. The budget is dealing with hard dollars, and we are placing those hard dollars in different categories. No one can run away from the fact that they do less for debt reduction, they do less for prescription drugs, they do less for education, and they do more to help the wealthiest in our society. The numbers are there; you cannot hide the numbers.

I say with due respect to my chairman, PETE DOMENICI, he doesn't want to do that. He wants to make the fight on the differences. And so do I.

The reason I have always chosen to be on the Budget Committee both in the House, where I served for 10 proud years, and the Senate, where I am now serving for 7, is that the budget we do once a year—and, by the way, I think it is important to do it once a year; I don't support the notion of going to budget every 2 years—is the budget that is the roadmap to our Nation. It is not a dry document. It may appear boring because we are putting numbers next to functions, but when we get behind the numbers, what does it mean? Look at defense; we know what it means. Look at domestic discretionary; we know what it means. We know what it means for education. We know what it means for the environment.

By the way, I want to make a point about the environment. I am thoroughly distressed that for the first time in the history of the Senate in a budget resolution, this budget resolution calls for oil drilling in a national wildlife refuge. Never before in a budget resolution have we done that. And not only are we calling for drilling in this preserve, we are putting the receipts for this drilling in this budget, over $1 billion of receipts.

I am proud to say we are going to have a bipartisan amendment to delete that reference to drilling in Alaska, the Arctic National Wildlife Refuge. It is called ANWR. Those who do not care about the environment are using the gas prices as an excuse to open this area up while they are turning away from energy efficiency, turning away from the fact that, as we speak, we are exporting Alaskan oil that belongs to the American people. We are exporting it to Asia instead of keeping it here—68,000 barrels a day. And they are turning their heads to the fact we are allowing huge mergers to take place in the oil industry, which is, in fact, manipulating the supply.

What do they want to do? Open up the wildlife refuge in Alaska. I ask you a commonsense question. You have a wildlife refuge. How is that consistent with drilling oil? We have seen the oil-spills. We know the devastation that can be wreaked. The bottom line is, I am very distressed that this budget is clearly a document that is antienvironment, and the American people support the environment.

I want to ask a commonsense question. If you are living in a time of the greatest economic recovery in the history of the United States of America, and you know what policies led to that—fiscal responsibility, targeted tax cuts to those who need it and not to those who do not need it, investments in education, investments in the environment, protecting Medicare and Social Security—why would you not continue those policies?

I am going to show you some charts that indicate we have had the greatest economic recovery in generations and generations and generations. Why would you turn away? Why would George W. Bush have policies that turn away from this success? Why would the Republicans in the Senate have policies that turn away from this success and would take us back to dangerous times? To me, it makes no sense at all. It is common sense that if something is working in a business and you are doing great because of the policies you put into place, you don't turn away from those policies. You continue those policies. This budget leads us away from those policies.

Let me talk about this return to fiscal strength. In 1992, we had a record deficit of $290 billion and we have a surplus of $179 billion in 2000. In the last 2 years, we paid down the debt for the first time instead of racking up huge debt. This has sparked the longest economic expansion in the history of the country, 108 consecutive months, and counting, of economic growth; 20.8 million new jobs; the lowest unemployment rate in 30 years—4.1 percent versus 7.5 percent that prevailed in 1992—and record American home ownership of 67 percent.

Those are the facts. Those are not made-up numbers. Why would we turn away from those policies? That is what the Republican budget does; it makes a U-turn on those policies, following the leadership of George Bush.

Let me show you these charts. Here you see the budget deficit was $290 billion. We now have a surplus of $179 billion. What was the projection in 1992, before the Clinton-Gore team came in? It was $455 billion worth of deficits. That was the projection; instead, there is a $179 billion surplus.

We have paid down $140 billion of the debt in the last 2 years. Here is where we see that. Instead of $761 billion of projected debt increases for 1998–1999, we actually are paying down the debt.

This chart is titled ''Fiscal Discipline Sparks Robust Private Sector Investment.'' In other words, when you do not have to pay so much interest on the debt, there is money around for the private sector to invest. Look what happened just in equipment and software investment. The investment is up 12.1 percent. The unemployment rate, I told you before, declined from 7.5 percent to 4.1 percent. Some people consider this full employment.

Another way to look at the jobs, 20.8 million new jobs—this is a beautiful number here, charted straight up since 1992. Record home ownership, up from 64 percent to 67 percent. The American dream is being realized; 67 percent of Americans own their own home.

We have rising incomes for all groups. In every single group, we have seen rising incomes. These are the quintiles: 10 percent in the first, or lowest-income people; increase, 11 percent in the second quintile; 10 percent in the third; 10 in the fourth; and 12 in the higher incomes. All the talk about, oh, we are taxing the people in the upper incomes; they are getting killed—they have had the largest increase in their income, 12 percent.

The Federal income tax burden has declined. It has declined for the average family of four. ''Federal Tax Level Falls For Most,'' this is an article from the Washington Post. We are paying less income taxes than we did before.

This record economic expansion presents a historic opportunity, and I think the Democratic budget, the alternative we have to vote on, seizes this opportunity. It meets the fiscal challenges ahead because we cannot take this for granted. We know that. We need to strengthen Social Security. As somebody said: When the Sun is shining, you fix the roof. You don't wait for the rain to fall.

That is what our Democratic budget does. It strengthens Social Security and Medicare. It sets up a lockbox, not only for Social Security but for Medicare. Let the record show, when Senator CONRAD offered a lockbox for Medicare, the Republicans voted in lockstep against it. They are not protecting Medicare.

We place a top priority on adding a prescription drug benefit. We pay down the national debt. We use honest budget numbers. And we expand opportunity by investing in education and other priorities to help people realize the American dream. In my opinion, the Republicans squander this opportunity with an irresponsible tax cut. As Senator DURBIN has said, it is targeted to the wealthiest; it is going to risk Social Security and Medicare; it is going to make it impossible to do a prescription drug benefit; and it is going to make it impossible to invest in education and the environment and the kinds of things the American people want.

Why do I say this? Because the Senate Republicans take the nondefense discretionary money—in other words, the money we can spend on education, the environment, Medicare, and the rest—and they actually cut it below a freeze. This is not me talking; this is the Congressional Budget Office. They say a freeze is $296.1 billion; the Senate Republicans come in at $289 billion.

That is unrealistic, and it is not what the American people want. They do not want a risky tax cut. They want a targeted tax cut to the middle class, leaving enough money to invest in their priorities. This is the hub and the nub of the problem.

The Republican budget cuts domestic priorities—$89 billion to $117 billion of domestic cuts between 2001 and 2005.

What does this mean? Let's talk turkey about what this means.

Education: It will prevent the hiring of 20,000 new teachers to lower class sizes.

Head Start: 62,000 fewer children served.

Basic research: 19,000 fewer researchers receiving support.

Environment: Funding eliminated for all 15 new federally led cleanups.

Law enforcement cuts: No funds for hiring additional police officers.

The Republicans have admitted it. They said: We will take these tax cuts one salami slice at a time. That is what Senator LOTT has said; he has admitted it. And he shows the different salami-sliced tax cuts:

$182 billion for the marriage penalty tax. We know we need to fix that problem. It does not take $182 billion to do it. We can do it for less;

$122 billion in small business tax breaks. We can do it for less;

$21 billion tax breaks contained in the education savings account that go to the wealthiest among us.

It goes on and on. They are doing it one salami slice at a time, and it adds up to one big salami which is going to put us back in the red. It is going to use the entire non-Social Security surplus and maybe even dip into the surplus.

Senator DURBIN showed my colleagues the Bush tax cut. I want to ask one question: Is it fair to give a $50,000 a year tax cut to people earning over $300,000 a year? It is unbelievable. People work for the minimum wage. They make $11,000 a year. The wealthiest will get $50,000 a year.

I ask unanimous consent for an additional 3 minutes to conclude.

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

Mrs. BOXER. This Bush tax cut is not fair. This is not fair. It jeopardizes our economic recovery. Do my colleagues know what people who are in the bottom 60 percent with incomes below $39,000 get? They get back $249 a year. If one earns over $300,000, they get back over $50,000 a year. It makes no sense. Why not give the tax breaks to the people who need it, not the people who do not need it. Their tax burden is not overly high. They are doing very well, thank you very much.

Some of the wealthiest people in America live in California in the high-tech sector. Do my colleagues know what they tell me. They say: Senator BOXER, don't do this. I don't need the money. I am making millions of dollars. I don't need a risky tax break that is going to jeopardize this economic recovery.

It makes no sense.

Mr. REID. Will the Senator yield on my time?

Mrs. BOXER. Yes, I will be delighted.

Mr. REID. Did the Senator read the newspaper articles a week ago Sunday

that started in the Post and ran all over the country about the Federal income tax burden on the American people being the lowest in the last 40 years in some categories and in other categories in 50 years?

Mrs. BOXER. Yes, and I have referred to them in these remarks. It was a tremendous series that essentially showed the average families paying less of a burden in Federal income taxes. It makes no sense at all to give back $50,000 to the people earning over $300,000 and set at risk this amazing economic recovery. The American people want debt reduction, and that is what our Democratic alternative offers.

I say to my friend, doesn't he think that is the wise thing to do—debt reduction and sensible investments in education, the environment, and other priorities, and targeted tax cuts to the middle class?

Mr. REID. Mr. President, I say to my friend, a reduction in the national debt, which is over $5 trillion, by paying less in the way of interest on the debt every year would be a tax reduction for everybody; is that not true?

Mrs. BOXER. There is absolutely no question. I know my friend knows this, but I want to quote to him Chairman Alan Greenspan, a Republican, who said:

> Saving the surpluses is . . . in my judgment, the most important fiscal measure we can take at this time to foster continued improvements in productivity.

He says basically pay down the debt, and the Republicans are blinded on that point. They have a Presidential candidate who has made a bad decision. He will not back off from it. The people are going to understand that it is going to put our economic recovery at risk. We have to save Social Security. We have to save Medicare. We need a prescription drug benefit for our senior citizens, and we need to be wise and continue this economic recovery.

In conclusion, I hope the Democratic budget proposal will win the day. Having said that, I am a realist, and I know we are going to see a party-line vote for this Republican budget. I will say unequivocally, the Democratic plan reduces the debt; it makes investments in Medicare, the environment, and education. I hope we will not turn our backs on this economic recovery. The American people want it to continue.

I thank the Chair. I thank my chairman for allowing me this time.

The PRESIDING OFFICER (Mr. BUNNING). Who yields time?

Mr. DOMENICI. I yield myself such time as I may use.

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

Mr. DOMENICI. Mr. President, somehow, I guess because the President is pretty good at coming up with words, we hear that what we are attempting to do is risky. That is a nice word, ''risky.'' I submit that if the American people knew how much the President was increasing domestic spending for next year's budget, they would say: Mr. President, that's too risky.

A 14-percent increase in the domestic programs of this country is what the President has in his budget this year. I want to talk about what that really means.

Either that is a one-time event and the President does not think we have to do it again in the next year, the year after, or the year after—just one time; it happens that one time in an election year—right now—if you think it is just an election year number, you ought to discard it and decide what you really need. That is what we tried to do. We think it is a political budget.

Let me flip the coin and say why I am entitled to believe it is a 1-year budget phenomenon in a political year. I think I have to say perhaps it is not. Perhaps it is what Democrats think we ought to spend—a 14-percent increase.

I have a chart that shows what will happen to the surplus and the Social Security surplus if we increase domestic discretionary spending 14 percent a year for 3 years. We will start to use up the entire surplus, and we will begin to use the Social Security surplus. That is how important it is that we keep spending under control.

With a 14-percent increase in discretionary domestic spending—that is the 13 bills we do each year, less the defense bill—this chart shows the on-budget surplus spent and the money raided from Social Security in the gray and yellow.

Just look at the chart. The total surplus is shown by the red line. Look at what begins to happen to the surplus as we increase this budget 14 percent a year just on the discretionary domestic accounts. By the year 2003, it gets very close to our starting to use the Social Security surplus, and by 2004 we are. Clearly, by 2005, we will have used the Social Security surplus. We will have begun to use all of the surplus because of the 14-percent increase.

Frankly, I think that sort of tells the tale. Obviously, I do not believe that is going to happen. The 14-percent increase is unparalleled, other than in 1 year under President Jimmy Carter. I do not think, even at the President's behest, we are going to do anything like that.

But I have two other points I would like to make. One, my good friend, Senator LAUTENBERG, and the Senator from California, Mrs. BOXER, keep referring to how much we are going to reduce Federal expenditures. They keep using the word ''real.'' Everybody who is in earshot of this floor debate should understand that the word ''real'' has a technical meaning Republicans have decided we will not use.

If you want to look at what is spent by our Federal Government every year in the appropriations accounts and you want to say it is entitled to ''real growth,'' that means every single solitary account of the Federal Government grows each year by the rate of inflation.

I do not think the average American assumes that if you do not let it grow at the rate of inflation every year, you are cutting things. Many people live with a frozen budget; they do not have any more the next year than they do this year.

We start with the assumption that everything is frozen, and then we decide what to add back. We have done that for a few years because it is a huge increase in Federal expenditures when you assume every account in Government will go up by the rate of inflation every year. We call that a nonincrease. We call that a neutral budget. We call that a budget that does not spend any new money. Everybody knows it spends new money over the previous years to the extent that you add inflation to every single account, bar none. Frankly, everyone knows you do not have to increase every account in this Federal Government by the inflation rate of every year.

So what do we do? We start with: Let's freeze it and see how much we have left over. To my amazement, and contrary to the numbers that have been talked about here on the floor by the other side, if you do that and say to Americans, we are going to start at zero and we are going to add back, we have a surplus of $400 billion over the next 5 years.

Of that, we are going to spend $230 billion. In other words, our budget, in the next year and the succeeding years, adds $230 billion to a base of about $570 billion. We have a $400 billion surplus. We are going to spend $230 billion. We are going to say: If Congress can, and the President will, we will have tax relief of $150 billion. We will have debt reduction of an additional $20 billion. Essentially, that is a pretty fair allocation of our resources. If, in fact, we do not get the tax reductions, every bit of it will go on the surplus.

There is no difference between the Democrat budget they will propose and ours on debt reduction. We are both about $1 trillion over the next 5 years. But our budget, the one for which we ask the Members to vote, has $174 billion in debt reduction—$174 billion in the first year, $1 trillion over the 5 years.

Let's get back to the tax relief. Mr. President, $150 billion over 5 years; $13 billion in the first year. The ratio in the first year of tax relief to deficit reduction is $13 of debt reduction to $1 in tax relief.

How much is enough?

Should the ratio be $50 to $1? Should it be $40 to $1? It is $13 to $1 in the first year. Over the 5 years, it is $8 in deficit reduction for $1 of tax relief. I think that is pretty good.

I repeat, if we start with a freeze and add back, rather than starting with the budget that adds back inflation to everything and calls anything we reduce from that a cut, we will be spending $230 billion over those 5 years, increasing our national defense spending and our domestic discretionary spending.

If we just averaged them per year and took 5 into $230 billion, what would that be? Five into $200 billion would be $40 billion a year. About $46 billion to $50 billion each year in new spending is available under this budget resolution. If we start with the premise that everything is at zero, and we add it back, we are going to add $230 billion over 5 years, which is somewhere between $45 billion and $50 billion a year.

How much is enough?

I believe what we have just described is plenty. We can improve and enhance the accounts in our Government, such as education, military, National Institutes of Health, things we all know should go up substantially, but we do not have to increase every single program in Government.

As I said in my opening remarks, if we only had the gusto and enthusiasm to reform the discretionary accounts, we have a litany of things the Government Accounting Office says are duplication of effort. There are 342 different programs spread in five Departments for economic development. These things can be put together in a way that we will spend less, save the taxpayers dollars, and, yes, provide them with some tax relief in areas such as the marriage penalty, affordable education, patients' rights, and a small business package. If you add those up, nobody thinks those are the wrong things to do. Everybody thinks they are on the right track. We make room for the Finance Committee here and the Ways and Means Committee in the House to do it.

I will comment just for a moment on Medicare. In this budget resolution, we have $40 billion for Medicare reform and prescription drugs. The President wants to make a political issue out of Medicare. I think with this budget resolution he is finished. The President cut Medicare by knocking down the providers. Then the net amount he provided for Medicare prescription benefits and reform was $15 billion.

Nonetheless, we will hear them say we are not doing enough. I am sure they will find a way to say we are not doing enough. This budget resolution has $40 billion. It was provided by an amendment by Senator SNOWE of Maine and Senator WYDEN, who cosponsored it, and Senator SMITH of Oregon was a principal proponent, and it was accepted by the committee. There were no negative votes.

Incidentally, just as an aside, while to me it doesn't make that much difference, the Democrat members of the Budget Committee offered a total substitute, and their Medicare additions were less than what is in the Republican budget resolution, so I don't know that they have any room to complain. They had $35 billion in theirs; we had $40 billion. So I think we are within the parameters of getting something done that is bipartisan. I hope it is led by reform and efficiency. We should not add big benefits to a program that is going to run out of money until we get some reform.

Mr. INHOFE. Will the Senator yield?

Mr. DOMENICI. Yes.

Mr. INHOFE. First of all, I compliment the Senator on the time and effort he has devoted on probably the most difficult subject and working out some of these problems.

I have an amendment I wish to offer. I understand it is not going to be appropriate until later on. I want to tell you what it is. It is a sense of the Senate on fully funding impact aid. I notice that S. Con. Res. 101 does address this. It says:

> It is the sense of the Senate that levels in this resolution assume that impact aid programs strive to reach the goal that all local education agencies eligible for impact aid receive a minimum of 40 percent.

Now my concern would be this. In the State of Oklahoma, overall, we are at about 36 percent now. However, we have some well below that and some above that. In this sense of the Senate, would it be assumed that those below 40 percent would be raised to 40 percent but not that those who are above it would be reduced to 40 percent, or some level lower than they are currently?

Mr. DOMENICI. The Senator is correct.

Mr. INHOFE. Mr. President, later today, I will introduce an amendment to the budget resolution concerning impact aid. It is a sense-of-the-Senate resolution and is very straight forward, it simply recognizes the importance of impact aid and states that it should be fully funded. Now, I realize that there are too few dollars chasing many worthy programs, but impact aid is a promise, that we, the federal government, have made to the states. I believe we should live up to our obligation and fully fund this program.

For those colleagues who are unfamiliar with impact aid, allow me to briefly describe the program. It is one of the oldest federal education programs, dating from the 1950's, and is meant to compensate local school districts for the ''substantial and continuing financial burden'' resulting from federal activities. These activities include federal ownership of certain lands as well as the enrollment in local school districts of children of parents who work and/or live on federal land. The rationale for compensation is that federal government activities deprive the local school district of the ability to collect property or sales taxes from these individuals (for example, members of the Armed Forces living on military bases, or Native American families living on reservations) even though the school district is obligated to provide free public education to their children. Thus, impact aid is designed to compensate the school district for the loss of tax revenue.

If the program is fully funded, the formula used to determine a local school district payment is fairly straight forward. Each child is assigned a weight based on the type of ''federal activity'' the family is involved in. For example:

Indian Children on reservations	1.25
Military children on post	1.0
Military children off post	0.1
Civilian children on reservation	1.0
Civilian children off reservation	0.05
Low rent housing	0.1

Next, the weighted student count is multiplied by a cost factor which reflects the greater of one-half of the state average per-pupil expenditure or one-half of the national average per-pupil expenditure. The local school district provides this information to the U.S. Department of Education who in turn writes a check to compensate the district for the loss of revenue.

In my state of Oklahoma, if the Impact Aid Program was fully funded, we would have received $63 million in fiscal year 2000 as opposed to $23 million we received. That is a difference of 63 percent. This chart shows what each state would have received in fiscal year 2000 if the program had been fully funded versus what they receive through the formula. As you can see all states do better with full funding and 35 states would have their payment increase by 50 percent or better.

I would be remiss, if I did not acknowledge that the appropriators have worked very hard to increase funding for impact aid. In fact, in each year since fiscal year 1995, there has been an increase in impact aid.

However, I believe we need to realize how not fully funding this program hurts local school districts. When this program is not fully funded, the federal shortfall has to be made up with local dollars which means that projects that would have been undertaken have to be postponed. My staff has done a little research into what type of spending is postponed. What they found is very telling of the type of pressure the federal government is putting on our schools because we fail to fulfill our obligation to them. For instance, the consequences of not fully funding impact aid means schools cannot afford to:

Buy handicapped accessible buses; buy classroom computers; buy computer upgrades; buy textbook replacements/updates; hire teachers to lower pupil teacher ratio; hire necessary staff for Special Education programs; hire necessary staff for Gifted and Talented programs; provide professional development for staff; provide adequate building security; provide for remedial instructional needs; or do basic building maintenance.

Full funding of impact aid means that local dollars that are now being used to offset lack of federal dollars can be used to take care of the above mentioned needs. For the school district it is like getting two dollars for every one dollar because it frees up their dollars to purchase buses, do building maintenance or hire additional staff to lower pupil/teacher ratios.

Mr. President, full funding of impact aid is not a luxury, it is a necessity. Our schools are in a funding crisis that

the federal government has created because we have failed to fulfill our commitment to them. We must compensate them for lost revenue because of federal activity in their area that prevents them from collecting sufficient property and sales taxes. This is not a handout; it is an obligation by the federal government to make school districts whole. I urge my colleagues to support this resolution and join me in asking the appropriators to fully fund impact aid for fiscal year 2001.

Mr. DOMENICI. Mr. President, I might put the importance of Senator INHOFE's amendment into perspective relative to the President's budget. He proposed to cut impact aid $136 million. We rejected that in our budget resolution, and the Senator, I assume, is on the floor supporting what we did and wanting a clarification.

Mr. INHOFE. Yes. If the Senator will yield further, I do support what the chairman is doing. I would like to do more. Impact aid is a promise; it is an obligation. We have taken things away from the tax base that preclude States from financially supporting their schools, and it happens that between our military installations and our Indian population and some of the unique ways we handle it in the State of Oklahoma, we are impacted greatly by this program.

So I appreciate the fact that the Senator has made an effort to stop the President in his budget from reducing impact aid, but I would like to do a little more if I could.

I thank the Senator.

Mr. DOMENICI. Mr. President, I want to insert in the RECORD—because we speak of the President's budget and Medicare and, frankly, the President talks about how much he wants to spend for prescription drugs. But hidden in the budget are cuts in the program that he assumes will go toward prescription drugs and reform.

I just want everyone to know I don't believe a bipartisan committee in the Senate, or the House, would approve of the President's cuts in this health care program. Hospital cuts in the cycle of this budget for 5 years are $6.8 billion; $2.1 billion is reduced in terms of what is going to be allowable from cancer treatment clinics and other outpatient clinics providing certain kinds of drug treatments that are already covered by Medicare, and a $3.7 billion reduction from the Medicare Choice health plans, including plans in low-cost States, such as Oregon, New Mexico, and Minnesota.

Frankly, I don't think we are going to do that. So when we put our budget together, we rejected that and added $40 billion in two installments, which was the Snowe-Wyden amendment, and I add Senator SMITH from Oregon as the prime sponsors. I will submit those reductions for the RECORD. I ask unanimous consent that they be printed in the RECORD.

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

THE CLINTON-GORE MEDICARE PLAN

[CBO Estimates, in billions of dollars]

	2001	2001–05	2001–10
Hospital Cuts	−0.4	−6.8	−21.8
Cancer Drugs and Other Drug Cuts	−0.2	−1.0	−2.1
Mecicare+Choice Health Plans	0.0	−3.7	−14.5
FFS Selective Contracting, Etc.	0.0	−1.6	−6.0
Other Provider Cuts	−0.3	−2.9	−8.3
Total Provider Cuts	−0.9	−16.0	−52.7
Beneficiary Cost-Sharing	0.0	−0.1	−2.2
Medicare Buy-In Proposals	0.0	−0.1	0.2
Competitive Defined Benefit	0.0	−2.1	−13.7

Mr. DOMENICI. Mr. President, I once again say if any Senators would like to be heard prior to our 12:30 luncheon, I am here to yield time to them. We won't have amendments until after our respective policy and caucus lunches. Since nobody is here, I will make a couple of observations about the American economy.

There are some things about the American economy we continue to call phenomenal. We continue to look at the American production machine, which is a sum total of all the efforts of American workers, American business, American investment. Our gross domestic product, the sum total we have available, is growing and growing. It has reached a very high level of about $9 trillion.

The world looks at us and wonders how in the world are we doing this. We don't have very much inflation. We have the highest level of employment we have had in decades. We have annual growth that is still shocking the economists who were quite sure we could not sustain the kind of growth we have. We have Europe looking at us and saying maybe we had better get over there and invest, start buying into their companies. We have a country we all were frightened of named Japan. Many people used to come to the floor and say, ''Why don't we follow Japan and have a planned economy?'' I am very glad nobody chose to do that in America. And look at what happened to the respective competitiveness and growth and prosperity of the two nations. I wish them the best, obviously, but we are doing rather well.

I suggest there are three or four things that make this work. I think we should look at them very carefully because what is going on in the other capitalist countries and democracies in the world is very different. We have been committed to the proposition that America prospers on low taxes. Now I understand that most of us think the percent of the gross domestic product that goes to taxes is too high. There is no question that the percent of our gross domestic product that goes to Federal taxes is the highest it has been since the Second World War. But, in essence, when you compare America's taxing of itself and its activities and its people and its workers, we are a low-tax nation.

I believe if we do not continue to keep it a low-tax nation but, rather, succumb to a high-tax status such as those competitors we have in the world, we are going to end up being exactly like them. A high-tax country, such as Germany, lives with 10, 11 percent unemployment because they have imposed on all their employers to pay for the welfare benefits of their nation. Yet, on top of them, they have to keep very large taxes. They wonder why it doesn't work. We sit over here saying, thank God we are not taxing like them. We haven't yet decided to impose on our businesses, beyond what they ought to be sustaining on their shoulders so they can invest and grow.

Secondly, while we declare regulations, I think the time will come—perhaps with a new President—when we will look carefully at the overregulation in certain areas of the economy, including whether environmental laws are reasonable or unreasonable in many areas, to compare with those competing with us. We don't have regulations that stymie small business and stymie growth.

It is almost impossible for small business to grow in Europe as it does in America because right off the bat their rules and regulations make it practically impossible. We are very fortunate. We have less regulation. We need to have less of a burden of regulation if we want to continue to prosper and grow.

Last theory: Innovation and high productivity are now natural parts of the American economy. We are not sure how all that happened. I believe we are underestimating productivity growth because I don't think we quite know how to do it in a service-oriented economy built on computers and modern technology. But I believe that because of innovation, improving technology, and lowering of prices for technology that productivity is growing at a very high rate. It is higher than we are estimating it.

When you add low taxes and less regulations than our competitors have, urging that we do better in both, that we stick to these lower taxes by putting in a tax reduction in this bill, tax relief that will keep us on that path, and waiting for somebody to occupy the Presidency that will reform our regulatory system and continue not to stymie employers with reference to their workforce, mobility, and so forth, we are going to have great sustained growth for a long time.

I don't choose to lay the credit on who did it, but it is clear that a lot of people are responsible. Congress has done a whale of a job in the last 7 or 8 years in reducing entitlement spending and reducing overall expenditures of Government. It is something of which we can be very proud.

In addition, we entered into a bipartisan agreement that balanced the budget, that had a very significant effect on lowering the cost of Government over that period of time. We should stick to that and not go with something such as the President is asking for, to increase domestic discretionary spending by 14 percent, a risky proposition, I would call it, in light of

the prosperity and how we are going to get it.

What else is new? I have to say the most significant new dynamic is the commitment on the part of the Congress and the President not to spend the Social Security trust fund.

I am very proud I was among the first to challenge the President by saying his idea of saving 62 percent of it was inadequate; let's save 100. I am very proud that I came up with the ''lockbox'' idea of locking away the Social Security trust funds.

This is the new dynamic I believe over the long run will keep America prosperous because it will continue to pay down the national debt way beyond what anybody ever thought we could. As a matter of fact, if we stay on that path, sometime into the second decade of this century we will totally get rid of the national debt. Most of that is because of the lockbox. Most of that is because of the new dynamic that says don't spend Social Security trust funds.

We are very proud of that. We are glad it is hugely bipartisan now. We take great credit in getting that started and challenging the President, who, for the first time this year, submitted a budget that does not use any of the Social Security money for general government and, I say to my friend, Senator GRASSLEY, the first budget of the President that recognizes the principle that we will not touch Social Security surpluses and locks it up. We still need a vote on a lockbox because that requires 60 votes to breach that line to not use any of the money from Social Security for Government.

When you add all of this up, I believe it is easy to say to Americans that we want to spend more. We want to give you more. The Government should be spending more than the Republicans have in this budget resolution. But I believe we are on the right track.

I think when we put every penny of Social Security money into the trust fund, and then add about $7 billion or $8 billion out of the non-Social Security surplus, we are being cautious. We are saying we are not going to spend that non-Social Security surplus. We are going to also put it into the debt.

In closing, the next President has a big job—I hope it comes from our party—because I believe he will find a Government loaded with duplication, loaded with programs that are 30 years old and are not the programs of today, and he will have to find a way to put many of those into a place they should have been for a while; that is, totally removed from the budget of the United States. We will have some real priorities that we have been discussing in our budget resolution talking about where the American people would like to spend more money. It is not on the myriad thousands of Federal programs, many of which should not be around.

With that, if anybody would like to speak, I will yield to them.

Again, at 12:30 we are going to our caucuses. We will be ready for amendments at 2:15.

I yield the floor.

Mr. President, I yield whatever time the Senator from Iowa needs.

The PRESIDING OFFICER. The Senator from Iowa.

Mr. GRASSLEY. Mr. President, I want to address the issue of the agriculture function in this budget.

I thank Senator DOMENICI, chairman of the committee, for the foresight that is represented in this budget, in two respects.

No. 1, for the foresight of including money in the budget for the proposed Federal Crop Insurance Program that already passed the Senate. Last year it passed the House. Hopefully, very shortly it will be sent to the President for his signature so that by the year 2001 the farmers of America will be able to manage their risks to a greater extent and be less dependent upon the political whims of Washington, which sometimes is the case, and whether or not there is a natural disaster. Will Congress pass the disaster aid? That is passed to help family farmers, not only when you have a drought but also when we have floods, hurricanes, and earthquakes. When there is a natural disaster, money is appropriated to help people in need at that particular time.

Last year, Senator CONRAD of North Dakota and I were able to have money included in the bill anticipating the availability of funds in case Congress passed crop insurance reform. The House got the job done last year. The Senate did not get it done until this year. We are building upon that $6 billion which was put in last year's budget with money through the year 2005 for the continuation of that program.

I thank Senator DOMENICI and members of the budget committee for the foresight of encouraging risk management by the American family farmer rather than relying upon the political whims of Congress. Sometimes the family farmers find themselves in that position when there is not adequate crop insurance protection. This is where the individual family farmer makes a decision to participate.

By having a better Crop Insurance Program, we hope we will not only encourage participation by a number of farmers but also encourage their participation at a higher level of protection than ever before.

We think this budget and the program that passed the Senate give encouragement to farmers. We are trying to give one more additional tool to the farmers. That should have passed in 1996, the last time the farm bill was passed. It was a tool that was supposed to be given to farmers at that time but it was not.

So at this late stage with this budget, finally we are fulfilling one more promise of the Congress in the 1996 farm bill to give farmers continuity through a longer farm program, rather than the usual 3- to 4-year farm program, and tools to manage their own decisions rather than waiting upon bureaucrats in Washington, DC, to make those decisions as to what the farmer can plant and how much of each commodity can be planted in order to qualify for the farm program.

Beyond that, this budget also includes $5.5 billion of additional payments for the year 2002 and beyond so we can help keep the promise to the farmers that Congress made in the 1996 farm bill that there would be a sound safety net for the farmers throughout the life of the 1996 farm bill.

In 1996, we projected it would cost $43 billion for the crop-years throughout the 7-year farm bill. We anticipated then a certain amount for the year 2002 as we did in 1999 and 1998. Because of the lowest crop prices in 25 years, what we projected in 1996 to be that safety net for farmers was not adequate. So in 1998 there was additional money injected late in the budget year and also at the end of the crop-year. In the year 1999, there was an additional amount of money at the end of the budget year and at the end of the crop-year.

Congress was expressing its commitment to the family farmer to keep a safety net and income support for farmers when there were things in the price scheme for grains beyond the control of the individual farmer. That dates strictly back to the Southeast Asia crisis when exports took a downturn and to the unpredictability of four very good crop-years, bringing the lowest level of income for farmers for 1998 and 1999 for grains, and in some cases livestock that was the lowest in 25 years. Congress then put in additional money in 1998 and 1999.

This budget is somewhat different. This particular budget—again I say this to compliment the Senator from New Mexico for his foresight—includes $5.5 billion because we expect the same low prices for the 2002 crop-year as we expected in 1998 and 1999. It might turn out otherwise. From everything we know now, that tends to be the situation. The compliment is not only for the $5.5 billion in this budget; it is for the foresight that is represented by having it figured in ahead of time—not at the end of the crop-year, not at the end of the budget year but at the beginning of the budget year and about the time that farmers are getting their loans lined up for this crop-year and about the time they are planting this crop-year so the farmers go into this crop-year with more certainty than they had in 1998 and 1999. The Congress would keep its commitment to make sure there was a smooth transition and that there was a sound safety net for farmers as promised in the 1996 farm bill.

Everyone knows the simple commonsense answer to prosperity in agriculture is the ability to export. The only way there is going to be profitability in farming is through the ability to export. When you are a farmer in the Midwest and you produce more

than one-third for domestic production, you know that the only way there will be money made, the only way there will be higher prices is if there is a worldwide demand and you are able to export.

We talk about a safety net and about appropriating $5.5 billion that was not anticipated when the 1996 farm bill was passed. I say that in the vein of helping farmers keep things together. It is not profitability in farming. When it comes to income of farmers, common sense dictates two sources of that income: One, public money coming through the farm program but not guaranteeing profitability or, two, from the private sector, which basically means the ability to export and to have those export markets and having our Government do what it can to promote our exports so we find foreign markets. That is where the profitability lies. That is where the American farmers want to receive their income—from the private sector and not from the public treasury.

However, we cannot always anticipate four good crop-years in a row to bring about an abundance of production and a downturn in prices. We cannot anticipate the Southeast Asia crisis or other things that tend to bring about a downturn. The Southeast Asia financial crisis brought a downturn in exports. That is why we have the 1996 farm bill. That is why we have the safety net we promised. That is why in this budget we are supplementing that by $5.5 billion.

For the taxpayers who are listening and wondering why they would be helping the family farmer, that there ought to not be more control by the individual family farm manager—that is the farmer himself, in his productivity and his ability to export—I think I have answered that question to some extent. Whether you have a drought or whether you have a massive amount of rain that will produce in overabundance, the farmer is not in control. When governments in Southeast Asia made bad judgments as to their banking industry and we had the Southeast Asia financial crisis and the economies in a downturn over there and we did not export to them, those were all things beyond the control of the individual family farmer—hence, a safety net for the family farmer and consequently some costs to the taxpayers.

What does a person in the city or the general taxpayer get out of this contract we have with the family farmers of America, this social contract? They surely get an abundance of food so when they go to the supermarket they don't have to worry about whether there is enough food. That is not true a lot of places outside the United States, places with malnutrition, where there are droughts and where they live from hand to mouth for a daily supply of food.

It used to be that in the Soviet system of agriculture, and of their command and control economy, consumers in Russia did not find their supermarket shelves stocked as well as they were in the United States of America.

For the consumers who think they are paying too much for their food, I suggest that as a percentage of their disposable income they are spending less on food than any consumer in any country in the world. Consequently, we do have this social contract between the people of this country and the family farmers of America to maintain a safety net so there is a stability that maintains the institution of the family farm. The institution of the family farm is that entity that guarantees to the consumer of America this supply of food that is in good quantity and in good quality, at the lowest percentage of disposable income to pay for it of any consumer in the world.

I hope we make it clear in this budget that Senator DOMENICI has put together that we are keeping our commitment to the family farmer, making sure there is an adequate supply of money for the safety net we promised in the 1996 farm bill.

We are giving the consumer, the other half of this social contract, a guarantee of an adequate supply of food, good quality food at a low price, and we are also giving farmers some tools to manage their own businesses to a better extent through money for the Crop Insurance Program so, in turn, they are not subject to the whims of each Congress, whether or not we are going to appropriate the money that ought to be appropriated to meet our commitment to be an insurer of last resort—in other words, appropriating the right amount of money wherever natural disasters might happen, whether it be earthquakes in California or droughts in the middle west.

I hope we are not going to hear on the floor of the Senate during this budget debate that we do not have a safety net for farmers. What do our colleagues think this $5.5 billion is for or the $9 billion-some we appropriated in 1999, or the $6.5 billion additional supplement we appropriated in the crop-year 1998, in addition to the $43 billion that was in the 1996 farm bill, total for the next 7 years? If that is not a safety net, what is a safety net?

If somebody comes up here and says the present farm bill is not a very good farm bill, all they have to do is go back to the old farm bills that were in existence from the 1930s until 1996. We saw Congress supplementing the old farm bills because the safety net that we suspected would be needed for the ensuing years of that farm bill was not adequate. I do not want somebody to say there is a big tear in the safety net for farmers under the 1996 farm bill because there have been big tears in farm bills for previous years when Congress added funds.

The fact is, Congress uses the best judgment based on what climatologists and economists can give us to make our decisions about what we ought to provide in a farm bill for whatever the duration of that farm bill. This one is 7 years; previous ones have been 5, 4, and 3. But, as best as we can guess ahead when we pass that farm bill, we cannot anticipate all the exigencies that might come about in those ensuing years. So we find Congress responding to that safety net that might have a hole in it from time to time, to knit that hole in the safety net so we keep our commitment to the family farmers that we are not going to keep them hanging out there by themselves, whether because of natural disaster or political decisions made in some foreign country or even domestic political decisions made in this country or even international trade decisions that are made that are beyond the control of this Congress. Some of the exigencies are only in the hands of God. Can we anticipate all of those? No, we cannot, whether it is under a Democrat or Republican President, whether it is under a Democrat Congress or a Republican Congress. We have people making judgments, when we pass a farm bill, of what are going to be the situations with weather and world economics over the next few years. We make the wisest decisions that can be made based on the information that is available. Still, sometimes we come up short.

I do not want to hear anything about not having a safety net for farmers, or our not keeping our commitment to American farmers for that safety net with the anticipation that this world economy is going to turn around and this oversupply that has come from 4 good crop-years—not only in the United States but worldwide, to bring about an oversupply—is not going to be with us all the time and we are going to, again, pick up our exports; we are going to, again, have somewhat normal production. The farmer is going to get that profit from the marketplace that is anticipated.

All we are doing in this farm bill, as we did in 1998 and 1999, is keeping our commitment that when the profitability in the marketplace is not there the Congress of the United States is going to keep its commitment—the social contract we have between the people of this country and the family farmer—that there is going to be a supply of food of a good quality, good quantity, and at a price the consumer can afford.

I thank the chairman of the committee for his commitment to the farmers of America I yield the floor.

The PRESIDING OFFICER (Mr. HAGEL). The Senator from New Mexico.

Mr. DOMENICI. Mr. President, I thank Senator GRASSLEY, not only for his kind remarks but for his observations, which are totally accurate. I think that was a very good summary of where we are, where we have been, and what we are trying to do in this budget resolution for the farmers in this country.

I think the Senator knows. He was here, giving this few moments of reflection, anticipating somebody will always want more, and we will be confronted with that, even on this budget resolution. I thank the Senator for his statement. I will be using it later on, within the next 2 or 3 days.

Senator SPECTER wants to speak. I will yield to him as much time as he would like from our side, if I might first make two observations.

First, I wish to summarize the tax situation to which I alluded, in terms of taxes on America imposed by government. The total tax burden today—that is, State and local and Federal—has never been higher. Second, the Federal tax burden has never been higher, except at the end of World War II. Those who talk about rates and who pays and talk about the article that was in the Washington Post a few days ago, ignore some things about middle-income Americans I will address later. But actually the total amount of money the Federal Government takes, as a portion of the productivity of America, has never been higher since the Second World War as a percent of the gross domestic product.

Third, the U.S. is in a period of budget surpluses, which are projected to grow, for certain over the next decade and maybe for decades beyond that. So, in a sense, we are beginning to define the surplus. We Republicans say that except for that which is Social Security, some portion of the surplus should go back to the taxpayer because it represents overpayment. When you have an overpayment, you do not immediately run to spend the money; you want to do something to recognize it is more than you need. In this case, we want to give some back. The President has a difficult time even recognizing that in his budget. He cannot find a way, in a bona fide manner, to support a tax cut for the American people. He talks about cuts but he raises taxes more than he cuts. He cannot seem to come to the conclusion that a little piece of that surplus should go back to the American people.

I yield the floor. I yield to Senator SPECTER as much time as he desires.

The PRESIDING OFFICER. The Senator from Pennsylvania.

OVERSIGHT POWER

Mr. SPECTER. Mr. President, I have sought recognition to comment on a pending inquiry by the Judiciary subcommittee on oversight on the Department of Justice related to two subpoenas which were issued by the full Judiciary Committee to two individuals, one a former assistant U.S. attorney for the Central District of California and the second, a current employee at the Department of Justice, here in Washington, DC.

The reasons for the request of the issuance of these subpoenas have been set out in the public record in a variety of places, but I thought it useful to summarize the background of the applicable law at this time because there is some public concern about exactly what is going on, why it is going on, and what are the precedents.

Yesterday in the respected Legal Times, there was a balanced account of the request for the subpoenas and the issuance of the subpoenas, but the account, as is necessary in a relatively short publication, did not spell out in detail all of the background, which I propose to do at this moment. Some of what I say on the floor of the Senate will be supplemented by a memoranda which I will ask to be made a part of the RECORD.

The essential facts are these: The oversight subcommittee is looking into the plea bargain entered in the case of a man named Dr. Peter Lee in 1998. Dr. Lee had confessed to two very serious instances of espionage. In 1985, Dr. Lee provided to the scientists of the People's Republic of China information about nuclear energy. In 1997, Dr. Lee again provided to scientists of the People's Republic of China information about detecting submarines.

When the matter moved through the process between the assistant U.S. attorney in California to the Department of Justice, involving the Navy and the Department of Energy, there was a serious failure of communication.

I interviewed the assistant U.S. attorney at length in Los Angeles on February 15, and that individual told me—and it is a part of the record—that he was denied permission to seek a serious charge against Dr. Lee but was authorized only to file a criminal complaint under section 1001 of 18 U.S.C., a false statement, but could not file serious charges of espionage.

Records of the FBI and the Department of Defense, which our subcommittee has uncovered after laborious, painstaking efforts, disclose that the Department of Justice was prepared to authorize a prosecution under 794, which is a serious espionage statute which carries a penalty of up to life in prison or the death penalty. I am not suggesting the death penalty was appropriate or life in prison was appropriate, but that is what was provided. Those serious penalties are sometimes used as leverage to get cooperation or further information, something I saw in some detail when I was district attorney of Philadelphia.

The assistant U.S. attorney says he knew nothing about that. The plea bargain was entered into before there was a damage assessment. After the damage assessment was completed, Department of Energy officials classified the disclosures in the secret category. The Navy Department wrote an ambiguous letter at one stage on November 14, 1997, a letter which was hard to understand because the damage assessment had not been made and, in fact, the Department of the Navy and the Department of Defense, did not make a damage assessment until requested to do so by the Judiciary oversight subcommittee.

When that damage assessment was finally made, they came to the conclusion that it was, in fact, classified information. They disagreed with the Department of Energy's secret classification but did classify it at the confidential level.

Through all of this sequence of events, the key official in the Department of Justice in Washington, DC, has declined to be interviewed. This individual is the key person who dealt with the assistant U.S. attorney in Los Angeles and who dealt with the Department of the Navy.

This is, obviously, a matter of enormous importance. When one combines what was done with Dr. Peter Lee with what was done with Dr. Wen Ho Lee, who is now under indictment, where the Attorney General of the United States admitted she did not follow up on an FBI request for a warrant under the Foreign Surveillance Intelligence Act but delegated it to a subordinate who had no experience in the field. Attorney General Reno failed to follow up on it, and in fact the FBI let the matter lie dormant for 16 to 17 months, and when you add to that other plea bargains in the Department of Justice on campaign contributions involving John Huang, Charlie Trie, and Johnny Chung, and the technology transfer to the People's Republic of China over the objections of the Department of Justice which was conducting a criminal investigation, there is a great deal which needs to be done.

Isolating and focusing for a moment just on the Dr. Peter Lee case, that is what we are looking at and that is why we have asked for the subpoenas.

The arguments in the Judiciary Committee have raised the point that this is an unprecedented event, but that in fact is not true. The Congressional Research Service summarized this issue as follows, and I will be submitting a memorandum which has a fuller citation of authority:

> In the majority of instances reviewed, the testimony of subordinate DOJ employees, such as line attorneys and FBI field agents, was taken formally or informally, and included detailed testimony about specific instances of the Department's failure to prosecute alleged meritorious cases.

This goes beyond closed cases but goes to cases which are pending and which are currently being investigated. We have seen a repeated effort by the Department of Justice, under Attorney General Reno, to use a pending investigation as a roadblock to providing congressional oversight, but in fact the cases are to the contrary.

The authority for these issues goes back as far as Teapot Dome and extends as recently to last year with the Committee on Governmental Affairs of the Senate. In Teapot Dome, the select committee heard testimony from scores of present and former attorneys and agents of the Department of Justice. Some of the cases upon which testimony was offered were still open at the time.

The investigation of white-collar crime in the oil industry, an investigation of the failure of the Department of Justice to effectively investigate and prosecute alleged crimes, took place in 1979 when joint hearings were held by the Subcommittee on Energy and Power of the House Committee on Interstate and Foreign Commerce. At that time, a Department of Justice staff attorney testified in open session as to the reason for not going forward with a particular criminal prosecution.

That is about what we are looking for here, why the prosecution did not go forward, but why they settled for an insufficient plea bargain which gave Dr. Lee no jail time but only community service, probation, and a fine. In that context, the Department of Justice asked for only a short period of incarceration. It is hard to understand why that would be done when there are documents from the FBI and the Department of Defense which say prosecution would be authorized for a penalty which carried life imprisonment or the death penalty.

In the Rocky Flats investigation in 1992, the Subcommittee on Investigations and Oversight of the House Committee on Science, Space, and Technology took testimony from the U.S. attorney from the District of Colorado, an assistant U.S. attorney for the District of Colorado, a Department of Justice line attorney, and an FBI field agent. According to Congressman Howard Wolpe, the Justice Department was initially uncooperative but finally agreed to the subcommittee's requests only after the subcommittee threatened to hold DOJ in contempt.

In 1992, carrying through 1994, the House Subcommittee on Oversight and Investigations conducted an extensive investigation into the impact of Department of Justice activities on the effectiveness of the Environmental Protection Agency's criminal enforcement program. Overall, the subcommittee conducted detailed interviews with more than 40 current and former Justice Department officials concerning the management and operation of the Environmental Division.

For months, Justice Department attorneys stalled on subcommittee requests to interview DOJ line attorneys and sought to deny the subcommittee access to numerous primary decisionmaking documents as well as documents prepared in response to the subcommittee's investigation.

On June 9 of last year, David Ryan, a line attorney for the Department of Justice OIPR, Office of Intelligence Policy and Review, testified before the Senate Governmental Affairs Committee in response to a committee subpoena.

On September 22 of last year, three FBI field agents——

Mrs. BOXER. Would the Senator yield to me? I am so sorry to interrupt him, but I am confused because I thought we were supposed to be discussing the budget. We have Senators who want to talk about the budget.

Does the Senator have a clue as to how long he is going to continue on this?

Mr. SPECTER. Mr. President, I have an allocation of time from the manager, Senator DOMENICI, for as much time as I shall consume.

Mrs. BOXER. I think under the rules we have to be speaking about the budget.

The PRESIDING OFFICER. The Senator from Pennsylvania has the floor.

Mr. SPECTER. I thank the Chair.

Mrs. BOXER addressed the Chair.

Mr. SPECTER. Regular order, Mr. President.

The PRESIDING OFFICER. The Senator from Pennsylvania has the floor.

Mrs. BOXER. Can I——

Mr. SPECTER. Regular order.

The PRESIDING OFFICER. I remind the Senator from California, the Senator from Pennsylvania has the floor.

Mrs. BOXER. A parliamentary inquiry is not in order?

The PRESIDING OFFICER. It is not in order.

Mrs. BOXER. OK.

Mr. SPECTER. To respond to the inquiry of the Senator from California, I intend to speak for about 5 or 6 or 7 more minutes. As I understand the rules, if you have the floor, and if you have been allotted time, you can speak on any subject a Senator desires.

As I was about to say, Mr. President, on September 22, 1999, three FBI agents testified before the Senate Governmental Affairs Committee about the details of their investigation of Charlie Trie. Those individuals appeared under subpoena. There have been efforts to have the subcommittee stand down on some unspecified assurances from the Department of Justice that a way will be found to provide the subcommittee with the information it needs.

That is not practical under these circumstances, where the specific subpoenaed Department of Justice employee was the key link between the assistant U.S. attorney from California and the Department of Defense. But I think it not irrelevant to comment about the failure of the Department of Justice to reply continually to requests for oversight from the Judiciary Committee.

On July 15, 1998, I asked for the Attorney General's opinion as to whether there was ''specific and credible'' evidence of a legal violation when Mr. Karl Jackson testified that John Huang said within earshot of President William Clinton, ''elections cost money, lots and lots of money, and I am sure that every person in this room will want to support the reelection of President Clinton.''

That was stated in the White House. The Attorney General responded that she would be ''happy to review it with the task force and get back to you,'' referring to me. She never did so.

I will skip over the March 12, 1999, request, which I will have printed in the RECORD in a moment, and refer now to the May 15, 1999, Judiciary Committee hearing on oversight of the Department of Justice, where the Attorney General agreed to respond in writing as to whether there were any ongoing investigations as to Mr. Fowler and Mr. Sullivan. She did not do so.

At the same time, in response to my questions, the Attorney General agreed to respond in writing as to her thoughts on the plea bargain of Peter Lee, specifically, the propriety of the sentence given the seriousness of the offense. Notwithstanding this commitment, the Attorney General did not respond, which has led to our very detailed inquiry in this matter.

On June 8, 1999, in a closed hearing, in response to my questions, Attorney General Reno promised to write, No. 1, a report within a month on where the Department of Justice stood on prosecuting Wen Ho Lee, which was never done; a report on the Peter Lee plea bargain, which was never done; and details of the Johnny Chung plea, which was never done.

For purposes of brevity, I will skip over requests which the Attorney General committed to and did not respond to on December 2, 1997, July 10, 1998, July 23, 1998, and go to July 22, 1999, when I wrote to the Attorney General requesting all documents relating to the 1996 Federal election campaigns and had only a staff response which provided very little information.

On September 29 of last year, I again wrote to the Attorney General, pursuant to the investigation by the Judiciary subcommittee, to request the 10 pieces of intelligence information mentioned in the DOJ Inspector General Special Report on the Handling of the FBI Intelligence Information Related to the Justice Department's Campaign Finance Investigation. Again, no response.

When the Judiciary Committee was considering the subpoenas for the two individuals on March 23—just a couple of weeks ago—I was surprised, in the middle of the proceeding, to see the ranking Democrat on the Judiciary Committee start to read from a letter from the assistant attorney general of the Department of Justice.

The letter showed a copy to Senator HATCH, who had not received a copy of the letter. The letter made a number of references to this Senator. I was more than a little surprised to find a letter would be written and used in that kind of an argument without the basic courtesy of supplying a copy of the letter to me. So, on March 24, I wrote to the Attorney General asking her if she thought it was appropriate for Assistant Attorney General Robinson not to send me a copy of the letter, even though I was a topic of the letter and it involved a matter before the Judiciary Committee where I was the principal moving party.

I ask unanimous consent that the full text of a memorandum from my assistant, David Brog, dated today, concerning many requests of the Attorney General be printed in the RECORD.

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

To: Senator Specter.
From: David Brog.
Date: April 4, 2000.
Re: Requests made to AG Reno.

HEARINGS

July 15, 1998—Judiciary Committee Hearing—Oversight of the Department of Justice

You asked for the Attorney General's opinion as to whether it was ''specific and credible'' evidence of a legal violation when Mr. Karl Jackson testified that Mr. Huang said with earshot of President Clinton, ''elections cost money, lots and lots of money, and I am sure that every person in this room will want to support the reelection of President Clinton.'' The Attorney General responded that she would be ''happy to review it with the task force and get back to you.'' She did not do so.

March 12, 1999—Judiciary Committee Hearing—Department of Justice FY2000 Budget Oversight

You requested that the Attorney General make available to the Committee any writings, memoranda or documents which ''deal with Mr. LaBella with respect to his recommendations on independent counsel . . . or whether that issue came up in any of the Department of Justice documents which led to the appointment of Mr. Vega. Attorney General Reno responded that she would be ''happy to furnish you anything that I can appropriately furnish you on any matter relating to that.'' The Attorney General did not follow up by furnishing information or even to say that there was nothing she could ''appropriately'' furnish.

When you stated that Mr. LaBella was quoted as saying that he did not even get a phone call from the Justice Department that Mr. Vega was going to be nominated, the Attorney General responded that it was her understanding that he did, but that she would check and let you know. Notwithstanding this commitment to respond, she did not do so.

May 5, 1999—Judiciary Committee Hearing—Oversight of the Department of Justice

The Attorney General agreed to respond in writing as to whether there were any ongoing investigations as to Mr. Fowler and Mr. Sullivan. She did not do so.

The Attorney General agreed to respond in writing as to her thoughts on the plea bargain of Peter Lee, specifically the propriety of the sentence given the seriousness of the offense. Notwithstanding this commitment, the Attorney General did not respond.

June 8, 1999—Judiciary Committee Hearing—Closed Hearing

In response to your questions, the Attorney General promised to provide you with the following three things:

1. A report within a month on where DoJ stood on prosecuting WHL.
2. A report on the Peter Lee plea bargain.
3. Details of the Chung plea bargain.

Notwithstanding this commitment, the Attorney General did not provide any of these items.

LETTERS

December 2, 1997

You wrote to the Attorney General requesting that a copy of the Freeh memorandum be made available to the Judiciary and Governmental Affairs Committees. You received a response from Attorney General Reno and Director Freeh on December 8 stating that they must decline your request.

July 10, 1998

You wrote to the Attorney General reiterating your request from December 2, 1997, that a copy of the memorandum from FBI Director Freeh recommending appointment of Independent Counsel on campaign financing reform matters be made available. No response.

July 23, 1998

You wrote to the Attorney General requesting a copy of the LaBella report recommending Independent Counsel. No response.

July 22, 1999

You wrote to the Attorney General (Senator Hatch signed on) requesting all documents in the Department's possession relating to (1) the Department's investigation of illegal activities in connection with the 1996 federal election campaigns, and (2) the Department's investigation of the transfer to China of information relating to the U.S. nuclear program. DOJ staff responded by providing very little information.

September 9, 1999

Together with Senators Hatch and Torricelli, you wrote to the Attorney General regarding the redactions in the transcript of the June 8 closed session hearing. The Attorney General did not respond to you, but instead met separately with Senators Hatch and Leahy on the issue.

September 29, 1999

You wrote to the Attorney General to request the ten pieces of intelligence information mentioned in the United States Department of Justice, Office of Inspector General Special Report on the Handling of FBI Intelligence Information Related to the Justice Department's Campaign Finance Investigation (July, 1999). You further requested any analysis available to the Department of Justice related to the validity of the information and its sustainability for use in a prosecution or relevance to a plea agreement. No response.

September 29, 1999

You wrote a follow-up letter to the Attorney General regarding the documents you requested on July 22, 1999. Again, no response.

March 15, 2000

Your counsel, David Brog, was invited to DOJ offices to review the partially unredacted LaBella memo which had already been reviewed by other members of Congress. When he arrived, he was informed that he could not review, the memo, since the new head of the Campaign Finance Task Force had to review it in order to see if further redactions were necessary in light of some ongoing cases.

March 24, 2000

You wrote to the Attorney General regarding a letter from Assistant Attorney General James Robinson which was sent to Senator Leahy in time for the Judiciary Committee executive business meeting on March 23. You asked her for her view of whether it was proper for Mr. Robinson not to send you a copy of the letter even though you were a topic of the letter. No response.

Mr. SPECTER. Mr. President, I ask unanimous consent that the full text of the Memorandum on the Senate's Oversight Power Regarding Subordinate DOJ Employees and Open DOJ Cases be printed in the RECORD.

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

MEMORANDUM ON THE SENATE'S OVERSIGHT POWER REGARDING SUBORDINATE DOJ EMPLOYEES AND OPEN CASES

1. Congress has broad authority to hear testimony from subordinate DOJ employees and to obtain information regarding open DOJ cases.

Congress has broad authority to conduct oversight of the Executive Branch, including the Department of Justice and the FBI. This authority includes the ability to obtain testimony and documents relating to open DOJ cases, and to take testimony from subordinate DOJ employees such as line attorneys and investigators who have direct knowledge of relevant cases. Congressional oversight authority is succinctly set forth in a recent Congressional Research Service analysis:

''[A] review of congressional investigations that have implicated DOJ or DOJ investigations over the past 70 years from the Palmer Raids and Teapot Dome to Watergate and through Iran-Contra and Rocky Flats, demonstrates that DOJ has been consistently obliged to submit to congressional oversight, regardless of whether litigation is pending, so that Congress is not delayed unduly in investigating misfeasance, malfeasance, or maladministration in DOJ or elsewhere. A number of these inquiries spawned seminal Supreme Court rulings that today provide the legal foundation for the broad congressional power of inquiry. All were contentious and involved Executive claims that committee demands for agency documents and testimony were precluded on the basis of constitutional or common law privilege or policy.

''In the majority of instances reviewed, the testimony of subordinate DOJ employees, such as line attorneys and FBI field agents, was taken formally or informally, and included detailed testimony about specific instances of the Department's failure to prosecute alleged meritorious cases. In all instances, investigating committees were provided with documents respecting open or closed cases that included prosecutorial memoranda, FBI investigative reports, summaries of FBI interviews, memoranda and correspondence prepared during the pendency of cases, confidential instructions outlining the procedures or guidelines to be followed for undercover operations and the surveillance and arrests of suspects, and documents presented to grand juries not protected from disclosure by Rule 6(e) of the Federal Rules of Criminal Procedure, among other similar ''sensitive'' materials. Congressional Research Report,''—*Investgative Oversight: An Introduction to the Practice and Procedure of Congressional Inquiry* pp. 23–24 (April 7, 1995).

2. Examples of prior investigations in which Congress has heard testimony from subordinate DOJ employees and/or obtained information regarding open DOJ cases.

1. Teapot Dome—An Investigation of the Failure of the DOJ to Prosecute Alleged Meritorious Cases

Beginning in 1924, a Senate Select Committee conducted an investigation of ''charges of misfeasance and nonfeasance in the Department of Justice'' in failing to prosecute individuals involved in the Teapot Dome scandal. The Select Committee heard testimony from scores of present and former attorneys and agents of the Department of Justice and the FBI, who offered detailed testimony about specific instances of the Department's failure to prosecute alleged meritorious cases. Some of the cases upon which testimony was offered were still open at the time. The Committee also obtained access to Department documentation, including prosecutorial memoranda, on a wide range of matters.

2. Investigation of FBI Domestic Intelligence Operations

Beginning in 1975, the House Judiciary Subcommittee on Civil and Constitutional Rights held hearings on FBI domestic intelligence operations. At the request of the

Chairman of the Judiciary Committee, the General Accounting Office began a review of FBI operations in this area. In an attempt to analyze current FBI practices, the GAO chose ten FBI offices involved in varying level of domestic intelligence activity, and randomly selected 899 cases in these offices to review. FBI agents prepared a summary of the information contained in the files of each of the selected cases. These summaries described the information that led to opening the investigation, methods and sources of collecting information for the case, instructions from FBI headquarters, and a brief summary of each document in the file. After reviewing the summaries, GAO staff held interviews with the FBI agents involved with the cases, as well as the agents who prepared the summaries. GAO later did a follow up investigation in which it reviewed an additional 319 cases and held interviews with the agents involved with these cases.

3. While Collar Crime in the Oil Industry—An Investigation of the Failure of the DOJ to Effectively Investigate and Prosecute Alleged Crimes

In 1979, joint hearings were held by the Subcommittee on Energy and Power of the House Committee on Interstate and Foreign Commerce and the Subcommittee on Crime of the House Judiciary Committee to conduct an inquiry into allegations of fraudulent pricing of fuel in the oil industry and the failure of the Department of Energy and the Department of Justice to effectively investigate and prosecute alleged criminality. A DOJ staff attorney testified in open session as to the reason for not going forward with a particular criminal prosecution. Although a civil prosecution of the same matter was then pending, DOJ agreed to supply the committee with documents leading to the decision not to prosecute.

4. Rocky Flats—A Review of a DOJ Plea Bargain

In 1992, the Subcommittee on Investigations and Oversight of the House Committee on Science, Space, and Technology commenced a review of the plea bargain settlement by the Department of Justice of the government's investigation and prosecution of environmental crimes committed by Rockwell International Corporation in its capacity as manager of the Rocky Flats Nuclear Weapons Facility. The Subcommittee took testimony from the United States Attorney for the District of Colorado, an assistant U.S. Attorney for the District of Colorado, a Department of Justice line attorney and an FBI field agent. It further received voluminous FBI field investigative reports and interview summaries. According to Subcommittee Chairman Howard Wolpe, the Justice Department was not initially cooperative and agreed to the Subcommittee's requests only after the Subcommittee threatened to hold DOJ witnesses in contempt:

''Our investigation was impeded by restrictions imposed by the U.S. Department of Justice. All of the witnesses, upon written instructions from the acting assistant attorney general for the criminal division which were approved by the Attorney General, refused to answer questions concerning internal deliberations in which decisions were made about the investigation and prosecution of Rockwell, the Department of Energy and their employees.''—*Statement of Chairman Wolpe, October 5, 1992.*

On September 23, the Subcommittee unanimously authorized Chairman Wolpe to send a letter to President Bush asking him either to assert executive privilege for the information that the Justice Department directed the witnesses to withhold, or to direct those witnesses to answer such questions. After failing to receive an adequate answer from either the White House or the Justice Department, the Subcommittee declared its intention to hold the U.S. Attorney for the District of Colorado in contempt. At this point, the Department changed course and accepted an agreement which provided that:

''The Department will issue a new instruction letter to all personnel who have received prior instructions directing them not to answer questions concerning deliberative privilege. The new letter will inform them that they must answer all Subcommittee questions fully and truthfully, including those which relate to internal deliberations.'' *Ibid.*

5. DOJ Influence on the EPA—A Review of DOJ Environmental Crime Prosecutions

From 1992 through 1994, the House Subcommittee on Oversight and Investigations conducted an extensive investigation into the impact of Department of Justice activities on the effectiveness of the Environmental Protection Agency's (EPA) criminal enforcement program. Overall, the Subcommittee conducted detailed interviews with more than 40 current and former Justice Department officials concerning the management and operation of the Environmental Division and environmental criminal enforcement policies. The Subcommittee also reviewed hundreds of internal DOJ documents on these matters. As the Subcommittee wrote in its report:

''One of the most significant accomplishments of the Subcommittee's environmental crimes investigation was its reinforcement of a number of important historical precedents regarding Congressional oversight of the Justice Department. The Subcommittee withstood repeated efforts to resist the exercise of its Constitutional responsibilities to oversee Executive Branch agencies. For months, Justice Department officials stalled on Subcommittee requests to interview DOJ line attorney and sought to deny Subcommittee access to numerous primary decision-making documents as well as documents prepared in response to the Subcommittee's investigation. However, the Subcommittee ultimately obtained the interviews and comments it deemed necessary to fulfill its oversight duties in a responsible manner.''—*Damaging Disarray—Organizational Breakdown and Reform in the Justice Department's Environmental Crimes Program,* a staff report prepared for the use of the Subcommittee on Oversight and Investigations of the Committee on Energy and Commerce of the U.S. House of Representatives. December, 1994.

6. Governmental Affairs Hearing re Wen Ho Lee

On June 9, 1999, Mr. David Ryan, a line attorney at the DOJ OIPR (Office of Intelligence Policy and Review) testified before the Senate Governmental Affairs Committee about details of the Department's handling of the Wen Ho Lee investigation. Mr. Ryan appeared in response to a Committee subpoena.

7. Governmental Affairs Hearing re Charlie Trie

On September 22, 1999, three FBI line agents—Roberta Parker, Daniel Wehr, and Kevin Sheridan, testified before the Senate Governmental Affairs Committee about the details of their investigation into Charlie Trie. These agents appeared in response to Committee subpoenas.

Mr. SPECTER. We are in the midst of some very serious oversight on the Department of Justice. We have seen the Wen Ho Lee case bungled badly by the Department of Justice and the chances for successful prosecution placed in real jeopardy. We have seen very serious espionage violations by Dr. Peter Lee involving nuclear power and involving detection of submarines, to which there were confessions, where a plea bargain was entered into without having a damage assessment and without having the trial attorney notified as to his authority to pursue very serious charges.

It is plain, in the context of what has gone on with the Department of Justice over the past many years in their refusal to provide information for oversight, even after the requests were made, and even after the Attorney General personally agreed to the request, that the only way to get to the bottom of it is to issue subpoenas and insist on congressional oversight so we can find out why these travesties of justice were carried out.

I thank the Chair and yield the floor.

FISCAL YEAR 2001 BUDGET—Continued

The PRESIDING OFFICER. The Senator from North Dakota is recognized.

Mr. CONRAD. Mr. President, I want to take such time as I may consume on the budget resolution.

The PRESIDING OFFICER. The Senator may proceed.

Mr. CONRAD. Mr. President, we are now in the very happy circumstance, as a nation, to be on the longest economic expansion in our country's entire history. As this headline shows from the February 1 edition of the Washington Post, ''Expansion Is Now Our Nation's Longest.'' This 107 months of economic growth beats the record of the 1960s.

This is a remarkable circumstance as we meet to discuss the budget resolution this year. The question before this body and the other body and the President is, What is the budget policy to pursue to keep this economic expansion going? What is the best set of policies we can adopt?

Perhaps, to make a judgment on those questions, we ought to refresh ourselves on the history of how we got to where we are. This chart shows a comparison of the last three administrations with respect to the budget deficit. It shows, going back to 1981, 20 years ago, that the deficits were rising and rising dramatically, and we embarked on a period of not only expanding deficits but expanding debt in this country—taking on enormous debt. In fact, during this period, we quadrupled the national debt. That fundamentally threatened the economic security of our country. We saw, in the Bush administration, that the deficit absolutely skyrocketed. It went from an already high level of $153 billion all the way up to $290 billion.

Then President Clinton came into office. In 1993, we passed a plan to reduce budget deficits, to start getting our fiscal house in order. That was a 5-year plan. We can look at the 5 years of that plan and we can see that each and every year the deficit was coming down and coming down quite sharply. Those

were very important decisions that were made in 1993. If my colleagues will permit me to sound a partisan note, not a single Republican voted for this plan of reducing the budget deficit. It was a controversial plan that cut spending and, yes, raised income taxes on the wealthiest 1 percent in this country. But let's remember what worked. It worked. It brought the deficits down. It got our country back on sound financial footing.

Then, in 1997, we passed a second plan. This time, it was bipartisan. This time, we worked together and it finished the job so that we are now running substantial surpluses. In fact, as shown here in 1998, a $70 billion unified surplus; in 1999, there was a $124 billion unified surplus. In the year 2000, we anticipate a $176 billion budget surplus. These are surpluses, the last 2 years, even counting Social Security as a separate trust fund. In other words, not including Social Security in the calculation, we balanced 2 years ago, last year, and will balance again this year. So we have made enormous progress in this country.

What a difference it has made. Because we got on a sounder financial footing, that took pressure off of interest rates. Lower interest rates contributed to making our economy more competitive. It took Government out of the position of competing with the private sector for funds, so interest rates came down. That made room for more productive investment. What we saw was an explosion in jobs. Over 20 million new jobs were created during this period. But the good news didn't stop there. We saw the unemployment rate drop to its lowest level in 42 years.

The point I am making is that we are pursuing an economic strategy that is working. It is working well for our country. We should not abandon it for risky schemes that some might propose. The unemployment rate is the lowest in 42 years. The inflation rate is at the lowest sustained level since 1965. These are facts. These tell us the economic game plan and strategy we embarked on in 1993 is working and working well. We have talked about deficits—and, of course, the deficits are the annual difference between the spending of the Federal Government and the revenue of the Federal Government. We also need to talk about the national debt. The debt is the cumulative total of the deficits. People often get confused about this question. But that is the difference. The deficits are the annual difference between spending and revenue. Of course, we don't have deficits anymore. We are in surplus, very significant surplus. The debt is the cumulative total of all those annual deficits. Even that debt is starting to come down. You can see we are right here on the line, so we have turned the corner.

We are actually starting to pay down the national debt. That is a course we must continue. It is absolutely critical for our economic future to keep paying down this debt. In fact, we are now in a position where we could pay off the national debt, completely retire the publicly held national debt, by the year 2013.

That is precisely what we should do to put our country in a strong position for when the baby boomers start to retire. We all know what is going to happen then. We are going to see a substantial increase in pressure on Social Security, Medicare, and other Federal programs. The best way to prepare for that day is to grow the economy so that it is best positioned to take that burden. How can we do that? Well, central to doing it is to get rid of this debt, dump this debt. That ought to be on the top priority list of every Member in this Chamber.

That is the record—a very positive record—of what has occurred. It doesn't end there because not only have we seen extraordinary periods of economic growth, not only have we seen the lowest unemployment, the lowest rate of inflation in many, many years—in fact, in decades—we have also seen Federal spending put under control. We now see that Federal spending is at the lowest level since 1966 as a share of our national income. This is as a percentage of our gross domestic product. We can see that we got to a period back in the 1980s where Federal spending was over 23 percent of our gross domestic product. Look where we are now. We are down below 19 percent and headed lower if we stay on this course. It is remarkable what has happened.

If we look at what the priorities are now of the various budget resolutions before us, this is what we see by way of comparison. Over the next 5 years of this budget resolution, we project a non-Social Security surplus of $171 billion. That is based on the assumption of no real growth in the Federal budget. That is what is called a real spending freeze. It adjusts for inflation, but nothing more. So over the next 5 years, we would have $171 billion under that set of assumptions—a real spending freeze and adjustments for inflation, but no more. Our Republican friends believe we ought to use nearly all of that money for a tax cut. This is the Senate plan, a $150 billion tax cut. With the $18 billion in interest that would cost, it would be a total of $168 billion.

On the House side, you can see their plan: $223 billion, a tax cut of $150 billion, plus they have a $50 billion reserve for a tax cut, plus the $23 billion of interest costs that would be entailed in that plan, for a total of $223 billion.

You see that the problem with the plan is they use more than the surplus than is available. Where is the money going to come from? I think we all know what will happen. They will be right back to the bad old days of raiding the Social Security trust funds. That is what they will do. That would be a profound mistake. We can't let them do it.

That is why these votes that are to come are so important.

It is one reason you see these headlines that the Republicans have avoided the vote on the Bush tax cut. They avoided it in the House, and they avoided it in the Senate because they know the Bush plan is even more skewed than the plans they have passed. The Bush plan has a much larger tax cut. There can be no question that his plan must raid Social Security in order to add up. There is no money left over under his plan for further reduction of the debt. There is no money under his plan to extend the solvency of Medicare. There is no money under his plan for other high priority domestic needs because he is taking all the money and all the non-Social Security surplus and much more and giving it in a tax cut to the wealthiest among us.

That is the question before us as a people. What are we going to do with these forecasts of surpluses?

Let's remember their projections are over an extended period of time—5 years. Many of us believe these projections will change and that they are not something on which we can count.

We look at the plan Mr. Bush has put before all of us as a people. We can see that over 5 years he proposes $483 billion in tax cuts. But we only have $171 billion available in non-Social Security surpluses. Where is the rest of the money going to come from? It can only come from one place: He is going to have to raid Social Security. He is going to have to go back to the bad old days of dipping in the till on Social Security. That is a profound mistake. It is no wonder they have avoided votes on that tax cut plan on both the House and Senate sides.

Beyond that, the Bush proposal is unfair because he is saying take 60 percent of the benefit of his massive tax cut and give it to the wealthiest 10 percent in the country. That is his plan. Senator MCCAIN said it very well during his campaign. He said over and over again that 60 percent of the benefit in the Bush tax cut goes to the wealthiest 10 percent. I even heard Senator MCCAIN make the statement that 36 percent of the benefit goes to the wealthiest 1 percent. Mr. Bush has made the point over and over that these surpluses belong to the American people. They do not belong to the Government. He is exactly right about that.

These surpluses belong to the American people. The question is, What do we do with them? Do we give them to the wealthiest among us, or do we put the highest priority on taking a significant chunk of those funds and pay down the people's debt? I submit to you the better approach is to take the significant majority of these funds and pay down our national debt. That is what we ought to do. That is in the best interests of the American people—not take the big chunk of this non-Social Security surplus—in fact, under the Bush plan take more than there is in the surplus—and hand it out to the wealthiest among us. It is much better to pay down the people's debt.

If we look back and remember the history of what occurred, if we go back to the 1980s when we had those massive deficits, the blue line shows the outlays, the expenditures of the Federal Government. The red line shows the revenue of the Federal Government. It is not hard to figure out why we had massive deficits. The spending line was much higher than the revenue line.

It wasn't until 1993—we passed a 5-year plan that took down the spending line and raised the revenue line—that we were able to balance the budget. That is the history of what has worked. We should stay on this course. We shouldn't go out and go on a big new spending binge. We shouldn't go out and have a massive, risky tax scheme that threatens this economic expansion and this economic success story. Why would we do that? We have a plan that is working. We have a plan that is producing results for this country.

As we look ahead, some say because the revenue line has gone up that we have the highest taxes in our country's history; not true. We have the highest tax revenue. We don't have the highest taxes. I know that seems odd to people. How can that be? How can you have high revenue but not high taxes? The reason is this economic boom has generated dramatic revenue. We are in a virtuous cycle where good fiscal policy and good monetary policy have helped this economy grow. And the genius of the American people has developed the circumstance in which our economic expansion is extraordinary. Because we have this revenue, we are in a situation that has allowed us to actually reduce taxes on individual taxpayers.

That is not just KENT CONRAD's statement. That is a review of the Federal tax system that shows that the Federal tax level falls for most people. The studies show the burden now less than 10 percent. In fact, as this newspaper story says, for all but the wealthiest Americans, the Federal income tax burden has ''shrunk'' to the lowest level in four decades.

Those who come out here and say we have the highest tax ever—no, no. We have the best tax revenues ever. We have the most income ever. We don't have the highest taxes ever. Tax rates for individual American taxpayers have gone down. That is not the result of some study by some liberal think tank. This is a result of the work of the Congressional Budget Office. This is the work of the Treasury Department. This is the work of the conservative Tax Foundation. These are their conclusions—that tax rates have actually gone down.

