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Senate

The Senate met at 12 noon, and was called to order by the President pro tempore [Mr. THURMOND].

The PRESIDENT pro tempore. Today's prayer will be offered by our guest Chaplain, Dr. Mark Dever of the Capitol Hill Baptist Church, Washington, DC.

We are pleased to have you with us.

PRAYER

The guest Chaplain, Dr. Mark Dever, Capitol Hill Baptist Church, Washington, DC, offered the following prayer:

Let us pray: Lord God, as we begin the official business of the day in this place, we praise You for Your sustaining presence. We remember facing situations that we were certain we could not face, or having to face them, could not survive. Yet, by Your providence, we did. And so we begin this new day by praising You for Your sustaining presence, even in apparently hopeless situations.

We praise You, too, for Your sovereign reminder of Yourself, even through pain and disaster. We confess, Lord, that for all of our words about problems in our society we are too often quietly and wrongly proud of the prosperity of this Nation, feeling that we ourselves are sufficient explanations for all the good we see and know. So, Lord God, we praise You and thank You that You use the bounds of our abilities and troubles to remind us of the limits of our power. Do not leave us, Lord, in false beliefs about ourselves, and our roles here, or about You, and Your rightful claims on us.

When we are frustrated by injustices we cannot address, remind us, Lord, of the brevity of this life. And remind us of Your coming judgment: of its reality, its certainty, its inevitability, its finality.

When we are tempted to be selfish or indifferent to our work, remind us of the responsibility You have entrusted to us: to listen, to learn, to reflect, to pray, to legislate, to obey.

When we are tempted to pride in what we have done—when we see a bill passed, a program begun or ended, an initiative completed—and we feel something of the power of our office, remind us of our complete and utter dependence on You.

For Your glory, O Lord, restore this land. We know that we are not here finally to fulfill our own desires, or even the desires of our constituents. We know that we are put here to serve You. So, we pray that You would use us—use the business done in this place today, use our Government, use our Nation to display Your character, Your glory throughout all Your creation. We ask through Jesus Christ, our Lord. Amen.

RECOGNITION OF THE ACTING MAJORITY LEADER

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

Mr. LOTT. Thank you very much, Mr. President.

SCHEDULE

Mr. LOTT. Mr. President, the Senate will immediately resume consideration of Senate Concurrent Resolution 57, the concurrent budget resolution, and will begin a series of consecutive rollcall votes on or in relation to the pending amendments.

Under agreement reached last night, the first series of votes will continue until 1 p.m. today. There will be no votes, as agreed to, between the hours of 1 and 2. However, the Senate will proceed with another series of legislative votes beginning at 2 o'clock today.

Senators are asked to remain in or around the Senate Chamber throughout these voting sequences in order to facilitate the disposition of amendments as quickly as possible. The first vote in both series will be 15 minutes in length, but all remaining votes will be limited to 10 minutes each. The Senate will complete action on the budget resolution during today's session—hopefully, by late afternoon.

I think we have already considered some 34 amendments. We still have, I guess, 10 or 12 votes that are likely and probably about 4 hours would be required to complete that.

So, if the Members would stay close to the floor and we work hard, I know the managers would appreciate it, and we can get this work done before late this afternoon.

Mr. President, I yield the floor.

Mr. EXON addressed the Chair.

The PRESIDING OFFICER (Mr. SHELBY). The Senator from Nebraska.

Mr. EXON. While the acting majority leader is here, I would like to clarify a point or two, if I might.

First, I think most of us agree that there has been no one who is more cooperative in moving this thing forward than the ranking member of the Budget Committee.

When I left the floor last night before we adjourned, there had been a firm announcement that—I thought it was a firm announcement—that we would come in at 10 o'clock this morning, which fit in very well with this Senator's schedule, and I think the schedule of the Senate as a whole. I did not know until after the Senate had adjourned, nor was I contacted, about moving the time from 10 o'clock, as stated by the chairman of the committee to the whole Senate half an hour before that.

I would simply say that I wish we would follow the customary procedure. I think it is normal to check with the ranking member before you change times after it has been agreed to.

Following up on that, I must say that I understood that we could not work

Tuesday night and we could not work Wednesday night, as we had planned to do, because of functions. Now we have lost, I think, 2 hours this morning that we could have used constructively.

I would simply say that at 4 o'clock this afternoon, for the information of the whole Senate, there will be a memorial service for the late, great Cece Zorinsky, the wife of the late great Senator from Nebraska, Senator Edward Zorinsky, in Senate Dirksen G–50, generally called the Senate auditorium. This Senator will make that affair whether I have to miss votes and abandon my responsibilities here.

But I would just inquire at this time, following that memorial service, we have some time between 5 and 6, I believe—and I want to attend that—the salute to Senator DOLE, which I think has been arranged by the acting majority leader and the minority leader, TOM DASCHLE. I would just like to inquire. I see the chairman of committee is here, also. We have an awful lot of interruptions, and I do not want to add to them. The only interruption I am suggesting is that one that I intend to carry out that I committed to a long, long time ago.

Mr. LOTT. Mr. President, if I could just respond briefly, the Senator has enumerated some of the problems we have been trying to deal with, and we will try to accommodate as many Senators as we can. We have very, very legitimate things to do. We had the memorial, as you know, for Admiral Boorda. We wanted to do that, and we certainly appreciate the Senator's feeling about Cece Zorinsky. That is what has been involved. We are just trying to accommodate everybody's schedule. I am finding out more and more. It gets pretty complicated.

Your point is well taken. We will continue to try to work with everybody, particularly the managers of the bill. We had some complications, and we did check with the leader. I realize it was late last night, but, again, we are just trying to help everybody.

Mr. EXON. You checked with the leader?

Mr. LOTT. Yes, sir. I believe we did.

Mr. EXON. I would simply say for the public that you checked with the Democratic leader.

Mr. LOTT. Yes.

Mr. EXON. The Democrat leader would have properly talked to me. He did not. I will talk to him about that.

Mr. LOTT. In his defense, we did it at the last minute, and maybe there just was not enough time or he could not find out. I do not know. But, again, we are just trying to accommodate everybody.

You and the chairman have done a great job trying to move this. It has been slow, but there have been a lot of interruptions that we just could not avoid. We want to keep the heat on today so that we can get through, hopefully, by 4 o'clock. If we could get started voting here right quick, maybe we could make it by 4 o'clock or 4:15 p.m. I would like to help you do that.

Mr. EXON. Let us seek the miracle.

Mr. DORGAN. Mr. President, if the Senator will yield just for the briefest of questions, I do not want to delay things, I say to Senator DOMENICI, but could the Senator indicate to us, if we finish these blocks of votes on this issue, what is anticipated on the Senate schedule beyond this issue?

Mr. LOTT. Beyond the budget resolution?

Mr. DORGAN. Yes.

Mr. LOTT. We are working on that. We will be communicating with the Democratic leadership. Senator DOLE will be here later this afternoon. We are looking at several items that could be done. We hope we can get those worked out and do them in a way so that they would not involve votes this afternoon. But the leader will be back. He will be here shortly, and he will comment on that.

I yield the floor, Mr. President.

RESERVATION OF LEADER TIME

The PRESIDING OFFICER. Under the previous order, leader time is reserved.

CONCURRENT RESOLUTION ON THE BUDGET

The PRESIDING OFFICER. The Senate will now resume consideration of Senate Concurrent Resolution 57, which the clerk will report.

The legislative clerk read as follows:

A concurrent resolution (S. Con. Res. 57) setting forth the congressional budget for the U.S. Government for fiscal years 1997, 1998, 1999, 2000, 2001, and 2002.

The Senate resumed consideration of the concurrent resolution.

Pending:

Harkin (for Specter) amendment No. 4012, to restore funding for education, training, and health programs to a Congressional Budget Office freeze level for fiscal year 1997 through an across the board reduction in Federal administrative costs.

Bumpers amendment No. 4014, to eliminate the defense firewalls.

Thompson amendment No. 3981, to express the sense of the Senate on the funding levels for the Presidential Election Campaign Fund.

Murkowski amendment No. 4015, to prohibit sense of the Senate amendments from being offered to the budget resolution.

Simpson (for Kerrey) amendment No. 4016, to express the sense of the Senate on long term entitlement reforms.

Chafee/Breaux amendment No. 4018, in the nature of a substitute.

Feingold amendment No. 3969, to eliminate the tax cut.

Domenici (for McCain) amendment No. 4022, to express the sense of the Senate regarding Spectrum auctions and their effect on the integrity of the budget process.

Domenici (for Faircloth) amendment No. 4023, to express the sense of the Senate that any comprehensive legislation sent to the President that balances the budget by a certain date and that includes welfare reform provisions shall also contain to the maximum extent possible a strategy for reducing the rate of out-of-wedlock births and encouraging family formation.

Exon (for Roth) amendment No. 4025, to express the sense of the Senate regarding the funding of Amtrak.

Domenici amendment No. 4027 (to amendment No. 4012), to adjust the fiscal year 1997 non-defense discretionary allocation to the Appropriation Committee by $5 billion in budget authority and $4 billion in outlays to sustain 1996 post-OCRA policy.

Mr. DOMENICI addressed the Chair.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. Mr. President, I do want to say to my friend, Senator EXON, and other Senators who might have heard my comments yesterday about when we would meet today, it was not in the form of a unanimous-consent request, but I did intend and say to the Senator that we would start at 10. Actually, by the time the unanimous consent was proposed by our acting majority leader, forces beyond the Senator from New Mexico and Senator EXON went to work on it and it came out 12 o'clock, so I am very sorry about that. I had nothing to do with it, and I could not have prevented it, and I am not complaining. It is just that is the way it worked out.

Mr. President, I understand, and I think Senator EXON agrees, that the next amendment we are going to take up would be the Bumpers amendment. That is 4014 which would abolish the firewalls.

Mr. EXON. I say to my friend, we will get Senator BUMPERS here. It was our understanding—and maybe once again we missed communications—that the Senator from New Mexico was going to have an amendment.

Mr. DOMENICI. We are going to set aside for a while Specter-Harkin and my second-degree amendment, with the Senator's concurrence.

Mr. EXON. Yes. We are setting aside the amendment that we originally had informally intended to bring up. Is that right?

Mr. DOMENICI. I assume so. I am not sure we had, but nonetheless we can go to anyone that is ready. If Senator BUMPERS can get here——

Mr. EXON. In view of the fact that the schedule has been changed without anybody's false intention, I suggest the absence of a quorum.

Mr. DOMENICI. I agree.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

AMENDMENT NO. 4012, AS MODIFIED

Mr. DOMENICI. Mr. President, I ask unanimous consent that I be permitted to modify my second-degree amendment in the form of technical changes to be considered when the Senate considers amendment 4012.

Mr. EXON. We have no objection.

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

Mr. DOMENICI. I send the modification to the desk.

The PRESIDING OFFICER. The amendment is so modified.

Mr. DOMENICI. I thank the Chair.

The amendment (No. 4012), as modified, is as follows:

On page 25, line 17, increase the amount by $1,700,000,000.

On page 25, line 18, increase the amount by $800,000,000.

On page 27, line 16, increase the amount by $300,000,000.

On page 27, line 17, increase the amount by $600,000,000.

On page 42, line 2, decrease the amount by $3,500,000,000.

On page 42, line 3, decrease the amount by $100,000,000.

On page 52, line 14, increase the amount by $5,000,000,000.

On page 52, line 15, increase the amount by $1,400,000,000.

Notwithstanding any other provision of this resolution, on page 52, line 15, the amount is deemed to be $270,923,000,000. On page 4, line 8, the amount is deemed to be $1,323,100,000,000.

On page 4, line 9, the amount is deemed to be $1,361,600,000,000.

On page 4, line 10, the amount is deemed to be $1,392,400,000,000.

On page 4, line 11, the amount is deemed to be $1,433,600,000,000.

On page 4, line 12, the amount is deemed to be $1,454,000,000,000.

On page 4, line 17, the amount is deemed to be $1,318,600,000,000.

On page 4, line 18, the amount is deemed to be $1,353,500,000,000.

On page 4, line 19, the amount is deemed to be $1,382,400,000,000.

On page 4, line 20, the amount is deemed to be $1,415,600,000.

On page 4, line 21, the amount is deemed to be $1,433,100,000,000.

On page 5, line 1, the amount is deemed to be $232,400,000,000.

On page 5, line 2, the amount is deemed to be $223,600,000,000.

On page 5, line 3, the amount is deemed to be $206,300,000,000.

On page 5, line 4, the amount is deemed to be $185,700,000,000.

On page 5, line 5, the amount is deemed to be $143,500,000,000.

On page 5, line 9, the amount is deemed to be $5,449,000,000,000.

On page 5, line 10, the amount is deemed to be $5,722,700,000,000.

On page 5, line 11, the amount is deemed to be $5,975,100,000,000.

On page 5, line 12, the amount is deemed to be $6,207,700,000,000.

On page 5, line 13, the amount is deemed to be $6,398,600,000,000.

On page 5, line 14, the amount is deemed to be $6,550,500,000,000.

On page 6, line 13, the amount is deemed to be $290,000,000,000.

On page 6, line 14, the amount is deemed to be $277,400,000,000.

On page 6, line 15, the amount is deemed to be $256,000,000,000.

On page 6, line 16, the amount is deemed to be $236,100,000,000.

On page 6, line 17, the amount is deemed to be $193,3400,000,000.

On p;age 6, line 18, the amount is deemed to be $155,400,000,000.

On page 9, line 22, the amount is deemed to be $14,900,000,000.

On page 11, line 22, the amount is deemed to be $16,700,000,000.

On page 11, line 23, the amount is deemed to be $16,800,000,000.

On page 13, line 17, the amount is deemed to be $3,700,000,000.