Let's look at what those studies reveal. This is for a family of four earning $39,000 in 1999. This is according to the Congressional Budget Office. This is their total tax burden for Federal income taxes. You can see their Federal income taxes have gone down from 8.3 percent to 5.4 percent from 1981 to 1999. It is not just a family earning $39,000, but this is what happened to the income tax burden for a median-income family earning $68,000 in 1999. Their tax burden has gone from 10.4 percent in 1957 to 8.9 percent in 1998. This is according to the very conservative Tax Foundation.

Mr. President and colleagues, this is the history. This is how we have gotten to where we are today—by getting our fiscal house in order; by cutting spending; yes, by raising revenue on the wealthiest 1 percent in this country and lowering taxes on the vast majority of the American people through expansion of the earned-income tax; by the $500 child care credit; lowering taxes on the vast majority of the American people; and now we are in this position of being able to actually retire the publicly held debt by the year 2013.

Virtually every economist that has come before us on the Budget Committee and on the Finance Committee said this is exactly what you should do—make the priority paying down the debt.

Alan Greenspan, the head of the Federal Reserve, says pay down debt first.

''The best use of surplus is to reduce red ink, the Fed chief says.''

RECESS

The PRESIDING OFFICER. The time is 12:30. The agreement is the Senate will go into recess at 12:30.

Mr. LAUTENBERG. I ask unanimous consent the time be extended because there are Senators who want to speak.

The PRESIDING OFFICER. In my capacity as a Senator from Colorado, I object.

Under the previous order, the Senate will now stand in recess until the hour of 2:15 p.m.

Thereupon, the Senate, at 12:30 p.m., recessed until 2:15 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer [Mr. INHOFE].

FISCAL YEAR 2001 BUDGET—Continued

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. Mr. President, might I inquire how much time we have used up totally off the resolution?

The PRESIDING OFFICER. The majority has used 1 hour, 31 minutes; the minority, 1 hour, 23 minutes.

Mr. DOMENICI. For a total of what?

The PRESIDING OFFICER. About 3 hours.

Mr. LAUTENBERG. It is 2 hours 54 minutes.

Mr. DOMENICI. I understand from the minority they want to let Senator CONRAD complete his speech, and I am more than willing to do that. Will he be along shortly?

Mr. LAUTENBERG. I am told he will be. But I do not want to hold up the process if there is someone on the other side who seeks recognition.

Mr. DOMENICI. Senator HUTCHISON has an amendment. I have indicated to her we are trying to work on a process for 5 amendments, and hers would probably be one of those from our side. So I would rather we not proceed with any amendments for now.

Mr. LAUTENBERG. I appreciate that. There has to be an orderly structure here. There are lots of Senators who want to offer amendments and Senators who want to just speak on the resolution itself. We will need some time to do that. If we can ask our Members to just hold off until an agreement has been reached, then I think we will have a more orderly process.

Mr. DOMENICI. Would Senator HUTCHISON like to deliver a speech about her subject rather than offering the amendment? She can do both, speak to the issue and then we can work out if hers is one of the amendments. We will know about that shortly. If not, she is going to be free to offer it, subject to a second-degree amendment, of course.

Would the Senator want to speak to the marriage penalty a little bit just as a matter of substance for the Senate?

Mrs. HUTCHISON. Let me ask a question. If I started with the speech on the marriage penalty, then Senator CONRAD would start on his speech and we would be negotiating how the amendments are handled, is that what the Senator is suggesting?

Mr. LAUTENBERG. If I might, Mr. President, Senator CONRAD wanted to finish his opening remarks. Certainly we invite anybody, from either side, to do that. But if we can hold off until he makes his remarks, assuming he will be here momentarily, then we can talk together about whether or not we can make an agreement that would constitute a specific number of amendments, equally distributed here, so we can begin a process of amendments. I would certainly like to do that.

Mr. DOMENICI. Senator HUTCHISON's remarks, if she makes them now, would not prejudice her coming along later, with reference to the same subject, and offering an amendment. But I can't assure her hers would be the first amendment up. I am trying to work out a five and five, so we can get on using up some of the time on the resolution. I can yield to the Senator if she desires. If not, I will suggest the absence of a quorum call.

Mrs. HUTCHISON. Mr. President, I would love to talk for maybe 5 minutes, prefatory, but I prefer to have my real debate on the issue come during the debate on the amendment.

Mr. DOMENICI. I yield 5 minutes to the Senator from Texas.

The PRESIDING OFFICER. The Senator from Texas.

Mrs. HUTCHISON. Mr. President, while the negotiations are going on, I will say it is my intention to offer an amendment, which would be a sense-of-the-Senate amendment, that we would eliminate the marriage tax penalty in this country. Certainly, the sense-of-the-Senate is quite short and pretty

clear. The Senate would find that marriage is the foundation of American society; that the Tax Code should not penalize those who choose to marry; that a report to the Treasury Department's Office of Tax Analysis estimates that, in 1999, 48 percent of married couples will pay a marriage penalty under the present system; that averages $1,400 a year. The sense-of-the-Senate amendment will be that Congress shall pass marriage penalty tax elimination legislation that begins a phaseout of this penalty in 2001, pass marriage penalty tax legislation that does not discriminate against stay-at-home spouses, and consider such legislation prior to April 15, 2000.

We are scheduled to debate marriage penalty relief next week. It is certainly appropriate that we say to these people the week they are beginning to write their checks to the IRS: If you are paying $600 more or $1,000 more or $1,400 more just because you are married, help is on the way; the Senate is committed to eliminating this tax.

I do not even think we ought to call it a tax cut. This is a tax correction. This is a correction of an inequity in our code.

That clearly and simply is what my sense-of-the-Senate amendment is. It is provided for in the budget resolution before us. The Senator from New Mexico has provided $150 billion in this budget for tax relief for hard-working Americans.

If one looks at the tax relief we have already passed in the Senate, it still would not reach $150 billion. We passed tax relief for Social Security recipients so people between the ages of 65 and 70 could work without being penalized. We have passed tax relief for small businesspeople who are hard hit with the many regulations and taxes that are put on their businesses. We have provided tax relief for families who are trying to provide enhancements for their children's education. Senator COVERDELL has been the lead on that bill which gives people the ability to take tax credits and tax deductions when they have to buy their children computers, books, tutors, or enhance college tuition or private school tuition—whatever the cost is to parents, to give children the enhancement their parents believe they need and that their parents would be able to give from tax cuts. And we add on top of those marriage penalty relief.

We met with some wonderful people this morning—real people—who are suffering from the marriage penalty. The bill that will come up next week has the elimination of that penalty.

Kervin and Marsha Johnson met with us today. Kervin is a District of Columbia police officer. His wife is a Federal employee. They were married last July. This year they will owe $1,000 more in taxes because they got married. They are newlyweds. They were shocked that this happened.

We also met with Eric and Ayla Hemeon. Eric is a volunteer firefighter who also works for a printing company. She works for a small business. They have been married for 2 years and are expecting their first child in about a month. Ayla talked to us about what this means. What it means to them is $1,100 they are paying to Uncle Sam instead of doing something to benefit their first child who is almost here.

We had the two newlyweds, and then we had an older couple who met with our group this morning, Lawrence and Brendalyn Garrison. He is a corrections officer at Lorton, and she is a teacher in Fairfax County. Last year, they paid about a $600 marriage penalty.

When we talked to them about what the bill which will come up next week would do for them, they said: Gosh, do you think you could make it retroactive? Because they have been married for 25 years.

These are real people with real faces who would get marriage penalty relief.

Mr. President, I will stop and yield the rest of my time to Senator SESSIONS. I ask the Senator from New Mexico if he will allow me to take 5 extra minutes for the Senator from Alabama.

The PRESIDING OFFICER. The Senator's time has expired. Does the Senator from New Mexico yield 5 minutes to the Senator from Alabama?

Mr. DOMENICI. I yield as much time as the Senator from Texas wants.

Mrs. HUTCHISON. I will be happy to yield such time to the Senator from Alabama.

The PRESIDING OFFICER. The Senator from Alabama.

Mr. SESSIONS. Mr. President, I thank the Senator from Texas for her leadership in this effort, Senator ROTH for his determination to make it a reality, and Senator DOMENICI for providing us an opportunity in this budget to try to end a penalty on marriage in America.

The time has come. We have talked about it long enough. We have a national consensus to end this penalty. I have 425,000 Alabama families, 48 percent of the married couples, who are paying excess taxes simply because they got married. I know a couple who divorced and found they had received a $1,600 bonus by being divorced.

Think about that. The U.S. Government is saying to married couples: If you divorce, on average you will receive a $1,400 tax benefit. At the same time, if you get married, you are going to pay a $1,400 tax increase—unbelievable in a society that is experiencing substantial social problems from the breakup of families.

I chair the Youth Violence Subcommittee in the Judiciary Committee. We have had a lot of testimony, and I have done a study over the years as a prosecutor, about why crime is occurring. Why are so many young people involved in crime? Why is the crime rate higher with young people than among older people?

One reason is we have an extraordinary decline in the unity of the family. More families have broken up in the last 20, 30 years than in the history of the world. In fact, the distinguished senior Senator from New York, Mr. MOYNIHAN, who studied these issues, said one time that in the history of the world, no nation has ever gone forward with the kind of family breakups we have in America today.

We do not know what the long-term consequences are. But more and more studies indicate that all in all, it is better if we have an intact family. We have a U.S. Government policy to penalize marriage. That is not the right way for us to go.

I am so thankful we are now moving to a vote on this piece of legislation. People are going to have to stand up and be counted and defend the practice of taxing people who decide to get married and raise a family in America.

The numbers, as the Senator from Texas said, are stunning. We have a policeman and civil servant paying $1,000 extra a year, married for 2 years; a volunteer fireman, a printer, and a small businessperson paying $1,100 extra per year.

What does that mean? That is $100 a month. That is $100 a month aftertax money that could have been in their pockets, but the Federal Government reached in and took it out to spend on programs.

I am of the belief that is wrong. What can that young couple do with $100 a month? They can maybe start a savings account, maybe buy a new set of tires for their car—at least maybe a couple tires each month—or put a muffler on their car, or send their child to school with money for a project or a program, let them go to a movie or two every other week. This is real money for real people. I am glad we had Senator HUTCHISON and others this morning who brought forth couples who are paying this tax to help us recognize that we are dealing with a problem that needs to end.

I believe, and our Nation has always believed until recent years, that public policy does affect behavior.

What we want to do when we adopt a public policy position is, we want to ask ourselves, will this foster good behavior or will it encourage bad behavior? I suggest we have a policy that is not only unfair but it is damaging to our goal as a nation to affirm and encourage marriage, to encourage partnership in the marital union in the raising of families. Taxing that is not good public policy. The end of it is long overdue.

I am glad we will soon have a vote. I do hope and pray that the vote will be overwhelmingly to end this penalty.

I thank the Chair and yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. LAUTENBERG. Mr. President, I yield such time as he needs to the Senator from Massachusetts.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KENNEDY. Mr. President, the budget process is our chance to set

clear priorities for America's future. The budget which the Senate adopts this week will say a great deal about the values of those who vote for it. Our vote on this budget will emphasize what each of us supports. It is easy to pay lip service to meeting the Nation's unmet needs, but are we willing to allocate resources in a manner that will effectively address those needs?

This is a time of unparalleled prosperity. Both the CBO and OMB project budget surpluses far into the future. We will never have a greater opportunity to meet America's unmet needs than we have today—to improve the quality of education for all children; to strengthen Social Security and Medicare in a way that will provide a secure and healthy retirement for future generations, as well as a prescription drug benefit; to provide access to good health care for millions of uninsured families; to make communities safer by keeping guns out of the wrong hands, and by increasing the number of police officers on our streets; and to expand scientific research to keep America on the cutting edge of progress.

These are the great challenges of our time. Unfortunately, the budget presented by the Republican majority does not meet those challenges. It would actually cut spending on domestic discretionary programs by more than 6 percent, by well over $100 billion over the next 5 years.

These cuts are far from necessary to curb uncontrolled Federal spending or to reduce inflationary pressure on the economy. In fact, even according to the Senate Budget Committee, and its Republican staff, the amount provided for nondefense discretionary spending as a percentage of GNP is the lowest share for this category since such statistics have been compiled.

We are already spending less on domestic discretionary programs as a percent of GNP than we ever have before. So why do our Republican friends propose more drastic reductions? The answer is, so they can provide more tax cuts for the wealthy.

The Republican budget would use up essentially the entire surplus with extravagant tax cuts, primarily benefiting the wealthiest individuals and corporations in our society.

CBO projects an on-budget surplus over the next 5 years of $171 billion. The proposed GOP budget would use all but $3 billion of that total amount to finance ill-conceived tax cut schemes. They propose a minimum of $150 billion in tax cuts over the next 5 years. Because those tax cuts will delay repayment of the national debt, they will cost an additional $18 billion in higher interest payments on the debt, as well.

Also, according to this GOP budget, if the projected surplus increases, the additional amount must be used for even larger tax cuts. The extra amount cannot be used to restore any portion of the serious cuts in domestic programs.

But this is only the tip of the tax-cut iceberg.

Last year, Republicans proposed a ten-year budget to the Congress. They did so because using 10-year numbers enabled them to emphasize how large their proposed tax cut was—$792 billion. It demonstrated how rapidly the size of their tax cut would grow—from $156 billion in the first 5 years, to $635 billion in the second 5 years—or more than four times as much revenue.

But the Republicans badly miscalculated the reaction of the American people. By large margins, the public agreed that the tax cut was far too large, because it would harm the economy and make it impossible for us to achieve the priority national investments needed to keep our economy and the country strong for the future.

The American people consistently said that Congress should use the surplus to put Social Security and Medicare on a sound financial footing, before acting on large tax cuts. In fact, the American people displayed a great deal more common sense than the Republican leadership.

This year, Congressional Republicans have responded to these concerns by using a 5-year projection instead of a 10-year projection. By considering only the first 5 years, they hope to conceal the true magnitude of their tax cut scheme. Rather than reducing the size of their tax cut, they are simply attempting to change the terms of the debate from 10 years to 5 years. But this Republican accounting gimmick won't work. The GOP tax cuts being proposed this year are just as large, if not larger, than last year. The Republican strategy is now to enact a stealth tax cut, concealing its true long-term cost from the public.

How do we know their intent, since the budget is silent beyond fiscal year 2005? Consider the tax cut plans which the Republicans have already brought to the floor this year. The House version of marriage penalty relief would cost $51 billion over the first 5 years—but rises sharply to $182 billion over 10 years. The plan produced by Senate Republicans would cost $70 billion over 5 years, and dramatically increases to $248 billion over 10 years.

The Senate tax package attached to the minimum wage legislation costs $18 billion over the first 5 years—but grows to $76 billion over 10 years. The annual cost by the 10th year would be nearly as large as the cost over the entire first 5 years. Similarly, the House tax package tied to the minimum wage costs $46 billion from fiscal year 2000 to 2005—but $123 billion over the full 10-year period.

Clearly, Republicans have not abandoned their plan for tax breaks costing far more than the country can afford. They are now spending the tax cuts over several bills, rather than combining them in one massive measure, and they're attempting to limit discussion of the budgetary impact to the first 5 years. All of these GOP tax breaks are steeply backloaded. They mushroom in cost after the first 5 years. It is a stealth tax break strategy, and it cannot stand the light of public debate.

Defenders of the budget resolution contend that it does not mandate the form which the tax cut will take, and it is wrong to claim that the tax cuts will disproportionately benefit the wealthiest taxpayers. That argument is truly disingenuous. It asks us to ignore the abundant evidence provided by the recent history of Republican tax cut proposals. Let us look at the record.

Last year, Republicans passed their ill-fated $800 billion tax cut. Under that legislation, 81 percent of the tax benefits would have gone to the wealthiest 20 percent of taxpayers. The richest 1 percent of taxpayers—those with incomes averaging $800,000 a year—would have received 41 percent of the total tax benefits, a tax saving of as much as $46,000 a year. In stark contrast, working families comprising 60 percent of taxpayers would have shared less than 8.5 percent of the tax savings, an average tax cut of only $138 a year.

The Republican Presidential nominee, Governor George W. Bush, tells us his tax cut is designed to ''take down the toll booth on the road to the middle class.'' However, 73 percent of the overall tax benefits in his massive tax cut proposal—$1,8 trillion over 10 years—would go to the wealthiest 20 percent of taxpayers—37 percent of the tax breaks would go to the richest 1 percent of taxpayers. That ''toll booth'' Governor Bush loves to talk about is on a highway most Americans never travel. Just 11 percent of the tax benefits under the Bush plan would go to the less affluent 60 percent of working men and women.

This year, congressional Republicans have rushed to pass tax cut proposals before the budget is even adopted. These tax cuts have already consumed $115 billion of the surplus over the next 5 years and $443 billion over 10 years. The Marriage Penalty Relief Act passed by the House would cost $182 billion over 10 years, and 77.8 percent of the tax benefits would go to the most affluent 20 percent of taxpayers. The Senate version reported out of the Finance Committee last week would cost even more, $248 billion over 10 years, and gives an even larger share of the tax savaings—78.3 percent—to the wealthiest taxpayers. In both bills, the majority of the tax benefits actually go to couples who are not even paying a marriage penalty.

In addition, as the Republican leadership's price for allowing a modest increase in the minimum wages the House recently passed a $123 billion/10-year package of tax cuts. Eighty-nine percent of the tax breaks in that bill would go to the richest 5 percent of taxpayers, while 90 percent of taxpayers would share less than 8.5 percent of the tax benefits.

In light of this history, there is no doubt that the benefits of any tax cut passed by this Republican Congress will be distributed in a blatantly unfair

way, and will be designed to benefit the richest individuals and corporations in our society.

I support reasonable, targeted tax cuts that benefit low- and middle-income working families. But by enacting tax cuts of the magnitude proposed by the Republicans, we will lose the best opportunity in decades to meet America's unmet needs. We will also forfeit the opportunity to strengthen Social Security and Medicare for future generations of retirees. Our shortsightedness will be justifiably condemned by future generations as they struggle to deal with the national needs we are so irresponsibly ignoring.

The larger the tax cut, the less is available for debt reduction and investments in national priorities, such as education, prescription drugs for senior citizens, and research on energy and health.

The Republican budget shortchanges all of these priorities. Alongside their massive tax cuts, Republicans make reductions in domestic investments that are historically unprecedented. They want to reduce discretionary spending on domestic priorities, as I mentioned, by more than 6 percent in real dollars over the next 5 years, even though our population is growing and even though present funding for many programs is already inadequate.

We are not talking about creating new programs or expanding existing programs. By reducing the Government's ability to maintain even the current level of services, Republicans forfeit any hope of addressing the Nation's unmet priorities. Even in this time of prosperity, we are not meeting the basic needs of large numbers of our people.

One in five of the Nation's children lives in poverty. Three out of four third graders read below grade level. Hunger in low-income working families has become a national crisis, with food pantries and soup kitchens unable to meet the daily needs for their services. Forty-three million people have no health insurance. That number is increasing by a million a year. The number of low-income renters who pay more than half of their income for housing or who live in dilapidated housing has reached an all-time high—a searing problem in many different parts of the country.

One of the darker sides of this extraordinary economic boom has been the explosion of the cost of housing, the cost of rent for working families. The need for decent, affordable housing for working families is prohibitive in so many parts of America. There is very little in this budget that would address that particular need.

Low-income families are forced to place thousands of children in poor-quality child care while they meet their work responsibilities under the welfare reform. Every State in this country has long lines of working parents who desire to have child care for their children while they continue to work—and work hard—to provide for them.

This Republican budget would eliminate our ability to respond to these grave concerns. Make no mistake about it, the spending cuts that would be required to pay for these Republican tax breaks would have very real consequences for the Nation.

Compared to the President's budget, Republicans would force the following cuts in the next year alone:

20 million fewer meals delivered to ill and disabled seniors;

2 million fewer uninsured people with access to health care;

1.6 million fewer children in quality afterschool programs;

750,000 fewer infants receiving nutrition supplements;

644,000 fewer at-risk students helped with college preparation;

400,000 fewer families assisted with heating costs;

152,000 fewer State and Federal law enforcement officers;

120,000 fewer housing vouchers for families in poverty;

118,000 fewer dislocated workers helped to reenter the workforce;

88,000 fewer job opportunities for youth;

71,000 fewer college students assisted with Pell grants;

62,000 fewer children in Head Start;

30,000 fewer children immunized;

20,000 fewer elementary school teachers hired to reduce class sizes; and

11,000 fewer public schools prepared and ready for the 21st century.

That is what happens. We talk about a percentage of cuts in existing programs. When you apply those cuts to programs that are targeted for these needy groups, these figures that I have related indicate what the results will be.

These are only a small part of the opportunities that will be lost if the Republicans' risky tax cut becomes law. All nondefense discretionary programs will be cut by an average exceeding the 6 percent under the Republican plan. These cuts include meat and poultry inspection, Superfund toxic waste cleanups, National Science Foundation research, the Coast Guard, antidrug efforts, NASA, National Parks, and HIV/AIDS treatment and prevention.

Republicans have had a long history of cutting needed programs. They tried to abolish the Department of Education and the Department of Energy, both of which are essential for addressing today's urgent problems. Last year's GOP resolution also called for a massive cut in non-defense discretionary spending. After months of fighting Democrats and further threats of government shutdowns, the Republicans gave up their attempt to slash Head Start, education, worker protection, environment, and energy programs. In the end, Democrats succeeded in protecting non-defense discretionary programs from real cuts last year. I want to put my Republican friends on notice that, just like last year, we will stay here as long as it takes this year to ensure that the reckless and heartless cuts in this budget resolution do not become law.

This is not the first, but the fourth, time that Republicans have tried and failed to sacrifice domestic investments for tax breaks for the wealthy. So we can anticipate how they'll attempt to avoid the consequences of their actions this time. They'll begin by promising to increase funding for a few programs. They will emphasize only these increases, while neglecting to mention the hundreds of other programs that will be drastically cut. OMB estimates that if Republicans keep their promises to increase or hold harmless programs in elementary and secondary education, the National Institutes of Health, and veterans' health, all other non-defense discretionary programs will have to be cut by 10 percent.

Another Republican gimmick used to conceal their harsh spending cuts is to compare spending levels without accounting for inflation. Even George W. Bush does not use this tactic. When candidate Bush claimed that spending only increased 2.5 percent during his years as Texas Governor, he accounted not only for inflation, but also for population growth over this time. If Republicans followed this reasonable accounting method, the average domestic discretionary spending cuts required by Republicans under this budget resolution would far exceed 6 percent.

After Republicans finish trying to convince us that their spending cuts will be painless, we can expect them once again to oppose waste, fraud, and abuse. All of us support eliminating waste, fraud, and abuse—in defense and non-defense programs alike. But the proponents of this GOP budget resolution are living in a fantasy world if they believe that preventing waste fraud, and abuse is going to make up for anything more than a small fraction of the massive cuts in their budget resolution.

Thanks in large part to Vice President GORE's leadership in his Reinventing Government Initiative, the federal government is leaner, more efficient, and more citizen-friendly than ever. If Republicans think they can find $105 billion over 5 years in waste, fraud, and abuse, then they should condition their tax cut on finding it. They should not condition the education or health or other priorities on abstract, unproved, and never-before-realized savings in waste, fraud, and abuse.

The party that gives us this budget resolution is the same party that last year brought us ''smoke and mirrors,'' and untold numbers of accounting gimmicks. The Republican bag of tricks is doubtless full again this year, and we need only stay tuned to see how they can make their numbers add up to protect their tax breaks for the rich.

Our Democratic alternative budget is in sharp contrast to the Republican budget resolution. These two alternatives provide Americans with a clear

picture of the opposite directions that the two parties want to take the nation.

Rather than squandering the surplus on tax breaks for the rich, Democrats continue to strengthen the basic priorities to ensure that all Americans can reach their full potential. Not only is this the right way to treat our fellow citizens, it is the only sound policy for strengthening the nation's future and maintaining its world leadership. On investments in the nation's future, the differences between Republicans and Democrats are like night and day.

I believe that the American people will support our Democratic alternative, and will reject the wholesale ravaging of domestic programs proposed by the Republican budget. The Democratic alternative sets forth a more balanced and fiscally prudent way to allocate our resources. It provides more for debt reduction than the Republican budget. It does not endanger the Social Security surplus, by making unrealistic budget assumptions which cannot be met.

It provides substantial support to assist senior citizens with the cost of prescription drugs, and it sets a firm date for the Finance Committee to act on a prescription drug proposal. The Republican prescription drug proposal underfunded, and it is subject to so many contingencies that it is unlikely to ever materialize.

The Democratic budget also makes a concrete commitment to strengthening Medicare by reserving a portion of the surplus expressly for Medicare each year. The Republican budget does not. The Democratic budget fully funds the President's requests for education, health care, and other domestic priorities, and contains his proposed increase in defense spending. It does not shortchange investment in the vital domestic programs which improve the lives of millions of Americans. While accomplishing all of these goals, our Democratic plan still is able to offer $59 billion in tax cuts over the next 5 years, targeted to working families.

There is no reason to threaten the well-being of the American people by enacting tax cuts far larger than we can afford. The magnitude of the Republican tax cut would deprive us of the flexibility we will need, if revenues do not meet projections due to a slowing in the economy, or if emergency spending is required to address domestic and international crises.

The precarious balance achieved by the Republican budget depends on a reduction in the rate of spending on domestic programs which would be unprecedented. Congress will not and should not cut domestic priorities that deeply. By setting unrealistically low spending levels, the Republicans actually undermine compliance with the budget process. Just as they did last year, members on both sides of the aisle will refuse to make the deep domestic cuts called for by the Republican budget. If the surplus has already been used for excessive tax cuts, revenues will not be there to restore funding for these urgent domestic programs.

This type of irresponsible budget also jeopardizes the Social Security surplus. Both parties have pledged to use the Social Security surplus solely to meet Social Security's future needs. That is the right thing to do. But, as the events of last year amply demonstrate, the Social Security surplus is threatened when we fail to reserve sufficient funds to adequately support domestic priorities and cover emergency needs. In fact, CBO determined last fall that the lock box protecting the Social Security surplus was in danger of being broken. The threat was not eliminated until January, when revenue estimates increased beyond earlier projections. If we are serious about protecting the Social Security surplus, we should not consume the entire on-budget surplus in tax cuts. These massive tax cuts are irresponsible. They do not deserve to pass.

Mr. President, if we are serious about protecting the Social Security surplus, we should not consume the entire projected on-budget surplus, and these massive tax cuts are irresponsible. They do not deserve to pass. The Democratic alternative does.

Mr. President, the point I was making was that virtually every economist who has come before the Budget Committee or the Finance Committee has told us our highest priority in this budget ought to be to pay down the debt. Not only have the economists told us that, but Chairman Greenspan, head of the Federal Reserve, has told us that clearly and unequivocally.

This is from the January 27, 2000, Washington Post, Business Section. The headline is: ''Pay Down the Debt First, Greenspan Urges.'' It reads, ''He says the best use of the surplus is to reduce red ink.''

I think the Federal Reserve Chairman has it exactly right. In this budget the Democrats will be proposing, we save every penny of Social Security for Social Security. We put an emphasis and priority on paying down the debt. We also have sufficient resources to protect Medicare, to provide prescription drugs, and to make an investment in education, which I think all of us believe is our future. Also, we provide for a tax cut for working families.

In the Democratic budget proposal, debt reduction is the highest priority. This may come as a surprise to many. Debt reduction is the priority of the Democratic budget because this is what will most assure our financial security into the future. Over the 10 years of the Democratic budget plan, 82 percent of all the projected surpluses are dedicated to debt reduction; debt service is 3 percent; 14 percent is for health initiatives, tax cuts, and other high-priority domestic needs.

Mr. President, in looking at the non-Social Security surplus, our priorities are as follows: Again, the top priority is given to debt reduction—36 percent of the non-Social Security surplus to debt reduction; 29 percent to tax cuts; 23 percent to prescription drugs and other initiatives; 11 percent to interest costs. We think those are the appropriate priorities for the country, the appropriate priorities for the Senate, and the appropriate priorities for the Congress. We very much hope that people will give close consideration to that alternative when it is voted on.

Let me conclude by again publicly commending the chairman of the Budget Committee, Senator DOMENICI. It is not easy to bring a budget resolution to the floor. I think there is perhaps no more difficult job in the Senate than bringing a budget resolution. Once again, Senator DOMENICI has done it and he has done it under challenging circumstances. It is always challenging to bring a budget resolution to the floor. I commend him for his leadership. I also thank our ranking member, Senator LAUTENBERG, who has given extraordinary leadership to those of us on the Democratic side.

I am proud of the budget alternative we will offer. It is a budget that is in line with the priorities of the American people, which puts debt reduction first, focuses on securing Social Security, extending the solvency of Medicare, and providing for high-priority domestic needs such as defense and education and agriculture, and that also has room for tax cuts targeted to working families with an emphasis on incentives for savings. That is one area where we are not doing so well in the national economy. We are not doing a good job with savings as a society. We should provide the incentive for people to save more.

I yield the floor. I thank the Chair. I thank my colleagues for their courtesy.

The PRESIDING OFFICER. Who yields time?

The Senator from New Mexico.

Mr. DOMENICI. Mr. President, although we should be rotating, on our side Senator GRAMS has been willing to have Senator BYRD go next, and then Senator GRAMS, if that is all right with Senator LAUTENBERG.

Mr. LAUTENBERG. I yield the remainder of my time.

Mr. DOMENICI. Mr. President, if I may speak for 2 minutes, I don't have any big charts to show you, but I want to put this up. It may be the best way to explain our budget. It is very simple.

The non-Social Security surplus total for the years 2001 through 2005 is $400 billion. That is the amount of surplus that will be available during the next 5 years, locking up Social Security in a lockbox. Don't use it. That is $400 billion.

That $400 billion, as we see it, will be spent using $230 billion for new spending, $150 billion for tax reductions and tax relief and debt reduction, with an additional $20 billion to go along with the Social Security money. That is going toward the debt.

Frankly, the other side will not have a chart such as this because they will assume we have to spend $230 billion to increase every function of Government, by inflation, for each of the next 5 years, and that it is automatic. They don't call that ''spending,'' they call it ''automatic.'' Everybody is entitled to that.

We start with a real zero. We start with no growth and say how much we put back. We put back $230 billion. If my arithmetic is right, that is about $46 billion a year of new money appropriated.

In addition to what we are already spending to start with, we are already spending this amount. There is $46 billion more a year for each year. That comes out of this surplus.

We have tax relief of $150 billion, which is only $13 billion in the first year, and then we have an extra $20 billion going on the debt.

I think that is a pretty fair approach. In fact, Democrats keep saying they are doing what the American people want. I think if the American people understand ours—and they will—they will say that is plenty of new spending; some of this overpayment we ought to get back. That is what we provide.

I yield the floor.

The PRESIDING OFFICER (Mr. FRIST). The Senator from West Virginia.

Mr. BYRD. Mr. President, it has been said that the more things change, the more they stay the same. We are warned by the American philosopher George Santayana (1863–1952) that, ''those who cannot remember the past are condemned to repeat it.'' Those words of warning, I think, are appropriate to have in mind as the Senate debates the Fiscal Year 2001 Budget Resolution.

It was less than two decades ago that the Nation inaugurated a new President, who campaigned on a pledge to cut taxes, cut federal spending except for defense, and pay down the Federal debt. The so-called ''Reagan Revolution'' was based on the supply-side economic ideology that massive tax cuts would generate large increases in revenues to the Federal Treasury, sufficient to allow a large build-up in military spending; while, at the same time, balancing the Federal budget. That was the blueprint—the budgetary plan of the Reagan-Bush Administration. To be sure, there were those who doubted that this supply-side program would achieve the results that were projected in the Reagan-Bush budget. Indeed, during his campaign against Reagan for the GOP nomination, Mr. Bush called Reagan's supply-side economic plan ''voodoo economics.'' Senate Majority Leader Howard Baker called the Reagan-Bush budget blueprint a ''riverboat gamble.''

Despite those ominous warnings in 1981, Congress did enact a massive tax cut, and Congress increased the military budget. But, entitlement spending continued to grow, while projected increases in revenues did not materialize. As a result, the Reagan-Bush Director of the Office of Management and Budget, David Stockman, resorted to what amounted to ''cooking the books'' in the annual Reagan-Bush budgets. Mr. Stockman, I believe, was the person who came up with the strategy, later termed ''Rosy Scenario'' to describe the fanciful budget forecasts during his service as OMB Director.

As a result of those budgetary policies, rather than being able to pay down the federal debt, or even to reduce deficit spending, the twelve Reagan-Bush years brought the Nation the largest annual deficits in its history and, consequently, the Federal debt grew to levels that endangered the Nation's economic prosperity.

In fact, as this chart entitled ''National Debt'' shows, on the day that Mr. Reagan was sworn into office on January 20, 1981, the national debt stood at $932 billion. As Mr. Reagan alluded in his State of the Union Address that year, it would take a 63-mile high stack of one dollar bills to equal $932 billion.

That $932 billion represented the debt that had been accumulated through all of the previous administrations from George Washington's administration, the first administration, on down through those years.

What was the fiscal health of the Nation when this supply-side fiscal conservative, President Reagan left office? As shown on the chart, on January 20, 1989, the day that Mr. Reagan left office and Mr. Bush was sworn in to succeed him, the Nation's debt was some two trillion, six hundred and eighty three billion dollars. It took the Nation over 200 years to get to $1 trillion in national debt. It took the Reagan-Bush Administration just 8 years to nearly triple the national debt—from $932 billion on the day Mr. Reagan took office to $2.683 trillion on the day he left office.

Let me say that again. From $932 billion on the day that Mr. Reagan took office to $2.683 trillion on the day he left office.

In other words, the stack of $1 bills, which was supposed to be 63 miles high, as Mr. Reagan spoke to a nationally televised audience, an accumulation through all of the administrations prior to the Reagan administration—that stack of $1 bills he portrayed very vividly, I recall, as being 63 miles high—on the day he left office, that stack of $1 bills would be 182 miles into the stratosphere.

Then, we had the Bush-Quayle Administration for the next four years. Did that Administration make progress in reducing deficit spending and begin to pay down the national debt? Unfortunately, such was not the case. The national debt just kept right on going. It was as if someone were feeding it growth hormones! The debt reached over $4 trillion by the time Mr. Bush was voted out of office and President Clinton was sworn in on January 20, 1993.

That stack of $1 bills then as represented by the national debt would have been 277 miles high. In other words, it had grown from 63 miles high at the beginning of the Reagan administration to 277 miles high at the end of the Reagan-Bush administration.

Supporters of the Reagan and Bush Administrations, over the years, have attempted to lay the blame for this massive increase in debt at the doorstep of Congress, claiming that Congress holds the purse strings. I have two responses. First, during the first 6 of the 8 years of the Reagan Presidency, the Republicans were in the Majority in the United States Senate. Second, during the entire 12 years of the Reagan and Bush Administrations, only a handful of times did President Reagan veto an appropriations bill for containing too much funding; and President Bush did not do so even once. Furthermore, the total of all the appropriations bills during the 12 years of the Reagan/Bush and Bush/Quayle Presidencies amounted to more than $60 billion in cuts below the budget requests of both Presidents.

Since the Presidencies of Reagan and Bush, the fiscal condition of the Nation has greatly improved, for a myriad of reasons. Among those are the monetary policies of the Federal Reserve, and the great increases in productivity of the American workforce and in our industries. Some of the credit, I believe, can also rightly be attributed to the Federal budgetary policies of the past several years. The deficit reduction packages of 1990, 1993, and 1997 set out very stringent targets on Federal spending, which helped reduce deficits to the point that in 1998, we enjoyed the first unified budget surplus in 30 years—a surplus of $69 billion.

Both of the latest OMB and Congressional Budget Office forecasts project huge federal budget surpluses far into the future. The CBO now projects unified budget surpluses ranging from $3.2 trillion to more than $4.2 trillion, over the next 10 years, depending on spending levels under various scenarios.

Of those 10-year surpluses, some $2.3 trillion will be generated by contributions into the Social Security Trust Fund, in excess of the payments to retirees over the period of Fiscal Years 2001–2010. There is virtually unanimous agreement that any and all Social Security surpluses over the next 10 years should go toward reducing the national debt, rather than being spent. This means that, if CBO's projections turn out to be correct, the national debt would go down by more than $2 trillion over the next 10 fiscal years.

The question, then, is what to do with any remaining, or non-Social Security surpluses over the next 10 years. Should we cut spending further; should we maintain spending at current levels; or should we increase spending? Should we use some of the non-Social Security surpluses to pay down the debt, and perhaps even eliminate the publicly held debt by 2031? Or, should we enact

huge tax cuts that eat up all of the projected non-Social Security surpluses?

Unfortunately, Mr. President, the Budget Resolution now before the Senate, as was the case last year, chooses the worst possible fiscal course for the Nation. This Budget Resolution proposes a huge tax cut, which would drain the Treasury of more than $150 billion over the next 5 years, and could easily cost in excess of $800 billion over the next 10 years. Combining that size tax cut with the resulting increase in interest payments on the debt that it would cost, could drain the Treasury of as much as $950 billion over 10 years. That figure is larger than the total $893 billion in non-Social Security surpluses that CBO has projected for the next 10 years.

What that means is that, in order to pay for the tax cut in this fiscal blueprint, we will either have to go back to deficit spending, or raid the Social Security Trust Fund. That is assuming the CBO projected surpluses actually occur. Is that likely? What has been the record of CBO projections in the past? Have their projections been fairly close to what actually occurred? The answer is ''no.'' Not so close as to enact tax cuts that would use up all of the CBO projected surpluses, and then some. In fact, over the period of 1980 through 1998, the CBO projections of revenues contained in budget resolutions were off by an absolute average of $38 billion per year! Over 5 years, that is $190 billion, Similarly, the CBO's deficit projections erred by an absolute average of $54 billion per year over the period of 1980–1998.

Like last year, the tax cuts proposed in this budget resolution are unwise in the extreme. The American people won't buy this plan. They are not clamoring for tax cuts. The American people have learned that locking in huge tax cuts before the money to pay for them has materialized is just plain, old, common, country gambling. They want to make sure that the money is there before we mandate huge tax cuts. The people don't wont to go back into debt, with the interest charged to them.

Now, let's turn to discretionary spending. That's the portion of the Federal budget that is funded in the annual appropriations bills. Discretionary appropriations amount to about one-third of the Federal budget and include spending for Defense, as well as a wide array of domestic investments, including education, health, veterans' medical care, highway and airport construction, parks and recreation, the FBI and other law enforcement agencies, water projects, environmental programs, Head Start, and the operational costs of all of the departments and agencies of the Executive Branch, as well as those of the Legislative Branch and the Judiciary. These are the programs that support the physical and human infrastructure of this Nation.

What is being proposed for the discretionary portion of the budget in this Budget Resolution? As this chart shows, this budget plan would increase spending for the military by $24 billion above what is required to maintain current levels, over the next five years. For all other discretionary spending, this budget plan would cut $105 billion, or 6.5%, over the next 5 years below what is needed to maintain current services, adjusted for inflation.

To get right to the point, let's look at what is being proposed in this Budget Resolution for Fiscal Year 2001. That is the fiscal year which will begin on October 1 of this year. This budget proposes budget authority totaling $597 billion for discretionary programs for the upcoming fiscal year. That is a cut of $10 billion below what will be needed to maintain this year's discretionary spending levels, adjusted for inflation.

It would take $607 billion just to keep up with inflation and avoid real cuts in discretionary spending for Fiscal Year 2001; only $597 billion is allowed in this budget resolution. Of that amount, what is allowed for Defense? The CBO tells us it would take $298 billion in budget authority to maintain this year's level of Defense spending. But, the Budget Resolution before the Senate would provide $307 billion—a real increase of $9 billion above what it would take to maintain this year's level of Defense spending, adjusted for inflation.

For all other discretionary programs, CBO says it would take $309 billion in budget authority to maintain this year's spending levels. This resolution provides only $290 billion, a cut of $19 billion in budget authority. Yet, at the same time, the budget resolution promises to increase funding for education, veterans' health care, and other popular initiatives. This means that all of the other unprotected programs will have to be cut even more in order to accommodate the protected ones.

What does that mean in real terms? For an example, let's take a look at national crime-fighting programs. According to the Office of Management and Budget, the Senate Budget Resolution does not appear to provide any funds for the hiring of additional police officers, or for community crime-prevention programs. For the Coast Guard, this budget resolution would severely impact their ability to carry out their missions in the areas of drug interdiction, national security, and fisheries enforcement.

Despite claims to the contrary, funding for education would be cut by more than $5 billion below the President's request in Fiscal Year 2001. This would require cuts of some 62,000 children from Head Start; and it would make it impossible to hire some 20,000 additional teachers for public schools or provide urgent repairs for some 5,000 schools across the Nation.

For Science, a reduction of this magnitude would result in more than 19,000 fewer researchers; educators and student receiving support from the National Science Foundation. It would appear that a lot of this rhetoric about protecting education is just that—rhetoric.

Is it realistic to suggest that the Nation's important domestic investment needs will be cut by almost $20 billion this year? Is that what we want to propose to the American people? I do not support any such proposition. To follow this budget plan will mean endorsing large permanent tax cuts, based on budget surplus projections which may or may not come to pass. If the tax cuts are enacted, they will be real. They will be in law. But, the money to pay for them may be only a figment of the forecasters' imaginations. The result may make it a virtual certainty that this flawed budget plan would lead the Nation, once again, down the road of annual triple-digit billion dollar deficits. We slew that gremlin after the twelve Reagan-Bush years. Let us heed the warning of Santayana and not condemn ourselves and the American people to repeat those failed policies. Let the evil, bloated deficit monster sleep.

If we follow the plan before us today, we will probably see another in a series of session-ending omnibus appropriations negotiations with the White House. Such a process demeans the Congress, elevates the Executive, and allows the President's aides to sit at the table and become instant appropriators while Congress completes its appropriators' work. That process always reminds me of a high stakes poker game—''I'll see your veterans' programs and raise you five billion more for defense.'' Unfortunately, it is often the American taxpayer who ends up the loser. I implore my colleagues to reject this Budget Resolution. Let's get off this treadmill to nowhere. We should not give tax cuts with money we don't yet have, and may never have. To do so is like writing checks before the money is firmly in the bank.

In recent testimony before the Senate Special Committee on Aging, Federal Reserve Chairman Alan Greenspan repeated his longstanding view that, ''The most effective means of raising the level of future resources, in my judgment, is to allow the budget surpluses projected in the coming years to be used to pay down the Nation's debt.'' I agree with Mr. Greenspan in that statement. We should adequately invest in our Nation's infrastructure needs and use the balance of future surpluses to pay down the Federal debt, thereby enhancing the ability of the Nation to be in the position to meet the future needs of both Social Security and Medicare. The American people, I believe, recognize the wisdom of such an approach. They instinctively realize that massive tax cuts at this time, based on flimsy projections and on promises to cut spending far below levels that could sustain the economy into the 21st century, are precisely the opposite of sound fiscal policy. The American people will not buy these Disney World policies anymore. They expect a fair deal in budgeting, and

this Senate should, as well. To fail to do so would amount to deja-voo-doo all over again!

I yield the floor. I thank the distinguished Senator from Minnesota for yielding to me.

Mr. GRAMS. Mr. President, I wish to take a few minutes this afternoon to talk, not of the budget in general but about a particular part of the budget. I wish to speak in support of the amendment of Senator KAY BAILEY HUTCHISON of Texas. I commend her efforts and leadership on a very important issue; that is, the marriage penalty tax that is part of this overall budget. I know we are still working on an agreement dealing with this amendment but, because of other commitments, I wanted to take time to come to the floor and speak on this issue, the marriage penalty tax, a little bit out of order. I want to at least voice my strong support for the issue. I support, strongly, the elimination of the marriage penalty entirely and I believe that Congress should pass this legislation and we should do it as quickly and as early as possible.

There is compelling reason to repeal the marriage penalty tax: The family has been and will continue to be the bedrock of our society. Strong families makes strong communities; strong communities make for a strong America. We all agree that this marriage penalty tax treats married couples unfairly. Even President Clinton agrees that the marriage penalty is unfair, although he said—well, we just can't help it; we need the money here in Washington.

If we do not get rid of this bad tax policy that discourages marriage, millions of married couples will be forced to pay more taxes simply for choosing to commit to a family through marriage.

In fact, the Tax Code contains 66 provisions that can affect a married couple's tax liability.

Let me give a real example of how average Americans have been hit by the marriage penalty. Newly wedded Alicia Jones from my state of Minnesota and her husband graduated from college and had just begun working full-time 2 years ago. In 1998, Alicia and her husband both worked full time in professional careers. They had no children and were renting an apartment, saving to buy a house. They had to pay at least an additional $1,400 for simply being married. As a result, on top of the over $10,000 tax they already paid, they had to take an additional $700 from their limited savings account to pay for Federal taxes—taxes that they wouldn't have had to pay if they weren't married.—The marriage penalty.

She wrote to me:

I am frustrated by this, I'm frustrated for the future—how do we get ahead, when each year we have to take money from our savings to pay more for our taxes. I hope that you will remember my concern.

Alicia's story is not uncommon. There were 21 million American families in the same situation.

A 1997 study by the Congressional Budget Office entitled For Better or Worse: Marriage and the Federal Income Tax, estimated 21 million couples or 42 percent of couples incurred marriage penalties in 1996. This means 42 million individuals paid $1,400 more in tax than if they are divorced, or were living together. It has grown to even more in the year 2000.

But marriage penalties can run much higher than that. Under the current tax laws, a married couple could face a Federal tax bill that is more than $20,000 higher than the amount they would pay if they were not married.

This is extremely unfair. This was not the intention of Congress when it created the marriage penalty tax in the 1960s by separating tax schedules for married and unmarried people.

The marriage penalty is most unfair to married couples who are both working, it is discriminative against low-income families and is biased against working women.

The trend shows that more couples under age 55 are working and the earnings between husbands and wives are more evenly divided since 1969. As a result, more and more couples have received, and will continue to receive, marriage penalties and fewer couples benefit under the Tax Code.

The marriage penalty creates a second-earner bias against married women under the Federal tax system. The bias occurs because the income of the secondary earner is stacked on top of the primary earner's income. As a result, the secondary earner's income may be taxed at a relatively higher marginal tax rate. In many cases it even forces the whole family budget into a higher tax bracket so the whole family faces this marriage penalty. Married women are often the victims of the second-earner bias.

As more and more women go to work today, their added incomes drive their households into higher tax brackets. In fact, women who return to the work force after raising their kids face a 50 percent tax rate—not much of an incentive to work.

The marriage penalty tax has discouraged women from marriage. It even has led some married couples to get friendly divorces. They continue to live together, but save on their taxes.

Repealing the marriage penalty will allow American families to keep an average of $1,400 more each year of their own money to pay for health insurance, groceries, child care, or other family necessities.

This is what we hear all the time, whenever we want to cut a tax or reduce the tax burden on average Americans—it is a windfall for the rich. No one else is going to benefit. This is completely false. The fact is, the elimination of the injustice of the marriage penalty will primarily benefit minority, low- and middle-class families. Studies suggest the marriage penalty hits African-Americans and lower-income working families hardest.

Couples at the bottom end of the income scale who incur penalties paid an average of nearly $800 in additional taxes which represented 8 percent of their income. Eight percent, Mr. President. Repeal the penalty, and those low-income families will immediately have an 8 percent increase in their income. They would be able to keep it to spend on what their families need, rather than shipping it off to Washington.

It is unfair to continue marriage penalty tax. It is time now to end it. I strongly support Senator HUTCHISON of Texas and her efforts to repeal the marriage penalty too. I yield the floor.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. Mr. President, I yield myself as much time as I need.

I was here for most of Senator BYRD's remarks. I do not choose to discuss the history of 10, 12, or 14 years ago. That does not mean there is not a different version to his well charted speech. There is another version.

All I want to talk about is right now and what we plan and how we see things a little differently in terms of what we are going to do with the surplus that does not belong to Social Security.

Remember that we already have established a new dynamic, and it is probably a very salutary one and maybe, as the Federal Reserve Chairman has said, the most significant fiscal policy change if we follow through for a decade or so. That is, if all of the Social Security surplus goes to debt service, that means we do not spend it and the debt owed to the public that we have out there in Treasury bills that banks have bought, that countries have bought, that we really have to pay interest on every year, all this money from Social Security reduces that.

I believe when the President suggested we only save 62 percent of the Social Security surplus, that was the first time we ever invented and used the budget for longer than 5 years. He wanted to do 10 years then. Almost everyone thought: How in the world will we do 15 years, and why? I can tell my colleagues why.

One starts with a proposition that if we only put 62 percent of the Social Security money into a fund that belongs to Social Security, we have to tell the American people that sooner or later we are going to pay all the Social Security money back. It took 15 years to do that. It just happened almost miraculously. So the President drew up a 15-year budget. After the fifth year, it was pretty irrelevant. In the 7th, 10th, 14th, and 15th years, it got to be speculative. Nevertheless, it kept showing a very big and increasing surplus.

I got the idea, as all of us heard the 62-percent speech, why not 100 percent? I am very proud that as to the new dynamic to which I was just alluding, that the Chairman of the Federal Reserve says is positive thinking and a positive approach to the future, I said

why not 100 percent of the Social Security fund? Then we thought up the idea of a Social Security lockbox. Whether one likes the lockbox or not, it is pretty descriptive. We make it darn hard to get the money out of the lockbox. We put it in there every year.

This budget does that again. For the next 5 years, it says every penny of Social Security surplus goes to the debt; it cannot be used for anything of a general government nature. That turns out to be a very large number. I will give you the number in just a moment.

Believe it or not, for the next 5 years, in addition to that big number, the surplus that goes to Social Security, there is another big number, and it is a surplus that does not belong in Social Security. I share with the Senate and with my friend, Senator BYRD, how big the on-budget surplus is, that which does not belong to Social Security. It is $400 billion over the next 5 years—$400 billion.

The point is, we are deciding what ought to happen to that $400 billion. The Democrats would say there really isn't $400 billion—I am not saying where Senator BYRD would be, but I think his speech indicates this is a fair statement. They would say there isn't $400 billion because, each of the years, all of the accounts of Government must grow by inflation. They say anything above that—that is, $171 billion—is all that would be left over out of the $400 billion if you give every account in Government an inflation increase every year.

We said that is not quite what we think the American people want to measure us by. So we said: Let's start at zero. Let's not have any additions, and then let's go to the $400 billion and put it back in the budget and put it back in other places. What we did, I say to my good friend, Senator BYRD, is we put $230 billion of that $400 billion back into the domestic and defense accounts.

That may not be enough for some, and who knows, the prediction that before we are finished it will not be enough, I do not know about that. But to get the votes to bring a budget to the floor, there is essentially $230 billion in new money on top of inflation divided by 5, which is $46 billion a year—if one does it on an average—$46 billion that we can add to the freeze and see where it turns out.

We think it turns out with almost a 6-percent growth in defense spending this first year and almost 4-percent real growth in the appropriated accounts—I should say growth in each instance. We do that, and there is some money left over.

Frankly, we believe that money ought to be looked at very carefully because it is the American people who are overpaying their taxes. That is why we have a surplus. We decided that over the whole 5 years we would provide a tax reduction of $150 billion, spread out over 5 years. In the first year, it is $13 billion.

Do my colleagues know how much the debt reduction is in the first year? It is $174 billion. What is the ratio? It is $13 billion in debt reduction for $1 of tax relief.

Would the American people say: That's unfair? We ought to spend more of that money? We said: Over the full 5 years, the debt of the American people will be reduced by $1.1 trillion—a huge reduction. We put that alongside of $150 billion in tax relief; and the ratio, over the 5 years, is $8 in debt reduction for $1 in tax relief—a pretty fair ratio.

The whole difference is, when you have $400 billion in surplus, what should you do with it? Some would say: Inflate every account of Government by the rate of inflation for each of the next 5 years, and don't even worry about that. They say: You make that automatic.

We do not make it automatic. We add back each year. As I indicated, if you did it, on average, you could almost add $50 billion a year to a base of about $500 billion. That is the combined defense and nondefense. That is pretty good.

Will it be tough? Of course, it will be tough because in the last 5 years, the tendency was to significantly reduce expenditures in the first 3 years of that 5 years, and then in the last 2 years to start spending it, maybe a 7-percent or 8-percent or 6.5-percent-per-year increase.

I close by saying there is a stark difference between the President of the United States and the Republicans. Believe it or not, the President of the United States would increase domestic discretionary spending in the first year—the year for which we are doing the budget, next year—by 14 percent.

The 14 percent includes inflation, plus a whole bunch more. In fact, that is the biggest increase since one of the years of President Jimmy Carter when there was super inflation.

We say that is too much. In fact, they say there is something bad about $150 billion in tax cuts. But I say, if there is anything that is risky, it is to spend the surplus. A 14-percent-a-year increase, if kept for 3 years, will spend the entire non-Social Security surplus, and we will start using up some of the Social Security surplus. Just think of that.

Why does the President offer $14 billion in 1 year? In fact, I do not even think his loyal minority on the Democrat side has anything like a 14-percent increase in mind. He does because it is an election year, and you get to do it one time on your way out the door; the next administration has to live with what you have left.

But we decided not to do that. We decided we would do it the way we just described: $230 billion in spending over a freeze for the next 5 years, $150 billion in tax relief, and an extra $20 billion in debt reduction besides the Social Security money.

Frankly, why would the President offer such a huge increase in the last year of his Presidency? I would think one of two things is possible: It is a political budget. He would like to make hay out of bean for almost everything or, secondly, he really thinks that is what we ought to spend.

I do not know that there is any other reason in between. If he thinks it is what we ought to spend, then he ought to stop saying we will not spend Social Security money because you cannot increase the budget 14 percent a year and not use Social Security money.

What I know is, we have sound fiscal policy today for which a lot of people can take credit. There are a lot of things which happened that caused it to be this way. But it surely is not solely and significantly because the President offered a proposal that all of his party voted for, and we did not, to raise taxes $195 billion. That happened. Clearly, that cannot be the singular item that caused this 7 years of growth.

In fact, we are very proud that once the Congress became Republican we started really reducing the amount of Federal expenditures per year, year after year. We made a bipartisan deal in 1997 of which we are very proud. It reduced all parts of Government significantly, including some entitlements that we are going back and looking at, such as Medicaid, Medicare, and home health care.

So that, plus the Federal Reserve Board acting prudently—I do not know whether the last increases in the interest rate are as prudent as the previous ones by the Federal Reserve Board Chairman, but he and his Board deserve ample credit for this fantastic growth. But ultimately the growth is because we turned loose American innovation. They changed things. They brought equipment and technology into the marketplace that saves human effort by the thousands of hours per week per business. Thus, more profit is made and more pay can be made. The gross domestic product can grow without inflation. That is where we are today.

We think our budget will keep us there. We think it is too risky to spend more money, especially when we have provided more than adequately, with some discretion to pick and choose between accounts of Government.

The approach of allowing inflation to be added to every account, and that unless you start with that you are cutting something, is an acknowledgement that every one of the 2,800 programs of America—some 30 years old, some 40 years old, some in the Education Department that the Presiding Officer has seen as duplicative, where there are 20 or 30 of the same kind—deserve an increase equally and none deserve to be restrained.

We say many of them should be abolished. If that is what it takes the appropriators to do to live within these numbers, that would be pretty good for America.

Those are my observations. I do not know that we are going to be able to

reach an agreement on amendments. But I am going to now ask the distinguished minority leader what he would like to do next, and we will proceed.

Mr. REID. I say to the manager of the bill for the majority, our manager wishes to speak on the bill some more.

Mr. DOMENICI. Sure.

Mr. REID. Perhaps during that time we can work something out as to the order of amendments. We have already worked on that. We will see what we can do.

The PRESIDING OFFICER. The Senator from New Jersey.

Mr. LAUTENBERG. Mr. President, I want to take a moment for those who may be wanting to take a look at the Budget Committee Democrats' new web site—I do not know how rapidly people can write down the address, but here it is in full colored splendor: http://budget.senate.gov/democratic.

That is the address. We know people will immediately run, in large numbers, to see what is being said there.

At the site they will see a summary of the budget resolution, the Democratic alternative, background on the budget process, links to other budget-related information, presented on a colorful chart. We even provide a budget quiz for those who want to test their perception of what we are doing. We will also be maintaining a mailing list for those people who want to stay up to date about budget matters.

Please take a look, if you will, at the address. Once again, we will provide it in case people want to jot it down. I need not read it. I think it is visible. They ought to be able to contact Democratic Budget Committee members. I thank Rock Cheung of our staff for doing such a great job in putting that web page together.

I now wish to talk about something that has troubled me, something that, frankly, I do not understand. But to put it simply, there was a change from the budget resolution—if I might have the attention of the distinguished Senator.

I want to point out the fact that there was a change from the budget resolution as passed by the committee by a majority vote—a change in numbers, which is hardly allowable, and certainly not acceptable—after the committee deliberation, after the committee passed the bill, after the committee presented it to the Senate body, as we see it now. To make a change in the numbers—whether it is small or large doesn't matter, but the process is not allowed, as I understand it, by virtue of rule XXVI. I want to point out that this resolution is not the same, and it was not only a technical change but, rather, it is dramatically different. It was changed after our markup, after we all sat around and voted; some voted for it and some voted against it. It is a change to the tune of $60 billion in lower spending in each of the fiscal years 2001 and 2002.

There was a reason this was done, Mr. President. While it is understandable, it is not acceptable to change it after the markup, after the contract is signed, essentially. If a contract is signed and somebody decides let's change the terms of the contract, that would be unacceptable in a business structure. As a matter of fact, it would engender a lawsuit in very easy fashion if it were done in the business world. This was done to avoid a point of order against the resolution.

Whenever we talk in this arcane language around here, I believe we need to spell it out. What we are saying to those who don't work here on a regular basis is that instead of 51 votes, you need 60 votes if you want to make a change. Well, in other words, if there is a call for a waiver of the budget, it falls to one side or the other to get 51 votes, which can easily be accomplished by the majority because they have 55 Members. But it doesn't include any of the Democrats. While none of the Democrats voted to move this bill, nevertheless we don't give up our proprietorship on what goes out of there. No Senator does. No Senator gives up their rights without respect for the rule.

This is not appropriate. It is a terrible precedent for the Senate as a whole. When a bill passes out of a committee, it must carry the same message when it arrives on the Senate floor. It ought not be changed on that short trip from the Dirksen Building to this building. It is called a technical modification. We saw initially that $4.4 billion worth of additions were going to be made. When we finally got it here, it was almost a $60 billion cut from programs. It went into a catchall category that can then be distributed. It was $60 billion. So we are looking at something bordering on a 10-percent shift without the public, frankly, being aware of it.

Under the Budget Act, there is a point of order against any budget resolution that exceeds the discretionary spending caps. It is very clear this budget resolution is intended to break those caps. In fact, it says so in section 209, on page 41 of the budget resolution. I will read directly from that subsection:

> The functional totals with respect to discretionary spending set forth in this concurrent resolution, if implemented, would result in legislation which exceeds the limit on discretionary spending for the fiscal year set out in section 251(c) of the Balanced Budget and Emergency Deficit Control Act of 1985.

That is a quote from the budget resolution itself. In effect, it says that we are breaking the caps and the spending limits as modified in 1997. In fact, when the Budget Committee approved this resolution, it did break the caps, just as it claimed it did. It told the truth. But a funny thing happened on the way to this forum—the difference between the close of the markup and arrival on the floor of the Senate. As if by magic, the spending totals were changed dramatically so that they no longer break the caps. The changes were made to what we call function 920 and left completely unspecified, just thrown in there. This is a catchall. But when it has to be distributed—and it does—then it will hit all of the categories for which we appropriate. I am talking about a significant change.

When the committee approved the resolution, the total for function 920, as indicated on the chart, was $4.4 billion in budget authority. In fact, if you look at the committee report—on page 38 and again on page 50—that is what it says: $4.4 billion in budget authority.

Budget authority means that which we are allowed by law to spend. That is what the committee approved. Now, when we look at the resolution before us, which is claimed to be the same, the one approved by the Budget Committee, on page 27, line 7, it says that the total for function 920 is negative $59.931 billion. So in the fiscal year 2001—the one we are preparing the budget for—the resolution includes $59.9 billion in unspecified cuts. But the Budget Committee, I remind you again, only approved $4.4 billion in such cuts for the fiscal year beginning October 1.

If you look at fiscal year 2002, the same type of thing happened. The committee approved a plan this time that had no budget authority for function 920. That means they weren't allowing any expenditure, positive or negative—well, you can't have negative expenditures, but reductions in the account—in fiscal 2002. Now we have a resolution before us that has $59.729 billion in negative budget authority—unspecified cuts that appeared, seemingly, out of thin air.

I have to ask, What is happening here? Well, obviously, the majority is making huge cuts in order to claim they are abiding by the discretionary spending caps, so that they can avoid a point of order and then the need to get 60 votes. They can't get 60 and they know that.

I don't criticize them for exceeding the caps. But they are wrong to hide this back-room change to pretend they are not breaking the caps. That is not being honest with the Senate or the American people.

The fact is, under the Budget Act—which I negotiated with Senator DOMENICI in 1997—it is supposed to take 60 votes to break the caps. That is the law. Yes, it gives the minority, or at least a few of the Members of the minority, a little bit of leverage. It means the Republicans are supposed to seek some Democratic votes to approve their budget resolution.

But instead of playing by the rules, the majority today is flouting them. They are trying to have it both ways—breaking the caps, but then pretending in the resolution that they are not doing that, all to avoid giving the minority a say in this resolution. I think it is wrong that we are here today considering a resolution that isn't the one approved by the Budget Committee; it is a different resolution.

At the end of a budget markup, the staff is given the right to make technical changes. That is not unusual, and I don't object to that. But by cutting spending by $60 billion a year, they are eliminating the prospect that this could be a technical change. I know some people around here are used to sloughing off a few million dollars here and there. But $60 billion in a year? Even here that is a large sum of money. That doesn't just sidestep the rules; in my opinion, it goes over the line. I am going to ask the Parliamentarian now whether or not there are prohibitions to changing a Committee-passed resolution or bill without consulting the committee before it is presented to the floor for consideration.

The PRESIDING OFFICER. Rule XXVI requires a quorum to report out a measure, and it is not in order to change a measure once reported.

Mr. LAUTENBERG. Thank you, Mr. President. I thank the Parliamentarian.

All this then, as I see it, is designed to deny the minority the right to participate meaningfully in this debate and hide the facts from the American people.

Anytime the Senator from New Mexico has a question, I am happy to answer; or shall I finish what I am doing?

Mr. DOMENICI. I am sure. The Senator may finish his speech. I am going to make my point as to why it is in order, if the Senator from New Jersey is talking about this.

Mr. LAUTENBERG. Shall I finish?

Mr. DOMENICI. Sure.

Mr. LAUTENBERG. Mr. President, I am going to have more to say later about the breakdown of the budget process and what I consider the abuse of the minority rights.

I personally believe the exclusion of the minority through the budget resolution and reconciliation process is one reason the whole budget process is in such a difficult mess, and it largely explains why we have these terrible train wrecks and huge omnibus bills at the end of each fiscal year.

Be that as it may, I would be happy, before I leave this place, to have a series of discussions with my colleagues on both sides of the aisle about what maybe we can do to get the fiscal year kicked off in a proper fashion with the budget, and as we should do with the Budget Committee.

But that is not for the moment because that doesn't have anything to do with the $60 billion per year ''technical change'' being simply wrong. I think it is an abuse of the committee process. It is not fair to the minority. Frankly, it does raise a bit of a sad commentary on the whole budget process.

I yield the floor.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. Mr. President, I am just without words about such an argument that we did something really wrong. We did nothing wrong. The staff of the minority had an invention in their mind. They kept it quiet.

Have you ever hunted quail? You know that they spread after you shoot. They hunker down and hide and don't want anybody to hear them.

They had in mind knocking this whole budget resolution out because of this issue right here. If we had not made the technical change that is in this resolution, indeed, they would have made the whole thing die and we wouldn't have a budget resolution.

Let me tell you, their budget resolution would fail on the same grounds. The President's would fail on the same grounds. And the truth of the matter is that I sought and received, with a quorum present before the final vote, unanimous consent to make technical amendments. I asked for that. I received consent. And the technical changes are very clear. The language of the chairman's mark made it clear that the caps would be met. That is $540 billion, and an adjustment would be made of nearly $60 billion. We don't cut anything. We say the first appropriations bill will lift the caps, and a $60 billion fund that is in title 14 will become operative.

That is not untoward. It is not making shambles of the budget process. If people want to know what makes a shambles with it, I can stay here for a month and talk about it. But this isn't one.

As a matter of fact, this Senator has been a very loyal supporter of getting things done right. I am absolutely amazed that he would read such language from a piece of paper—that this particular technical change has wreaked havoc.

I would like to meet with both sides to talk about how to fix the budget resolution. Let me tell you, we will meet with both sides. He can be present, and I will be present. We will have a list of 50 items before we ever get around to technical changes that are harming the budget process.

It is absolutely clear to everyone what we are doing. If we were trying to deceive anyone and were really in some way cutting $60 billion out of this budget, and in some clandestine way we were going to do it, then I would be here saying I did something that is untoward. I didn't do that. That is not the case.

There is no objection to this budget resolution based upon what I did and the unanimous consent that was granted. There is no question about it, in my opinion. I wouldn't have done it if there were any question.

Soon I would like to suggest we get on to a couple of amendments. But I don't have them ready yet. So I will sit down and let the minority speak.

The PRESIDING OFFICER. The Senator from Utah.

Mr. HATCH. Mr. President, I ask unanimous consent to proceed as if in morning business.

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

THE NEED FOR TAX SIMPLIFICATION

Mr. HATCH. Mr. President, in less than two weeks, American taxpayers face another federal income tax deadline. Although this year's deadline falls on a Saturday, and is thus deferred for two days, the date of April 15 stabs fear, anxiety, and unease into the hearts of millions of Americans. Some discomfort with filing tax returns and, especially, with paying taxes, is understandable and probably unavoidable. Paying taxes will never be fun. But neither should it be cruel and unusual punishment.

But because of the complexity of our federal income tax system, for millions of American taxpayers, completing the forms can be sheer torture. According to the Tax Foundation, American taxpayers, including businesses, spend more than 5.4 billion hours and $250 billion each year in complying with tax laws. That works out to more than $2,400 per U.S. household. This is astounding, Mr. President.

Last year, over 126 million individual income tax returns were filed. The good news is that about 25 million of these were filed on Forms 1040EZ or 1040A, which are significantly easier to complete than Form 1040. Nearly six million more taxpayers last year filed over the telephone, simply by pushing buttons. I am pleased to note that the Internal Revenue Service is making strides in improving telefiling and also electronic filing. The bad news is, however, that the majority of taxpayers still face filing tax forms that are far too complicated and take far too long to complete.

According to the estimated preparation time listed on the forms by the IRS, the 1999 Form 1040 is estimated to take 12 hours and 51 minutes to complete. This is an increase of 77 minutes from 1998.

Moreover, Mr. President, this does not include the estimated time to complete the accompanying schedules, such as Schedule A, for itemized deductions, which carries an estimated preparation time of 5 hours, 39 minutes, or Schedule C, for taxpayers with a business, which has an estimated time of 10 hours, 19 minutes. Schedule D, for reporting capital gains and losses, shows an estimated preparation time of 5 hours 34 minutes.

Even though millions of taxpayers are spared having to file the more complex 1040 with its many schedules, I believe the majority of Americans are intimidated by the sheer number of different tax forms and their instructions, many of which they may be unsure whether they need to file. Simply trying to determine that a certain form is not required can itself be an overwhelming task, given the massive set of instructions and the approximately 325 possible forms that individual taxpayers must deal with.

This is the instruction book for 1999 individual tax returns, Mr. President. It includes 116 pages, not counting the forms themselves.

It is no wonder that well over half of all taxpayers, 56 percent according to a recent survey, including a large number of my colleagues in the House and Senate, now hire an outside professional to prepare their tax returns for them. However, the fact that only 29 percent of individuals itemize their deductions shows that a significant percentage of our taxpaying population believes that the tax system is too complex for them to deal with, even though they may qualify to file one of the simpler forms.

Moreover, Mr. President, this complexity is getting worse each year. As I mentioned, just from 1998 to 1999 the estimated time to prepare Form 1040 jumped 77 minutes. Going back a few years, to tax year 1988, we see that the estimated preparation time was only 9 hours and 17 minutes, so we have an increase of 38 percent since 1988. The number of pages in this 1988 instruction book is only 59. So, in a matter of 11 years, we have nearly doubled the hassle factor for our constituents.

I might note, Mr. President, that the income tax system was not always so complicated. I hold here the very first Form 1040, the 1913 edition. This form totaled three pages for the form and just one page for the instructions. But as Congress changed the tax code over the years, the cumulative results have left us with a quagmire of tax rules that would challenge the wisdom of Solomon and the genius of Einstein—not to mention the patience of Job. In fact, the genius of Einstein might not even help here. Albert Einstein himself is quoted as saying ''the hardest thing in the world to understand is the income tax.''

As much as we in Congress would like to blame the Internal Revenue Service for this mess, Mr. President, I am afraid that we instead need to look in the mirror to see who is responsible for the complexity of our tax system. After all, the Internal Revenue Code is our creation. And what a creation it is. According to the Congressional Research Service, the tax code last year included over 2.8 million words. The Holy Bible itself has only about 775,000 words. Obviously, God did not need to issue such copious instructions for living as we currently have for complying with the tax laws.

Moreover, the pace of change to the Internal Revenue Code is quickening. According to Charles Rossotti, Commissioner of Internal Revenue, Congress made about 9,500 tax code changes in the past twelve years. And we are far from being finished. Currently, there are at least 11 pending bills that have been reported by the House Ways and Means and Senate Finance Committees that have changes to the Internal Revenue Code. In addition, we are talking about passing still more tax bills this year. What started as a trickle in 1913 has become an avalanche in 2000.

So, what is the solution, Mr. President? Many of my colleagues, myself included, have berated the tax code and the Internal Revenue Service, calling for both to be eliminated and replaced with a system that is much simpler. Such an idea seems to be a popular one, judging by the applause lines I receive when I mention this concept in speeches, and by the mail I have received on the subject.

I do believe that our current tax is seriously flawed and that Congress, led by the President, should enact legislation that would give the American people the tax system they deserve —one that is simpler, fairer, and geared to the needs of our economy in the 21st Century.

This is not an easy proposition, Mr. President. Nor is it one that can be completed in a short period of time. One major problem has been the lack of presidential leadership. As with so many other vital issues facing this great country, the Clinton-Gore Administration has been AWOL on tax reform—aloof without leadership.

It seems that the Administration's solutions to almost every societal and economic problem has boiled down to one of two things—targeted tax cuts or revenue increases. Both have had devastating effects on the complexity and fairness of the tax code. And again, there is plenty of blame to go around for this, right here on Capitol Hill.

But even when we have a president willing to show us the way to a new tax system, the problems of such a monumental undertaking are enormous. Just the task of educating ourselves and the taxpaying pubic on what the effects of fundamental tax reform would be, and how each taxpayer would be affected, is a large one indeed.

Moreover, computing the effect of such a change on the economy and figuring out how to make a fair transition will be truly daunting. This will be the case whether we decide to adopt a flat-tax, a consumption tax, or some hybrid system. Indeed, the inability of members of Congress to unite behind one reform plan, after years of discussion, is but one indication of how difficult this job of fundamental tax reform will be.

This is not to indicate in any way, Mr. President, that I shrink from or do not favor the idea and need for fundamental tax reform. I am fully convinced that we, as a nation, must find a better tax system. I merely wish to point out that getting to that point is a long and difficult journey that, when looked upon with a realistic eye, will not be accomplished in the next two to three years under the best of circumstances. I believe it will take a minimum of five years.

In the meantime, what do we do? Do we simply sit on our hands and lament the terrible tax code and wish for the day we can change things? Not in my book, Mr. President. I believe we should take action, starting this year, to improve our present tax system. For all of the Internal Revenue Code's many flaws, there are numerous incremental steps we can take this year and over the next two years that can dramatically lessen the complexity and increase the fairness of our tax code.

In the next few weeks, I intend to introduce legislation that will represent the ''down payment'' or first installment of what I believe will be a significant multi-year tax simplification package. This first installment will include a number of tax simplification provisions designed to make tax life easier for each category of taxpayers, including business filers. A considerable portion of the bill will be repeal provisions. After all, repeal of a overly complex and outdated tax provision is the ultimate reform.

My tax simplification plan will be in three installments because I believe that, for a number of reasons, trying to simplify the entire code in one year may be too large an undertaking to succeed. Rather, I believe that a three-part plan, each containing significant, but digestible, relief for different classes of taxpayers, is a more practical approach.

Each of these three installments will include a centerpiece repeal provision that would remove from the Internal Revenue Code a major source of complexity that, in my view, is beyond repair and should simply be eliminated. For the first installment, the provision to be repealed is the individual alternative minimum tax (AMT).

The individual AMT is growing out of control and, if left unchecked, will become a source of major complexity to millions of taxpayers, most of whom it was never intended to affect. The alternative minimum tax was originally established in 1969 as a sort of backstop provision to ensure that sophisticated taxpayers who took advantage of some of the tax code's incentive provisions, called tax preferences, paid at least some minimum amount of tax.

The AMT was expanded as part of the 1986 Tax Reform Act, with the changes taking effect in 1987. The Joint Committee on Taxation estimates that only 140,000 individual taxpayers were required to pay the individual AMT that year. By 1999, that estimate had grown to 823,000 taxpayers, largely because the thresholds for determining minimum tax liability were not indexed for inflation. In other words, as incomes grew because of inflation and other factors, more and more people found themselves subject to the AMT. This is a major flaw, Mr. President, which will bring millions of middle-class families into the net of the minimum tax over the next ten years.

As serious as this problem is, a worse one also lurks in the AMT. Because of structural problems with the provision, some of which have been temporarily solved on a year-to-year basis through 2001 only, the minimum tax serves as a limitation to families receiving the major tax relief Congress passed in 1997 in the form of the child credit and the education credits. If not corrected or repealed, this ''AMT time bomb'' will affect 17 million taxpayers by 2010, according to the Treasury Department.

Many of these taxpayers, Mr. President, are not wealthy by any stretch of the imagination. We are talking about middle-class American families here, many struggling just to raise their children. Let me give you an example from this chart entitled: The Effect Of The Alternative Minimum Tax on a Middle-Class Family of Five.

Todd and Mary Anderson live in Murray, Utah, and have three children. Their oldest daughter, Sarah, is a freshman in college. The younger two children, Mark and Marcia, are twins in the fifth grade. Todd and Mary are both school teachers and together earn $80,000 per year. This is not a wealthy family by any measure.

However, Mr. President, this family will be paying at least $878 of alternative minimum tax beginning in 2002. Moreover, because the AMT exemption is not indexed for inflation, the minimum tax for the Andersons will get larger each year as their income rises because of cost of living adjustments.

Perhaps almost as aggravating for this family as the higher taxes is the fact that they will need to file the alternative minimum tax form with their annual tax return. Not only does this entail mastering an 8-page set of instructions, which are estimated to require 6 hours to learn about and complete, but also preparing a 50-line form along with a 10-line worksheet.