On page 13, line 18, the amount is deemed to be $3,100,000,000.

On page 15, line 17, the amount is deemed to be $21,500,000.

On page 17, line 16, the amount is deemed to be $12,800,000,000.

On page 17, line 17, the amount is deemed to be $11,000,000,000.

On page 19, line 16, the amount is deemed to be $8,100,000,000.

On page 19, line 17, the amount is deemed to be $2,400,000,000.

On page 21, line 16, the amount is deemed to be $42,600,000,000.

On page 21, line 17, the amount is deemed to be $39,300,000,000.

On page 23, line 15, the amount is deemed to be $9,900,000,000.

On page 23, line 16, the amount is deemed to be $10,800,000,000.

On page 29, line 10, the amount is deemed to be $193,200,000,000.

On page 29, line 11, the amount is deemed to be $191,500,000,000.

On page 31, line 3, the amount is deemed to be $232,400,000,000.

On page 31, line 4, the amount is deemed to be $240,300,000,000.

On page 38, line 8, the amount is deemed to be $13,700,000,000.

On page 39, line 25, the amount is deemed to be $282,800,000,000.

On page 40, line 1, the amount is deemed to be $282,800,000,000.

On page 40, line 7, the amount is deemed to be $289,400,000,000.

On page 40, line 8, the amount is deemed to be $289,400,000,000.

On page 40, line 14, the amount is deemed to be $293,200,000,000.

On page 40, line 15, the amount is deemed to be $293,200,000,000.

On page 40, line 21, the amount is deemed to be $294,700,000,000.

On page 40, line 22, the amount is deemed to be $294,700,000,000.

On page 41, line 3, the amount is deemed to be $298,900,000,000.

On page 41, line 4, the amount is deemed to be $298,900,000,000.

On page 41, line 10, the amount is deemed to be $303,400,000,000.

On page 41, line 11, the amount is deemed to be $303,400,000,000.

On page 41, line 17, the amount is deemed to be $348,234,000,000.

On page 41, line 18, the amount is deemed to be $351,240,000,000.

On page 41, line 19, the amount is deemed to be $348,465,000,000.

On page 41, line 20, the amount is deemed to be $349,951,000,000.

On page 41, line 21, the amount is deemed to be $351,311,000,000.

On page 41, line 22, the amount is deemed to be $352,765,000,000.

On page 42, line 8, the amount is deemed to be $200,000,000.

On page 42, line 9, the amount is deemed to be $100,000,000.

On page 42, line 15, the amount is deemed to be $400,000,000.

On page 42, line 16, the amount is deemed to be $300,000,000.

On page 42, line 22, the amount is deemed to be $800,000,000.

On page 42, line 23, the amount is deemed to be $800,000,000.

On page 43, line 5, the amount is deemed to be $1,200,000,000.

On page 43, line 6, the amount is deemed to be $1,100,000,000.

On page 43, line 12, the amount is deemed to be $3,700,000,000.

On page 43, line 13, the amount is deemed to be $3,700,000,000.

Mr. DOMENICI. Mr. President, I ask unanimous consent that the Senate immediately upon the arrival of Senator THOMPSON proceed to the Thompson amendment No. 3981.

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

Mr. DOMENICI. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

The Senator from Nebraska is recognized.

Mr. EXON. Mr. President, the Senator from Nebraska will not interrupt anyone offering an amendment, but I ask I may be allowed to continue for about 3 minutes as in morning business.

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

THE INTERNET

Mr. EXON. Mr. President, I was just reading parts of my mail that came in. I wanted to call the attention of the Senate to a very interesting letter I just received from Charlie Brogan, president of the Nebraska Broadcasters Association, from Lexington, NE. He writes and says:

I thought about you this week when my daughter brought home the enclosed set of rules about Internet use. She's a second grader in Sandoz School in Lexington. Her teacher, Dianne Yeutter, spent a considerable amount of time with the children on the proper use of the Internet.

Maybe all segments of the nation don't appreciate the seriousness of the Internet pornography problem, but people like you and I with children and grandchildren certainly understand it very well.

I thought his daughter's note was very interesting. It is brief.

Internet is fun and helpful when you need to research information for reports. However, we are concerned about certain things. Don't use the Internet unless you know what you're doing and where you're going. We not only have to ask Mrs. Yeutter permission to use the Internet but she always asks where we're going. She is in the room when we use the Internet. One or two clicks of the mouse can be powerful. They can take you to places where you shouldn't go. For example, you can get into big trouble by buying stuff you don't want. You can click into things that are inappropriate for kids and adults. Sometimes the words we read are hard to pronounce and understand.

I thank that second-grader. I thought the U.S. Senate might like to hear how one second-grader feels about what we have done thus far.

Mr. President, I ask unanimous consent these letters be printed in the RECORD.

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

NEBRASKA BROADCASTERS ASSOCIATION,
Omaha, NE, May 18, 1996.

Hon. J.J. EXON,
Hart Office Building,
Washington, DC.

DEAR SENATOR EXON: Thank you for attending our luncheon for Chris McLean last

week in Omaha. Your presence and remarks were the right touch to make it a really nice event for Chris. We have appreciated having him on the job.

I thought about you this week when my daughter brought home the enclosed set of rules about Internet use. She's a second grader at Sandoz School in Lexington. Her teacher, Dianne Yeutter, spent a considerable amount of time with the children on the proper use of the Internet.

Maybe all segments of the nation don't appreciate the seriousness of the Internet pornography problem, but people like you and I with children and grandchildren certainly understand it very well. Thank for all your time and effort working on the problem.

Sincerely,

CHARLIE BROGAN,
President, N-B-A.

Internet is fun and helpful when we need to research information for reports. However, we are concerned about certain things. Don't use the Internet unless you know what you're doing and where you're going. We not only have to ask Mrs. Yeutter permission to use the Internet but she always asks where we're going. She is in the room when we use Internet. One or two clicks of the mouse can be powerful. They can take you places where you shouldn't go. For example, you can get into big trouble by buying stuff you don't want. You can click into things that are inappropriate for kids and adults. Sometimes the words we read are hard to pronounce and understand.

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

CONCURRENT RESOLUTION ON THE BUDGET

The Senate continued with the consideration of the concurrent resolution.

Mr. DOMENICI addressed the Chair.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. We do not need the quorum call because Senator THOMPSON is ready.

Mr. THOMPSON addressed the Chair.

Mr. EXON. I withhold my request.

The PRESIDING OFFICER. The Senator withholds his request for a quorum call.

The Senator from Tennessee is seeking recognition?

AMENDMENT NO. 3981

Mr. THOMPSON. Mr. President, I call up amendment 3981.

The PRESIDING OFFICER. The amendment is now before the Senate.

(The text of the amendment No. 3981 was printed in the RECORD of May 20, 1996.)

The PRESIDING OFFICER. The Senator from Tennessee.

Mr. THOMPSON. Mr. President, this amendment reserves the Presidential election campaign fund checkoff system as it is today. The budget resolution instructions direct the Finance Committee to terminate the current checkoff system which funds the Presidential campaign fund. In its place, the Finance Committee is directed to allow taxpayers to make a voluntary contribution to the fund out of their tax refund, should they have one.

This provision in the budget resolution will effectively terminate this post-Watergate reform. It is a system that has worked better than any of the rest of our campaign finance system, which is of great concern to many people. I do not think it is wise to single out the system and the part of it that is working the best and do away with it.

It has been scandal free. It has made for a more level playing field. Three out of the last four challengers to incumbent Presidents have won.

The next question is, what do we replace it with if, in fact, this is the demise of the current system? Do we go back to pre-Watergate?

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. THOMPSON. I yield the floor.

The PRESIDING OFFICER. The Senator from Kentucky.

Mr. MCCONNELL. Mr. President, how much time do I have?

The PRESIDING OFFICER. The Senator from Kentucky has 30 seconds.

Mr. MCCONNELL. I will take the same 30 seconds Senator THOMPSON had.

Mr. DOMENICI. I yield time in opposition, and we will be generous with the 30 seconds.

The PRESIDING OFFICER. A long 30 seconds.

Mr. MCCONNELL. Mr. President, this is a vote about whether you want to take roughly $300 million over a 4-year period out of financing political conventions and political campaigns for President of the United States and apply it to the deficit. The beauty of this proposal of the Budget Committee is that it does not end the Presidential checkoff at all. I personally would like to end it. I think it is a terrible idea to have taxpayer funding of elections. But the proposal of the Budget Committee does not do that. All it says is, when you check off on your tax return every April 15, you really pay for it. It is only $3, and I am confident that those who believe that taxpayer funding of political campaigns is a good idea will be more than happy to contribute $3 to this fund.

Under the current system the participation in the checkoff has gone from 29 percent down to 13 percent, and that is when it does not even cost the person checking off any money. This is just truth in advertising. If you check off, you pay for it.

I close by saying it saves $300 million, adds that to deficit reduction, and allows people to really pay for the voluntary checkoff.

I hope the Thompson amendment will be defeated.

Mr. DOMENICI. Does the Senator want the yeas and nays on this? Senator THOMPSON will accept a voice vote.

Mr. THOMPSON. I will accept a voice vote.

Mr. MCCONNELL. Yes.

Mr. THOMPSON. With the provision I could ask for a rollcall vote subsequently.

Mr. DOMENICI. I think you have the right to a rollcall vote in any event after a voice vote.

The PRESIDING OFFICER. That will be before the Chair announces the result.

Mr. DOMENICI. If he does it before the Chair announces the result.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

All in favor say aye. All those opposed, no.

The ayes appear to have it.

Mr. EXON. Mr. President, I call for the yeas and nays.

What was the ruling of the Chair? The ayes have it? I withdraw my request.

Mr. DOMENICI. Mr. President, I move to reconsider the vote.

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

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. First of all, I have to announce the result.

The ayes appear to have it. The ayes do have it.

The amendment is agreed to.

The amendment (No. 3981) was agreed to.

Mr. COVERDELL. Mr. President, I move to reconsider the vote.

Mr. DOMENICI. I apologize, Mr. President, I thought you had already ruled.

The PRESIDING OFFICER. Without objection, the motion to lay on the table is agreed to.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Senator from Arkansas.

AMENDMENT NO. 4014

Mr. BUMPERS. Mr. President, the yeas and nays have been ordered on this amendment already.

This amendment, I say to my colleagues, is one with which you are all familiar. It is called the defense firewalls. What it says is, no matter how many epidemics, floods, typhoons, earthquakes, no matter how much of anything you have in this country, you may not take a dollar from the defense budget with less than 60 votes to put it over in something that is of a much more dire need.

In 1991, and 1992, we had defense firewalls. We took them down in 1993 and 1994. Nothing untoward happened. I am just offended what this does. It says that no matter what happens that defense may not be touched. No matter how bloated the defense budget may be, it says you cannot take a penny out of defense for any other purpose, no matter what the emergency is.

We are saying we do not trust the Senate; we do not trust the Senate with a 51-vote majority. If you want to take something out of defense, you have to get 60 votes.

The PRESIDING OFFICER. The time of the Senator from Arkansas has expired.

Mr. DOMENICI addressed the Chair.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. Mr. President, since the Senator says this offends him, I

might say, one man's offense is another man's exhilaration. I think the firewalls are the best thing we have ever done for the defense of our country. I think we ought to vote the amendment down.

Clearly, it is not as the Senator said. The Senate votes on whether it wants the defense budget. After you voted it, you cannot take away from it when you have pressure for domestic spending. That is the issue. For typhoons and disasters, it is another issue. The Budget Act clearly says you can break the budget for those kinds of items. If you have natural disasters, it does not mean you can take the money from the men and women in the military.

I move to table the amendment and ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion to lay on the table amendment No. 4014. The yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

Mr. LOTT. I announce that the Senator from Kansas [Mr. DOLE] and the Senator from Pennsylvania [Mr. SANTORUM] are necessarily absent.

The result was announced—yeas 57, nays 41, as follows:

[Rollcall Vote No. 147 Leg.]

YEAS—57

Abraham	Frist	Lugar
Ashcroft	Glenn	Mack
Bennett	Gorton	McCain
Bond	Graham	McConnell
Brown	Gramm	Murkowski
Burns	Grams	Nickles
Campbell	Grassley	Nunn
Chafee	Gregg	Pressler
Coats	Hatch	Robb
Cochran	Heflin	Roth
Cohen	Helms	Shelby
Coverdell	Hutchison	Simpson
Craig	Inhofe	Smith
D'Amato	Jeffords	Snowe
DeWine	Kassebaum	Stevens
Domenici	Kempthorne	Thomas
Faircloth	Kyl	Thompson
Feinstein	Lieberman	Thurmond
Ford	Lott	Warner

NAYS—41

Akaka	Exon	Mikulski
Baucus	Feingold	Moseley-Braun
Biden	Harkin	Moynihan
Bingaman	Hatfield	Murray
Boxer	Hollings	Pell
Bradley	Inouye	Pryor
Breaux	Johnston	Reid
Bryan	Kennedy	Rockefeller
Bumpers	Kerrey	Sarbanes
Byrd	Kerry	Simon
Conrad	Kohl	Specter
Daschle	Lautenberg	Wellstone
Dodd	Leahy	Wyden
Dorgan	Levin	

NOT VOTING—2

Dole	Santorum

The motion to lay on the table the amendment (No. 4014) was agreed to.

Mr. DOMENICI. Mr. President, I move to reconsider the vote, and I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 4015

Mr. MURKOWSKI. Mr. President, yesterday the Senate began voting on amendments to the budget resolution at 9 a.m. and for the next 8½ hours, we cast 27 votes and voice-voted 7 other amendments. Out of the 34 amendments considered, 28 amendments—83 percent—were sense-of-the-Senate amendments. And 7 of the 27 rollcall votes—more than one out of four votes were unanimous 100–0.