This kind of extra complexity is simply unjustified for any taxpayer, but more especially for families like the Andersons, who have nothing out of the ordinary about their financial situation.

Mr. President, the best way to reform provisions like the individual alternative minimum tax is simply to repeal them. This is exactly what my bill would do.

As I mentioned earlier, this first installment of my simplification initiative will have provisions that are designed to simplify the tax lives of every group of taxpayers. Let me outline what the major provisions would be and who they would benefit.

For lower-income taxpayers, probably the most complex feature of the current tax law is the earned income tax credit (EITC). This credit is vital to the livelihoods of millions of working American families. Unfortunately, the computation of the credit is so complicated that many professional tax preparers do not even know how it works. My bill does two things, Mr. President. First, it would significantly simplify the credit, and second, it would enhance it so more low-income families could take advantage of it.

Besides the repeal of the alternative minimum tax, my bill will also aid middle-class taxpayers by vastly simplifying the capital gains tax. Many of my constituents were thrilled in 1997 when Congress lowered the capital gains tax rates from 28 percent to 20 percent. However, many were not as excited when they found out what the new law meant come tax return filing time—a 54-line Schedule D accompanied by two worksheets and seven pages of instructions. This is compared to a 39-line form and just two pages of instructions prior to the change.

I plan to simplify capital gains by changing from the current maximum rate approach to a 50 percent exclusion approach, as was the case before the 1986 Tax Reform Act repealed the capital gains preference. In other words, taxpayers would be allowed to exclude 50 percent of the long-term capital gain from gross income. The remaining 50 percent would be taxed at ordinary income rates. This would do away with the need for a special computation on the tax forms. It would also result in a lower capital gains rate for every tax bracket, with those in the lowest tax brackets getting the largest rate decreases.

My tax plan would greatly simplify taxes for taxpayers in the upper-middle income and upper-income brackets by repealing two phaseout provisions that are both unwarranted and very complex. These provisions, which phase out the benefits of personal exemptions and itemized deductions for taxpayers with incomes above certain thresholds, are nothing more than backdoor tax increases Congress passed in 1990. Repeal of these provisions would make a significant contribution to simplification.

Corporate taxpayers will also find tax simplification provisions in this first installment of my tax plan, Mr. President, including a provision to equalize the interest rate that the IRS pays corporate taxpayers on overpayments with the rate that companies must pay when they owe the government. Future installments of my simplification plan will have even more corporate provisions.

Finally, each of the three installments of my simplification plan will include ten to fifteen smaller, yet important, simplification provisions that, taken together, would make a significant difference in lessening the complexity of the Internal Revenue Code.

American taxpayers are fed up with our tax system and want to see some serious changes made. Like all members of this body, I hear from my constituents each day who complain about taxes. This has been the case since the first year I was privileged to represent the State of Utah here in the Senate. Over the years, the nature of the complaints has changed, however. Years ago, I mostly heard from constituents that taxes were too high or were unfair. While I still hear plenty of complaints of this nature, I have begun hearing more and more from Utahns who are just plain sick and tired of the complexity of our tax code.

We need to take action now to reduce complexity. We should not wait for a new president, nor for a groundswell of popular support for either the flat tax or a national consumption tax. Let's start this year, Mr. President, with a tax simplification plan that begins the long process of making our current system both fairer and simpler. In the meantime, we should also continue the national debate about how to best replace the tax code with a new system. I urge my colleague to join me in this undertaking.

I thank the Chair.

FISCAL YEAR 2001 BUDGET—Resumed

The PRESIDING OFFICER (Mr. GORTON). The Senator from New Jersey.

Mr. LAUTENBERG. Mr. President, I will respond to my distinguished colleague, the chairman of the Budget Committee, who assailed my comments about whether or not there was something —let me call it surreptitious; perhaps I even suggested that—in the challenge that I raised to the so-called point of order dispute or technical change.

Once again I read, as I did before, from the concurrent resolution on the budget, page 41, line 8:

(a) FINDINGS.—The Senate finds the following:

(1) The functional totals with respect to discretionary spending set forth in this concurrent resolution, if implemented, would result in legislation which exceeds the limit on discretionary spending for fiscal year 2001 set out in section 251(c) of the Balanced Budget and Emergency Deficit Control Act of 1985.

That is pretty clear; it says if we exceed the ''limit on discretionary spending,'' which we do, and the Parliamentarian confirms that because we say the ''functional total.'' These words are very significant words. This is not happenstance; it is in here.

This is not simply a technical change. They are changing the amount substantially. My friend, the chairman, says it was approved in committee action. What was approved? The fact is, there was probably an error because these totals do break the discretionary caps and everybody knows that based on the functional totals.

Suddenly we knock off, to use the expression, $60 billion when, in fact, it was purported to be $4.4 billion. What do we have? It is not a technical change. That doesn't fit the definition anymore than a $30 billion change in the highway spending was a technical change. That happened. These are not technical changes. This is the real thing.

I challenge the Republicans again in the committee. I hate being on the other side of the debate with my friend from New Mexico. He knows the subject; however, he can make mistakes as all Members can. There is definitely an attempt, in my view, to remove the 60-vote point of order in order to accomplish their goal because there are only 55 Republicans and they can't get 60 votes. They made a neat change after the committee finished its deliberation, in the functional totals, and thereby abolish the 60-vote point of order.

We are not going to stand by and let it go unnoticed whether it is comfortable or uncomfortable for the majority. They made the decision. We

have nothing to do with how this budget resolution is finally presented. We will let it rest.

The numbers are simple: $4.4 billion expected to be a plus in the year 2001. It has a $60 billion minus, $59.9 in 2001. In 2002, it goes from zero allocated for that catchall account to $59.7 billion. That is a lot of money. It will make a huge difference when we try to fund the programs we care about.

The public ought to know we are changing the totals and we are reducing the numbers of people who can be used to carry on the tasks we have assigned. That is where we are. I think it is more than enlightening that we have seen this kind of a gimmick introduced into the budget resolution.

I yield such time as the Senator from Rhode Island needs.

The PRESIDING OFFICER. The Senator from Rhode Island.

Mr. REED. Mr. President, today we begin our debate on the budget. I think we should begin by noting that remarkable economic progress has been made in this country over the last 7 years, since 1993. There are 20 million new jobs in this country. Unemployment is at a record low. Home ownership is expanding dramatically. Productivity has been increased significantly. Inflation remains low. All of that good news is a result of budget decisions we made years ago under the direction of President Clinton and with the support of my colleagues in the Democratic caucus.

I am afraid this budget brought to us today by the Republican majority will undo most of that good work. We can all reflect upon the nay saying that took place years ago in 1993 where, when I was in the other body, my colleagues said this Clinton proposal would cause unemployment; it would cause a huge collapse; a recession would take place.

Nothing could be further from the truth. The proof really is in the pudding. The plans the President proposed, and in which he was supported by the Democratic caucus, produced remarkable economic prosperity and recovery throughout this country.

As I said, we have gone from a huge deficit to a surplus. But now we are prepared to forget the lessons of the last several decades and embark upon another extravagant and reckless, in fact, budget plan that will essentially, through untargeted tax reductions, dissipate the surplus and miss a significant opportunity to invest in the families of America, invest in those programs that are so critical to their future, and invest in ways that will make this country stronger. I am afraid if we support this proposal by the Republican majority, we will, in fact, see the great progress of the last decade undone.

What we should be doing, instead, is investing in our people, not proposing drastic tax cuts which essentially soak up all these hard-won surplus dollars. Rather than investing in health care and education, in those programs that are so central to the American family, this budget would result in drastic reductions in discretionary spending. At least 6 percent, or $20 billion, in fiscal year 2001 alone would be cut away from discretionary spending. We would find ourselves unable to keep up with simple inflation. Indeed, we would find ourselves lagging behind our requirements to fund programs on just a continuing basis, let alone making those additional investments which are so critical to the future of this country—in education, in health care, in veterans' affairs, in environmental policy.

This is also particularly suspicious when you look at the last several years and the avowed purpose of holding the line on spending of this Republican Congress. In fact, under the last few Republican Congresses, nondefense spending rose 3.2 percent in 1997, 2.6 percent in 1998, 5.3 percent in 1999, and 10.7 percent last year. Somehow this budget says we will hold spending 2.7 percent less than last year's spending. It would defy the history of this Republican Congress, going back several sessions.

So we begin with a budget plan that is faulty on its assumptions and faulty on its presumptions about what we can and what we will do. What we will see, in fact, is that we will forgo billions of dollars of necessary spending that we have never been able to forgo in the past, and we will not invest additional resources in important programs. In fact, with this budget plan, I fear we will end up, as we have in several past years, where, at the end of the session, we are in almost a train wreck; we come together with an omnibus appropriations bill that pays scant attention to this budget. I hope we can do better. I hope we can invest in those programs that are going to make a difference in the lives of working families rather than dissipating roughly 98 percent of the projected surplus into untargeted and misguided tax cuts.

Also, I hope we can do those things which all our constituents are asking us to do. One is a Medicare prescription benefit. I commend Senator WYDEN and colleagues on the Budget Committee because they at least were able to put in a $40 billion set-aside for a new Medicare prescription drug program. But, unfortunately, this initiative has been complicated, in a way compromised, because the last several years of the projected spending is tied into substantial Medicare reform. Again, given the record of this Congress over many sessions, to make a wise and necessary investment in our seniors contingent upon reform of Medicare is, to me, looking for an escape hatch rather than directly confronting this issue, directly appropriating the money, directly making the commitment of resources right now, unconditionally making that commitment.

I believe, also, we have a wealth of things to do with respect to our investment in education: reducing class size, increasing professional development for teachers, and giving the States resources for more accountability. We have, in fact, additional challenges in taking care of a generation of Americans who fought in World War II and who are now coming, with increasing numbers, to the Veterans' Administration with increased and more complex needs.

We have requirements to ensure that our natural resources are protected.

We have requirements to ensure we maintain a strong defensive posture in the world.

All of these cannot be done as well as we will and can do them if we abandon the strategy of massive tax reductions and rather look at targeted tax reductions for middle and lower-income Americans, together with wise investments across the range of initiatives.

The other aspect of this budget is a continuing need to invest in our infrastructure, not only our human capital in terms of education but our physical capital: Roads, bridges, better schools. All these things we cannot do if we essentially dissipate our resources the way this budget proposes.

There is something else we can and should do, and that is to begin to reduce our national debt held outside the Government. The President has proposed a plan to do that. Again, I think this budget represents a plan that is less adequate and less satisfactory.

For all these reasons, I urge this budget be carefully examined and then, just as carefully, rejected; that we embrace the alternative budget of my colleagues on the Democratic side. Also, in the course of this debate we have an opportunity to look at other issues which are close to all of us, issues that do not go to the financing, essentially, of the Government, but issues of importance to the time and moment of this great debate, issues such as gun control and others through which we can send a signal to the American public that we are listening.

I hope at end of the process we can come forward with a budget that represents an investment in America, that represents a recognition we have worked hard to bring ourselves to a place where we have surpluses which can be used—we hope wisely. We do not want to undo that progress. We do not want to go back; we want to go forward into a brighter future for all the families of America.

Mr. President, I yield the floor.

The PRESIDING OFFICER. Who yields time? The Senator from New Mexico.

Mr. DOMENICI. Mr. President, I yield myself 5 minutes just to answer the distinguished Senator who just spoke with reference to Medicare and the budget resolution.

To Senator REED, I would like to suggest that things are a little bit different in the budget resolution regarding Medicare and prescription drugs, to which he has alluded. First of all, in

the budget resolution there is $40 billion of new money for Medicare. It is put in a reserve fund and it is said it can be spent for two purposes: $20 billion for prescription drugs and $20 billion for reform. So, in a sense, we have done what he says he would like, and that is for there to be prescription drug money separate and distinct from reform money. That is the Snowe amendment, cosponsored by Senator WYDEN—actually, the suggested modifications made by SMITH of Oregon, that passed the committee without a dissenting vote.

I believe we have all the Medicare prescription drug language necessary for the Congress to get started. Frankly, I think it is a very good start and we are headed in the right direction.

I am going to propose a unanimous consent request. I believe it has been cleared.

I inquire of Senator REID, the minority whip, if the Senator from Texas can send her amendment to the desk, after which time we will propound the unanimous consent request which centers on that.

Mr. REID. Yes.

AMENDMENT NO. 2914

(Purpose: Sense of the Senate to provide for relief from the marriage penalty tax)

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

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Texas [Mrs. HUTCHISON], for herself, Mr. ASHCROFT, and Mr. BROWNBACK, proposes an amendment numbered 2914.

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

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

The amendment is as follows:

At the appropriate place insert the following:

SEC. . SENSE OF THE SENATE TO PROVIDE RELIEF FROM THE MARRIAGE PENALTY.

(a) FINDINGS.—The Senate finds that:

(1) Marriage is the foundation of the American society and a key institution for preserving our values;

(2) The tax code should not penalize those who choose to marry;

(3) A report to the Treasury Department's Office of Tax Analysis estimates that in 1999, 48 percent of married couples will pay a marriage penalty under the present tax system;

(4) The Congressional Budget Office found that the average penalty amounts to $1400 a year.

(b) SENSE OF THE SENATE.—It is the Sense of the Senate that the level in this budget resolution assume that the Congress shall:

(1) pass marriage penalty tax relief legislation that begins a phase down of this penalty in 2001;

(2) consider such legislation prior to April 15, 2000.

Mr. DOMENICI. Mr. President, I want to make sure that when the Senator is finished or her time has expired the next Senator will be Senator ROBB, who will offer a second-degree amendment.

Mr. REID. Mr. President, I say to the manager of the bill, yes, he is going to offer the amendment, but we also have somebody who wants to make brief remarks on the marriage penalty.

Mr. DOMENICI. So long as there is time remaining on the amendment or anyone wants to speak on the amendment, then that will be the case, after which we will proceed to the Robb second-degree amendment.

Mr. President, I ask unanimous consent that a vote occur on or in relation to the Robb second-degree amendment regarding prescription drugs, to be followed immediately by a vote on or in relationship to the pending Hutchison amendment, as amended, if amended, at 11 a.m. on Wednesday, and the Senate resume consideration of the pending concurrent resolution at 9:30 a.m. on Wednesday, and the time between now and 11 a.m. be equally divided between the two managers.

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

Mr. DOMENICI. Mr. President, I state on behalf of the leader, in light of this agreement, there will be no votes this evening and the next votes will occur at 11 a.m. on Wednesday.

I inquire of the minority manager if he is in any position to agree to reduce the overall time available on the budget resolution.

Mr. REID. Not at this time.

Mr. DOMENICI. I regret the minority side cannot agree to a reduction of time. I yield back any remaining general debate time allotted to the majority party, with the exception of 1 hour.

The PRESIDING OFFICER. The manager has that right.

Mr. DOMENICI. I inquire of the Chair, how much general debate time remains on the concurrent resolution?

The PRESIDING OFFICER. Twenty-two hours 22 minutes on the minority side; 1 hour on the majority side.

Mr. DOMENICI. I yield the floor.

The PRESIDING OFFICER. The Senator from Texas is recognized.

Mrs. HUTCHISON. Parliamentary inquiry, Mr. President. Do I have 1 hour on my side?

The PRESIDING OFFICER. That is correct.

Mrs. HUTCHISON. I thank the Chair.

Mr. President, I ask unanimous consent that my amendment be sponsored by myself, Senator ASHCROFT, and Senator BROWNBACK, and be referred to as the Hutchison-Ashcroft amendment.

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

Mrs. HUTCHISON. Mr. President, this is a very simple amendment. It will express the sense of the Senate that it is time for marriage penalty relief. Why would we have a Tax Code that says a policeman and a schoolteacher getting married owe Uncle Sam $1,400 more in taxes? In fact, that is exactly what the Internal Revenue Code does, and that is exactly what we want to change.

My amendment expresses the sense of the Senate that we will start working to relieve the marriage tax penalty, and it says we will do it before April 15 of this year.

Of course, we all know what April 15 is. It is tax day. We want people who are writing their checks to pay their taxes this year to start thinking about the penalty they pay because they are married, and we want them to know that if our bill passes and the President signs it, they will be relieved of that penalty next year.

We are saying it is time for Americans to have a fair Tax Code. This is not so much a tax cut as it is a tax correction, and it is high time we do this.

It is amazing we even have to take up a bill such as this because one would think the Tax Code would not discriminate one way or the other between people who are single and people who are married. We are trying to get the fairest return for all Americans.

According to the Congressional Budget Office, 21 million married couples pay this penalty. The Congressional Budget Office estimates the penalty averages $1,400.

The bill that will be coming from the Finance Committee next week is a terrific bill. It is very simple and very clear. It doubles the standard deduction so that every married couple will have double the standard deduction than they have today. It will be totally fair. The standard deduction will be $4,400 for a single person and $8,800 for a married couple.

In addition, it doubles the brackets at the 15-percent level and the 28-percent level. That takes in the large majority of people in our country who pay taxes. In fact, in the 15-percent bracket, over 6 years, we increase the amount that can be made as a couple and still pay 15 percent from $43,000 to $52,000. So we would have $8,650, to be exact, more in the 15-percent bracket before one goes into the 28-percent bracket.

The 28-percent bracket today stops at $105,000, and we take it to $127,000, so one would still pay in the 28-percent bracket rather than going to the 31-percent bracket.

In addition to that, we take the very lowest income people who receive an earned-income tax credit and we make that credit $2,500 instead of the $2,000 it is today.

We are trying to do something for people in the lowest bracket and in the middle bracket. We think this is going to help the 21 million couples who are affected by this onerous tax disadvantage.

I had the privilege of meeting today with three couples, all of whom would have their marriage tax penalty totally eliminated if we pass the bill that will be before us next week.

We met with Kervin and Marsha Johnson. Kervin is a District of Columbia police officer. His wife is a Federal employee. They have been married 1 year. They are going to have to pay

$1,000 more in taxes because they got married last year.

We also met with Eric and Ayla Hemeon. Eric is a volunteer firefighter and works for a small printing company. Ayla works for a small business. They have been married for 2 years and are going to have a wonderful event in about 1 month; they are going to have their first baby. But, unfortunately, they are paying a marriage penalty of $1,100 that will take away from what they can do for their new baby.

We heard from a couple who have been married 25 years, Lawrence and Brendalyn Garrison. He is a corrections officer at Lorton. She is a teacher in Fairfax County. Last year, they paid $600 in a marriage tax penalty. Mrs. Garrison is clearly a schoolteacher because she said to me: If you pass this bill, do you think we could make it retroactive? Twenty-five years? I applaud her spunk. We will not be able to do that. But we can certainly give them the next 25 years with a little more relief.

What we are saying today is, we want the Senate to vote, before April 15, before people are required to have their taxes in, in order to let them think about exactly what they are paying this year; and if they are one of the 21 million couples, they can think about how much less their taxes will be next year if we pass our legislation.

So the Hutchison-Ashcroft amendment is going to say it is the sense of the Senate that we pass this simple legislation next week. I do not see how anyone could possibly oppose having the marriage tax penalty relieved from so many of the taxpayers in our country.

Congress is trying to give relief to a lot of people in our country who have been burdened with unfair taxes. This year, for instance, we have given tax breaks to small businesspeople because we know the economic engine of America is small business. We know that the taxes and regulations hurt small business the most because they have the smallest margins. They are having a hard time making ends meet. So we have given tax relief to small businesses.

This year, we have given tax relief for parents who are trying to enhance their children's education. We are trying to give tax relief to a parent who would want to buy a computer for a child, or extra books, or perhaps a tutor, or perhaps tuition, or perhaps a band uniform. All of these things enhance education. We want people to have some tax breaks to be able to do that. Senator COVERDELL passed that bill earlier this year.

We have given medical savings accounts as tax relief for people who would build up a savings account for their medical expenses—tax free—as an encouragement to provide for their medical needs.

We have given relief to Social Security recipients who are 65 to 70 years of age who want to keep working but heretofore have been penalized for that right.

All of these tax cuts that we have given this year—plus the marriage penalty tax relief we will give next week—total about $136 billion over 5 years.

The budget resolution we are debating today has $150 billion in tax cuts reserved because we are committed to tax relief for hard-working families. So we are well within this budget resolution with the tax cut bills that have been passed by this Congress so far.

So far, the President has not signed any of these bills. Some of them have not gone to the President. But we hope he will sign the Social Security bill, which will be the first one on his desk, so that Social Security recipients will have the option to work if they so choose. We hope we will put the others on his desk in due order, including the marriage penalty relief.

We have passed marriage penalty relief before, but the President vetoed it last year. We are coming back. The President said: Send me these bills one at a time. That is exactly what we are doing. We are sending him marriage penalty relief by itself to see if he really is committed to tax relief for hard-working American families.

I hope we can pass this sense-of-the-Senate amendment; it will take the first step toward saying the Senate is serious about marriage penalty relief. I believe we will be able to pass this bill next week. I think we will send it to the President. I think he will have a chance to explain to the American people that he either does support marriage tax penalty relief or he does not and, if not, why.

I urge my colleagues to support this bill. I hope they will not support any amendments that are extraneous to this amendment because it is pretty simple and pretty clear; we are seeking the support of the Senate for marriage penalty relief. I hope we can do it.

Mr. President, I yield the floor and reserve the remainder of my time.

Mr. ROTH. I rise today in support of the amendment of the Senator from Texas.

Getting married is not cheap. According to Bride's magazine, a couple getting married today can expect to spend $20,000 for the big event—reception, flowers, food, dress, band, and cake. Throw in another $4,000 for the honeymoon, and the sticker shock is complete. But it is not over. Just when the newlyweds thought their debts were paid off, tax time arrives and they are faced with a new bill—the marriage tax penalty.

Last week, the Senate Finance Committee approved legislation that will provide relief from this bliss-busting tax.

Our legislation would provide $248 billion in relief to America's families by eliminating the marriage penalty in the standard deduction; providing broad based relief by widening the 15- and 28-percent tax brackets; expanding the earned income credit to more lower income working families and ensuring that families can take the tax credits for which they qualify by permanently eliminating any cutbacks of the credits because of the minimum tax.

Even after the honeymoon's over and paid for, today's newlyweds are going to find their married life perpetually filled with financial challenges. That $20,000 wedding is going to look cheap compared to saving for a down payment on a house, saving for a college education and saving for retirement. Letting families keep more of what they earn by lowering their taxes will make each of these financial challenges easier to face and, in the process, hopefully help make that wedded bliss last a little longer.

The PRESIDING OFFICER. Who yields time?

The Senator from Nevada.

Mr. REID. Mr. President, I say to the Senator from Texas, I am sure the minority will support her amendment.

I ask unanimous consent that, based upon the agreement we have had with the Senator from New Mexico, the Senator from Virginia be allowed at this time to offer his amendment on prescription drugs.

As I also explained to the Senator from New Mexico, we have a time agreement on when the vote will take place. Senator ROBB is here to offer a prescription drug amendment. That does not mean someone else cannot come before tomorrow at 11 o'clock and talk on the marriage penalty.

Mr. DOMENICI. That is correct.

But has the Senator completed her hour?

Mr. REID. No.

Mrs. HUTCHISON. I reserved the remainder of my time.

Mr. DOMENICI. You would reserve it, even if a second-degree amendment were going to be offered now? Is that what the Senator wants to do?

Mrs. HUTCHISON. Mr. President, I have other speakers who wish to speak on my amendment.

Mr. DOMENICI. Mr. President, if the Senator reserves her time and the second-degree amendment is offered, does that impact on her reservation at all? Does she still have time?

The PRESIDING OFFICER. It depends on the nature of the unanimous consent by the Senator from Nevada.

Mr. REID. I say to my friend, the manager of the bill, Senator ROBB would offer his amendment on prescription drugs. After he completes his statement, someone from the majority can come and speak on the marriage tax penalty, or maybe we could. We have a time agreement when the votes will take place on these two matters, so I do not think anyone would be advantaged either way by his stepping forward at this time. There is no one else on the floor at this time.

The PRESIDING OFFICER. If that is the unanimous consent agreement, the Senator from Texas would retain her time.

Mr. DOMENICI. There is no such unanimous consent request. But if you

are construing that to be a request, I have no objection to that.

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

The Senator from Virginia is recognized.

AMENDMENT NO. 2915 TO AMENDMENT NO. 2914

(Purpose: To condition Senate consideration of any tax cut reconciliation legislation on previous enactment of legislation to provide an outpatient prescription drug benefit under the Medicare program that is consistent with Medicare reform)

Mr. ROBB. Mr. President, under the unanimous consent agreement just reached, I send a second-degree amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report the amendment.

The senior assistant bill clerk read as follows:

The Senator from Virginia [Mr. ROBB] for himself, Mr. KENNEDY, Mr. WYDEN, Mr. GRAHAM, Mr. BRYAN, Mr. DORGAN, Mr. BAUCUS, Mr. BINGAMAN, and Mr. JOHNSON, proposes an amendment numbered 2915 to amendment No. 2914.

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

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

The amendment is as follows:

At the end of the amendment, add the following:

SEC. ___. REVENUE REDUCTION CONTINGENT ON OUTPATIENT PRESCRIPTION DRUG LEGISLATION.

(a) FINDINGS.—Congress finds that—

(1) a medicare outpatient prescription drug benefit should be established before exhausting the on-budget surplus on excessive tax cuts;

(2) while the Senate budget resolution provides a date certain for the consideration of $150,000,000,000 in tax cuts, it does not include a similar instruction for the enactment of an outpatient prescription drug benefit;

(3) all seniors should have access to a voluntary, reliable, affordable medicare drug benefit that assists them with the high cost of prescription drugs and protects them against excessive out-of-pocket costs; and

(4) 64 percent of medicare beneficiaries have unreliable or no drug coverage at all.

(b) POINT OF ORDER.—It shall not be in order in the Senate to consider a reconciliation bill resulting in a net reduction in revenues unless Congress has previously enacted legislation that—

(1) provides an outpatient prescription drug benefit under the Medicare program consistent with Medicare reform; and

(2) includes a certification that the legislation complies with paragraph (1) of this section.

(c) SUPERMAJORITY WAIVER AND APPEAL.—The point of order established in this section may be waived or suspended in the Senate only by an affirmative vote of ⅗ of the members, duly chosen and sworn. An affirmative vote of ⅗ of the Members of the Senate, duly chosen and sworn, shall be required in the Senate to sustain an appeal of the ruling of the Chair on a point of order raised under this section.

Mr. ROBB. Mr. President, today, we begin our annual debate over our Nation's budget. This is an important debate. Because when you set aside the partisan squabbling and political posturing, this debate is crucial: it is about establishing our priorities as a nation.

Throughout my career, I have fought for fiscal discipline and tried to stop the Federal Government—and during the time I served as Governor of my State, State government—from spending more than it takes in.

Maintaining fiscal discipline means meeting Government obligations without borrowing from future generations. The budget resolution allows us to determine the nature and extent of our obligations by establishing our priorities. The question, then, is, What sort of priorities will Congress set for the American people this year? Will we opt to continue our path of fiscal discipline? Or will we enact a budget that ignores our $5 trillion-plus debt in our haste to provide politically appealing tax cuts? Will we choose to make new investments in education? Or will we simply decide to maintain the status quo? Will we modernize and strengthen Medicare? Or will we choose instead to use those dollars on a risky tax cut that endangers Medicare and erases the surplus?

These are the sort of decisions the Senate will make over the next few days. I believe we need a budget that will make America stronger and one that will address our most vital priorities.

I rise at this time to speak on the second-degree amendment I just offered, an amendment that will address one of our most pressing priorities—the need to bring Medicare into the 21st century. It is very similar to an amendment I offered last year.

This amendment states, simply, that if Congress is going to consider tax cut legislation, it must first pass legislation that will modernize Medicare through the creation of a prescription drug benefit.

Thirty-five years ago, President Lyndon Johnson signed Medicare into law. At the time, our country transcended politics and put our differences aside to come together, as a nation, to do the right thing with regard to acute care for our Nation's seniors. Few programs in our Nation's history have had such a lasting, positive effect on so many lives. Poverty among seniors, for example, has fallen nearly two-thirds since Medicare was first created in 1965.

Today, seniors live longer and better than they ever have before. But while Medicare is still a success today, the program has become hopelessly outdated. New technology and new health practices have changed medicine. The private sector has responded by integrating them into modern medicine. Perhaps the greatest change has been the emergence of prescription drugs as an integral part of modern medicine. Today, thanks to years of biomedical research funded by both Government and the private sector, prescription drugs have enabled us to treat, and often cure, all sorts of ailments and sicknesses in ways we could only dream of back in 1965. Yet while Medicare will pay for so many other parts of medicine—surgery, visits to the doctor, physical therapy, durable medical equipment, et cetera—Medicare has stayed wedded to the 1965 model of not paying for prescription drugs, even when the drugs clearly help prevent seniors from having more complicated and expensive health problems. That doesn't make sense.

Think about it. While our engineers used slide rules in 1965, we certainly would not expect them to go without the latest computer technology today. Likewise, medical equipment has advanced by leaps and bounds. We would not think of using a 35-year-old heart monitor on a patient; nor would we think it is sound policy to deny a patient access to a CAT scan simply because the technology wasn't around in 1965. Yet today many seniors are forced to go without needed medication because Medicare offers no coverage for outpatient prescription drugs.

To illustrate this point, I want to share with colleagues a letter I received 2 weeks ago from a constituent in Williamsburg, VA, a veteran who served our country in Vietnam. He writes:

I have gone for almost two months without my blood pressure medicine . . . because I can't afford the $150 a month to get it refilled . . . . I constantly feel feverish and have a splitting headache. I'm afraid I'm going to have a stroke.

Another woman from St. Stephens Church, VA, writes:

My husband and I are both retirees and rely on Social Security and Medicare. Recently we both had to go to our family doctor and the drugs that were prescribed for us would cost us out of pocket approximately $300 per month. Due to the cost of the two prescriptions, we are forced to choose not to take the medication and live with the illness.

It is time we did something to change this. While over 90 percent of the private sector employees with employer-based health insurance have prescription drug coverage, the 38 million-plus Medicare beneficiaries in America today have no basic prescription drug benefit. At the same time, the average Medicare beneficiary fills 18 prescriptions each year and will have an estimated average annual drug cost of nearly $1,100 this year.

We have an obligation to our seniors, and future generations of seniors, to strengthen and modernize Medicare by adding a prescription drug benefit. Unfortunately, the Republican budget resolution does not require that Congress spend a dime on this vital benefit. However, their resolution does require that we pass $150 billion in tax cuts. This is an issue where we need to reassess our priorities.

Let me state for the record that I am not opposed to all tax cuts. This past Congress, I have introduced or supported several targeted tax cut proposals, including bills to repeal the estate tax, eliminate the true marriage penalty, repeal the 3-percent telecommunications excise tax, and extend

the R&D tax credit, among others. What I am opposed to, however, is using our surplus for tax cuts before we have also addressed our other critical obligations—because a surplus, by definition, is what you have left over once you have met all your obligations.

The question is, Do Senators want tax cuts, or do they want to help our Nation's seniors? Our friends on the other side say they would like to do both, but the language in the budget resolution suggests differently.

Reading their resolution, they require the Finance Committee to report out a giant tax cut bill by September 22. Yet when it comes to adding a prescription drug benefit for seniors, there is no such requirement—although the resolution has a reserve fund that would allow the Senate to consider a drug bill on the floor if the Senate Finance Committee has not reported a bill by September 1.

This resolution makes the Republicans' priorities very clear: The Senate must pass tax cuts, and as for prescription drugs, well, we hope we can find some time to take it up later in the year. Maybe we can take it up if we have any money left after the tax cuts.

My friends on the other side of the aisle have suggested this is not the case. They have said they want to pass a prescription drug benefit this year. They have claimed there is ample money in their budget resolution to add a drug benefit to Medicare and enact their massive tax cut.

But a close examination of their budget resolution reveals that it would be impossible for them to do anything but enact a massive tax cut this year. The Republican budget resolution assumes $150 billion in tax cuts over the next 5 years. Combined with the interest America will pay from this revenue loss, the total budgetary impact will be $168 billion. Given that their budget resolution only assumes $171 billion in total surplus over this same time period, all but 2 percent of the on-budget surplus will be devoted to tax reduction. This leaves virtually nothing for prescription drug coverage, much less other priorities, such as defense or education, unless Congress makes deep cuts in other domestic discretionary programs.

As we have seen in past years, these cuts are simply unrealistic; they will never materialize, and they pose a real threat of a raid on Social Security.

How do they propose to help our seniors access prescription drugs when they have devoted 98 percent of the surplus over the next 5 years to tax cuts?

We ought not to be enacting major tax cuts until we have first fulfilled our obligation to our seniors to add a prescription drug benefit to Medicare. Let's get our priorities in order and put seniors before tax cuts.

I urge all Senators to support this amendment.

Mr. GRAHAM. Mr. President, I thank Senator ROBB, for introducing this important amendment.

Today, we have before us the opportunity to achieve our collective goal of reforming the Medicare program. To do so, we must both realize and accept the fact that the face of health care has changed since the inception of Medicare in 1965.

In 1965, America's health system focused upon the inpatient setting, reacting to both acute and chronic conditions. In turn, Medicare followed this model.

Today, our health care system benefits from the advantage of new technologies, preventive measures and prescription drug therapies. Unfortunately, Medicare does not share these advantages, due to our inability to put reform first.

Mr. President, my colleagues have spoken eloquently about the need to include a prescription drug benefit in the Medicare package—certainly before we turn to tax cuts. This benefit would be an essential part of updating Medicare to adequately service the health care needs of today's seniors.

Currently, private health care plans cover medication because it is a vital component of modern health care. Prescription drugs are viewed as integral in the treatment and prevention of diseases.

Accordingly, we must find an approach to a Medicare prescription drug benefit that will best provide the most meaningful coverage for the most beneficiaries. And, I would argue that we take one step further and recognize that the development of a prescription drug benefit for Medicare beneficiaries is directly related to the need for preventive care.

As one of the primary guardians of the Medicare program, the Senate has the sobering responsibility to design a program that focuses on health promotion and disease prevention for all Medicare beneficiaries. This approach will slow the growth in costs to the program in the future, and, more importantly, will improve the quality of life for older Americans.

It has been proven time and time again, that a combination of preventive services and appropriate medication can reduce the incidence of stroke, diabetes, and heart disease among other serious and costly illnesses.

Detailed programmatic changes—changes based upon the realization that prescription drugs and preventive services go hand in hand—are necessary to convert the current Medicare system into one that will best serve our seniors.

Mr. President, I am not convinced that the tax cut that is incorporated into this budget resolution will achieve our goal of muchly needed reform.

Our seniors have been pleading with this Congress to create a drug benefit. And, maybe it is because I hail from a state where nearly one-fifth of the population is over age 65 . . . but I have not heard such impassioned pleas for tax cuts.

We are very fortunate to be living in an age of prosperity. But, I cannot sit idle while this Congress squanders our good fortune on the folly of tax cuts.

Instead, I implore you to take advantage of these good economic times and use the dollars that are available to us today to implement change that will benefit us tomorrow.

The PRESIDING OFFICER. The Senator from Massachusetts is recognized.

Mr. REID. Mr. President, will the Chair inform us about how much time is left on the second-degree amendment on our side?

The PRESIDING OFFICER. Eighteen minutes 25 seconds.

Mr. REID. Under the time of the minority on the bill, we yield an additional 12 minutes to the Senator, for a total of 30 minutes.

The PRESIDING OFFICER. The Senator from Massachusetts is recognized.

Mr. KENNEDY. I thank the Chair. I don't believe I will need all of that time. But I appreciate leadership yielding the time.

Mr. President, first of all, I thank the Senator from Virginia, Mr. ROBB, for offering this amendment. I welcome the chance to join with him and my colleague and friend, Senator WYDEN of the State of Oregon. I commend him for the way this amendment has been fashioned and for the excellent presentation and compelling case he made in favor of this amendment.

When you get right down to it, as he said so well, this is really a question about priorities. As the Senator from Virginia pointed out, if we reject this amendment, we are putting tax breaks before our senior citizens. If the Senate accepts this amendment, it is putting our senior citizens, their health and their well-being, ahead of tax breaks for the wealthy.

As we start this debate on the budget, we have an issue that makes a great difference to millions of senior citizens and their families—because so often elderly people need assistance from their family members in order to purchase their necessary prescription drugs. This is a significant drain on both the senior citizen and their family's income.

I again commend the Senator from Oregon, Mr. WYDEN, for the superb presentation he made in the Budget Committee, and for his outreach to Members on the other side of the aisle. I admire their strong willingness to support the Wyden proposal because I think it will make a difference in the lives of many of our seniors.

As I mentioned, a budget is a statement of our national priorities. There is no more important priority than Medicare coverage of prescription drugs. Our amendment puts the Senate on record that quality health care for senior citizens is more important than new tax breaks for the wealthy.

The need for action on prescription drugs is as clear as it is urgent. Too many elderly Americans today must choose between food on the table and the medicines they need to treat their illnesses. Too many senior citizens can

only take half the pills their doctor prescribes, or must forego needed prescriptions, because they cannot afford the high cost of prescription drugs. Too many senior citizens are paying twice as much as they should for the drugs they need because they are forced to pay full price when almost everyone with private insurance coverage has the benefit of negotiated discounts. Too many senior citizens end up hospitalized, at an immense cost to Medicare, because they cannot afford the drugs they need or can't afford to take them correctly.

As numerous discoveries in recent years have made clear, pharmaceutical products increasingly offer cures for many dreaded diseases. Far too many senior citizens are being left out and left behind because Congress has failed to act.

I strongly believe this century is going to be the life-sciences century. We know about the extraordinary possibilities for breakthrough prescription drugs. We know, for example, if we were to have a breakthrough drug for delaying the onset of Alzheimer's disease, half the nursing home beds in my State of Massachusetts would be empty. The impact on quality of life would be significant. At the same time, we could save the Medicare system money.

I want to take a moment of the Senate's time to review why this amendment is so important.

There is a drug crisis for senior citizens: Coverage is going down, and costs are going up.

I want to take a few moments to review for the Senate exactly what is happening across America.

We have 36 million American seniors, as this chart indicates. We are finding that 12 million of them have no coverage whatsoever; 11 million have employer-sponsored coverage. I will come back to that. Three million have Medicare HMOs. Four million have Medigap coverage. Four million have Medicaid coverage. This is the only group, the poorest of the poor, in America that have reliable prescription drug coverage. Three million have coverage as veterans or through other programs.

This is what is happening in America today. We know a third of all seniors have no coverage whatsoever. Let's take a look at seniors with employer-sponsored; they represent about one-third of all seniors.

Look at this chart. From 1994 to 1997, we see a precipitous drop in employer-sponsored coverage. We see a drop of 25 percent over the 3 years from 1994 to 1997.

If 1997 and 1998, coverage is dropping like a stone. A third of all the elderly people have no coverage; another third have employer-sponsored coverage, but that number is dropping rapidly.

What is happening in Medicare HMOs? This is what is happening to Medicare HMO drug coverage: It's inadequate and unreliable. First of all, the drug benefit is only offered at the option of the HMO. More than 325,000 Medicare beneficiaries lost their HMO coverage this year—325,000 have been dropped.

The Medicare HMOs are also reducing the level of drug coverage. Seventy-five percent of all the Medicare HMOs will limit prescription drug coverage to less than $1,000 this year, an increase of 100 percent since 1998. In 1997, 37 percent of Medicare HMOs had caps of less than $1,000; in 1998, this number increased to 75 percent. Thirty-two percent of Medicare HMOs have now imposed caps of less than $500 for prescription drugs.

Twelve million seniors with no coverage, 11 million and dropping with employer-sponsored coverage, and 3 million with coverage through Medicare HMOs, and we find that the HMOs are setting caps of $500 or less. This suggests very poor, unreliable prescription drug coverage for our senior citizens.

Four million seniors have prescription drug coverage through Medigap. Look at what is happening to the cost of Medigap plans with drug coverage—$2,600 for someone who is 75 years old; $2,600 a year in Delaware; New York, almost $2,000; Iowa, almost $2,000; Maine, almost $2,500; and almost to $2,500 in Mississippi—and many seniors are not even eligible for Medigap drug coverage. You can only purchase the Medigap plans that include prescription drug coverage at the time you first become eligible for Medicare. These plans are incredibly expensive. The cost of Medigap which includes prescription drugs is unaffordable and unavailable for most senior citizens.

Again, the level of Medicare HMO drug coverage is dropping drastically. We see the collapse of coverage for seniors with employer-sponsored plans, for seniors in Medicare HMOs, and for seniors with Medigap. This effectively leaves persons with Medicaid as the only seniors with reliable drug.

At the same time coverage is collapsing, drug costs are growing at double-digit rates: a 9.7 percent increase in 1995; 10 percent in 1996; 14 percent in 1997; 15 percent in 1998; 16 percent in 1999.

What about the rates of inflation? Inflation was 2.5 percent in 1995; 3.3 percent in 1996; 1.7 percent in 1997; 1.6 percent in 1998, and 2.7 percent in 1999. In other words, drug costs are going up significantly faster than the rate of inflation. Coverage is collapsing, and costs are going through the roof. We are not meeting the needs of our elderly people.

That is why we on this side of the aisle believe, unlike the other side of the aisle, we should have agreement on the principles for a quality Medicare prescription drug benefit. There should be coverage for all seniors, coverage must be basic and catastrophic, and it should be affordable both to the Federal Government and to the individual. These principles were not recognized by the Budget Committee.

These two charts demonstrate what the budget resolution has done for taxes and what it has done for prescription drugs. Section 104: ''Not later than September 22, 2000, the Senate Committee on Finance shall report to the Senate a reconciliation bill proposing changes''—that would be tax cuts for the next 5 years.

Note the words, ''shall report.''

Regarding the reserve fund for prescription drugs: ''The Senate spending aggregate and other appropriate budgetary levels and limits may be adjusted and allocations may be revised for the legislation reported by the committee on . . . to provide a prescription drug benefit for fiscal year 2001, 2000, and 2003.''

See the difference? That is why we are offering this amendment. We are treating tax breaks the same as prescription drugs—the other side of the aisle is not. That is why the Robb amendment is before the Senate. There is one criteria for tax breaks for wealthy individuals and another criteria for our elderly Americans. That is the issue we are addressing.

The tax measure is a permanent measure. Can we say that about the prescription drug measure? No, no, no, it only goes on for 3 years. After 3 years, it only continues ''if legislation is reported by the Senate Committee on Finance that extends the solvency of the Medicare Hospital Insurance Trust Fund without the use of transfers of new subsidies from the general fund.''

It says, ''that extends the solvency of the Medicare Hospital Insurance Trust Fund without the use of transfers . . .''

Why is the Budget Committee saying we cannot use any of the surplus? That is what this provision says. You are not able to use any surplus to extend the solvency of the Medicare trust fund. This says ''that extends the solvency'' ''without the use of transfers of new subsidies''—that is the surplus ''from the general fund.''

They are saying after the first 3 years you cannot have funds for the fourth or the fifth year unless you have a complete revamping of Medicare. And you cannot use any surplus money to extend solvency.

How does that translate? To the senior citizens it means there will be a cut in Medicare benefits. If you are going to have prescription drug coverage, you will have to cut your Medicare benefits or raise the payroll tax. Those are the options the Budget Committee is leaving for prescription drug coverage.

They don't set that criteria for the tax breaks. They say you ''shall.'' It is permanent. It will go on ad infinitum. But not for prescription drugs. We may provide coverage for 3 years, but we will not extend coverage beyond that unless there is a complete revamping of the Medicare system. And we can't use any surplus funds—as President Clinton and AL GORE suggest, and as every Member on this side believes can and should be used.

They are saying no, no, you cannot use any of the surplus for Medicare solvency. And you will only be able to get

a prescription drug benefit if you either cut Medicare benefits or increase the payroll tax.

What does this mean for senior citizens? This means they have a very poor deal on prescription drug coverage. It is a better deal than we had last year and we are encouraged that we have made some progress. But this does not give the assurances that our elderly people need that they are going to have affordable, reliable prescription drug coverage.

No matter how many times they say it, the language is very clear. The Robb amendment is very clear. It says we want a prescription drug benefit that is worthy of its name, that covers all seniors, that is affordable to both beneficiaries and the Government, and we will do that before we cut taxes.

This $20 billion for years 4 and 5 will not be adequate because we are seeing a phasing in of the coverage over a period of time. The money for the fourth and fifth years is completely inadequate. The cost of the President's plan is up to $31 billion, 50 percent higher, and that was without catastrophic coverage. The cost of the President's program is about $200 billion over 10 years. That is a sizable amount, but it is a good program. It will make a major difference in the lives of our seniors. It will relieve many of our elderly citizens from the anxiety they currently face.

This amendment is of enormous importance and consequence. I cannot express my appreciation enough to the Senator from Virginia. Everyone in the State of Virginia, every elderly citizen and their family, will be affected by this effort that the Senator has put forward. It will affect the seniors not only in his State but in my State of Massachusetts and all across this country.

This is the first opportunity we have had—since the President of the United States identified prescription drugs in his State of the Union a year and a half ago—to have this debate and to have a rollcall on a measure that can make such a difference in so many lives. The Senator from Virginia is offering this opportunity. Tomorrow at 11 o'clock this Senate will have the chance to say whether it wants to put the interests of our elderly people first, or if we want tax breaks for wealthy people to come before them.

It is very clear from the presentation that has been made by the Senator from Virginia and the Senator from Oregon where they stand. I am proud to stand with them. I hope the Senate will stand with them tomorrow also.

I yield back my remaining time.

The PRESIDING OFFICER. The Senator has consumed his time on the amendment. The Chair recognizes the Democratic whip.

Mr. REID. Mr. President, what the manager and I would like to do is enter into a unanimous consent agreement so we know what is left for this evening. It is my understanding the Senator from Massachusetts has completed his statement for today.

Mr. KENNEDY. Yes. Thank you.

Mr. REID. What we would like to do is recognize, next, Senator GORTON, to speak for up to 12 minutes; Senator FEINGOLD, to speak for up to 7 minutes; Senator ASHCROFT, up to 10 minutes; and Senator BRYAN for 10 minutes. After that, we would be out until the morning—at 9:30?

Mr. DOMENICI. Let's leave that up to the leader.

Mr. REID. I thought that was what it provided. All it says is back in at 9:30.

Mr. DOMENICI. Does it provide for a closing, or is it up to the leader to provide for a closing?

The PRESIDING OFFICER. That would be up to the leadership.

Mr. REID. Fine. We will end at that, when Senator BRYAN completes his statement. Whatever the leadership wants to do, we can do.

Mr. DOMENICI. I thank all the Senators for not taking any more time. There is more time tomorrow. There are events planned by the leadership for tonight. Senators, if they wanted to listen to us, could go on to their events and still have heard what we have to say. I wish to make one observation and then I will agree to the rest. It will just take me 1 minute.

I, first, want to remind the Senate and anybody listening, in the Senate Budget Committee, regarding the reserve fund of $40 billion for Medicare and prescription drugs, the cosponsor of that was a Democrat Senator named WYDEN who was praised in our committee by Senators LAUTENBERG and CONRAD as doing the right thing for Medicare. I think we have done the right thing.

Our budget says: Do prescription drugs first. That was because of the language offered by the distinguished occupant of the Chair, which said by September 1 we would have to have a package on the floor or we could offer it on the floor. And, incidentally, it then says taxes would be considered on the 22nd day of September, almost a month later. So our approach was Medicare first, tax cuts almost a month later—about 17 days later. I think that is the way it ought to be.

The Robb amendment is nongermane and is unnecessary, but we will make that case tomorrow before we vote. I am going to leave the floor. I thank everyone again for the discussion. I thank Senator ROBB for the way he has handled the amendment.

I yield the floor.

The PRESIDING OFFICER. Is there objection to the motion?

Mr. DOMENICI. I reserve the right to object.

Mr. ROBB. Reserving the right to object, and I will not object, I would like to respond to my distinguished friend from New Mexico and say, if that is the intention of the Senator from New Mexico and others on the other side of the aisle, this amendment should not be a threat. I hope, in that case, the majority party, and all of those who are members of the majority party, would support this amendment.

I thank my distinguished colleague from Massachusetts for laying out the case in eloquent detail with some very informative charts and for making what I think is a very persuasive case. But if it is the intention of the majority to follow through with the plan they have outlined, then this amendment should pose no threat to them whatsoever. I hope, then, we would have this amendment approved by unanimous consent.

With that, I do not object.

Mr. KENNEDY. Will the Senator yield for a question?

Mr. DOMENICI. I had objected to the time scenario until I clarified something.

Mr. KENNEDY. Can I clarify something with the Senator? Is there any guarantee in the budget instructions that we will have prescription drug legislation on the floor by September 21?

Mr. DOMENICI. No. It says the 60-vote point of order against any such legislation will disappear on the date I just described, which was the date suggested by the occupant of the chair. So if the Senator wants to offer a bill on the floor after that date, that budget resolution, it will not be subject to a point of order under the Budget Act. It will be permissible, with prescription drug and/or reform.

Mr. KENNEDY. I thank the Chair.

Mr. DOMENICI. Mr. President, I objected to the scenario because I did not understand.

The PRESIDING OFFICER. Objection is heard.

Mr. DOMENICI. Let me ask a question. I don't want to have to object. When the Senate recesses tonight, there should be 90 minutes, as I understand it, equally divided in the morning.

Mr. REID. I am sorry. Will the Senator repeat that?

Mr. DOMENICI. When the Senate recesses, there should be 90 minutes left for tomorrow morning. That would be to debate on the Hutchison and the Robb amendments. If not, the Senate intends to remain in session until the time is used or yielded back.

Mr. REID. It is my understanding, after we complete the statements tonight, hoping to finish around 6 o'clock, that tomorrow morning we will come in and each side will have 45 minutes to debate either the Hutchison amendment or the Robb amendment.

Mr. DOMENICI. I have no objection.

The PRESIDING OFFICER. Without objection, the unanimous consent request is agreed to.

The Senator from Washington is recognized.

Mr. GORTON. Mr. President, yesterday, a bus load of seniors traveled from Seattle to Canada to buy prescription drugs. Just a short drive from where these seniors live, they can buy the medicine they need to stay healthy for much lower prices than they would pay at their neighborhood pharmacy.

Why? Because our own U.S. manufacturers sell exactly the same product to Canadian pharmacies for much less than the price they charge drug stores in the United States. Americans end up going to Canada and Mexico in order to afford to buy products that were discovered, developed and manufactured in America. Shocking? Yes. But every day U.S. based drug companies sell identical FDA approved, U.S. manufactured products in Canada and Mexico at discount prices unavailable to American purchasers in the United States.

Here are a few examples:

The Pecks from Tacoma, Washington recently saved $600 by going to Canada to buy a three month supply of blood pressure, stomach and sinus medications. Tomaxifen to treat cancer costs $15 for a one month supply in Canada and $95 a month in Vermont. Prozac to treat depression, is just .95 cents a pill in Mexico and costs $2.21 in the United States.

These price differences are by no means unusual. I was astounded to learn that for the top ten most commonly prescribed drugs, average prices are 64 percent lower in Canada than in Washington state.

I ask unanimous consent a copy of a survey of price differences be printed in the RECORD.

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

GORTON TOP TEN PRESCRIPTION DRUG PRICE DIFFERENCES BETWEEN WASHINGTON AND CANADA [1]

	Premerin (.3 mg)	Synthroid (.05 mg)	Lipitor (10 mg)	Prilosec	Norvasc	Prozac (10 mg)	Clairitin (10 mg)	Zithromax z-pak, 6 tablets	Zoloft	Glucophage (1000 mg)
Spokane	$25.69	$15.02	$68.12	$111.25	$51.69	$81.62	$79.69	$47.42	$83.69	$26.72
Bellingham	26.69	16.69	75.69	150.69	78.69	91.98	80.69	89.69	87.69	60.69
Vancouver, WA	25.69	16.69	75.69	132.88	51.69	90.69	79.69	52.69	83.69	60.69
Tacoma	25.69	50.98	75.69	119.68	46.52	90.69	79.69	52.69	75.32	60.69
Vancouver, B.C	11.63	9.54	61.48	N/A	48.69	63.52	N/A	39.48	35.70	[2] 15.88
Vancouver, B.C	9.00	11.11	67.64	[3] 73.00	49.00	65.74	[4] 13.99	44.31	46.56	17.00
Calgary, Alberta	10.57	12.50	61.95	[3] 75.00	49.00	45.20	33.98	40.70	35.00	[2] 18.20
Victoria, B.C.	11.00	10.00	65.00	[3] 81.00	54.00	50.00	N/A	N/A	30.00	17.00
Washington State	25.94	24.84	73.79	128.63	57.15	88.75	79.94	60.62	82.60	52.19
Canada (in U.S. $)	10.55	10.78	64.02	73.50	48.96	16.12	33.98	41.50	39.08	17.02
	(7.17)	(7.33)	(43.55)	(49.98)	(33.29)	(10.97)	(23.11)	(28.23)	(26.50)	(11.58)
Savings from U.S. price	72%	70%	41%	61%	42%	88%	71%	53%	68%	78%

TOTAL AVERAGE SAVINGS=64%

[1] Based on 30-pill orders and the lowest mg. available in each drug. Prices are based from Rite Aid Pharmacies in WA state, Alberto Pharmacies in Vancouver, B.C., and ABC Pharmacy in Calgary, Alberta #403.228.7065. Prices based on Senior Discount's in the WA pharmacies. Top ten most commonly prescribed drugs in 1999 from Medical Economics Company Inc.

[2] 500 mg.

[3] "Losec".

[4] For a 12-pack.

Mr. GORTON. Let me repeat—64 percent lower. That is outrageous.

A major reason for this disparity is that foreign governments have implemented price control policies that tempt—successfully I may say—U.S. drug companies to discriminate against American consumers. Other countries offer to pay the nominal costs of manufacturing a drug, some profit and little else. Our drug companies agree because they can still make a profit, leaving our citizens to pay the high costs associated with research and development of new drugs. And where has the Clinton/Gore Administration been? In my opinion it has done a wholly inadequate job of protecting Americans from this form of price discrimination—it simply ignores the problem.

I believe it is time to change the law so that Americans are no longer discriminated against with respect to the cost of prescription drugs. The best way I know to do that is to prevent drug companies from selling any product in Canada or Mexico at a lower price than they sell it for in the United States.

These are the principles found in the Robinson-Patman Act, a law Congress passed more than 60 years ago to address price discrimination in the United States. That act simply tells manufacturers that they can't act to undermine one business by selling the same product to a competitor at discounted rates, unless the price difference is due to legitimate quantity discounts.

What will this proposal mean? Once drug companies have the incentive to charge non-discriminatory prices overseas and other countries pay a fare share of drug research and development costs—people in Washington state and across the country will pay lower prices for prescription drugs.

Let me speak briefly about what I am not trying to do. I am not telling drug companies what price they have to charge for their product. I am simply saying that manufacturers can no longer discriminate against American consumers by charging Canadian and Mexican pharmacies lower prices than they charge Americans for precisely the same product.

It is not my intent to harm the research going on in the U.S. Drug companies should be able to recoup the research and development costs for both unsuccessful and successful new drugs. But my constituents in Washington and other Americans should not be forced to pay all of those costs for the rest of the world.

I have talked to seniors, doctors and others in our health care system about these pricing problems, but I wanted to hear from the industry as well. So last week, I asked the President of PhRMA and representatives from most of the big drug companies why Americans pay more than people in Canada or Mexico for the same exact drug. They told me that they shared my concern that American consumers pay most of the research and development costs associated with making new medicines. I was pleased to hear that we were on common ground in that area.

Unfortunately, I was left with the impression that the pricing issue is not a top concern to the drug companies. Instead of engaging me in a real discussion about the pricing issue and the vast difference between the cost of drugs in Canada and the cost of drugs here, I learned about the companies' commitment to having drug coverage extended to Medicare beneficiaries. They have a point on that issue, and I am working with my colleagues on such an extension.

But still this so-called solution is just one piece of the puzzle. Expanding Medicare coverage will help some people, but it doesn't help everyone, and it seems more like an effort by the drug companies to increase their markets at high prices, as opposed to dealing head on with policies that encourage them to charge Americans more for prescription drugs than they charge people in Canada and around the world.

While I did not hear much about this issue in my meeting, or in the days following our meeting, I still want to hear from the drug companies on this question. It is a vital one that needs to be addressed, and since they are the experts on this matter, I hope that they will come to me in the next few days with alternative ideas for correcting this injustice. It may well be that there is a better idea than my own. If so, I am anxious to hear it from the drug companies or from anyone else. One company incidentally has already made a constructive suggestion.

Fortunately, I have also heard from several of my colleagues on this idea, and the news is good for American families frustrated by this inequity. Several Republican Senators have committed to supporting my idea and the majority leader has expressed interest. I suggest that this is serious incentive for the drug companies to develop some ideas. Otherwise, I am prepared to introduce my proposal promptly.

Let me be clear that I recognize the importance of biopharmaceutical research. Some of the cutting-edge research going on today may one day open up new avenues of science that will help crack the code of complex human illness and aid in finding treatments and cures for those in need of improved medicine. The United States is the global leader in biotechnology. As we work on proposals to help the American consumer afford prescription drugs, I will be mindful of the fact that we don't want to undermine this important industry.

That said, the current system hurts a lot of people, and leaves a lot of Americans feeling ripped off. The list of those who are discriminated against because of these unfair pricing policies includes the 40 million Americans who are uninsured and those seniors without drug benefits who pay higher prices at the drugstore cash register than just about anyone else in the world. It affects the cost of health care insurance and also is a growing problem for our doctors, hospitals, and nursing homes as more of the total of health care spending is allocated to drug costs.

The other group that gets hurt is the drug companies themselves. Because of these backward pricing policies, the drug companies have become the new ''health care villains.'' In my State, I hear constantly from constituents who rail against the drug companies for charging them hundreds of dollars more than what they would pay in Canada. For years, the drug companies were respected for their innovative products, the risk they were willing to take to improve our health, and the medical advances they created. Those good feelings have been earned, and while they have not been destroyed, that reputation is at risk by the companies' unwillingness to step forward on the pricing issue.

And specifically, their reputation is at risk when they do not speak out loudly against policies that cause harm to their very best customers—American families.

I hope they will speak out. But Congress can no longer allow other countries to get away with policies that force drug companies to discriminate against American consumers by charging dramatically lower prices in Canada and Mexico and thus higher prices here at home. Other countries must pay a fair share of the research and development costs for new drugs. Seniors, the uninsured, and every other American should be able to walk into their neighborhood drug stores and buy the medicines they need at affordable prices.

The PRESIDING OFFICER. The Senator from Wisconsin.

Mr. FEINGOLD. Mr. President, I ask unanimous consent that the time come off the time for general debate of the resolution rather than the pending amendment.

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

Mr. FEINGOLD. Mr. President, America's economy is strong. The Nation is enjoying the longest economic expansion in its history, at 107 consecutive months and counting. Last Friday's papers reported that the fourth quarter of 1999 grew at a blistering 7.3 percent, the fastest quarterly rate since 1984. We have the lowest unemployment rate in three decades, and home ownership is at its highest rate—at 67 percent—on record.

As the old saying goes, ''[V]ictory finds a hundred fathers but defeat is an orphan.'' There is an economic corollary: The advocates of hundreds of policies claim to have fathered economic growth, but none admit to have spawned recession.

While certainly several causes contributed to the current economic expansion—among them technological innovation, free markets, and harder- and longer-working workers—there can be no denying that a key contributor to our booming economy has been the Government's fiscal responsibility since 1993.

In 1992, the Government ran a unified budget deficit of $290 billion and a non-Social Security deficit of $340 billion. When President Clinton took office in 1993, the Congressional Budget Office greeted him with a projection that the unified budget deficit would climb to $513 billion in 2001. Instead, CBO now projects that in fiscal year 2001, the Government will run a unified budget surplus of $181 billion and a non-Social Security surplus of $15 billion.

Our responsible fiscal policy means that the Government has borrowed less from the public than it otherwise would have, and indeed has paid down debt held by the public. No longer does the Government crowd out private borrowers from the credit market. No longer does the Government bid up the price of borrowing—interest rates—to finance its huge debt. Our fiscal policy has thus allowed interest rates to remain lower than they otherwise would be, and millions of Americans have realized savings on their mortgages, car loans, and student loans. In this favorable credit market, businesses large and small have found it easier to invest and spur yet more new growth.

But just as victory engenders multiple claims of fatherhood, a surplus seems to breed ready ways to spend it away, and the greatest single threat to that surplus, to responsible fiscal policy, and to the strong economy to which it has contributed is represented by the budget resolution before us today. This budget would spend away all of the non-Social Security surplus in one fell swoop on a massive tax cut plan reminiscent of the early 1980s. The budget would launch this irresponsible tax enterprise before having taken any steps to save Social Security or to reform Medicare or to lock away on-budget surpluses to pay down the debt.

This budget does more than merely portray those tax cuts. This budget resolution would create a fast-track reconciliation vehicle to move that massive tax cut bill through the Congress. As my colleagues know, reconciliation comes with a 20-hour limit on debate, so that no one can debate it at length. Reconciliation bills can pass with a simple majority, so the majority does not have to reach consensus or compromise with others, as the rules of the Senate otherwise require. The reconciliation process prevents bringing up any tax cut that the majority of the Finance Committee does not bring up for us. In terms of real world consequences, the only value of this budget resolution is as a tax cut delivery device.

Sadly, as well, this budget continues the gimmickry of the last few years in connection with the annual appropriations process. We all have seen this pattern before. The budget resolution begins with an unrealistic appropriations level to pave the way for fiscally irresponsible tax cuts. The appropriators try to live within it by using one gimmick after another, and then, at the end of the year, the President and Congress negotiate a final spending package far above the levels originally provided for in the budget resolution.

I am sorry to say, we are well down that road again this year. This budget resolution advertises appropriations levels—at $596 billion—halfway between a freeze and what is needed to fund current services. But the resolution actually gives the Appropriations Committees a much lower level than either of these with which to work. Read the fine print in section 209 of this resolution, in the numbers in function 920, and on page 2 of the committee report. As our ranking member on the Budget Committee, the distinguished Senator from New Jersey has already pointed out, there we find that this resolution actually gives the Appropriations Committee $541 billion, the cap levels for fiscal year 2001. That is $45 billion less than a freeze. What is this?

This is a recipe for gridlock, just like last year, and the year before. This budget resolution simply invites a giant, omnibus appropriations measure at the end of the year, instead of working our way carefully through the 13 regular appropriations measures. This budget resolution invites even more budget gimmickry than last year, in order for the appropriators to live within these unrealistic levels. And it does so simply to advance a tax cut that is too big and would stick our kids with the bill.

I would suggest, this is no way to govern. Rather than playing another year of budget chicken, Congress should work with the President to reach a consensus on fiscal policy. Rather than force a giant train wreck at the end of the year, Congress should work on a responsible budget at the beginning—right now.

Mr. President, regrettably, this budget resolution is yet another missed opportunity. I urge my colleagues to oppose it.

I yield the floor.

The PRESIDING OFFICER. The Senator from Missouri.

AMENDMENT NO. 2914

Mr. ASHCROFT. Mr. President, I believe that at this time it is appropriate for me to make remarks about the marriage penalty reduction. I am pleased to have this opportunity. I thank my colleagues for making it possible to have this time scheduled.

Before I begin my remarks, I ask unanimous consent to add Senator SESSIONS as a cosponsor of the amendment.

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

Mr. ASHCROFT. Mr. President, the budget resolution before us is a responsible framework for spending. I believe sincerely that Senator DOMENICI has done a superb job in creating this budget. He deserves our praise. His budget will fully protect Social Security over 5 years while balancing the important goals of debt reduction, tax relief, and prudent spending levels.

One of the important goals allowed by this budget resolution is the reduction of the marriage penalty. I rise in favor of the Hutchison-Ashcroft-Brownback amendment calling for marriage penalty relief.

I am happy to report that the relief called for in this amendment should be arriving very shortly. Just today, the Finance Committee filed a plan to increase the marriage penalty relief passed by the House. Some people have referred to this as a tax cut for married individuals. Frankly, I like the way Senator HUTCHISON labels this particular measure. She calls it a tax correction.

This is an effort which is designed to take some of the penalty out of being married. The Finance Committee plan, which the budget resolution anticipates, makes the income brackets for couples in the 15-percent and 28-percent tax brackets double that of single filers. It increases the standard deduction and alleviates marriage penalties in the EITC, the earned-income tax credit, and the AMT, the alternative minimum tax. This plan, passed by the committee, improves upon the initial finance bill which, in turn, improves upon the bill passed by the House.

As a result of these improvements, more people will receive more needed relief from the marriage tax penalty. We need this relief because our Tax Code discriminates against the fundamental societal value of marriage.

I would like to pause for a moment to say how important it is for us to have, as policy in this country, an approach to institutions that are crucial to our success and survival which is nondiscriminatory and not hostile. I cannot think of any institution that means more to the future of the United States of America than the institution of the family. There is very little that could possibly mean more to a family than the potential of having marriages.

When we find ourselves in a setting where the Tax Code of the United States penalizes persons for tying the knot, for becoming committed in the durable, lasting relationship of marriage, we find ourselves in a very sorry state.

We need to provide relief. We need to correct this terrible mistake in our Tax Code which discriminates against the fundamental societal value of marriage. The Tax Code simply must stop penalizing Americans just because they make the right decision and they choose to get married.

Incidentally, this isn't only a penalty on young people. Frequently, this penalty hits older Americans as well. In my home State of Missouri, there are 573,000 couples affected by the marriage penalty in the Tax Code.

This bill is a raise in pay for the 25 million hard-working families nationwide who have been paying a penalty because they have been married. It is time for us to signal to that population that no longer will we take it out on you. Because you have had the honor and the integrity and the foresight and the commitment to each other, and the good will to foster a family, no longer will we penalize you taxwise. In my own State, it will put more money in the household budgets of those half million or so married couples.

We hope to pass this needed tax relief by tax day when millions of Americans feel the tax burden most acutely.

I predict that the President, when he gets this bill, will not veto it. I predict that he will, instead, recognize the need to help keep hard-working moms and dads in a position to provide for their children and not to discriminate against them merely because they are married.

When the time comes, I believe the President will choose to liberate American families from paying an outrageous $29 billion per year fine for being married, for having that durable lasting commitment in our culture.

I look forward to a future in America where men in this country will no longer have to visit an accountant before they ask the woman's father for the daughter's hand in marriage.

I think it is time for us to say we do not want the Government standing between individuals who might otherwise be married and charging a toll that does not just last like the few days of a marriage license but becomes a recurrent toll that, on average, in this country constitutes about $100 a month for married couples who suffer this penalty.

I rise to support this amendment. It is an amendment that should harmonize the Tax Code of the United States with the culture of this country and with the values of this country.

It is outrageous, to say the least, that when couples want to get married they have to pay the equivalent of a tax fine or a tax penalty in order to get married.

We need to have families with durable, lasting relationships. Families are the best department of social services, they are the best department of education, they are the best department of health and assistance that we could ever expect in a culture. They are the core of what our civilization is all about. For us to charge extra to individuals who form these families is simply wrong.

This is a measure which brings common sense to the Tax Code, as strange as that may be. We need more common sense in the Tax Code. We need less of the pernicious discrimination against wholesome, healthy institutions such as marriage.

It is with that in mind that we should work to mitigate the damage imposed on America by the marriage penalty in the tax law. As a result, we have offered this amendment and look forward to its adoption by the Senate, and eventually to its signing by the President of the United States, liberating individuals who deserve to have the resources they earned to support their families left in their hands and not confiscated as a result merely of their marriage by the Federal Government to spend in its programs.

That will be a happy day not only for the married people who will be released from this kind of penalty, but it will be a happy day for this culture because it will signal that, indeed, we favor an institution that means so much to us: long, durable, lasting relationships, through the commitment of marriage, which provides the basis for our best families. It is with that in mind we have sponsored this amendment. I look forward to its adoption.

I yield the floor.

The PRESIDING OFFICER. The Democratic whip.

Mr. REID. The Senator from Nevada is not here, so the Senator from Oregon, Mr. WYDEN, will speak, as if he were next. His time and that of Senator BRYAN will be taken off the Hutchison amendment.

I also ask unanimous consent that following Senator WYDEN and Senator BRYAN, Senator BROWNBACK be recognized for 15 minutes.

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

The Senator from Oregon is recognized.

AMENDMENT NO. 2915

Mr. WYDEN. Mr. President, the Robb amendment on prescription medicine tells senior citizens and families across this country that the Senate is listening to them.

This amendment tells those seniors and all of those families—and I have been contacted by more than 4,000—that getting prescription drug coverage for older people under Medicare is a priority of this Congress and a priority that has to be addressed now. Pass the Robb amendment and you don't get into a situation where, at the end of the session, somebody says, gee, there just wasn't enough time; we just weren't able to address that prescription drug issue; it's too bad, we will have to wait until the next Congress.

I think it is particularly important to pass the Robb amendment now because it builds on the important work, the important progress that was made in the Budget Committee.

I particularly commend my colleague from Oregon in the chair today, Senator SMITH, and also Senator SNOWE, for their courage. The two of them have worked with me and others for more than 15 months as a result of the concern of older people. We thought it was time to come together on a bipartisan basis and get this relief for older people now.

I have come to the floor more than 25 times in the last few months to describe the problem of seniors who are supposed to be taking three pills but they can only afford two. They are breaking their Lipitor capsules—the ones that help lower cholesterol and various blood pressure problems—in half because they can't afford their medicine.

So in the Budget Committee, as a result of the work of my colleague from Oregon, Senator SMITH, and Senator SNOWE, we have made a good bipartisan start. We locked in $40 billion to spend on prescription drugs, and we said there was a sense of urgency because the Senate Finance Committee ought to act on or before September 1, and if they didn't, it would be possible to come directly to the floor of the Senate and bring this issue up so that the American people could see who was on the side of covering prescription drugs for older people.

The older people, right now, get shellacked twice. Medicare isn't covering these important therapies. There is not a specialist in health care, Democrat or Republican, who would not offer this coverage if they were reinventing Medicare today. But in addition to not getting coverage, those older people and their families are subsidizing the big buyers. If you are in a small pharmacy in rural Oregon or rural Minnesota, or in another community across this country, in effect, if you don't have prescription drug coverage, you are out there subsidizing the big buyers, the health maintenance organizations and the health plans that do.

So the start we made in the Budget Committee by making sure there would be an adequate amount of money to put this program in place, to make sure we had a timetable to get the job done, so that Congress could not duck this issue and would have to see action by the Finance Committee or face the prospect early this fall of dealing with it on the floor of the Senate—that progress in the Budget Committee is something we would build on with the Robb amendment.

The Robb amendment makes it very clear that Congress cannot duck this issue, and budgets are about more than numbers; they are about more than charts and graphs and cold figures. The Robb amendment reflects the hopes and aspirations of our seniors and our working families—the ones my colleague and friend, Senator SMITH, and I have met at townhall meetings who came to us and told us, as so many seniors have said to me: I cannot make ends meet. My Social Security went up by only a little bit, and my prescription drug bill went up hundreds of dollars during that period of time.

The Robb amendment says that we have been listening to those older people; that we understand this issue is a priority for them, this issue is so important that Congress is not going to go home until it has been addressed. I was very proud of what was done in the Budget Committee. I think my colleague from Oregon and Senator SNOWE, because of the many discussions we had, were under a tremendous amount of pressure when that discussion came up because it was a very tense moment.

I think my colleague from Oregon said it well, and the Robb amendment reflects this also: This is time to be on the right side of history. This is time to revolutionize American health care. In effect, the revolution in American health care has bypassed the Medicare program. These medicines today help older people stay well. They help folks lower their blood pressure and cholesterol. Now we have a chance, using competitive marketplace principles, to come together and put this program in place.

Senator DASCHLE has emphasized in talking to me on almost a daily basis how he wants to bring the Senate together on this issue. The chairman of the Budget Committee was very patient in working with us as we tried to deal with this issue in committee. The Robb amendment compliments those efforts, builds on those efforts by making it clear that Congress should not leave for this session until we have put this important program in place.

For the older people of this country who average 18 prescriptions a year, 20 percent of whom spend over $1,000 a year out-of-pocket on their medicines, when they see the Robb amendment get passed by the Senate, they will say, finally, Congress is listening to us. My friend and colleague from Oregon and I have had the experience where seniors brought their bills to us at these sessions. When we pass the Robb amendment, we will make it clear to those seniors and working families that we have heard them. There is not a specialist in the health care field, Democrat or Republican, who now doesn't believe that prescription drugs ought to be part of this program. This is a chance to revolutionize American health care, to concentrate on keeping people well.

Just one brief example: If we can get anticoagulant medicines covered for older people, which is something the Robb amendment would make possible, it might cost $1,000 a year for seniors to get help with that medicine, and we could end up saving $100,000 in costs incurred by Part A of Medicare, the hospital program, when an older person suffers a stroke because they could not get their medicine on an outpatient basis.

I am going to wrap up by describing what really brought this problem home to me and my friend from Oregon, Senator SMITH. We have been to Hillsboro in our State many times. Recently, I got a letter from a physician in Hillsboro who told me he had to put a senior citizen in a hospital for 6 weeks because that older person could not afford their medicine on an outpatient basis. When the physician in Hillsboro, in our home State, put the older person in the hospital, they were able to get help under Part A of Medicare, the hospital portion of the program. But the Government could have saved money with the effort that is behind the Robb amendment and what we tried to start in the Budget Committee. We could have gotten help for that senior in Hillsboro, OR, in a most cost-effective way, more quickly, and in a way that would have left the older person more comfortable because they would have been in the community rather than in a hospital.

So I only ask, as we continue this debate—and I gather it will go into tomorrow—that we focus on building on the progress that was made in the Budget Committee, to a great extent because two of my colleagues, Senator SNOWE and Senator SMITH, showed real courage in working with us. If we pass the Robb amendment, we build on that important progress and again demonstrate to the older people and the working families of this country we are listening to them.

With that, I yield the floor.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. BRYAN. Mr. President, I rise in strong support of the amendment offered by Senator ROBB, the effect of which would be to tie the consideration of any tax cut to enactment of legislation to provide a prescription drug benefit under the Medicare program.

For many in the viewing audience, this process may seem obscure and convoluted, but the budget is really an opportunity for us as a party and as individuals to make the case in terms of our priorities. We have a fundamental philosophical difference with our friends on the other side of the aisle who have offered a majority resolution which, in my judgment, does not reflect the priorities of the country.

In my view, our priorities ought to be to reduce the national debt. We have made enormous progress in the last 3 years. We have an opportunity to continue that progress.

Parenthetically, virtually every economist, as well as the Chairman of the Federal Reserve Board, has made the case to us in the Finance Committee, on which I am privileged to serve, in the Banking Committee, and generally before other committees in this Congress, that the most important thing we can do is to reduce the national debt. But I believe it is entirely

appropriate to take some of that surplus and provide a prescription drug benefit.

The budget resolution before us offered by the majority would dedicate 98 percent of that surplus to finance tax cuts. In my view, that is not an appropriate priority. The priority, in my judgment, is to provide a Medicare program with prescription drug benefits.