Mr. President, these amendments are not binding; they do not shift a single dollar from one program to another. They merely allow both Republicans and Democrats to engage in strategies of gamesmanship which deceive the American people about our legislative business.

Enough is enough.

My amendment simply states that it shall not be in order for the Senate to consider sense-of-the-Senate resolutions during debate on the budget resolution.

I think we have reached the point where all of us would agree we have to abandon these unending, and meaningless, sense-of-the-Senate resolutions or at least require Senators to state on the floor and tell the American public that these amendments have no binding effect.

End this charade on the American public and vote to eliminate these amendments on budget resolutions.

Mr. EXON. Mr. President, the Murkowski amendment would create a new point of order that would deprive the minority of its right to amend with the sense-of-the-Senate language. Under the amendment, the majority could report out any sense-of-the-Senate language it wanted, but no Senator could offer a sense-of-the-Senate amendment to change that language or add to it.

Mr. President, I yield back the balance of my time. I raise a point of order that the pending amendment is not germane and it violates section 305(b) of the Congressional Budget Act.

Mr. DOMENICI. Mr. President, I move to waive section 305(b) of the Budget Act for the consideration of the Murkowski amendment 4015.

Parliamentary inquiry. Do I get an opportunity to speak on my motion?

The PRESIDING OFFICER. Thirty seconds.

Mr. DOMENICI. Fellow Senators, I seldom move to violate the Budget Act, but it does say if you can get 60 votes you can do it. I believe the time has come to send a signal that we ought not have 40, 50, 60 sense-of-the-Senate resolutions on a Budget Act. That is what this will do. This will say we are not going to have them in the future. It treats everybody the same. We will just not have that kind of a spectacle on the floor.

Mr. EXON. I have 30 seconds. Mr. President, as I understand the procedure, it would require 60 votes to do what the Senator from New Mexico has just requested.

The PRESIDING OFFICER. To waive the Budget Act requires 60 votes.

Mr. DOMENICI. Mr. President, I want to report to all Senators about the ongoing episode of my statement yesterday about the dinner last night and my wife's position. So you will all know, my wife arrives, she wanted to be there very much and she brought a purse. In the purse was a bar of Dial soap. She suggested that maybe I should wash my mouth out with Dial soap. I have done that. I hope I have set everything straight. I misstated my wife's position, but it was all in fun, and she did the Dial soap for fun, too.

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

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion to waive the Budget Act. The yeas and nays have been ordered.

The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. LOTT. I announce that the Senator from Kansas [Mr. DOLE] and the Senator from Pennsylvania [Mr. SANTORUM] are necessarily absent.

The yeas and nays resulted—yeas 57, nays 41, as follows:

[Rollcall Vote No. 148 Leg.]

YEAS—57

Abraham	Gramm	McCain
Ashcroft	Grams	McConnell
Bennett	Grassley	Murkowski
Bond	Gregg	Nickles
Burns	Hatch	Nunn
Byrd	Hatfield	Pressler
Campbell	Helms	Reid
Chafee	Hollings	Robb
Coats	Hutchison	Roth
Cochran	Inhofe	Shelby
Cohen	Jeffords	Simpson
Coverdell	Johnston	Smith
Craig	Kassebaum	Snowe
D'Amato	Kempthorne	Specter
DeWine	Kyl	Stevens
Faircloth	Lieberman	Thomas
Frist	Lott	Thompson
Glenn	Lugar	Thurmond
Gorton	Mack	Warner

NAYS—41

Akaka	Dorgan	Leahy
Baucus	Exon	Levin
Biden	Feingold	Mikulski
Bingaman	Feinstein	Moseley-Braun
Boxer	Ford	Moynihan
Bradley	Graham	Murray
Breaux	Harkin	Pell
Brown	Heflin	Pryor
Bryan	Inouye	Rockefeller
Bumpers	Kennedy	Sarbanes
Conrad	Kerrey	Simon
Daschle	Kerry	Wellstone
Dodd	Kohl	Wyden
Domenici	Lautenberg	

NOT VOTING—2

Dole	Santorum

Mr. EXON. Mr. President, I ask for the regular order.

Mr. President, I ask for the regular order.

Mr. President, I ask for the regular order.

The PRESIDING OFFICER. We will proceed.

Mr. EXON. Mr. President, I ask for the regular order.

The PRESIDING OFFICER. Are there any Senators still wishing to vote?

Mr. DOMENICI. Mr. President, I change my vote from ''aye'' to ''no.''

The PRESIDING OFFICER. On this vote, the ayes are 57, the nays are 41. Three-fifths of the Senators duly chosen and sworn, not having voted in the affirmative, the motion is rejected.

Mr. EXON. Mr. President, I move to reconsider the vote.

Mr. DOMENICI. Mr. President, I enter a motion to reconsider the vote by which the motion to waive the budget act for the consideration of the Murkowski amendment was defeated.

The PRESIDING OFFICER. The motion is entered for future consideration. However, the motion having failed to be approved at this time, the Chair will rule on the motion—on the point of order. The rights of Senators are reserved to move in the future to proceed to the motion to reconsider.

The Chair will rule at this time that the amendment is not germane. The point of order is sustained. The amendment falls at this time.

RECESS

Mr. DOMENICI. I ask unanimous consent that the Senate stand in recess until 2 p.m. today.

There being no objection, the Senate, at 1:13 p.m. recessed until 2:01 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer [Mr. THOMAS].

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

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

CONCURRENT RESOLUTION ON THE BUDGET

The Senate continued with the consideration of the concurrent resolution.

AMENDMENT NO. 4016

The PRESIDING OFFICER. The pending question is the Simpson-Kerrey amendment No. 4016.

Mr. KERREY. Mr. President, how much time do I have to speak on this?

Mr. GRASSLEY. Thirty seconds.

Mr. KERREY. Thirty seconds.

The PRESIDING OFFICER. The Senator from Nebraska. Take it all.

Mr. KERREY. I do not expect to persuade a majority, Mr. President. This is an amendment that will have a tremendous impact on the future budget outlays and appropriations of this Congress. As everybody that has examined the facts knows, unless we make changes in these long-term entitlement programs, we are simply never either going to get into balance in 7 years, nor are we going to be able to sustain it out in the future. We are converting our Government into an ATM machine. The longer we wait, the sooner the day is going to arrive when there is no money for defense, no money for anything other than transfer of payments.

As I said, I do not expect a majority to vote for a majority of these proposals in here, but I urge my colleagues to give very careful consideration to this amendment.

Mr. GRASSLEY addressed the Chair.

The PRESIDING OFFICER. The Senator from Iowa.

Mr. GRASSLEY. I oppose the Kerrey amendment. I do this because it states the sense of the Senate that the budget resolution assumes a series of long-term entitlement reforms, including reducing the CPI by one-half a percentage point each year, which would cut Social Security spending by about $38 billion over the next 6 years, and it would increase taxes by about $35 billion over that period.

The amendment also calls for increasing the retirement age for civilian and military retirees and Social Security and Medicare beneficiaries, COLA limits for very high civilian and military pensions, and partial privatization of Social Security.

On behalf of Senator DOMENICI, the chairman of the Budget Committee, I move to table the Kerrey amendment and ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There appears to be.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion to table the amendment. The yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

Mr. LOTT. I announce that the Senator from Kansas [Mr. DOLE] is necessarily absent.

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

The result was announced—yeas 63, nays 36, as follows:

[Rollcall Vote No. 149 Leg.]

YEAS—63

Abraham	Feingold	Mack
Akaka	Ford	McCain
Ashcroft	Glenn	McConnell
Baucus	Gorton	Mikulski
Biden	Graham	Moseley-Braun
Bingaman	Gramm	Murkowski
Bond	Grassley	Murray
Boxer	Harkin	Pressler
Burns	Hatch	Reid
Byrd	Heflin	Rockefeller
Campbell	Helms	Roth
Conrad	Hutchison	Sarbanes
Coverdell	Inhofe	Shelby
Craig	Inouye	Smith
D'Amato	Kempthorne	Snowe
Daschle	Kennedy	Specter
Dodd	Kerry	Stevens
Domenici	Kyl	Thurmond
Dorgan	Lautenberg	Warner
Exon	Leahy	Wellstone
Faircloth	Levin	Wyden

NAYS—36

Bennett	DeWine	Kerrey
Bradley	Feinstein	Kohl
Breaux	Frist	Lieberman
Brown	Grams	Lott
Bryan	Gregg	Lugar
Bumpers	Hatfield	Moynihan
Chafee	Hollings	Nickles
Coats	Jeffords	Nunn
Cochran	Johnston	Pell
Cohen	Kassebaum	Pryor
Robb	Simon	Thomas
Santorum	Simpson	Thompson

NOT VOTING—1

Dole

The motion to lay on the table the amendment (No. 4016) was agreed to.

Mr. EXON. Mr. President, I move to reconsider the vote.

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

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The pending question is now amendment No. 4018.

Mr. EXON. Before we start charging time, could we have a little order here for the information of all the Senators?

The PRESIDING OFFICER. Order in the Senate. The Senator may proceed.

Mr. EXON. Mr. President, I say to the chairman of the committee, according to our scoresheet we have seven amendments left that have been preagreed to for consideration and votes. Then there are some others that are still outstanding that we still have on the list. Of the seven that are still outstanding, waiting for a vote, and since we are cramped for time—I know there are three sense-of-the-Senate resolutions, one by Senator MCCAIN, one by Senator FAIRCLOTH, another one by Senator ROTH, all sense-of-the-Senate resolutions—and since all of those Senators voted against considering sense-of-the-Senate resolutions, I am wondering if they would like to, in good faith, withdraw their sense-of-the-Senate resolutions so that we can accomplish what they would like to do in addition to that.

Mr. MCCAIN. Since when is consistency a requirement?

Mr. EXON. Senators who have a sense of the Senate outstanding, they, too, want an expedited procedure. I say this is a good time to do that.

Mr. DOMENICI. We will make a trade with the Senator. We will reconsider this if you help us and vote for the reconsideration. In the future there will be no more——

Mr. FORD. No.

Mr. EXON. In the future? I would like to have done it now.

Mr. DOMENICI. That is what it was.

Mr. EXON. If we are going to consider sense-of-the-Senate resolutions, there are seven amendments that we know about, and three of those are sense-of-the-Senate resolutions.

AMENDMENT NO. 4018

Mr. DOMENICI. Mr. President, could we have order? This is an amendment that has been worked on very hard by a lot of people. They deserve to be heard.

The PRESIDING OFFICER. Could we have order so we can move forward? This is the amendment, the Chafee-Breaux amendment, and with 5 minutes of debate equally divided.

Mr. DOMENICI. A 10-minute vote.

The PRESIDING OFFICER. Ten-minute vote.

Mr. CHAFEE. I ask that everybody please give their attention to the proposal we are making.

The PRESIDING OFFICER. Could Senators move out of the well, please?

Mr. CHAFEE. Mr. President, every Member of this Chamber believes that running up huge deficits year after year and passing the debt on to our children is just plain wrong. Every Member of this Chamber knows we must restrain the entitlement programs.

The proposal I am offering on behalf of myself, Senator BREAUX, and 19 of our colleagues, Republicans and Democrats, balances the budget in 7 years. It makes significant reforms to entitlement programs. It extends the solvency of the Medicare trust fund and provides modest tax relief for working families.

These are all sound reasons for supporting it. But there is an additional strong reason I wish to call to your attention. The President's budget was rejected on nearly a straight party-line vote. The Republican proposal will pass on a straight party-line vote, I expect. But the implementing legislation to the Domenici proposal, the implementing legislation will undoubtedly be vetoed. Thus, its entitlement reforms will not become law, just like last year. Our budget, however, has a realistic chance of becoming law. Today with a ''yes'' vote on the alternative, we can transform talk about deficit reduction into action.

If we pass the Chafee-Breaux alternative, a balanced budget agreement can be reached this year. If this effort fails, then we will go through another year without solving our Nation's fiscal problems.

Mr. BREAUX addressed the Chair.

The PRESIDING OFFICER. The Senator from Louisiana.

Mr. BREAUX. Mr. President, my colleagues, Herb Stein, the economist and sometimes humorist, once said, ''If your horse dies, we suggest you dismount.'' Mr. President, both parties today are trying to ride a dead horse. We have both been there and done that before. It did not work then. It is not going to work now.

If only Democrats vote for the Democratic budget, it will not pass. If only Republicans vote for the Republican plan, it will pass, but it is not going to become law. There is another way. Our centrist coalition of over 20 Senators, half Democrat and half Republicans, have, in fact, offered a better way. The American people are watching us today and hoping that just once we can come together, meet in the middle, and get it done.

Let me be very honest and acknowledge that our one-half of 1 percent adjustment to the Consumer Price Index is politically difficult for everyone. But let us all be honest with ourselves and to the American people and acknowledge that it is the right thing to do.

If we do nothing, by the year 2012, projected outlays for entitlements will consume 100 percent of all the tax revenues we collect leaving nothing for any of the other functions of Government.

It is, therefore, very clear which path we must take. The only question is, will we have the political courage to do the right thing? I think that together we can do it.

Mr. President, on Monday evening, the senior Senator from Illinois asked about the effect of the Chafee-Breaux amendment on student loans. I ask unanimous consent to have printed in the RECORD prior to the vote on the amendment a letter from June O'Neill, the Director of the Congressional Budget Office which addresses that subject, as well as a table comparing the saving levels in the Chafee-Breaux resolution to the other plans.

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

U.S. SENATE,
CONGRESSIONAL BUDGET OFFICE,
Washington, DC, May 21, 1996.

Hon. JOHN H. CHAFEE,
U.S. Senate,
Washington, DC.

DEAR SENATOR: At your request, we have reviewed Amendment No. 4018 to S. Con. Res. 57, the 1997 budget resolution. That amendment, introduced by yourself and others, includes reconciliation instructions to the Committee on Labor and Human Resources, but does not identify any specific programmatic changes that the committee would be required to make to the student loan program or to any other program within its jurisdiction.

Sincerely,

JUNE E. O'NEILL.

Amendment No. 4018—a substitute proposed by: Mr. CHAFEE, (for himself, Mr. BREAUX, Mr. BENNETT, Mr. BROWN, Mr. BRYAN, Mr. COHEN, Mr. CONRAD, Mrs. FEINSTEIN, Mr. GRAHAM, Mr. GORTON, Mr. JEFFORDS, Mr. JOHNSTON, Mrs. KASSEBAUM, Mr. KERREY, Mr. KOHL, Mr. LIEBERMAN, Mr. NUNN, Mr. ROBB, Mr. SIMPSON, Mr. SPECTER, and Ms. SNOWE).

	Chafee/Breaux (7-year savings)	President (6-year savings)	GOP (6-year savings)
Discretionary	−268	−229	−296
Medicare	−154	−116	−167
Medicaid	−62	−54	−72
Welfare/EITC	−58	−43	−70
CPI	−126	0	0
Net tax cuts	105	8	122
Total savings	−679	−523	−565

The PRESIDING OFFICER. Is there anyone who wishes to speak in opposition?

Mr. DOMENICI. I yield Senator EXON half the time.

Mr. EXON. Mr. President, I join the chairman of the committee in what I think will be a salute to our colleagues from Rhode Island and Louisiana for their effort. But I must oppose the amendment. The Chafee-Breaux budget could cut COLA's, costing a typical Social Security beneficiary $1,200 over 7 years. Such changes should be done, in my opinion, if at all, only in the context of a comprehensive Social Security reform package. These COLA cuts would also hit EITC, SSI, and retired and disabled veterans.

The amendment goes after Medicare beneficiaries as well unnecessarily. Finally, the Chafee-Breaux budget cuts taxes far more than the President and far more than I think is prudent. For these reasons I urge Senators to oppose it.

Mr. DOMENICI addressed the Chair.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. Mr. President, I want everyone to know that the Senator from New Mexico thinks those bipartisan Senators that put this package together deserve our highest accolades, and obviously, in the scheme of things they performed a very, very important role in providing an alternative in a way that may some day become the budget of the United States.

But for any member of that coalition to stand up and say since this is bipartisan, it is going to become law, let me suggest, sitting over in the White House is the President of the United States. The President of the United States has had this presented to him. He is not in favor of it for the very simple reason that it cuts Social Security. It does it in a different way by adjusting the CPI, and it may be something that eventually some commission might say we ought to do that.

But, quite frankly, I urge this amendment be defeated unless those Senators who vote for it truly want to take on the President of the United States on the Social Security issue 5 months before an election. I think it is doomed. Because I think it is doomed, it seems to me we ought to adopt the underlying bill and not this one. I yield the floor.

Mr. BURNS. Mr. President, I stand today to support many of the goals of the Chafee-Breaux amendment to the Budget Act of 1997, but to voice concern regarding how to pay for those goals.

On the top of the list of essential tax reforms that this amendment addresses is a reduction in the capital gains tax. This tax is fundamentally unfair because it is not linked to inflation and taxes people on phantom income. No other nation in the world has a tax on capital gains and at least a reduction in this tax is in order. Because a clear majority of Americans own their own homes this tax relief lifts a huge burden off the backs of the middle class. It also allows businesses to buy and sell property and equipment based on their need and not on the Tax Code. It frees money trapped in deteriorating assets to be used to invest in new and improved equipment and expand the economy. This in turn benefits all Americans.

Another essential tax reform is eliminating the estate and inheritance tax. These taxes are very destructive to the family. It forces family businesses to be sold and increases the pain already felt by the loss of a loved one. The ability for each generation to pass on it's family heritage should not be blocked by the Federal Government's grab for money. These taxes must be eliminated.

Middle class tax relief was promised by the President in 1992 and by the Congress in 1994. The President vetoed it repeatedly last year, but it is just as important now as it was then. It is

time to cut taxes for families with children. In the last 30 years it has become increasingly more expensive to raise children. The typical child costs upwards of a quarter of a million dollars to raise and send to college. A $250 per child family tax credit would go a long way to relieving some of the stress of raising children in the typical American family. Since the average family pays 38.2 percent of its income toward taxes, surely we can agree to give some of it back to those that need it the most.

All of these reforms are needed and necessary and I support them without reservation. However, I am concerned about the way the Breaux-Chafee amendment pays for these reforms. By tinkering with Federal employees retirement plans, we are in essense breaking our word to them. I believe that the Government should keep its commitment to these hard-working folks and not change the rules this late in the game. For this reason, I will cast my vote in opposition to the Breaux-Chafee amendment.

Mrs. MURRAY. Mr. President, I commend Senators CHAFEE and BREAUX for the work they did in putting together a true budget compromise. These two distinguished Senators successfully coordinated a group of 11 Democrats and 11 Republicans in a good-faith effort to balance our Nation's budget in a fair and responsible way. And, their work should not go unnoticed.

As the people of this country know all too well, Congress has been wrangling with the budget issue for more than a year. The debate has been bitter and, at times, downright rancorous. But, if we step back and look beyond all the huffing and puffing, we find that Congress and the President have learned we can balance the budget. It is not an impossible mission. And it is not an idea that must get bogged down along party lines.

We all agree the budget must be balanced. We all understand the need to get our fiscal house in order. The difficult part, however, is making sure the budget plan uses good common sense and reflects America's core values—the belief we should ensure our quality of life, educate our children, and maintain adequate health security for our parents and disabled.

Unfortunately, the Senate rejected the centrist budget today. However, the awareness of this plan is just building, and I am pleased to note support is growing for this plan. I believe the Chafee-Breaux budget lays the groundwork and sets out the parameters that could be used to strike a final compromise on a comprehensive 6-year balanced budget plan.

The centrist budget plan is not perfect. It requires serious savings in programs I believe in and my friends and family depend on. It asks each and every one of us to give a little in order balance the budget. It cuts Medicare, Medicaid; it curtails welfare programs; and it cuts taxes all a little bit more than I would like. But the proposals in this plan are workable. It calls for realistic savings. Savings that can be achieved without risking the safety and security of our friends and families—without stripping away the safety net that catches our most needy.

Mr. President, let me just say, last year I was opposed to cutting back Medicaid because it provides health care for our poorest children and it ensures quality nursing home standards for our parents. But, after talking to health care experts in Washington State, I concluded my home State could still serve our most vulnerable populations as long as we do not have drastic cuts to Medicaid. I am willing to concede that point, and I know now that if we all give a little, we can reach compromise.

The key to any balanced budget proposal is making sure the numbers fit the policy decisions. In other words, we cannot just arbitrarily slash important programs simply to balance the budget. We need to make sure we can reform the programs in a way that saves money while still serving the public. The Chafee-Breaux plan will accomplish that goal—it proposes realistic numbers that can be achieved.

Given this, let me say that I will work to make sure the Chafee-Breaux plan is balanced and reflects America's priorities. While I support the overall effort to put aside partisan differences and find common ground, there are very important matters we cannot afford to overlook.

I just want to remind my colleagues and our State legislators who seem to be clamoring for more State control of Medicaid and Welfare, that our children's needs do not change with shifting political winds.

We need a balanced budget. Saying that is the easy part. But we must compromise to get one, and that is the hard part. The American people clearly are willing to sacrifice to make this happen. And, I voted today in support of a bipartisan budget agreement that asks for shared sacrifice. The numbers in the Breaux-Chafee proposal are reasonable. How the proposal gets to the numbers still raises large concerns for me, and should for all of us.

On welfare, there will be cuts. People will see reduced services from their Government. There will be new requirements on adults to do more in order to get help, and if this breaks down the disincentives in our current welfare system, then I support it. That is one reason I voted for this amendment.

But how we achieve savings is a very important question, as is whether we want to penalize people. And I think this amendment and every other welfare proposal goes the wrong way when it comes to removing national standards for a basic guarantee of service.

According to CBO, removing entitlement status for cash assistance does not save money in this proposal. I can understand saving money and making programs run more efficiently. I can see why people in this country want to impose work requirements on those getting public assistance. I just do not understand why children have to suffer because their parents are poor.

The Breaux-Chafee proposal cuts food stamps, SSI eligibility, and many other things that will make our children's lives harder, day to day. I do not think this is wise. But in the interest of getting a budget agreement, and in the spirit of shared sacrifice, some of these proposals are reasonable.

But, block-granting and capping welfare payments to States is not reasonable. When the economy in Wisconsin or Washington turns sour, we will see how fast the States want help from the Federal Treasury. Removing the guarantee to a basic hand-up in need—this is not reasonable, and Congress should not be doing it in this budget or any other.

On Medicaid, the Breaux-Chafee plan will change early health treatment for kids under EPSDT, which will hinder our long-term preventative health efforts for children. We will be less likely to stop easy ailments before they become serious and costly illnesses. We know this is going in. The trick will be to find a way to make sure that does not happen.

There are many other concerns I have with this section of the budget. The overall funding level looks reasonable, but we need to watch Medicaid for its impact on children.

I am also deeply concerned about the proposals included in this budget that would target our federal and postal employees. These people who serve our country have already been hit hard through Government shutdowns and delayed COLA's. This budget also adjusts contributions and collections from the CSRS and FERS retirement plans, and it increase retirement ages—improperly placing a large burden on the backs of Federal workers. We must end the continued 3-month delay in retiree COLA's and honor the contract our Nation formed with our valued Federal workers.

Mr. President, I will not forget the concerns I just raised. As we reform these programs, we must remember what works and what needs to be changed. Last year, we learned the American people do not want reckless changes. They want wise decisionmaking. They want us to craft budgets that reflect their priorities. And I am confident that with good common sense we can meet their expectations.

Mr. KERRY. Mr. President, I will oppose the Breaux-Chafee substitute. I want to commend those who have been involved in that effort and support the objective they seek. Senator CHAFEE and Senator BREAUX deserve our praise for showing the country that we do not need partisan bickering to reach a budget agreement. I would very much like to have been able to join their ranks and pass a budget on a bipartisan basis.

I wish more of our Republican friends would have joined me in supporting the President's balanced budget. It is a sad commentary that not one Member of the other party could work with us on a plan which has proven to cut the deficit in half while keeping our economy moving at a robust clip. The President and the Democrats have crafted a budget which eliminates the deficit and works for middle-class Americans.

Mr. President, I wish I could join my friends. I have discussed this proposal with a number of its proponents, but Mr. President, I cannot sign on to a plan at this time which arbitrarily changes the Consumer Price Index or its application to benefits that are by law adjusted for inflation.

As you know, the CPI is one of the country's most widely watched economic indices. The CPI, which measures the changes in the cost of living, is determined by economists at the Bureau of Labor Statistics. These analysts are continually adjusting the CPI and the methodology they employ to ascertain it.

There are a number of prominent economists—including Federal Reserve Chairman Alan Greenspan—who tell us the CPI overstates the actual cost of living and is therefore an inaccurate estimate for the rate of inflation. They call for the CPI to be adjusted downward. I know the proponents of this budget are responding to these calls when they arbitrarily lower the CPI and derive more than $100 billion to spend on tax breaks or to apply to deficit reduction.

Mr. President, I think this action—which will affect millions of American taxpayers, Social Security beneficiaries, and other retirees—is premature.

As changing the CPI will affect millions of Americans, we should study it carefully before we enact any change in the way it is calculated as part of a deficit reduction plan. Perhaps at some point in the future, the Bureau of Labor Statistics will determine that the CPI exaggerates the cost of living and adjust the index downward. Or perhaps the Congress, after rigorous study, will thoroughly debate a legislative change in the CPI and subsequently enact a change. As you know, Mr. President, the Finance Committee has established a nonpartisan commission to study the accuracy and methodology of the Consumer Price Index. This Commission is due to release its final report this summer. We should wait at least until the Commission has reported its findings before legislating changes to this index.

At least until then, Mr. President, legislation to change the CPI is not needed and would be extremely unwise. We can and should balance the budget without changing the CPI. The President has shown us that it is possible to balance the budget by the year 2002 without changing the CPI. I voted for his balanced budget proposal as did many of the proponents of this change in the CPI.

I also have considerable concerns about the level and impact of cuts in the Breaux-Chafee budget from the level needed to maintain current Medicare and Medicaid services, as well as the discretionary programs that are so vital to investment in our future, ranging from education to infrastructure, from environmental protection to high-technology research and development.

I am also very concerned about the size of the Medicare cuts in the Chafee-Breaux proposal which would reduce this essential program by $154 billion by 2002. These cuts will result in inadequate health care, more expensive health care, or no care at all. Although cuts this large could be implemented in a number of ways, and all of those would have a considerable negative impact because of the magnitude, the Chafee-Breaux proponents have advocated doubling Medicare premiums for middle and upper income seniors, requiring most participants to bear the burden of paying 31.5 percent of the part B program's costs. Forcing the elderly to pay an unfair share of deficit reduction is the wrong approach.

And all for those reasons, I regretfully concluded I cannot join in supporting this budget alternative, and I must oppose the Chafee-Breaux substitute.

I do hold out hope, however, Mr. President, that those of us who supported the President's budget, which balances the budget by the year 2002, will be able to work with the proponents of this budget alternative to secure final Senate action that will be far preferable for our Nation's sake than the budget the Republican majority will ram through both Houses of Congress this week.