In 1956, when Lyndon Johnson and Congress enacted Medicare, it reflected a comparatively contemporary program. Prescription drugs were not a major part of the health care of Americans. Today, nobody would argue, if we were adopting Medicare, that it should exclude prescription drug benefits. Older Americans deserve the same benefits of modern science the rest of us enjoy.

Prescription drugs are frequently the best and indeed the only way to treat many of the diseases faced by the elderly. They have become an integral part of the health care system—every bit as important as doctor visits, hospital stays, and other health care services. Yet many seniors don't have prescription drug coverage, and most of those who do often have inadequate coverage. Thirty-four percent have no coverage at all—more than one-third of those on Medicare have no prescription drug coverage at all. And another 42 percent lack meaningful coverage. By that we mean the benefit is so modest, it still requires a substantial amount of out-of-pocket dollars to purchase the prescriptions which their physicians have prescribed for them.

Many beneficiaries have chosen managed-care plans for access to drug coverage. What is occurring is most destructive: 325,000 beneficiaries lost their HMO coverage this past year. For those who have not lost it in its entirety, many are left with very skimpy plans. Seventy-five percent of Medicare HMOs will limit coverage to less than $1,000 this year, and 32 percent have imposed caps of less than $500. That is not meaningful coverage.

With 22 million beneficiaries spending more than $500 annually on prescription drugs, and drug costs topping $9,000 for those seniors with cancer or chronic diseases such as diabetes and heart disease, the current HMO coverage can hardly be considered adequate by any standard.

Retiree coverage and Medigap are frequently no better. Retiree coverage is declining dramatically, and Medigap policies are out of reach for many seniors, with premiums averaging $1,360 a year. Indeed, in some States premiums greatly exceed that. For example, a 75-year-old Mississippian faces a Medigap premium of $2,379. That is a lot of money. Most beneficiaries do not have the ability to pay that.

Over half of the Medicare beneficiaries without prescription drug coverage are in the so-called middle class. I think it is important to note what we are talking about by ''middle class.'' That is a couple earning greater than $17,000 annually. I don't think anyone would conclude that $17,000 of total annual income for a couple is adequate, and few I think would consider themselves securely entrenched in the middle class if they were making $17,000 a year combined. This is yet another reason we need universal coverage—a policy that is affordable with Medicare prescription drug benefits.

Medicare is an extremely popular program. Prior to 1965, seniors faced a great deal of uncertainty when they needed medical care. The private sector had not responded by providing adequate, affordable insurance options, and indeed almost all of the elderly in America in 1956, 35 years ago, before the enactment of Medicare, had no coverage at all. They were uninsured.

With the creation of Medicare, we made a promise to our seniors that they would have affordable, adequate health care coverage.

While the program has been immensely successful, Medicare today is in need of reform both to strengthen and to modernize the program. We have fallen behind in our commitment to those promises. We are once again faced with a situation in which the private sector has not provided adequate, affordable insurance options for prescription drugs, and three-fourths of the Medicare beneficiaries lack meaningful drug coverage.

The addition of an affordable, universal Medicare prescription drug benefit is only one step necessary in reforming the program, but it is a crucial step. Medicare prescription drug coverage is necessary to update the program and to keep pace with the times. It is critical to keep our promise—access to necessary care and protection from financial ruin—to the Nation's Medicare beneficiaries.

If we were creating Medicare today, no one would suggest we should create a program without a prescription drug benefit. Anyone who votes against this amendment will need to explain to his or her senior constituents why we, as Senators, have a prescription drug benefit but the more vulnerable seniors among us do not.

It is critically important for this Congress to provide prescription drug benefits. We have the opportunity to do so. We have the circumstances with respect to the budget that will permit us to follow our priorities of reducing the national debt and providing a prescription drug benefit as well. We should do so, and we should do so this year.

I thank the Chair.

I yield the floor.

AMENDMENT NO. 2914

The PRESIDING OFFICER. The Senator from Kansas.

Mr. BROWNBACK. Thank you very much. I thank my colleague from Nevada for his comments.

I want to address the Hutchison amendment. I ask that my time be charged to that amendment.

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

Mr. BROWNBACK. Mr. President, I rise today to speak on the issue of the marriage penalty. And to speak in support of the pending amendment to the budget resolution offered by myself and by my colleagues, Senator KAY BAILEY HUTCHISON, and Senator JOHN ASHCROFT.

I have addressed this issue often, and I think Senators are familiar with it. This is a sense-of-the-Senate resolution.

Our sense-of-the-Senate is simple. It simply states that the Congress should pass marriage penalty tax elimination legislation that begins a phase-out of this penalty in 2001. That the marriage penalty tax legislation considered does not discriminate against stay at home spouses and that the Congress should consider this legislation before April 15, 2000.

In our resolution, we note that the marriage penalty tax affects nearly half of married couples in America.

I have a chart behind me that enumerates some of those States hit by the marriage penalty tax. You can see Kansas with 259,904; in Oregon, 329,289 couples. That is times two-plus frequently because they will have children.

We just heard from the Senator from Nevada—146,142 in that category.

You can see this is a broad-based tax, a broad-based penalty. This penalty needs to be eliminated. It is time we do it. We have the chance to do that now in this body within the next couple of weeks. I hope it doesn't get hijacked by partisanship. I hope that can be avoided so we can move on.

I applaud the chairman of the Finance Committee, Chairman ROTH, for his important work on this legislation. Last week, they considered and passed a bill providing important marriage penalty tax relief to millions of the families suffering under this. They only provide this relief in some narrow areas because the marriage penalty is throughout the Tax Code in about 66 different places. We do not get it all. We do get at key ones.

First, the standard deduction. We get 59 in that area of the marriage penalty. This year, for single taxpayers it is $4,400. However, for a married couple filing jointly, the standard deduction is only $7,350. Our bill is simple, clear, and fair: doubling the standard deduction, making it $8,800 for married couples filing jointly. This change begins for filers in 2001.

Second, our bill widens the 15-percent tax bracket. Under current law, the 15-percent bracket for a single taxpayer ended at an income threshold of $26,250; for married couples, it is $43,850, less than double. If our bill were fully phased in this year, the 15-percent bracket would extend upward to an income of $52,500. In other words, it doubles the 15-percent bracket. Whether single, or married and filing together, taxpayers get the same total amount that fits under the 15-percent bracket. Again, it seems fair and equitable to do it that way.

Third, our bill applies the same principle of bracket widening to the 28-percent bracket as I enumerated and listed in the 15-percent bracket.

Fourth, our bill increases the phaseout range for the earned-income tax credit. This is another way that most people do not realize that the marriage penalty is impacting couples. The low-income families with children can incur a significant marriage penalty because of current limits on the earned-income tax credit. If both spouses work, the phaseout of the EITC on the basis of their combined income can and does lead to the loss of some or all of the EITC benefits to which they would be entitled as singles. Our bill works to begin fixing this problem, as well. Our bill helps families at all income levels.

Finally, our bill permanently extends the provision that allows the personal nonrefundable credits to offset both the regular tax and the minimum tax.

That is the nuts and bolts. I think the best way to talk about the marriage penalty is from people who contact my office and write in, the people I meet with who talk about the marriage tax penalty. They are fed up with it. They don't see it as fair; it doesn't make sense. They wonder why on Earth their Government penalizes them for the privilege of being married; Isn't it tough enough without this?

Listen to some of the letters I have received. They are clear in asking: Why am I being penalized for being married?

TOPEKA, KS.

DEAR SENATOR BROWNBACK, I am a college student at Washburn University. My girlfriend and I have been thinking about getting married for several months.

As part of the planning we went through our finances. I checked our taxes and found that if we were married this year, we would have paid $200 extra in Federal taxes.

Granted that may not sound like much, but at $9 and change an hour, $200 is a lot of money.

I calculated how much we could be making in a few years and found that we will pay $600 more for being married than just shacking up.

Basically, we have to pay $600 for the privilege of being married.

I always thought the government tried to reward constructive, positive behavior through the tax code, but it is punishing one of the most socially stabilizing behaviors, marriage.

We don't think we or anybody else should be punished for being married and hope you can do something about it.

DAVID.

DEAR SENATOR BROWNBACK: I am writing to express my support for The Marriage Tax Elimination Act recently passed in the House of Representatives and to urge you to vote in support of this measure when it comes to the Senate.

This legislation would address a serious inequity in current tax law by eliminating the disparity that exists with respect to the total ''standard deduction'' allowed two married taxpayers versus the total ''standard deduction'' allowed two single taxpayers. Tax policy should not discriminate either in favor of or against two individuals with respect to their decision to be married (or not be married). Rather, the same total itemized deduction amount should be allowed married taxpayers who choose to file jointly as two individuals who file separately.

Thank you for your attention to this matter.

Sincerely,

MARK.

That is basic and makes pretty good sense.

Another letter:

DEAR SENATOR BROWNBACK: I would like to thank you for expressing your ideas and opinions on the marriage penalty tax to the senate on behalf of the Kansas taxpayers.

Doubling the standard deduction for married couples, and doing so as quickly as possible, lessens the blow with which nearly 21 million couples are hit every year. I have seen many people struggle with their taxes each year and I am writing on behalf of these people to recognize you for your tremendous effort to make their lives easier.

I have a number of letters from different individuals. Any Member in this body checking their e-mail inbox will find the exact same thing. People know about the tax and don't think it is fair and we cannot explain why it is right because it isn't right.

It is time we do away with this penalty. We have a chance this week to pass the budget resolution and to send a sense-of-the-Senate resolution to the rest of the body next week to pass this bill. This is only a prelude to next week when we get a chance to actually pass the elimination of the marriage penalty.

I call on my colleagues to support this underlying resolution by Senator HUTCHISON from Texas, Senator ASHCROFT, and myself, and next week to vote in favor of eliminating the marriage penalty. It is time to do it.

I yield the floor and I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

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

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

Mr. KYL. Mr. President, I will comment briefly on the budget resolution generally, but I also recognize Senator HUTCHISON, primarily, and many others who have been working a long time for the repeal of the marriage penalty which this budget accommodates.

We will have a historic vote in the Senate tomorrow morning. I think our leadership—the Senator in the Chair, the Senator from Texas, and many others—deserves a lot of credit for bringing to fruition our efforts to eliminate this marriage tax penalty. I think tomorrow, as a result, will be a historic day.

The budget resolution that we began considering will result in a balanced Federal budget now for the third year in a row. As in the budgets of the past 2 years, it will also balance the budget without relying on one dime of the Social Security surplus. The last time Congress balanced the budget 3 years in a row without raiding the Social Security trust fund was in the period of 1947 to 1949. Again, I think this will be a historic year.

It is worth recalling where we were only 5 short years ago, to put this in perspective. At that time, President Clinton, after shepherding through the largest tax increase in the history of our country, sent Congress a budget in 1995 that would have spent every penny of the Social Security surplus and still left annual deficits stuck at about $200 billion for the foreseeable future. That includes this year. In other words, the Clinton tax increase of 1993 only paid for new spending. According to the President's own budget in 1995, it did not bring and never would bring the budget even close to balance.

The Clinton budget of five years ago projected a deficit that would have amounted to roughly $289 billion this year alone. not counting Social Security. I recall that the Senate unanimously rejected this proposal on May 19, 1995. Congress then went on to chart a different course, and, as a result, we managed to balance the budget, protect the Social Security surplus, begin paying down the public debt, provide modest tax relief, and free up additional resources to devote to other national priorities, like health care, education, and defense. Balance was even achieved four years earlier than initially anticipated under the alternative budget we adopted in 1995.

But there is still much to do. The resolution reported by the Budget Committee builds upon past progress by ensuring that we will protect the entire $976 billion surplus that is expected to accrue to the Social Security trust fund over the next five years. Setting this precedent against using the Social Security surplus for other things is perhaps Congress' greatest accomplishment during the last two years.

The FY2001 budget would cut the public debt by an additional $184 billion in fiscal year 2001, and by nearly $1 trillion over the five-year period. It would accommodate a modest amount of tax relief—$13 billion next year—still leaving over $2 trillion flowing to the Treasury. After accounting for the proposed tax relief, non-Social Security surpluses would still amount to $8 billion next year and $20 billion over the next five years.

Let me stop for a moment to discuss taxes more fully. According to the nonpartisan Tax Foundation, the total tax burden dipped slightly in 1998. That's the good news. The bad news is that Americans still spent more on federal taxes than on any of the other major items in their household budgets. For the median-income, two-earner family, federal taxes amounted to 39 percent of the family budget—more than what they spent on food, housing, and medical care combined.

According to the Tax Foundation, the total tax burden is still very high in historical terms. In 1955, the total tax burden was about 17.9 percent compared to the 39 percent it totalled in

1998. The largest growth occurred in payroll taxes, and state and local taxes. Adjusting for inflation, the total of all taxes paid by the two-earner family in 1998 was 4.9 times greater than in 1955.

These year-to-year comparisons provide a useful gauge, but ultimately, the goal should be to set tax rates as low as possible after the federal government has met its obligations. The substantial surpluses that are projected alone suggest that we can and should provide additional tax relief.

Another observation: According to Census Bureau data, the labor-force participation of married women, as a proportion of all married women, has nearly tripled from 23 percent in 1951 to 62 percent in 1997. Some of that increase, no doubt, can be attributed to women pursuing their career goals, and that is a good thing. We want our mothers, wives, and daughters to pursue their dreams and fulfill themselves in the workplace. But I suspect that a good part of the increase can also be attributed to the need for many families to earn extra income to pay their bills, including their tax bill.

More people in the labor force means that tax rates do not have to rise substantially to produce more revenue for the government. But when more families have to have two wage earners because they cannot make ends meet, no one is left home with the kids. That is not such a good thing. providing tax relief will give more families the choice and opportunity to have one parent stay home to raise the children.

As for defense, the increase allowed in the Committee budget is certainly not enough to repair the harm done by the Clinton Administration's underfunding in previous years, but it builds upon the start we made last year.

Since the fall of the Berlin Wall 10 years ago, the strength of our nation's military forces has shrunk from 2.1 million to slightly under 1.4 million active-duty troops. Spending on the military has declined 29 percent since 1989, while spending on almost all other areas of government has gone up. Defense spending has shrunk at the same time that our military has increasingly been called upon to carry out global peacekeeping, domestic disaster relief, the war on drugs, and other less traditional missions.

While many of these objectives are important, they are often pursued without regard to the wear and tear they inflict on our troops and equipment. If we continue to simultaneously increase demand on our forces and cut their budget, we will leave our country vulnerable to potential aggressors. Indeed, according to a review conducted last year by the Pentagon, the U.S. could not today muster a force equal to that which won the 1991 Persian Gulf War so rapidly and decisively.

Last year, Congress reversed this trend by approving an $18 billion increase in defense spending to: improve the pay and benefits necessary to attract and keep qualified people in uniform; purchase badly needed new equipment, spare parts, and maintenance; improve training; and defend the United States from the growing threat of ballistic missile attack. Yet even this increase merely kept defense spending on pace with inflation.

So the Budget Committee's recommendation to put more money toward defense in this next budget represents a step in the right direction and a good effort to set priorities.

The Committee identified other high priorities, as well, and recommended allocating significant increases toward them. For example, the Committee budget would fund education at a level that is $13 billion higher than last year—$600 million more than the President requested. It would increase spending on veterans health by $1.1 billion, and provide a like increase for the National Institutes of Health for medical research. It would reserve $40 billion over five years for a new Medicare prescription drug benefit. These are things the American people are telling us are most important to them and they want funded. We do that, in this budget.

Of course, providing these increases in high priority areas will mean that spending on other, less important activities will have to be restrained. But unless we want to return to the days when Congress raided Social Security to pay for other programs, or to the days of big budget deficits, prioritizing spending is key. We have come too far to abandon the discipline that has finally restored some order to the budget process.

I will conclude by talking just briefly about one other aspect of this resolution. To ensure that we ultimately do what we say is intended here, the budget includes some important enforcement provisions. It would establish a 60-vote point order—that is, it would effectively require a supermajority vote to run an on-budget deficit and thus make it harder to raid Social Security in the future. It would similarly require a supermajority vote to declare spending as an emergency that is exempt from spending limits. It would establish a firewall to ensure that we abide by spending limits for defense and non-defense activities. And finally, it would make it much harder to shift appropriations into future years in order to avoid current-year spending limits.

I commend the Chairman and members of the Budget Committee for their work on this resolution, and particularly acknowledge the work of Senators GRAMM, NICKLES, GREGG, and GRAMS, who helped hold the line on spending and ensure that many of the budget gimmicks employed by Congress and the President in recent years were not employed again. As a result of their efforts, I think we have a much better budget.

I urge support for this spending plan.

The PRESIDING OFFICER. The Senator from Nebraska.

Mr. KERREY. Mr. President, I ask unanimous consent to speak in morning business for up to 20 minutes.

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

Mr. KYL. Mr. President, might I ask what the subject matter is?

Mr. KERREY. Nuclear weapons, the Senator's favorite subject.

Mr. KYL. I have no objection.

The PRESIDING OFFICER. Without objection.

Mr. KYL. Mr. President, might I ask the indulgence of the Senator from Nebraska to read some brief remarks for the leader regarding the remainder of the day?

Mr. KERREY. I am pleased to yield the floor.

MORNING BUSINESS

Mr. KYL. Mr. President, I ask unanimous consent that there be a period for the transaction of morning business, with Senators permitted to speak for up to 10 minutes each.

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

FAIRNESS IN ASBESTOS COMPENSATION ACT

Mr. LOTT. Mr. President, I have been asked whether I intend to call up for consideration on the Senate floor legislation that has been introduced in the Senate with respect to asbestos. After conferring with the chairman of the Senate Judiciary Committee, and the chairman of the subcommittee with jurisdiction of this issue, it is clear that a markup has not yet been scheduled, and that extensive work would be needed before the bill is ready for Senate floor action. I have also conferred with the sponsor of the bill who informs me that since the bill was introduced, the consensus regarding this legislation, S. 758, between industry, the plaintiffs, and other concerned parties, and among industry itself, appears to have deteriorated substantially. This bill is not ready for Senate floor action. The Senate will soon be occupied with budget, appropriations, tax and other legislation. For these reasons, and in all candor, the necessary floor time will not be available to act on the Senate asbestos bill this year.

Mr. ASHCROFT. Mr. President, I appreciate the majority leader's comments and candor on this issue.

Last year I introduced S. 758, the Fairness in Asbestos Compensation Act in response to two Supreme Court rulings urging Congress to act on national legislation that would fairly and efficiently compensate victims of asbestos. As U.S. Supreme Court Justice David Souter wrote for the court in Ortiz versus Fibreboard: ''The elephantine mass of asbestos cases . . . defies customary judicial administration and calls for national legislation . . . to date Congress has not responded.''

It was my hope that this bill could serve to bring all parties together to

solve this issue. It is now clear, however, that this bill will not move in its current form. As I mentioned to the majority leader, the consensus regarding S. 758 between industry, the plaintiffs, and other concerned parties, and among industry itself, appears to have deteriorated substantially since S. 758 was introduced.

It is also clear that there is virtually no time in the Senate to consider this bill this year. The Senate has a target adjournment date of October 6 this year. Before adjourning, the Senate will work to repeal the Social Security earnings limit, repeal the marriage tax penalty, pass agriculture sanctions reform to open markets for American farmers and ranchers, timely pass the budget and 13 separate appropriations bills, reauthorize the Elementary and Secondary Education Act, give final approval to legislation to combat the methamphetamine crisis, and adopt legislation to protect Social Security. These issues will take up my time this year. And these issues are just a partial list of the ambitious agenda for the year.

In light of this situation, and the fact that the House appears to be taking a different approach entirely, I appreciate the majority leader's candid assessment of the legislative prospects for this bill. Because it serves no purpose to represent that S. 758 will pass or be acted upon this year or in the future, I appreciate the remarks of the majority leader.

TRIBUTE TO COLONEL TYLER H. FLETCHER

Mr. LOTT. Mr. President, today I rise to pay tribute to an extraordinary citizen and public servant who has dedicated his life to the noble endeavor of law enforcement and the edification of those committed to this distinguished profession. Tyler H. Fletcher of Hattiesburg, Mississippi, exemplifies the qualifies of honor, courage, dedication, and service that reflect the outstanding character of this former colonel in the United States Army Military Police. With the retirement of Colonel Fletcher on Friday, April 7, 2000, I express my highest gratitude to him for over 50 years of service and leadership to the United States of America.

As an officer in the United States Army Military Police, Colonel Fletcher was recognized with the Police Medal of Honor from the Republic of South Vietnam, three Legion of Merit awards, the Bronze Star, an Army Commendation, and four Meritorious Unit Citations. After retirement from the Military Police in 1971, Colonel Fletcher continued his exemplary service as associate professor and chairman of the department of criminal justice at the University of Southern Mississippi, garnering the distinction of Who's Who in American Law Enforcement in 1978 and the Excellence in Teaching Award in 1980.

Colonel Fletcher's extraordinary accomplishments in the professional arena are matched only by his dedication to the service of his fellow Americans. He has greatly contributed to the field of law enforcement by authoring numerous books and articles on the subjects of correctional administration, juvenile justice, and community policing. He is a pioneer in his research into areas of police education, crimes against the elderly, and victims of crime in Mississippi. He is a leader in his field as an active contributor to the National Society of Police and Criminal Psychology, the Mississippi Association of chiefs of Police, the International Association of Chiefs of Police, the National Council on Crime and Delinquency, the Disabled Americans Veterans, and the Mississippi Corrections Officers Association.

Mr. President, the distinguished career of Colonel Tyler H. Fletcher associates him with the best of the best in the United States, surpassing the accolades of personal accomplishments and awards only with the gift of inspiration to future leaders and former colleagues. Colonel Fletcher is a great American, and his service to his country, his profession, and his fellow man serves as the benchmark by which we all should hope to achieve.

JOSEPH ILETO POST OFFICE

Mrs. FEINSTEIN. Mr. President, I am very pleased that yesterday the Senate unanimously passed a bill I introduced to name a United States Post Office after Joseph Santos Ileto. He was the U.S. Postal Service employee of Filipino descent who was brutally gunned down last August by the same man who opened fire on the North Valley Jewish Community Center. This bill designates the new post office located at 14071 Peyton Drive in Chino Hills, California as the ''Joseph Ileto Post Office.''

Joseph Ileto's death on the job exemplifies the ultimate sacrifice of public service. He served our nation with honor and will be remembered by his family, friends, and community as a kind-hearted man who touched many lives. Despite the tragedy of his death, we can take comfort in knowing that Joseph's life will continue to touch others.

By passing this bill, Congress recognizes the urgent need to address and condemn hate crimes and racism. Dedication of the newly constructed post office in Joseph's hometown is the very least we can do to honor a man who gave his life to his country. The companion legislation, sponsored by Congressman GARY MILLER, has already passed. It is my hope that the bill will be signed into law expeditiously.

THE FLAG DESECRATION ACT

Mr. FRIST. Mr. President, in less than a month's time, we will celebrate the first Memorial Day of the second millennium, our first opportunity in this new century to honor and salute the men and women who, through the decades, have sacrificed so gallantly to keep us free. It will be our first opportunity to thank them publicly for the sacrifice they made, the pain they suffered, and the trauma they endured to ensure that the flame of freedom would never be extinguished.

Each and every one of those patriots, Mr. President, those who died, those who returned, and those we are blessed to still have with us, shouldered squarely the highest responsibility of citizenship; remained dedicated to the survival of our Nation; were willing to pay the highest price to preserve peace and freedom. And they risked it all under the one symbol that summed up their strength and sharpened their courage—our bright banner of red, white, and blue.

We are a Nation of images and symbols, but that's not a 21st century phenomenon. It has always been so. Throughout our history, we have been captivated by scenes that seem to capture all the emotion of a particular event—George Washington's winter encampment at Valley Forge, Robert E. Lee's last ride to Appomattox along a path lined by ranks of Union troops standing at attention, JFK's funeral cortege making its way to Arlington across the Memorial Bridge.

But the most poignant image of all—the one that will live forever in the hearts and minds of all Americans—is the image of a handful of Marines braced against a whipping Pacific wind, raising the American flag over Iwo Jima.

That symbol of freedom that flies over the dome of the building in which we now stand, that adorns the flagpoles of our schools and communities, that graces the windows and doorways of our homes, that is draped in silent tribute over the coffins of our dead—that symbol deserves our protection.

It should not, under any—any—circumstances be desecrated. And that is why I support an amendment to the U.S. Constitution to ensure that this is so.

The Constitutional Amendment proposed by this resolution is surprisingly simple—astoundingly simple when compared to anything that emanates from Washington these days. It does not dictate a particular course of action to the states. It does not threaten the separation of powers. It does not set a complex set of rules and regulations that require a team of lawyers to interpret. It does not change the integrity of the Constitution. And it does not cost the taxpayers one cent. The entire amendment is contained in a single sentence: ''The Congress and the States shall have power to prohibit the physical desecration of the flag of the United States.''

To those who maintain that this amendment would be a violation of First, I quote perhaps the greatest proponent of First Amendment freedoms, Supreme Court Justice Hugo Black, who stated, ''It passes my belief that

anything in the Federal Constitution bars making the deliberate burning of the American flag an offense.'' Let me repeat: ''It passes my belief that anything in the Federal Constitution bars making the deliberate burning of the American flag an offense.''

Let us not let one more Memorial Day pass without clarifying and codifying that protection. Let us not let one more soldier, sailor, airman or marine nobly and unselfishly risk his life without honoring him and the ideals for which he is willing to die, without protecting the most sacred and visible symbol of his freedom.

Let us not let one more minute pass, without enacting into law, and sending to the states, this amendment to protect the flag under which so many—so many—were willing to, as one soldier-poet put it, ''taste death in youth so that Liberty might grow old.''

Mr. CHAFEE. Mr. President, last week the Senate engaged in an emotionally charged debate about one of our nation's most precious and beloved symbols, the flag. American history is rich with examples of the significance of our flag. Francis Scott Key's lyrics equate our ''star spangled banner'' with the essence of our national identity, ''the land of the free and the home of the brave.'' Betsy Ross is known to school children from the Aleutian Islands to the Florida Keys as the woman who painstakingly sewed our first flag. Many Senators referred to the raising of the flag by a handful of beleaguered, yet still brave, Marines on Iwo Jima. And who among us will ever forget the sight of Neil Armstrong planting the flag on the moon as he took that giant step for mankind. During the Judiciary Committee's hearings on S.J. Res. 14, the proposed Constitutional Amendment to protect the flag, Senator MCCAIN told of a fearless POW who fashioned a flag from scraps of material. Each night under threat of torture, an extraordinary group of prisoners displayed the makeshift flag and renewed their commitment to democracy and their courage to withstand a barbarous imprisonment.

As children, we started each day with our hands respectfully pressed to our hearts as we recited the pledge of allegiance. As Senators, we start the day in much the same manner, renewing our respect for this visible symbol of democracy.

Unlike Senator MCCAIN and Senator BOB KERRY, some of us have not served our country in the military. Our national pride, our fundamental courage, our commitment to country has not been tested on the battlefield, but just a few months ago, I stood in the well of this Chamber and, as my wife held the Bible on which my left hand rested, I swore to uphold the Constitution. The Constitution is the document that provides each citizen with broad rights. It doesn't fly majestically in front of government buildings. We do not pledge allegiance to it each day. Yet, it is the source of our freedom. It tells us that we are free to assemble peacefully. We are free to speak and publish without fear of censorship. We are free to worship without interference; free from unlawful search and seizure; and free to choose our leaders. It is these freedoms that define what it is to be an American.

In its more than 200 years, the Constitution has been amended only 27 times. With the exception of the Eighteenth Amendment which was later repealed, these amendments have reaffirmed and expanded individual freedoms. This Resolution would not have expanded our rights. This Amendment, instead, would limit individual freedom.

As I think about this effort to amend the Constitution, I cannot help but conclude that in a free society, respect cannot be mandated. It springs from the heart. Furthermore, it seems ironic that the Senate would endeavor to protect this symbol of freedom by acting to limit the very freedom it represents.

I am gratified to know that Senator BOB KERREY, the only Member of the Senate who holds the Congressional Medal of Honor, and General Colin Powell, a living symbol of patriotism, also oppose this Resolution.

My heartfelt belief that this is the wrong approach was shaped by a man whose life was spent in a passionate struggle to protect and conserve the Constitution in the face of menacing threats. The early Twentieth Century was marked by World War I and by the Bolshevik Revolution, a time in world history during which the ''Red Scare'' was very real. Zechariah Chafee, a young Harvard Law professor and civil libertarian, wrote eloquently about ''Freedom of Speech in Wartime.'' Zechariah Chafee argued that even during wartime the freedom of speech guaranteed by the First Amendment must be upheld. He wrote, ''[A] provision like the First Amendment to the federal Constitution is much more than an order to Congress not to cross the boundary which makes the extreme limits of lawful suppression. It is also an exhortation and a guide for the action of Congress inside that boundary. It is a declaration of a national policy in favor of the public discussion of all public questions.'' My great uncle had the courage to stand up for our Constitutional rights during a time of extremely high emotions in our national history. I am inspired by his example to defend that which separates this nation from all others—our freedoms.

NATIONAL ESTUARY CONSERVATION ACT

Mr. TORRICELLI. Mr. President, today, I rise to commend the Senate for passing, last Thursday, S. 835, the Estuary Habitat Restoration Partnership Act. Section 12 of this legislation is taken from legislation that I introduced, S. 878, with Senators BOXER, GREGG, MACK, GRAHAM, KENNEDY, LIEBERMAN, MOYNIHAN, REED, FEINSTEIN, KERRY, MURRAY, and SARBANES.

Today our nationally significant estuaries are threatened by pollution, development, or overuse. With 45 percent of the Nation's population residing in estuarine areas, there is a compelling need for us to promote comprehensive planning and management efforts to restore and protect them.

Estuaries are significant habitat for fish, birds, and other wildlife because they provide safe spawning grounds and nurseries. Seventy-five percent of the U.S. commercial fish catch depends on estuaries during some stage of their life. Commercial and recreational fisheries contribute $111 billion to the nation's economy and support 1.5 million jobs. Estuaries are also important to our nation's tourist economy for boating and outdoor recreation. Coastal tourism in just four states—New Jersey, Florida, Texas, and California—totals $75 billion.

Due to their popularity, the overall capacity of our nations's estuaries to function as healthy productive ecosystems is declining. This is a result of the cumulative effects of increasing development and fast growing year round populations which increase dramatically in the summer. Nowhere is this more pronounced than New Jersey. At Barnegat Bay, the population doubles in the summer months.

Land development, and associated activities that come with people's desire to live and play near these beautiful resources, cause runoff and storm water discharges that contribute to siltation, increased nutrients, and other contamination. Bacterial contamination closes many popular beaches and shellfish harvesting areas in estuaries. Also, several estuaries are afflicted by problems that still require significant research. Examples include the outbreaks of the toxic microbe, Pfiesteria piscicida, in rivers draining to estuaries in Maryland and Virginia.

Congress recognized the importance of preserving and enhancing coastal environments with the establishment of the National Estuary Program in the Clean Water Act Amendments of 1987. The Program's purpose is to facilitate state and local governments preparation of comprehensive conservation and management plans for threatened estuaries of national significance. In support of this effort, Section 320 of the Clean Water Act authorized the EPA to make grants to states to develop environmental management plans. To date, 28 estuaries across the country have been designated. However, the law fails to provide assistance once plans are complete and ready for implementation. Already, 22 of the 28 plans are finished.

As the majority of plans are now in the implementation stage, it is incumbent upon us to maintain the partnership the Federal government initiated ten years ago to insure that our nationally significant estuaries are protected. S. 835 will take the next step by including language from S. 878 that will give EPA the authority to make

grants for plan implementation and authorize annual appropriations in the amount of $25 million. I am also hopeful that when this bill goes to conference, this authorization can be increased to $50 million. With such an increase areas will be able to upgrade sewage treatment plants, fix combined sewer overflows, control urban stormwater discharges, and reduce polluted runoff into estuarine areas.

THE VERY BAD DEBT BOXSCORE

Mr. HELMS. Mr. President, at the close of business yesterday, Monday, April 3, 2000, the Federal debt stood at $5,750,620,100,381.36 (Five trillion, seven hundred fifty billion, six hundred twenty million, one hundred thousand, three hundred eighty-one dollars and thirty-six cents).

Five years ago, April 3, 1995, the Federal debt stood at $4,873,481,000,000 (Four trillion, eight hundred seventy-three billion, four hundred eighty-one million).

Ten years ago, April 3, 1990, the Federal debt stood at $3,092,175,000,000 (Three trillion, ninety-two billion, one hundred seventy-five million).

Fifteen years ago, April 3, 1985, the Federal debt stood at $1,738,155,000,000 (One trillion, seven hundred thirty-eight billion, one hundred fifty-five million).

Twenty-five years ago, April 3, 1975, the Federal debt stood at $504,572,000,000 (Five hundred four billion, five hundred seventy-two million) which reflects a debt increase of more than $5 trillion—$5,246,048,100,381.36 (Five trillion, two hundred forty-six billion, forty-eight million, one hundred thousand, three hundred eighty-one dollars and thirty-six cents) during the past 25 years.

ADDITIONAL STATEMENTS

RECOGNITION OF GREG HART, TEACHER AT SKYLINE ELEMENTARY SCHOOL

• Mr. GORTON. Mr. President, throughout my great State of Washington, there are thousands of gifted students who need some extra time and attention to help further their talents. At Skyline Elementary in Ferndale, a teacher by the name of Greg Hart, has turned a program created by the school district into a tremendous success and created an environment where gifted students can excel. For his achievements with gifted students in the Aiming High program, I am proud to award him with my next ''Innovation in Education'' Award.

The Aiming High program consists of students from all over the Ferndale School Districts for gifted students in the top 1 to 2-percent of the district and was created by the Ferndale School District to encourage highly capable students to develop critical thinking and analytical skills, act responsibly and respectfully, and promote positive self-esteem. Mr. Hart's classes consists of fifth and sixth grade students.

Both the Ferndale Superintendent and Skyline Principal believe that Mr. Hart is the driving force behind the success of this program. One of the ways Mr. Hart improves student learning is by tackling issues of national and historical importance. Students must work together on research projects and give presentations to their classmates. One of the most recent projects was by two students who focused on race in the United States and how it was manifested on the baseball field. Mr. Hart believes that by empowering children, they become better learners and have the confidence to tackle topics and develop skills well-beyond their grade level.

Superintendent Roger Lenhert describes Mr. Hart as the model of an ideal teacher. His energy in the classroom motivates his students to not only to advance in their studies, but to also pursue goals and interests outside of the classroom. Mr. Hart also encourages his students to act responsibly and to treat others with respect.

Mr. Hart's students succeed in academic competitions, both under his tutelage and after, and he continue to guide his students well after they left the elementary school. I am told by Dr. Berres that it is not uncommon to see Mr. Hart's old students coming by his classroom to visit him and to update him on their current achievements. It is clear by the visits of his former students and praising words of the superintendent and principal that Mr. Hart makes an enormous impact on his students.

Educators like Greg Hart clearly demonstrate that it is the people that know our children's names—their parents, their teachers, their administrators, and their school board members—who will make the best decisions about their education. I applaud Mr. Hart's hard work and dedication to his students and I hope my colleagues will join me in recognizing his outstanding contribution to education.•

IN RECOGNITION OF DAVID AND DOREEN HERMELIN

• Mr. LEVIN. Mr. President, I rise today to recognize an extraordinary couple from my home state of Michigan. David and Doreen Hermelin will be given the Dream Maker Award and the Rabbi Jacob Segal Award by Hillel Day School of Metropolitan Detroit on June 6, 2000.

It is truly fitting that among the honors David and Doreen will receive is the Dream Maker Award. The Award is given to those who have demonstrated an extraordinary commitment to the community and especially to Jewish education. It can be fairly said that David and Doreen are ''Dream Makers,'' because they both have committed so much of their lives to making people's dreams come true.

One of David Hermelin's mottos is ''The harder you work, the luckier you get.'' Thanks to his and Doreen's hard work, countless people in Metro Detroit have found themselves wealthy in luck as well. David and Doreen have opened their home for hundreds of charitable fundraisers, and their efforts on behalf of these good causes do not stop with opening their front door. They both have personally raised tens of millions of dollars for organizations that serve people in need in Michigan and in Israel as well. David's reputation as a fundraiser has become so widely recognized, in fact, that he has been known to joke that people wouldn't recognize him if his hand was in his pocket. But as he often notes, he asks people to contribute their time or talents to those in need ''not until it hurts, but until it feels good.'' Maybe that's the secret to David and Doreen's seemingly endless capacity for helping others—it truly does feel good.

Added to all of their other accomplishments, David just finished an extraordinary tour as U.S. Ambassador to Norway. He and Doreen made a very positive impact on our relations with this great ally. They played a major role in arranging for a United States Presidential visit, the first in a long time, and when my wife Barbara and I visited Norway, it was obvious from everyone we met that our country could not have selected a greater representative and symbol of what we stand for.

David and Doreen Hermelin's commitment to helping others is truly worthy of recognition, not only by Hillel Day School of Metropolitan Detroit but also by all of us. I know my colleagues will join me in offering them congratulations on this special occasion and a heartfelt thank you for all that they have done.•

RECOGNIZING THE HUMANITARIAN WORK OF MR. JAMES KELLY IN MOLDOVA

• Mr. LUGAR. Mr. President, I am pleased to have this opportunity to recognize one of my constituents, Mr. James Kelley of Fort Wayne, Indiana, for his humanitarian work in the country of Moldova.

Moldova is a small country located between Ukraine and Romania. Throughout the Cold War it was a part of the Soviet Union but recently gained its independence from the USSR on August 27, 1991. The United States has supported Moldova in its journey toward democracy and sovereignty.

I met with Moldovan President Petru Lucinschi last year in Washington. We discussed some of the challenges facing the newly independent Moldova. Our meeting revolved around U.S. security assistance including counter-proliferation training, efforts to combat organized crime and border security training. We also discussed our cooperation to prevent the proliferation of weapons of mass destruction. The United States and Moldova have enjoyed a positive

track record of cooperation, and I am hopeful that this relationship will continue.

Of the many challenges for this new country, two of the most pressing are economic growth and the health of the Moldovan people. In an effort to create economic growth in the region, Mr. Kelley established a grain business in Moldova's farm communities. With a purchase of a grain elevator he provided opportunity for many farmers to market their crops. This effort to bolster a local economy will assist in relieving the financial burden many families face in these rural communities.

In an effort to address the pressing health care needs of this nation, Mr. Kelley recently led a group of Fort Wayne area health professionals to Moldova. The team of trained physicians, nurses and health care professionals performed necessary surgeries, administered treatments, delivered medical equipment, supplies and medicines to the Republican Hospital in Chisinau.

I commend Mr. Kelley for his energy and commitment to helping the people of Moldova. His leadership and selfless dedication to helping others have made a difference in this small country.

Good relationships between the United States and former Soviet republics, such as Moldova, enhance the security of the United States. I am pleased to recognize the contributions of a fellow Hoosier in this important effort.●

TRIBUTE TO RABBI PHILIP LAZOWSKI

● Mr. LIEBERMAN. Mr. President, I rise today to pay tribute to a man who, for 45 years, has served the Greater Hartford community with honor and distinction. On April 9, 2000 the friends of Beth Hillel Synagogue will mark the retirement of Rabbi Philip Lazowski at a dinner celebration in his honor.

Since accepting the position of Spiritual Leader at Congregation Beth Sholom in 1955, Rabbi Lazowski has helped the families of his congregation find strength through the principles of faith, humility, determination, forgiveness, and service. As the congregation has grown to include hundreds of families and take the name Beth Hillel Synagogue, Rabbi Lazowski has continued to impart his wisdom on these principles with the same energy and enthusiasm that has been his trademark. Through a number of books and interfaith efforts, Rabbi Lazowski has earned a lofty position within the state's distinguished history of spiritual leaders.

A survivor of the Holocaust, Rabbi Lazowski has also left his mark on the countless young people across the region who have heard him speak about his childhood in Poland during World War II. From the town of Belitza to the Dvorets ghetto to more than a year of hiding in the woods, his story has resonated within the youth of the community. With his many talks and presentations on this dark chapter of human history, Rabbi Lazowski has embraced his obligation to history and has proven that the light of truth can dispel all shadow.

For more than a quarter century, Rabbi Lazowski has served as Chaplain for the Hartford Police Department and has recently been named Chaplain for the Connecticut State Senate. His commitment to the spiritual health, not only of his congregation but all of the Greater Hartford area, is truly beyond question. Although he will be retiring from his position as Spiritual Leader of Beth Hillel Synagogue, I have every confidence that he will remain active as leader, educator and friend to the people of Connecticut.

Rabbi Lazowski stands as a shining example of the type of selfless individual that keeps our communities vibrant. It is with great pleasure that I formally extend to him my very best wishes on this special day.●

COMMENDING GENE R. ''ROCKY'' ROCCABRUNA

● Mr. THOMAS. Mr. President, on March 15, 2000, Gene R. ''Rocky'' Roccabruna retired as Director of the State of Wyoming's Department of Transportation. Mr. Roccabruna stepped down from his position after rendering more than 30 years of outstanding public service. I regret his departure in the sense that it is indeed a loss to both the agency he headed and to the traveling public at large. But at the same time, I wish to extend, on behalf of my state's Congressional delegation, our gratitude for a job well done and our sincerest wishes for a long and happy retirement.

Mr. Roccabruna's retirement represents a milestone in Wyoming highway history as he was the last active Department of Transportation employee whose association with the agency dated back to the beginning of Interstate Highway System in 1956. After starting as an engineer trainee, he earned steady promotions and soon was in charge of multi-million dollar highway construction contracts. Several sections of Interstate 80 were built under his supervision and that road has since become not only Wyoming's busiest highway but a major artery for transcontinental commerce as well.

Mr. Roccabruna left the employ of state government to start his own contracting business but later returned and went on to hold several managerial positions within the Department of Transportation. His reputation grew along with his responsibilities. He became widely recognized for abilities as a good listener and consensus builder. For these and numerous other good reasons, Wyoming Gov. Jim Geringer appointed him in December 1996 to head the Department, which is the largest Wyoming state agency. During the past three-plus years, I, Senator ENZI and Representative CUBIN, and our staffs, have had numerous opportunities to work with Mr. Roccabruna on many important state and national transportation issues. His advice was particularly valuable when we helped craft the Transportation Equity Act for the 21st Century, and his contributions will provide benefits well into the future. While I look forward to a continuing good relationship with the Wyoming DOT under its new director, Sleeter C. Dover, I take this opportunity to again say thanks to Mr. Roccabruna for dedicating so much of his time and talents to making transportation more efficient, more enjoyable and safer for Wyoming residents and the entire traveling public.●

25TH ANNIVERSARY OF THE OSHKOSH SENIORS CENTER

● Mr. KOHL. Mr. President, I rise today to recognize the 25th Anniversary of the Oshkosh Seniors Center. Since its beginnings in a single room at the First Presbyterian Church in 1975, the Oshkosh Seniors Center has grown to occupy the present site at 200 North Campbell Road.

Friends of the Oshkosh Seniors Center were crucial to the success of raising $500,000 of the $1.2 million needed to build the beautiful facility on Campbell Road. The Friends of the Center, on behalf of the City of Oshkosh, worked unfailingly to realize what has become a first class center for senior citizens. They remain committed to meeting the demands of the continuing growth of the Center. Just as the dedication of the Friends of the Center has remained steadfast, the staff and volunteers of the Oshkosh Seniors Center have never wavered from its stated mission in 1975 ''to become a multi-purpose seniors center.''

The center meets the social, physical and emotional needs of senior citizens in the Oshkosh community by providing inter-generational, social, recreational, cultural and volunteer opportunities. These goals are supported by more than one hundred programs and activities in arts and crafts, fine arts, continuing education, games and recreation, community services, support groups, health and wellness, and other events. These offerings have been delivered at the center and at several locations in the area to thousands of people during the past year.

It is through the efforts of the center's Director, Sue Kreibich, staff members and countless volunteers who work diligently to make certain the Oshkosh Seniors Center continues to offer opportunities that allows senior citizens of the Oshkosh community to remain active and involved.

The center will observe its twenty-fifth anniversary during the week of April 2nd by announcing the inauguration of the Oshkosh Seniors Center Endowment Fund. This Fund will allow the organization to meet the needs of expansion to accommodate the substantial growth that continues at the

center. It is organizations like the Oshkosh Seniors Center and their friends that make Oshkosh a stronger community.

Congratulations to the Oshkosh Seniors Center on their 25th anniversary.●

HONORING THE LATE JOSEPH L. FISHER

● Mr. ROBB. Mr. President, it is my privilege to be a co-sponsor of S. 2234, a bill which recognizes the exceptional service of two former Congressmen from Northern Virginia, Joseph L. Fisher and Joel T. Broyhill, by renaming two area facilities of the United States Postal Service in their honor. I'd like to say a few words about one of the honorees, the late Joseph L. Fisher.

I knew Joe Fisher well. He was a friend, colleague and mentor. Joe epitomized the very best in public service—with his integrity, first-rate intellect, decency and compassion for others.

It was Joe who provided me with my first formal entry into Virginia politics when I hosted a reception for his re-election bid to the Arlington County Board in 1971. He earned the respect of his fellow Arlingtonians with his ten years of service on the Board, including two terms as its Chairman. In championing regional solutions to many of the issues that faced Arlington County, he was ahead of his time. At various points during his tenure on the Board, he represented Arlington as Chairman of both the Washington Metropolitan Area Transit Authority and the Metropolitan Washington Council of Governments.

My first time handing out literature at the polls in Virginia on Election Day was for Joe's first successful campaign for Congress in 1974—I remember the experience well because it rained most of the day. We were all proud of Joe's service in the U.S. House of Representatives. He was a recognized leader in Congress on tax, energy and budget issues. Joe was appointed to the Ways and Means Committee in his first term, and he facilitated the work of seven tasks forces in writing the Energy Policy Act of 1978.

In 1982, the year I took the oath as Governor of Virginia and about a year after the end of his service in Congress, I persuaded Joe to join my Cabinet as Virginia's Secretary of Human Resources. As in every other endeavor he undertook during his lifetime, Joe led the Department of Human Resources with distinction. He succeeded in eliminating Virginia's Medicaid deficit which had resulted from recession and cutbacks at the federal level. Joe also left a legacy of improvements in Virginia's prevention efforts in such areas as health, social services, mental health, rehabilitation, job training and independent living. After serving in my Administration, Joe spent the remainder of his professional years as a professor of political economy at George Mason University where he inspired many a student.

However, Joe Fisher's service as a public official only tells part of the story. He served his country in the Pacific during World War II. Joe worked his way through college as a professional boxer and was also a semi-professional basketball player in the Northern New England League. He was a Harvard trained economist and led the Unitarian Universalist Association.

Joe passed away in 1992 from cancer. He left behind his most important legacy—a wonderful family. His wife Peggy, an exceptionally talented individual in her own right and the secret to Joe's success, remains a valued friend to me and my family. Joe is also survived by seven children, sixteen grandchildren and two great grandchildren.

In a sermon he wrote entitled ''Endings and Beginnings,'' Joe referred to ''the only immortality we can count on'' as ''the immortality of the good and worthy life whose influence lives on in the hearts and minds of those whom it touches.'' Joe Fisher lived this ''good and worthy life'' and his influence will always live on in those whom he had such an indelible impact.●

SECOND COMPANY GOVERNOR'S FOOT GUARD

● Mr. LIEBERMAN. Mr. President, I rise today to honor one of the oldest military organizations in the United States, founded even before our country became a unified nation; the Second Company Governor's Foot Guard of New Haven. Later this week the men and women of the Second Company will celebrate their 225th anniversary which is truly a monumental observance in this first year of the new millennium.

Mr. President, let me share with you the history of the Second Company because it is essentially, the history of the new nation and the colonies that became the United States of America. The first meeting of the yet to be named military organization was during the winter of 1774 and included many men whose names are known to every student who has studied American history; Benedict Arnold, Ethan Allen and Aaron Burr. Later that winter, on March 2, 1775, fifty eight men signed a memorial to form themselves into a military company. At that time, the General Assembly of the Governor and Colony of Connecticut was sitting in New Haven and made this memorial special business. On that same day, recognizing the importance and significance of this memorial, the General Assembly granted a charter to the Second Company Governor's Foot Guard. It didn't take long for the Second Company Governor's Foot Guard to see action when, at the beginning of the American Revolution, under the command of Captain Benedict Arnold, the Second Company answered the Lexington Alarm, seized the stores of gunpowder at the Town of New Haven and marched to the Siege of Boston. The date was April 22, 1775, and each year the Second Company Governor's Foot Guard performs a colorful reenactment of this event on Powder House Day in New Haven.

Three years later, during the British invasion on July 2, 1779, Captain Hezekiah Sabin and the Second Company Governor's Foot Guard defended New Haven at the bridge over the West River. Time and again our nation has been defended by the Second Company Governor's Foot Guard. In 1861 the Second Company formed a war company which was known as the Company K, Sixth Connecticut Volunteers, left for the front in the Civil War, and fought in twenty six battles and skirmishes before being mustered out in August of 1865.

Since 1775, the Second Company Governor's Foot Guard has been escort to every Governor of the Colony and the State of Connecticut and has served as honor guard to fourteen American Presidents and in our Bicentennial Year, the Queen of England. Mr. President, were it not for the dedicated service of the Second Company, Governor's Foot Guard for the past 225 years, I dare say the history of Connecticut, the Constitution State, as well as the United States of America would be different. Every one of us in this Chamber owes a debt of gratitude to the Second Company, Governor's Foot Guard. As the Second Company celebrates 225 years of service, under the leadership of Major Commandant Peter A. Wasilewski, I rise in humble thanks to the hundreds of men and women who have proudly worn the red coat uniform and to those who will in the future. I ask those in this Chamber to join me in honoring the Second Company Governor's Foot Guard for 225 years of service to the Governor, the General Assembly and the people of the Colony and State of Connecticut.●

DIONNE A. COLE NAMED ACHIEVER OF THE MONTH

● Mr. ABRAHAM. Mr. President, in October of 1993, the State of Michigan Family Independence Agency commemorated the first anniversary its landmark welfare reform initiative, To Strengthen Michigan Families, by naming its first Achiever of the Month. In each month since, the award has been given to an individual who participates in the initiative and has shown outstanding progress toward self-sufficiency. I rise today to recognize Ms. Dionne A. Cole, who was the recipient of the award for the month of March, 2000.

Ms. Cole is the single mother of a three-year-old son. She began receiving assistance from the Family Independence Agency in September of 1999. Though at this time she was a single mother with no job experience, through a self-initiated job search Ms. Cole obtained employment as a security guard for Strategic Protection Group that same month. To ease the transition,

F.I.A. assisted Ms. Cole with child care and provided her with funds to purchase a car.

In December of 1999, her cash assistance from F.I.A. ended because of earned income. Nonetheless, by budgeting her money wisely, Ms. Cole recently has signed the lease on her first apartment. With the help of her Family Independence Specialist, electric and heat accounts were established for her at this residence.

Ms. Cole has her high school diploma and would like to attend Wayne County Community College to study Business Management. Her ultimate goal is to own her own beauty shop.

Mr. President, I applaud Ms. Dionne Cole for being named Achiever of the Month for March of 2000. It is an honor for which she has worked very hard and she truly deserves. On behalf of the entire United States Senate, I congratulate Ms. Cole, and wish her continued success in the future.●

HILLEL JEWISH DAY SCHOOL HONORS MR. AND MRS. DAVID HERMELIN

● Mr. ABRAHAM. Mr. President, I am honored to rise today in recognition of David and Doreen Hermelin, long-time residents of Detroit, Michigan. The couple recently returned home from Norway, where Mr. Hermelin served as United States Ambassador. On June 6, 2000, the Hermelins will be honored by Hillel Day School, an independent Conservative Jewish Day School located in Farmington Hills, Michigan. Together, they will receive the 2000 Dream Maker Award, which recognizes the achievements of a person or persons who are committed to the cause of Jewish education, and also the Rabbi Jacob Segal Award, given annually in blessed memory of Rabbi Segal, one of the founders of Hillel Day School.

Mr. and Mrs. Hermelin have often been recognized for their dedication to the Jewish community, both nationally and internationally. Before his ambassadorship, Mr. Hermelin served as the International Chairman of State of Israel Bonds, and as Vice-Chair of United Jewish Appeal. He has been honored by the State of Israel with the Golda Meir Leadership Award, given the Knights of Charity Award by the Archdiocese of Detroit, and received the Golden Menorah Award for Community Service from B'nai B'rith. Mrs. Hermelin is a recipient of the Women of Valor Award from the State of Israel Bonds, the Humanitarian Award from B'nai B'rith, the Heart of Gold from the United Foundation, and was also named the Woman of the Year by B'nai B'rith Women.

The Hermelin's philanthropic and humanitarian work has extended well past the bounds of their faith. Mrs. Hermelin currently serves on the Board of Directors of the Michigan Foundation for the Arts and on the Board of Trustees of the Michigan Opera Theater and the Michigan Parkinson's Foundation. She is a member of the Cranbrook Art Association and the Women's Committee of the Michigan Lung Association. Mr. Hermelin serves on the Board of Directors of the Community Foundation for Southeastern Michigan, the Greater Detroit Interfaith Round Table, and the Detroit Symphony Orchestra Hall. He sits on the Board of Trustees of the Michigan Developmental Foundation and on the Advisory Board of the United Way for Southeastern Michigan. Together, David and Doreen have volunteered their efforts on behalf of Friends of Modern Art of the Detroit Institute of Arts and the Children's Hospital of Michigan.

Mr. President, I am sure that June 6 will be a special day for David and Doreen Hermelin. They have long supported Hillel Day School, and their eldest of six grandchildren, Matthew Orley, will also be rewarded by the school this spring, with his high-school diploma.

It is my hope that these two events remind David Hermelin and Doreen Curtis how far they have come since they first met at Camp Tamakwa in 1949. I also hope that they take the time to think about just how many lives they have touched with their many charitable efforts.

Mr. President, I would like to welcome Ambassador and Mrs. Hermelin back to metropolitan Detroit. While I do appreciate the work the couple did in Norway, it is my preference that they stay in Michigan for a while. On behalf of the entire United States Senate, I congratulate David and Doreen Hermelin on receiving the 2000 Dream Maker Award and the Rabbi Jacob Segal Award, and I applaud Hillel Day School for recognizing this magnificent pair.●

A TRIBUTE TO MR. JIM CASH

● Mr. ABRAHAM. Mr. President, I rise today in honor and in memory of a dear friend of mine, Mr. Jim Cash, who passed away on March 24 at the age of 59. Jim is internationally recognized as a screenplay writer. He co-wrote the movies ''Top Gun,'' ''The Secret of My Success,'' ''Dick Tracy,'' and ''Turner and Hooch,'' among others. I would like to recognize him today, however, not for his writing achievements, but for his contributions to the Lansing, Michigan, community, and the campus of our alma mater, Michigan State University. It is there, I believe, where his words found their most attentive listeners. It is also there where they had their most profound effects.

Jim began teaching a film history course at Michigan State in 1974, taking the job as an adjunct professor. He hoped only to earn some money to continue his screenplay writing. When he and co-writer Jack Epps, Jr., a former student, found success together in the mid-1980's, it would have been easy for Jim to leave Michigan State behind for the brighter pastures of Hollywood. Instead, Jim stayed in Lansing. He stayed because he had discovered that he loved to teach as much as he loved to write. And the reason that he loved teaching was because he loved instilling into his students the same love for writing and for film that he had. Witnessing this process occur in his students never got old. He stayed, Mr. President, because he realized that with his teaching he had a true impact on the lives of individuals, something he could not have attained in Hollywood, not on the same level as he could at Michigan State.

Jim taught more than just the six-hundred students who often filled his classrooms, though. He and his wife, Cynthia, were very active in Lansing community fine arts programs, volunteering their time throughout the area. They provided money for the creation of many fine arts scholarships. Jim also helped to write and direct a production at East Lansing High School entitled ''4 Years to Life,'' which dramatized the rigors of high school life. In the last year of his life, Jim and Cynthia could often be found at the Silverscreen Café, a coffee shop that they owned together.

Mr. President, with his writing ability, Jim forever left his mark on Hollywood. With his incredible spirit and immense knowledge, he forever left his mark on Lansing, Michigan, Michigan State University, and thousands upon thousands of students. And with his personality, he forever left his mark on anyone who had the chance to meet him. Plain and simple, he was an incredible man, and he will be greatly missed.●

DR. MAUREEN A. FAY RECEIVES ALTERNATIVES FOR GIRLS ROLE MODEL AWARD

● Mr. ABRAHAM. Mr. President, Alternatives for Girls is an organization which provides aid and assistance to vulnerable young women in the metropolitan Detroit area. Founded in 1987, Alternatives for Girls remains committed to its original mission of helping homeless and high-risk girls and young women avoid violence, teen pregnancy, and exploitation, while at the same time helping them explore and access the support, resources and opportunities necessary to be safe, to grow strong, and to make positive choices for their lives. It has been recognized by Newsweek as a social service agency that works, and named one of the best managed non-profit organizations in the Detroit area by Crain's Business Weekly.

Each year, the Alternatives For Girls selects two female role models to receive its Role Model Award. With this award, the organization seeks to identify and honor women who, through their professional accomplishments, personal attributes, and demonstrated commitment to community, affirm the principles embodied in Alternative For Girls' purpose, and provide inspiration

and concrete examples of what women can attain when afforded the opportunity and the guidance to make positive life choices. Mr. President, I rise today to recognize and honor Dr. Maureen A. Fay and Ms. Pamela Rodgers, who will receive the Alternatives For Girls Role Model Award at the 11th Annual Role Model Dinner, on April 6, 2000.

Dr. Fay has lived a life dedicated to education. Before graduating from the University of Chicago with a doctorate in social sciences in 1976, she taught at the University of Illinois, Northern Illinois University, and DePaul University. After her graduation, she became Dean of Continuing Education and Graduate Studies at Saint Xavier University in Chicago. In 1983, she was named president of Mercy College of Detroit. In 1990, when Mercy College consolidated with the University of Detroit, she became the first president of the University of Detroit-Mercy. She has served in this position for the last ten years, focusing her efforts on the growth and revitalization of Michigan's largest Catholic University.

Dr. Fay is active, and provides leadership, in a variety of educational organizations. She serves on the executive committee of the Association of Catholic Colleges and Universities, the executive committee of the Association of Jesuit Colleges and Universities, is a member of the Association of Mercy Colleges, and is a member of the executive committee of the Association of Independent Colleges and Universities of Michigan.

Dr. Fay has also been extremely active in the Detroit area. She currently serves on the boards of Bank One Corporation, Kelly Services, Inc., the Detroit Economic Growth Corporation, the Economic Club of Detroit, New Detroit, Inc., the National Conference for Community and Justice, and the Endowment Foundation for the Archdiocese of Detroit. In March of 1996, she was appointed by Mayor Dennis Archer to the Greater Downtown Partnership, Inc., an initiative to spearhead downtown economic revitalization and development.

Mr. President, I applaud Dr. Maureen Fay on her many remarkable achievements, and commend her for her dedication to improving the city of Detroit. Dr. Fay is truly a role model for women not only in Detroit but across the nation, and I am glad that Alternatives For Girls has recognized her as such. On behalf of the entire United States Senate, I congratulate Dr. Fay on receiving the Alternatives For Girls Role Model Award.●

PAMELA RODGERS RECEIVES ALTERNATIVES FOR GIRLS ROLE MODEL AWARD

● Mr. ABRAHAM. Mr. President, Alternatives for Girls is an organization which provides aid and assistance to vulnerable young women in the metropolitan Detroit area. Founded in 1987, Alternatives for Girls remains committed to its original mission of helping homeless and high-risk girls and young women avoid violence, teen pregnancy, and exploitation, while at the same time helping them explore and access the support, resources and opportunities necessary to be safe, to grow strong, and to make positive choices for their lives. It has been recognized by Newsweek as a social service agency that works, and named one of the best managed non-profit organizations in the Detroit area by Crain's Business Weekly.

Each year, Alternatives For Girls selects two female role models to receive its Role Model Award. With this award, the organization seeks to identify and honor women who, through their professional accomplishments, personal attributes, and demonstrated commitment to community, affirm the principles embodied in Alternative For Girls purpose, and provide inspiration and concrete examples of what women can attain when afforded the opportunity and the guidance to make positive life choices. Mr. President, I rise today to recognize and honor Dr. Maureen A. Fay and Ms. Pamela Rodgers, who will receive the Alternatives For Girls Role Model Award at the 11th Annual Role Model Dinner, on April 6, 2000.

After graduating with an M.B.A. from Duke in 1983, Ms. Pamela Rodgers returned to her hometown of Detroit, Michigan, to work as a financial analyst for Ford Motor Company. In 1988, she was admitted into the Ford Minority Dealer Development Program. In early 1993, Ms. Rodgers was finally given the opportunity she desired, when she took over General Motor's Flat Rock Dealership.

Since Ms. Rodgers became owner, the Flat Rock Dealership, now Rodgers Chevrolet, has prospered in every way. In 1995, G.M. named it number one in ''service satisfaction'' for the entire Detroit area. When Ms. Rodgers first took over in 1993, annual sales were under $15 million. In 1998, Rodgers Chevrolet eclipsed the $48 million sales mark, sold an average of 180 new and used vehicles per month, including fleet sales to large companies like Detroit Edison, and hired fifteen new employees.

Ms. Rodgers is active in a number of civic and professional organizations. She is a member of the Board of Family Services, the National Black M.B.A. Association, and the Women's Automotive Issues. She sits on the Board of Directors of the National Association of Minority Automobile Dealers and the General Motors Minority Dealers Association.

Mr. President, Ms. Pamela Rodgers has been a true pioneer in the automobile industry. No one has opened the doors for her, rather, it has been her hard work and will to succeed that have forced them open. On behalf of the entire United States Senate, I congratulate her on being named as an Alternatives For Girls Role Model. It is an honor she truly deserves.●

IN RECOGNITION OF ALTERNATIVES FOR GIRLS

● Mr. ABRAHAM. Mr. President, I rise today to recognize Alternatives for Girls, an organization which provides aid and assistance to vulnerable young women in the metropolitan Detroit area. Founded in 1987, Alternatives for Girls remains committed to its original mission of helping homeless and high-risk girls and young women avoid violence, teen pregnancy, and exploitation, while at the same time helping them explore and access the support, resources and opportunities necessary to be safe, to grow strong, and to make positive choices for their lives.

In its thirteen years, Alternatives For Girls has grown from a small, volunteer-run program into a multi-service agency. It now has a staff of over fifty employees, one-hundred and seventy active volunteers, and an annual operating budget of over $2 million. It has been honored by Crain's Detroit Business Weekly as one of the best-managed non-profit organizations in the Detroit metropolitan area, and has also been named by Newsweek as a social service agency that works.

Mr. President, the staff and volunteers of Alternatives For Girls hold the firm conviction that they can make a difference in the lives of girls and young women in metropolitan Detroit by helping them build the foundations for trust, responsibility and success; by providing them with educational support and vocational guidance to become to become self-sufficient; by counselling them and linking them with the resources they need to build safe and healthy lives; and by listening to their concerns, responding to their needs, standing by them in times of frustration, and congratulating them in times of success.

Alternatives For Girls has three program areas, a Prevention Program, a Crisis Shelter and Transition to Independent Living Program, and a Street Outreach Program. The Prevention Program serves girls, ages 5–17, and their families, who are at risk for school dropout, early pregnancy, and involvement with gangs, drugs, and violence. The Crisis Shelter and Transition to Independent Living Program serves homeless girls and young women, ages 16–20, who are not in the foster care or judicial system. And through the Street Outreach Program, staff and volunteers provide support, referrals and other necessities to girls and young women who are involved in prostitution, substance abuse, gang activity and unhealthy relationships.

Mr. President, I applaud the staff and volunteers of Alternatives For Girls for their tremendous efforts to help the girls and young women of metropolitan Detroit. Their efforts have changed hundreds of lives, whether by providing

mentoring services, overseeing and aiding the transition to independent living of a homeless young woman, or offering counseling in a time of need. On behalf of the entire United States Senate, I not only commend the staff and volunteers of Alternatives For Girls for their work, but also give them a much deserved thank you.●

MESSAGES FROM THE PRESIDENT

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

EXECUTIVE MESSAGES REFERRED

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

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

THE REPORT OF THE CORPORATION FOR PUBLIC BROADCASTING—MESSAGE FROM THE PRESIDENT—PM 98

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with an accompanying report; which was referred to the Committee on Commerce, Science, and Transportation.

To the Congress of the United States:

As required by section 19(3) of the Public Telecommunications Act of 1992 (Public Law 102–356), I transmit herewith the report of the Corporation for Public Broadcasting.

WILLIAM J. CLINTON.

THE WHITE HOUSE, *April 4, 2000.*

MESSAGES FROM THE HOUSE

At 2:15 p.m., a message from the House of Representatives, delivered by Ms. Niland, one of its reading clerks, announced that the House has passed the following bill, with amendments in which it requests the concurrence of the Senate:

S. 1567. An act to designate the United States courthouse located at 223 Broad Street in Albany, Georgia, as the ''C.B. King United States Courthouse.''

The message also announced that the House has agreed to the amendment of the Senate to the title, and agrees to the amendment of the Senate to the text of the bill (H.R. 1753) to promote the research, identification, assessment, exploration, and development of gas hydrate resources, and for other purposes, with an amendment in which it requests the concurrence of the Senate.

The message further announced that the House has passed the following bills, in which it requests the concurrence of the Senate.

H.R. 1089. An act to require the Securities and Exchange Commission to require the improved disclosure of after-tax returns regarding mutual fund performance, and for other purposes.

H.R. 1359. An act to designate the Federal building and United States courthouse to be constructed at 10 East Commerce Street in Youngstown, Ohio, as the ''Frank J. Battisti and Nathaniel R. Jones Federal Building and United States Courthouse.''

H.R. 1605. An act to designate the Federal building and United States courthouse located at 402 North Walnut Street in Harrison, Arkansas, as the ''J. Smith Henley Federal Building and United States Courthouse.''

H.R. 3591. An act to provide for the award of a gold medal on behalf of the Congress to former President Ronald Reagan and his wife Nancy Reagan in recognition of their service to the Nation.

H.R. 3904. An act to prevent the elimination of certain reports.

H.R. 4052. An act to preserve certain reporting requirements under the jurisdiction of the Committee on Transportation and Infrastructure of the House of Representatives, and for other purposes.

The message also announced that the House has agreed to the following concurrent resolutions, in which it requests the concurrence of the Senate:

H. Con. Res. 278. Authorizing the use of the Capitol Grounds for the 19th annual National Peace Officers' Memorial Service.

H. Con. Res. 279. Authorizing the use of the Capitol Grounds for the 200th birthday celebration of the Library of Congress.

H. Con. Res. 281. Authorizing the use of the East Front of the Capitol Grounds for performances sponsored by the John F. Kennedy Center for the Performing Arts.

MEASURES REFERRED

The following bills were read the first and second time by unanimous consent, and referred as indicated:

H.R. 1089. An act to require the Securities and Exchange Commission to require the improved disclosure of after-tax returns regarding mutual fund performance, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

H.R. 1359. An act to designate the Federal building and United States courthouse to be constructed at 10 East Commerce Street in Youngstown, Ohio, as the ''Frank J. Battisti and Nathaniel R. Jones Federal Building and United States Courthouse''; to the Committee on Environment and Public Works.

H.R. 1605. An act to designate the Federal building and United States courthouse located at 402 North Walnut Street in Harrison, Arkansas, as the ''J. Smith Henley Federal Building and United States Courthouse''; to the Committee on Environment and Public Works.

H.R. 3904. An act to prevent the elimination of certain reports; to the Committee on Government Affairs.

The following concurrent resolutions were read and referred as indicated:

H. Con. Res. 278. Concurrent resolution authorizing the use of the Capitol Grounds for the 19th annual National Peace Officers' Memorial Service; to the Committee on Rules and Administration.

H. Con. Res. 279. Concurrent resolution authorizing the use of the Capitol Grounds for the 200th birthday celebration of the Library of Congress; to the Committee on Rules and Administration.

H. Con. Res. 281. Concurrent resolution authorizing the use of the East Front of the Capitol Grounds for performances sponsored by the John F. Kennedy Center for the Performing Arts; to the Committee on Rules and Administration.

MEASURE PLACED ON THE CALENDAR

The following bill was read the first and second times, and placed on the calendar:

H.R. 4052. An act to preserve certain reporting requirements under the jurisdiction of the Committee on Transportation and Infrastructure of the House of Representatives, and for other purposes.

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–8307. A communication from the Assistant Attorney General, Office of Legislative Affairs transmitting, pursuant to law, the report of the Department's activities under the Equal Credit Opportunities Act for calendar year 1999; to the Committee on Banking, Housing, and Urban Affairs.

EC–8308. A communication from the Assistant General Counsel for Regulations, Department of Housing and Urban Development, transmitting, pursuant to law, the report of a rule entitled ''HUD Acquisition Regulation; Technical Correction'' (RIN2535–AA25) (FR–4291–C–03), received March 30, 2000; to the Committee on Banking, Housing, and Urban Affairs.

EC–8309. A communication from the Assistant General Counsel for Regulations, Department of Housing and Urban Development, transmitting, pursuant to law, the report of a rule entitled ''Uniform Financial Reporting Standards for HUD Housing Programs; Revised Report Filing Date'' (RIN2501–AC49) (FR–4321–F–07), received March 30, 2000; to the Committee on Banking, Housing, and Urban Affairs.

EC–8310. A communication from the Assistant General Counsel for Regulations, Department of Housing and Urban Development, transmitting, pursuant to law, the report of a rule entitled ''Multifamily Housing Mortgage and Housing Assistance Restructuring Program (Mark-to-Market)'' (RIN2502–AH09) (FR–4298–F–07), received March 30, 2000; to the Committee on Banking, Housing, and Urban Affairs.

EC–8311. A communication from the Assistant General Counsel for Regulations, Department of Housing and Urban Development, transmitting, pursuant to law, the report of a rule entitled ''Changes to Admission and Occupancy Requirements in the Public Housing and Section 8 Housing Assistance Programs'' (RIN2501–AC59) (FR–4485–F–03), received March 30, 2000; to the Committee on Banking, Housing, and Urban Affairs.

EC–8312. A communication from the Senior Banking Counsel, Office of the General Counsel, Department of the Treasury transmitting, pursuant to law, the report of a rule entitled ''Merchant Banking Investments'' (RIN1505–AA78), received March 28, 2000; to the Committee on Banking, Housing, and Urban Affairs.

EC–8313. A communication from the Director, Policy Directives and Instructions Branch, Immigration and Naturalization Service, Department of Justice transmitting, pursuant to law, the report of a rule entitled ''Revoking Grants of Naturalization'' (RIN1115–AF63), received March 31, 2000; to the Committee on the Judiciary.

EC–8314. A communication from the Assistant Attorney General, Office of Legislative Affairs, transmitting a draft of proposed legislation relative to the Immigration and Nationality Act; to the Committee on the Judiciary.

EC–8315. A communication from the Director, Defense Finance and Accounting Service, Department of Defense transmitting, pursuant to law, the report of an A–76 cost comparison study of the Security Assistance Accounting function; to the Committee on Armed Services.

EC–8316. A communication from the Director, Regulations Policy and Management Staff, Food and Drug Administration, Department of Health and Human Services, transmitting, pursuant to law, the report of a rule entitled ''Regulations Restricting the Sale and Distribution of Cigarettes and Smokeless Tobacco to Protect Children and Adolescents; Revocation'' (Docket No. 95N–0253), received March 30, 2000; to the Committee on Health, Education, Labor, and Pensions.

EC–8317. A communication from the Director, Office of Regulatory Management and Information, Office of Policy, Planning and Evaluation, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled ''Ethoxylated Propoxylated (C–12–C–15) Alcohols; Tolerance Exemption; Technical Correction'' (FRL #6498–4), received March 30, 2000; to the Committee on Agriculture, Nutrition, and Forestry.

EC–8318. A communication from the Director, Office of Regulatory Management and Information, Office of Policy, Planning and Evaluation, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled ''Spinosad; Pesticide Tolerance; Technical Correction'' (FRL #6551–9), received March 30, 2000; to the Committee on Agriculture, Nutrition, and Forestry.

EC–8319. A communication from the Regulatory Liaison, Grain Inspection, Packers and Stockyards Administration, Department of Agriculture transmitting, pursuant to law, the report of a rule entitled ''Regulations Issued Under the Packers and Stockyards Act (Feed Weight)'' (RIN0580–AA64), received March 30, 2000; to the Committee on Agriculture, Nutrition, and Forestry.

EC–8320. A communication from the Secretary of Health and Human Services, transmitting, a draft of proposed legislation entitled ''HCFA User Fee Act of 2000''; to the Committee on Finance.

EC–8321. A communication from the Secretary of Health and Human Services, transmitting, a draft of proposed legislation entitled ''Child Support Enforcement Amendments of 2000''; to the Committee on Finance.

EC–8322. A communication from the Chief, Regulations Unit, Internal Revenue Service, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled ''Changes in Amortization Bases-Taxpayer Relief Act of 1997'' (Rev. Rul. 2000–20), received March 30, 2000; to the Committee on Finance.

EC–8323. A communication from the Chief, Regulations Unit, Internal Revenue Service, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled ''TD 8879: Kerosene Tax; Aviation Fuel Tax; Taxable Fuel Measurement and Reporting; Tax on Heavy Trucks and Trailers; Highway Vehicle Use Tax'' (RIN1545–AT18), received March 30, 2000; to the Committee on Finance.

EC–8324. A communication from the Chief, Regulations Unit, Internal Revenue Service, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled ''21 BLS–LIFO Department Store Indexes-February 2000'' (Rev. Rul. 2000–21), received March 31, 2000; to the Committee on Finance.

EC–8325. A communication from the Chairman, Federal Maritime Commission transmitting, pursuant to law, the annual report for fiscal year 1999; to the Committee on Commerce, Science, and Transportation.

EC–8326. A communication from the Deputy Assistant Administrator, National Oceanic and Atmospheric Administration, Department of Commerce transmitting, pursuant to law, the report of a rule entitled ''National Marine Aquaculture Initiative: Request for Proposals for FY 2000'' (RIN0648–ZA82), received March 30, 2000; to the Committee on Commerce, Science, and Transportation.

EC–8327. A communication from the Attorney-Advisor, Department of Transportation transmitting, pursuant to law, the report of a rule entitled ''Third Extension of Computer Reservation Systems Regulations'' (RIN2105–AC75), received March 27, 2000; to the Committee on Commerce, Science, and Transportation.

EC–8328. A communication from the Attorney-Advisor, National Highway Traffic Safety Administration, Department of Transportation transmitting, pursuant to law, the report of a rule entitled ''Advanced Air Bag Dummy Rule for CRABI 12-Month-Old Size'' (RIN2127–AG78), received March 30, 2000; to the Committee on Commerce, Science, and Transportation.

EC–8329. A communication from the Deputy Chief Counsel, National Highway Traffic Safety Administration, Department of Transportation transmitting, pursuant to law, the report of a rule entitled ''Light Truck Average Fuel Economy Standard, Model Year 2002'' (RIN2127–AH95), received March 30, 2000; to the Committee on Commerce, Science, and Transportation.