Mr. LEVIN. Mr. President, I support the Chafee-Breaux amendment as a substitute for the underlying budget offered by the majority.

The Chafee-Breaux amendment is a bipartisan effort to find a compromise to the budget dilemma. It provides a more moderate reduction in discretionary spending and includes a national guarantee of coverage in Medicaid for the elderly, the disabled, and disadvantaged children and pregnant women.

I do not agree with all aspects of the Chafee-Breaux amendment, however. I do not agree with the 0.5-percent adjustment to the Consumer Price Index—0.3 percent in the outyears. I do not believe that such a change should be made in the calculation of the CPI without careful study and analysis showing a disparity between the CPI and the rate of inflation and a resulting recommendation from the Bureau of Labor Statistics that Congress make such a change. Also, I do not agree with the Chafee-Breaux defense discretionary spending level which is $11 billion more than the President requested. I am also concerned by the Chafee-Breaux's assumption of a 40-percent cap on direct student loans.

While I support the Chafee-Breaux amendment as a substitute for the majority's budget, I would need to see these concerns addressed before voting for it on final passage.

The PRESIDING OFFICER. The question is on agreeing to amendment No. 4018. The yeas and nays have been ordered. The clerk will call the roll.

The bill clerk called the roll.

Mr. LOTT. I announce that the Senator from Kansas [Mr. DOLE] is necessarily absent.

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

The result was announced—yeas 46, nays 53, as follows:

[Rollcall Vote No. 150 Leg.]

YEAS—46

Akaka	Faircloth	Lieberman
Bennett	Feinstein	Lugar
Bingaman	Frist	Moynihan
Boxer	Gorton	Murray
Bradley	Graham	Nunn
Breaux	Gregg	Pell
Brown	Hatch	Pryor
Bryan	Hatfield	Reid
Campbell	Inouye	Robb
Chafee	Jeffords	Santorum
Coats	Johnston	Simon
Cochran	Kassebaum	Simpson
Cohen	Kerrey	Snowe
Conrad	Kohl	Specter
D'Amato	Leahy	
DeWine	Levin	

NAYS—53

Abraham	Gramm	Mikulski
Ashcroft	Grams	Moseley-Braun
Baucus	Grassley	Murkowski
Biden	Harkin	Nickles
Bond	Heflin	Pressler
Bumpers	Helms	Rockefeller
Burns	Hollings	Roth
Byrd	Hutchison	Sarbanes
Coverdell	Inhofe	Shelby
Craig	Kempthorne	Smith
Daschle	Kennedy	Stevens
Dodd	Kerry	Thomas
Domenici	Kyl	Thompson
Dorgan	Lautenberg	Thurmond
Exon	Lott	Warner
Feingold	Mack	Wellstone
Ford	McCain	Wyden
Glenn	McConnell	

NOT VOTING—1

Dole

The amendment (No. 4018) was rejected.

Mr. DOMENICI. Mr. President, I move to reconsider the vote.

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

The motion to lay on the table was agreed to.

AMENDMENT NO. 3969

The PRESIDING OFFICER. The pending question is amendment No. 3969.

Senator FEINGOLD is recognized.

Mr. FEINGOLD. Mr. President, our amendment offers a clear choice: tax cuts or deficit reduction. It strikes the $122 billion tax cut and applies every penny to deficit reduction. I think that is our highest economic priority. This is not just a partisan issue. The Republican and Democratic plans have had this flaw. The bipartisan plan has this flaw. This has been endorsed by the Concord Coalition.

Mr. DOMENICI. Mr. President, the FEINGOLD amendment strikes $122 billion in family tax credit from this resolution. Therefore, it will be a bill without any special emphasis for the families across America. I believe this

should be tabled, and we should proceed through and have a budget that does something for American families, along with reducing the deficit. I believe it should be tabled.

Therefore, I move to table the amendment and ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

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

The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

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

The result was announced—yeas 57, nays 43, as follows:

[Rollcall Vote No. 151 Leg.]

YEAS—57

Abraham	Domenici	Lott
Ashcroft	Faircloth	Lugar
Baucus	Ford	Mack
Bennett	Frist	McCain
Biden	Gorton	McConnell
Bond	Gramm	Murkowski
Boxer	Grams	Nickles
Bradley	Grassley	Pressler
Brown	Gregg	Roth
Burns	Harkin	Santorum
Campbell	Hatch	Shelby
Chafee	Hatfield	Simpson
Coats	Helms	Smith
Cochran	Hutchison	Snowe
Coverdell	Inhofe	Stevens
Craig	Kassebaum	Thomas
D'Amato	Kempthorne	Thompson
DeWine	Kyl	Thurmond
Dole	Lieberman	Warner

NAYS—43

Akaka	Graham	Moynihan
Bingaman	Heflin	Murray
Breaux	Hollings	Nunn
Bryan	Inouye	Pell
Bumpers	Jeffords	Pryor
Byrd	Johnston	Reid
Cohen	Kennedy	Robb
Conrad	Kerrey	Rockefeller
Daschle	Kerry	Sarbanes
Dodd	Kohl	Simon
Dorgan	Lautenberg	Specter
Exon	Leahy	Wellstone
Feingold	Levin	Wyden
Feinstein	Mikulski	
Glenn	Moseley-Braun	

The motion to lay on the table the amendment (No. 3969) was agreed to.

APPEAL OF THE RULING OF THE CHAIR

The PRESIDING OFFICER. The Senate Democratic leader has appealed the decision of the Chair. The question before the Senate is, Shall the decision of the Chair stand as the judgment of the Senate?

There is 1 minute of debate equally divided.

Mr. DASCHLE addressed the Chair.

The PRESIDING OFFICER. The minority leader.

Mr. DASCHLE. Mr. President, this resolution abuses reconciliation—extending use in an entirely inappropriate way. In sanctioning that abuse, the Chair has made a faulty judgment that could have a vast impact on the Senate.

The Chair has ruled that reconciliation can be used solely to increase spending, solely to cut taxes, solely to increase the deficit.

That is an absolutely unacceptable distortion of the reconciliation process; expanded use threatens all Senators' rights to debate and amend.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. Mr. President and fellow Senators, I think the Chair's ruling should be sustained. Senator DASCHLE's point of order was based on his view that the budget resolution cannot contain separate reconciliation instructions, that there can be just one. The Parliamentarian ruled that you could have multiple reconciliation bills directed by a budget resolution.

I think the Parliamentarian is right and we should support him. Therefore, I urge that you vote ''no'' on this appeal—vote ''aye'' on this appeal. Excuse me.

The PRESIDING OFFICER. The question is, Shall the decision of the Chair stand as the judgment of the Senate? On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The bill clerk called the roll.

The result was announced—yeas 53, nays 47, as follows:

[Rollcall Vote No. 152 Leg.]

YEAS—53

Abraham	Frist	McCain
Ashcroft	Gorton	McConnell
Bennett	Gramm	Murkowski
Bond	Grams	Nickles
Brown	Grassley	Pressler
Burns	Gregg	Roth
Campbell	Hatch	Santorum
Chafee	Hatfield	Shelby
Coats	Helms	Simpson
Cochran	Hutchison	Smith
Cohen	Inhofe	Snowe
Coverdell	Jeffords	Specter
Craig	Kassebaum	Stevens
D'Amato	Kempthorne	Thomas
DeWine	Kyl	Thompson
Dole	Lott	Thurmond
Domenici	Lugar	Warner
Faircloth	Mack	

NAYS—47

Akaka	Feinstein	Lieberman
Baucus	Ford	Mikulski
Biden	Glenn	Moseley-Braun
Bingaman	Graham	Moynihan
Boxer	Harkin	Murray
Bradley	Heflin	Nunn
Breaux	Hollings	Pell
Bryan	Inouye	Pryor
Bumpers	Johnston	Reid
Byrd	Kennedy	Robb
Conrad	Kerrey	Rockefeller
Daschle	Kerry	Sarbanes
Dodd	Kohl	Simon
Dorgan	Lautenberg	Wellstone
Exon	Leahy	Wyden
Feingold	Levin	

The ruling of the Chair was sustained as the judgment of the Senate.

AMENDMENT NO. 4022

The PRESIDING OFFICER. The question now occurs on amendment No. 4022 offered by the Senator from Arizona, Mr. MCCAIN.

Mr. DOMENICI. We want to set that aside to do some other things we want to do.

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

The Senate will please come to order.

AMENDMENT NO. 4023

Mr. DOMENICI. Senators FAIRCLOTH and MOYNIHAN have an amendment, No. 4023. It has been cleared on both sides. There is no need for a rollcall vote.

I yield any time I might have in opposition.

Mr. EXON. We yield back our time.

The PRESIDING OFFICER. If there is no objection, the Senate will now proceed to consider amendment No. 4023.

Mr. FAIRCLOTH. Mr. President, I ask unanimous consent that Senator MOYNIHAN be added as a cosponsor to this amendment.

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

Mr. FAIRCLOTH. Mr. President, let me say how pleased I am to offer this amendment along with the senior Senator from New York. It was Senator MOYNIHAN'S ground-breaking research 30 years ago that first drew attention to a situation that has gone from a developing trend to what I consider to be a real crisis.

This amendment simply states that it is the sense of the Senate that if welfare reform is included in balanced budget legislation, that those provisions contain a strategy to reduce the incidence of out of wedlock births as well as encourage family formation.

I strongly believe that welfare reform that does not seek to reverse the rising rate of out-of-wedlock births, will not break the cycle of welfare dependency that is consuming more and more of our young people.

I urge my colleagues to support this amendment.

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

The amendment (No. 4023) was agreed to.

AMENDMENT NO. 4037

Mr. EXON. Mr. President, for Senator BIDEN, I send an amendment to the desk and ask unanimous consent the amendment be considered, agreed to, and the motion to reconsider be laid on the table. This has been cleared on both sides.

Mr. DOMENICI. Mr. President, I understand Senator HATCH is a cosponsor of that amendment.

Mr. EXON. Mr. President, Senator HATCH is a cosponsor.

The PRESIDING OFFICER. The clerk will report the amendment by number.

The bill clerk read as follows:

The Senator from Nebraska [Mr. EXON], for Mr. BIDEN, for himself, Mr. LEAHY, Mr. KOHL and Mr. HATCH proposes an amendment numbered 4037.

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

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

The amendment is as follows:

At the appropriate place insert the following:

SEC. . A RESOLUTION REGARDING THE SENATE'S SUPPORT FOR FEDERAL, STATE AND LOCAL LAW ENFORCEMENT.

(a) FINDINGS.—The Senate finds that:

(1) Our Federal, State and local law enforcement officers provide essential services that preserve and protect our freedoms and security;

(2) Law enforcement officers deserve our appreciation and support;

(3) Law enforcement officers and agencies are under increasing attacks, both to their physical safety and to their reputations;

(4) Federal, State and local law enforcement efforts need increased financial commitment from the Federal Government for funding and financial assistance and not the slashing of our commitment to law enforcement if they are to carry out their efforts to combat violent crime;

(5) The President's Fiscal Year 1996 budget requested an increase of 14.8% for the Federal Bureau of Investigation, 10% for United States Attorneys, and $4 milllion for Organized Crime Drug Enforcement Task Forces; while this Congress has increased funding for the Federal Bureau of Investigation by 10.8%, 8.4% for United States Attorneys, and a cut of $15 million for Organized Crime Drug Enforcement Task Forces;

(6) On May 16, 1996, the House of Representatives has nonetheless voted to slash $300 million from the President's $5 billion budget request for the Violent Crime Reduction Trust Fund for Fiscal Year 1997 in H. Con. Res. 178; and

(7) The Violent Crime reduction Trust Fund as adopted by the Violent Crime Control and Law Enforcement Act of 1994 fully funds the Violent Crime Control and Law Enforcement Act of 1994 without adding to the federal budget deficit.

(b) SENSE OF THE SENATE.—It is the Sense of the Senate that the provisions and the functional totals underlying this resolution assume the Federal Government's commitment to fund Federal law enforcement programs and programs to assist State and local efforts shall be maintained and funding for the Violent Crime Reduction Trust Fund shall not be cut as the resolution adopted by the House of Representatives would require.

Mr. BIDEN. Mr. President, it seems to be ''deja vu all over again'' to quote Yogi Berra—last year we had to fight an effort on the House side to slash funds for the crime law trust fund, and it looks like we are going to have to do the same this year.

The amendment which I propose today gives the entire Senate the opportunity to express its support for full funding of the violent crime control trust fund enacted in the 1994 crime law. Let me point out that the Senate budget resolution offered by Chairman DOMENICI does the right thing on the trust fund—Chairman DOMENICI fully funds the President's $5 billion request for the trust fund for 1997. This recognizes that the $5 billion for the trust fund is already paid for by the reduction of the Federal work force by 272,000 employees.

The problem is that the budget resolution proposed by the Republican leadership of the House of Representatives which passed just last week by a narrow, partisan vote of 226 to 195—221 Republicans voted for it, 4 against; 190 Democrats voted against, 5 voted for it—cut the President's $5 billion request for the trust fund by $300 million.

This is less than the $900 million cut that had been proposed by the Republican leadership of the House—but this is still a significant cut that I must oppose.

If the House proposed cut of $300 million is allowed to stand there can be only one result—fewer Federal dollars will be available to combat crime. As my colleagues know, the general numbers of the budget resolution do not specify which programs will be cut—but it is clear that some programs must be cut.

What specifically might this mean? Let us just review the law enforcement efforts funded by the crime law trust fund:

Federal prosecutors, $55 million;

FBI, $40 million; DEA, $200 million; border enforcement and deporting aliens who break the law, $525 million; violence against women efforts including more police and prosecutors and more shelters for battered women, $254 million; $1 billion for constructing prisons and reimbursing States for imprisoning criminal aliens; and an additional $2.6 billion to aid State and local law enforcement—whether it is through the 100,000 Cops Program I favor or the block grant favored by the other side, I do not believe that any Senator favors a smaller total for State and local law enforcement.