EC–8330. A communication from the Attorney, National Highway Traffic Safety Administration, Department of Transportation transmitting, pursuant to law, the report of a rule entitled ''Offset Deformable Barrier Crash Test Procedures'' (RIN2127–AH93), received March 30, 2000; to the Committee on Commerce, Science, and Transportation.

EC–8331. A communication from the Assistant General Counsel for Regulations, Department of Housing and Urban Development, transmitting, pursuant to law, the report of a rule entitled ''Technical Amendment to the Section 8 Management Assessment Program (SEMAP); Correction'' (RIN2577–AC10) (FR–4498–C–03), received March 30, 2000; to the Committee on Banking, Housing, and Urban Affairs.

EC–8332. A communication from the Assistant General Counsel for Regulations, Department of Housing and Urban Development, transmitting, pursuant to law, the report of a rule entitled ''Renewal of Expiring Annual Contributions Contracts in the Tenant-Based Section 8 Program; Formula for Allocation of Housing Assistance; Correction'' (RIN2577–AB96) (FR–4459–C–07), received March 30, 2000; to the Committee on Banking, Housing, and Urban Affairs.

EC–8333. A communication from the Assistant General Counsel for Regulations, Department of Housing and Urban Development, transmitting, pursuant to law, the report of a rule entitled ''Allocations of Funds Under the Capital Fund; Capital Fund Formula'' (RIN2577–AB87) (FR–4423–F–07), received March 30, 2000; to the Committee on Banking, Housing, and Urban Affairs.

EC–8334. A communication from the Assistant General Counsel for Regulations, Department of Housing and Urban Development, transmitting, pursuant to law, the report of a rule entitled ''Requirements for Notification, Evaluation and Reduction of Lead-Based Paint Hazards in Housing Receiving Federal Assistance and Federally Owned Residential Property Being Sold; Correction'' (RIN2501–AB57) (FR–3482–C–08), received March 30, 2000; to the Committee on Banking, Housing, and Urban Affairs.

EC–8335. A communication from the Assistant General Counsel for Regulations, Department of Housing and Urban Development, transmitting, pursuant to law, the report of a rule entitled ''Section 8 Tenant-Based Assistance; Statutory Merger of Section 8 Certificate and Voucher Programs; Housing Choice Voucher Program; Correction'' (RIN2577–AB91) (FR–4428–C–06), received March 30, 2000; to the Committee on Banking, Housing, and Urban Affairs.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. SMITH of New Hampshire, from the Committee on Environment and Public Works, with amendments:

S. 1752: A bill to reauthorize and amend the Coastal Barrier Resources Act (Rept. No. 106–252).

By Mr. ROTH, from the Committee on Finance, without amendment:

S. 2346: An original bill to amend the Internal Revenue Code of 1986 to reduce the marriage penalty by providing for adjustments to the standard deduction, 15-percent and 28-percent rate brackets, and earned income credit, and for other purposes (Rept. No. 106–253).

By Mr. HATCH, from the Committee on the Judiciary:

Report to accompany the joint resolution (S.J. Res. 3) proposing an amendment to the Constitution of the United States to protect the rights of crime victims (Rept. No. 106–254).

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second times by unanimous consent, and referred as indicated:

By Mr. GREGG (for himself, Mr. JEFFORDS, Ms. COLLINS, Mr. VOINOVICH, Mr. DEWINE, and Mr. SESSIONS):

S. 2341. A bill to authorize appropriations for part B of the Individuals with Disabilities Education Act to achieve full funding for part B of that Act by 2010; to the Committee on Health, Education, Labor, and Pensions.

By Mr. MOYNIHAN (by request):

S. 2342. A bill to amend the Medicare program under title XVIII of the Social Security Act to make Medicare more competitive and efficient, to provide for a prescription drug benefit, and for other purposes; to the Committee on Finance.

By Mr. MURKOWSKI (for himself and Mr. LEVIN):

S. 2343. A bill to amend the National Historic Preservation Act for the purposes of establishing a national historic lighthouse preservation program; to the Committee on Energy and Natural Resources.

By Mr. BROWNBACK (for himself, Mr. DASCHLE, Mr. GRAMS, Mr. KERREY, Mr. ASHCROFT, Mr. DEWINE, Mr. INHOFE, Mr. ROBERTS, Mr. DORGAN, Mr. CONRAD, Mr. LUGAR, Mr. BOND, Mr. JOHNSON, Mr. BUNNING, Mr. CRAIG, Mr. HAGEL, and Mr. GRASSLEY):

S. 2344. A bill to amend the Internal Revenue Code of 1986 to treat payments under the Conservation Reserve Program as rentals from real estate; to the Committee on Finance.

By Mr. SCHUMER (for himself and Mr. MOYNIHAN):

S. 2345. A bill to direct the Secretary of the Interior to conduct a special resource study concerning the preservation and public use of sites associated with Harriet Tubman located in Auburn, New York, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. ROTH:

S. 2346. An original bill to amend the Internal Revenue Code of 1986 to reduce the marriage penalty by providing for adjustments to the standard deduction, 15-percent and 28-percent rate brackets, and earned income credit, and for other purposes; placed on the calendar.

By Mr. CONRAD (for himself, Mr. REID, Mr. JOHNSON, Mr. LEVIN, Mr. KENNEDY, Mrs. LINCOLN, Mr. BAYH, and Mr. ROCKEFELLER):

S. 2347. A bill to provide grants to partnerships to establish and carry out information technology training programs and to provide incentives for educators to obtain information technology certification, and for other purposes; to the Committee on Health, Education, Labor, and Pensions.

By Mr. WELLSTONE:

S. 2348. A bill to provide for fairness and accuracy in student testing; to the Committee on Health, Education, Labor, and Pensions.

By Mr. THOMAS (for himself and Mr. ENZI):

S. 2349. A bill to amend part D of title IV of the Social Security Act to permit States with proven cost-effective and efficient child support collection systems to continue to operate such systems; to the Committee on Finance.

By Mr. HATCH (for himself and Mr. BENNETT):

S. 2350. A bill to direct the Secretary of the Interior to convey to certain water rights to Duchesne City, Utah; to the Committee on Energy and Natural Resources.

By Mr. HATCH (for himself and Mr. BENNETT):

S. 2351. A bill to provide for the settlement of the water rights claims of the Shivwits Band of the Paiute Indian tribe of Utah, and for other purposes; to the Committee on Indian Affairs.

By Mr. GRAHAM:

S. 2352. A bill to designate portions of the Wekiva River and associated tributaries as a component of the National Wild and Scenic Rivers System; to the Committee on Energy and Natural Resources.

By Mr. AKAKA (for himself, Mr. INOUYE, Mr. MURKOWSKI, Mr. JOHNSON, and Mr. STEVENS):

S. 2353. A bill to amend the Higher Education Act of 1965 to improve the program for American Indian Tribal Colleges and Universities under part A of title III; to the Committee on Indian Affairs.

By Mr. ROTH (for himself and Mr. MOYNIHAN):

S. 2354. A bill to amend the Internal Revenue Code of 1986 to prevent the duplication of losses through the assumption of liabilities giving rise to a deduction; to the Committee on Finance.

By Mr. SANTORUM:

S. 2355. A bill to amend the Individuals with Disabilities Education Act to modify authorizations of appropriations for programs under such Act; to the Committee on Health, Education, Labor, and Pensions.

By Mr. LUGAR (for himself and Mr. HARKIN):

S. 2356. A bill to amend the Richard B. Russell National School Lunch Act to improve management of the child and adult care food program; to the Committee on Agriculture, Nutrition, and Forestry.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mrs. FEINSTEIN:

S. Con. Res. 102. A concurrent resolution to commend the bravery and honor of the citizens of Remy, France, for their actions with respect to Lieutenant Houston Braly and to recognize the efforts of the 364th Fighter Group to raise funds to restore the stained glass windows of a church in Remy; to the Committee on the Judiciary.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. MURKOWSKI (for himself and Mr. LEVIN):

S. 2343. A bill to amend the National Historic Preservation Act for the purposes of establishing a national historic lighthouse preservation program; to the Committee on Energy and Natural Resources.

NATIONAL HISTORIC LIGHTHOUSE PRESERVATION ACT OF 2000

Mr. MURKOWSKI. Mr. President, with my colleague from Michigan, I am proud to introduce the National Lighthouse Preservation Act of 2000. This bill would amend the National Historic Preservation Act to establish a historic lighthouse preservation program within the Department of the Interior. It is similar to a bill that the Senate passed in the 105th Congress.

The legislation directs the Secretary of the Interior and the Administrator of General Services to establish a process for conveying historic lighthouses which are around our coastal areas and Great Lakes when these lighthouses have been deemed to be in excess of Federal needs of the agency owning and operating the lighthouse. For entities eligible to receive a historic lighthouse, it would be for the uses of educational, park, recreation, cultural, and historic preservation. And the agencies that would be included would be Federal or State agencies, local governments, nonprofit corporations, educational agencies, and community development organizations, and so forth.

There is no question that the historic lighthouses would be conveyed in a nonfee structure to selected entities which would have the obligation to maintain the integrity of these historic structures.

The historic lighthouses would revert back to the United States if a property ceases to be used for education, park, recreation, cultural or historic preservation purposes, or failed to be maintained in compliance with the National Historic Preservation Act.

Lighthouses are among the most romantic reminders of our country's maritime heritage. Marking dangerous headlands, shoals, bars, and reefs, these structures played a vital role in indicating navigable waters and supporting this Nation's maritime transportation and commerce. These lighthouses served the needs of the early mariners who navigated by visual sightings on landmarks, coastal lights, and the heavens. Hundreds of lighthouses have been built along our sea coasts and on the Great Lakes, creating the world's most complex aids to navigation system. No other national lighthouse system compares with that of the United States in size and diversity of architectural and engineering types.

My legislations pays tribute to this legacy and establishes a process which will ensure the protection and maintenance of these historical lighthouses so that future generations of Americans will be able to appreciate these treasured landmarks.

The legislation authorizes the Secretary of the Department of the Interior, through the National Park Service, to establish a historic lighthouse preservation program. The Secretary is charged with collecting and sharing information on historic lighthouses; conducting educational programs to inform the public about the contribution to society of historic lighthouses; and maintaining an inventory of historic lighthouses.

A historic light station is defined as a lighthouse, and surrounding property, at least 50 years old, which has been evaluated for inclusion on the National Register of Historic Places, and included in the Secretary's listing of historic light stations.

Most important, the Secretary, in conjunction with the Administrator of General Services, is to establish a process for identifying, and selecting among eligible entities to which a historic lighthouse could be conveyed. Eligible entities will include Federal agencies, State agencies, local communities, nonprofit corporations, and educational and community development organizations financially able to maintain a historic lighthouse, including conformance with the National Historic Preservation Act. When a historic lighthouse has been deemed excess to the needs of the Federal agency which manages the lighthouse, the General Services Administration will convey it, for free, to a selected entity for education, park, recreation, cultural, and historic preservation purposes.

My legislation also recognizes the value of lighthouse friends groups. Often, these groups have spend significant time and resources on preserving the character of historic lighthouses only to have his work go to waste when the lighthouse is transferred out of Federal ownership. Under current General Services Administration regulations, these friends groups are last on the priority list to receive a surplus light station in spite of their efforts to protect it. My bill gives priority consideration to public entities who submit applications in which the public entity partners with a nonprofit friends group.

Everyone agrees that the historic character of these lighthouses needs to be maintained. But the cost of maintaining these historic structures is becoming increasingly high for Federal

agencies in these times of tight budgetary constraints. These lighthouses were built in an age when they had to manned continuously. Today's advanced technology makes it possible to build automated aids to navigation that do not require around-the-clock manning. This technology has made many of these historic lighthouses expensive anachronisms which Federal agencies must maintain even if they no longer use them as navigational aids.

My legislation ensures that the historic character of these lighthouses are maintained when the lighthouses are no longer needed by the Federal Government. When the historic lighthouse is conveyed out of Federal ownership, the entity which receives the lighthouse must maintain it in accordance with historic preservation laws and standards. A lighthouse would revert to the United States, at the option of the General Services Administration, if the lighthouse is not being used or maintained as required by the law.

In the event no government agency or nonprofit organization is approved to receive a historic lighthouse, it would be offered for sale by the General Services Administration. The proceeds from these sales would be transferred to the National Maritime Heritage Grant Program within the National Park Service. Congress established the National Maritime Heritage Grant Program in 1994 to provide grants for maritime heritage preservation and education projects. Unfortunately, funding for this program has been nonexistent so the proceeds from any historic lighthouse sales would help ensure the program's viability.

It is my intent to ensure that coastal towns, where a historic lighthouse is an integral part of the community, would receive a historic lighthouse when it is no longer needed by the Federal Government. These historic lighthouses could be used by the community as a local park, a community center, or a tourist bureau. It also would ensure that historic lighthouse friends groups or lighthouse preservation societies, which have voluntarily helped to maintain the historic character of the lighthouse, could receive an excess lighthouse.

Mr. President, I know firsthand the importance and allure of these historic lighthouses. When I was in the Coast Guard, I helped maintain lighthouses and other navigational aids. These lights were critical to safe maritime traffic and I took my responsibilities seriously knowing that lives were dependent on it.

By preserving historic lighthouses, we preserve a symbol of that era in American history when maritime traffic was the lifeblood of the Nation, tying isolated coastal towns through trade to distant ports around the world. Hundreds of historic lighthouses are owned by the Federal Government and many of these are difficult and expensive to maintain. This legislation provides a process to ensure that these historic lighthouses are maintained and publicly accessible.

I urge all my colleagues to support this legislation.

Mr. LEVIN. Mr. President, I am pleased to cosponsor the National Historic Lighthouse Preservation Act. Michigan is second only to Alaska in length of shoreline. However, Michigan is second to none in the number of lighthouses which grace its shores. Michigan has over 120 lighthouses. As such, it is most appropriate indeed that I work with my friend and colleague from Alaska, Senator MURKOWSKI, in introducing this legislation.

For centuries our nation's lighthouses have served as beacons to mariners guiding them on their journeys. Due to recent navigational advances, these lights often no longer serve the noble purpose for which they were built. The current custodian of many of these lights, the United States Coast Guard, has neither the funding nor manpower to maintain these majestic lights. This act will help ensure proper stewards are found for these American Castles, thus ensuring they will remain cultural beacons for generations to come.

Over the next 10 years the U.S. Coast Guard has said it will be transferring from its ownership at least 70 of Michigan's historic lighthouses. I have been working with the Michigan Lighthouse Project to identify future custodians of these lighthouses. This legislation is essential to facilitate the transfer of the Michigan lighthouses and other lighthouses around the country. Currently, through the existing government transfer process, there is no way to easily transfer lighthouses to nonprofit historical societies. This legislation sets up an expedited GSA process allowing lighthouses to be transferred by the government directly to nonprofit historical organizations.

This legislation is needed to allow for and facilitate the transfers of these lighthouses to non-profit historical organizations who will preserve and care for them and keep them in the ''public domain'' where they can be enjoyed by all, once they are transferred.

Last Congress I cosponsored a similar bill which passed the Senate but died in a House Committee. This Congress, we have worked with all the Federal agencies involved with lighthouse transfers as well as with the Great Lakes Lighthouse Keepers Association to develop this slightly modified bill.

I hope the National Historic Lighthouse Preservation Act will be enacted quickly so that we can begin the orderly and timely process of transferring our treasured historic lighthouses to the appropriate historical institutions that will care for them and make them accessible to the public.

By Mr. CONRAD (for himself, Mr. REID, Mr. JOHNSON, Mr. LEVIN, Mr. KENNEDY, Mrs. LINCOLN, Mr. BAYH, and Mr. ROCKEFELLER):

S. 2347. A bill to provide grants to partnerships to establish and carry out information technology training programs and to provide incentives for educators to obtain information technology certification, and for other purposes; to the Committee on Health, Education, Labor, and Pensions.

INFORMATION TECHNOLOGY ACT OF 2000

● Mr. CONRAD. Mr. President, in the past decade, the United States has experienced unparalleled economic growth. Unemployment has been low, inflation has not been a major concern and job opportunities for college graduates and many other U.S. workers have been plentiful. In so small measure, this economic achievement has been the result of the extraordinary growth and opportunities provided by the high tech industry.

According to the most recent information from the American Electronics Association (AEA), the high technology industry has added more than 1 million jobs to the U.S. economy between 1993 and 1998. High tech employment has soared from 3.9 million jobs in 1993 to more than 4.8 million jobs in 1998. The industry is one of the fastest growing segments of the U.S. economy.

In North Dakota, growth in high technology, particularly in software and computer-related services, has tracked U.S. high tech expansion. Information from the American Electronics Association shows that North Dakota was one of the few states that led the nation in the percentage of high-tech employment growth. Between 1990 and 1997, North Dakota almost doubled its high tech employment from 2,800 to 5,300 workers, a growth rate of 91 percent.

Despite this extraordinary growth in the high tech industry over the past decade, and trends which indicate that the high-tech industry will continue to be among the fastest growing job segments in the 21st century, one of the biggest challenges of the high-tech industry is ensuring an adequate supply of skilled IT workers.

In 1997, the Department of Commerce and the Information Technology Association of America (ITAA) reported on the critical shortage of skilled high-tech workers in the U.S. The ITAA released a study which estimated the current shortage of skilled workers in various information technology fields at more than 340,000. Moreover, the Department of Labor projected that our economy would require more than 130,000 jobs in information technology—systems analysts, computer scientists, and engineers—annually for the next 10 years.

Mr. President, during the closing days of the 105th Congress, the Senate took the first steps to respond to the IT worker shortage by voting to increase the annual cap on H1B visas. This increase, which I supported, enables foreign workers to be employed in the U.S. high-tech industry.

During this debate on H1B visas and the IT worker shortage, I introduced

legislation to encourage IT training partnerships between the private sector and education communities as another option for responding to the worker shortage.

Now, as the Senate returns for the 2d Session of the 106th Congress, and as projections for the IT worker shortage are increasing, the Senate will consider legislation to raise the cap on H1B visas beyond the increase approved in 1998. There are few proposals, however, to authorize significant incentives to encourage IT training for American workers. In 1998, we authorized only a small amount of funding for IT training and education from the fees collected under the H1B expansion.

There is no question that recruitment of skilled foreign workers is very important for the IT industry. Indeed, it will be necessary to increase that cap again before adjournment of the 106th Congress. Increasing the H1B visa cap alone, however, will not solve the IT worker shortage.

Congress must also examine longer term solutions to encourage the expansion of IT training and education. Many key firms, including Cisco Systems, Texas Instruments, Microsoft, EDS, Lucent and IBM, are currently providing excellent training and educational opportunities in IT. These firms are also encouraging individuals of all ages to think about career opportunities in information technology. But, without question, the demand for IT workers is growing, and raising the H1B cap by itself will not provide the skilled IT work force that is necessary in the coming decade.

Following up my initiative in the 106th Congress to authorize a tax credit for information technology training, S. 456, I am introducing the Information Technology Act of 2000 to provide additional incentives for IT training and education partnerships. I am very pleased that Senators REID, JOHNSON, LEVIN, KENNEDY, LINCOLN, BAYH, and ROCKEFELLER are joining as original cosponsors of this legislation.

The Information Technology Act of 2000 would authorize $100 million in FY 2001 in matching Federal funds through the Departments of Education and Labor to encourage IT training partnerships between the education community and private sector. The education partnerships would encourage IT training for those individuals that are the most underrepresented in the information technology field—dislocated workers, women, veterans, senior citizens, the Native American communities and students who have not completed their high school education.

Additionally, my legislation would help teachers improve their information technology teaching skills by authorizing a $5,000 bonus for educators who become certified in one or more information technology skills including integrating technology into the classroom. $100 million would be authorized annually for this program for five years beginning in FY 2001.

Currently, the Department of Education, through a number of professional development programs including the Technology Literacy Challenge Fund, offers educators a number of opportunities for training to integrate technology into school classrooms.

But according to the National Center for Education Statistics, only 20 percent of full-time public school teachers believe that they are well prepared to integrate technology into the classroom. Approximately 79 percent of teachers believe that they do not get enough help in preparing to use technology in the classroom.

The need for this technology training was also underscored in a recent survey of educators by Education Week. Highlights of this survey regarding teacher's training were reported in a Washington Post article on March 18, 2000. Clearly, teachers should be offered more opportunities for information technology training.

Mr. President, as the Senate considers options to respond to the IT worker shortage, several pending measures, including raising the H1B cap, reauthorization of the Elementary and Secondary Education Act, and tax relief legislation will provide excellent opportunities to establish a comprehensive IT worker shortage policy.

I urge my colleagues to work together during the remaining days of the 106th Congress and support a package of IT worker shortage initiatives that will help American firms not only maintain their competitive edge in the world market, but enable Americans who are not now part of the IT expansion to have that opportunity. I welcome cosponsors of the Information Technology Act of 2000. Mr. President, I ask unanimous consent that the text of this legislation and the article entitled ''Teachers Online but Disconnected,'' from the Washington Post be printed in the RECORD.

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

S. 2347

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 ''Information Technology Act of 2000''.

SEC. 2. DEFINITIONS.

In this Act:

(1) CERTIFIED COMMERCIAL INFORMATION TECHNOLOGY TRAINING PROVIDER.—The term ''certified commercial information technology training provider'' means a private sector provider of educational products and services utilized for training in information technology that is certified with respect to—

(A) the curriculum that is used for the training; or

(B) the technical knowledge of the instructors of such provider,

by 1 or more software publishers or hardware manufacturers the products of which are a subject of the training.

(2) DISLOCATED WORKER.—The term ''dislocated worker'' has the meaning given the term in section 101 of the Workforce Investment Act of 1998 (29 U.S.C. 2801).

(3) INFORMATION TECHNOLOGY CERTIFICATION.—The term ''information technology certification'' means certification in information technology, in accordance with such standards as—

(A)(i) the Computing Technology Industry Association, the Information Technology Training Association, the International Society for Technology in Education, or another information technology professional association may issue, after consultation with chief education officers of States, State boards and entities that certify or license teachers, and other entities impacted by the standards; or

(ii) a State board or entity that certifies or licenses teachers may issue, after consultation with chief education officers of States, and other entities impacted by the standards; and

(B) the Secretaries may approve.

(4) INFORMATION TECHNOLOGY TRAINING PROGRAM.—The term ''information technology training program'' means a program for the training of—

(A) computer programmers, systems analysts, and computer scientists or engineers (as such occupations are defined by the Bureau of Labor Statistics); and

(B) persons for such other occupations as are determined to be appropriate by the Secretaries, after consultation with a working group broadly solicited by the Secretaries and open to all interested information technology entities and trade and professional associations.

(5) INSTITUTION OF HIGHER EDUCATION.—The term ''institution of higher education'' has the meaning given the term in section 102 of the Higher Education Act of 1965 (20 U.S.C. 1002).

(6) NATIVE AMERICAN.—The term ''Native American'' means an Indian or a Native Hawaiian, as defined in section 166(a) of the Workforce Investment Act of 1998 (29 U.S.C. 2911(a)).

(7) SECRETARIES.—The term ''Secretaries'' means the Secretary of Education and the Secretary of Labor, acting jointly.

(8) VETERAN.—The term ''veteran'' has the meaning given the term in section 101 of the Workforce Investment Act of 1998 (29 U.S.C. 2801).

SEC. 3. INFORMATION TECHNOLOGY TRAINING PROGRAM GRANTS.

(a) IN GENERAL.—The Secretaries may make grants to eligible partnerships to pay for the Federal share of the cost of establishing and carrying out information technology training programs for minorities, women, older individuals, veterans, Native Americans, dislocated workers, and former participants in information technology training programs who have not received information technology certification.

(b) PARTNERSHIPS.—To be eligible to receive a grant under subsection (a), a partnership shall consist of—

(1) an institution of higher education; and

(2) a private organization, such as a certified commercial information technology training provider or an information technology trade or professional association.

(c) APPLICATION.—To be eligible to receive a grant under subsection (a), a partnership shall submit an application to the Secretaries at such time, in such manner, and containing such information as the Secretaries may require.

(d) FEDERAL SHARE.—

(1) IN GENERAL.—The Federal share of the cost described in subsection (a) shall be 50 percent.

(2) NON-FEDERAL SHARE.—The non-Federal share of the cost shall be provided in cash or in kind, fairly evaluated, including plant, equipment, or services.

(e) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section $100,000,000 for fiscal year 2001 and such sums as may be necessary for each subsequent fiscal year.

SEC. 4. BONUS GRANTS FOR INFORMATION TECHNOLOGY CERTIFICATION.

(a) IN GENERAL.—The Secretary of Education may make grants to appropriate organizations, to assist the organizations in awarding bonuses to teachers who achieve information technology certification.

(b) AMOUNT.—Subject to the availability of appropriations under subsection (d), the Secretary of Education shall award a grant to an organization under subsection (a) in an amount not greater than the product of $5,000 and the number of teachers described in subsection (c)(2).

(c) APPLICATION.—

(1) IN GENERAL.—To be eligible to receive a grant under this section, a local educational agency shall submit an application to the Secretary of Education at such time, in such manner, and containing such information as the Secretary may require.

(2) CONTENTS.—At a minimum, the application shall contain information describing the number of teachers that—

(A) have achieved information technology certification, including such certification for integrating information technology into the classroom and a curriculum;

(B) have not previously received awards under this section; and

(C) have entered into agreements with the agency to continue to teach for the agency for periods of not less than 3 years, after receiving bonuses under this section.

(d) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section $100,000,000 for each of fiscal years 2001 through 2005.

[From the Washington Post, Sat., Mar. 18, 2000]

TEACHERS ONLINE BUT DISCONNECTED

(By Liz Seymour)

At Sanders Corner Elementary School in Loudoun County, the computer has become a teaching tool almost as basic as the textbook or the blackboard.

In third-grade science class, students have created a database to distinguish between terrestrial and aquatic animals. In fourth-grade social studies, classes explore the Web to learn about American Colonial history. In English classes in various grades, children write stories on computers and turn them into a multimedia presentation.

But what's routine at Sanders Corner is not at all typical at Jermantown Elementary School in Fairfax County. Although Jermantown has plenty of computers, its teachers say they don't know enough to take full advantage of them.

Sixth-grade teacher Eric Fleming, for example, would love to convert his students' weekly newspaper into a classroom-designed Web site where parents could see what their children had learned each day. The school's hardware and software are capable of such an effort, but he isn't. ''That's all well beyond me,'' said Fleming, considered one of Jermantown's most computer-fluent instructors. ''I need someone to teach me how to do this.''

Contrasts like the one between Sanders Corner and Jermantown—both in affluent school districts—turn up many times across the Washington suburbs, and sometimes exist within the same school. Some classrooms use computers constantly, while others rarely incorporate them into daily activities.

It is a digital divide that often has little to do with a school's supply of technology equipment; Sanders Corner has 4.4 students per computer, as does Jermantown. Nor is it necessarily a question of how much formal training a school's teachers have received.

Teachers and school officials say the gap instead boils down to the fact that some teachers are getting far more help than others in building on what they learned in technology training class. And some teachers are more motivated than others to seek such help in the first place.

Some schools, like Sanders Corner, have a full-time technology specialist who is regularly giving teachers ideas on how to use computers to enliven their lessons; many others, like Jermantown, have to share that person with other schools.

Even at a school with its own technology coach, it is ultimately up to each classroom teacher to make the effort to plan a computer-centered lesson or project. And patience, enthusiasm, learning curve and planning time can vary enormously from one teacher to another.

''There are some teachers out there who are extraordinary. They pretty much taught themselves,'' said Linda G. Roberts, director of educational technology at the U.S. Department of Education. ''Another group is using some of the resources but is easily discouraged . . . Most teachers want to learn, but they say it takes time and they need help.''

The result is that the impact of computers on instruction continues to lag behind their presence in schools, both in the Washington area and nationwide. More than 95 percent of schools and nearly two-thirds of class-rooms have computers connected to the Internet. Yet in a recent survey by the National Center for Education Statistics, 79 percent of teachers said they don't get enough help using technology in the classroom. Another poll, by Education Week magazine, found that only 50 percent of teachers support lessons with computer software.

Educators and business leaders worry that the inconsistencies threaten the popular notion that the nation's billion-dollar investment in hardware and software will lead to better learning for schoolchildren.

''We're not seeing the professional development at the level that we'd like, and there is not the integration of technology day in and day out that we'd like to see,'' said June Streckfus, executive director of the Maryland Business Roundtable, a nonprofit group of business leaders that is monitoring computer use in Maryland schools.

School administrators generally do not measure how well or how often teachers use classroom technology. Nor have schools developed guidelines on what role computers should play in the curriculum, either by academic subject or by grade level. Some school systems, such as Montgomery County, have started posting technology ideas for teachers on their Web sites, and some schools are cataloguing technology resources for class instruction.

There is no consensus among educators on how much computers benefit the learning process. But teachers who use them often in their classes say that Web browsing and educational software usually increase students' interest in a topic and sometimes trigger understanding when either teaching methods have failed.

''It's such a part of our lives,'' said Susan Jones, a fifth-grade teacher at Sanders Corner who constantly includes technology in her lessons. ''Any way I can do it, I will.''

Jones recently posed this question to her fifth-grade history class: Did Patrick Henry really commit such a heinous act as treason?

The lights went off and the Web site of Henry's last home and burial place, www.redhill.org, was projected onto a screen dangling from the black-board. Browsing the site spurred a debate among the students about Henry's motives in challenging England.

When they studied Benjamin Franklin, Jone's fifth-graders e-mailed a Web site on Franklin and got responses as if they were written by the historical figure. They also took a virtual tour of Colonial Williamsburg on www.history.org.

Jones and other teachers at Sanders Corner say they get a huge boost from having someone at the school all day whose sole job is to help them blend technology with instruction.

That person is Kathy Hayden, a technology resource teacher since 1995. Hayden was a fourth-grade instructor in Loudoun who loved using computers in class. School staff members say her advice carries weight because she truly understands a class-room teacher's job.

At Sanders Corner, Hayden started ''Tech Tuesday,'' a weekly training session that rotates among small groups of teachers with common interests or skills. She also attends planning meetings of same-grade teachers. Some-times she will teach a lesson with a classroom instructor who is shy about using computers.

Ricki Fellows had been teaching for 23 years but rarely used computers with her students until she arrived at Sanders Corner last fall and got some coaching from Hayden. ''I had some mixed feelings about it,'' Fellows said. ''It was really fear of the unknown.''

Now, that fear is gone. Recently Fellows's third-graders went on a field trip to the Smithsonian Institution. With a digital camera, she snapped photos of Egyptian art for social studies class, and rocks and minerals for science. Back in class, the students downloaded the film, selected photos, and wrote and edited essays on their computers about what they had seen at the museum.

''I really am excited again about teaching,'' Fellows said. ''I'm learning and I'm growing—that's what it's all about.''

The Maryland Business Roundtable has urged school districts to put a full-time technology specialist in every school. Loudoun already does that, but most Washington area districts don't.

''After you're trained, you can't ask anyone any questions,'' said Ann Mallon, a first-grade teacher at Jermantown Elementary, which shares a technology specialist with six other schools, the typical ratio in Fairfax County's school system. ''When we don't have a person here, we stop using the programs.''

Fairfax school officials have proposed spending $4 million to hire an additional 114 technology specialists, so that each would be assigned to no more than two schools.

But even teachers who have regular access to an expert coach say they don't get enough planning time to develop computer-based lessons. In many cases, teachers say, they spend hours on their home computers rummaging for Web sites.

In coming weeks, Kim Price will teach meteorology to her fourth-graders at Fairfax's Crossfield Elementary by having them create a weather map based on data they find on the Web. ''This is the coolest thing I've ever done,'' she said.

It also took her an entire school day and about three hours on her computer at home to develop the project and write the instructions on a specially designed Web site.

''This is one of the problems,'' said Price, whose school has a part-time specialist. ''It takes hours to do anything worthwhile. If you have a half-hour to 45 minutes in any one block of planning time, that's not enough.''

More planning time must be built into teachers' schedules, at least until they acquire more hands-on experience with their computers, said Roberts, the U.S. Department of Education official.

As for the formal computer training their school systems provide, most of the teachers interviewed said it is usually just a few hours at the beginning of the school year and covers only the basics.

Patrick F. Chorpenning Jr., who teaches government at Fairfax's West Potomac High School, says he seldom bother to take such courses. Chorpenning acquired his technology know-how during his former career as a business executive, and he says he has learned on his own how to use computers in his classes.

He projects Web sites in his classroom to illustrate various points about today's politics, and he gives students lists of sites to peruse and assigns them to report back on what they find.

Education officials and business leaders say making computers a more standard part of instruction will require more spending on teacher training and tougher standards for technology competency.

Virginia has established teacher competency standards in technology, although they are not related to a teacher's recertification. Maryland has no such requirements.

Business executives also have urged teacher colleges to assess whether they are giving students enough technology advice. Surveys have shown that even recent graduates of such programs, who were raised with computers, are poorly prepared to use them in class.

At Jermantown Elementary, teachers' computer literacy is likely to be higher next year. Because it is merging with another school and is being designated a ''focus school'' for communications and art, Jermantown will get three fully-time technology specialists, as well as more computers.

''A whole new world will open up,'' said Susan D. Kane, the school's principal. ''You can see where they're at now—where you do what you can and you hope for the best.''●

● Mr. LEVIN. Mr. President, I am pleased to join Senator CONRAD and Senator REID in introducing the Information Technology Act. The dual goal of this legislation is to ensure that every teacher in America has the ability to integrate technology into the classroom and the curriculum; and to train our citizens to meet the demand for the thousands of jobs that will need to be filled in the next decade.

Mr. President, our legislation establishes two initiatives that are aimed at achieving these goals. First, it authorizes $100 million for the creation of a Teacher Tech Bonus in the amount of $5,000. The bonuses will be awarded to teachers who successfully train and receive certification in the use of technology in the classroom and in the curriculum, or teachers who become certified to teach courses in computer technology. Bonuses would be provided by the U.S. Department of Education through grants to Local Education Agencies (LEA). As a condition for receipt of bonuses, teachers are required to enter into agreements with their LEA to continue to teach within that LEA for periods of not less than three years, and such other requirements as established by the Secretary. This provision of the Information Technology Act is essential, if we are going to realize the full potential of our investment in new technology in the classroom. So few of our school districts have been able to offer state-of-the-art training, or any training at all for that matter, to their teaching staff. Students today are in the midst of a technology explosion that has opened up limitless possibilities in the classroom. In order for them to tap into this potential and be prepared for the jobs of the 21st century, they must learn how to use new technologies. But all too often, teachers are expected to incorporate technology into their instruction without being given the training to do so. It is not enough for teachers to be able to email or use computers to keep attendance or grade their students, they must use this education technology to advance their curriculum. According to a recent survey by the National Center for Education Statistics, 79 percent of teachers said they do not get enough help using technology in the classroom. Last year, a report by Education Week's National Survey of Teachers' Use of Digital Content revealed some startling findings relative to the lack of teacher training in integrating technology into the curriculum. In a national poll of over 1,400 teachers, 36 percent of teachers responded that they received absolutely no training in integrating technology in the curriculum; another 36 percent said they had only received 1 to 5 hours of such training; 14 percent received 6 to 10 hours of such training; and only 7 percent received between 11–20 hours.

In a very in-depth look at Michigan schools and technology several years ago, I learned that despite the utilization of education technology in a few localities, Michigan as a whole was below the national average in every measure of the use of technology in our schools. Michigan ranked 44 in teacher training in the use of technology. Ten percent of Michigan teachers reported that they had less than 9 hours of technology training. Michigan ranked 32 among the states in the ratio of students per computer. These findings propelled me in a direction that has resulted in a number of initiatives to turn Michigan around—to raise the State's use of education technology. I convened an Education Technology Summit that brought together over 400 business leaders, school administrators, school board members, foundation representatives, deans of Michigan's colleges of education and others to identify ways in which Michigan could excel in the area of Education technology.

Some key elements of the plan of action which followed that Education Technology Summit include the formation of a consortium that will establish the Nation's highest standards for training and certifying new teachers to use technology in the classroom and to integrate it into the curriculum. Beginning with the 1999–2000 academic year, the Consortium for Outstanding Achievement in Teaching with Technology {COATT} will award special credentials to new teachers who have demonstrated an exceptional ability to use information technology as a teaching tool. The legislation we are introducing today supports and compliments this effort in Michigan. It will advance current efforts in my state to excel in education technology. And it will advance education technology across this Nation. Our legislation provides an incentive and a reward that will result in effectively equipping more and more teachers with the technology expertise they need to stimulate the interests of their students, raise student potential for learning, and increase student achievement. It has been a pleasure working with Senator CONRAD in fine tuning specific provisions of this legislation to more directly reflect the successful model we've created in my home state for giving special recognition to new teachers who are able to apply technology in classroom instruction.

I am pleased that the formation of COATT gives my state a head start in this direction. And, I am delighted that such an impressive slate of higher educational institutions from Michigan have signed on to the COATT initiative, including Albion College, Andrews University, Eastern Michigan University, Ferris State University, Lake Superior State University, Michigan State University, Oakland University, University of Detroit-Mercy, University of Michigan, University of Michigan-Dearborn, Wayne State University and Western Michigan University. New teachers with COATT credentials will have an advantage in the job market and school districts will benefit by knowing which applicants are qualified in using technology effectively in their instruction. The letter of agreement signed by each COATT member in committing their institutions to provide the resources to achieve the success of the COATT initiative is included at the end of my remarks. Michigan is already recognized as a leader in producing new teachers and if we set our minds to it, I'm convinced we can be one of the best in the nation when it comes to teaching teachers how to integrate technology in the classroom and into the curriculum.

I'd like to mention yet another key effort I've led to advance Michigan's standing in education technology. It is the establishment of the Teach for Tomorrow Project (TFT), which provides on-line and in-person technology training, including credentials, to in-service teachers, who then return to their schools and teach other teachers what they have learned. By using technology to teach the technology, training can be accessed statewide and at a time and location which are convenient to the learners. Central Michigan University has approved the use of TFT materials as a professional development course eligible for graduate credit

hours when done in conjunction with local onsite training. Under the legislation we are now introducing, teachers may also qualify for a bonus if they train and become certified to teach other teachers.

Finally, Mr. President, the legislation we are introducing creates an Information Technology Training initiative through which Federal matching grants would be awarded to partnerships between higher educational institutions, or a private organization or a business, which may include a commercial information technology training provider and information technology trade or professional association, to provide training and education to individuals who are under-represented in the information technology profession. Under-represented individuals would include, but not be limited to, such individuals as dislocated workers, veterans, students who have not completed their high school education, older Americans, women, individuals who have already received training but have not been certified, and others. The bill also authorizes $100 million for this provision, which requires a 50 percent non-Federal match requirement that may be in the form of cash, equipment and/or in-kind services.

This legislation, The Information Technology Act, will be good for our schools. It will be good for the U.S. economy. I urge its speedy enactment. In closing, I would like to share with my colleagues the organizational endorsements of this legislation, which include: The National Education Association, Technology Workforce Coalition, Computing Technology Industry Association, American Society for Training and Development, Information Technology Training Association, Green Thumb, International Society for Technology in Education, American Association of University Women, Consortium for School Networking, and the Software Information Industry Association.

Mr. President, I ask unanimous consent to print in the RECORD the COATT member agreement signed by higher education institutions in Michigan.

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

CONSORTIUM FOR OUTSTANDING ACHIEVEMENT IN TEACHING WITH TECHNOLOGY LETTER OF AGREEMENT

We, the undersigned, commit our institutions to be members of the Consortium for Outstanding Achievement in Teaching with Technology (COATT). In doing so our institutions accept the following requirements.

(1) Each institution shall designate a faculty liaison to COATT. This person will participate in an annual review of the COATT standards and participate in periodic meetings with other core members of the COATT organization.

(2) Each institution shall designate a person to act as a point of contact within the institution for potential COATT candidates.

(3) Each institution shall promote COATT to potential candidates. This might occur through flyers, regular newsletters, publications, placement files, etc.

(4) Each institution shall provide adequate and relevant learning opportunities in the application of educational technology for students who wish to acquire COATT certification.

(5) Each institution shall provide adequate resources for COATT applicants to produce, maintain, and gain access to their COATT digital portfolios.

(6) Each institution shall be responsible for recommending and pre-certifying COATT applicants.

(7) Each institution shall involve its faculty and other qualified personnel in COATT evaluation teams.

By signing below, we understand that we are committing our institutions to provide the personnel resources, and opportunities described in the above seven points. We recognize that this level of commitment is crucial to the success of the COATT initiative.

Reuben Rubio, Director of the Ferguson Center for Technology-Aided Teaching, Albion College; Dr. Niels-Erik Andreasen, President, Andrews University; Dr. Jerry Robbins, Dean of the School of Education; Eastern Michigan University; Dr. Nancy Cooley, Dean of the College of Education, Ferris State University; Dr. David L. Toppen, Executive Vice President and Provost, Lake Superior State University; Dr. Carole Amers, Dean of the College of Education; Michigan State University; Dr. Jantes Clatworthy, Associate Dean of the School of Education and Human Resources, Oakland University; Aloha Van Camp, Acting Dean of the College of Education and Human Services, University of Detroit-Mercy; Dr. Karen Wixson, Dean of the School of Education, University of Michigan; Dr. Robert Simpson, Provost, University of Michigan-Dearborn; Dr. Paula Wood, Dean of the College of Education, Wayne State University; Dr. Alonzo Hannaford, Associate Dean of the College of Education, Western Michigan University.

By Mr. WELLSTONE:

S. 2348. A bill to provide for fairness and accuracy in student testing; to the Committee on Health, Education, Labor, and Pensions.

FAIRNESS AND ACCURACY IN STUDENT TESTING ACT

Mr. WELLSTONE. Mr. President, education is, among other things, a process of shaping the moral imagination, character, skills and intellect of our children, of inviting them into the great conversation of our moral, cultural and intellectual life, and of giving them the resources to prepare to fully participate in the life of the nation and of the world.

But today in education there is a threat afoot to which I would like to call your attention: the threat of high-stakes testing being grossly abused in the name of greater accountability, and almost always to the serious detriment of our children.

Allowing the continued misuse of high-stakes tests is, in itself, a gross failure of moral imagination, a failure both of educators and of policymakers, who persistently refuse to provide the educational resources necessary to guarantee an equally rich educational experience for all our children. That all citizens will be given an equal start through a sound education is one of the most basic, promised rights of our democracy. Our chronic refusal as a nation to guarantee that right for all children, including poor children, is a national disgrace.

Today I am introducing legislation that would stem the growing trend of misusing high stakes tests. The legislation would require that states and districts use multiple measures of student performance in addition to standardized tests if they are going to use tests as part of a high stakes decision. The amendment will also require that if tests are used, they must be valid and reliable for the purposes for which they are used; must measure what the student was taught; and must provide appropriate accommodations for students with limited English proficiency and disabilities.

I would like to explain exactly why this bill would be so important and why I seek your support for it. If there is any question about whether or not we have, as a nation, overemphasized high stakes standardized testing, and if there is any question that this overemphasis has taken so much of the excitement out of teaching and learning for so many people across the country, I would like to open my remarks with some excerpts from a newspaper article from one of our state capitols earlier this year. The state is in the process of implementing high stakes tests for promotion. This article addresses how schools and students in the state are dealing with the preparation and stress of the pending high stakes test. The test, which lasts five days, will determine, among other things whether students will be promoted and whether schools will be sanctioned for poor performance.

The article describes one teacher who said, ''I'm thinking about letting us have a scream day sometime in March, when we just go outside and scream,'' and it continues, ''her principal . . . is keenly aware of the stress on both students and teachers. He told teachers during a meeting . . . that he expects some students to throw up during the test. He arranged to have all of the school's janitors on duty to clean up any messes.''

It is no wonder that students are stressed. According to the article, ''For the past eight weeks, Northwestern's school billboard has been updated daily with the number of school days left until the test.''

When I read this story, I wonder why we cannot let children be children? Why do we impose this misplaced pressure on children as young as eight years old? When I see what is happening around the country, with more and more states and districts adopting the harsh agenda of high stakes testing policies, I am struck by National Education Association President Bob Chase's comparison of all of these educational trends to the movie, ''Field of Dreams.'' In my view, it is as though people are saying, ''If we test them, they will perform.'' In too many places,

testing, which is a critical part of systemic educational accountability, has ceased its purpose of measuring educational and school improvement and has become synonymous with it.

Making students accountable for test scores works well on a bumper sticker and it allows many politicians to look good by saying that they will not tolerate failure. But it represents a hollow promise. Far from improving education, high stakes testing marks a major retreat from fairness, from accuracy, from quality and from equity.

It is ironic, because standardized tests evolved historically as one way to ensure more equal opportunity in education. They are supposed to be an instrument of fairness because they are graded objectively and allow any person, regardless of background, to demonstrate their skill.

When used correctly, standardized tests are critical for diagnosing inequality and for identifying where we need improvement. They enable us to measure achievement across groups of students so that we can help ensure that states and districts are held accountable for improving the achievement of all students regardless of race, income, gender, limited English proficiency and disability. Tests are a critical tool, but, they are not a panacea.

The abuse of tests for high stakes purposes has subverted the benefits tests can bring. Using a single standardized test as the sole determinant for promotion, tracking, ability grouping and graduation is not fair and has not fostered greater equality or opportunity for students. First, standardized tests can not sufficiently validly or reliably assess what students know to make high stakes decisions about them.

The 1999 National Research Council report, ''High Stakes,'' concludes that ''no single test score can be considered a definitive measure of a student's knowledge,'' and that ''an educational decision that will have a major impact on a test taker should not be made solely or automatically on the basis of a single test score.''

The ''Standards for Educational and Psychological Testing,'' 1999 Edition, which has served as the standard for test developers and users for decades, asserts that: ''In educational settings, a decision or a characterization that will have a major impact on a student should not be made on the basis of a single test score.''

Even test publishers, including Harcourt Brace, CTB McGraw Hill, Riverside and ETS, consistently warn against this practice. For example, Riverside Publishing asserts in The ''Interpretive Guide for School Administrators'' for the Iowa Test of Basic Skills, ''Many of the common misuses (of standardized tests) stem from depending on a single test score to make a decision about a student or class of students.''

CTB McGraw Hill writes that ''A variety of tests, or multiple measures, is necessary to tell educators what students know and can do . . . the multiple measures approach to assessment is the keystone to valid, reliable, fair information about student achievement.''

There are many reasons tests cannot be relied upon as the sole determinant in making high stakes decisions about students. The National Research Council describes how these tests can be unreliable. The Council concludes that ''a student's test score can be expected to vary across different versions of a test . . . as a function of the particular sample questions asked and/or transitory factors, such as the student's health on the day of the test. Thus, no single test score can be considered a definitive measure of a student's knowledge.''

The research of David Rogosa at Stanford University shows how test scores are not valid, in isolation, to make judgements about individual achievement. His study of California's Stanford 9 National Percentile Rank Scores for individual students showed that the chances that a student whose true score is in the 50th percentile will receive a reported score that is within 5 percentage points of his true score are only 30% in reading and 42% on ninth grade math tests.

Rogosa also showed that on the Stanford 9 test ''the chances, . . . that two students with identical ''real achievement'' will score more than 10 percentile points apart on the same test'' is 57% for 9th graders and 42% on the fourth grade reading test. This margin of error shows why it would not be fair to use a cut-score in making a high stakes decision about a child.

Robert Rayborn, who directs Harcourt's Stanford 9 program in California reenforced these findings when asked about the Stanford 9. He said, ''They should never make high-stakes individual decisions with a single measure of any kind,'' including the Stanford 9.

Politicians and policy makers who continue to push for high stakes tests and educators who continue to use them in the face of this knowledge have closed their eyes to clearly set professional and scientific standards. They demand responsibility and high standards of students and schools while they let themselves get away with defying the most basic standards of the education profession.

It would be irresponsible if a parent or a teacher used a manufactured product on children in a way that the manufacturer says is unsafe. Why do we then honor and declare ''accountable'' policy makers and politicians who use tests on children in a way that the test manufacturers have said is effectively unsafe?

There is no doubt that when mistakes are made, the consequences are devastating. The bad effects of retention in grade have been clearly established in science. Study after study shows that retention leads to poorer academic performance, higher dropout rates, increased behavioral problems, low self-esteem and higher rates of criminal activity and suicide. Research on high school dropouts indicates that students who do not graduate are more likely to be unemployed or hold positions with little or no career advancement, earn lower wages and be on public assistance.

On a more immediate level, many of my colleagues will remember how 8,600 students were mistakenly held in summer school because their tests were graded incorrectly.

When we talk about responsibility, what could be more irresponsible than using an invalid or unreliable measure as the sole determinant of something so important as high school graduation or in-school promotion?

The effects of high stakes testing go beyond their impact on individual students to greatly impact the educational process in general. They have had a deadening effect on learning.

Again, research proves this point. Studies indicate that public testing encourages teachers and administrators to focus instruction on test content, test format and test preparation. Teachers tend to overemphasize the basic skills, and underemphasize problem-solving and complex thinking skills that are not well assessed on standardized tests. Further, they neglect content areas that are not covered such as science, social studies and the arts.

For example, in Chicago, the Consortium on Chicago School Research concluded that ''Chicago's regular year and summer school curricula were so closely geared to the Iowa test that it was impossible to distinguish real subject matter mastery from mastery of skills and knowledge useful for passing this particular test.'' These findings are backed up by a recent poll in Texas which showed that only 27% of teachers in Texas felt that increased test scores reflected increased learning and higher quality teaching. 85% of teachers said that they neglected subjects not covered by the TAAS exam.

Stories are emerging from around the country about schools where teachers and students are under such pressure to perform that schools actually use limited funds to pay private companies to coach students and teachers in test taking strategies. According to the ''San Jose Mercury News,'' schools in East Palo Alto, which is one of the poorest districts in California, paid Stanley Kaplan $10,000 each to consult with them on test taking strategies. According to the same article, ''schools across California are spending thousands to buy computer programs, hire consultants, and purchase workbooks and materials. They're redesigning spelling tests and math lessons, all in an effort to help students become better test takers.'' The teacher from the article I mentioned before had even bought blank score sheets with bubbles on them so students can practice filling in circles.

The richness and exploration we want our own children to experience is being sucked out of our schools. I was moved by an op-ed I read recently in the New York Times. It was written by a fifth grade teacher, who obviously had a great passion for his work. He said, ''But as I teach from day to day . . . I no longer see the students in the way I once did—certainly not in the same exuberant light as when I first started teaching five years ago. Where once they were 'challenging' or 'marginal' students, I am now beginning to see 'liabilities.' Where once there was a student of 'limited promise,' there is now an inescapable deficit that all available efforts will only nominally affect.'' Children are measured by their score, not their potential, not their diverse talents, not the depth of their knowledge and not their character.

It has been clearly established through research that high stakes tests for individual students, when used in isolation, are fatally flawed. I would, however, also like to address a general issue that this bill does not address directly, but that I think is really what all of this is about in the end. The trend towards high stakes testing represents a harsh agenda that holds children responsible for our own failure to invest in their future and in their achievement. I firmly believe that it is grossly unfair, for example, to hold back a student based on a standardized test if that student has not had the opportunity to learn the material covered on the test. When we impose high stakes tests on an educational system where there are, as Jonathan Kozol says, ''savage inequalities,'' and then we do nothing to address the underlying causes of those inequalities, we set up children to fail.

People talk about using tests to motivate students to do well and using tests to ensure that we close the achievement gap. This kind of talk is backwards and unfair. We cannot close the achievement gap until we close the gap in investment between poor and rich schools no matter how ''motivated'' some students are. We know what these key investments are: quality teaching, parental involvement, and early childhood education, to name just a few.

But instead of doing what we know will work, and instead of taking responsibility as policy makers to invest in improving students' lives, we place the responsibility squarely on children. It is simply negligent to force children to pass a test and expect that the poorest children, who face every disadvantage, will be able to do as well as those who have every advantage.

When we do this, we hold children responsible for our own inaction and unwillingness to live up to our own promises and our own obligations. We confuse their failure with our own. This is a harsh agenda indeed, for America's children.

All of us in politics like to get our picture taken with children. We never miss a ''photo op.'' We all like to say that ''children are our future.'' We are all for children until it comes time to make the investment. Too often, despite the talk, when it comes to making the investment in the lives of our children, we come up a dollar short.

Noted civil rights activist Fannie Lou Hamer used to say, ''I'm sick and tired of being sick and tired.'' Well I'm sick and tired of symbolic politics. When we say we are for children, we ought to be committed to invest in the health, skills and intellect of our children. We are not going to achieve our goals on a tin cup budget. Unless we make a real commitment, unless we put our money where our mouth is, children will continue to fail.

If one does not believe that failure on tests has to do with this crushing lack of opportunity, look at who is failing. In Minnesota, in the first round of testing, 79% of low income students failed the reading portion of the high school exit exam and 74% failed the math part. It is unconscionable.

We must never stop demanding that children do their best. We must never stop holding schools accountable. Measures of student performance can include standardized tests, but only when coupled with other measures of achievement, more substantive education reforms and a much fuller, sustained investment in schools.

When we use high stakes tests as the sole determinant in making decisions about students, we get the sequence backwards. We lose sight of our fundamental objective—to provide children with the tools they need to achieve, to think critically and to understand deeply the material they need to meet high standards. We cannot get away with making children pay for our failure to provide them with the high quality education they need, deserve and is their right.

Gunnar Myrdal said that ignorance is never random. If we ignore what science tells us, if we close our eyes to the impact of high stakes tests, we can continue as we are now—sounding good while doing bad. The Fairness and Accuracy in Student Testing Act would be a strong step in the the right direction—toward fairness and equity and accuracy and a love of learning that will last children their lifetimes.

By Mr. THOMAS (for himself and Mr. ENZI):

S. 2349. A bill to amend part D of title IV of the Social Security Act to permit States with proven cost-effective and efficient child support collection systems to continue to operate such systems; to the Committee on Finance.

CHILD SUPPORT COLLECTION SYSTEMS LEGISLATION

• Mr. ENZI. Mr. President, I rise today to introduce legislation with my colleague Senator THOMAS that would give a small amount of States the flexibility to operate their locally-run child support systems. Wyoming's Parental Obligation System for Support Enforcement [POSSE] fulfills the federal requirements for effective child support collections and disbursement. For example, Wyoming has increased child support collections by 140 percent since establishing its federally mandated automated network in 1995. Comparatively, the increase of child support collections nationwide since 1995 is only 49 percent. POSSE has proven to be the most cost-effective and efficient way to assist Wyoming's children and families.

However, a provision was included in the 1996 welfare reform law that requires States to establish a single address for the collection and disbursement of all wage-withholding child support payments. Although the intent was to relieve employers of burdensome redtape, the welfare reform law does not allow employers to continue submitting payments locally. My State's children and families and the business community benefit from the local system due to the convenience factor for its participants. Most importantly, POSSE is already achieving the desired results with the current local system in place. Clearly, this single address requirement is a one-size-fits-all solution to a problem that does not accommodate Wyoming.

The bill we are introducing today would amend Part D of title IV of the Social Security Act to permit States with proven cost-effective and efficient child support collection systems to continue to operate such systems. States can continue to operate their current systems if they meet the following criteria: the State has established an automated data tracking system; the State allows employers to send all wage withholding payments to a single address; and, the State provides data on a quarterly basis that demonstrates under the current system, for the most recent four fiscal year quarters, that at least 90 percent of all child support obligations paid are disbursed within two business days after receipt. My home State of Wyoming effectively and consistently meets these criteria.

The legislation we are introducing today would give States more flexibility to operate their local system; however, States must adhere to federal performance standards in order to maintain State and local flexibility. As Senator THOMAS stated, what works for one state does not necessarily yield the same results in another. Wyoming's system works.•

• Mr. THOMAS. Mr. President, I rise today to introduce legislation with my colleague Senator ENZI that would allow states to continue to operate their locally run child support systems. Since establishing its federally mandated automated network in 1995, the State of Wyoming has increased child support collections by 140 percent. Over 98 percent of the payments are processed within 2 days. Not only does Wyoming measure up to the Federal requirements for effective child support

collections and disbursement, it far exceeds the bar. Under the award-winning Parental Obligation System for Support Enforcement [POSSE], which is administered by the Clerks of the District Court, the clear winners are Wyoming's children and families.

Unfortunately, that stands to change. Due to a provision of the 1996 welfare reform law, states are required to establish a single address for the collection and disbursement of all wage-withholding child support payments. The intent of the law was to relieve employers from mailing payments to numerous locations, as part of a greater effort to improve child support collections across the nation. While these goals are certainly laudable, the law does not allow employers to continue submitting payments locally, even if it is more convenient for them to do so, and even if a state's localized system is already achieving the desired results. Ultimately, states are being forced to make changes to correct a problem they may not have, and they could end up creating new ones along the way.

Simply put, the legislation we are introducing today would give states the flexibility to operate their local systems—as long as they continue to meet federal performance standards. One size does not fit all. Methods that work well in Chicago, Illinois do not necessarily yield the same results in Chugwater, Wyoming. In this case, the results in Wyoming speak for themselves.

I look forward to working with the chairman of the Senate Finance Committee to pass this important measure.●

By Mr. HATCH (for himself and Mr. BENNETT):

S. 2350. A bill to direct the Secretary of the Interior to convey to certain water rights to Duchesne City, Utah; to the Committee on Energy and Natural Resources.

DUCHESNE CITY WATER RIGHTS CONVEYANCE ACT

Mr. HATCH. Mr. President, I rise today to introduce the Duchesne City Water Rights Conveyance Act. This bill will resolve an issue, nearly a century old, that has kept the city of Duchesne, Utah, from obtaining title to water rights that have been reserved for the city's use. The solution I propose is simple and long overdue. It is the result of careful negotiations between the city and the Ute Indian Tribe of the Uintah and Ouray Reservation. I congratulate both these parties for coming together to resolve this issue.

In 1905, the city of Duchesne, Utah was established when the Secretary of Interior directed the Commissioner of Indian Affairs to select certain tracts of land in the Uintah Indian Reservation for the town site. At the time, the acting Indian Agent for the Unitah Indian Reservation filed applications to appropriate water to the municipal and domestic uses. The U.S. Indian Service was designated as the holder of these of three water rights.

Mr. President, for many years, efforts have been made to clear the title to these water rights in the name of Duchesne City, but these efforts have been unsuccessful, because the U.S. Indian Service no longer exists. The extinction of the U.S. Indian Service has created a legal anomaly, making it impossible to transfer the water rights of Duchesne.

The water in question has always been used by Duchesne, and neither the Bureau of Indian Affairs, the Department of the Interior, nor the Ute Indian Tribe claims any right in the use of this Water. In fact they are supportive of this legislation which ties up a legal loose end a manner agreed with upon both Indian Tribe and the city of Duchesne.

Mr. President, I thank the Senate for the opportunity to address this issue this today, and I urge my colleagues to support this legislation.

By Mr. HATCH (for himself and Mr. BENNETT):

S. 2351. A bill to provide for the settlement of the water rights claims of the Shivwits Band of the Paiute India tribe of Utah, and for other purposes; to the Committee on Indian Affiars.

SHIVWITS BAND OF THE PAIUTE INDIAN TRIBE OF UTAH WATER RIGHTS SETTLEMENT ACT

Mr. HATCH. Mr. President, I am pleased to rise today, along with my colleague, Senator BENNETT to introduce the Shivwits Band of the Paiute Indian Tribe of Utah Water Rights Settlement Act, which will finally provide a settlement of water rights issues of the Santa Clara River in Washington County, Utah. This settlement is an important piece of the Virgin River Adjudication, which was initiated by the State of Utah in July of 1980.

To understand the consequence of this bill, Mr. President, it is important to keep in mind that Washington County is the driest county in Utah, and Utah is the second driest state in the Union. The Santa Clara river is a fairly small river which runs through the Shivwits Band's reservation near the city of St. George, Utah. This water must be shared by the Washington County Water Conservancy District, the city of St. George, the town of Ivins, the town of Santa Clara, and the Shivwits Band, and an endangered fish species. Needless to say, finding a settlement on the use of this water was not simple, but it has been achieved. I would like to publicly praise all the parties that came together and put the agreement together.

One of the benefits of this legislation is the St. George Water Reuse Project. This project will provide 2,000 acre-feet of treated water for the Shivwits Band. This settlement will also establish the Santa Clara Project. This project will provide a pressurized pipeline from the nearby Gunlock Reservoir and will deliver a total of 1,900 acre-feet of water to the Shivwits Band.

Mr. President, the project will also provide that sufficient water remains in the Santa Clara river for the survival of the Virgin Spinedace, an endangered fish species. In addition, the Secretary of Interior will be authorized to establish a program to purchase water rights and habitat in the Virgin River Basin for fish and other species.

As you can see, Mr. President, this agreement provides an excellent balance between the needs of the cities, the Shivwits Band, and the environment. It is no wonder that this legislation has the support of all interested parties. I urge my colleagues in the Senate to give this proposal their full support.

By Mr. GRAHAM:

S. 2352. A bill to designate portions of the Wekiva River and associated tributaries as a component of the National Wild and Scenic Rivers System; to the Committee on Energy and Natural Resources.

WEKIVA WILD AND SCENIC DESIGNATION ACT

● Mr. GRAHAM. Mr. President, thank you for allowing me this opportunity to introduce legislation affecting the Wekiva River, which is located east central Florida.

With millions of people moving to Florida every year and the resulting urban sprawl, we must work to preserve our state's natural treasures. The Wekiva River is worthy of our protective efforts.

The Wekiva River and the Wekiva River Basin are unique and important river habitats because of their outstanding scenic, recreational, fishery, wildlife, historic, cultural, and water quality values. The Wekiva River Basin is home to many species of wildlife including Florida black bears, sandhill cranes, turkeys, and burrowing owls. Fossils of prehistoric mammals, such as saber tooth cats, mastodons, and giant sloths, have been found along the length of the river.

Generations of Floridians and Florida visitors have enjoyed the beauty and tranquility of the Wekiva River. It is a popular spot for canoeing, camping, hiking, and trail biking because of its intrinsic beauty and quintessential Florida appeal.

The legislation I introduce today will declare the Wekiva River a Wild and Scenic River and preserve it for the future enjoyment of Floridians and visitors to Florida. Today, the House Resources Committee, National Parks and Public Land Subcommittee will hold a hearing on this bill. Mr. President, I hope that we will move forward soon in the Senate.●

By Mr. AKAKA (for himself, Mr. INOUYE, Mr. MURKOWSKI, Ms. JOHNSON, and Mr. STEVENS):

S. 2353. A bill to amend the Higher Education Act of 1965 to improve the program for American Indian Tribal Colleges and Universities under part A of title III; to the Committee on Indian Affairs.

LEGISLATIVE FIX FOR TRIBAL COLLEGES AND UNIVERSITIES AND ALASKA NATIVE AND NATIVE HAWAIIAN SERVING INSTITUTIONS

● Mr. AKAKA. Mr. President, I rise to introduce a bill that represents a simple, straightforward correction of an inequity that is negatively impacting some of this country's most underfunded institutions of higher education. These include Tribal Colleges and Universities and Alaska Native and Native Hawaiian Serving Institutions.

Many of these institutions apply for Institutional Aid under Title III of the Higher Education Act. Title III provides grants to a specific set of colleges and universities that serve disproportionate numbers of minority, low-income, and first generation college students.

These institutions have considerable impact on improving the quality and quantity of educational and career opportunities for their students, who face unique socio-economic barriers. Title III was created to help improve and expand the academic capacity of institutions specifically established and committed to serving these students.

In 1998, Part A of Title III, the Strengthening Developing Institutions Program, was amended by the Higher Education Amendments to introduce a special program for Tribal Colleges and Universities and for Alaska Native and Native Hawaiian Serving Institutions. This was a positive step in recognizing the needs of these distinctive institutions and the populations that they serve.

However, the Higher Education Amendments of 1998 also instituted a change that requires grantees to ''wait out'' for at least two years at the end of their grant before applying for a new grant. This wait out period was originally created to ensure that Title II funding would reach the maximum number of students and institutions as possible.

The provision applied to all Title II grantees with the exception of Historical Black Colleges and Universities, which receive formula funding under the title. Before the higher education reauthorization became law, Hispanic Serving Institutions were transferred to a new title so that the wait out period no longer applied to them.

Therefore, as signed into law, the wait out only affects Sections 316 and 317, which cover Tribal Colleges and Universities and Alaska Native and Native Hawaiian Serving Institutions. In my State of Hawaii, this involves the major college campuses and community colleges in the University of Hawaii system, which essentially affects the entire State.

This bill, which I am introducing along with my colleagues—Senators INOUYE, MURKOWSKI, JOHNSON and STEVENS—would make a technical change exempting Sections 316 and 317 from the harmful two-year wait out requirement. Similar legislation, H.R. 3629, was introduced in the House of Representatives on February 10th of this year.

This legislation must be passed immediately because any delay in continued assistance can prove critical for any college or university serving small, disadvantaged, populations.

Furthermore, because the applicant pool for Title III, Part A, assistance is already so limited in size, the failure to exempt institutions from the two-year wait out provision will likely result in no institutions being eligible to apply for future funds under this program. We must not allow this unnecessary scenario to come about. Currently, there are six institutions in the states of Washington, Montana, California, North Dakota, and South Dakota that are currently stuck in the first year of their two-year wait out period.

This non-controversial correction has broad support in the higher education community and obviously from the institutions that will be negatively affected. I strongly urge that my colleagues join me in pushing this simple change forward to correct a problem that, if unaddressed, will have adverse impacts on Tribal Colleges and Universities and Alaska Native and Native Hawaiian Serving Institutions, and the students that they serve.●

By Mr. ROTH (for himself and Mr. MOYNIHAN):

S. 2354. A bill to amend the Internal Revenue Code of 1986 to prevent the duplication of losses through the assumption of liabilities giving rise to a deduction; to the Committee on Finance.

REVISED REVENUE PROVISION FOR THE TRADE AND DEVELOPMENT ACT OF 1999

Mr. ROTH. Mr. President, I rise today to introduce—along with Senator MOYNIHAN—a bill that will clarify a revenue provision that has been reserved for the Trade and Development Act of 1999.

Last fall, the Senate Finance Committee reserved from the Tax Relief Extension Act of 1999 a revenue provision regarding the prevention or duplication of loss through assumption of liabilities, for inclusion in the Trade and Development Act of 1999. This revenue provision addresses a tax-avoidance transaction in which the assumption of certain liabilities or potential liabilities may permit the acceleration or duplication of a loss attributable to those liabilities. The bill that Senator MOYNIHAN and I introduce more precisely defines the types of transactions that are excepted from this revenue provision. Our bill is offered as a substitute for last fall's provision, and we introduce it today seeking public comment.

By Mr. SANTORUM:

S. 2355. A bill to amend the Individuals with Disabilities Education Act to modify authorizations of appropriations for programs under such act; to the Committee on Health, Education, Labor, and Pensions.

THE GROWING RESOURCES IN EDUCATIONAL ACHIEVEMENT FOR TODAY AND TOMORROW ACT

● Mr. SANTORUM. Mr. President, today, I am introducing legislation to dramatically increase funding for the Individuals with Disabilities Act (IDEA). My legislation would more than double the federal commitment to IDEA funding within four years. The legislation, ''Growing Resources in Educational Achievement for Today and Tomorrow'' (GREATT IDEA) will take significant steps toward fulfilling the federal commitment to IDEA funding. The legislation will also free up additional funds for local school districts to be spent on their highest priorities, whether it be teacher training or salaries, reducing class sizes, school construction, library resources, technology, or music and arts education. The legislation is supported by the Pennsylvania School Boards Association and Pennsylvania Governor Tom Ridge who chairs the education committee of the National Governor's Association.

Every child is deserving of a high-quality education in an environment that encourages them to learn and grow to the best of their ability. Thanks to IDEA, many students are learning and achieving at levels previously thought impossible, graduating from high school, going to college and entering the workforce as productive citizens. We must encourage this progress and continue to give parents and teachers the resources they need to create opportunities for special children. By boldly increasing the IDEA funding level, we can keep more students in schools and help them achieve new measures of success.

Prior to IDEA's implementation in 1975, approximately 1 million children with disabilities were shut out of schools and hundreds of thousands more were denied appropriate services. Since then, IDEA has helped change the lives of these children. Congress had originally committed to cover 40 percent of IDEA's costs when it passed the original IDEA bill in 1975, with the remaining balance to be met by local communities and states. Over the years, however, while the law itself continues to work and children are being educated, the intended cost-sharing partnership has not been realized. The federal commitment of 40 percent will be reached within eight years if the funding stream established in GREATT IDEA is sustained. This is my first priority in helping local school districts provide the best education possible for elementary and secondary education.

I urge my colleagues to support this effort to double funding for IDEA within the next four years as we continue to work to fulfill this long neglected federal commitment and free up educational resources for local education. This legislation will fully fund more than 700,000 additional IDEA students at an average cost of $13,860 per student. We must accelerate the progress we have made by passing and funding this legislation.●

By Mr. LUGAR (for himself and Mr. HARKIN):

S. 2356. A bill to amend the Richard B. Russell National School Lunch Act to improve management of the child and adult care food program; to the Committee on Agriculture, Nutrition, and Forestry.

CHILD AND ADULT CARE FOOD PROGRAM MANAGEMENT IMPROVEMENT ACT OF 2000

• Mr. LUGAR. Mr. President, I rise today to introduce a bill to restore confidence in the Child and Adult Care Food Program (CACFP) by attacking fraud and abuse discovered in the operation of the program.

Last year, the Inspector General of the United States Department of Agriculture released an audit of the CACFP, a nutrition program that reimburses the cost of meals at adult day care centers, child care centers and family day care homes. The IG's audit detailed extensive abuse of program funds by sponsor organizations. Sponsors are responsible for substantial monitoring and oversight of providers. In addition to the oversight function, the sponsors verify and forward CACFP claims to the Food and Nutrition Service (FNS) of the USDA and receive and distribute payments to providers. For their efforts, sponsors retain a portion of the reimbursement to large child care centers and are paid a flat administrative fee for each small day care home under their auspices. The Inspector General's findings were critical of both the FNS management of the program as well as the structure of CACFP that gives wide responsibility as well as the control of finances to sponsor organizations.

The results of the audit are staggering. The IG found in ''Operation Kiddie Care'' that 37 of 49 sponsors investigated were seriously deficient in program administration. Of the 37 sponsors, 16 have ultimately been terminated from the program. These 16 sponsors were receiving about $35 million annually. Forty-four people have been indicted or named in criminal documents for defrauding CACFP and twenty-eight of these individuals have pled guilty or have been convicted.

The IG concluded that the structure of CACFP is flawed. The program creates pools of money that invite abuse; sponsors of centers are able to retain up to 30 percent of program funds. The program encourages sponsors to ignore provider deficiencies since sponsors' administrative cost reimbursement is based on the number of providers they administer and the providers' reimbursement is based on the number of meals served. In addition, sponsor officials may increase their salaries by reducing funds for day care monitoring activities.

USDA has prepared this legislation to address the IG's concerns and conclusion. This bill will enable state agencies to deny the application of any sponsor that is found to be seriously deficient in any publicly-funded program, unlike current law which looks only at nutrition programs. For example, if the sponsor also runs a Head Start center and is not meeting Head Start management rules, that finding can disqualify the organization from participation in CACFP. The proposal will require organizations to have tax-exempt status from the Internal Revenue Service and will limit the amount a sponsor can withhold from child care centers. Public agencies (e.g., local health departments and schools) will be encouraged to participate as sponsors through reduced administrative requirements.

State agencies will have the ability to temporarily suspend payments without a hearing for up to 90 days. States will also be allowed to retain one-half of the funds collected through audits and state reviews. The FNS will also receive one-eighth of one percent of program funds to provide oversight which will generate $3 million annually compared to $1 million received under current law. Finally, FNS will be required to study the administrative payment structure.

While I am not certain that I will support all the provisions in USDA's bill, I am introducing it today to begin the process of discussing and refining it. I encourage all interested parties to contact the Agriculture Committee with their comments and suggestions.

Mr. President, the Federal government's nutrition programs are vitally important to millions of Americans. We cannot allow fraud and abuse of these programs to waste taxpayer dollars and undermine support for these crucial programs.•

• Mr. HARKIN. Mr. President, I am pleased to have this opportunity to join my colleague, the distinguished Chairman of the Agriculture, Nutrition, and Forestry Committee, Senator LUGAR, to introduce this legislation designed to address the fraud and abuse that has been found to be all too common in the Child and Adult Care Food Program (CACFP). It is intolerable that bad actors have tarnished the image of this important and laudable program of nutrition assistance. We need to move aggressively to pass legislation to make the necessary changes to root out fraud and abuse while maintaining CACFP's effectiveness and restoring its integrity.

Finding quality day care is one of the most difficult problems facing working families today. CACFP is a very good program that helps meet that need. The program, which is administered through the Food and Nutrition Service of the U.S. Department of Agriculture, reimburses the costs of meals and snacks at family day care homes, child care centers and adult day care homes. Because of the important role CACFP serves, Congress expanded it modestly in 1998 to help support after-school activities for older children. In fiscal 1999, some 2.6 million children were served on average each day through CACFP, with the total cost of the program amounting to about $1.6 billion.

It is my understanding that USDA's Food and Nutrition Service recognized that there were problems in the operation of CACFP and asked USDA's Inspector General to audit the program. Simply put, the results of the audit cry out for action. In an audit covering nearly three years, the IG found 37 sponsors in 23 states have had serious problems in carrying out CACFP. There were at least 30 criminal investigations and more than 40 individuals charged with defrauding CACFP. Notably, the IG found that the Department of Agriculture and the States should have done more to prevent the fraud and abuse that was prevalent in the program. Also the IG found structural problems in CACFP itself that make the program more susceptible to fraud and abuse.

The legislation Senator LUGAR and I are introducing today has been drafted by USDA to respond to the problems and shortcomings in CACFP identified by the IG. There are a number of good provisions and ideas in this legislation. I do not necessarily endorse all of the specific aspects of this bill, but it is a strong and thoughtful starting point for further consideration and for urgently-needed legislative action to address problems in CACFP that cannot be allowed to continue.

I echo the remarks of my colleague, Senator LUGAR, on the importance of the Federal nutrition programs and the need to combat fraud and abuse, so that we can prevent the waste of taxpayer dollars and maintain support for the programs. There is no inconsistency in strongly supporting child nutrition programs, yet vigorously fighting fraud and abuse in those programs. The truth of the matter is that every dollar siphoned off to fraud and abuse is a dollar that could better be spent improving the nutrition of our nation's children.•

ADDITIONAL COSPONSORS

S. 92

At the request of Mr. DOMENICI, the name of the Senator from Idaho (Mr. CRAPO) was added as a cosponsor of S. 92, a bill to provide for biennial budget process and a biennial appropriations process and to enhance oversight and the performance of the Federal Government.

S. 285

At the request of Mr. MCCAIN, the name of the Senator from Washington (Mr. GORTON) was added as a cosponsor of S. 285, a bill to amend title II of the Social Security Act to restore the link between the maximum amount of earnings by blind individuals permitted without demonstrating ability to engage in substantial gainful activity and the exempt amount permitted in determining excess earnings under the earnings test.