We all know there is no free lunch—so if there is a cut in the total for the trust fund, at least some of the pieces of the trust fund must be cut. For that reason, I call upon the entire Senate to go on record as opposing the House cut to the President's $5 billion request for the crime law trust fund.

But, let me also point out that even if we pass the resolution I am offering today, and even if the House Republican majority ultimately agrees to fully fund the President's request for the trust fund—even if all that happens, a massive shortfall in the President's request for crime fighting resources will still have been made by the budget resolutions adopted by the Republican majority.

To quickly review the facts on the total ''administration of justice'' account—compare what the Senate and House budget resolutions offer for the non-trust fund portion of the ''administration of justice'' account that pays for the entire Justice Department—FBI, DEA, prisons, everything—and the courts:

	Billion
President request	$18.5
House budget resolution	17,4
Senate budget resolution	16.7

These are massive cuts—the House proposes to slash the President's request for crime fighting dollars by $1.1 billion; the Senate proposes a cut $1.8 billion.

What happened to all this ''tough on crime'' rhetoric we have been hearing from all sides? It seems that the President held up his end of the bargain—requesting the largest-ever annual budget for the FBI, DEA, U.S. attorneys, and help for State and local prisons and police. But, the Congress controlled by the other party has been ''AWOL—absent without law enforcement.''

Unless there is a major change to restore these funds when the House and Senate budget conferees meet—we can expect but one result when the appropriators develop their bills later this year. Massive cuts in Federal law enforcement because the appropriators will have no choice—if we shrink the budget pie for law enforcement, there is no way to provide all the slices. It is just that simple.

Mr. President, I urge my colleagues to adopt the amendment I am offering on behalf of myself, and Senators LEAHY, KOHL, and HATCH.

Mr. LEAHY. Mr. President, I join as a sponsor in this amendment to the budget resolution. Last year I offered a similar amendment that was adopted by the Senate. Unfortunately, Congress did not follow through on our commitment. Last year the budget for fighting crime was never finalized. It was only recently that we arrived at a budget resolution for a fiscal year now more than half over. This had a devastating impact on anticrime grant programs and should not be repeated.

I am glad to join with Senator BIDEN in this resolution to preserve the violent crime reduction trust fund. Our purpose is to reaffirm our commitment and appreciation for Federal, State, and local law enforcement and the outstanding job that they do under the most difficult and dangerous circumstances, and to reject the House's attempts drastically to cut our financial support for their efforts.

Over the last few years there has been a lot of public debate and comment about the activities of law enforcement and the rhetoric that has been used to disparage and malign these dedicated public servants and the law enforcement agencies in which they serve. I submit that law enforcement deserves better. We owe these men and women our respect, appreciation and public, moral and financial support.

The gruesome fact is that there are increasing threats against the safety and lives of law enforcement officers—the bombing of offices in Texas only yesterday, the Oklahoma City bombing, reports of attacks against park rangers, Forest Service employees, Treasury employees and others. The dedicated men and women in Federal, State, and local government and law enforcement work long hours for limited financial reward in order to serve the public, protect us and preserve our freedom.

It is in this context that I am concerned that the House of Representatives has again voted to cut law enforcement resources. The House voted on May 16 to cut $300 million from the President's request for the violent crime reduction trust fund for fiscal year 1997. Last year the House voted to offset certain tax reduction proposals by cutting $5 billion from the violent crime reduction trust fund. Invading the violent crime reduction trust fund makes it impossible to pay for the law enforcement and crime prevention programs of the Violent Crime Control Act of 1994. This is bad policy and will

lead to weakened law enforcement. I hope and trust that our Senate colleagues will reject this cut in funding to Federal law enforcement and Federal assistance to State and local efforts.

When we passed the Violet Crime Control and Law Enforcement Act in 1994, we paid for its programs. A trust fund was established from the downsizing of the Federal Government by some 250,000 jobs. The violent crime reduction trust fund contains funds dedicated to law enforcement and crime prevention programs, and is intended in large part to provide Federal financial assistance to critical Federal, State and local needs. Since passage of the Violent Crime Control Act, the U.S. Department of Justice has been doing a tremendous job getting these resources to the field. I commend the Associate Attorney General John Schmidt and Chief Joe Brann, who direct the community policing programs, for their quick work. I know that funding to assist local law enforcement to hire additional officers went out almost immediately based on a simple, one-page application. Vermont received commitments of over $3 million toward 64 new officers in 34 jurisdictions, for example.

The House would have us turn our backs on law enforcement and prevention programs and the commitments we made in the Violent Crime Control Act. Law enforcement and community-based programs cannot be kept on a string like a yo-yo if they are to plan and implement crime control and prevention programs. Funding for important programs implementing the Violence Against Women Act and our rural crime initiatives should not be delayed or cut again. What we need to do is to follow through on our commitments, not to breach them and violate our pledge to law enforcement, State and local government and the American people. Invading trust funds dedicated to crime control purposes is no way to proceed and no way to restore people's trust and respect for government and the commitments that it makes.

I will continue to work with the Attorney General and my Senate colleagues to reject the ill-advised House action. I will work to preserve the violent crime reduction trust fund so that we can fulfil the promise of the Violent Crime Control and Law Enforcement Act and our commitment to do all that we can to reduce violent crime in our local communities. This is not the time to undercut our support for Federal law enforcement or the assistance provided State and local law enforcement. We offer this amendment as an embodiment of the Senate's resolve against the House-passed cuts to the violent crime reduction trust fund and reductions in funding of Federal, State, and local law enforcement. The House-passed cuts to law enforcement funding are not the way to show our support for those women and men whom we ask to protect public safety and preserve our precious freedoms.

THE PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 4037) was agreed to.

AMENDMENT NO. 4027 TO AMENDMENT NO. 4012

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. Mr. President, I call up the second-degree amendment No. 4027 to the Harkin-Specter amendment 4012.

The PRESIDING OFFICER. If there is no objection, then, the question is on agreeing to amendment 4027 as an amendment to 4012.

Who yields time? The Senator from New Mexico.

Mr. DOMENICI. Mr. President, I will take my 30 seconds in support of the amendment. This would take the place of the Specter-Harkin amendment which had added $2.7 billion, more or less, to one function of the Government. Instead of doing that, the Senator from New Mexico adds $4 billion to the overall budget and it can be used for education and the other purposes within it. This can amount to a nondefense discretionary freeze spending level and we have arrived at that as a freeze off the 1996 consolidated rescissions bill. Once one had it all figured out, this is the amount of money required to make it a freeze.

Mr. EXON. I will yield our 30 seconds to the Senator from Iowa.

The PRESIDING OFFICER. The Senator from Iowa.

Mr. HARKIN. Senator DOMENICI is proposing a second-degree amendment which increases funding for education, job training and health by $2 billion and funding for nondefense discretionary programs by $5 billion overall. The Domenici amendment is not all the funding we need for the programs including title I and Head Start and I would propose the options in my amendment; however I do support this amendment and its modification because it is an important step in the right direction. I do support the amendment.

Mr. GRAMM. Mr. President, is there time available in opposition to the amendment?

Mr. DOMENICI. There should have been. I yield 30 seconds to the Senator to speak in opposition.

Mr. GRAMM. Mr. President, I am strongly opposed to this amendment. I want my colleagues to look at some simple numbers. Last year in the budget resolution for fiscal year 1996 we adopted a budget that called for spending on discretionary nondefense accounts in fiscal year 1997 of $255 billion. The budget before us now calls for discretionary spending for the same year of $267 billion, so that we have increased nondefense discretionary in this budget $12 billion above last year's budget resolution. If we adopt this amendment we will be at $271 billion, and we will have increased nondefense discretionary spending by $16.7 billion above the level we called for in last year's budget resolution.

Either we are serious about controlling spending or we are not. It is something we are capable of controlling. I strongly oppose it.

The PRESIDING OFFICER. Who yields time?

Mr. DOMENICI. Mr. President, I ask unanimous consent I be granted 30 seconds. The Senator from Texas spoke for a minute.

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

Mr. DOMENICI. I think he would give it to me anyway. I should not say that about how long he took.

Fellow Republicans, I want to speak to you first. The estimates on tax receipts are up $15 billion over what is in this budget resolution. What I am trying to do, so you will all know, is to make sure we do not end up like we did last year. I have talked to JOHN KASICH, chairman of the Appropriations Committee, and they want us to pass this so we can figure out exactly where we are, rather than end up precisely where we were last year. If you want to end up that way, you vote with Senator GRAMM. If you want to give us a chance to get by without last year, you vote for my amendment.

I yield the floor.

Mr. EXON. Mr. President, I ask unanimous consent for 10 seconds for the Senator from Iowa.

The PRESIDING OFFICER. Is there objection? The Senate will please come to order.

The Senator from Iowa is recognized.

Mr. HARKIN. Mr. President, all I want to say is this is still below the CBO freeze. Period.

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

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the amendment No. 4027. The yeas and nays have been ordered. The clerk will call the roll.

The assistant legislative clerk called the roll.

The result was announced, yeas 75, nays 25, as follows:

[Rollcall Vote No. 153 Leg.]

YEAS—75

Akaka	Domenici	Kohl
Baucus	Dorgan	Lautenberg
Bennett	Exon	Leahy
Biden	Feinstein	Levin
Bingaman	Ford	Lieberman
Bond	Frist	Lugar
Boxer	Glenn	Mikulski
Bradley	Gorton	Moseley-Braun
Breaux	Graham	Moynihan
Bryan	Grassley	Murkowski
Bumpers	Gregg	Murray
Burns	Harkin	Nunn
Byrd	Hatch	Pell
Campbell	Hatfield	Pressler
Chafee	Heflin	Pryor
Cochran	Hollings	Reid
Cohen	Inouye	Robb
Conrad	Jeffords	Rockefeller
D'Amato	Johnston	Sarbanes
Daschle	Kassebaum	Shelby
DeWine	Kennedy	Simon
Dodd	Kerrey	Simpson
Dole	Kerry	Snowe

Specter	Thompson	Wellstone
Stevens	Thurmond	Wyden

NAYS—25

Abraham	Grams	McConnell
Ashcroft	Helms	Nickles
Brown	Hutchison	Roth
Coats	Inhofe	Santorum
Coverdell	Kempthorne	Smith
Craig	Kyl	Thomas
Faircloth	Lott	Warner
Feingold	Mack	
Gramm	McCain	

The amendment (No. 4027) was agreed to.

The PRESIDING OFFICER. The question now occurs on Amendment No. 4012 as amended.

Mr. LOTT addressed the Chair.

The PRESIDING OFFICER. The Senator from Mississippi.

PROVIDING FOR A CONDITIONAL ADJOURNMENT OR RECESS OF THE SENATE AND THE HOUSE OF REPRESENTATIVES

Mr. LOTT. Mr. President, I send a concurrent resolution to the desk providing for a conditional adjournment of Congress and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report the resolution.

The legislative clerk read as follows:

A concurrent resolution (S. Con. Res. 60) providing for a conditional adjournment or recess of the Senate and the House of Representatives.

Mr. LOTT. Mr. President, I ask unanimous consent that the resolution be agreed to and the motion to reconsider be laid upon the table.

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

The concurrent resolution (S. Con. Res. 60) was agreed to as follows:

S. CON. RES. 60

Resolved by the Senate (the House of Representatives concurring), That when the Senate recesses or adjourns at the close of business on Thursday, May 23, 1996, Friday, May 24, 1996, or Saturday, May 25, 1996, pursuant to a motion made by the Majority Leader or his designee in accordance with this resolution, it stand recessed or adjourned until noon on Monday, June 3, 1996, Tuesday, June 4, 1996 or until such time on that day as may be specified by the Majority Leader or his designee in the motion to recess or adjourn, or until noon on the second day after Members are notified to reassemble pursuant to section 2 of this concurrent resolution, whichever occurs first; and that when the House adjourns on the legislative day of Thursday, May 23, 1996, it stand adjourned until 2:00 p.m. on Wednesday, May 29, 1996, or until noon on the second day after Members are notified to reassemble pursuant to section 2 of this concurrent resolution, whichever occurs first.

SEC. 2. The Majority Leader of the Senate and the Speaker of the House, acting jointly after consultation with the Minority Leader of the Senate and the Minority Leader of the House, shall notify the Members of the Senate and House, respectively, to reassemble whenever, in their opinion, the public interest shall warrant it.

CONCURRENT RESOLUTION ON THE BUDGET

The Senate continued with the consideration of the concurrent resolution.

AMENDMENT NO. 4012, AS AMENDED

The PRESIDING OFFICER. The question now occurs on agreeing to Amendment No. 4012, as amended.

The amendment (No. 4012), as amended, was agreed to.

Mr. DOMENICI. Mr. President, I think we have an understanding that Senator ROTH will proceed with his amendment.

The PRESIDING OFFICER. Without objection, it is so ordered. The Senator from Delaware is recognized.

Mr. EXON. Before Senator ROTH starts, I ask the chairman of the committee, we have how many amendments left that we are going to vote on? As I understand it, we have Byrd that requires a vote, Roth that requires a vote, and McCain, and final passage.

Mr. DOMENICI. Correct. That is what I understand.

Mr. EXON. What we have agreed to earlier, we are trying to get out of here for at least one-half hour, between 4 to 4:30. It seems to me that we could probably have final passage by no later than 5:15.

Mr. DOMENICI. I think that is probably correct, I say to the Senator.

Mr. EXON. Is that the assumption under which we are working, then? We have one more vote at least, and then go to a half-hour recess?