S. 311

At the request of Mr. MCCAIN, the name of the Senator from Iowa (Mr. HARKIN) was added as a cosponsor of S. 311, a bill to authorize the Disabled

Veterans' LIFE Memorial Foundation to establish a memorial in the District of Columbia or its environs, and for other purposes.

S. 660

At the request of Mr. CRAIG, the name of the Senator from Minnesota (Mr. GRAMS) was added as a cosponsor of S. 660, a bill to amend title XVIII of the Social Security Act to provide for coverage under part B of the medicare program of medical nutrition therapy services furnished by registered dietitians and nutrition professionals.

S. 717

At the request of Ms. MIKULSKI, the name of the Senator from Hawaii (Mr. AKAKA) was added as a cosponsor of S. 717, a bill to amend title II of the Social Security Act to provide that the reductions in social security benefits which are required in the case of spouses and surviving spouses who are also receiving certain Government pensions shall be equal to the amount by which two-thirds of the total amount of the combined monthly benefit (before reduction) and monthly pension exceeds $1,2000, adjusted for inflation.

S. 915

At the request of Mr. GRAMM, the name of the Senator from Washington (Mr. GORTON) was added as a cosponsor of S. 915, a bill to amend title XVIII of the Social Security Act to expand and make permanent the medicare subvention demonstration project for military retirees and dependents

S. 916

At the request of Mr. GRAMS, the name of the Senator from South Dakota (Mr. DASCHLE) was added as a cosponsor of S. 916, a bill to amend the Agricultural Market Transition Act to repeal the Northeast Interstate Dairy Compact provision.

S. 1020

At the request of Mr. BUNNING, his name was withdrawn as a cosponsor of S. 1020, a bill to amend chapter 1 of title 9, United States Code, to provide for greater fairness in the arbitration process relating to motor vehicle franchise contracts.

S. 1074

At the request of Mr. TORRICELLI, the name of the Senator from Oklahoma (Mr. INHOFE) was added as a cosponsor of S. 1074, a bill to amend the Social Security Act to waive the 24-month waiting period for medicare coverage of individuals with amyotrophic lateral sclerosis (ALS), and to provide medicare coverage of drugs and biologicals used for the treatment of ALS or for the alleviation of symptoms relating to ALS.

S. 1133

At the request of Mr. GRAMS, the name of the Senator from Missouri (Mr. BOND) was added as a cosponsor of S. 1133, a bill to amend the Poultry Products Inspection Act to cover birds of the order Ratitae that are raised for use as human food.

S. 1272

At the request of Mr. NICKLES, the name of the Senator from Wyoming (Mr. THOMAS) was added as a cosponsor of S. 1272, a bill to amend the Controlled Substances Act to promote pain management and palliative care without permitting assisted suicide and euthanasia, and for other purposes.

S. 1361

At the request of Mr. STEVENS, the name of the Senator from Louisiana (Ms. LANDRIEU) was added as a cosponsor of S. 1361, a bill to amend the Earthquake Hazards Reduction Act of 1977 to provide for an expanded Federal program of hazard mitigation, relief, and insurance against the risk of catastrophic natural disasters, such as hurricanes, earthquakes, and volcanic eruptions, and for other purposes.

S. 1384

At the request of Mr. ABRAHAM, the name of the Senator from Florida (Mr. GRAHAM) was added as a cosponsor of S. 1384, a bill to amend the Public Health Service Act to provide for a national folic acid education program to prevent birth defects, and for other purposes.

S. 1805

At the request of Mr. KENNEDY, the names of the Senator from Michigan (Mr. LEVIN), the Senator from Oregon (Mr. WYDEN), and the Senator from Maryland (Mr. SARBANES) were added as cosponsors of S. 1805, a bill to restore food stamp benefits for aliens, to provide States with flexibility in administering the food stamp vehicle allowance, to index the excess shelter expense deduction to inflation, to authorize additional appropriations to purchase and make available additional commodities under the emergency food assistance program, and for other purposes.

S. 1810

At the request of Mrs. MURRAY, the names of the Senator from Massachusetts (Mr. KENNEDY), and the Senator from Iowa (Mr. HARKIN) were added as cosponsors of S. 1810, a bill to amend title 38, United States Code, to clarify and improve veterans' claims and appellate procedures.

S. 1874

At the request of Mr. GRAHAM, the names of the Senator from Maryland (Mr. SARBANES), and the Senator from Illinois (Mr. DURBIN) were added as cosponsors of S. 1874, a bill to improve academic and social outcomes for youth and reduce both juvenile crime and the risk that youth will become victims of crime by providing productive activities conducted by law enforcement personnel during non-school hours.

S. 1900

At the request of Mr. LAUTENBERG, the names of the Senator from Louisiana (Mr. BREAUX), the Senator from Louisiana (Ms. LANDRIEU), and the Senator from North Carolina (Mr. HELMS) were added as cosponsors of S. 1900, a bill to amend the Internal Revenue Code of 1986 to allow a credit to holders of qualified bonds issued by Amtrak, and for other purposes.

S. 1902

At the request of Mrs. FEINSTEIN, the name of the Senator from Michigan (Mr. LEVIN) was added as a cosponsor of S. 1902, a bill to require disclosure under the Freedom of Information Act regarding certain persons and records of the Japanese Imperial Army in a manner that does not impair any investigation or prosecution conducted by the Department of Justice or certain intelligence matters, and for other purposes.

S. 1915

At the request of Mr. JEFFORDS, the name of the Senator from Hawaii (Mr. AKAKA) was added as a cosponsor of S. 1915, a bill to enhance the services provided by the Environmental Protection Agency to small communities that are attempting to comply with national, State, and local environmental regulations.

S. 2003

At the request of Mr. JOHNSON, the name of the Senator from Washington (Mr. GORTON) was added as a cosponsor of S. 2003, a bill to restore health care coverage to retired members of the uniformed services.

S. 2005

At the request of Mr. BURNS, the names of the Senator from South Carolina (Mr. THURMOND), the Senator from Illinois (Mr. FITZGERALD), and the Senator from Kentucky (Mr. BUNNING) were added as cosponsors of S. 2005, a bill to repeal the modification of the installment method.

S. 2018

At the request of Mrs. HUTCHISON, the names of the Senator from Indiana (Mr. LUGAR), and the Senator from Arkansas (Mr. HUTCHINSON) were added as cosponsors of S. 2018, a bill to amend title XVIII of the Social Security Act to revise the update factor used in making payments to PPS hospitals under the medicare program.

S. 2037

At the request of Ms. SNOWE, the name of the Senator from Wyoming (Mr. THOMAS) was added as a cosponsor of S. 2037, a bill to amend title XVIII of the Social Security Act to extend the option to use rebased target amounts to all sole community hospitals.

S. 2056

At the request of Mr. CRAIG, the name of the Senator from Mississippi (Mr. COCHRAN) was added as a cosponsor of S. 2056, a bill to amend the Richard B. Russell National School Lunch Act to ensure an adequate level of commodity purchases under the school lunch program.

S. 2060

At the request of Mrs. FEINSTEIN, the name of the Senator from Missouri (Mr. ASHCROFT) was added as a cosponsor of S. 2060, a bill to authorize the President to award a gold medal on behalf of the Congress to Charles M. Schulz in recognition of his lasting artistic contributions to the Nation and the world, and for other purposes.

S. 2093

At the request of Mr. DOMENICI, the names of the Senator from South Dakota (Mr. JOHNSON) and the Senator from Washington (Mrs. MURRAY) were added as cosponsors of S. 2093, a bill to amend the Transportation Equity Act for the 21st Century to ensure that full obligation authority is provided for the Indian reservation roads program.

S. 2218

At the request of Mr. CLELAND, the name of the Senator from New Mexico (Mr. BINGAMAN) was added as a cosponsor of S. 2218, a bill to amend title 5, United States Code, to provide for the establishment of a program under which long-term care insurance is made available to Federal employees and annuitants and members of the uniformed services, and for other purposes.

S. 2277

At the request of Mr. ROTH, the names of the Senator from South Dakota (Mr. JOHNSON), the Senator from Indiana (Mr. LUGAR), the Senator from Oregon (Mr. SMITH), the Senator from Nebraska (Mr. KERREY), the Senator from Texas (Mr. GRAMM), and the Senator from Nevada (Mr. BRYAN) were added as cosponsors of S. 2277, a bill to terminate the application of title IV of the Trade Act of 1974 with respect to the People's Republic of China.

S. 2280

At the request of Mr. MCCONNELL, the name of the Senator from North Carolina (Mr. HELMS) was added as a cosponsor of S. 2280, a bill to provide for the effective punishment of online child molesters.

S. 2287

At the request of Mr. L. CHAFEE, the name of the Senator from New Jersey (Mr. TORRICELLI) was added as a cosponsor of S. 2287, a bill to amend the Public Health Service Act to authorize the Director of the National Institute of Environmental Health Sciences to make grants for the development and operation of research centers regarding environmental factors that may be related to the etiology of breast cancer.

S. 2321

At the request of Mr. ROCKEFELLER, the name of the Senator from New Mexico (Mr. BINGAMAN) was added as a cosponsor of S. 2321, a bill to amend the Internal Revenue Code of 1986 to allow a tax credit for development costs of telecommunications facilities in rural areas.

S. 2322

At the request of Mr. MCCAIN, the name of the Senator from Alabama (Mr. SHELBY) was added as a cosponsor of S. 2322, a bill to amend title 37, United States Code, to establish a special subsistence allowance for certain members of the uniformed services who are eligible to receive food stamp assistance, and for other purposes.

S. 2324

At the request of Mr. KOHL, the name of the Senator from South Dakota (Mr. DASCHLE) was added as a cosponsor of S. 2324, a bill to amend chapter 44 of title 18, United States Code, to require ballistics testing of all firearms manufactured and all firearms in custody of Federal agencies, and to add ballistics testing to existing firearms enforcement strategies.

S. 2337

At the request of Mr. SANTORUM, the name of the Senator from Minnesota (Mr. GRAMS) was added as a cosponsor of S. 2337, a bill to amend the Internal Revenue Code of 1986 to allow individuals a refundable credit against income tax for the purchase of private health insurance, and to establish State health insurance safety-net programs.

S. 2340

At the request of Mr. MCCAIN, the name of the Senator from Vermont (Mr. LEAHY) was withdrawn as a cosponsor of S. 2340, a bill to direct the National Institute of Standards and Technology to establish a program to support research and training in methods of detecting the use of performance-enhancing substances by athletes, and for other purposes.

S. CON. RES. 69

At the request of Ms. SNOWE, the names of the Senator from Maine (Ms. COLLINS), the Senator from Washington (Mr. GORTON), and the Senator from Massachusetts (Mr. KENNEDY) were added as cosponsors of S. Con. Res. 69, a concurrent resolution requesting that the United States Postal Service issue a commemorative postal stamp honoring the 200th anniversary of the naval shipyard system.

S. CON. RES. 84

At the request of Mr. WARNER, the names of the Senator from Alabama (Mr. SESSIONS), the Senator from Maine (Ms. SNOWE), the Senator from South Carolina (Mr. THURMOND), the Senator from Massachusetts (Mr. KENNEDY), and the Senator from Nevada (Mr. REID) were added as cosponsors of S. Con. Res. 84, a concurrent resolution expressing the sense of Congress regarding the naming of aircraft carrier CVN–77, the last vessel of the historic ''*Nimitz*'' class of aircraft carriers, as the U.S.S. *Lexington*.

S. CON. RES. 87

At the request of Mr. SMITH of New Hampshire, the name of the Senator from Minnesota (Mr. GRAMS) was added as a cosponsor of S. Con. Res. 87, a concurrent resolution commending the Holy See for making significant contributions to international peace and human rights, and objecting to efforts to expel the Holy See from the United Nations by removing the Holy See's Permanent Observer status in the United Nations, and for other purposes.

SENATE CONCURRENT RESOLUTION 102—TO COMMEND THE BRAVERY AND HONOR OF THE CITIZENS OF REMY, FRANCE, FOR THEIR ACTIONS WITH RESPECT TO LIEUTENANT HOUSTON BRALY AND TO RECOGNIZE THE EFFORTS OF THE 364TH FIGHTER GROUP TO RAISE FUNDS TO RESTORE THE STAINED GLASS WINDOWS OF A CHURCH IN REMY

Mrs. FEINSTEIN submitted the following concurrent resolution; which was referred to the Committee on the Judiciary:

S. CON. RES. 102

Whereas on August 2, 1944, a squadron of P–51s from the United States 364th Fighter Group strafed a German munitions train in Remy, France;

Whereas the resulting explosion killed Lieutenant Houston Braly, one of the attacking pilots, and destroyed much of the village of Remy, including 7 stained glass windows in the 13th century church;

Whereas despite threats of reprisals from the occupying German authorities, the citizens of Remy recovered Lieutenant Braly's body from the wreckage, buried his body with dignity and honor in the church's cemetery, and decorated the grave site daily with fresh flowers;

Whereas on Armistice Day, 1995, the village of Remy renamed the crossroads near the site of Lieutenant Braly's death in his honor;

Whereas the surviving members of the 364th Fighter Group desire to express their gratitude to the brave citizens of Remy; and

Whereas to express their gratitude, the surviving members of the 364th Fighter Group have organized a nonprofit corporation to raise funds through its project ''Windows for Remy'' to restore the church's stained glass windows: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That Congress—

(1) commends the bravery and honor of the citizens of Remy, France, for their actions with respect to the American fighter pilot Lieutenant Houston Braly, during and after August 1944; and

(2) recognizes the efforts of the surviving members of the United States 364th Fighter Group to raise funds to restore the stained glass windows of Remy's 13th century church.

Mrs. FEINSTEIN. Mr. President, I rise today to submit a resolution. I tried to submit it during the first session of the 106th Congress, but due to a clerical error, it was never printed. This resolution commends and remembers events that transpired in Remy, France as its citizens honored the fallen World War II Army Air Corps pilot, Lieutenant Houston Braly. This inspiring story happened over fifty years ago, but its example of compassion and brotherhood remains in our hearts and minds.

On August 2, 1944, Lt. Braly's squadron of P–51 fighters on patrol in northern France encountered a German munitions train. After three unsuccessful attacks at the camouflaged train, Lt. Braly's fire hit a car carrying explosives, causing a tremendous explosion.

Airplanes circling 13,000 feet over the battle were hit by shrapnel from the train, haystacks in fields some distance away burned, and nearly all

buildings in the small French town were demolished. A 13th century church in the town of Remy barely escaped destruction, but its historic stained-glass windows were shattered.

It was this explosion that tragically claimed the life of Lt. Braly at only twenty-two years of age.

Despite the near total destruction of the small town, the residents of Remy regarded that young American as a hero. A young woman pulled Braly's body from the burning wreck of the plane, wrapped him in the nylon of his parachute, and placed him in the town's courtyard. Hundreds of villagers left flowers around his body, stunning German authorities.

The next morning, German authorities discovered that villagers continued to pay tribute to the young pilot despite threats of punishment. The placement of flowers on Lt. Braly's grave continued until American forces liberated Remy to the cheers of the townspeople.

Almost 50 years later, Steven Lea Vell of Danville, California, discovered this story in his research. Mr. Lea Vell was so moved by the story that he visited Remy, France, only to find that the stained glass windows of the magnificent 13th century church which were destroyed in the explosion had never been replaced. He contacted members of the 364th Fighter Group, under which Lt. Braly had served. After hearing how the residents of Remy had honored their fallen friend, veterans joined together to form Windows for Remy, a non-profit organization that would raise $200,000 to replace the stained glass windows as a gesture of thanks to Remy for its deeds.

On Armistice Day, November 11, 1995, fifty years after the war ended, the town of Remy paid tribute once more to Lt. Braly. On that day they renamed the crossroads where he perished to ''Rue de Houston L. Braly, Jr.''

I know that my fellow Senators will want to join me in commending the people of Remy for their kindness and recognized the comrades of Lt. Braly for their goodwill.

AMENDMENTS SUBMITTED

ARCTIC COASTAL PLAIN DOMESTIC ENERGY SECURITY ACT OF 2000

STEVENS (AND MURKOWSKI) AMENDMENT NO. 2905

(Ordered referred to the Committee on Energy and Natural Resources.)

Mr. STEVENS (for himself and Mr. MURKOWSKI) submitted an amendment intended to be proposed by them to the bill (S. 2214) to establish and implement a competitive oil and gas leasing program that will result in an environmentally sound and job creating program for the exploration, development, and production of the oil and gas resources of the Coastal Plain, and for other purposes; as follows:

On page 15, beginning on line 7, delete ''and (20)'' and insert in lieu thereof:

''(20) require project agreement to the extent feasible that will ensure productivity and consistency recognizing a national interest in both labor stability and the ability of construction labor and management to meet the particular needs and conditions of projects to be developed under leases issued pursuant to this Act; and

''(21)''.

CONCURRENT RESOLUTION ON THE BUDGET FOR FISCAL YEAR 2001

ALLARD (AND OTHERS) AMENDMENT NO. 2906

(Ordered to lie on the table.)

Mr. ALLARD (for himself, Mr. ENZI, and Mr. GRAMS) submitted an amendment intended to be proposed by them to the concurrent resolution (S. Con. Res. 101) setting forth the congressional budget for the United States Government for fiscal years 2001 through 2005 and revising the budgetary levels for fiscal year 2000; as follows:

At the end of the resolution, insert the following:

TITLE ____—SOCIAL SECURITY PROTECTION AND DEBT REPAYMENT

SEC. ___1. BALANCED BUDGET REQUIREMENT.

Beginning with fiscal year 2001 and for every fiscal year thereafter, budgeted outlays shall not exceed budgeted revenues.

SEC. ___2. REDUCTION OF NATIONAL DEBT.

(a) IN GENERAL.—Beginning with fiscal year 2001 and for every fiscal year thereafter, actual revenues shall exceed actual outlays in order to provide for the reduction of the Federal debt held by the public as provided in subsections (b) and (c).

(b) AMOUNT.—The on budget surplus shall be large enough so that debt held by the public will be reduced each year beginning in fiscal year 2001. The amount of reduction required by this subsection shall be $15,000,000,000 in fiscal year 2001 and shall increase by an additional $15,000,000,000 every fiscal year until the entire debt owed to the public has been paid.

(c) SOCIAL SECURITY SURPLUS AND DEBT REPAYMENT.—

(1) IN GENERAL.—Until such time as Congress enacts major social security reform legislation, the surplus funds each year in the Federal Old Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund shall be used to reduce the debt owed to the public. This section shall not apply beginning on the fiscal year after social security reform legislation is enacted by Congress.

(2) DEFINITION.—In this subsection, the term ''social security reform legislation'' means legislation that—

(A) insures the long-term financial solvency of the social security system; and

(B) includes an option for private investment of social security funds by beneficiaries.

SEC. ___3. POINT OF ORDER AND WAIVER.

(a) POINT OF ORDER.—It shall not be in order to consider any concurrent resolution on the budget that does not comply with this title.

(b) WAIVER.—Congress may waive the provisions of this title for any fiscal year in which a declaration of war is in effect.

SEC. ___4. MAJORITY REQUIREMENT FOR REVENUE INCREASE.

No bill to increase revenues shall be deemed to have passed the House of Representatives or the Senate unless approved by a majority of the total membership of each House of Congress by a rollcall vote.

SEC. ___5. REVIEW OF REVENUES.

Congress shall review actual revenues on a quarterly basis and adjust outlays to assure compliance with this title.

SEC. ___6. DEFINITIONS.

In this title:

(1) OUTLAYS.—The term ''outlays'' shall include all outlays of the United States excluding repayment of debt principal.

(2) REVENUES.—The term ''revenues'' shall include all revenues of the United States excluding borrowing.

VOINOVICH AMENDMENT NO. 2907

(Ordered to lie on the table.)

Mr. VOINOVICH submitted an amendment intended to be proposed by him to the concurrent resolution, S. Con. Res. 101, supra; as follows:

On page 28, strike beginning with line 22 and all that follows through page 29, line 5.

INHOFE AMENDMENT NO. 2908

(Ordered to lie on the table.)

Mr. INHOFE submitted an amendment intended to be proposed by him to the concurrent resolution, S. Con. Res. 101, supra; as follows:

At the end of title III, insert the following:

SEC. ___. SENSE OF THE SENATE.

(a) FINDINGS.—The Senate finds that—

(1) local educational agencies are obligated to provide a free public education to all children even though Federal activity may deprive the local educational agencies of the ability to collect sufficient property or sales taxes to support the education of the children;

(2) the Impact Aid program is designed to compensate local educational agencies for the substantial and continuing financial burden resulting from tax revenue lost as a result of Federal activities;

(3) the Impact Aid program has not been fully funded since 1980 and this shortfall has caused local educational agencies to forego needed infrastructure repairs, delay the purchase of educational materials, delay the purchase of properly equipped buses for disabled children, and delay other pressing needs; and

(4) both Congress and the Administration have committed to making education a top priority.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that the Impact Aid program should be fully funded in the fiscal year 2001 appropriations cycle.

ALLARD (AND OTHERS) AMENDMENTS NOS. 2909–2910

(Ordered to lie on the table.)

Mr. ALLARD (for himself, Mr. ENZI, and Mr. GRAMS) submitted two amendments intended to be proposed by them to the concurrent resolution (S. Con. Res. 101), supra; as follows:

AMENDMENT NO. 2909

At the end of the resolution, insert the following:

TITLE ___—
SOCIAL SECURITY PROTECTION AND DEBT REPAYMENT

SEC. ___1. BALANCED BUDGET REQUIREMENT.

Beginning with fiscal year 2001 and for every fiscal year thereafter, budgeted outlays shall not exceed budgeted revenues.

SEC. ___2. REDUCTION OF NATIONAL DEBT.

(a) IN GENERAL.—Beginning with fiscal year 2001 and for every fiscal year thereafter, actual revenues shall exceed actual outlays in order to provide for the reduction of the Federal debt held by the public as provided in subsections (b) and (c).

(b) AMOUNT.—The on budget surplus shall be large enough so that debt held by the public will be reduced each year beginning in fiscal year 2001. The amount of reduction required by this subsection shall be $10,000,000,000 in fiscal year 2001 and shall increase by an additional $10,000,000,000 every fiscal year until the entire debt owed to the public has been paid.

(c) SOCIAL SECURITY SURPLUS AND DEBT REPAYMENT.—

(1) IN GENERAL.—Until such time as Congress enacts major social security reform legislation, the surplus funds each year in the Federal Old Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund shall be used to reduce the debt owed to the public. This section shall not apply beginning on the fiscal year after social security reform legislation is enacted by Congress.

(2) DEFINITION.—In this subsection, the term ''social security reform legislation'' means legislation that—

(A) insures the long-term financial solvency of the social security system; and

(B) includes an option for private investment of social security funds by beneficiaries.

SEC. ___3. POINT OF ORDER AND WAIVER.

(a) POINT OF ORDER.—It shall not be in order to consider any concurrent resolution on the budget that does not comply with this title.

(b) WAIVER.—Congress may waive the provisions of this title for any fiscal year in which a declaration of war is in effect.

SEC. ___4. MAJORITY REQUIREMENT FOR REVENUE INCREASE.

No bill to increase revenues shall be deemed to have passed the House of Representatives or the Senate unless approved by a majority of the total membership of each House of Congress by a rollcall vote.

SEC. ___5. REVIEW OF REVENUES.

Congress shall review actual revenues on a quarterly basis and adjust outlays to assure compliance with this title.

SEC. ___6. DEFINITIONS.

In this title:

(1) OUTLAYS.—The term ''outlays'' shall include all outlays of the United States excluding repayment of debt principal.

(2) REVENUES.—The term ''revenues'' shall include all revenues of the United States excluding borrowing.

AMENDMENT NO. 2910

At the end of the resolution, insert the following:

TITLE ___—
SOCIAL SECURITY PROTECTION AND DEBT REPAYMENT

SEC. ___1. BALANCED BUDGET REQUIREMENT.

Beginning with fiscal year 2001 and for every fiscal year thereafter, budgeted outlays shall not exceed budgeted revenues.

SEC. ___2. REDUCTION OF NATIONAL DEBT.

(a) IN GENERAL.—Beginning with fiscal year 2001 and for every fiscal year thereafter, actual revenues shall exceed actual outlays in order to provide for the reduction of the Federal debt held by the public as provided in subsections (b) and (c).

(b) AMOUNT.—The on budget surplus shall be large enough so that debt held by the public will be reduced each year beginning in fiscal year 2001. The amount of reduction required by this subsection shall be $10,000,000,000 in fiscal year 2001 and shall increase by an additional $10,000,000,000 every fiscal year until the entire debt owed to the public has been paid.

(c) SOCIAL SECURITY SURPLUS AND DEBT REPAYMENT.—

(1) IN GENERAL.—Until such time as Congress enacts major social security reform legislation, the surplus funds each year in the Federal Old Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund shall be used to reduce the debt owed to the public. This section shall not apply beginning on the fiscal year after social security reform legislation is enacted by Congress.

(2) DEFINITION.—In this subsection, the term ''social security reform legislation'' means legislation that—

(A) insures the long-term financial solvency of the social security system; and

(B) includes an option for private investment of social security funds by beneficiaries.

SEC. ___3. POINT OF ORDER AND WAIVER.

(a) POINT OF ORDER.—It shall not be in order to consider any concurrent resolution on the budget that does not comply with this title.

(b) WAIVER.—Congress may waive the provisions of this title for any fiscal year in which a declaration of war is in effect.

SEC. ___4. MAJORITY REQUIREMENT FOR REVENUE INCREASE.

No bill to increase revenues shall be deemed to have passed the House of Representatives or the Senate unless approved by a majority of the total membership of each House of Congress by a rollcall vote.

SEC. ___5. REVIEW OF REVENUES.

Congress shall review actual revenues on a quarterly basis and adjust outlays to assure compliance with this title.

SEC. ___6. DEFINITIONS.

In this title:

(1) OUTLAYS.—The term ''outlays'' shall include all outlays of the United States excluding repayment of debt principal.

(2) REVENUES.—The term ''revenues'' shall include all revenues of the United States excluding borrowing.

BOXER AMENDMENT NO. 2911

(Ordered to lie on the table.)

Mrs. BOXER submitted an amendment intended to be proposed by her to the concurrent resolution S. Con. Res. 101, supra; as follows:

At the end of title III, insert the following:

SEC. ___. SENSE OF THE SENATE.

(a) FINDINGS.—The Senate makes the following findings:

(1) The demand for after school education is very high, with more than 1,000,000 students waiting to get into such programs.

(2) After school programs improve educational achievement and have widespread support, with over 90 percent of the American people supporting such programs.

(3) 450 of the Nation's leading police chiefs, sheriffs, and prosecutors, along with the presidents of the Fraternal Order of Police, and the International Union of Police Associations, support government funding of after school programs.

(4) Many of our Nation's governors endorse increasing the number of after school programs through a Federal and State partnership.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that this resolution assumes that the President's level of funding for after school programs in fiscal year 2001 will be provided, which will accommodate the current need for after school programs.

KOHL (AND OTHERS) AMENDMENT NO. 2912

(Ordered to lie on the table.)

Mr. KOHL (for himself, Mr. LEAHY, Mr. BRYAN, and Mr. FEINGOLD) submitted an amendment intended to be proposed by them to the concurrent resolution, S. Con. Res. 101, supra; as follows:

On page 36, strike beginning with line 1 and all that follows through page 37, line 5.

BOND AMENDMENT NO. 2913

(Ordered to lie on the table.)

Mr. BOND submitted an amendment intended to be proposed by him to the concurrent resolution, S. Con. Res. 101, supra; as follows:

At the end of title III, add the following:

SEC. ___. SENSE OF THE SENATE AGAINST FEDERAL FUNDING OF SMOKE SHOPS.

(a) FINDINGS.—The Senate makes the following findings:

(1) Smoking begun by children during their teen years and even earlier turns the lives of far too many Americans into nightmares decades later, plagued by disease and premature death.

(2) The Federal Government should leave a legacy of more healthy Americans and fewer victims of tobacco-related illness.

(3) Efforts by the Federal Government should seek to protect young people from the dangers of smoking.

(4) Discount tobacco stores, sometimes known as smoke shops, operate to sell high volumes of cigarettes and other tobacco products, often at significantly reduced prices, with each tobacco outlet often selling millions of discount cigarettes each year.

(5) Studies by the Surgeon General and the Centers for Disease Control and Prevention demonstrate that children are particularly susceptible to price differentials in cigarettes, such as those available through smoke shop discounts.

(6) The Department of Housing and Urban Development is using Federal funds for grants to construct not less than 6 smoke shops or facilities that contain a smoke shop.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that the budget levels in this resolution assume that no Federal funds may be used by the Department of Housing and Urban Development to provide any grant or other assistance to construct, operate, or otherwise benefit a smoke shop or other tobacco outlet.

HUTCHISON (AND OTHERS) AMENDMENT NO. 2914

Mrs. HUTCHISON (for herself, Mr. ASHCROFT, Mr. BROWNBACK, and Mr. SESSIONS) proposed an amendment to the concurrent resolution, S Con. Res. 101, supra; as follows:

At the appropriate place insert the following:

SEC. . SENSE OF THE SENATE TO PROVIDE RELIEF FROM THE MARRIAGE PENALTY.

(a) FINDINGS.—The Senate finds that:

(1) Marriage is the foundation of the American society and a key institution for preserving our values;

(2) The tax code should not penalize those who choose to marry;

(3) a report to the Treasury Department's Office of Tax Analysis estimates that in 1999, 48 percent of married couples will pay a marriage penalty under the present tax system;

(4) The Congressional Budget Office found that the average penalty amounts to $1400 a year.

(b) SENSE OF THE SENATE.—It is the Sense of the Senate that the level in this budget resolution assume that the Congress shall:

(1) pass marriage penalty tax relief legislation that begins a phase down of this penalty in 2001;

(2) consider such legislation prior to April 15, 2000.

ROBB (AND OTHERS) AMENDMENT NO. 2915

Mr. ROBB (for himself, Mr. KENNEDY, Mr. WYDEN, Mr. GRAHAM, Mr. BRYAN, Mr. DORGAN, Mr. BAUCUS, Mr. BINGAMAN, Mr. JOHNSON, and Mr. SCHUMER) proposed an amendment to amendment No. 2915 proposed by Mrs. HUTCHISON to the concurrent resolution, S Con. Res. 101, supra; as follows:

At the end of the amendment, add the following:

SEC. ___. REVENUE REDUCTION CONTINGENT ON OUTPATIENT PRESCRIPTION DRUG LEGISLATION.

(a) FINDINGS.—Congress finds that—

(1) a medicare outpatient prescription drug benefit should be established before exhausting the on-budget surplus on excessive tax cuts;

(2) while the Senate budget resolution provides a date certain for the consideration of $150,000,000,000 in tax cuts, it does not include a similar instruction for the enactment of an outpatient prescription drug benefit;

(3) all seniors should have access to a voluntary, reliable, affordable medicare drug benefit that assists them with the high cost of prescription drugs and protects them against excessive out-of-pocket costs; and

(4) 64 percent of medicare beneficiaries have unreliable or no drug coverage at all.

(b) POINT OF ORDER.—It shall not be in order in the Senate to consider a reconciliation bill resulting in a net reduction in revenues unless Congress has previously enacted legislation that—

(1) provides an outpatient prescription drug benefit under the Medicare program consistent with Medicare reform; and

(2) includes a certification that the legislation complies with paragraph (1) of this section.

(c) SUPERMAJORITY WAIVER AND APPEAL.—The point of order established in this section may be waived or suspended in the Senate only by an affirmative vote of ⅗ of the members, duly chosen and sworn. An affirmative vote of ⅗ of the Members of the Senate, duly chosen and sworn, shall be required in the Senate to sustain an appeal of the ruling of the Chair on a point of order raised under this section.

SHELBY AMENDMENTS NOS. 2916–2917

(Ordered to lie on the table.)

Mr. SHELBY submitted two amendments intended to be proposed by him to the concurrent resolution, S. Con. Res. 101, supra; as follows:

AMENDMENT NO. 2916

Beginning on page 66, line 15, strike all through page 67, line 10, and insert the following:

SEC. ___. SENSE OF THE SENATE ON TAX SIMPLIFICATION.

(a) FINDINGS.—Congress finds that—

(1) the Internal Revenue Code of 1986 (referred to in this section as the ''tax code'') has become increasingly complex, undermining confidence in the system, and often undermining the principles of simplicity, efficiency, and equity;

(2) some have estimated that the resources required to keep records and file returns already cost American families an additional 10 percent to 20 percent over what they actually pay in income taxes;

(3) the tax code penalizes saving and investment by imposing tax on these important activities twice while promoting consumption by only taxing income used for consumption once;

(4) the tax code stifles economic growth by discouraging work and capital formation through high tax rates; and

(5) if it is to enact a greatly simplified tax code, Congress should have a thorough understanding of the problem as well as specific proposals to consider.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that the levels in this resolution assume that—

(1) the Joint Committee on Taxation shall develop a report and alternative proposals on tax simplification by the end of the year;

(2) the Department of the Treasury is requested to develop a report and alternative proposals on tax simplification by the end of the year; and

(3) Congress should move expeditiously to consider these and other comprehensive proposals to reform the Internal Revenue Code of 1986.

AMENDMENT NO. 2917

At the end of title III, insert the following:

SEC. ___. SENSE OF THE SENATE.

(a) FINDINGS.—The Senate makes the following findings:

(1) Our Nation's children have become the ever increasing targets of marketing activity.

(2) Such marketing activity, which includes Internet sales pitches, commercials broadcast via in-classroom television programming, product placements, contests, and giveaways, is taking place every day during class time in our Nation's public schools.

(3) Many State and local entities enter into arrangements allowing marketing activity in schools in an effort to make up budgetary shortfalls or to gain access to expensive technology or equipment.

(4) These marketing efforts take advantage of the time and captive audiences provided by taxpayer-funded schools.

(5) These marketing efforts involve activities that compromise the privacy of our Nation's children.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that—

(1) in-school marketing and information-gathering activities—

(A) are a waste of student class time and taxpayer money;

(B) exploit captive student audiences for commercial gain; and

(C) compromise the privacy rights of our Nation's school children and are a violation of the public trust Americans place in the public education system;

(2) State and local educators should remove commercial distractions from our Nation's public schools and should protect the privacy of school-aged children in our Nation's classrooms;

(3) Federal funds should not be used in any way to support the commercialization of our Nation's classrooms or the exploitation of student privacy, nor to purchase advertisements from entities that market to school children or violate student privacy during the school day; and

(4) Federal funds should be made available, in the form of block grants, to State and local entities in order to provide the entities with the financial flexibility to avoid the necessity of having to enter into relationships with third parties that involve violations of student privacy or the introduction of commercialization into our Nation's classrooms.

HUTCHINSON (AND OTHERS) AMENDMENT NO. 2918

(Ordered to lie on the table.)

Mr. HUTCHINSON (for himself, Mr. GRASSLEY, and Mr. HELMS) submitted an amendment intended to be proposed by them to the concurrent resolution, S. Con. Res. 101, supra; as follows:

At the appropriate place, insert the following:

SEC. . SENSE OF THE SENATE ON INCREASED FUNDING FOR THE HIDTA PROGRAM.

(a) FINDINGS.—The Senate finds that—

(1) the Anti-Drug Abuse Act of 1988 authorizes the Director of the Office of National Drug Control Policy (ONDCP) to designate areas within the United States which exhibit serious drug trafficking problems and harmfully impact other areas of the country as High Intensity Drug Trafficking Areas (HIDTA);

(2) since 1990, 31 areas within 40 of the United States have been designated as HIDTAs and thus are the recipients of additional federal funds to help eliminate or reduce drug trafficking and its harmful consequences;

(3) a HIDTA designation facilitates cooperation between federal, state, and local law enforcement organizations and thereby maximizes the effectiveness and efficiency of drug control efforts;

(4) the HIDTA program is strongly supported by the federal, state and local law enforcement communities as an invaluable tool in the effort to reduce the production, distribution, and use of illegal substances;

(5) federal funding provided to HIDTAs has grown from $25 million in Fiscal Year 1990 to $191.2 million in Fiscal Year 2000; and

(6) nonetheless the President has not requested an increase in the amount of federal funding provided to the HIDTA program in Fiscal Year 2001.

(b) SENSE OF THE SENATE: It is the Sense of the Senate that the amount of federal funding provided to the HIDTA program in Fiscal Year 2001 should reflect Congress' commitment over the last decade to enhance this vital public program by increasing its annual spending level accordingly.

HUTCHINSON AMENDMENTS NOS. 2919–2920

(Ordered to lie on the table.)

Mr. HUTCHINSON submitted two amendments intended to be proposed by him to the concurrent resolution, S. Con. Res. 101, supra; as follows:

AMENDMENT NO. 2919

At the appropriate place, insert the following:

SEC. . SENSE OF THE SENATE TO DOUBLE THE FEDERAL INVESTMENT IN THE CONSOLIDATED HEALTH CENTERS PROGRAM OVER THE NEXT FIVE YEARS.

(a) FINDINGS.—The Senate finds that—

(1) Whereas the uninsured population in the United States is over 44 million and continue to grow;

(2) Whereas the majority of the uninsured population are rural residents, minority populations, single-parent families and working families;

(3) Whereas consolidated health centers serve as a safety net for more than 11 million patients nationwide, including 4.4 million people with no health insurance;

(4) Whereas health centers serve one of every 6 low-income children, one of every 12 rural residents, one of every 4 homeless persons, and one of every 5 babies born to low-income families;

(5) Whereas over half of health centers are located in rural areas;

(6) Whereas health centers provide primary and preventive care to low-income, uninsured, and under-insured individuals for less than $1 per day;

(7) Whereas the President requested a $15 million increase for consolidated health centers in Fiscal Year 2000;

(8) Whereas Congress recognized the value of consolidated health centers in serving the under-served and appropriated a $100 million increase in funding for consolidated health centers in Fiscal Year 2000;

(b) SENSE OF THE SENATE: It is the Sense of the Senate that the federal investment in the consolidated health centers program should double in funding over the next five years.

AMENDMENT NO. 2920

At the appropriate place, insert the following:

SEC. . SENSE OF THE CONGRESS WITH RESPECT TO PRESIDENT CLINTON'S ADHERENCE TO PUBLIC LAW 106–38.

Whereas on May 18, 1999 the Senate passed H.R. 4, which had been amended by striking all after the enacting clause and substituted the text of S. 257, the Cochran-Inouye National Missile Defense Act of 1999, by a vote of 97 to 3.

Whereas the House of Representatives agreed to the Senate amendment and approved H.R. 4 by a vote of 345 to 71.

Whereas H.R. 4, as presented to the president, stated that ''it is the policy of the United States to deploy as soon as technologically possible an effective National Missile Defense system capable of defending the territory of the United States against limited ballistic missile attack.''

Whereas when the President signed H.R. 4 on July 22, 1999, it became Public Law 106–38.

Whereas in a statement released on July 23, 1999 President Clinton stated that any decision to deploy a National Missile Defense System would be based upon four criteria: threat, cost, impact on arms control, and technological feasibility.

Whereas P.L. 106–38 does not accord the issues of threat, cost, and impact on arms control status as criteria which must be met before deploying a National Missile Defense system.

Whereas the only criteria to be met before the United States deploys a National Missile Defense system, as codified in P.L. 106–38, is technological possibility.

Whereas all of the technological components of the proposed National Missile Defense system have been demonstrated to be technologically possible by the Integrated Flight Test program.

Whereas President Clinton has publicly asserted that he will not make an affirmative deployment decision, despite the legal fulfillment of the criteria set forth in P.L. 106–38, until all four of his criteria have been satisfied.

Resolved by the Senate (the House of Representatives concurring) That it is the sense of the Congress that—

(1) Because the President insists upon the meeting of criteria, other than that specifically listed in the text of the National Missile Defense Act of 1999, as a precondition to the deployment of a National Missile Defense system, the President is knowingly and willfully violating both the letter and the spirit of P.L. 106–38.

HUTCHINSON (AND FRIST) AMENDMENT NO. 2921

(Ordered to lie on the table.)

Mr. HUTCHINSON (for himself and Mr. FRIST) submitted an amendment intended to be proposed by them to the concurrent resolution, S. Con. Res. 101, supra; as follows:

At the end of title III, insert the following:

SEC. ___. SENSE OF THE SENATE.

(a) FINDINGS.—The Senate makes the following findings:

(1) According to the General Accounting Office, for every dollar spent on elementary and secondary education funding for all students, the Federal Government provided an additional $4.73 per low-income student.

(2) Between 1992 and 1998, there was no significant change in the percentage of 4th graders who met the proficient or advanced standard in reading on the National Assessment of Educational Progress.

(3) Thirteen percent of 4th grade students assisted under part A of title I of the Elementary and Secondary Education Act of 1965 who took the 1998 National Assessment of Educational Progress reading test scored at or above the proficient level, compared with 40 percent of higher-income students.

(4) After 35 years and more than $120,000,000,000 spent on part A of title I of the Elementary and Secondary Education Act of 1965, the goal of closing the achievement gap for disadvantaged students is still unmet.

(5) New Federal education programs emphasize inputs, while educational reform under the Elementary and Secondary Education Act of 1965 will emphasize accountability in exchange for flexibility and student achievement for all children by closing the achievement gap.

(6) The funding levels in this resolution assume a net increase of $19,600,000,000 over the fiscal years 2001 through 2005 for programs under the Elementary and Secondary Education Act of 1965 that will be reauthorized in 2001.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that the levels in this resolution assume that increased funding for the reauthorized programs under the Elementary and Secondary Education Act of 1965 should be dedicated to innovative reforms that require academic achievement for all students and aim to close the achievement gap that exists for disadvantaged students.

TRIBAL SELF-GOVERANCE AMENDMENTS OF 1999

CAMPBELL AMENDMENT NO. 2922

Mr. KYL (for Mr. CAMPBELL) proposed an amendment to the bill (S. 979) to amend the Indian Self-Determination and Education Assistance Act to provide for further self-governance by Indian tribes, and for other purposes; as follows:

In lieu of the language proposed to be inserted, insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Tribal Self-Governance Amendments of 1999''.

SEC. 2. FINDINGS.

Congress finds that—

(1) the tribal right of self-government flows from the inherent sovereignty of Indian tribes and nations;

(2) the United States recognizes a special government-to-government relationship with Indian tribes, including the right of the Indian tribes to self-governance, as reflected in the Constitution, treaties, Federal statutes, and the course of dealings of the United States with Indian tribes;

(3) although progress has been made, the Federal bureaucracy, with its centralized rules and regulations, has eroded tribal self-governance and dominates tribal affairs;

(4) the Tribal Self-Governance Demonstration Project, established under title III of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450f note) was designed to improve and perpetuate the government-to-government relationship between Indian tribes and the United States and to strengthen tribal control over Federal funding and program management;

(5) although the Federal Government has made considerable strides in improving Indian health care, it has failed to fully meet its trust responsibilities and to satisfy its obligations to the Indian tribes under treaties and other laws; and

(6) Congress has reviewed the results of the Tribal Self-Governance Demonstration Project and finds that transferring full control and funding to tribal governments, upon tribal request, over decision making for Federal programs, services, functions, and activities (or portions thereof)—

(A) is an appropriate and effective means of implementing the Federal policy of government-to-government relations with Indian tribes; and

(B) strengthens the Federal policy of Indian self-determination.

SEC. 3. DECLARATION OF POLICY.

It is the policy of Congress—

(1) to permanently establish and implement tribal self-governance within the Department of Health and Human Services;

(2) to call for full cooperation from the Department of Health and Human Services and its constituent agencies in the implementation of tribal self-governance—

(A) to enable the United States to maintain and improve its unique and continuing relationship with, and responsibility to, Indian tribes;

(B) to permit each Indian tribe to choose the extent of its participation in self-governance in accordance with the provisions of the Indian Self-Determination and Education Assistance Act relating to the provision of Federal services to Indian tribes;

(C) to ensure the continuation of the trust responsibility of the United States to Indian tribes and Indian individuals;

(D) to affirm and enable the United States to fulfill its obligations to the Indian tribes under treaties and other laws;

(E) to strengthen the government-to-government relationship between the United States and Indian tribes through direct and meaningful consultation with all tribes;

(F) to permit an orderly transition from Federal domination of programs and services to provide Indian tribes with meaningful authority, control, funding, and discretion to plan, conduct, redesign, and administer programs, services, functions, and activities (or portions thereof) that meet the needs of the individual tribal communities;

(G) to provide for a measurable parallel reduction in the Federal bureaucracy as programs, services, functions, and activities (or portion thereof) are assumed by Indian tribes;

(H) to encourage the Secretary to identify all programs, services, functions, and activities (or portions thereof) of the Department

of Health and Human Services that may be managed by an Indian tribe under this Act and to assist Indian tribes in assuming responsibility for such programs, services, functions, and activities (or portions thereof); and

(I) to provide Indian tribes with the earliest opportunity to administer programs, services, functions, and activities (or portions thereof) from throughout the Department of Health and Human Services.

SEC. 4. TRIBAL SELF-GOVERNANCE.

The Indian Self-Determination and Education Assistance Act (25 U.S.C. 450 et seq.) is amended by adding at the end the following:

"TITLE V—TRIBAL SELF-GOVERNANCE

"SEC. 501. DEFINITIONS.

''(a) IN GENERAL.—In this title:

''(1) CONSTRUCTION PROJECT.—The term 'construction project'—

''(A) means an organized noncontinuous undertaking to complete a specific set of predetermined objectives for the planning, environmental determination, design, construction, repair, improvement, or expansion of buildings or facilities, as described in a construction project agreement; and

''(B) does not include construction program administration and activities described in paragraphs (1) through (3) of section 4(m), that may otherwise be included in a funding agreement under this title.

''(2) CONSTRUCTION PROJECT AGREEMENT.—The term 'construction project agreement' means a negotiated agreement between the Secretary and an Indian tribe, that at a minimum—

''(A) establishes project phase start and completion dates;

''(B) defines a specific scope of work and standards by which it will be accomplished;

''(C) identifies the responsibilities of the Indian tribe and the Secretary;

''(D) addresses environmental considerations;

''(E) identifies the owner and operations and maintenance entity of the proposed work;

''(F) provides a budget;

''(G) provides a payment process; and

''(H) establishes the duration of the agreement based on the time necessary to complete the specified scope of work, which may be 1 or more years.

''(3) GROSS MISMANAGEMENT.—The term 'gross mismanagement' means a significant, clear, and convincing violation of a compact, funding agreement, or regulatory, or statutory requirements applicable to Federal funds transferred to an Indian tribe by a compact or funding agreement that results in a significant reduction of funds available for the programs, services, functions, or activities (or portions thereof) assumed by an Indian tribe.

''(4) INHERENT FEDERAL FUNCTIONS.—The term 'inherent Federal functions' means those Federal functions which cannot legally be delegated to Indian tribes.

''(5) INTER-TRIBAL CONSORTIUM.—The term 'inter-tribal consortium' means a coalition of 2 or more separate Indian tribes that join together for the purpose of participating in self-governance, including tribal organizations.

''(6) SECRETARY.—The term 'Secretary' means the Secretary of Health and Human Services.

''(7) SELF-GOVERNANCE.—The term 'self-governance' means the program of self-governance established under section 502.

''(8) TRIBAL SHARE.—The term 'tribal share' means an Indian tribe's portion of all funds and resources that support secretarial programs, services, functions, and activities (or portions thereof) that are not required by the Secretary for performance of inherent Federal functions.

''(b) INDIAN TRIBE.—In any case in which an Indian tribe has authorized another Indian tribe, an inter-tribal consortium, or a tribal organization to plan for or carry out programs, services, functions, or activities (or portions thereof) on its behalf under this title, the authorized Indian tribe, inter-tribal consortium, or tribal organization shall have the rights and responsibilities of the authorizing Indian tribe (except as otherwise provided in the authorizing resolution or in this title). In such event, the term 'Indian tribe' as used in this title shall include such other authorized Indian tribe, inter-tribal consortium, or tribal organization.

"SEC. 502. ESTABLISHMENT.

''The Secretary shall establish and carry out a program within the Indian Health Service of the Department of Health and Human Services to be known as the 'Tribal Self-Governance Program' in accordance with this title.

"SEC. 503. SELECTION OF PARTICIPATING INDIAN TRIBES.

''(a) CONTINUING PARTICIPATION.—Each Indian tribe that is participating in the Tribal Self-Governance Demonstration Project under title III on the date of enactment of this title may elect to participate in self-governance under this title under existing authority as reflected in tribal resolution.

''(b) ADDITIONAL PARTICIPANTS.—

''(1) IN GENERAL.—In addition to those Indian tribes participating in self-governance under subsection (a), each year an additional 50 Indian tribes that meet the eligibility criteria specified in subsection (c) shall be entitled to participate in self-governance.

''(2) TREATMENT OF CERTAIN INDIAN TRIBES.—

''(A) IN GENERAL.—An Indian tribe that has withdrawn from participation in an inter-tribal consortium or tribal organization, in whole or in part, shall be entitled to participate in self-governance provided the Indian tribe meets the eligibility criteria specified in subsection (c).

''(B) EFFECT OF WITHDRAWAL.—If an Indian tribe has withdrawn from participation in an inter-tribal consortium or tribal organization, that Indian tribe shall be entitled to its tribal share of funds supporting those programs, services, functions, and activities (or portions thereof) that the Indian tribe will be carrying out under the compact and funding agreement of the Indian tribe.

''(C) PARTICIPATION IN SELF-GOVERNANCE.—In no event shall the withdrawal of an Indian tribe from an inter-tribal consortium or tribal organization affect the eligibility of the inter-tribal consortium or tribal organization to participate in self-governance.

''(c) APPLICANT POOL.—

''(1) IN GENERAL.—The qualified applicant pool for self-governance shall consist of each Indian tribe that—

''(A) successfully completes the planning phase described in subsection (d);

''(B) has requested participation in self-governance by resolution or other official action by the governing body of each Indian tribe to be served; and

''(C) has demonstrated, for 3 fiscal years, financial stability and financial management capability.

''(2) CRITERIA FOR DETERMINING FINANCIAL STABILITY AND FINANCIAL MANAGEMENT CAPACITY.—For purposes of this subsection, evidence that, during the 3-year period referred to in paragraph (1)(C), an Indian tribe had no uncorrected significant and material audit exceptions in the required annual audit of the Indian tribe's self-determination contracts or self-governance funding agreements with any Federal agency shall be conclusive evidence of the required stability and capability.

''(d) PLANNING PHASE.—Each Indian tribe seeking participation in self-governance shall complete a planning phase. The planning phase shall be conducted to the satisfaction of the Indian tribe and shall include—

''(1) legal and budgetary research; and

''(2) internal tribal government planning and organizational preparation relating to the administration of health care programs.

''(e) GRANTS.—Subject to the availability of appropriations, any Indian tribe meeting the requirements of paragraph (1) (B) and (C) of subsection (c) shall be eligible for grants—

''(1) to plan for participation in self-governance; and

''(2) to negotiate the terms of participation by the Indian tribe or tribal organization in self-governance, as set forth in a compact and a funding agreement.

''(f) RECEIPT OF GRANT NOT REQUIRED.—Receipt of a grant under subsection (e) shall not be a requirement of participation in self-governance.

"SEC. 504. COMPACTS.

''(a) COMPACT REQUIRED.—The Secretary shall negotiate and enter into a written compact with each Indian tribe participating in self-governance in a manner consistent with the Federal Government's trust responsibility, treaty obligations, and the government-to-government relationship between Indian tribes and the United States.

''(b) CONTENTS.—Each compact required under subsection (a) shall set forth the general terms of the government-to-government relationship between the Indian tribe and the Secretary, including such terms as the parties intend shall control year after year. Such compacts may only be amended by mutual agreement of the parties.

''(c) EXISTING COMPACTS.—An Indian tribe participating in the Tribal Self-Governance Demonstration Project under title III on the date of enactment of this title shall have the option at any time after the date of enactment of this title to—

''(1) retain the Tribal Self-Governance Demonstration Project compact of that Indian tribe (in whole or in part) to the extent that the provisions of that funding agreement are not directly contrary to any express provision of this title; or

''(2) instead of retaining a compact or portion thereof under paragraph (1), negotiate a new compact in a manner consistent with the requirements of this title.

''(d) TERM AND EFFECTIVE DATE.—The effective date of a compact shall be the date of the approval and execution by the Indian tribe or another date agreed upon by the parties, and shall remain in effect for so long as permitted by Federal law or until terminated by mutual written agreement, retrocession, or reassumption.

"SEC. 505. FUNDING AGREEMENTS.

''(a) FUNDING AGREEMENT REQUIRED.—The Secretary shall negotiate and enter into a written funding agreement with each Indian tribe participating in self-governance in a manner consistent with the Federal Government's trust responsibility, treaty obligations, and the government-to-government relationship between Indian tribes and the United States.

''(b) CONTENTS.—

''(1) IN GENERAL.—Each funding agreement required under subsection (a) shall, as determined by the Indian tribe, authorize the Indian tribe to plan, conduct, consolidate, administer, and receive full tribal share funding, including tribal shares of discretionary Indian Health Service competitive grants (excluding congressionally earmarked competitive grants), for all programs, services,

functions, and activities (or portions thereof), that are carried out for the benefit of Indians because of their status as Indians without regard to the agency or office of the Indian Health Service (or of such other agency) within which the program, service, function, or activity (or portion thereof) is performed.

''(2) INCLUSION OF CERTAIN PROGRAMS, SERVICES, FUNCTIONS, AND ACTIVITIES.—Such programs, services, functions, or activities (or portions thereof) include all programs, services, functions, activities (or portions thereof), including grants (which may be added to a funding agreement after an award of such grants), with respect to which Indian tribes or Indians are primary or significant beneficiaries, administered by the Department of Health and Human Services through the Indian Health Service and all local, field, service unit, area, regional, and central headquarters or national office functions administered under the authority of—

''(A) the Act of November 2, 1921 (42 Stat. 208, chapter 115; 25 U.S.C. 13);

''(B) the Act of April 16, 1934 (48 Stat. 596, chapter 147; 25 U.S.C. 452 et seq.);

''(C) the Act of August 5, 1954 (68 Stat. 674, chapter 658);

''(D) the Indian Health Care Improvement Act (25 U.S.C. 1601 et seq.);

''(E) the Indian Alcohol and Substance Abuse Prevention and Treatment Act of 1986 (25 U.S.C. 2401 et seq.);

''(F) any other Act of Congress authorizing any agency of the Department of Health and Human Services to administer, carry out, or provide financial assistance to such a program, service, function or activity (or portions thereof) described in this section that is carried out for the benefit of Indians because of their status as Indians; or

''(G) any other Act of Congress authorizing such a program, service, function, or activity (or portions thereof) carried out for the benefit of Indians under which appropriations are made available to any agency other than an agency within the Department of Health and Human Services, in any case in which the Secretary administers that program, service, function, or activity (or portion thereof).

''(c) INCLUSION IN COMPACT OR FUNDING AGREEMENT.—It shall not be a requirement that an Indian tribe or Indians be identified in the authorizing statute for a program or element of a program to be eligible for inclusion in a compact or funding agreement under this title.

''(d) FUNDING AGREEMENT TERMS.—Each funding agreement under this title shall set forth—

''(1) terms that generally identify the programs, services, functions, and activities (or portions thereof) to be performed or administered; and

''(2) for the items identified in paragraph (1)—

''(A) the general budget category assigned;

''(B) the funds to be provided, including those funds to be provided on a recurring basis;

''(C) the time and method of transfer of the funds;

''(D) the responsibilities of the Secretary; and

''(E) any other provision with respect to which the Indian tribe and the Secretary agree.

''(e) SUBSEQUENT FUNDING AGREEMENTS.—Absent notification from an Indian tribe that is withdrawing or retroceding the operation of 1 or more programs, services, functions, or activities (or portions thereof) identified in a funding agreement, or unless otherwise agreed to by the parties, each funding agreement shall remain in full force and effect until a subsequent funding agreement is executed, and the terms of the subsequent funding agreement shall be retroactive to the end of the term of the preceding funding agreement.

''(f) EXISTING FUNDING AGREEMENTS.—Each Indian tribe participating in the Tribal Self-Governance Demonstration Project established under title III on the date of enactment of this title shall have the option at any time thereafter to—

''(1) retain the Tribal Self-Governance Demonstration Project funding agreement of that Indian tribe (in whole or in part) to the extent that the provisions of that funding agreement are not directly contrary to any express provision of this title; or

''(2) instead of retaining a funding agreement or portion thereof under paragraph (1), negotiate a new funding agreement in a manner consistent with the requirements of this title.

''(g) STABLE BASE FUNDING.—At the option of an Indian tribe, a funding agreement may provide for a stable base budget specifying the recurring funds (including, for purposes of this provision, funds available under section 106(a)) to be transferred to such Indian tribe, for such period as may be specified in the funding agreement, subject to annual adjustment only to reflect changes in congressional appropriations by sub-sub activity excluding earmarks.

''SEC. 506. GENERAL PROVISIONS.

''(a) APPLICABILITY.—The provisions of this section shall apply to compacts and funding agreements negotiated under this title and an Indian tribe may, at its option, include provisions that reflect such requirements in a compact or funding agreement.

''(b) CONFLICTS OF INTEREST.—Indian tribes participating in self-governance under this title shall ensure that internal measures are in place to address conflicts of interest in the administration of self-governance programs, services, functions, or activities (or portions thereof).

''(c) AUDITS.—

''(1) SINGLE AGENCY AUDIT ACT.—The provisions of chapter 75 of title 31, United States Code, requiring a single agency audit report shall apply to funding agreements under this title.

''(2) COST PRINCIPLES.—An Indian tribe shall apply cost principles under the applicable Office of Management and Budget circular, except as modified by section 106, or by any exemptions to applicable Office of Management and Budget circulars subsequently granted by the Office of Management and Budget. No other audit or accounting standards shall be required by the Secretary. Any claim by the Federal Government against the Indian tribe relating to funds received under a funding agreement based on any audit under this subsection shall be subject to the provisions of section 106(f).

''(d) RECORDS.—

''(1) IN GENERAL.—Unless an Indian tribe specifies otherwise in the compact or funding agreement, records of the Indian tribe shall not be considered Federal records for purposes of chapter 5 of title 5, United States Code.

''(2) RECORDKEEPING SYSTEM.—The Indian tribe shall maintain a recordkeeping system, and, after 30 days advance notice, provide the Secretary with reasonable access to such records to enable the Department of Health and Human Services to meet its minimum legal recordkeeping system requirements under sections 3101 through 3106 of title 44, United States Code.

''(e) REDESIGN AND CONSOLIDATION.—An Indian tribe may redesign or consolidate programs, services, functions, and activities (or portions thereof) included in a funding agreement under section 305 and reallocate or redirect funds for such programs, services, functions, and activities (or portions thereof) in any manner which the Indian tribe deems to be in the best interest of the health and welfare of the Indian community being served, only if the redesign or consolidation does not have the effect of denying eligibility for services to population groups otherwise eligible to be served under applicable Federal law.

''(f) RETROCESSION.—An Indian tribe may retrocede, fully or partially, to the Secretary programs, services, functions, or activities (or portions thereof) included in the compact or funding agreement. Unless the Indian tribe rescinds the request for retrocession, such retrocession will become effective within the timeframe specified by the parties in the compact or funding agreement. In the absence of such a specification, such retrocession shall become effective on—

''(1) the earlier of—

''(A) 1 year after the date of submission of such request; or

''(B) the date on which the funding agreement expires; or

''(2) such date as may be mutually agreed upon by the Secretary and the Indian tribe.

''(g) WITHDRAWAL.—

''(1) PROCESS.—

''(A) IN GENERAL.—An Indian tribe may fully or partially withdraw from a participating inter-tribal consortium or tribal organization its share of any program, function, service, or activity (or portions thereof) included in a compact or funding agreement.

''(B) EFFECTIVE DATE.—The withdrawal referred to in subparagraph (A) shall become effective within the timeframe specified in the resolution which authorizes transfer to the participating tribal organization or inter-tribal consortium. In the absence of a specific timeframe set forth in the resolution, such withdrawal shall become effective on—

''(i) the earlier of—

''(I) 1 year after the date of submission of such request; or

''(II) the date on which the funding agreement expires; or

''(ii) such date as may be mutually agreed upon by the Secretary, the withdrawing Indian tribe, and the participating tribal organization or inter-tribal consortium that has signed the compact or funding agreement on behalf of the withdrawing Indian tribe, inter-tribal consortium, or tribal organization.

''(2) DISTRIBUTION OF FUNDS.—When an Indian tribe or tribal organization eligible to enter into a self-determination contract under title I or a compact or funding agreement under this title fully or partially withdraws from a participating inter-tribal consortium or tribal organization—

''(A) the withdrawing Indian tribe or tribal organization shall be entitled to its tribal share of funds supporting those programs, services, functions, or activities (or portions thereof) that the Indian tribe will be carrying out under its own self-determination contract or compact and funding agreement (calculated on the same basis as the funds were initially allocated in the funding agreement of the inter-tribal consortium or tribal organization); and

''(B) the funds referred to in subparagraph (A) shall be transferred from the funding agreement of the inter-tribal consortium or tribal organization, on the condition that the provisions of sections 102 and 105(i), as appropriate, shall apply to that withdrawing Indian tribe.

''(3) REGAINING MATURE CONTRACT STATUS.—If an Indian tribe elects to operate all or some programs, services, functions, or activities (or portions thereof) carried out under a compact or funding agreement under

this title through a self-determination contract under title I, at the option of the Indian tribe, the resulting self-determination contract shall be a mature self-determination contract.

''(h) NONDUPLICATION.—For the period for which, and to the extent to which, funding is provided under this title or under the compact or funding agreement, the Indian tribe shall not be entitled to contract with the Secretary for such funds under section 102, except that such Indian tribe shall be eligible for new programs on the same basis as other Indian tribes.

''SEC. 507. PROVISIONS RELATING TO THE SECRETARY.

''(a) MANDATORY PROVISIONS.—

''(1) HEALTH STATUS REPORTS.—Compacts or funding agreements negotiated between the Secretary and an Indian tribe shall include a provision that requires the Indian tribe to report on health status and service delivery—

''(A) to the extent such data is not otherwise available to the Secretary and specific funds for this purpose are provided by the Secretary under the funding agreement; and

''(B) if such reporting shall impose minimal burdens on the participating Indian tribe and such requirements are promulgated under section 517.

''(2) REASSUMPTION.—

''(A) IN GENERAL.—Compacts or funding agreements negotiated between the Secretary and an Indian tribe shall include a provision authorizing the Secretary to reassume operation of a program, service, function, or activity (or portions thereof) and associated funding if there is a specific finding relative to that program, service, function, or activity (or portion thereof) of—

''(i) imminent endangerment of the public health caused by an act or omission of the Indian tribe, and the imminent endangerment arises out of a failure to carry out the compact or funding agreement; or

''(ii) gross mismanagement with respect to funds transferred to a tribe by a compact or funding agreement, as determined by the Secretary in consultation with the Inspector General, as appropriate.

''(B) PROHIBITION.—The Secretary shall not reassume operation of a program, service, function, or activity (or portions thereof) unless—

''(i) the Secretary has first provided written notice and a hearing on the record to the Indian tribe; and

''(ii) the Indian tribe has not taken corrective action to remedy the imminent endangerment to public health or gross mismanagement.

''(C) EXCEPTION.—

''(i) IN GENERAL.—Notwithstanding subparagraph (B), the Secretary may, upon written notification to the Indian tribe, immediately reassume operation of a program, service, function, or activity (or portion thereof) if—

''(I) the Secretary makes a finding of imminent substantial and irreparable endangerment of the public health caused by an act or omission of the Indian tribe; and

''(II) the endangerment arises out of a failure to carry out the compact or funding agreement.

''(ii) REASSUMPTION.—If the Secretary reassumes operation of a program, service, function, or activity (or portion thereof) under this subparagraph, the Secretary shall provide the Indian tribe with a hearing on the record not later than 10 days after such reassumption.

''(D) HEARINGS.—In any hearing or appeal involving a decision to reassume operation of a program, service, function, or activity (or portion thereof), the Secretary shall have the burden of proof of demonstrating by clear and convincing evidence the validity of the grounds for the reassumption.

''(b) FINAL OFFER.—In the event the Secretary and a participating Indian tribe are unable to agree, in whole or in part, on the terms of a compact or funding agreement (including funding levels), the Indian tribe may submit a final offer to the Secretary. Not more than 45 days after such submission, or within a longer time agreed upon by the Indian tribe, the Secretary shall review and make a determination with respect to such offer. In the absence of a timely rejection of the offer, in whole or in part, made in compliance with subsection (c), the offer shall be deemed agreed to by the Secretary.

''(c) REJECTION OF FINAL OFFERS.—

''(1) IN GENERAL.—If the Secretary rejects an offer made under subsection (b) (or 1 or more provisions or funding levels in such offer), the Secretary shall provide—

''(A) a timely written notification to the Indian tribe that contains a specific finding that clearly demonstrates, or that is supported by a controlling legal authority, that—

''(i) the amount of funds proposed in the final offer exceeds the applicable funding level to which the Indian tribe is entitled under this title;

''(ii) the program, function, service, or activity (or portion thereof) that is the subject of the final offer is an inherent Federal function that cannot legally be delegated to an Indian tribe;

''(iii) the Indian tribe cannot carry out the program, function, service, or activity (or portion thereof) in a manner that would not result in significant danger or risk to the public health; or

''(iv) the Indian tribe is not eligible to participate in self-governance under section 503;

''(B) technical assistance to overcome the objections stated in the notification required by subparagraph (A);

''(C) the Indian tribe with a hearing on the record with the right to engage in full discovery relevant to any issue raised in the matter and the opportunity for appeal on the objections raised, except that the Indian tribe may, in lieu of filing such appeal, directly proceed to initiate an action in a Federal district court pursuant to section 110(a); and

''(D) the Indian tribe with the option of entering into the severable portions of a final proposed compact or funding agreement, or provision thereof, (including a lesser funding amount, if any), that the Secretary did not reject, subject to any additional alterations necessary to conform the compact or funding agreement to the severed provisions.

''(2) EFFECT OF EXERCISING CERTAIN OPTION.—If an Indian tribe exercises the option specified in paragraph (1)(D), that Indian tribe shall retain the right to appeal the Secretary's rejection under this section, and subparagraphs (A), (B), and (C) of that paragraph shall only apply to that portion of the proposed final compact, funding agreement, or provision thereof that was rejected by the Secretary.

''(d) BURDEN OF PROOF.—With respect to any hearing or appeal or civil action conducted pursuant to this section, the Secretary shall have the burden of demonstrating by clear and convincing evidence the validity of the grounds for rejecting the offer (or a provision thereof) made under subsection (b).

''(e) GOOD FAITH.—In the negotiation of compacts and funding agreements the Secretary shall at all times negotiate in good faith to maximize implementation of the self-governance policy. The Secretary shall carry out this title in a manner that maximizes the policy of tribal self-governance, in a manner consistent with the purposes specified in section 3 of the Tribal Self-Governance Amendments of 1999.

''(f) SAVINGS.—To the extent that programs, functions, services, or activities (or portions thereof) carried out by Indian tribes under this title reduce the administrative or other responsibilities of the Secretary with respect to the operation of Indian programs and result in savings that have not otherwise been included in the amount of tribal shares and other funds determined under section 508(c), the Secretary shall make such savings available to the Indian tribes, inter-tribal consortia, or tribal organizations for the provision of additional services to program beneficiaries in a manner equitable to directly served, contracted, and compacted programs.

''(g) TRUST RESPONSIBILITY.—The Secretary is prohibited from waiving, modifying, or diminishing in any way the trust responsibility of the United States with respect to Indian tribes and individual Indians that exists under treaties, Executive orders, other laws, or court decisions.

''(h) DECISIONMAKER.—A decision that constitutes final agency action and relates to an appeal within the Department of Health and Human Services conducted under subsection (c) shall be made either—

''(1) by an official of the Department who holds a position at a higher organizational level within the Department than the level of the departmental agency in which the decision that is the subject of the appeal was made; or

''(2) by an administrative judge.

''SEC. 508. TRANSFER OF FUNDS.

''(a) IN GENERAL.—Pursuant to the terms of any compact or funding agreement entered into under this title, the Secretary shall transfer to the Indian tribe all funds provided for in the funding agreement, pursuant to subsection (c), and provide funding for periods covered by joint resolution adopted by Congress making continuing appropriations, to the extent permitted by such resolutions. In any instance where a funding agreement requires an annual transfer of funding to be made at the beginning of a fiscal year, or requires semiannual or other periodic transfers of funding to be made commencing at the beginning of a fiscal year, the first such transfer shall be made not later than 10 days after the apportionment of such funds by the Office of Management and Budget to the Department, unless the funding agreement provides otherwise.

''(b) MULTIYEAR FUNDING.—The Secretary may employ, upon tribal request, multiyear funding agreements. References in this title to funding agreements shall include such multiyear funding agreements.

''(c) AMOUNT OF FUNDING.—The Secretary shall provide funds under a funding agreement under this title in an amount equal to the amount that the Indian tribe would have been entitled to receive under self-determination contracts under this Act, including amounts for direct program costs specified under section 106(a)(1) and amounts for contract support costs specified under section 106(a) (2), (3), (5), and (6), including any funds that are specifically or functionally related to the provision by the Secretary of services and benefits to the Indian tribe or its members, all without regard to the organizational level within the Department where such functions are carried out.

''(d) PROHIBITIONS.—

''(1) IN GENERAL.—Except as provided in paragraph (2), the Secretary is expressly prohibited from—

''(A) failing or refusing to transfer to an Indian tribe its full share of any central, headquarters, regional, area, or service unit office or other funds due under this Act, except as required by Federal law;

''(B) withholding portions of such funds for transfer over a period of years; and

''(C) reducing the amount of funds required under this Act—

''(i) to make funding available for self-governance monitoring or administration by the Secretary;

''(ii) in subsequent years, except pursuant to—

''(I) a reduction in appropriations from the previous fiscal year for the program or function to be included in a compact or funding agreement;

''(II) a congressional directive in legislation or accompanying report;

''(III) a tribal authorization;

''(IV) a change in the amount of pass-through funds subject to the terms of the funding agreement; or

''(V) completion of a project, activity, or program for which such funds were provided;

''(iii) to pay for Federal functions, including Federal pay costs, Federal employee retirement benefits, automated data processing, technical assistance, and monitoring of activities under this Act; or

''(iv) to pay for costs of Federal personnel displaced by self-determination contracts under this Act or self-governance;

''(2) EXCEPTION.—The funds described in paragraph (1)(C) may be increased by the Secretary if necessary to carry out this Act or as provided in section 105(c)(2).

''(e) OTHER RESOURCES.—In the event an Indian tribe elects to carry out a compact or funding agreement with the use of Federal personnel, Federal supplies (including supplies available from Federal warehouse facilities), Federal supply sources (including lodging, airline transportation, and other means of transportation including the use of interagency motor pool vehicles) or other Federal resources (including supplies, services, and resources available to the Secretary under any procurement contracts in which the Department is eligible to participate), the Secretary shall acquire and transfer such personnel, supplies, or resources to the Indian tribe.

''(f) REIMBURSEMENT TO INDIAN HEALTH SERVICE.—With respect to functions transferred by the Indian Health Service to an Indian tribe, the Indian Health Service shall provide goods and services to the Indian tribe, on a reimbursable basis, including payment in advance with subsequent adjustment. The reimbursements received from those goods and services, along with the funds received from the Indian tribe pursuant to this title, may be credited to the same or subsequent appropriation account which provided the funding, such amounts to remain available until expended.

''(g) PROMPT PAYMENT ACT.—Chapter 39 of title 31, United States Code, shall apply to the transfer of funds due under a compact or funding agreement authorized under this title.

''(h) INTEREST OR OTHER INCOME ON TRANSFERS.—An Indian tribe is entitled to retain interest earned on any funds paid under a compact or funding agreement to carry out governmental or health purposes and such interest shall not diminish the amount of funds the Indian tribe is authorized to receive under its funding agreement in the year the interest is earned or in any subsequent fiscal year. Funds transferred under this title shall be managed using the prudent investment standard.

''(i) CARRYOVER OF FUNDS.—All funds paid to an Indian tribe in accordance with a compact or funding agreement shall remain available until expended. In the event that an Indian tribe elects to carry over funding from 1 year to the next, such carryover shall not diminish the amount of funds the Indian tribe is authorized to receive under its funding agreement in that or any subsequent fiscal year.

''(j) PROGRAM INCOME.—All medicare, medicaid, or other program income earned by an Indian tribe shall be treated as supplemental funding to that negotiated in the funding agreement. The Indian tribe may retain all such income and expend such funds in the current year or in future years except to the extent that the Indian Health Care Improvement Act (25 U.S.C. 1601 et seq.) provides otherwise for medicare and medicaid receipts. Such funds shall not result in any offset or reduction in the amount of funds the Indian tribe is authorized to receive under its funding agreement in the year the program income is received or for any subsequent fiscal year.

''(k) LIMITATION OF COSTS.—An Indian tribe shall not be obligated to continue performance that requires an expenditure of funds in excess of the amount of funds transferred under a compact or funding agreement. If at any time the Indian tribe has reason to believe that the total amount provided for a specific activity in the compact or funding agreement is insufficient the Indian tribe shall provide reasonable notice of such insufficiency to the Secretary. If the Secretary does not increase the amount of funds transferred under the funding agreement, the Indian tribe may suspend performance of the activity until such time as additional funds are transferred.

''SEC. 509. CONSTRUCTION PROJECTS.

''(a) IN GENERAL.—Indian tribes participating in tribal self-governance may carry out construction projects under this title if they elect to assume all Federal responsibilities under the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.), the National Historic Preservation Act (16 U.S.C. 470 et seq.), and related provisions of law that would apply if the Secretary were to undertake a construction project, by adopting a resolution—

''(1) designating a certifying officer to represent the Indian tribe and to assume the status of a responsible Federal official under such laws; and

''(2) accepting the jurisdiction of the Federal court for the purpose of enforcement of the responsibilities of the responsible Federal official under such environmental laws.

''(b) NEGOTIATIONS.—Construction project proposals shall be negotiated pursuant to the statutory process in section 105(m) and resulting construction project agreements shall be incorporated into funding agreements as addenda.

''(c) CODES AND STANDARDS.—The Indian tribe and the Secretary shall agree upon and specify appropriate building codes and architectural and engineering standards (including health and safety) which shall be in conformity with nationally recognized standards for comparable projects.

''(d) RESPONSIBILITY FOR COMPLETION.—The Indian tribe shall assume responsibility for the successful completion of the construction project in accordance with the negotiated construction project agreement.

''(e) FUNDING.—Funding for construction projects carried out under this title shall be included in funding agreements as annual advance payments, with semiannual payments at the option of the Indian tribe. Annual advance and semiannual payment amounts shall be determined based on mutually agreeable project schedules reflecting work to be accomplished within the advance payment period, work accomplished and funds expended in previous payment periods, and the total prior payments. The Secretary shall include associated project contingency funds with each advance payment installment. The Indian tribe shall be responsible for the management of the contingency funds included in funding agreements.