Mr. DOMENICI. Are we going to have a half-hour recess?

Mr. EXON. That is what I agreed to with both the majority leader and the minority leader.

Mr. DOMENICI. All right. If our leader agreed it to, I am all for it. I asked the Senator to ask him. That is fine. We are going to vote on Roth, and then recess for 30 minutes. All right.

The PRESIDING OFFICER. The Senator from Delaware is recognized.

AMENDMENT NO. 4025

Mr. ROTH. Mr. President, the Roth resolution simply states that Congress would give Amtrak a secure and reliable source of funding for capital expenditures. The rail trust fund would be funded by transferring revenues from the 0.5-cent excise tax that is currently going into the mass transit account to a newly created rail trust fund.

While Amtrak would have $2.8 billion for capital expenditure over 5 years, the existing $5.4 billion surplus in the mass transit account—the mass transit would continue to have billions of dollars in excess of its anticipated appropriations.

Mr. President, I urge my colleagues to support my amendment.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. Senator GRASSLEY wants to speak in opposition. I yield to Senator GRASSLEY 30 seconds.

Mr. GRASSLEY. This budget resolution, all 50 hours of debate and all the many hundreds of pages, is about balancing the budget, which is long overdue and it is something that we should do. The Roth amendment, the next amendment, establishes a whole new entitlement, something we should not do.

OMB expresses concern that this new funding source for Amtrak is wrong and it takes money from your local mass transit for Amtrak, something we should not do. So why threaten the solvency of our mass transit accounts? Balance the budget. No more entitlements.

Mr. BAUCUS. Mr. President, I rise in strong support of the amendment offered by the Senator from Delaware.

As my colleagues will recall, I offered a similar amendment last year on the budget resolution. Unfortunately, we lost by one vote. I have been pressing the concept of a dedicated revenue source for Amtrak for quite some time now and I welcome the opportunity to voice this support again.

Mr. President, the resolution before us is a sense of the Senate resolution that Congress should provide Amtrak with the revenue from one-half penny of the Federal gas tax that is now directed to mass transit.

This revenue will provide Amtrak with a steady, dedicated revenue source. This is very important if Amtrak is to be able to make long-term planning decisions that will enable it to become financially viable in the future.

Amtrak is a key component of this Nation's transportation system. In my home State of Montana, many residents rely on Amtrak's service to travel to and from the State. Amtrak means jobs. It means increased tourism. And it means increased access and mobility for Montanans.

And for any of you who have ever traveled on the Empire Builder through the northern tier of my State, you know the tremendous beauty along the Montana hi-line.

Some will argue that redirecting the one-half penny from mass transit to Amtrak will adversely affect mass transit programs. That is simply not true. There is an over $5.4 billion cash surplus in excess of obligations in the mass transit account. That is more than enough to fund mass transit programs for the foreseeable future.

Mr. President, rural transportation programs seem to be constantly under attack. Rural areas are struggling. We continue to see a decline in rural transportation options—funding for rural air service, rural transit and highway programs is declining. This amendment is one small step forward in turning back this trend.

The PRESIDING OFFICER. The question occurs on agreeing to amendment No. 4025.

Mr. DOMENICI addressed the Chair.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. Might I correct my statement? I understand that all we have agreed to—we do not have to go in recess. The next vote will occur at 4:30.

Mr. EXON. After the Roth vote.

Mr. DOMENICI. The next vote after this one will occur at 4:30. I ask unanimous consent for that.

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

The question now occurs on agreeing to amendment No. 4025.

Mr. ROTH. I ask for the yeas and nays.

The PRESIDING OFFICER. The yeas and nays have been ordered.

The question occurs on agreeing to amendment No. 4025. The yeas and nays have been ordered. The clerk will call the roll.

The assistant legislative clerk called the roll.

The result was announced—yeas 57, nays 43, as follows:

[Rollcall Vote No. 154 Leg.]

YEAS—57

Akaka	Exon	Mikulski
Baucus	Feingold	Moseley-Braun
Bennett	Feinstein	Moynihan
Biden	Ford	Murkowski
Bingaman	Harkin	Murray
Boxer	Hatch	Nickles
Bradley	Hollings	Pell
Breaux	Inouye	Pressler
Bryan	Jeffords	Pryor
Bumpers	Johnston	Reid
Burns	Kennedy	Robb
Byrd	Kerrey	Rockefeller
Chafee	Kerry	Roth
Cohen	Kohl	Sarbanes
D'Amato	Lautenberg	Simon
Daschle	Leahy	Snowe
DeWine	Levin	Specter
Dodd	Lieberman	Wellstone
Dorgan	Lott	Wyden

NAYS—43

Abraham	Gorton	Mack
Ashcroft	Graham	McCain
Bond	Gramm	McConnell
Brown	Grams	Nunn
Campbell	Grassley	Santorum
Coats	Gregg	Shelby
Cochran	Hatfield	Simpson
Conrad	Heflin	Smith
Coverdell	Helms	Stevens
Craig	Hutchison	Thomas
Dole	Inhofe	Thompson
Domenici	Kassebaum	Thurmond
Faircloth	Kempthorne	Warner
Frist	Kyl	
Glenn	Lugar	

The amendment (No. 4025) was agreed to.

Mr. ROTH. Mr. President, I move to reconsider the vote.

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

The motion to lay on the table was agreed to.

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

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

Mr. GRAMS. Mr. President, I ask unanimous consent that I be allowed to speak for 12 minutes as in morning business.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

The Senator from Minnesota is recognized.

Mr. GRAMS. I thank the Chair.

(The remarks of Mr. Grams pertaining to the introduction of S. 1805 are located in today's RECORD under ''Statements on Introduced Bills and Joint Resolutions.'')

Mr. GRAMS. Thank you, Mr. President.

I yield the floor. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

Mr. KENNEDY. I would like to be able to proceed for 4 minutes as if in morning business.

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

INCREASING THE MINIMUM WAGE

Mr. KENNEDY. Mr. President, today's action by the House of Representatives removes one of the Republican's obstacles to successful action on the minimum wage. An overwhelming majority of House Republicans, 81 percent, tried to kill the increase by attaching a ''poison pill'' to exempt all workers of small business, but 43 courageous Republicans stood up to the extremists in their party and spit out the poison pill.

As the price for accepting an increase, House Republicans tried to deny any minimum wage at all for millions of men and women who work for small business. It was a Republican sneak attack on the minimum wage, and it did not deserve to pass. The minimum wage is supposed to be a floor. It is wrong for Republicans to try to turn that floor into a trap door.

The Republican philosophy seems to be the only good minimum wage is no minimum wage. It is bad enough that in today's economy, America has to compete with sweatshop labor overseas. If the Republicans have their way, American workers and American employers will have to compete with sweatshop labor right here in our own backyard. How very Republican. Every previous Congress that dealt with the minimum wage voted to expand coverage and give the benefits of the law's protection to more and more Americans. Now is no time to roll back that progress. It is time to end the Republican war on hard-working American families, and I am confident the Senate will also reject any Republican scheme to roll back the minimum wage. No one who works for a living should have to live in poverty.

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

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

Mr. CRAIG. Mr. President, I ask unanimous consent that I be allowed to speak in morning business for no more than 5 minutes.

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

FOREST HEALTH

Mr. CRAIG. Mr. President, within an hour or so, we will be adjourning and out for the Memorial Day recess. But when we return, it is my plan to mark up legislation in the Public Lands and Forestry Subcommittee that I chair, dealing with forest health, the health of the forests of our country.

For well over a decade now, we have studied the issue of how to manage our forests in light of the recurrence of wild storm style forest fires that continue to devastate our forests across the Pacific Northwest and across the Southwest every time we get into a dry period, especially the kind the Southwest, New Mexico and Arizona and Colorado, are experiencing at this moment.

What we have found, Mr. President, is that in our great ability to put out fires, we have allowed to build up on our forest floors, massive amounts of fuel in the form of dead and dying trees as a result of bug kill, as a result of fungus, or simply as a result of the overpopulation of our trees and therefore their death because of lack of moisture. In my State of Idaho and across the inland West, where before man came to that region we had tremendously healthy forests and populations of trees of 40 or 50 or 60 trees per acre, now, because of our ability to put out fires, we are finding that we have 300 and 400 trees per acre. Of course, there is only so much moisture. When we get into a drought cycle, there is not enough moisture to keep all of those trees alive.

What we are finding is that before we had this tremendous ability to put out fires, fires would come along on a relatively regular basis, caused by lightning strikes or actually caused by native Americans who saw the useful tool of fire. It would burn at a low rate, at a low pace, burn off the shrubbery and the brush, allow the mature trees to stand and allow young trees that had reached a certain age to survive. That kept the forests, primarily of the West, in a very productive and rather pastoral form.

But that changed and it has changed dramatically over the last 50 years, as we learned to put out fires. But we did not go in and do what Mother Nature was doing, and that was to thin trees or to take down the underbrush. As a result of that, we have had a massive fuel loading in many of the forests of the West and Southwest.

Mr. President, you and I have witnessed, in the last several months, fires in New Mexico and Arizona and now in Colorado that, by our forest scientists'

estimation, are the most intense and hottest wild fires we have ever experienced. As a result, Mother Nature is not served well. These fires devastate the forests, leaving not even a snag standing, destroy the ecosystems, and scald the soil in a way there is little to no recovery for a period of years and years. Those are not normal fires. They are abnormal fires, as a result of massive fuel buildup.

I was visiting with the Senator from New Mexico, Senator DOMENICI, about the fires in his State. One of those areas that was burned had been devastated by beetles. Better than 50 percent of the stand was dead. Yet, because of current law and because of certain interest groups, we were not allowed to go in and thin and clean and allow new growth to start. As a result of that, fire swept through there and destroyed the whole area.

S. 391, the bill that I have worked for over a year to craft, visiting with scientists, holding hearings, and making sure we build a strong bipartisan effort, better known as forest health legislation, the kind I want to mark up as soon as we get back here in early June and bring it to the floor for a debate, hopefully it can become law and become the public policy and a new management tool for our U.S. Forest Service.

It would allow the Forest Service to go in and look at these lands and under current environmental law assure they have the flexibility to go in and thin and remove brush and actually even use fire in a selective way, to assure that our forests can regain their health and regain their vitality in an environmental way and not be swept away and destroyed, as the forests we have seen under fire in the last few weeks throughout the Southwest. Of course, in the State of Colorado last week, when man got in the way of the fire, or man's dwellings, they, too, were swept away, as was true in the State of Idaho in 1994 when we saw wildfires, as a result of our forest health, that were beyond man's recognition.

So I hope when we come back, we can join the wisdom of the Spokesman-Review newspaper that editorialized yesterday in my area, in the inland West, saying that we ought to pass S. 395, we ought to make good public policy, and we ought to allow, once again, strong multiple-use environmental standards to return to our public forests and to the management of those public forests. So it is my wish we mark up S. 395 and move it to become public law.

I hope in early June we can have it here on the floor of the U.S. Senate for a good debate and passage.

I yield the remainder of my time.

CONCURRENT RESOLUTION ON THE BUDGET

The Senate continued with the consideration of the concurrent resolution.

The PRESIDING OFFICER. The Senator from Nebraska.

Mr. EXON. Mr. President, for the information of the Senate, as I understand it, I believe Senator DOMENICI would confirm, we have two amendments remaining, by Senator MCCAIN and Senator BYRD, and final passage. It seems possible to me, because I know some people are trying to catch planes, if we expedite this, we could be through voting by about 5:20 or something of that nature.

I ask unanimous consent the pending amendment be temporarily set aside so Senator BYRD may offer his amendment.

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

AMENDMENT NO. 4040

(Purpose: To improve our water and sewer systems, national parks and Everglades, to be offset by closing corporate loopholes and changes in tax expenditures)

Mr. BYRD. Mr. President, I send an amendment to the desk.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from West Virginia [Mr. BYRD], for himself, Mr. BINGAMAN, and Mr. LAUTENBERG, proposes an amendment numbered 4040.