''(f) APPROVAL.—The Secretary shall have at least 1 opportunity to approve project planning and design documents prepared by the Indian tribe in advance of construction of the facilities specified in the scope of work for each negotiated construction project agreement or amendment thereof which results in a significant change in the original scope of work. The Indian tribe shall provide the Secretary with project progress and financial reports not less than semiannually. The Secretary may conduct onsite project oversight visits semiannually or on an alternate schedule agreed to by the Secretary and the Indian tribe.

''(g) WAGES.—All laborers and mechanics employed by contractors and subcontractors in the construction, alteration, or repair, including painting or decorating of a building or other facilities in connection with construction projects undertaken by self-governance Indian tribes under this Act, shall be paid wages at not less than those prevailing wages on similar construction in the locality as determined by the Indian tribe.

''(h) APPLICATION OF OTHER LAWS.—Unless otherwise agreed to by the Indian tribe, no provision of the Office of Federal Procurement Policy Act, the Federal Acquisition Regulations issued pursuant thereto, or any other law or regulation pertaining to Federal procurement (including Executive orders) shall apply to any construction project conducted under this title.

''SEC. 510. FEDERAL PROCUREMENT LAWS AND REGULATIONS.

''Notwithstanding any other provision of law, unless expressly agreed to by the participating Indian tribe, the compacts and funding agreements entered into under this title shall not be subject to Federal contracting or cooperative agreement laws and regulations (including Executive orders and the regulations relating to procurement issued by the Secretary), except to the extent that such laws expressly apply to Indian tribes.

''SEC. 511. CIVIL ACTIONS.

''(a) CONTRACT DEFINED.—For the purposes of section 110, the term 'contract' shall include compacts and funding agreements entered into under this title.

''(b) APPLICABILITY OF CERTAIN LAWS.—Section 2103 of the Revised Statutes (25 U.S.C. 81) and section 16 of the Act of June 18, 1934 (48 Stat. 987; chapter 576; 25 U.S.C. 476), shall not apply to attorney and other professional contracts entered into by Indian tribes participating in self-governance under this title.

''(c) REFERENCES.—All references in this Act to section 1 of the Act of June 26, 1936 (49 Stat. 1967; chapter 831) are hereby deemed to include the first section of the Act of July 3, 1952 (66 Stat. 323, chapter 549; 25 U.S.C. 82a).

''SEC. 512. FACILITATION.

''(a) SECRETARIAL INTERPRETATION.—Except as otherwise provided by law, the Secretary shall interpret all Federal laws, Executive orders and regulations in a manner that will facilitate—

''(1) the inclusion of programs, services, functions, and activities (or portions thereof) and funds associated therewith, in the agreements entered into under this section;

''(2) the implementation of compacts and funding agreements entered into under this title; and

''(3) the achievement of tribal health goals and objectives.

''(b) REGULATION WAIVER.—

''(1) IN GENERAL.—An Indian tribe may submit a written request to waive application of a regulation promulgated under section 517 or the authorities specified in section 505(b) for a compact or funding agreement entered

into with the Indian Health Service under this title, to the Secretary identifying the applicable Federal regulation sought to be waived and the basis for the request.

''(2) APPROVAL.—Not later than 90 days after receipt by the Secretary of a written request by an Indian tribe to waive application of a regulation for a compact or funding agreement entered into under this title, the Secretary shall either approve or deny the requested waiver in writing. A denial may be made only upon a specific finding by the Secretary that identified language in the regulation may not be waived because such waiver is prohibited by Federal law. A failure to approve or deny a waiver request not later than 90 days after receipt shall be deemed an approval of such request. The Secretary's decision shall be final for the Department.

''(c) ACCESS TO FEDERAL PROPERTY.—In connection with any compact or funding agreement executed pursuant to this title or an agreement negotiated under the Tribal Self-Governance Demonstration Project established under title III, as in effect before the enactment of the Tribal Self-Governance Amendments of 1999, upon the request of an Indian tribe, the Secretary—

''(1) shall permit an Indian tribe to use existing school buildings, hospitals, and other facilities and all equipment therein or appertaining thereto and other personal property owned by the Government within the Secretary's jurisdiction under such terms and conditions as may be agreed upon by the Secretary and the Indian tribe for their use and maintenance;

''(2) may donate to an Indian tribe title to any personal or real property found to be excess to the needs of any agency of the Department, or the General Services Administration, except that—

''(A) subject to the provisions of subparagraph (B), title to property and equipment furnished by the Federal Government for use in the performance of the compact or funding agreement or purchased with funds under any compact or funding agreement shall, unless otherwise requested by the Indian tribe, vest in the appropriate Indian tribe;

''(B) if property described in subparagraph (A) has a value in excess of $5,000 at the time of retrocession, withdrawal, or reassumption, at the option of the Secretary upon the retrocession, withdrawal, or reassumption, title to such property and equipment shall revert to the Department of Health and Human Services; and

''(C) all property referred to in subparagraph (A) shall remain eligible for replacement, maintenance, and improvement on the same basis as if title to such property were vested in the United States; and

''(3) shall acquire excess or surplus Government personal or real property for donation to an Indian tribe if the Secretary determines the property is appropriate for use by the Indian tribe for any purpose for which a compact or funding agreement is authorized under this title.

''(d) MATCHING OR COST-PARTICIPATION REQUIREMENT.—All funds provided under compacts, funding agreements, or grants made pursuant to this Act, shall be treated as non-Federal funds for purposes of meeting matching or cost participation requirements under any other Federal or non-Federal program.

''(e) STATE FACILITATION.—States are hereby authorized and encouraged to enact legislation, and to enter into agreements with Indian tribes to facilitate and supplement the initiatives, programs, and policies authorized by this title and other Federal laws benefiting Indians and Indian tribes.

''(f) RULES OF CONSTRUCTION.—Each provision of this title and each provision of a compact or funding agreement shall be liberally construed for the benefit of the Indian tribe participating in self-governance and any ambiguity shall be resolved in favor of the Indian tribe.

''SEC. 513. BUDGET REQUEST.

''(a) REQUIREMENT OF ANNUAL BUDGET REQUEST.—

''(1) IN GENERAL.—The President shall identify in the annual budget request submitted to Congress under section 1105 of title 31, United States Code, all funds necessary to fully fund all funding agreements authorized under this title, including funds specifically identified to fund tribal base budgets. All funds so appropriated shall be apportioned to the Indian Health Service. Such funds shall be provided to the Office of Tribal Self-Governance which shall be responsible for distribution of all funds provided under section 505.

''(2) RULE OF CONSTRUCTION.—Nothing in this subsection shall be construed to authorize the Indian Health Service to reduce the amount of funds that a self-governance tribe is otherwise entitled to receive under its funding agreement or other applicable law, whether or not such funds are apportioned to the Office of Tribal Self-Governance under this section.

''(b) PRESENT FUNDING; SHORTFALLS.—In such budget request, the President shall identify the level of need presently funded and any shortfall in funding (including direct program and contract support costs) for each Indian tribe, either directly by the Secretary of Health and Human Services, under self-determination contracts, or under compacts and funding agreements authorized under this title.

''SEC. 514. REPORTS.

''(a) ANNUAL REPORT.—

''(1) IN GENERAL.—Not later than January 1 of each year after the date of enactment of the Tribal Self-Governance Amendments of 1999, the Secretary shall submit to the Committee on Indian Affairs of the Senate and the Committee on Resources of the House of Representatives a written report regarding the administration of this title.

''(2) ANALYSIS.—The report under paragraph (1) shall include a detailed analysis of the level of need being presently funded or unfunded for each Indian tribe, either directly by the Secretary, under self-determination contracts under title I, or under compacts and funding agreements authorized under this Act. In compiling reports pursuant to this section, the Secretary may not impose any reporting requirements on participating Indian tribes or tribal organizations, not otherwise provided in this Act.

''(b) CONTENTS.—The report under subsection (a) shall—

''(1) be compiled from information contained in funding agreements, annual audit reports, and data of the Secretary regarding the disposition of Federal funds; and

''(2) identify—

''(A) the relative costs and benefits of self-governance;

''(B) with particularity, all funds that are specifically or functionally related to the provision by the Secretary of services and benefits to self-governance Indian tribes and their members;

''(C) the funds transferred to each self-governance Indian tribe and the corresponding reduction in the Federal bureaucracy;

''(D) the funding formula for individual tribal shares of all headquarters funds, together with the comments of affected Indian tribes or tribal organizations, developed under subsection (c); and

''(E) amounts expended in the preceding fiscal year to carry out inherent Federal functions, including an identification of those functions by type and location;

''(3) contain a description of the method or methods (or any revisions thereof) used to determine the individual tribal share of funds controlled by all components of the Indian Health Service (including funds assessed by any other Federal agency) for inclusion in self-governance compacts or funding agreements;

''(4) before being submitted to Congress, be distributed to the Indian tribes for comment (with a comment period of no less than 30 days, beginning on the date of distribution); and

''(5) include the separate views and comments of the Indian tribes or tribal organizations.

''(c) REPORT ON FUND DISTRIBUTION METHOD.—Not later than 180 days after the date of enactment of the Tribal Self-Governance Amendments of 1999, the Secretary shall, after consultation with Indian tribes, submit a written report to the Committee on Resources of the House of Representatives and the Committee on Indian Affairs of the Senate that describes the method or methods used to determine the individual tribal share of funds controlled by all components of the Indian Health Service (including funds assessed by any other Federal agency) for inclusion in self-governance compacts or funding agreements.

''SEC. 515. DISCLAIMERS.

''(a) NO FUNDING REDUCTION.—Nothing in this title shall be construed to limit or reduce in any way the funding for any program, project, or activity serving an Indian tribe under this or other applicable Federal law. Any Indian tribe that alleges that a compact or funding agreement is in violation of this section may apply the provisions of section 110.

''(b) FEDERAL TRUST AND TREATY RESPONSIBILITIES.—Nothing in this Act shall be construed to diminish in any way the trust responsibility of the United States to Indian tribes and individual Indians that exists under treaties, Executive orders, or other laws and court decisions.

''(c) TRIBAL EMPLOYMENT.—For purposes of section 2(2) of the Act of July 5, 1935 (49 Stat. 450, chapter 372) (commonly known as the 'National Labor Relations Act'), an Indian tribe carrying out a self-determination contract, compact, annual funding agreement, grant, or cooperative agreement under this Act shall not be considered an employer.

''(d) OBLIGATIONS OF THE UNITED STATES.—The Indian Health Service under this Act shall neither bill nor charge those Indians who may have the economic means to pay for services, nor require any Indian tribe to do so.

''SEC. 516. APPLICATION OF OTHER SECTIONS OF THE ACT.

''(a) MANDATORY APPLICATION.—All provisions of sections 5(b), 6, 7, 102 (c) and (d), 104, 105 (k) and (l), 106 (a) through (k), and 111 of this Act and section 314 of Public Law 101–512 (coverage under chapter 171 of title 28, United States Code, commonly known as the 'Federal Tort Claims Act'), to the extent not in conflict with this title, shall apply to compacts and funding agreements authorized by this title.

''(b) DISCRETIONARY APPLICATION.—At the request of a participating Indian tribe, any other provision of title I, to the extent such provision is not in conflict with this title, shall be made a part of a funding agreement or compact entered into under this title. The Secretary is obligated to include such provision at the option of the participating Indian tribe or tribes. If such provision is incorporated it shall have the same force and effect as if it were set out in full in this title. In the event an Indian tribe requests such incorporation at the negotiation stage of a compact or funding agreement, such incorporation shall be deemed effective immediately

and shall control the negotiation and resulting compact and funding agreement.

"SEC. 517. REGULATIONS.

''(a) IN GENERAL.—

''(1) PROMULGATION.—Not later than 90 days after the date of enactment of the Tribal Self-Governance Amendments of 1999, the Secretary shall initiate procedures under subchapter III of chapter 5 of title 5, United States Code, to negotiate and promulgate such regulations as are necessary to carry out this title.

''(2) PUBLICATION OF PROPOSED REGULATIONS.—Proposed regulations to implement this title shall be published in the Federal Register by the Secretary no later than 1 year after the date of enactment of the Tribal Self-Governance Amendments of 1999.

''(3) EXPIRATION OF AUTHORITY.—The authority to promulgate regulations under paragraph (1) shall expire 21 months after the date of enactment of the Tribal Self-Governance Amendments of 1999.

''(b) COMMITTEE.—

''(1) IN GENERAL.—A negotiated rulemaking committee established pursuant to section 565 of title 5, United States Code, to carry out this section shall have as its members only Federal and tribal government representatives, a majority of whom shall be nominated by and be representatives of Indian tribes with funding agreements under this Act.

''(2) REQUIREMENTS.—The committee shall confer with, and accommodate participation by, representatives of Indian tribes, intertribal consortia, tribal organizations, and individual tribal members.

''(c) ADAPTATION OF PROCEDURES.—The Secretary shall adapt the negotiated rulemaking procedures to the unique context of self-governance and the government-to-government relationship between the United States and Indian tribes.

''(d) EFFECT.—The lack of promulgated regulations shall not limit the effect of this title.

''(e) EFFECT OF CIRCULARS, POLICIES, MANUALS, GUIDANCES, AND RULES.—Unless expressly agreed to by the participating Indian tribe in the compact or funding agreement, the participating Indian tribe shall not be subject to any agency circular, policy, manual, guidance, or rule adopted by the Indian Health Service, except for the eligibility provisions of section 105(g) and regulations promulgated under section 517.

"SEC. 518. APPEALS.

''In any appeal (including civil actions) involving decisions made by the Secretary under this title, the Secretary shall have the burden of proof of demonstrating by clear and convincing evidence—

''(1) the validity of the grounds for the decision made; and

''(2) that the decision is fully consistent with provisions and policies of this title.

"SEC. 519. AUTHORIZATION OF APPROPRIATIONS.

''(a) IN GENERAL.—There are authorized to be appropriated such sums as may be necessary to carry out this title.

''(b) AVAILABILITY OF APPROPRIATIONS.—Notwithstanding any other provision of this Act, the provision of funds under this Act shall be subject to the availability of appropriations and the Secretary is not required to reduce funding for programs, projects, or activities serving a tribe in order to make funds available to another tribe or tribal organization under this Act.''.

SEC. 5. TRIBAL SELF-GOVERNANCE DEPARTMENT.

The Indian Self-Determination and Education Assistance Act (25 U.S.C. 450 et seq.) is amended by adding at the end the following:

"TITLE VI—TRIBAL SELF-GOVERNANCE—DEPARTMENT OF HEALTH AND HUMAN SERVICES

"SEC. 601. DEFINITIONS.

''(a) IN GENERAL.—In this title, the Secretary may apply the definitions contained in title V.

''(b) OTHER DEFINITIONS.—In this title:

''(1) AGENCY.—The term the term 'agency' means any agency or other organizational unit of the Department of Health and Human Services, other than the Indian Health Service.

''(2) SECRETARY.—The term 'Secretary' means the Secretary of Health and Human Services.

"SEC. 602. DEMONSTRATION PROJECT FEASIBILITY.

''(a) STUDY.—The Secretary shall conduct a study to determine the feasibility of a tribal self-governance demonstration project for appropriate programs, services, functions, and activities (or portions thereof) of the agency.

''(b) CONSIDERATIONS.—In conducting the study, the Secretary shall consider—

''(1) the probable effects on specific programs and program beneficiaries of such a demonstration project;

''(2) statutory, regulatory, or other impediments to implementation of such a demonstration project;

''(3) strategies for implementing such a demonstration project;

''(4) probable costs or savings associated with such a demonstration project;

''(5) methods to assure quality and accountability in such a demonstration project; and

''(6) such other issues that may be determined by the Secretary or developed through consultation pursuant to section 603.

''(c) REPORT.—Not later than 18 months after the date of enactment of this title, the Secretary shall submit a report to the Committee on Indian Affairs of the Senate and the Committee on Resources of the House of Representatives. The report shall contain—

''(1) the results of the study under this section;

''(2) a list of programs, services, functions, and activities (or portions thereof) within each agency with respect to which it would be feasible to include in a tribal self-governance demonstration project;

''(3) a list of programs, services, functions, and activities (or portions thereof) included in the list provided pursuant to paragraph (2) that could be included in a tribal self-governance demonstration project without amending statutes, or waiving regulations that the Secretary may not waive;

''(4) a list of legislative actions required in order to include those programs, services, functions, and activities (or portions thereof) included in the list provided pursuant to paragraph (2) but not included in the list provided pursuant to paragraph (3) in a tribal self-governance demonstration project; and

''(5) any separate views of tribes and other entities consulted pursuant to section 603 related to the information provided pursuant to paragraphs (1) through (4).

"SEC. 603. CONSULTATION.

''(a) STUDY PROTOCOL.—

''(1) CONSULTATION WITH INDIAN TRIBES.—The Secretary shall consult with Indian tribes to determine a protocol for consultation under subsection (b) prior to consultation under such subsection with the other entities described in such subsection.

''(2) REQUIREMENTS FOR PROTOCOL.—The protocol shall require, at a minimum, that—

''(A) the government-to-government relationship with Indian tribes forms the basis for the consultation process;

''(B) the Indian tribes and the Secretary jointly conduct the consultations required by this section; and

''(C) the consultation process allows for separate and direct recommendations from the Indian tribes and other entities described in subsection (b).

''(b) CONDUCTING STUDY.—In conducting the study under this title, the Secretary shall consult with Indian tribes, States, counties, municipalities, program beneficiaries, and interested public interest groups, and may consult with other entities as appropriate.

"SEC. 604. AUTHORIZATION OF APPROPRIATIONS.

''There are authorized to be appropriated for fiscal years 2000 and 2001 such sums as may be necessary to carry out this title. Such sums shall remain available until expended.''.

SEC. 6. AMENDMENTS CLARIFYING CIVIL PROCEEDINGS.

Section 102(e)(1) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450f(e)(1)) is amended by inserting after ''subsection (b)(3)'' the following: ''or any civil action conducted pursuant to section 110(a)''.

SEC. 7. SPEEDY ACQUISITION OF GOODS, SERVICES, OR SUPPLIES.

Section 105(k) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450j(k)) is amended—

(1) by striking ''deemed an executive agency'' and inserting ''deemed an executive agency and part of the Indian Health Service''; and

(2) by adding at the end the following: ''For purposes of carrying out such contract, grant, or agreement, the Secretary shall, at the request of an Indian tribe, enter into an agreement for the acquisition, on behalf of the Indian tribe, of any goods, services, or supplies available to the Secretary from the General Services Administration or other Federal agencies that are not directly available to the Indian tribe under this section or under any other Federal law, including acquisitions from prime vendors. All such acquisitions shall be undertaken through the most efficient and speedy means practicable, including electronic ordering arrangements.''.

SEC. 8. PATIENT RECORDS.

Section 105 of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450j) is amended by adding at the end the following:

''(o) PATIENT RECORDS.—

''(1) IN GENERAL.—At the option of an Indian tribe or tribal organization, patient records may be deemed to be Federal records under those provisions of title 44, United States Code, that are commonly referred to as the 'Federal Records Act of 1950' for the limited purposes of making such records eligible for storage by Federal Records Centers to the same extent and in the same manner as other Department of Health and Human Services patient records.

''(2) TREATMENT OF RECORDS.—Patient records that are deemed to be Federal records under those provisions of title 44, United States Code, that are commonly referred to as the 'Federal Records Act of 1950' pursuant to this subsection shall not be considered Federal records for the purposes of chapter 5 of title 5, United States Code.''.

SEC. 9. ANNUAL REPORTS.

Section 106 of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450j-1) is amended—

(1) by redesignating subsections (c) through (n) as subsections (d) through (o), respectively; and

(2) by inserting after subsection (b), the following:

''(c) ANNUAL REPORTS.—Not later than May 15 of each year, the Secretary shall prepare and submit to Congress an annual report on the implementation of this Act. Such report shall include—

''(1) an accounting of the total amounts of funds provided for each program and the budget activity for direct program costs and contract support costs of tribal organizations under self-determination;

''(2) an accounting of any deficiency in funds needed to provide required contract support costs to all contractors for the fiscal year for which the report is being submitted;

''(3) the indirect cost rate and type of rate for each tribal organization that has been negotiated with the appropriate Secretary;

''(4) the direct cost base and type of base from which the indirect cost rate is determined for each tribal organization;

''(5) the indirect cost pool amounts and the types of costs included in the indirect cost pool; and

''(6) an accounting of any deficiency in funds needed to maintain the preexisting level of services to any Indian tribes affected by contracting activities under this Act, and a statement of the amount of funds needed for transitional purposes to enable contractors to convert from a Federal fiscal year accounting cycle, as authorized by section 105(d).''.

SEC. 10. REPEAL.

(a) IN GENERAL.—Title III of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450f note) is repealed.

(b) EFFECTIVE DATE.—This section shall take effect on October 1, 1999.

SEC. 11. SAVINGS PROVISION.

Funds appropriated for title III of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450f note) shall be available for use under title V of such Act.

SEC. 12. OFFICE OF ASSISTANT SECRETARY FOR INDIAN HEALTH.

(a) ESTABLISHMENT.—There is established within the Department of Health and Human Services the Office of the Assistant Secretary for Indian Health in order to, in a manner consistent with the government-to-government relationship between the United States and Indian tribes—

(1) facilitate advocacy for the development of appropriate Indian health policy; and

(2) promote consultation on matters related to Indian health.

(b) ASSISTANT SECRETARY FOR INDIAN HEALTH.—In addition to the functions performed on the date of enactment of this Act by the Director of the Indian Health Service, the Assistant Secretary for Indian Health shall perform such functions as the Secretary of Health and Human Services (referred to in this section as the ''Secretary'') may designate. The Assistant Secretary for Indian Health shall—

(1) report directly to the Secretary concerning all policy- and budget-related matters affecting Indian health;

(2) collaborate with the Assistant Secretary for Health concerning appropriate matters of Indian health that affect the agencies of the Public Health Service;

(3) advise each Assistant Secretary of the Department of Health and Human Services concerning matters of Indian health with respect to which that Assistant Secretary has authority and responsibility;

(4) advise the heads of other agencies and programs of the Department of Health and Human Services concerning matters of Indian health with respect to which those heads have authority and responsibility; and

(5) coordinate the activities of the Department of Health and Human Services concerning matters of Indian health.

(c) REFERENCES.—Reference in any other Federal law, Executive order, rule, regulation, or delegation of authority, or any document of or relating to the Director of the Indian Health Service shall be deemed to refer to the Assistant Secretary for Indian Health.

(d) RATE OF PAY.—

(1) POSITIONS AT LEVEL IV.—Section 5315 of title 5, United States Code, is amended—

(A) by striking the following:

''Assistant Secretaries of Health and Human Services (6).''; and

(B) by inserting the following:

''Assistant Secretaries of Health and Human Services (7).''.

(2) POSITIONS AT LEVEL V.—Section 5316 of title 5, United States Code, is amended by striking the following:

''Director, Indian Health Service, Department of Health and Human Services.''.

(e) DUTIES OF ASSISTANT SECRETARY FOR INDIAN HEALTH.—Section 601(a) of the Indian Health Care Improvement Act (25 U.S.C. 1661(a)) is amended—

(1) by inserting ''(1)'' after ''(a)'';

(2) in the second sentence of paragraph (1), as so designated, by striking ''a Director,'' and inserting ''the Assistant Secretary for Indian Health,''; and

(3) by striking the third sentence of paragraph (1) and all that follows through the end of the subsection and inserting the following: ''The Assistant Secretary for Indian Health shall carry out the duties specified in paragraph (2).

''(2) The Assistant Secretary for Indian Health shall—

''(A) report directly to the Secretary concerning all policy- and budget-related matters affecting Indian health;

''(B) collaborate with the Assistant Secretary for Health concerning appropriate matters of Indian health that affect the agencies of the Public Health Service;

''(C) advise each Assistant Secretary of the Department of Health and Human Services concerning matters of Indian health with respect to which that Assistant Secretary has authority and responsibility;

''(D) advise the heads of other agencies and programs of the Department of Health and Human Services concerning matters of Indian health with respect to which those heads have authority and responsibility; and

''(E) coordinate the activities of the Department of Health and Human Services concerning matters of Indian health.''.

(f) CONTINUED SERVICE BY INCUMBENT.—The individual serving in the position of Director of the Indian Health Service on the date preceding the date of enactment of this Act may serve as Assistant Secretary for Indian Health, at the pleasure of the President after the date of enactment of this Act.

(g) CONFORMING AMENDMENTS.—

(1) AMENDMENTS TO INDIAN HEALTH CARE IMPROVEMENT ACT.—The Indian Health Care Improvement Act (25 U.S.C. 1601 et seq.) is amended—

(A) in section 601—

(i) in subsection (c), by striking ''Director of the Indian Health Service'' both places it appears and inserting ''Assistant Secretary for Indian Health''; and

(ii) in subsection (d), by striking ''Director of the Indian Health Service'' and inserting ''Assistant Secretary for Indian Health''; and

(B) in section 816(c)(1), by striking ''Director of the Indian Health Service'' and inserting ''Assistant Secretary for Indian Health''.

(2) AMENDMENTS TO OTHER PROVISIONS OF LAW.—The following provisions are each amended by striking ''Director of the Indian Health Service'' each place it appears and inserting ''Assistant Secretary for Indian Health'':

(A) Section 203(a)(1) of the Rehabilitation Act of 1973 (29 U.S.C. 761b(a)(1)).

(B) Subsections (b) and (e) of section 518 of the Federal Water Pollution Control Act (33 U.S.C. 1377 (b) and (e)).

(C) Section 803B(d)(1) of the Native American Programs Act of 1974 (42 U.S.C. 2991b–2(d)(1)).

SEC. 13. APPLICATION TO ALASKA.

(a) Notwithstanding any other provision of law, nothing in this Act, the amendments made thereby, nor its implementation, shall affect

(1) the right of the Consortium or Southcentral Foundation to carry out the programs, functions, services and activities as specified in section 325 of Public Law 105–83 (111 Stat. 55–56), or

(2) the prohibitions in section 351 of section 101(e) of Division A, Public Law 105–277.

(b) Section 351 of section 101(e) of Division A, Public Law 105–277 and section 326 of Public Law 105–83 (111 Stat. 57) are amended by inserting ''as amended'' after the phrase ''Public Law 93–638 (25 U.S.C. 450 et seq.)'' where such phrase appears in each section.

NOTICES OF HEARINGS

COMMITTEE ON INDIAN AFFAIRS

Mr. CAMPBELL. Mr. President, I would like to announce that the Committee on Indian Affairs will meet during the session of the Senate on Wednesday, April 5, 2000, at 9:30 a.m. to markup the nomination of Thomas N. Slonaker, to be Special Trustee for American Indians within the Department of the Interior, and to conduct a hearing on S. 612, ''the Indian Needs Assessment and Program Evaluation Act of 1999.'' The hearing will be held in the committee room, 485 Russell Senate Building.

Those wishing additional information may contact Committee staff at 202/224–2251.

COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION

Mr. MCCAIN. Mr. President, I would like to announce that the Committee on Commerce, Science, and Transportation will meet for an executive session on Thursday, April 13, 2000, at 9:30 a.m., in room 253 of the Russell Senate Office Building.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON ARMED SERVICES

Mr. DOMENICI. Mr. President, I ask unanimous consent that the Committee on Armed Services be authorized to meet during the session of the Senate on Tuesday, April 4, 2000 at 9:30 a.m., in open session to receive testimony on U.S. support for counter-narcotics activities in the Andean Ridge and neighboring countries.

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

COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION

Mr. DOMENICI. Mr. President, I ask unanimous consent that the Senate Committee on Commerce, Science, and Transportation, be authorized to meet during the session of the Senate on Tuesday, April 4, 2000, at 2:30 p.m. on export administration reauthorization.

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

COMMITTEE ON FOREIGN RELATIONS

Mr. DOMENICI. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Tuesday, April 4, 2000, at 10:30 a.m. and 2:00 p.m. to hold two hearings.

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

SELECT COMMITTEE ON INTELLIGENCE

Mr. DOMENICI. Mr. President, I ask unanimous consent that the Select Committee on Intelligence be authorized to meet during the session of the Senate on Tuesday, April 4, 2000 at 3:30 p.m. to hold a closed hearing on intelligence matters.

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

SUBCOMMITTEE ON EMERGING THREATS AND CAPABILITIES

Mr. DOMENICI. Mr. President, I ask unanimous consent that the Subcommittee on Emerging Threats and Capabilities of the Committee on Armed Services be authorized to meet during the session of the Senate on Tuesday, April 4, 2000 at 2:30 p.m., in open session to receive testimony on joint requirements, capabilities, and experimentation in review of the defense authorization request for fiscal year 2001 and the future years defense program.

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

PRIVILEGES OF THE FLOOR

Mr. DOMENICI. I ask unanimous consent that the staff of the Senate Budget Committee, including fellows and detailees included on the list I send to the desk, be permitted to remain on the Senate floor during consideration of S. Con. Res. 101 and that the list be printed in the RECORD. The list includes majority and minority staff.

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

MAJORITY STAFF

Dan Brandt, Amy Call, Jim Capretta, Allen Cutler, Beth Felder, Rachel Forward, Alice Grant, Richard Greenough, Jim Hearn, Bill Hoagland, Carole McGuire, Mieko Nakabayashi, Kelly Neville, Maureen O'Neill, Cheri Reidy, Andrew Siracuse, Amy Smith, Bob Stevenson, Margaret Stewart, Cheryle Tucker, Winslow Wheeler, Jennifer Winkler, Sandra Wiseman, Gary Ziehe.

MINORITY STAFF

Nisha Antony, Claudia Arko, Gabby Batkin, Frederic Baron, Steven Benson, Maggie Bierwirth, Patrick Bogenberger, Rock Cheung, Jim Exquea, Bruce King, Lisa Konwinski, Martin Morris, Sue Nelson, Barry Strumpf, Mitch Warren.

ADMINISTRATIVE STAFF

Alex Green, Sahand Sarshar, Lamar Staples, Lynne Seymour, George Woodall.

Mr. DOMENICI. Mr. President, I ask unanimous consent that Sue Nelson and Mitch Warren be granted full access to the floor, and also Jim Hearn and Jim Capretta.

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

APPOINTMENTS

The PRESIDING OFFICER. The Chair, on behalf of the majority leader, pursuant to Public Law 96–114, as amended, announces the appointment of the following individuals to the Congressional Award Board: Elaine L. Chao, of Kentucky, and Linda Mitchell, of Mississippi.

The Chair, on behalf of the majority leader, after consultation with the Democratic Leader, pursuant to Public Law 93–415, as amended by Public Law 102–586, announces the reappointment of the following individuals to serve as members of the Coordinating Council on Juvenile Justice and Delinquency Prevention: Michael W. McPhail, of Mississippi, to a one-year term; Dr. Larry K. Brendtro, of South Dakota, to a two-year term; and Charles Sims, of Mississippi, to a three-year term.

The Chair, on behalf of the Vice President, pursuant to the provisions of S. Con. Res. 89 (106th Congress), appoints the following Senators to the Joint Congressional Committee on Inaugural Ceremonies: the Senator from Mississippi (Mr. LOTT), the Senator from Kentucky (Mr. MCCONNELL), and the Senator from Connecticut (Mr. DODD).

TRIBAL SELF-GOVERNANCE AMENDMENTS OF 1999

Mr. KYL. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 412, S. 979.

The PRESIDING OFFICER. The clerk will report the bill by title.

The assistant legislative clerk read as follows:

A bill (S. 979) to amend the Indian Self-Determination and Education Assistance Act to provide for further self-governance by Indian tribes, and for other purposes.

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Indian Affairs with an amendment to strike all after the enacting clause and insert in lieu thereof the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Tribal Self-Governance Amendments of 1999''.

SEC. 2. FINDINGS.

Congress finds that—

(1) the tribal right of self-government flows from the inherent sovereignty of Indian tribes and nations;

(2) the United States recognizes a special government-to-government relationship with Indian tribes, including the right of the Indian tribes to self-governance, as reflected in the Constitution, treaties, Federal statutes, and the course of dealings of the United States with Indian tribes;

(3) although progress has been made, the Federal bureaucracy, with its centralized rules and regulations, has eroded tribal self-governance and dominates tribal affairs;

(4) the Tribal Self-Governance Demonstration Project, established under title III of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450f note) was designed to improve and perpetuate the government-to-government relationship between Indian tribes and the United States and to strengthen tribal control over Federal funding and program management;

(5) although the Federal Government has made considerable strides in improving Indian health care, it has failed to fully meet its trust responsibilities and to satisfy its obligations to the Indian tribes under treaties and other laws; and

(6) Congress has reviewed the results of the Tribal Self-Governance Demonstration Project and finds that transferring full control and funding to tribal governments, upon tribal request, over decision making for Federal programs, services, functions, and activities (or portions thereof)—

(A) is an appropriate and effective means of implementing the Federal policy of government-to-government relations with Indian tribes; and

(B) strengthens the Federal policy of Indian self-determination.

SEC. 3. DECLARATION OF POLICY.

It is the policy of Congress—

(1) to permanently establish and implement tribal self-governance within the Department of Health and Human Services;

(2) to call for full cooperation from the Department of Health and Human Services and its constituent agencies in the implementation of tribal self-governance—

(A) to enable the United States to maintain and improve its unique and continuing relationship with, and responsibility to, Indian tribes;

(B) to permit each Indian tribe to choose the extent of its participation in self-governance in accordance with the provisions of the Indian Self-Determination and Education Assistance Act relating to the provision of Federal services to Indian tribes;

(C) to ensure the continuation of the trust responsibility of the United States to Indian tribes and Indian individuals;

(D) to affirm and enable the United States to fulfill its obligations to the Indian tribes under treaties and other laws;

(E) to strengthen the government-to-government relationship between the United States and Indian tribes through direct and meaningful consultation with all tribes;

(F) to permit an orderly transition from Federal domination of programs and services to provide Indian tribes with meaningful authority, control, funding, and discretion to plan, conduct, redesign, and administer programs, services, functions, and activities (or portions thereof) that meet the needs of the individual tribal communities;

(G) to provide for a measurable parallel reduction in the Federal bureaucracy as programs, services, functions, and activities (or portion thereof) are assumed by Indian tribes;

(H) to encourage the Secretary to identify all programs, services, functions, and activities (or portions thereof) of the Department of Health and Human Services that may be managed by an Indian tribe under this Act and to assist Indian tribes in assuming responsibility for such programs, services, functions, and activities (or portions thereof); and

(I) to provide Indian tribes with the earliest opportunity to administer programs, services, functions, and activities (or portions thereof) from throughout the Department of Health and Human Services.

SEC. 4. TRIBAL SELF-GOVERNANCE.

The Indian Self-Determination and Education Assistance Act (25 U.S.C. 450 et seq.) is amended by adding at the end the following:

''TITLE V—TRIBAL SELF-GOVERNANCE

''SEC. 501. DEFINITIONS.

''(a) IN GENERAL.—In this title:

''(1) CONSTRUCTION PROJECT.—The term 'construction project'—

''(A) means an organized noncontinuous undertaking to complete a specific set of predetermined objectives for the planning, environmental determination, design, construction, repair, improvement, or expansion of buildings or facilities, as described in a construction project agreement; and

''(B) does not include construction program administration and activities described in paragraphs (1) through (3) of section 4(m), that may otherwise be included in a funding agreement under this title.

''(2) CONSTRUCTION PROJECT AGREEMENT.—The term 'construction project agreement' means a negotiated agreement between the Secretary and an Indian tribe, that at a minimum—

''(A) establishes project phase start and completion dates;

''(B) defines a specific scope of work and standards by which it will be accomplished;

''(C) identifies the responsibilities of the Indian tribe and the Secretary;

''(D) addresses environmental considerations;

''(E) identifies the owner and operations and maintenance entity of the proposed work;

''(F) provides a budget;

''(G) provides a payment process; and

''(H) establishes the duration of the agreement based on the time necessary to complete the specified scope of work, which may be 1 or more years.

''(3) GROSS MISMANAGEMENT.—The term 'gross mismanagement' means a significant, clear, and convincing violation of a compact, funding agreement, or regulatory, or statutory requirements applicable to Federal funds transferred to an Indian tribe by a compact or funding agreement that results in a significant reduction of funds available for the programs, services, functions, or activities (or portions thereof) assumed by an Indian tribe.

''(4) INHERENT FEDERAL FUNCTIONS.—The term 'inherent Federal functions' means those Federal functions which cannot legally be delegated to Indian tribes.

''(5) INTER-TRIBAL CONSORTIUM.—The term 'inter-tribal consortium' means a coalition of 2 or more separate Indian tribes that join together for the purpose of participating in self-governance, including tribal organizations.

''(6) SECRETARY.—The term 'Secretary' means the Secretary of Health and Human Services.

''(7) SELF-GOVERNANCE.—The term 'self-governance' means the program of self-governance established under section 502.

''(8) TRIBAL SHARE.—The term 'tribal share' means an Indian tribe's portion of all funds and resources that support secretarial programs, services, functions, and activities (or portions thereof) that are not required by the Secretary for performance of inherent Federal functions.

''(b) INDIAN TRIBE.—In any case in which an Indian tribe has authorized another Indian tribe, an inter-tribal consortium, or a tribal organization to plan for or carry out programs, services, functions, or activities (or portions thereof) on its behalf under this title, the authorized Indian tribe, inter-tribal consortium, or tribal organization shall have the rights and responsibilities of the authorizing Indian tribe (except as otherwise provided in the authorizing resolution or in this title). In such event, the term 'Indian tribe' as used in this title shall include such other authorized Indian tribe, inter-tribal consortium, or tribal organization.

''SEC. 502. ESTABLISHMENT.

''The Secretary shall establish and carry out a program within the Indian Health Service of the Department of Health and Human Services to be known as the 'Tribal Self-Governance Program' in accordance with this title.

''SEC. 503. SELECTION OF PARTICIPATING INDIAN TRIBES.

''(a) CONTINUING PARTICIPATION.—Each Indian tribe that is participating in the Tribal Self-Governance Demonstration Project under title III on the date of enactment of this title may elect to participate in self-governance under this title under existing authority as reflected in tribal resolution.

''(b) ADDITIONAL PARTICIPANTS.—

''(1) IN GENERAL.—In addition to those Indian tribes participating in self-governance under subsection (a), each year an additional 50 Indian tribes that meet the eligibility criteria specified in subsection (c) shall be entitled to participate in self-governance.

''(2) TREATMENT OF CERTAIN INDIAN TRIBES.—

''(A) IN GENERAL.—An Indian tribe that has withdrawn from participation in an inter-tribal consortium or tribal organization, in whole or in part, shall be entitled to participate in self-governance provided the Indian tribe meets the eligibility criteria specified in subsection (c).

''(B) EFFECT OF WITHDRAWAL.—If an Indian tribe has withdrawn from participation in an inter-tribal consortium or tribal organization, that Indian tribe shall be entitled to its tribal share of funds supporting those programs, services, functions, and activities (or portions thereof) that the Indian tribe will be carrying out under the compact and funding agreement of the Indian tribe.

''(C) PARTICIPATION IN SELF-GOVERNANCE.—In no event shall the withdrawal of an Indian tribe from an inter-tribal consortium or tribal organization affect the eligibility of the inter-tribal consortium or tribal organization to participate in self-governance.

''(c) APPLICANT POOL.—

''(1) IN GENERAL.—The qualified applicant pool for self-governance shall consist of each Indian tribe that—

''(A) successfully completes the planning phase described in subsection (d);

''(B) has requested participation in self-governance by resolution or other official action by the governing body of each Indian tribe to be served; and

''(C) has demonstrated, for 3 fiscal years, financial stability and financial management capability.

''(2) CRITERIA FOR DETERMINING FINANCIAL STABILITY AND FINANCIAL MANAGEMENT CAPACITY.—For purposes of this subsection, evidence that, during the 3-year period referred to in paragraph (1)(C), an Indian tribe had no uncorrected significant and material audit exceptions in the required annual audit of the Indian tribe's self-determination contracts or self-governance funding agreements with any Federal agency shall be conclusive evidence of the required stability and capability.

''(d) PLANNING PHASE.—Each Indian tribe seeking participation in self-governance shall complete a planning phase. The planning phase shall be conducted to the satisfaction of the Indian tribe and shall include—

''(1) legal and budgetary research; and

''(2) internal tribal government planning and organizational preparation relating to the administration of health care programs.

''(e) GRANTS.—Subject to the availability of appropriations, any Indian tribe meeting the requirements of paragraph (1) (B) and (C) of subsection (c) shall be eligible for grants—

''(1) to plan for participation in self-governance; and

''(2) to negotiate the terms of participation by the Indian tribe or tribal organization in self-governance, as set forth in a compact and a funding agreement.

''(f) RECEIPT OF GRANT NOT REQUIRED.—Receipt of a grant under subsection (e) shall not be a requirement of participation in self-governance.

''SEC. 504. COMPACTS.

''(a) COMPACT REQUIRED.—The Secretary shall negotiate and enter into a written compact with each Indian tribe participating in self-governance in a manner consistent with the Federal Government's trust responsibility, treaty obligations, and the government-to-government relationship between Indian tribes and the United States.

''(b) CONTENTS.—Each compact required under subsection (a) shall set forth the general terms of the government-to-government relationship between the Indian tribe and the Secretary, including such terms as the parties intend shall control year after year. Such compacts may only be amended by mutual agreement of the parties.

''(c) EXISTING COMPACTS.—An Indian tribe participating in the Tribal Self-Governance Demonstration Project under title III on the date of enactment of this title shall have the option at any time after the date of enactment of this title to—

''(1) retain the Tribal Self-Governance Demonstration Project compact of that Indian tribe (in whole or in part) to the extent that the provisions of that funding agreement are not directly contrary to any express provision of this title; or

''(2) instead of retaining a compact or portion thereof under paragraph (1), negotiate a new compact in a manner consistent with the requirements of this title.

''(d) TERM AND EFFECTIVE DATE.—The effective date of a compact shall be the date of the approval and execution by the Indian tribe or another date agreed upon by the parties, and shall remain in effect for so long as permitted by Federal law or until terminated by mutual written agreement, retrocession, or reassumption.

''SEC. 505. FUNDING AGREEMENTS.

''(a) FUNDING AGREEMENT REQUIRED.—The Secretary shall negotiate and enter into a written funding agreement with each Indian tribe participating in self-governance in a manner consistent with the Federal Government's trust responsibility, treaty obligations, and the government-to-government relationship between Indian tribes and the United States.

''(b) CONTENTS.—

''(1) IN GENERAL.—Each funding agreement required under subsection (a) shall, as determined by the Indian tribe, authorize the Indian tribe to plan, conduct, consolidate, administer, and receive full tribal share funding, including tribal shares of discretionary Indian Health Service competitive grants (excluding congressionally earmarked competitive grants), for all programs, services, functions, and activities (or portions thereof), that are carried out for the benefit of Indians because of their status as Indians without regard to the agency or office of the Indian Health Service (or of such other agency) within which the program, service, function, or activity (or portion thereof) is performed.

''(2) INCLUSION OF CERTAIN PROGRAMS, SERVICES, FUNCTIONS, AND ACTIVITIES.—Such programs, services, functions, or activities (or portions thereof) include all programs, services, functions, activities (or portions thereof), including grants (which may be added to a funding agreement after an award of such grants), with respect to which Indian tribes or Indians are primary or significant beneficiaries, administered by the Department of Health and Human Services through the Indian Health Service and all local, field, service unit, area, regional, and central headquarters or national office functions administered under the authority of—

''(A) the Act of November 2, 1921 (42 Stat. 208, chapter 115; 25 U.S.C. 13);

''(B) the Act of April 16, 1934 (48 Stat. 596, chapter 147; 25 U.S.C. 452 et seq.);

''(C) the Act of August 5, 1954 (68 Stat. 674, chapter 658);

''(D) the Indian Health Care Improvement Act (25 U.S.C. 1601 et seq.);

''(E) the Indian Alcohol and Substance Abuse Prevention and Treatment Act of 1986 (25 U.S.C. 2401 et seq.);

''(F) any other Act of Congress authorizing any agency of the Department of Health and Human Services to administer, carry out, or provide financial assistance to such a program, service, function or activity (or portions thereof) described in this section that is carried out for the benefit of Indians because of their status as Indians; or

''(G) any other Act of Congress authorizing such a program, service, function, or activity (or portions thereof) carried out for the benefit of Indians under which appropriations are made available to any agency other than an agency

within the Department of Health and Human Services, in any case in which the Secretary administers that program, service, function, or activity (or portion thereof).

''(c) INCLUSION IN COMPACT OR FUNDING AGREEMENT.—It shall not be a requirement that an Indian tribe or Indians be identified in the authorizing statute for a program or element of a program to be eligible for inclusion in a compact or funding agreement under this title.

''(d) FUNDING AGREEMENT TERMS.—Each funding agreement under this title shall set forth—

''(1) terms that generally identify the programs, services, functions, and activities (or portions thereof) to be performed or administered; and

''(2) for the items identified in paragraph (1)—

''(A) the general budget category assigned;

''(B) the funds to be provided, including those funds to be provided on a recurring basis;

''(C) the time and method of transfer of the funds;

''(D) the responsibilities of the Secretary; and

''(E) any other provision with respect to which the Indian tribe and the Secretary agree.

''(e) SUBSEQUENT FUNDING AGREEMENTS.—Absent notification from an Indian tribe that is withdrawing or retroceding the operation of 1 or more programs, services, functions, or activities (or portions thereof) identified in a funding agreement, or unless otherwise agreed to by the parties, each funding agreement shall remain in full force and effect until a subsequent funding agreement is executed, and the terms of the subsequent funding agreement shall be retroactive to the end of the term of the preceding funding agreement.

''(f) EXISTING FUNDING AGREEMENTS.—Each Indian tribe participating in the Tribal Self-Governance Demonstration Project established under title III on the date of enactment of this title shall have the option at any time thereafter to—

''(1) retain the Tribal Self-Governance Demonstration Project funding agreement of that Indian tribe (in whole or in part) to the extent that the provisions of that funding agreement are not directly contrary to any express provision of this title; or

''(2) instead of retaining a funding agreement or portion thereof under paragraph (1), negotiate a new funding agreement in a manner consistent with the requirements of this title.

''(g) STABLE BASE FUNDING.—At the option of an Indian tribe, a funding agreement may provide for a stable base budget specifying the recurring funds (including, for purposes of this provision, funds available under section 106(a)) to be transferred to such Indian tribe, for such period as may be specified in the funding agreement, subject to annual adjustment only to reflect changes in congressional appropriations by sub-sub activity excluding earmarks.

''SEC. 506. GENERAL PROVISIONS.

''(a) APPLICABILITY.—The provisions of this section shall apply to compacts and funding agreements negotiated under this title and an Indian tribe may, at its option, include provisions that reflect such requirements in a compact or funding agreement.

''(b) CONFLICTS OF INTEREST.—Indian tribes participating in self-governance under this title shall ensure that internal measures are in place to address conflicts of interest in the administration of self-governance programs, services, functions, or activities (or portions thereof).

''(c) AUDITS.—

''(1) SINGLE AGENCY AUDIT ACT.—The provisions of chapter 75 of title 31, United States Code, requiring a single agency audit report shall apply to funding agreements under this title.

''(2) COST PRINCIPLES.—An Indian tribe shall apply cost principles under the applicable Office of Management and Budget circular, except as modified by section 106, or by any exemptions to applicable Office of Management and Budget circulars subsequently granted by the Office of Management and Budget. No other audit or accounting standards shall be required by the Secretary. Any claim by the Federal Government against the Indian tribe relating to funds received under a funding agreement based on any audit under this subsection shall be subject to the provisions of section 106(f).

''(d) RECORDS.—

''(1) IN GENERAL.—Unless an Indian tribe specifies otherwise in the compact or funding agreement, records of the Indian tribe shall not be considered Federal records for purposes of chapter 5 of title 5, United States Code.

''(2) RECORDKEEPING SYSTEM.—The Indian tribe shall maintain a recordkeeping system, and, after 30 days advance notice, provide the Secretary with reasonable access to such records to enable the Department of Health and Human Services to meet its minimum legal recordkeeping system requirements under sections 3101 through 3106 of title 44, United States Code.

''(e) REDESIGN AND CONSOLIDATION.—An Indian tribe may redesign or consolidate programs, services, functions, and activities (or portions thereof) included in a funding agreement under section 305 and reallocate or redirect funds for such programs, services, functions, and activities (or portions thereof) in any manner which the Indian tribe deems to be in the best interest of the health and welfare of the Indian community being served, only if the redesign or consolidation does not have the effect of denying eligibility for services to population groups otherwise eligible to be served under applicable Federal law.

''(f) RETROCESSION.—An Indian tribe may retrocede, fully or partially, to the Secretary programs, services, functions, or activities (or portions thereof) included in the compact or funding agreement. Unless the Indian tribe rescinds the request for retrocession, such retrocession will become effective within the timeframe specified by the parties in the compact or funding agreement. In the absence of such a specification, such retrocession shall become effective on—

''(1) the earlier of—

''(A) 1 year after the date of submission of such request; or

''(B) the date on which the funding agreement expires; or

''(2) such date as may be mutually agreed upon by the Secretary and the Indian tribe.

''(g) WITHDRAWAL.—

''(1) PROCESS.—

''(A) IN GENERAL.—An Indian tribe may fully or partially withdraw from a participating inter-tribal consortium or tribal organization its share of any program, function, service, or activity (or portions thereof) included in a compact or funding agreement.

''(B) EFFECTIVE DATE.—The withdrawal referred to in subparagraph (A) shall become effective within the timeframe specified in the resolution which authorizes transfer to the participating tribal organization or inter-tribal consortium. In the absence of a specific timeframe set forth in the resolution, such withdrawal shall become effective on—

''(i) the earlier of—

''(I) 1 year after the date of submission of such request; or

''(II) the date on which the funding agreement expires; or

''(ii) such date as may be mutually agreed upon by the Secretary, the withdrawing Indian tribe, and the participating tribal organization or inter-tribal consortium that has signed the compact or funding agreement on behalf of the withdrawing Indian tribe, inter-tribal consortium, or tribal organization.

''(2) DISTRIBUTION OF FUNDS.—When an Indian tribe or tribal organization eligible to enter into a self-determination contract under title I or a compact or funding agreement under this title fully or partially withdraws from a participating inter-tribal consortium or tribal organization—

''(A) the withdrawing Indian tribe or tribal organization shall be entitled to its tribal share of funds supporting those programs, services, functions, or activities (or portions thereof) that the Indian tribe will be carrying out under its own self-determination contract or compact and funding agreement (calculated on the same basis as the funds were initially allocated in the funding agreement of the inter-tribal consortium or tribal organization); and

''(B) the funds referred to in subparagraph (A) shall be transferred from the funding agreement of the inter-tribal consortium or tribal organization, on the condition that the provisions of sections 102 and 105(i), as appropriate, shall apply to that withdrawing Indian tribe.

''(3) REGAINING MATURE CONTRACT STATUS.—If an Indian tribe elects to operate all or some programs, services, functions, or activities (or portions thereof) carried out under a compact or funding agreement under this title through a self-determination contract under title I, at the option of the Indian tribe, the resulting self-determination contract shall be a mature self-determination contract.

''(h) NONDUPLICATION.—For the period for which, and to the extent to which, funding is provided under this title or under the compact or funding agreement, the Indian tribe shall not be entitled to contract with the Secretary for such funds under section 102, except that such Indian tribe shall be eligible for new programs on the same basis as other Indian tribes.

''SEC. 507. PROVISIONS RELATING TO THE SECRETARY.

''(a) MANDATORY PROVISIONS.—

''(1) HEALTH STATUS REPORTS.—Compacts or funding agreements negotiated between the Secretary and an Indian tribe shall include a provision that requires the Indian tribe to report on health status and service delivery—

''(A) to the extent such data is not otherwise available to the Secretary and specific funds for this purpose are provided by the Secretary under the funding agreement; and

''(B) if such reporting shall impose minimal burdens on the participating Indian tribe and such requirements are promulgated under section 517.

''(2) REASSUMPTION.—

''(A) IN GENERAL.—Compacts or funding agreements negotiated between the Secretary and an Indian tribe shall include a provision authorizing the Secretary to reassume operation of a program, service, function, or activity (or portions thereof) and associated funding if there is a specific finding relative to that program, service, function, or activity (or portion thereof) of—

''(i) imminent endangerment of the public health caused by an act or omission of the Indian tribe, and the imminent endangerment arises out of a failure to carry out the compact or funding agreement; or

''(ii) gross mismanagement with respect to funds transferred to a tribe by a compact or funding agreement, as determined by the Secretary in consultation with the Inspector General, as appropriate.

''(B) PROHIBITION.—The Secretary shall not reassume operation of a program, service, function, or activity (or portions thereof) unless—

''(i) the Secretary has first provided written notice and a hearing on the record to the Indian tribe; and

''(ii) the Indian tribe has not taken corrective action to remedy the imminent endangerment to public health or gross mismanagement.

''(C) EXCEPTION.—

''(i) IN GENERAL.—Notwithstanding subparagraph (B), the Secretary may, upon written notification to the Indian tribe, immediately reassume operation of a program, service, function, or activity (or portion thereof) if—

''(I) the Secretary makes a finding of imminent substantial and irreparable endangerment

of the public health caused by an act or omission of the Indian tribe; and

''(II) the endangerment arises out of a failure to carry out the compact or funding agreement.

''(ii) REASSUMPTION.—If the Secretary reassumes operation of a program, service, function, or activity (or portion thereof) under this subparagraph, the Secretary shall provide the Indian tribe with a hearing on the record not later than 10 days after such reassumption.

''(D) HEARINGS.—In any hearing or appeal involving a decision to reassume operation of a program, service, function, or activity (or portion thereof), the Secretary shall have the burden of proof of demonstrating by clear and convincing evidence the validity of the grounds for the reassumption.

''(b) FINAL OFFER.—In the event the Secretary and a participating Indian tribe are unable to agree, in whole or in part, on the terms of a compact or funding agreement (including funding levels), the Indian tribe may submit a final offer to the Secretary. Not more than 45 days after such submission, or within a longer time agreed upon by the Indian tribe, the Secretary shall review and make a determination with respect to such offer. In the absence of a timely rejection of the offer, in whole or in part, made in compliance with subsection (c), the offer shall be deemed agreed to by the Secretary.

''(c) REJECTION OF FINAL OFFERS.—

''(1) IN GENERAL.—If the Secretary rejects an offer made under subsection (b) (or 1 or more provisions or funding levels in such offer), the Secretary shall provide—

''(A) a timely written notification to the Indian tribe that contains a specific finding that clearly demonstrates, or that is supported by a controlling legal authority, that—

''(i) the amount of funds proposed in the final offer exceeds the applicable funding level to which the Indian tribe is entitled under this title;

''(ii) the program, function, service, or activity (or portion thereof) that is the subject of the final offer is an inherent Federal function that cannot legally be delegated to an Indian tribe;

''(iii) the Indian tribe cannot carry out the program, function, service, or activity (or portion thereof) in a manner that would not result in significant danger or risk to the public health; or

''(iv) the Indian tribe is not eligible to participate in self-governance under section 503;

''(B) technical assistance to overcome the objections stated in the notification required by subparagraph (A);

''(C) the Indian tribe with a hearing on the record with the right to engage in full discovery relevant to any issue raised in the matter and the opportunity for appeal on the objections raised, except that the Indian tribe may, in lieu of filing such appeal, directly proceed to initiate an action in a Federal district court pursuant to section 110(a); and

''(D) the Indian tribe with the option of entering into the severable portions of a final proposed compact or funding agreement, or provision thereof, (including a lesser funding amount, if any), that the Secretary did not reject, subject to any additional alterations necessary to conform the compact or funding agreement to the severed provisions.

''(2) EFFECT OF EXERCISING CERTAIN OPTION.—If an Indian tribe exercises the option specified in paragraph (1)(D), that Indian tribe shall retain the right to appeal the Secretary's rejection under this section, and subparagraphs (A), (B), and (C) of that paragraph shall only apply to that portion of the proposed final compact, funding agreement, or provision thereof that was rejected by the Secretary.

''(d) BURDEN OF PROOF.—With respect to any hearing or appeal or civil action conducted pursuant to this section, the Secretary shall have the burden of demonstrating by clear and convincing evidence the validity of the grounds for rejecting the offer (or a provision thereof) made under subsection (b).

''(e) GOOD FAITH.—In the negotiation of compacts and funding agreements the Secretary shall at all times negotiate in good faith to maximize implementation of the self-governance policy. The Secretary shall carry out this title in a manner that maximizes the policy of tribal self-governance, in a manner consistent with the purposes specified in section 3 of the Tribal Self-Governance Amendments of 1999.

''(f) SAVINGS.—To the extent that programs, functions, services, or activities (or portions thereof) carried out by Indian tribes under this title reduce the administrative or other responsibilities of the Secretary with respect to the operation of Indian programs and result in savings that have not otherwise been included in the amount of tribal shares and other funds determined under section 508(c), the Secretary shall make such savings available to the Indian tribes, inter-tribal consortia, or tribal organizations for the provision of additional services to program beneficiaries in a manner equitable to directly served, contracted, and compacted programs.

''(g) TRUST RESPONSIBILITY.—The Secretary is prohibited from waiving, modifying, or diminishing in any way the trust responsibility of the United States with respect to Indian tribes and individual Indians that exists under treaties, Executive orders, other laws, or court decisions.

''(h) DECISIONMAKER.—A decision that constitutes final agency action and relates to an appeal within the Department of Health and Human Services conducted under subsection (c) shall be made either—

''(1) by an official of the Department who holds a position at a higher organizational level within the Department than the level of the departmental agency in which the decision that is the subject of the appeal was made; or

''(2) by an administrative judge.

''SEC. 508. TRANSFER OF FUNDS.

''(a) IN GENERAL.—Pursuant to the terms of any compact or funding agreement entered into under this title, the Secretary shall transfer to the Indian tribe all funds provided for in the funding agreement, pursuant to subsection (c), and provide funding for periods covered by joint resolution adopted by Congress making continuing appropriations, to the extent permitted by such resolutions. In any instance where a funding agreement requires an annual transfer of funding to be made at the beginning of a fiscal year, or requires semiannual or other periodic transfers of funding to be made commencing at the beginning of a fiscal year, the first such transfer shall be made not later than 10 days after the apportionment of such funds by the Office of Management and Budget to the Department, unless the funding agreement provides otherwise.

''(b) MULTIYEAR FUNDING.—The Secretary may employ, upon tribal request, multiyear funding agreements. References in this title to funding agreements shall include such multiyear funding agreements.

''(c) AMOUNT OF FUNDING.—The Secretary shall provide funds under a funding agreement under this title in an amount equal to the amount that the Indian tribe would have been entitled to receive under self-determination contracts under this Act, including amounts for direct program costs specified under section 106(a)(1) and amounts for contract support costs specified under section 106(a) (2), (3), (5), and (6), including any funds that are specifically or functionally related to the provision by the Secretary of services and benefits to the Indian tribe or its members, all without regard to the organizational level within the Department where such functions are carried out.

''(d) PROHIBITIONS.—

''(1) IN GENERAL.—Except as provided in paragraph (2), the Secretary is expressly prohibited from—

''(A) failing or refusing to transfer to an Indian tribe its full share of any central, headquarters, regional, area, or service unit office or other funds due under this Act, except as required by Federal law;

''(B) withholding portions of such funds for transfer over a period of years; and

''(C) reducing the amount of funds required under this Act—

''(i) to make funding available for self-governance monitoring or administration by the Secretary;

''(ii) in subsequent years, except pursuant to—

''(I) a reduction in appropriations from the previous fiscal year for the program or function to be included in a compact or funding agreement;

''(II) a congressional directive in legislation or accompanying report;

''(III) a tribal authorization;

''(IV) a change in the amount of pass-through funds subject to the terms of the funding agreement; or

''(V) completion of a project, activity, or program for which such funds were provided;

''(iii) to pay for Federal functions, including Federal pay costs, Federal employee retirement benefits, automated data processing, technical assistance, and monitoring of activities under this Act; or

''(iv) to pay for costs of Federal personnel displaced by self-determination contracts under this Act or self-governance;

''(2) EXCEPTION.—The funds described in paragraph (1)(C) may be increased by the Secretary if necessary to carry out this Act or as provided in section 105(c)(2).

''(e) OTHER RESOURCES.—In the event an Indian tribe elects to carry out a compact or funding agreement with the use of Federal personnel, Federal supplies (including supplies available from Federal warehouse facilities), Federal supply sources (including lodging, airline transportation, and other means of transportation including the use of interagency motor pool vehicles) or other Federal resources (including supplies, services, and resources available to the Secretary under any procurement contracts in which the Department is eligible to participate), the Secretary shall acquire and transfer such personnel, supplies, or resources to the Indian tribe.

''(f) REIMBURSEMENT TO INDIAN HEALTH SERVICE.—With respect to functions transferred by the Indian Health Service to an Indian tribe, the Indian Health Service shall provide goods and services to the Indian tribe, on a reimbursable basis, including payment in advance with subsequent adjustment. The reimbursements received from those goods and services, along with the funds received from the Indian tribe pursuant to this title, may be credited to the same or subsequent appropriation account which provided the funding, such amounts to remain available until expended.

''(g) PROMPT PAYMENT ACT.—Chapter 39 of title 31, United States Code, shall apply to the transfer of funds due under a compact or funding agreement authorized under this title.

''(h) INTEREST OR OTHER INCOME ON TRANSFERS.—An Indian tribe is entitled to retain interest earned on any funds paid under a compact or funding agreement to carry out governmental or health purposes and such interest shall not diminish the amount of funds the Indian tribe is authorized to receive under its funding agreement in the year the interest is earned or in any subsequent fiscal year. Funds transferred under this title shall be managed using the prudent investment standard.

''(i) CARRYOVER OF FUNDS.—All funds paid to an Indian tribe in accordance with a compact or funding agreement shall remain available until expended. In the event that an Indian tribe elects to carry over funding from 1 year to the next, such carryover shall not diminish the amount of funds the Indian tribe is authorized to receive under its funding agreement in that or any subsequent fiscal year.

''(j) PROGRAM INCOME.—All medicare, medicaid, or other program income earned by an Indian tribe shall be treated as supplemental funding to that negotiated in the funding agreement. The Indian tribe may retain all such income and expend such funds in the current year or in future years except to the extent that the Indian Health Care Improvement Act (25 U.S.C. 1601 et seq.) provides otherwise for medicare and medicaid receipts. Such funds shall not result in any offset or reduction in the amount of funds the Indian tribe is authorized to receive under its funding agreement in the year the program income is received or for any subsequent fiscal year.

''(k) LIMITATION OF COSTS.—An Indian tribe shall not be obligated to continue performance that requires an expenditure of funds in excess of the amount of funds transferred under a compact or funding agreement. If at any time the Indian tribe has reason to believe that the total amount provided for a specific activity in the compact or funding agreement is insufficient the Indian tribe shall provide reasonable notice of such insufficiency to the Secretary. If the Secretary does not increase the amount of funds transferred under the funding agreement, the Indian tribe may suspend performance of the activity until such time as additional funds are transferred.

''SEC. 509. CONSTRUCTION PROJECTS.

''(a) IN GENERAL.—Indian tribes participating in tribal self-governance may carry out construction projects under this title if they elect to assume all Federal responsibilities under the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.), the National Historic Preservation Act (16 U.S.C. 470 et seq.), and related provisions of law that would apply if the Secretary were to undertake a construction project, by adopting a resolution—

''(1) designating a certifying officer to represent the Indian tribe and to assume the status of a responsible Federal official under such laws; and

''(2) accepting the jurisdiction of the Federal court for the purpose of enforcement of the responsibilities of the responsible Federal official under such environmental laws.

''(b) NEGOTIATIONS.—Construction project proposals shall be negotiated pursuant to the statutory process in section 105(m) and resulting construction project agreements shall be incorporated into funding agreements as addenda.

''(c) CODES AND STANDARDS.—The Indian tribe and the Secretary shall agree upon and specify appropriate building codes and architectural and engineering standards (including health and safety) which shall be in conformity with nationally recognized standards for comparable projects.

''(d) RESPONSIBILITY FOR COMPLETION.—The Indian tribe shall assume responsibility for the successful completion of the construction project in accordance with the negotiated construction project agreement.

''(e) FUNDING.—Funding for construction projects carried out under this title shall be included in funding agreements as annual advance payments, with semiannual payments at the option of the Indian tribe. Annual advance and semiannual payment amounts shall be determined based on mutually agreeable project schedules reflecting work to be accomplished within the advance payment period, work accomplished and funds expended in previous payment periods, and the total prior payments. The Secretary shall include associated project contingency funds with each advance payment installment. The Indian tribe shall be responsible for the management of the contingency funds included in funding agreements.

''(f) APPROVAL.—The Secretary shall have at least 1 opportunity to approve project planning and design documents prepared by the Indian tribe in advance of construction of the facilities specified in the scope of work for each negotiated construction project agreement or amendment thereof which results in a significant change in the original scope of work. The Indian tribe shall provide the Secretary with project progress and financial reports not less than semiannually. The Secretary may conduct onsite project oversight visits semiannually or on an alternate schedule agreed to by the Secretary and the Indian tribe.

''(g) WAGES.—All laborers and mechanics employed by contractors and subcontractors in the construction, alteration, or repair, including painting or decorating of a building or other facilities in connection with construction projects undertaken by self-governance Indian tribes under this Act, shall be paid wages at not less than those prevailing wages on similar construction in the locality as determined by the Indian tribe.

''(h) APPLICATION OF OTHER LAWS.—Unless otherwise agreed to by the Indian tribe, no provision of the Office of Federal Procurement Policy Act, the Federal Acquisition Regulations issued pursuant thereto, or any other law or regulation pertaining to Federal procurement (including Executive orders) shall apply to any construction project conducted under this title.

''SEC. 510. FEDERAL PROCUREMENT LAWS AND REGULATIONS.

''Notwithstanding any other provision of law, unless expressly agreed to by the participating Indian tribe, the compacts and funding agreements entered into under this title shall not be subject to Federal contracting or cooperative agreement laws and regulations (including Executive orders and the regulations relating to procurement issued by the Secretary), except to the extent that such laws expressly apply to Indian tribes.

''SEC. 511. CIVIL ACTIONS.

''(a) CONTRACT DEFINED.—For the purposes of section 110, the term 'contract' shall include compacts and funding agreements entered into under this title.

''(b) APPLICABILITY OF CERTAIN LAWS.—Section 2103 of the Revised Statutes (25 U.S.C. 81) and section 16 of the Act of June 18, 1934 (48 Stat. 987; chapter 576; 25 U.S.C. 476), shall not apply to attorney and other professional contracts entered into by Indian tribes participating in self-governance under this title.

''(c) REFERENCES.—All references in this Act to section 1 of the Act of June 26, 1936 (49 Stat. 1967; chapter 831) are hereby deemed to include the first section of the Act of July 3, 1952 (66 Stat. 323, chapter 549; 25 U.S.C. 82a).

''SEC. 512. FACILITATION.

''(a) SECRETARIAL INTERPRETATION.—Except as otherwise provided by law, the Secretary shall interpret all Federal laws, Executive orders and regulations in a manner that will facilitate—

''(1) the inclusion of programs, services, functions, and activities (or portions thereof) and funds associated therewith, in the agreements entered into under this section;

''(2) the implementation of compacts and funding agreements entered into under this title; and

''(3) the achievement of tribal health goals and objectives.

''(b) REGULATION WAIVER.—

''(1) IN GENERAL.—An Indian tribe may submit a written request to waive application of a regulation promulgated under section 517 or the authorities specified in section 505(b) for a compact or funding agreement entered into with the Indian Health Service under this title, to the Secretary identifying the applicable Federal regulation sought to be waived and the basis for the request.

''(2) APPROVAL.—Not later than 90 days after receipt by the Secretary of a written request by an Indian tribe to waive application of a regulation for a compact or funding agreement entered into under this title, the Secretary shall either approve or deny the requested waiver in writing. A denial may be made only upon a specific finding by the Secretary that identified language in the regulation may not be waived because such waiver is prohibited by Federal law. A failure to approve or deny a waiver request not later than 90 days after receipt shall be deemed an approval of such request. The Secretary's decision shall be final for the Department.

''(c) ACCESS TO FEDERAL PROPERTY.—In connection with any compact or funding agreement executed pursuant to this title or an agreement negotiated under the Tribal Self-Governance Demonstration Project established under title III, as in effect before the enactment of the Tribal Self-Governance Amendments of 1999, upon the request of an Indian tribe, the Secretary—

''(1) shall permit an Indian tribe to use existing school buildings, hospitals, and other facilities and all equipment therein or appertaining thereto and other personal property owned by the Government within the Secretary's jurisdiction under such terms and conditions as may be agreed upon by the Secretary and the Indian tribe for their use and maintenance;

''(2) may donate to an Indian tribe title to any personal or real property found to be excess to the needs of any agency of the Department, or the General Services Administration, except that—

''(A) subject to the provisions of subparagraph (B), title to property and equipment furnished by the Federal Government for use in the performance of the compact or funding agreement or purchased with funds under any compact or funding agreement shall, unless otherwise requested by the Indian tribe, vest in the appropriate Indian tribe;

''(B) if property described in subparagraph (A) has a value in excess of $5,000 at the time of retrocession, withdrawal, or reassumption, at the option of the Secretary upon the retrocession, withdrawal, or reassumption, title to such property and equipment shall revert to the Department of Health and Human Services; and

''(C) all property referred to in subparagraph (A) shall remain eligible for replacement, maintenance, and improvement on the same basis as if title to such property were vested in the United States; and

''(3) shall acquire excess or surplus Government personal or real property for donation to an Indian tribe if the Secretary determines the property is appropriate for use by the Indian tribe for any purpose for which a compact or funding agreement is authorized under this title.

''(d) MATCHING OR COST-PARTICIPATION REQUIREMENT.—All funds provided under compacts, funding agreements, or grants made pursuant to this Act, shall be treated as non-Federal funds for purposes of meeting matching or cost participation requirements under any other Federal or non-Federal program.

''(e) STATE FACILITATION.—States are hereby authorized and encouraged to enact legislation, and to enter into agreements with Indian tribes to facilitate and supplement the initiatives, programs, and policies authorized by this title and other Federal laws benefiting Indians and Indian tribes.

''(f) RULES OF CONSTRUCTION.—Each provision of this title and each provision of a compact or funding agreement shall be liberally construed for the benefit of the Indian tribe participating in self-governance and any ambiguity shall be resolved in favor of the Indian tribe.

''SEC. 513. BUDGET REQUEST.

''(a) REQUIREMENT OF ANNUAL BUDGET REQUEST.—

''(1) IN GENERAL.—The President shall identify in the annual budget request submitted to Congress under section 1105 of title 31, United States Code, all funds necessary to fully fund all funding agreements authorized under this title, including funds specifically identified to fund tribal base budgets. All funds so appropriated shall be apportioned to the Indian

Health Service. Such funds shall be provided to the Office of Tribal Self-Governance which shall be responsible for distribution of all funds provided under section 505.

''(2) RULE OF CONSTRUCTION.—Nothing in this subsection shall be construed to authorize the Indian Health Service to reduce the amount of funds that a self-governance tribe is otherwise entitled to receive under its funding agreement or other applicable law, whether or not such funds are apportioned to the Office of Tribal Self-Governance under this section.

''(b) PRESENT FUNDING; SHORTFALLS.—In such budget request, the President shall identify the level of need presently funded and any shortfall in funding (including direct program and contract support costs) for each Indian tribe, either directly by the Secretary of Health and Human Services, under self-determination contracts, or under compacts and funding agreements authorized under this title.

''SEC. 514. REPORTS.

''(a) ANNUAL REPORT.—

''(1) IN GENERAL.—Not later than January 1 of each year after the date of enactment of the Tribal Self-Governance Amendments of 1999, the Secretary shall submit to the Committee on Indian Affairs of the Senate and the Committee on Resources of the House of Representatives a written report regarding the administration of this title.

''(2) ANALYSIS.—The report under paragraph (1) shall include a detailed analysis of the level of need being presently funded or unfunded for each Indian tribe, either directly by the Secretary, under self-determination contracts under title I, or under compacts and funding agreements authorized under this Act. In compiling reports pursuant to this section, the Secretary may not impose any reporting requirements on participating Indian tribes or tribal organizations, not otherwise provided in this Act.

''(b) CONTENTS.—The report under subsection (a) shall—

''(1) be compiled from information contained in funding agreements, annual audit reports, and data of the Secretary regarding the disposition of Federal funds; and

''(2) identify—

''(A) the relative costs and benefits of self-governance;

''(B) with particularity, all funds that are specifically or functionally related to the provision by the Secretary of services and benefits to self-governance Indian tribes and their members;

''(C) the funds transferred to each self-governance Indian tribe and the corresponding reduction in the Federal bureaucracy;

''(D) the funding formula for individual tribal shares of all headquarters funds, together with the comments of affected Indian tribes or tribal organizations, developed under subsection (c); and

''(E) amounts expended in the preceding fiscal year to carry out inherent Federal functions, including an identification of those functions by type and location;

''(3) contain a description of the method or methods (or any revisions thereof) used to determine the individual tribal share of funds controlled by all components of the Indian Health Service (including funds assessed by any other Federal agency) for inclusion in self-governance compacts or funding agreements;

''(4) before being submitted to Congress, be distributed to the Indian tribes for comment (with a comment period of no less than 30 days, beginning on the date of distribution); and

''(5) include the separate views and comments of the Indian tribes or tribal organizations.

''(c) REPORT ON FUND DISTRIBUTION METHOD.—Not later than 180 days after the date of enactment of the Tribal Self-Governance Amendments of 1999, the Secretary shall, after consultation with Indian tribes, submit a written report to the Committee on Resources of the House of Representatives and the Committee on Indian Affairs of the Senate that describes the method or methods used to determine the individual tribal share of funds controlled by all components of the Indian Health Service (including funds assessed by any other Federal agency) for inclusion in self-governance compacts or funding agreements.

''SEC. 515. DISCLAIMERS.

''(a) NO FUNDING REDUCTION.—Nothing in this title shall be construed to limit or reduce in any way the funding for any program, project, or activity serving an Indian tribe under this or other applicable Federal law. Any Indian tribe that alleges that a compact or funding agreement is in violation of this section may apply the provisions of section 110.

''(b) FEDERAL TRUST AND TREATY RESPONSIBILITIES.—Nothing in this Act shall be construed to diminish in any way the trust responsibility of the United States to Indian tribes and individual Indians that exists under treaties, Executive orders, or other laws and court decisions.

''(c) TRIBAL EMPLOYMENT.—For purposes of section 2(2) of the Act of July 5, 1935 (49 Stat. 450, chapter 372) (commonly known as the 'National Labor Relations Act'), an Indian tribe carrying out a self-determination contract, compact, annual funding agreement, grant, or cooperative agreement under this Act shall not be considered an employer.

''(d) OBLIGATIONS OF THE UNITED STATES.—The Indian Health Service under this Act shall neither bill nor charge those Indians who may have the economic means to pay for services, nor require any Indian tribe to do so.

''SEC. 516. APPLICATION OF OTHER SECTIONS OF THE ACT.

''(a) MANDATORY APPLICATION.—All provisions of sections 5(b), 6, 7, 102 (c) and (d), 104, 105 (k) and (l), 106 (a) through (k), and 111 of this Act and section 314 of Public Law 101–512 (coverage under chapter 171 of title 28, United States Code, commonly known as the 'Federal Tort Claims Act'), to the extent not in conflict with this title, shall apply to compacts and funding agreements authorized by this title.

''(b) DISCRETIONARY APPLICATION.—At the request of a participating Indian tribe, any other provision of title I, to the extent such provision is not in conflict with this title, shall be made a part of a funding agreement or compact entered into under this title. The Secretary is obligated to include such provision at the option of the participating Indian tribe or tribes. If such provision is incorporated it shall have the same force and effect as if it were set out in full in this title. In the event an Indian tribe requests such incorporation at the negotiation stage of a compact or funding agreement, such incorporation shall be deemed effective immediately and shall control the negotiation and resulting compact and funding agreement.

''SEC. 517. REGULATIONS.

''(a) IN GENERAL.—

''(1) PROMULGATION.—Not later than 90 days after the date of enactment of the Tribal Self-Governance Amendments of 1999, the Secretary shall initiate procedures under subchapter III of chapter 5 of title 5, United States Code, to negotiate and promulgate such regulations as are necessary to carry out this title.

''(2) PUBLICATION OF PROPOSED REGULATIONS.—Proposed regulations to implement this title shall be published in the Federal Register by the Secretary no later than 1 year after the date of enactment of the Tribal Self-Governance Amendments of 1999.

''(3) EXPIRATION OF AUTHORITY.—The authority to promulgate regulations under paragraph (1) shall expire 21 months after the date of enactment of the Tribal Self-Governance Amendments of 1999.

''(b) COMMITTEE.—

''(1) IN GENERAL.—A negotiated rulemaking committee established pursuant to section 565 of title 5, United States Code, to carry out this section shall have as its members only Federal and tribal government representatives, a majority of whom shall be nominated by and be representatives of Indian tribes with funding agreements under this Act.

''(2) REQUIREMENTS.—The committee shall confer with, and accommodate participation by, representatives of Indian tribes, inter-tribal consortia, tribal organizations, and individual tribal members.

''(c) ADAPTATION OF PROCEDURES.—The Secretary shall adapt the negotiated rulemaking procedures to the unique context of self-governance and the government-to-government relationship between the United States and Indian tribes.

''(d) EFFECT.—The lack of promulgated regulations shall not limit the effect of this title.

''(e) EFFECT OF CIRCULARS, POLICIES, MANUALS, GUIDANCES, AND RULES.—Unless expressly agreed to by the participating Indian tribe in the compact or funding agreement, the participating Indian tribe shall not be subject to any agency circular, policy, manual, guidance, or rule adopted by the Indian Health Service, except for the eligibility provisions of section 105(g) and regulations promulgated under section 517.

''SEC. 518. APPEALS.

''In any appeal (including civil actions) involving decisions made by the Secretary under this title, the Secretary shall have the burden of proof of demonstrating by clear and convincing evidence—

''(1) the validity of the grounds for the decision made; and

''(2) that the decision is fully consistent with provisions and policies of this title.

''SEC. 519. AUTHORIZATION OF APPROPRIATIONS.

''(a) IN GENERAL.—There are authorized to be appropriated such sums as may be necessary to carry out this title.

''(b) ASSUMPTION OF NEW OR EXPANDED PROGRAMS.—

''(1) IN GENERAL.—Notwithstanding any other provision of law, in fiscal year 2000 the Secretary may enter into contracts, compacts, or annual funding agreements with an Indian tribe or tribal organization to operate a new or expanded program, service, function, or activity of the Indian Health Service pursuant to the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450 et seq.) only if—

''(A) and to the extent that, sufficient contract support costs are appropriated and are specifically earmarked for the assumption of new or expanded programs, functions, services, or activities; and

''(B) the Indian Health Service determines that the percentage of contract support costs provided to existing contractors will not be reduced as a result of the assumption of any new or expanded programs, functions, services, or activities under this title.

''(2) RULE OF CONSTRUCTION.—Nothing in this subsection shall be construed to affect the allocation of funds other than contract support cost funds.''.

SEC. 5. TRIBAL SELF-GOVERNANCE DEPARTMENT.

The Indian Self-Determination and Education Assistance Act (25 U.S.C. 450 et seq.) is amended by adding at the end the following:

''TITLE VI—TRIBAL SELF-GOVERNANCE—DEPARTMENT OF HEALTH AND HUMAN SERVICES

''SEC. 601. DEFINITIONS.

''(a) IN GENERAL.—In this title, the Secretary may apply the definitions contained in title V.

''(b) OTHER DEFINITIONS.—In this title:

''(1) AGENCY.—The term the term 'agency' means any agency or other organizational unit of the Department of Health and Human Services, other than the Indian Health Service.

''(2) SECRETARY.—The term 'Secretary' means the Secretary of Health and Human Services.

"SEC. 602. DEMONSTRATION PROJECT FEASIBILITY.

''(a) STUDY.—The Secretary shall conduct a study to determine the feasibility of a tribal self-governance demonstration project for appropriate programs, services, functions, and activities (or portions thereof) of the agency.

''(b) CONSIDERATIONS.—In conducting the study, the Secretary shall consider—

''(1) the probable effects on specific programs and program beneficiaries of such a demonstration project;

''(2) statutory, regulatory, or other impediments to implementation of such a demonstration project;

''(3) strategies for implementing such a demonstration project;

''(4) probable costs or savings associated with such a demonstration project;

''(5) methods to assure quality and accountability in such a demonstration project; and

''(6) such other issues that may be determined by the Secretary or developed through consultation pursuant to section 603.

''(c) REPORT.—Not later than 18 months after the date of enactment of this title, the Secretary shall submit a report to the Committee on Indian Affairs of the Senate and the Committee on Resources of the House of Representatives. The report shall contain—

''(1) the results of the study under this section;

''(2) a list of programs, services, functions, and activities (or portions thereof) within each agency with respect to which it would be feasible to include in a tribal self-governance demonstration project;

''(3) a list of programs, services, functions, and activities (or portions thereof) included in the list provided pursuant to paragraph (2) that could be included in a tribal self-governance demonstration project without amending statutes, or waiving regulations that the Secretary may not waive;

''(4) a list of legislative actions required in order to include those programs, services, functions, and activities (or portions thereof) included in the list provided pursuant to paragraph (2) but not included in the list provided pursuant to paragraph (3) in a tribal self-governance demonstration project; and

''(5) any separate views of tribes and other entities consulted pursuant to section 603 related to the information provided pursuant to paragraphs (1) through (4).

"SEC. 603. CONSULTATION.

''(a) STUDY PROTOCOL.—

''(1) CONSULTATION WITH INDIAN TRIBES.—The Secretary shall consult with Indian tribes to determine a protocol for consultation under subsection (b) prior to consultation under such subsection with the other entities described in such subsection.

''(2) REQUIREMENTS FOR PROTOCOL.—The protocol shall require, at a minimum, that—

''(A) the government-to-government relationship with Indian tribes forms the basis for the consultation process;

''(B) the Indian tribes and the Secretary jointly conduct the consultations required by this section; and

''(C) the consultation process allows for separate and direct recommendations from the Indian tribes and other entities described in subsection (b).

''(b) CONDUCTING STUDY.—In conducting the study under this title, the Secretary shall consult with Indian tribes, States, counties, municipalities, program beneficiaries, and interested public interest groups, and may consult with other entities as appropriate.

"SEC. 604. AUTHORIZATION OF APPROPRIATIONS.

''There are authorized to be appropriated for fiscal years 2000 and 2001 such sums as may be necessary to carry out this title. Such sums shall remain available until expended.''.

SEC. 6. AMENDMENTS CLARIFYING CIVIL PROCEEDINGS.

(a) BURDEN OF PROOF IN DISTRICT COURT ACTIONS.—Section 102(e)(1) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450f(e)(1)) is amended by inserting after ''subsection (b)(3)'' the following: ''or any civil action conducted pursuant to section 110(a)''.

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall apply to any proceedings commenced after October 25, 1994.

SEC. 7. SPEEDY ACQUISITION OF GOODS, SERVICES, OR SUPPLIES.

Section 105(k) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450j(k)) is amended—

(1) by striking ''deemed an executive agency'' and inserting ''deemed an executive agency and part of the Indian Health Service''; and

(2) by adding at the end the following: ''At the request of an Indian tribe, the Secretary shall enter into an agreement for the acquisition, on behalf of the Indian tribe, of any goods, services, or supplies available to the Secretary from the General Services Administration or other Federal agencies that are not directly available to the Indian tribe under this section or any other Federal law, including acquisitions from prime vendors. All such acquisitions shall be undertaken through the most efficient and speedy means practicable, including electronic ordering arrangements.

SEC. 8. PATIENT RECORDS.

Section 105 of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450j) is amended by adding at the end the following:

''(o) PATIENT RECORDS.—

''(1) IN GENERAL.—At the option of an Indian tribe or tribal organization, patient records may be deemed to be Federal records under those provisions of title 44, United States Code, that are commonly referred to as the 'Federal Records Act of 1950' for the limited purposes of making such records eligible for storage by Federal Records Centers to the same extent and in the same manner as other Department of Health and Human Services patient records.

''(2) TREATMENT OF RECORDS.—Patient records that are deemed to be Federal records under those provisions of title 44, United States Code, that are commonly referred to as the 'Federal Records Act of 1950' pursuant to this subsection shall not be considered Federal records for the purposes of chapter 5 of title 5, United States Code.''.

SEC. 9. RECOVERY ACTIONS.

Section 105 of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450j) is amended by adding at the end the following:

''(p) RECOVERY ACTIONS.—

''(1) CREDITING OF FACILITY ACCOUNTS.—All funds recovered under the first section of Public Law 87-693 (42 U.S.C. 2651) that are related to health care provided by a tribally-administered facility or program of the Indian Health Service, whether provided before or after the facility's or program's transfer to tribal administration, shall be credited to the account of the facility or program providing the service and shall be available without fiscal year limitation.

''(2) TREATMENT OF TRIBES AND ORGANIZATIONS.—For purposes of the first section of Public Law 87-693 (42 U.S.C. 2651), an Indian tribe or tribal organization carrying out a contract, compact, grant, or cooperative agreement pursuant to this Act shall be deemed to be the United States and shall have the same right to recover as the United States for the reasonable value of past or future care and treatment provided under such contract, compact, grant, or cooperative agreement. Nothing in this paragraph shall be construed to affect a tribe's or tribal organization's right to recover under any other applicable Federal, State, or tribal law.''.

SEC. 10. ANNUAL REPORTS.

Section 106 of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450j-1) is amended—

(1) by redesignating subsections (c) through (n) as subsections (d) through (o), respectively; and

(2) by inserting after subsection (b), the following:

''(c) ANNUAL REPORTS.—Not later than May 15 of each year, the Secretary shall prepare and submit to Congress an annual report on the implementation of this Act. Such report shall include—

''(1) an accounting of the total amounts of funds provided for each program and the budget activity for direct program costs and contract support costs of tribal organizations under self-determination;

''(2) an accounting of any deficiency in funds needed to provide required contract support costs to all contractors for the fiscal year for which the report is being submitted;

''(3) the indirect cost rate and type of rate for each tribal organization that has been negotiated with the appropriate Secretary;

''(4) the direct cost base and type of base from which the indirect cost rate is determined for each tribal organization;

''(5) the indirect cost pool amounts and the types of costs included in the indirect cost pool; and

''(6) an accounting of any deficiency in funds needed to maintain the preexisting level of services to any Indian tribes affected by contracting activities under this Act, and a statement of the amount of funds needed for transitional purposes to enable contractors to convert from a Federal fiscal year accounting cycle, as authorized by section 105(d).''.

SEC. 11. REPEAL.

(a) IN GENERAL.—Title III of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450f note) is repealed.

(b) EFFECTIVE DATE.—This section shall take effect on October 1, 1999.

SEC. 12. SAVINGS PROVISION.

Funds appropriated for title III of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450f note) shall be available for use under title V of such Act.

AMENDMENT NO. 2922

Mr. KYL. Mr. President, Senator CAMPBELL has a substitute amendment at the desk, and I ask for its consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Arizona [Mr. KYL], for Mr. CAMPBELL, proposes an amendment numbered 2922.

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

Mr. KYL. Mr. President, I ask unanimous consent that the amendment be agreed to.

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

The amendment (No. 2922) was agreed to.

Mr. KYL. Mr. President, I ask unanimous consent that the committee amendment, as amended, be agreed to, and the bill be read for the third time.

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

The committee amendment, as amended, was agreed to.

The bill (S. 979), as amended, was read the third time.

Mr. CAMPBELL. Mr. President, I am pleased that today the Senate will pass S. 979, a bill to make permanent the Self-Governance in Health Care Demonstration Project that was begun in 1994.

After numerous hearings by the Committee on Indian Affairs and months of

negotiations aimed at getting consensus on this legislation, the Senate has voted to continue and expand the successful Self-Governance in Health Care pilot that has proven so helpful in improving the health care of Native people and in assisting tribes in the development of their governments and economies.

I thank and acknowledge Senator GORTON and his staff for their efforts in helping to iron out the differences that stood in the path of agreement on this bill.

I am hopeful this legislation will make its way to the President in short order for his favorable consideration.

Mr. MCCAIN. Mr. President, I am pleased the Senate will pass H.R. 1167, the Tribal Self-Governance Amendments of 1999. This legislation is the culmination of years of work by the Indian Affairs Committee, Indian tribes and the Indian Health Service, IHS, to make permanent the successful tribal self-governance demonstration program.

Since its inception, tribes have enthusiastically embraced the self-governance program because it allows them to assume greater control over health care programs and services which are now provided by the IHS. Tribal self-governance has succeeded because it respects the special trust relationship between Indian tribes and the United States. It puts into practice the principles of government-to-government relations and tribal sovereignty. It allows increased tribal flexibility and transfers control from federal bureaucrats to tribal governments who are closer to the people they serve.

I thank my colleague Senator CAMPBELL for his leadership in fostering an agreement on final legislative language for this bill and for adding legislative provisions which will designate an Assistant Secretary for Indian Health within the Department of Health and Human Services. The proposal to designate a new Assistant Secretary position primarily for Indian health policy is one that enjoys unanimous support by the tribal community, bipartisan support by Congress, and is also endorsed by the Administration.

The tribal self-governance bill is critically important to Indian country because it will finally put into place permanent authority for Indian tribes to directly manage their own health care programs. With the passage of the IHS elevation bill as part of this legislation, we can make progress for improved health conditions for Indian people nationwide.

Many of my colleagues may not realize that the year 2000 marks the 30th anniversary of the inception of the Indian self-determination policy, ending the era of failed Federal policies of termination and paternalism. A few days ago, I joined my colleagues, Senators CAMPBELL and JOHNSON, in sponsoring S. Res. 277 commemorating this important policy. In continuation of building upon the fundamental tenets of tribal self-determination, I encourage my colleagues on both sides of the aisle to move quickly to send this bill to the President.

Mr. KYL. Mr. President, I ask unanimous consent that the Senate proceed to Calendar No. 419, H.R. 1167, the House companion measure. I further ask unanimous consent that all after the enacting clause be stricken and the text of S. 979, as amended, be inserted in lieu thereof, and the bill, as amended, be read a third time and passed.

I also ask unanimous consent that the Senate then insist on its amendment and request a conference with the House.

Finally, I ask unanimous consent that S. 979 be placed on the calendar.

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

The bill (H.R. 1167), as amended, was read the third time and passed.

ORDERS FOR WEDNESDAY, APRIL 5, 2000

Mr. KYL. Mr. President, I ask unanimous consent that when the Senate completes its business today, it adjourn until the hour of 9:30 a.m. on Wednesday, April 5. I further ask unanimous consent that on Wednesday, immediately following the prayer, the Journal of proceedings be approved to date, the morning hour be deemed expired, the time for the two leaders be reserved for their use later in the day, and the Senate then resume consideration of S. Con. Res. 101, the budget resolution.

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

PROGRAM

Mr. KYL. Mr. President, for the information of all Senators, the Senate will begin debate on the budget resolution at 9:30 a.m. tomorrow. The time until 11 a.m. will be equally divided for debate on the pending Robb and Hutchison amendments. Votes on those amendments will be back to back at 11 a.m.

Further, amendments will be offered throughout the day and votes are possible into the evening. There are approximately 20 hours of debate remaining on the resolution, and it is hoped action on this resolution can be completed by Thursday night or Friday morning of this week.

ORDER FOR ADJOURNMENT

Mr. KYL. 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 KERREY of Nebraska, Senator LEVIN, and Senator HARKIN, to be subtracted from the overall time relating to the budget resolution.

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

The Senator from the great State of Nebraska.

NUCLEAR WEAPONS

Mr. KERREY. Mr. President, the Department of Defense announced about 2 weeks ago that they are going to delay a critical feasibility test of an interceptor which would protect the United States from a ballistic missile attack. This delay, it should be noted, will give Congress and the President some additional breathing room before we begin the debate to deploy a missile defense system. It may even mean the final decision on deployment may not occur until after the November Presidential election, as many have urged already.

However, I believe, we should use this opportunity to consider anew the threats which the United States faces as a consequence of nuclear weapons. The approximately $25 billion missile defense system being contemplated is in response to a threat that does not exist today but very assuredly could if nations such as North Korea, Iran, or Iraq continue to develop their weapons of mass destruction programs. Under estimates provided to us by the CIA's National Intelligence Estimates and a panel of experts headed by Mr. Donald Rumsfeld we have been alerted to, the possibility exists that these countries could have weapons of mass destruction and the means to deliver them to the United States within 5 years. It is this potential threat, along with a possible accidental or unauthorized launch by Russia, that justifies the attempt to build an effective missile defense system.

Three facts should be understood before proceeding further. First, this system is not the original Star Wars proposal of President Reagan. In other words, it is not a system which would protect us against a massive attack by Russia, a threat we now believe no longer exists. Second, the annual costs to build and maintain this new system would be in addition to the estimated $15 to $25 billion annual costs of the nuclear arsenal we maintain against the old threat of the Soviet Union. Third, the deterrent argument we used during the cold war was based on the rational presumption that the Soviet Union would never attack us if they knew that an attack would result in the destruction of their nation. However, we cannot presume rational behavior from North Korea, Iraq, Iran, or potential terrorists will be the order of the day. We presume they would be willing to suffer the consequences of retaliation to do terrible damage to the United States of America.

A scenario which imagines such an attack quickly justifies the investment in missile defenses. Even one relatively small nuclear weapon which North Korea, Iran, Iraq, or a non-nation-state terrorist could launch at the United States would inflict more damage than

the largest natural disaster our country has ever experienced. An unauthorized or accidental launch by Russia would be a catastrophe that could kill millions and inflict grave economic and psychological damage to our country.

Such a scenario is part of the new world of threats where even, or perhaps especially, the United States, the nation with the largest and most deadly nuclear arsenal, is at risk and can be held hostage to the threats made by otherwise insignificant world leaders. This truth increases the appetite of a few to command even a relatively crude and small nuclear weapon as well as a delivery system to hit us. A strong offensive nuclear capability is not a deterrent because of the irrational behavior of someone who hates and wants to hurt us. Nor was our strong offense a deterrent to India and Pakistan first testing nuclear weapons and then threatening each other with possible first use.

We have come a long ways since the beginning of the nuclear age a half century ago. I recently went to the web page of Gen. Paul Tibbets and read his account of the 6-hour flight on August 6, 1945, that dropped the first atomic bomb on Hiroshima, Japan. The 86-year-old Tibbets was the pilot of the B–29 called *Enola Gay* that dropped the atomic bomb, a uranium core device with a 15 kiloton yield nicknamed Little Boy. Three days later a second atomic bomb nicknamed Fat Boy, on account of its plutonium core, was dropped from another B–29 on Nagasaki. The two violent detonations contributed to Japan's unconditional surrender on August 14, 1945.

Before I go further, I must declare that I am not an impartial observer of these bombings. My father became part of an occupation force rather than the invasion force, which had been planned for September of 1945. His brother was captured by the Japanese on the Bataan peninsula of Luzon, Philippines, and was killed just days before American forces began the second battle of the Philippines, one of the bloodiest battles of the war. So I am on the side of those who believe President Truman made the right decision. I simply cannot and will not revise history to reach any other conclusion.

Still, the civilian deaths caused by those two bombs shock and sicken all who have examined the aftermath of just two atomic detonations. So shocking are the stories that during the 50 years that followed, no American Commander in Chief has ever used these weapons again. Even when a good argument could be made for their effectiveness in saving military and civilian lives by shortening and winning wars, the ''bomb'' was not used.

Indeed, as the recent NATO operation against Yugoslavia demonstrated, today's military planners and their political bosses measure the benefits of using conventional weapons against the potential moral and political losses associated with even unintended civilian casualties. Thus has the experience of Hiroshima and Nagasaki become a real and powerful deterrent against the use by the United States of nuclear weapons.

This makes it all the more surprising that both the United States and Russia continue to maintain, on hair-trigger alert, huge stockpiles of vastly more powerful and more accurate strategic nuclear weapons than those used 56 years ago this summer. To understand why, we must trace the arguments used since 1945 for the development of our nuclear arsenal. For the first 20 years or so of the cold war, nuclear weapons were seen as an inexpensive alternative to unacceptably high levels of conventional forces that would have been needed to deter a belligerent Soviet Union with an open ambition for more territory in Europe. As the Soviet Union built up its own nuclear capability a new argument—the need to deter a bolt out of the blue attack—eclipsed the old.

But, today, neither the Russian conventional or nuclear forces are the threat they once were. Today, we are not fearful of an intentional attack on Europe with conventional forces or a nuclear attack on the United States. Today's threat is that a nuclear weapon could be launched accidentally or without the authorization of the democratically elected Russian President. Today's threat also includes the possibility that Russian technology or materials could be purchased by nations like Iran that have indicated their desire to become a nuclear nation. Finally, today's threat assessment also includes the possibility that Russian elections could once again produce a more dangerous leader whose intentions were less trustworthy.

Even with all of these factors considered, I believe our current inventory of strategic nuclear weapons is much larger than what is needed to keep America safe today and in the foreseeable future. This larger inventory forces the Russians to maintain an inventory larger than they can control—which in turn increases the risk of accidental or unauthorized launches and decreases the effectiveness of missile defense. And this larger inventory diverts much needed resources from the modernization of our conventional forces, which we are much more likely to be using in the future.

Consider the arsenal currently available to our President. Our Commander in Chief could order the launch of 500 Minutemen III and 50 Peacekeeper missiles in the land-based arsenal. The bulk of the Minutemen III missiles are armed with three 170 to 335 kilotons warheads. The 50 Peacekeeper missiles are each armed with 10, individually targetable warheads with a yield of 300 kilotons each. These land-based missiles would produce 2,000 nuclear detonations each of which each would be 10 to 20 times larger than the Hiroshima bomb.

At sea, our President commands 18 Ohio-class submarines. These are the ultimate in survivability, able to stay undetected at sea for long periods of time. As such, our submarine force must give pause to any potential aggressor. Eight of these boats carry 24 C–4 missiles. Each of these missiles are loaded with 8 warheads with 100 kilotons of yield. The other 10 subs carry 24 of the updated D–5 missiles. These missiles also are equipped with 8 warheads with varying degrees of yield from 100 to 475 kilotons. Again, if the President launched all the missiles in the submarine arsenal he would produce 3,500 detonations.

In the air, the President commands a strategic bomber force which includes both the B–2 and B–52 bombers. These bombers, in total, have the capacity to carry about 1,700 warheads via nuclear bombs and air launched cruise missiles.

Our land-based force can deliver approximately 2,000 warheads on over 500 delivery vehicles with a total yield of about 550 megatons. Our sea-based force can deliver over 3,000 warheads on over 400 delivery vehicles for a total yield of approximately 490 megatons. Our air-based force can deliver 1,700 warheads on approximately 90 delivery vehicles with a yield of 820 megatons. In total, this is about 7,000 warheads with a total yield of over 1,800 megatons.

Russia has a similarly deadly force, but with an increasing inability to modernize or maintain these weapons. Because of this, I remain hopeful that President Putin's election will improve the chances of the Russian Duma ratifying START II sometime this spring. But even under START II, the United States and Russia will each maintain in excess of 3,000 warheads at the end of 2007. While both sides hope to quickly follow ratification of START II with a START III agreement, U.S. negotiators have insisted on maintaining approximately 2,500 warheads per side. This comes despite strong indications that within a matter of years Russia will not be able to maintain a force of more than a few hundred weapons and an offer from Russian negotiators that START III focus on warhead levels of approximately 1,500.

I think it is fair for the American people to ask why. Why, when the Russians have indicated a willingness to go lower, are we insisting on keeping so many strategic nuclear warheads? I think the answer can be found in the way in which we target our nuclear weapons. The United States nuclear blueprint of targets and targeting assignments are contained in a highly classified plan known as the Single Integrated Operational Plan, or SIOP. To understand our nuclear policy, one must understand how the SIOP drives nuclear force levels. Because the SIOP is highly classified, I cannot describe it in public.

But I can say that targeting strategies have changed a lot since Hiroshima. The variables which dictate

changes have been arms control agreements, perception of today's threat, and estimation of tomorrow's. Understanding the history of U.S. nuclear policy may help explain the rationale for the targeting plan.

In the beginning, we had a letter from Albert Einstein to then-President Franklin Roosevelt in 1939. In this letter, Einstein alerted Roosevelt of the potential of nuclear chain reactions and warned him about Nazi Germany's efforts to monopolize the necessary uranium. Einstein also urged the President to foster ties between the Government and scientists working in the area of atomic research. As a result of Einstein's letter, Roosevelt authorized a study of the potential of atomic power. But it was not until the U.S. entered World War II that Roosevelt formalized the Government's participation in this new area of science. The result was the creation of the Manhattan Project. The Manhattan Project was a monumental undertaking that employed over 200,000 men and women at a cost of $20 billion in today's inflation-adjusted dollars. Ultimately, it was successful in creating the world's first atomic bombs, whose devastating impact helped end the Second World War in the Pacific.

The second phase of our effort was the strategic bombing phase. Having created this powerful new weapon, and as the cold war began, U.S. policymakers faced the task of deciding how to incorporate these weapons into the U.S. arsenal and under what circumstances they should be used. Our initial policy was based on the concept of strategic bombing, which mirrored our strategy during the Second World War. Early plans called for the targeting of urban industrial centers—not unlike Hiroshima and Nagasaki—and specifically targeted 34 bombs on 24 Soviet cities. Given the fact that Japan had surrendered following the use of just two bombs, this was thought sufficient to devastate the Soviet Union under any circumstance.

The third phase of our planning was called massive retaliation because in 1949 the U.S. approach to nuclear weapons had to be reconsidered following reports that the Soviet Union had acquired a nuclear weapons capability of their own. From this point on, U.S. policymakers had to consider Soviet nuclear sites in targeting and had to be able to deal with the fact that for the fist time Americans lived under the threat of a nuclear attack.

Into the 1950s U.S. nuclear policy continued to develop. By the Eisenhower administration, the U.S. nuclear arsenal had greatly increased in numbers, but we had adopted a policy of massive retaliation. This policy stated that an attack by the Soviet Union would result in an instant, all-out U.S. nuclear response. The greater reliance on nuclear weapons allowed the United States to decrease its commitment to conventional weapons and keep defense spending in check.

The next phase is what was called flexible response. It occurred because the number of nuclear weapons needed to maintain this policy increased significantly as U.S. intelligence improved its ability to identify Soviet targets. As a result of the expansion of possible targets, there was an increased demand for nuclear weapons. Toward the end of the Eisenhower administration, policymakers began to recognize the need to create greater flexibility in the U.S. nuclear strategy.

During the last months of the Eisenhower administration and into the Kennedy administration, the focus shifted to creating a flexible response strategy that would allow the President to respond to Soviet provocation through a range of options—not simply an all-out attack. The result of this effort was the creation of the SIOP. The original SIOP, SIOP–62, embodied the policy of massive retaliation. It contained one plan in which the United States would launch all of its nuclear weapons in a single attack. SIOP–62 targeted every city in the Soviet Union and China with an estimated 360 to 425 million civilian casualties.

When President Kennedy entered office, he immediately called for a change in the SIOP to reflect the policy of flexible response. As a result, SIOP–63 included limited nuclear responses and negotiating pauses as a part of the overall nuclear strategy. SIOP–5 and SIOP–6 continued the trend toward increasing flexibility by creating a wider range of nuclear targeting and response options. While the various SIOPs were successful in creating greater options for the President, they also helped to create a phenomenon in which the number of nuclear weapons were increased dramatically.

As the SIOP sought to create an inclusive list of Soviet targets, weapons were manufactured and assigned to those targets. As intelligence gathering capabilities grew, the number of targets were also increased. Furthermore, as the Soviets created more weapons to target our weapons, the U.S. would increase our arsenal to match. The result was a classic arms race. According to a recent book called Atomic Audit, edited by Stephen Schwartz, this process was further escalated when in 1974 Secretary of Defense James Schlesinger ordered that U.S. nuclear forces ''be able to destroy 70% of the Soviet industry that would be needed to achieve economic recovery in the event of a large-scale strategic nuclear exchange.'' This order was mistakenly thought to mean that 70% of each individual factory or industrial unit would have to be destroyed rather than 70% of the overall production capability. In order to achieve assurance of 70% destruction, each target was often assigned multiple warheads, thus increasing the nuclear arms spiral.

Near the height of this nuclear buildup, a remarkable thing occurred: communism collapsed in Eastern Europe and the Soviet Union. Many people assume that the end of the Cold War has caused the United States to fundamentally rethink the SIOP. However, most of the changes appear to have occurred at the margin and have not involved fundamentally rethinking in the face of democratic changes in Russia. Open sources estimate the number of Russian targets in the SIOP have been reduced from a Cold War high of approximately 11,000 to around 2,000. The current SIOP—SIOP–99 which went into effect in October 1998—also includes approximately 500 non-Russian targets.

While the reduction in number of targets has allowed us to make reductions in our nuclear arsenal, too many of the underpinnings of our nuclear policy are still based on Cold War thinking. Our planners still assume that deterrence requires the capability of hitting as many as 2,000 targets in a democratic Russia.

Our nuclear policy should recognize that the Cold War is over and should recognize that Russia has completed its third democratic Presidential election. It should recognize that we are less safe—if by keeping more weapons than we need to defend ourselves—we force Russia to keep more weapons than they can control. Furthermore, we are less safe if by keeping more than we need, we encourage new nuclear nations like India and Pakistan. And we are less safe if all of this activity both justifies and makes possible the acquisition of nuclear weapons by rogue nations or terrorist non-nation-state groups.

Most importantly our strategy should acknowledge that we have a moral deterrent that makes it unlikely that a U.S. President would order the first use of nuclear weapons. Since the dollars needed to maintain our nuclear arsenal could be used to support military programs our President is likely to use, this factor has much more significance than we have been giving it.

It is time for us to re-examine both our nuclear deterrent needs and the way in which we target our weapons to better reflect the realities of a post-Cold War world. We must realize the end of the Cold War and the rapid pace of globalization is changing both the nature and the source of today's threats. The world is still dangerous; nuclear threats still exist and will require us to maintain an overwhelming deterrent capability. But that capability must recognize what the world looks like today and what it will look like in 2005 and in 2010, not what it looked like in 1950 or in 1970 or even 1989.

Just as Rip Van Winkle awoke to find his world had completely changed while he was asleep, we too must realize that in less than a decade our world has been completely transformed. The time to readjust our world view, to transform our nuclear policies, and to work cooperatively with a democratic Russia is now.

I believe the numbers of highly accurate, deadly and survivable nuclear weapons needed to protect the United States today and in the future is in the 1,000 to 1,500 range, considerably less than either the 6,000 permitted under START I which has been ratified by the United States and Russia, or the 3,000 permitted after 2007 under START II, which the Russian Duma may yet ratify this year. I believe both common sense and careful evaluation of targeting requirements would support going to this lower number much more rapidly than we will under the START process. I believe such a reduction would make it far more likely we would succeed in reducing the growing threat of nuclear proliferation and the growing desire of non-nuclear nations to go nuclear. Finally, I believe such a reduction would increase the chances of getting Russia to cooperate with the deployment of a missile defense system that would benefit both them and us.

Mr. President, regardless of whether or not my colleagues agree with this assessment I hope they will agree that the status quo modified with improved defenses is a strategy which will increase the risk that the world will experience a third hostile nuclear detonation, and that this time the detonation could occur in our country.

I yield the floor.

The PRESIDING OFFICER. The Senator from Iowa.

Mr. HARKIN. Mr. President, I ask unanimous consent to speak as in morning business for up to 10 minutes.

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

THE BUDGET RESOLUTION

Mr. HARKIN. Mr. President, our economy is in great shape: 108 months of economic growth; unemployment has been near 4 percent for some time; economic growth is doing very well; productivity is breaking all recent records; incomes of average Americans are finally growing again, and inflation, outside of gasoline, is low. I think we ought to take advantage of our situation by paying off the publicly held debt while times are good.

The President proposes that we should plan on doing that by 2013, just the point when large numbers of the post-World War II baby boomers are reaching 65. That way we shore up the capacity to be able to repay the bonds that have been going to the Social Security trust fund.

I also believe we should use the surplus to put the Medicare trust fund on a sound footing for the long term. We should also be providing for a prescription drug benefit. It is wrong that many modest-income seniors do not have the ability to buy the drugs they need for their health care.

I would also like to see the expenditures made to cover the costs of our veterans' health, increased medical research, increased funds for education, and for day care. These are some key priorities.

Clearly, however, the No. 1 priority presented by the majority in the budget resolution before us is to cut taxes for the wealthy. When you add the interest costs from failing to reduce the debt, the $150 billion cut in taxes that is in the budget resolution before us uses up 98 percent of the non-Social Security surplus. That assumes cutting some nondefense discretionary spending. If you take the $150 billion tax cut that is in the budget, and if you don't cut spending on the discretionary side, that tax cut actually eats up over 100 percent of the non-Social Security surplus. So in order to get the $150 billion cut in taxes, the Republican majority on the Budget Committee actually had to cut spending in a number of areas. Even with that cut, that $150 billion tax cut uses up 98 percent of that surplus. There is virtually nothing left over for improving the health of the Social Security trust fund or the Medicare trust fund. There is very little chance to provide for a Medicare prescription drug benefit. It is going to be very difficult, if not impossible, to provide increases for education, medical research, veterans' health, money to fight crime, and other priorities without eroding the Social Security surplus.

Personally, I would like to see us give some tax relief to younger families with modest incomes trying to raise their children, to families with considerable child care expenses, to families who have expenses caring for aging parents. I would like to reduce the penalty of higher taxes when two people marry and both work.

The Democratic budget we have offered provides for many of those targeted tax cuts while still meeting the other needs such as for health care and fighting crime and medical research.

I would like to pay for tax cuts by eliminating some of the outrageous loopholes in the Tax Code that allow huge multinational corporations to escape paying their fair share of taxes. I would like to see some loopholes closed that allow some of the wealthy to escape paying their fair share. That, unfortunately, does not appear to be the will of the Republican majority on the Budget Committee. It certainly was not their will when they passed out the budget resolution on a straight party-line vote. So I will be offering an amendment that says if we are going to enact—if we are, and if it is the will of the majority party to enact the $150 billion in tax cuts mandated by the budget; and that was the same sum agreed to in the House by, I might add, a narrow 4 vote margin—I want to have the Senate go on record that whatever tax cuts are passed follow a very simple rule: that those at the highest level of income—the top 1 percent—not receive more than 1 percent of the tax cuts. I will be offering an amendment that essentially says it is the sense of the Senate that if we do have a tax cut, no more than 1 percent of the tax cut benefits can go to the top 1 percent income earners.

Doesn't that sound fair? If you are in the top 1 percent, maybe you ought to get 1 percent of the cuts. Who is at that level of income? Well, those who are making what is now estimated to be more than $317,000 per year. This group, on average, makes $915,000 a year. So the average income of the top 1 percent income earners in America is $915,000 a year. I believe it is clear that people at this income level do not need a large tax cut, while many working families are in far greater need.

So I hope the Senate will go on record saying that we have a limit on any tax cut, that those at the very top are receiving no more than 1 percent of the benefits, and let's give the middle class their fair share of the tax break.

I have a chart that I think provides some illustration. First, we have the George Bush tax cut proposal. Let's look at how the benefits of that proposal work. It is a very large cut. But under this Bush plan, as estimated by Citizens For Tax Justice, the bottom 20 percent of the taxpayers get 0.6 percent of the tax cuts, less than 1 percent. The next 20 percent get about 3 percent of the tax cuts. The next 20 percent get about 7.4 percent of the tax cuts. The fourth one—those who make, on average, about $50,000 a year—gets 15.4 percent of the tax benefits. But here is where we really have to look, out here on this end. Those in the top 1 percent, making over $319,000 a year—and they average about $915,000 a year—these folks in ''need'' get about 37 percent of the benefits. They get a higher percentage than anybody else and, in dollar amounts, they get about $50,000 a year in tax breaks.

So, again, this is what we are facing. Why do people in the upper 1 percent need this kind of a tax break? I don't hear it from them. I must admit, I know some people in that bracket. I have some good friends who make that kind of money. They are good Americans and they invest a lot of money. A lot of them work very hard, and they employ people. I have yet to have one of them tell me they need this tax cut. In fact, I have had a number of them say: What are you doing? Pay off the public debt; don't give us a tax break. Pay off the public debt. That would do more for ensuring the economic health of this country than giving the top 1 percent that kind of a tax break.

Well, that is why I want to offer this amendment. It is very simple. It provides that the top 1 percent of taxpayers should not get any more than 1 percent of the tax cuts—net. After all, the bottom 20 percent gets less than 1 percent of the tax cuts. Why should the top 1 percent get 37 percent?

So my amendment says if you are in that top 1 percent, you should not get more than 1 percent of the tax breaks. So if you are for tax fairness, if you want to give the middle-class Americans their fair share of tax relief, then I ask for your support of this commonsense amendment.

Mr. President, I yield the floor.

ADJOURNMENT UNTIL 9:30 A.M. TOMORROW

The PRESIDING OFFICER. Under the previous order, the Senate stands adjourned until the hour of 9:30 a.m., April 5, 2000.

Thereupon, the Senate, at 6:56 p.m., adjourned until Wednesday, April 5, 2000, at 9:30 a.m.

NOMINATIONS

Executive nominations received by the Senate April 4, 2000:

UNITED STATES INSTITUTE OF PEACE

BARBARA W. SNELLING, OF VERMONT, TO BE A MEMBER OF THE BOARD OF DIRECTORS OF THE UNITED STATES INSTITUTE OF PEACE FOR A TERM EXPIRING JANUARY 19, 2001, VICE DENNIS L. BARK, TERM EXPIRED.

CORPORATION FOR NATIONAL AND COMMUNITY SERVICE

ROBERT B. ROGERS, OF MISSOURI, TO BE A MEMBER OF THE BOARD OF DIRECTORS OF THE CORPORATION FOR NATIONAL AND COMMUNITY SERVICE FOR A TERM EXPIRING OCTOBER 6, 2001, VICE MARLEE MATLIN, TERM EXPIRED.

CAROL W. KINSLEY, OF MASSACHUSETTS, TO BE A MEMBER OF THE BOARD OF DIRECTORS OF THE CORPORATION FOR NATIONAL AND COMMUNITY SERVICE FOR A TERM OF ONE YEAR. (NEW POSITION)

NATIONAL SCIENCE FOUNDATION

JANE LUBCHENCO, OF OREGON, TO BE A MEMBER OF THE NATIONAL SCIENCE BOARD, NATIONAL SCIENCE FOUNDATION FOR A TERM EXPIRING MAY 10, 2006. (REAPPOINTMENT)

WARREN M. WASHINGTON, OF COLORADO, TO BE A MEMBER OF THE NATIONAL SCIENCE BOARD, NATIONAL SCIENCE FOUNDATION, FOR A TERM EXPIRING MAY 10, 2006. (REAPPOINTMENT)

IN THE AIR FORCE

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES AIR FORCE TO THE GRADE INDICATED WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, U.S.C., SECTION 601:

To be lieutenant general

MAJ. GEN. HARRY D. RADUEGE, JR., 0000

IN THE MARINE CORPS

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT IN THE UNITED STATES MARINE CORPS TO THE GRADE INDICATED UNDER TITLE 10, U.S.C., SECTION 624:

To be brigadier general

COL. THOMAS A. BENES, 0000
COL. CHRISTIAN B. COWDREY, 0000
COL. MICHAEL E. ENNIS, 0000
COL. WALTER E. GASKIN, SR., 0000
COL. MICHAEL R. LEHNERT, 0000
COL. JOSEPH J. MCMENAMIN, 0000
COL. DUANE D. THIESSEN, 0000
COL. GEORGE J. TRAUTMAN III, 0000
COL. WILLIE J. WILLIAMS, 0000
COL. RICHARD C. ZILMER, 0000

IN THE NAVY

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES NAVY TO THE GRADE INDICATED WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, U.S.C., SECTION 601:

To be vice admiral

VICE ADM. EDMUND P. GIAMBASTIANI, JR., 0000

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT AS CHIEF OF CHAPLAINS, UNITED STATES NAVY, AND APPOINTMENT TO THE GRADE INDICATED UNDER TITLE 10, U.S.C., SECTION 5142:

To be rear admiral

REAR ADM. (LH) BARRY C. BLACK, 0000

IN THE AIR FORCE

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT TO THE GRADE INDICATED IN THE RESERVE OF THE AIR FORCE UNDER TITLE 10, U.S.C., SECTION 12203:

To be colonel

DAVID S. WOOD, 0000

IN THE ARMY

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT TO THE GRADES INDICATED IN THE UNITED STATES ARMY AND FOR REGULAR APPOINTMENT (IDENTIFIED BY AN ASTERISK (*)) IN THE MEDICAL SERVICE CORPS (MS) AND MEDICAL CORPS (MC) UNDER TITLE 10, U.S.C., SECTIONS 531, 624 AND 3064:

To be colonel

RICHARD A. KELLER, 0000 MC

To be lieutenant colonel

ROBERT E. GRAY, 0000 MS
RICHARD A. GULLICKSON, 0000 MS

To be major

WENDY L.* HARTER, 0000 MS

IN THE MARINE CORPS

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT TO THE GRADE INDICATED IN THE UNITED STATES MARINE CORPS UNDER TITLE 10, U.S.C., SECTION 624:

To be major

J. E. CHRISTIANSEN, 0000

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT TO THE GRADE INDICATED IN THE UNITED STATES MARINE CORPS UNDER TITLE 10, U.S.C., SECTION 624:

To be lieutenant colonel

CLIFTON J. MCCULLOUGH, 0000

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT TO THE GRADE INDICATED IN THE UNITED STATES MARINE CORPS RESERVE UNDER TITLE 10, U.S.C., SECTION 12203:

To be colonel

LANDON K. THORNE III, 0000

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT TO THE GRADE INDICATED IN THE UNITED STATES MARINE CORPS RESERVE UNDER TITLE 10, U.S.C., SECTION 12203:

To be colonel

DAVID R. CHEVALLIER, 0000
KENNETH S. PLATO, 0000
MICHAEL A. SIEBE, 0000
JOHN K. WINZELER, 0000

IN THE NAVY

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT TO THE GRADES INDICATED IN THE UNITED STATES NAVY UNDER TITLE 10, U.S.C., SECTION 624:

To be captain

ROBERT F. MILEWSKI, 0000

To be commander

GERALD L. GRAY, 0000

To be lieutenant commander

LINDA M. GARDNER, 0000

THE FOLLOWING NAMED OFFICERS FOR PROMOTION IN THE NAVY OF THE UNITED STATES TO THE GRADE INDICATED UNDER TITLE 10, U.S.C., SECTION 624:

To be captain

THOMAS A. ALLINGHAM, 0000
KEITH J. ALLRED, 0000
WARREN ANDERSON, 0000
JOHN R. ARAGON, 0000
DENNIS J. ARGALL, 0000
ERICK L. ARMSTRONG, 0000
MICHAEL A. ARROW, 0000
MATHEW S. AUSMUS, 0000
ROCCO M. BABINEC, 0000
STEVEN L. BAILEY, 0000
WENDY A. BAILEY, 0000
DAVID M. BALK, 0000
DUNCAN S. BARLOW, 0000
PATRICIA J. BATTIN, 0000
LANCE S. BAUMGARTEN, 0000
RICHARD A. BEANE, 0000
DAVID J. BEARDSLEY, 0000
KATHRYN M. BEASLEY, 0000
CHARLES W. BELL, 0000
BRAD L. BENNETT, 0000
GREGORY S. BENSON, 0000
JENNIFER S. BERG, 0000
KEVIN G. BERRY, 0000
THOMAS F. BERSSON, 0000
THOMAS S. BETHMANN, 0000
ROBERT J. BIRDWELL, 0000
MAX A. BLACK, 0000
JEFFREY D. BRADLEY, 0000
OSCAR S. BRANN, 0000
CHARLENE D. BRASSINGTON, 0000
TERRILL L. BROWN, 0000
WILLIAM A. BROWN, 0000
WILLIAM T. BUSCH, 0000
LYDIA CANAVAN, 0000
FRANK H. CARBER, JR., 0000
MICHAEL P. CARLSON, 0000
DANIEL J. CARUCCI, 0000
JONATHAN E. CAYLE, 0000
KIM C. CHOJNOWSKI, 0000
MARGARET A. CONNORS, 0000
ANDREW L. CORWIN, 0000
CATHERINE L. COSTIN, 0000
JAMES W. COWELL, JR., 0000
CARLETON R. CRAMER, 0000
CURTIS E. CUMMINGS, 0000
TIMOTHY J. CURTIN, 0000
CHRISTINE J. CURTO, 0000
JOHN A. DALESSANDRO, 0000
GARY A. DALLMANN, 0000
JOHN C. DANIEL, 0000
JAMES L. DANNER, 0000
THERESA A. DANSCUKSLOAN, 0000
JOSEPH W. DEFEO, JR., 0000
DAVID M. DELVECCHIO, 0000
CAROL J. DESMARAIS, 0000
CYNTHIA A. DILORENZO, 0000
CHARLES F. DONNEY, 0000
DANIEL G. DONOVAN, 0000
ULYSSES DOWNING, JR., 0000
PAUL S. DROHAN, 0000
JAY DUDLEY, 0000
JAMES L. DUNN, 0000
DOROTHY C. DURY, 0000
KATHLEEN M. DUSSAULT, 0000
KIRK F. ENGEL, 0000
DAVID C. ENGLAND, 0000
MICHAEL R. ESLINGER, 0000
CLINTON F. FAISON III, 0000
DAVID E. FARRAND, 0000
PAUL V. FLONDARINA, 0000
MICHAEL B. FOGARTY, 0000
ROBERT D. FOSS, 0000
HAROLD A. FRAZIER II, 0000
ROBERT W. FRENCK, 0000
KEVIN J. GALLAGHER, 0000
RICHARD O. GAMBLE II, 0000
PATRICIA M. GARRITY, 0000
JEFFREY D. GEORGIA, 0000
DAVID W. GLYNN, 0000
PATRICIA J. GOODIN, 0000
MICHAEL E. GORDON, 0000
BASIL F. GRAY III, 0000
ANTHONY R. GUIDO, 0000
BARTON C. GUMPERT, JR., 0000
RICHARD L. J. HABERBERGER, 0000
WILLIAM J. HALL, 0000
ROGER E. HANKS, 0000
RICHARD M. HANN, 0000
DONNA M. HAUGHINBERRY, 0000
MARK F. HEINRICH, 0000
SUSAN B. HERROLD, 0000
DAVID A. HIGGINS, 0000
GARRY A. HIGGINS, 0000
ALBERT L. HILL, 0000
KAREN J. HOFFMEISTER, 0000
MARGARET A. HOLDER, 0000
MICHAEL R. HOLTEL, 0000
JAMES W. HOUCK, 0000
LISA G. HOYT, 0000
RICHARD J. HREZO, 0000
JOSEPH F. IANNONE, 0000
WALTER W. JACUNSKI, 0000
CRAIG E. JAMES, 0000
IGOR A. JERCINOVICH, 0000
TRACY JOHNSON, 0000
TREVOR R. JONES, 0000
RICHARD M. KEATING, 0000
MICHAEL A. KEEFE, 0000
PATRICK J. KELLY, 0000
GERARD D. KENNEDY, 0000
THOMAS J. KERSCH, 0000
DANIEL P. KING, 0000
JOYCE E. KING, 0000
PHILIP J. KING, 0000
WARREN P. KLAM, 0000
MICHAEL P. KOMPANIK, 0000
JOHN R. LANTELME, 0000
WAYNE B. LAPETODA, 0000
SUSETTE J. LASHER, 0000
DONALD F. LEROW, 0000
WILLIAM P. LESAK, 0000
DAVID M. LLEWELLYN, 0000
DARRELL E. LOVINS, 0000
PAUL W. LUND, 0000
JOHN P. LUNDGREN, 0000
JAMES T. LUZ, 0000
BRUCE W. MACKENZIE, 0000
CYNTHIA T. I. MACRI, 0000
THOMAS J. MAGRINO, 0000
STEVEN G. MATTHEWS, 0000
MICHELLE M. MCATEE, 0000
LAURIER L. MCCRAVY, 0000
TIMOTHY D. MCGUIRK, 0000
WILLIAM C. MCKERALL, 0000
DOUGLAS H. MCNEILL, 0000
JANE E. MEAD, 0000
KEVIN J. MEARS, 0000
RICHARD A. MENDEZ, 0000
PAUL G. MERCHANT, 0000
CHARLES C. MILLER III, 0000
EDWARD L. MILLINER, JR., 0000
BERTRAM E. MOORE, JR., 0000
GREGORY MORANDO, 0000
JOHN I MORRIS, 0000
DAVID M. MORRISS, 0000
STEPHEN E. MORROW, 0000
CHRISTOPHER J. MOSSEY, 0000
EDWIN E. MYHRE, 0000
JAMES P. NABER, 0000
JOSEPH A. NAPOLI, JR., 0000
EDWARD P. NARANJO, 0000
TOMMY B. NICHOLS, 0000
EDWARD J. NIEBERLEIN, 0000
KENNETH R. OCKER, 0000
JESUS A.M. OLCESE, 0000
CHRISTOPHER D. PADDOCK, 0000
ROBERT F. PARKER, 0000
FRANCIS R. PARREIRA, 0000
MICHAEL A. PEEK, 0000
MARK PICKETT, 0000
CHRISTOPHER RAMOS, 0000
ROBERT A. RAMSAY, 0000
DONALD E. RATTZ, 0000
KEVEN C. REED, 0000
WILLIAM A. REED, 0000
DONALD J. REIDY, JR., 0000
DENISE A. REILLY, 0000
JAMES L. ROBERTS, 0000
TIMOTHY J. ROSS, 0000
RICHARD D. ROTH, JR., 0000

ANGEL R. ROURE, 0000
JEFFREY M. SANDLER, 0000
MICHAEL D. SASHIN, 0000
STEVEN SCHALLHORN, 0000
R. D. SCHLESINGER, 0000
GLENN A. SCHNEPF, 0000
GERALD S. SCHOLL, 0000
SHARON R. SEBBIO, 0000
VERNON SELLERS, 0000
TRUEMAN W. SHARP, 0000
DONALD J. SHERMAN, 0000
JAMES J. SICARI, 0000
MARK L. SOBCZAK, 0000
DAVID G. SOUTHERLAND, 0000
SUZANNE K. SPANGLER, 0000
MICHAEL E. STABILE, 0000
DAVID J. STEWART, 0000
JOHN B. STOCKEL, 0000
RICHARD F. SWEENEY, 0000
RICHARD L. SZAL, 0000
RUSSELL C. THACKSTON, 0000
MICHAEL T. THOMPSON, 0000
TIMOTHY E. THOMPSON, 0000
THOMAS N. TICHY, 0000
PATRICK A. TILLSON, 0000
WALTER W. TINLING, 0000
ALLEN D. TODD, 0000
JENNIFER L. TOWN, 0000
PETER K. TRUE, 0000
MICHAEL D. TURCK, 0000
ELEANOR V. VALENTIN, 0000
LARRY F. VANDESSEL, 0000
EDWIN A. VICTORIANO, 0000
FELIX C. VILLANUEVA, 0000
CHRISTOPHER M. VITT, 0000
DAVID A. WAGNER, 0000
CAROL L. WALKER, 0000
MARK A. WALKER, 0000
SHARON K. N. WALLACE, 0000
MARY E. WASHBURN, 0000
DALE V. WATKINS, JR., 0000
CAROLINE M. WEBBER, 0000
DENISE E. WEBER, 0000
CATHERINE A. WILSON, 0000
RICHARD C. YAGESH, 0000
ANN K. YOSHIHASHI, 0000
ALAN J. YUND, 0000
JOHN W. ZINK, 0000

THE FOLLOWING NAMED OFFICERS FOR REGULAR APPOINTMENT TO THE GRADE INDICATED IN THE UNITED STATES NAVY UNDER TITLE 10, U.S.C., SECTION 531:

To be lieutenant

COY M. ADAMS, JR., 0000
DUWAYNE E. AIKINS, 0000
AMY R. ALCORN, 0000
CHARLES W. ALLEY, 0000
ROBERT C. ALLMON, 0000
ROBERT J. ALLSHOUSE, 0000
MICHAEL W. ALTISER, 0000
KEVIN L. ANDERSEN, 0000
LEROY F. ANDERSON, 0000
WILLIAM J. ANDREWS, 0000
KENNETH J. ARMAND, 0000
BURT H. ARRIGONI, 0000
JAMES R. ATKINS, 0000
MARLON A. AUSTIN, 0000
MARK I. AXINTO, 0000
ROBERT B. BAILEY, 0000
MICHAEL W. BAKKER, 0000
JOSEPH E. BANKS, 0000
BARRY W. BARROWS, 0000
KEVIN K. BAUER, 0000
RICKY A. BEATTY, 0000
JAMES A. BEAVERS, 0000
TODD D. BECKER, 0000
STEPHANIE C. BELCHER, 0000
WILLIAM R. BELL, 0000
GREGORY L. BENTON, 0000
BRIAN R. BERTHIAUME, 0000
DANIEL P. BETHEL, 0000
DANIEL R. BILLIG, 0000
KEVIN E. BISSEL, 0000
SCOTT S. BOISVERT, 0000
RANDY G. BOLLMAN, 0000
JAMES L. BOOTH, 0000
GERALD E. BOYD, 0000
MICHAEL A. BOYTER, 0000
REGINALD S. BRIGGS, 0000
AUBREY E. BRITTIAN, 0000
BRENT J. BROWN, 0000
CARL R. BROWN, 0000
JIMMY BROWN, 0000
MARK H. BROWN, 0000
MICHAEL D. BRUCE, 0000
RICHARD M. BUCK, 0000
RUSSELL E. BUCKLEY, 0000
CRAIG A. BUIST, 0000
RAYMOND W. BURKHARD, 0000
ALICIA K. BURSAE, 0000
EDWARD L. CALLAHAN, 0000
CYNTHIA F. CAMPBELL, 0000
MICHAEL J. CAMPBELL, 0000
JOHN D. CAPWELL, 0000
THOMAS G. CARTER, 0000
LEONARD W. CAVER, 0000
BRIAN J. CEBRIAN, 0000
MICHAEL E. CHAPMAN, 0000
JAMES CHASTAIN, 0000
DAVID G. CLARK, 0000
ROBERT J. CLARK, 0000
ROSEMARIE N. CLAYTON, 0000
JAMES M. COLEMAN, 0000
KEITH D. COLLINS, 0000
PATRICK CONROY, 0000
BRIAN T. COOL, 0000
TIMOTHY E. COOLEY, 0000
RUSSELL J. CORPRON, 0000
CHARLES S. CORYELL, 0000
FREDRICK L. COX, 0000
REGINA M. COX, 0000
RICHARD L. CRANE, 0000
KENNETH J. CREGAR, JR., 0000
ROBERT L. CROSS, 0000
STEVEN D. CUMBER, 0000
PATRICE D. DAVIS, 0000
GLENN W. DEAL, 0000
LARRY C. DEERING, 0000
RICARDO DELBREY, 0000
CYNTHIA R. DEMATTEO, 0000
KENNETH L. DEMICK, JR., 0000
GINO F. DINVERNO, 0000
HARRY J. DOBSON, 0000
JAMES P. DOOLEY, 0000
KEVIN V. DOWD, 0000
ELLEN H. DUFFY, 0000
DEAN F. DUNLOP, 0000
DALYN E. DUNN, 0000
DAVID DWYER, 0000
NORRIS L. ELLIS, 0000
WILLIAM D. ERWIN, 0000
KEITH S. FARRAR, 0000
ANDRE S. FELDMAN, 0000
DANIEL FELICIANO, 0000
TERRY D. FELLOWS, 0000
DANIEL FONCELLO, 0000
KEVIN R. FORBES, 0000
DARRELL FOSTER, 0000
MARK R. FOURNIER, 0000
KENNETH T. FRIEDMAN, 0000
BRADLEY H. FUDGE, 0000
ROBBY D. FUENTES, 0000
WAYNE T. FULLER, 0000
GARY L. FUSELIER, 0000
THOMAS L. GIBBONS, 0000
ROWLAND V. GILBERT, JR., 0000
MICHAEL J. GIRGENTI, 0000
JOHN J. GOFF, 0000
ROLANDO GONZALEZ, JR., 0000
GRANT GORTON, 0000
CURTIS L. GOSHEN, 0000
ANDRE M. GOULD, 0000
LAWRENCE P. GRABIEL, 0000
BUNN F. GRAY, 0000
FRANCIS S. GRIAK, 0000
MARTIN M. GROOVER, 0000
MITCHELL P. GROSS, 0000
JAY P. GULLEY, 0000
CHRISTOPHER D. HADEN, 0000
EDSEL R. HAISLIP, 0000
BART D. HALL, 0000
JAMES O. HAMMOND, 0000
AMOS HARDY, 0000
KEITH E. HARLOW, 0000
MICHAEL L. HARRIS, 0000
CAROLYN Y. HARTLEY, 0000
STEPHEN M. HARVEY, 0000
GEORGE R. HAW, 0000
CAROL D. HAYNES, 0000
CHRISTOPHER J. HEALY, 0000
ALTON J. HENAULT, 0000
JAMES H. HENDERSONCOFFEY, 0000
BILLY W. HENDRIX, 0000
ROBERT A. HENLEY, 0000
MICHAEL R. HERKENHOFF, 0000
WILLIAM J. HEWITT, 0000
DAVID D. HILES, 0000
TRACY L. HINES, 0000
DAVID W. HODGE, 0000
RONNIE D. HOLLADAY, 0000
CLYDE A. HOLMES, 0000
PAUL L. HOMAN, 0000
DARRELL L. HOOD, 0000
WILLIAM F. HOWELL, 0000
ROY R. HOYT, 0000
TIMOTHY M. HUNTER, 0000
ROBERT M. HUNTINGTON, 0000
SCOT M. HUSA, 0000
ALFRED L. IANNACONE, SR., 0000
WILLIAM G. JACKSON, 0000
ELLEN M. JARVIS, 0000
BERNETT P. JEFFERS, 0000
BERTRAM L. JENNINGS, 0000
WESLEY T. JOHNSON, 0000
ROBIN L. JONES, 0000
WILLIAM A. JONES, 0000
GARY S. JOSHWAY, 0000
GEOFFREY A. KAUFMAN, 0000
DAWN M. KELLEHER, 0000
JAMES G. KELZ, 0000
ELMER A. KIEL III, 0000
ANTHONY R. KING, 0000
DANNY W. KING, 0000
JOHN L. KLINE, 0000
JOSEPH J. LAFAVE, 0000
THERESA A. LAFOND, 0000
HIRAM K. LAMB, 0000
JOHN J. LANZONE, 0000
GARY P. LAWLER, 0000
PAUL J. LAWRENCE, 0000
TERRISIANA D. LEE, 0000
LAWRENCE F. LENNOXBEALS, 0000
MICHAEL L. LEONARD, 0000
THOMAS E. LIPSCOMB, 0000
JAMES A. LONG, 0000
ANN M. LONGBOY, 0000
MARCIA R. LOVE, 0000
DAISY M. LUTTRELL, 0000
MICHAEL D. MARKUS, 0000
BRYAN E. MARTIN, 0000
MICHAEL L. MCDONALD, 0000
RICKY A. MCGLADE, 0000
DEIRDRE M. MCGOVERN, 0000
ANTOINETTE L. MCMILLEN, 0000
EARL F. MCNEIL, JR., 0000
PATRICK D. MEAD, 0000
JACQUELINE M. MEYER, 0000
MICHAEL P. MILLER, 0000
JOHN D. MILTENBERGER, 0000
TERRY L. MIXON, 0000
HALLOCK N. MOHLER, 0000
JEFFREY S. MOORE, 0000
EDUARDO E. MORALES, 0000
PETER R. MOSS, 0000
JOHN J. MOTT, 0000
THOMAS A. MURPHY, 0000
DAVID J. MURRAY, 0000
EDGARDO R. NARANJO, 0000
TOMMY R. NASH, 0000
DARRELL NEALY, 0000
AL T. NESMITH, 0000
JEREMY P. NEWMAN, 0000
TIMOTHY M. NICHOLSON, 0000
WILLIAM S. NICOL, 0000
ROBERT J. NICOLOSI, 0000
DAVID W. NIKODYM, 0000
GARY C. NORMAN, 0000
KEVIN B. OBRIEN, 0000
MICHAEL J. ONEILL, 0000
ERNEST W. OSBORN, 0000
CHERYL A. OUTLAW, 0000
DAN E. PALMER, 0000
JAMES J. PARENTE, 0000
RICHARD D. PARISER, 0000
WILLIAM L. PARTINGTON, 0000
YOUNZETTA O. PAULK, 0000
JIMMY A. PAYNE, JR., 0000
DAVID A. PEARSON, 0000
ROBERT C. PETERSEN, 0000
CATHERINE E. PETERSON, 0000
THOMAS J. PETRUCCI, JR., 0000
THOMAS A. PHILLIPS, 0000
ANITA L. PIERCE, 0000
RICHARD J. POOL, 0000
MARCUS L. POPE, 0000
ROSCOE C. PORTER, JR., 0000
KARI A. PREMUS, 0000
MARK A. QUINN, 0000
TODD M. RADEMACHER, 0000
MANUEL A. RAMOS, JR., 0000
JAMES E. RAULSOME, 0000
ZINA L. RAWLINS, 0000
THOMAS S. REA, 0000
DANIEL F. REESE, 0000
''L'' J. REGELBRUGGE III, 0000
JOE S. RENELLA, 0000
MICHAEL P. RILEY, 0000
THOMAS W. ROSE, 0000
CURNESS P. RUSSELL, 0000
ALBERTO G. SALUNGA, 0000
MARKIEST D. SANDERS, 0000
ROBERT A. SAWVELL, 0000
GUY K. SCHMIDT, 0000
GALES Y. SEATON, 0000
FRANK M. SEGUIN, 0000
DARREN S. SHAND, 0000
JOHN F. SHEEHAN, 0000
MICHAEL SHELLENBARGER, 0000
JEFF A. SHIELDS, 0000
NICHOLAS R. SIEWERS, 0000
JOHNNIE L. SIMPSON, 0000
KEVIN S. SKINNER, 0000
MATTHEW P. SMALL, 0000
RICKY D. SMALL, 0000
GARY C. SMITH, 0000
LOREN J. SMITH, 0000
WAYNE A. SMITH, 0000
RONALD W. SPAULDING, 0000
BYRON J. SPEARMAN, 0000
DAVID A. SPURLOCK, 0000
GEOFFREY L. STAHRE, 0000
KEVIN E. STANHOPE, 0000
THOMAS D. STARKS, 0000
VINCENT J. STEPHENS, 0000
FAITH E. STRAUSBAUGH, 0000
TIMOTHY A. SUME, 0000
BIENVENIDO G. TAPANG, 0000
ANTHONY C. TARANTO, JR., 0000
DOUGLAS J. THORNTON, 0000
SANFORD T. THORNTON, 0000
LEONARD TREADWAY, 0000
MARC W. TROSIEN, 0000
STEPHEN J. TRZCINSKI, 0000
RENAN J. TULABUT, 0000
TIMOTHY S. TURK, 0000
ROBERT W. VEIT, 0000
BRYAN L. WADE, 0000
ALLEN W. WALLACE, 0000
STEPHEN D. WHISLER, 0000
PAUL W. WILKES, 0000
MATTHEW WILLIAMS, 0000
WILLIAM G. WILLIS, 0000
CHRISTOPHER WLASCHIN, 0000
SCOTT J. WOLFE, 0000
DAVID J. WUESTEWALD, 0000
DALE E. YAGER, 0000
GREGORY C. ZACH, 0000
MICHAEL S. ZARTMAN, 0000
MICHAEL A. ZURICH, 0000

THE FOLLOWING NAMED OFFICERS TO THE GRADE INDICATED IN THE UNITED STATES NAVAL RESERVE UNDER TITLE 10, U.S.C., SECTION 12203:

To be captain

ROY I. APSELOFF, 0000
EDWARD L. ARCAND, 0000
STEPHEN E. ARMSTRONG, 0000

DENNIS J. BAKER, 0000
JEFFREY T. BAKER, 0000
JOSEPH J. BALDAUF, 0000
BRYAN K. BALL, 0000
NICHOLAS D. BARONE, 0000
LAWRENCE P. BEAL, 0000
FRED L. BEAVERS, 0000
ROBERT L. BEILKE, 0000
JOHN R. BELL, 0000
ROBERT C. BENTON, 0000
BLAKE W. BIGGS, 0000
JEFFREY E. BLACKBURN, 0000
DAVID R. BLAKE, 0000
THOMAS J. BONANNO, 0000
PAUL BRANUM, 0000
ROBIN R. BRAUN, 0000
MARY J. BROWN, 0000
MICHAEL J. BROWNE, 0000
SANDRA T. BUCKLES, 0000
KARL P. BUNKER, 0000
ERIC C. BURGESS, 0000
CAROLYN A. CALOMENI, 0000
CARL E. CARSON III, 0000
MATTHEW CHABAL, 0000
STEPHEN M. COBBE, 0000
JOHN R. COCHRANE, 0000
SEAN J. COLEMAN, 0000
JAMES F. COLLINS III, 0000
DENIS R. CONKEY, 0000
MARY T. COPELAND, 0000
WILLIAM N. COPELAND, JR., 0000
DAVID C. COPLEY, 0000
RICHARD S. CORNISH, 0000
WILLIAM S. COUCH, 0000
JOHN T. COUNTS, 0000
JOHN B. E. CUNNINGHAM, 0000
PAUL K. DANNER III, 0000
MARK W. DAVIDOSKI, 0000
ROBIN A. DAVIDSON, 0000
GREGORY B. DILLON, 0000
WILLIAM N. DONOVAN, 0000
LAFE A. DOZIER, 0000
MARK M. DRAKE, 0000
DANNY G. EAST, 0000
SHARON ELAINE, 0000
ROBERT T. ELDER, 0000
LAWRENCE A. ELLIOTT, 0000
WILLIAM O. ENGVALL, 0000
BARRY C. ERB, 0000
STEPHEN C. ERTMAN, 0000
THOMAS J. FACER, JR., 0000
CHARLES D. FASNACHT III, 0000
FREDERICK C. FEARNOW, 0000
JACK A. FEDEROFF, 0000
MICHAEL P. FERGUSON, 0000
STEVEN A. FILLIPOW, 0000
JOHN M. FLYNN, 0000
ALVIN FORD, 0000
BARBARA G. FORD, 0000
JOSEPH E. FRACK, 0000
GLENN D. FUGATE, 0000
MARK FULENWIDER, 0000
ROBERT D. GARDNER, 0000
JOSEPH A. GELSOMINO, 0000
WILLIAM S. GOULD, 0000
RUSSELL J. GRANIER, 0000
KATHRYN T. GRAY, 0000
BETTY L. GRIER, 0000
JAMES E. GRISWOLD, 0000
JOHN T. GWYNN, 0000
HAYDEN G. HABY, JR., 0000
DAVID D. HAINES, 0000
REBECCA C. HAMPTON, 0000
DAVID L. HARDWICK, 0000
NORMAN G. HAWKINS, 0000
CHARLES E. HENRY, 0000
EDWIN S. HENRY, 0000
MARTHA E. G. HERB, 0000
WILLIAM P. HESSION, 0000
RICHARD J. HIEL, 0000
KAY M. HOLT, 0000
FREDDIE L. HOLYFIELD, 0000
BRADLEY B. HOMES, 0000
RICKY L. HORNE, 0000
THOMAS M. HUGHES, 0000
PETER A. HUSTA, 0000
DAVID K. INMAN, 0000
JAMES A. ISOM, 0000
CHARLES G. IVEY, 0000
RICHARD B. JACOBS, 0000
DONNA W. JASITT, 0000
LEOPOLD F. JOH, 0000
PETER C. JOHANSEN, 0000
MELANIE M. JOHNSON, 0000
MICHAEL JOHNSON, 0000
CRAIG S. KAIN, 0000
WILLIAM F. KAUFFMAN, 0000
JOHN S. KELLY, 0000
JAMES J. KILPSTRICK III, 0000
JAMES S. KING, 0000
JEFFREY KIRKWOOD, 0000
JOHN C. KIRTLAND, 0000
JEFFREY L. KNUTSON, 0000
ALVIN F. KOLPACKE, 0000
KEVIN E. KOODA, 0000
GEORGE W. KORCHOWSKY, 0000
K. J. KROPKOWSKI, 0000
ROBERT E. KUEHNEL, 0000
PARKER C. KULDAU II, 0000
MICHAEL S. KYNETT, 0000
WILLIAM A. LARICK, 0000
JONATHAN E. LATHROP, 0000
JAMES K. LIMING, 0000
THOMAS J. LINDBERG, JR., 0000
ROBIN A. LINN, 0000
DAVID M. LIVINGSTON, 0000
BRADLEY J. LUNSFORD, 0000
PETER D. MACKAY, 0000
MICHAEL D. MADDOCKS, 0000
DAVID J. MAHONEY III, 0000
CHARLES W. MALLORY, 0000
RANDY V. MARBURGER, 0000
TIMOTHY J. MARCOTTE, 0000
JEROME K. MATHRE, 0000
CHRISTOPHER W. MAY, 0000
GARY A. MAYNARD, 0000
DENNIS B. MCBROOM, 0000
JETT C. MCCANN, 0000
STEVEN J. MCCLAIN, 0000
MALCOLM C. MCCOLLUM, 0000
JOHN J. MCCORMACK, JR., 0000
KEVIN S. MCCORMACK, 0000
DAVID T. MCDANIEL, 0000
GARY W. MCDONALD, 0000
ANNE MCDONNELL, 0000
JAMES B. MCGEE, 0000
PATRICK E. MCGRATH, 0000
DAVID G. MCRAE, 0000
STEPHEN R. MERRILL, 0000
LISA N. MEUNIER, 0000
ROBIN D. MEYER, 0000
SCOTT R. MICHEELS, 0000
DANIEL P. MILLER, 0000
MARK M. MILLER, 0000
ROBERT G. MINER, 0000
FRED J. MINGO, JR., 0000
REBECCA H. MINTON, 0000
JAMES E. MONAHAN, 0000
KEVIN E. MOONEY, 0000
ANTHONY H. MURRAY III, 0000
MARK L. NESTLE, 0000
STEPHEN D. NICHOLS, 0000
WALLY R. NICKOLI, 0000
PEGGY A. OLEARY, 0000
DANNY T. ONEIL, 0000
ORIAN W. OTT II, 0000
CHARLES B. PAINTER, 0000
HAROLD R. PAUL, 0000
MARK J. PAWLAK, 0000
KEITH M. PEECOOK, 0000
JEANPIERRE PLE, 0000
LUIS E. POSADA, 0000
ANNE K. S. POWER, 0000
MICHAEL H. PRECHT, 0000
PAUL R. PRENTISS, 0000
ALICE A. PRUCHA, 0000
TIMOTHY W. PUCKETT, 0000
SCOTT J. PURSLEY, 0000
THOMAS E. PUTMAN, 0000
MARY C. QUIGLEY, 0000
ARTHUR R. RANDOLPH, 0000
MARK H. RATACZAK, 0000
EDWIN M. RAU, 0000
JOHN P. REBERGER, 0000
ROBERT K. REEVE, 0000
JAMES S. REID, 0000
SCOTT A. RIGGIN, 0000
CHARLES B. ROBERTS, 0000
STEVEN M. ROBERTSON, 0000
PETER J. ROMANO, 0000
LINDA J. ROSEBERRY, 0000
GARY W. ROSHOLT, 0000
SHARON L. F. ROSS, 0000
JAMES R. ROYS, 0000
GARY T. RYAN, 0000
RICHARD W. SANDELLI, 0000
RALPH P. SCAFFIDI, 0000
PETER G. SCHAEDEL, 0000
MICHAEL C. SCHAUF, 0000
DANIEL J. SCHENKE, 0000
DAVID M. SCHLAGEL, 0000
KAREN A. SCHMIDT, 0000
STEVEN A. SCHMIDT, 0000
GARY A. SEFFEL, 0000
JAMES A. SEIDEL, 0000
STEVEN W. SELVIG, 0000
STEVEN M. SHARKEY, 0000
ALEXANDER V. SHARP, 0000
MICHAEL R. SIDROW, 0000
LEE E. SMITH, JR., 0000
SHAWN L. B. SMITH, 0000
PETER E. SPAULDING, 0000
CAROLYN M. STABACH, 0000
MICHAEL D. STAMAND, 0000
GEORGE P. SUGARS, 0000
TODD P. TARBY, 0000
ROBERT M. TATA, 0000
KEITH L. TAURMAN, 0000
JAMES C. TAYLOR, 0000
KENNON P. TEMPLE, 0000
KENNETH J. THIELMAN, 0000
MICHAEL J. TOOMEY, JR., 0000
LEE A. TOUGAS, 0000
ALAN A. TUCKER, 0000
GUY W. TURNQUIST, 0000
DAVID F. TUROCY, 0000
ROBERT D. VANDYKEN, 0000
VICTOR J. VANHEEST, 0000
PETER H. VANNESS, 0000
STEPHEN J. VESTER, 0000
CARL E. VONBUELOW, 0000
JILL H. VOTAW, 0000
HERBERT W. WADSWORTH, 0000
JOHN M. WALSH, 0000
STEVEN D. WALTON, 0000
MICHAEL E. WARNER, 0000
RONNY D. WASHINGTON, 0000
AARON D. WATTS, 0000
LAWRENCE L. WEBB, 0000
KURT M. WEIGEL, 0000
RICHARD L. WESTON, 0000
DANIEL WHITSETT, 0000
ROBERT E. WILCOX, 0000
CALVIN R. WILDER, 0000
NORRIS O. WILLIAMS, 0000
SCOTT W. WILSON, 0000
WARD T. WILSON, 0000
CHESTER W. WONG, 0000
WINSTON D. S. WOOD, 0000
JAMES B. WRIGHT III, 0000
DAVID W. YIP, 0000
KARL S. YOUNG, 0000
JOSEPH R. ZERBO, 0000
JOHN D. ZIMMERMAN, 0000