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

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

The amendment is as follows:

On page 3, line 5, increase the amount by $201,000,000.
On page 3, line 6, increase the amount by $408,000,000.
On page 3, line 7, increase the amount by $649,000,000.
On page 3, line 8, increase the amount by $946,000,000.
On page 3, line 9, increase the amount by $1,068,000,000.
On page 3, line 10, increase the amount by $1,142,000,000.
On page 3, line 14, increase the amount by $201,000,000.
On page 3, line 15, increase the amount by $408,000,000.
On page 3, line 16, increase the amount by $649,000,000.
On page 3, line 17, increase the amount by $946,000,000.
On page 3, line 18, increase the amount by $1,068,000,000.
On page 3, line 19, increase the amount by $1,142,000,000.
On page 4, line 8, increase the amount by $1,011,000,000.
On page 4, line 9, increase the amount by $1,049,000,000.
On page 4, line 10, increase the amount by $1,089,000,000.
On page 4, line 11, increase the amount by $1,131,000,000.
On page 4, line 12, increase the amount by $1,068,000.000.
On page 4, line 13, increase the amount by $1,110,000,000.
On page 4, line 17, increase the amount by $201,000,000.
On page 4, line 18, increase the amount by $408,000,000.
On page 4, line 19, increase the amount by $649,000,000.
On page 4, line 20, increase the amount by $946,000,000.
On page 4, line 21, increase the amount by $1,068,000,000.
On page 4, line 22, increase the amount by $1,142,000,000.
On page 15, line 16, increase the amount by $190,000,000.
On page 15, line 17, increase the amount by $118,000,000.
On page 15, line 24, increase the amount by $224,000,000.
On page 15, line 25, increase the amount by $160,000,000.
On page 16, line 7, increase the amount by $258,000,000.
On page 16, line 8, increase the amount by $222,000,000.
On page 16, line 15, increase the amount by $293,000,000.
On page 16, line 16, increase the amount by $276,000,000.
On page 16, line 23, increase the amount by $228,000,000.
On page 16, line 24, increase the amount by $312,000,000.
On page 17, line 7, increase the amount by $265,000,000.
On page 17, line 8, increase the amount by $304,000,000.
On page 23, line 15, increase the amount by $821,000,000.
On page 23, line 16, increase the amount by $83,000,000.
On page 23, line 23, increase the amount by $825,000,000.
On page 23, line 24, increase the amount by $248,000,000.
On page 24, line 7, increase the amount by $831,000,000.
On page 24, line 8, increase the amount by $427,000,000.
On page 24, line 15, increase the amount by $838,000,000.
On page 24, line 16, increase the amount by $670,000,000.
On page 24, line 23, increase the amount by $840,000,000.
On page 24, line 24, increase the amount by $756,000,000.
On page 25, line 7, increase the amount by $845,000,000.
On page 25, line 8, increase the amount by $838,000,000.
On page 52, line 14, increase the amount by $1,011,000,000.
On page 52, line 15, increase the amount by $201,000,000.
On page 52, line 21, increase the amount by $1,049,000,000.
On page 52, line 22, increase the amount by $408,000,000.
On page 52, line 24, increase the amount by $1,089,000,000.
On page 52, line 25, increase the amount by $649,000,000.
On page 53, line 2, increase the amount by $1,131,000,000.
On page 53, line 3, increase the amount by $946,000,000.
On page 53, line 5, increase the amount by $1,068,000,000.
On page 53, line 6, increase the amount by $1,068,000,000.
On page 53, line 8, increase the amount by $1,110,000,000.
On page 53, line 9, increase the amount by $1,142,000,000.

Mr. BYRD. Mr. President, I voted for the amendment that Mr. DOMENICI offered earlier. It was a good amendment. But, unlike the Domenici amendment which scattershots funds for many popular programs, my amendment targets $1.5 billion for the safe operation of our parks and $5 billion for the cleanup of our water and construction of our sewer systems, which are being neglected and run down. Our water is dirty; our parks are rundown. This is a

disgrace. There is a $25 billion backlog in clean water and sewer needs alone in this country, and the Domenici amendment does not answer this growing crisis.

Mr. President, this amendment to the budget resolution, which I offer on behalf of myself and Senators BINGAMAN and LAUTENBERG, will provide an additional $5 billion for rural water and sewer programs and $1.5 billion for our national park system. These funds are critically necessary to protect the most basic of services to America.

All across America, millions of residents in rural communities continue to suffer from inadequate water and sewer services. This need is a direct link to health, sanitation, and environmental problems in all States. This need must be addressed to provide economic vitality to these regions, to allow new job opportunities, increase the tax base, and improve the quality of life for millions of Americans.

Water and sewer loan programs have a proven track record because of their nearly zero-default rate, the best of all Federal loan programs. The grant portion of these programs allows impoverished communities and rural areas to provide their citizens the most basic of human services. These are services that most Americans take for granted every day.

A recent Federal study listed my own State of West Virginia among the five worst States in the Nation in terms of the availability of safe drinking water. There are some places in my State where the condition of the water supply is appalling, and where people are relying on water supplies from systems operating in violation of safe drinking water standards, or wells that have been contaminated. In certain West Virginia communities, on some days, tap water runs black, but families, with no other water source, are forced to bathe and launder in it.

As we approach the 21st Century, we must take steps to ensure that vast regions of our Nation will not be relegated to the living standards of a Third World Nation.

Mr. President, the estimate is that there are 3 million households in the United States in need of safe, clean drinking water. The estimated cost to provide this water is about $10 billion. It is estimated that $3.5 billion is necessary for drinking water needs deemed ''critical'', and the balance for ''serious'' requirements. At current levels, only approximately $3.5 billion would be provided over the next six years toward providing clean drinking water for our people.

An equally pressing requirement, Mr. President, is the need to provide basic sewer facilities for small communities. Millions of Americans in rural areas and small communities live without adequate sewer infrastructure. The overall cost estimates to meet these needs exceed $20 billion. At least $7.3 billion should be provided over the next 6 years to meet some of the most critical needs. My amendment will not fund all of these backlogs, but it will help address the critical requirement for the most basic of amenities that each of us takes for granted every day.

The second part of this amendment provides an additional $1.5 billion for day-to-day operations in our national parks. These funds will be used for the services Americans ought to be provided when they visit their national parks. Within the amount, $400 million is for restoration of the Everglades ecosystem in South Florida. The need to protect the fragile and decaying resources of the Everglades has been supported in recent years by both sides of the aisle.

The National Park Service has been entrusted with responsibility for 368 different historic, cultural, scenic, natural resource, and recreation sites. These locations represent a mosaic of the most American of resources, from the historic sites of our country's birth—Independence Hall, Minute Man, Valley Forge, and Yorktown—to the celebration of our cultural heritage at places such as Aztec Ruins, Fort McHenry, and the Natchez Trace Parkway, to the scenic beauty and splendor of places like Yellowstone, the Grand Canyon, Big Bend, the Everglades, Crater Lake, Mount Rushmore, Acadia, and Redwood National Parks.

But the fate of these parks is dependent on providing the necessary resources to protect the parks—to serve the visitors; to maintain the buildings, roads, and campgrounds; and to house the employees who must live within the national parks. As dollars are frozen or reduced, the parks must still pay for increased costs for people, supplies, equipment, and other tools necessary to keep the parks open. Failure to provide the funding for these activities means fewer park rangers, deferred maintenance, closed facilities and trails, and possibly dangerous conditions for park visitors.

The start of the summer vacation season, is upon us. It is at this time of year that Americans load the family into the car and depart for a visit to the parks. Providing operating dollars for the National Park Service will help keep all sites open, and will contribute to a safer experience for all Americans.

What does it mean to have inadequate resources to maintain the facilities which support visitors to the parks? Let me provide an example—if the funding isn't available to pay the people who drive the trash trucks and clean the restrooms in the park campgrounds, trash and unsanitary conditions accumulate. Build-ups of trash can attract bears, which then create a safety hazard. The presence of a safety hazard would cause the Park Service to close the campground—thereby denying visitors the opportunity to camp in a park they might have driven 1,000 miles in order to visit.

In fiscal year 1996, Members from both sides of the aisle urged adequate funding for our national parks. If the necessary allowances are not provided to address our park requirements, the Interior Appropriations Subcommittee will have little choice but to turn to other programs in order to find the resources necessary to protect our parks. This could mean reductions in programs such as low-income weatherization assistance, Forest Service timber sales, Smithsonian and other museum operations, payments in lieu of taxes, and operations of the Strategic Petroleum Reserve.

Mr. President, many Members of Congress have worked on behalf of their constituents to see that park facilities are well-maintained and taken care of properly. When water and sewer systems fail, they have sought money to fix the problem. When visitor facilities were necessary for new parks, the Appropriations Committee has provided the resources to build campgrounds, visitor centers, and rehabilitate historic buildings. But once the construction is over, and the ribbon-cutting ceremonies completed, there is still a need to operate these facilities on a day-to-day basis.

In order to pay for its increase in spending, my amendment provides for corresponding increases in revenues over the 6-year period of this budget resolution. These revenues can be attained by closing corporate loopholes and by changes in tax expenditures.

I encourage the support of Senators for my amendment. A vote against this amendment is a vote against the Statue of Liberty, Yellowstone, Independence Hall, the Grand Canyon, the Everglades, and all of the other 360 plus national park units. A vote against my amendment is a vote against the most basic amenities which a civilized country can provide for its people, clean, safe drinking water and adequate sewage facilities.

I urge the adoption of my amendment.

The PRESIDING OFFICER. The time of the Senator has expired. There is time in opposition. The Senator from New Mexico.

Mr. DOMENICI. Mr. President, relative to the budget resolution, the Byrd amendment would increase taxes and spending by $6.5 billion. I remind everyone, there is nothing in the resolution which would cause a shutdown of the national parks. Our resolution assumes full funding for the parks, for rural water service, and for sewer programs.

In addition, might I say, even if you think you are voting for the specific targeted items, this money will go to the appropriations to be used by the Appropriations Committee where it sees fit. We already added $5 billion in budget authority and $4 billion in outlays. I think that is fair enough for today, and we ought to defeat this amendment.

The PRESIDING OFFICER. The time of the Senator has expired.

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

RECORD certain newspaper articles, together with a breakdown of the Domenici amendment, which was at the table when we voted on that amendment. I voted for it, as I say. I would like to have a breakdown in there to show what those moneys will go for, purported.

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

PARKS OFFER MORE MUCK, LESS HELP—WEATHER, BUDGETS HIT NATIONAL SITES

Fallen trees are left piled by the sides of roads. Campgrounds are being closed. Beaches are full of debris and river muck. And there aren't as many lectures on how a geyser erupts.

Tight budgets are bringing hard times to America's national parks and recreational areas, and a severe winter and flooding in many parts of the country are making this spring even worse as park officials prepared for the summer vacation rush.

Some of the millions of visitors to the national parks this year may be in for a shock as they get reduced services or find fewer park rangers, reduced hours of operation or parks still cluttered with fallen trees and washed-out trails from winter storms and floods.

''Historically, we've cut the lawns every week and made the place trim and neat,'' said Bob Kirby, assistant superintendent of the Delaware Water Gap National Recreation Area in eastern Pennsylvania. ''Today you see the grass in most places is a foot high. The picnic areas and playgrounds are completely, with one exception, filled with river flotsam, sticks and mud.''

The park, along 45 miles of the Delaware River, attracts nearly 5 million visitors a year, many of them escaping the urban sprawl from New York to Philadelphia. While costs of operation have jumped 13 percent, the park's budget has stayed the same.

Federal officials and private watchdog groups say deterioration and money shortages are imperiling parks across the country as superintendents have had to make harsh choices on how to meet expenses. Often it means reducing the number of rangers and other workers.

''Everybody likes ribbon cutting. Nobody wants to fix the roof,'' said Roger Kennedy, director of the National Park Service.

This summer some of those problems will begin to have an impact on park visitors, whose numbers are expected to exceed 270 million this year.

''Visitors are going to find trails closed. They're going to find portions of parks closed, campgrounds closed.'' Kennedy said. ''They're going to see signs that say 'Don't drink the water' in some places. They're going to find there are no ranger talks. The little things that make these places parklike''.

Problems are everywhere.

At Yellowstone in Wyoming, tow museums have been closed. A shortage of park rangers means visitors are left largely on their own in the massive park's northern sector. Lectures at the Norris Geyser Basin Museum on how a geyser works are a thing of the past.

At Delaware Water Gap, workers are struggling to fix the damaged toilets inundated by floodwaters, and only a last-minute infusion of $43,000 prevented the firing of the park's lifeguards.

To save money, 2 of the 10 campsites at the Great Smoky Mountains National Park in North Carolina and Tennessee won't open this summer. There are three seasonal rangers instead of 10, and 17 fewer maintenance workers.

Fewer rangers are at the Sequoia National Park in California, and the season has been shortened. At another great northern California park, Yosemite, and at many other parks and recreational areas around the country, trash won't be picked up or toilets cleaned as frequently.

''We can no longer do more with less,'' said Mike Finley, Yellowstone's superintendent. Each year, he complained, the park is expected to ''absorb increasing costs and maintain the same levels of . . . services'' for a growing number of visitors.

Similar sentiments are expressed daily by park officials and rangers across the country.

With Congress mindful of the parks' popularity, the National Park Service has avoided the deep budget cutting faced by some other Interior Department agencies. The park service received $1.08 billion, about 1 percent more than last year, to operate its parks and will get an additional $46 million for storm and flood damage repairs.

But park supporters maintain that more money is needed.

The budget ''doesn't keep up with inflation,'' said Paul Pritchard, president of the National Parks and Conservation Association, a private watchdog group. ''It's not one region. It's the whole national park system that is being neglected.

The association Tuesday released the findings of a poll it commissioned that showed the public by a 4-to-1 margin would not oppose increasing federal funding for operation of national parks.

Park superintendents have had to make tough choices. At most parks the number of seasonal workers—both rangers and maintenance workers—has had to be reduced. Many parks have cut back in garbage collection and toilet cleaning. Fewer park rangers are faced with a growing number of visitors and a wider array of law enforcement problems, leaving less time for tours and educational lectures.

''All the parks are struggling,'' said Elaine Sevy, National Park Service spokeswoman in Washington. She said more than 900 authorized jobs are unfilled throughout the system because there's no money to pay for them.

PARKS HIT IN THE POCKETBOOK

A sampling of conditions at national parks, monuments and recreational areas around the country:

Great Smoky Mountains in North Carolina-Tennessee—Two of 10 campsites and adjoining picnic areas are closed and won't open this summer. Both remote, they are the 92-site Look Rock Campground in Tennessee and the 46-site Balsam Mountain Campground in North Carolina. The number of seasonal maintenance workers has been cut from 65 to 48, the number of seasonal rangers from 10 to three. One of the three visitors centers has been turned over to a private group to operate. Cleanup from extensive winter storm damage has been postponed. Some will not be completed this summer, although $1.4 million recently was allocated to the effort.

Yellowstone in Wyoming—The Norris Campground will be closed in the northern part of the park, eliminating 116 of 2,100 campsites. Two museums in the same area—Norris Geyser Basin Museum and the Museum of the National Park Rangers—are closed. Visitors can travel in the northern area but have neither tours nor ranger briefings available. Seasonal employees will work shorter schedules, and garbage collection is less frequent. A four-hour hike to the petrified forest on Specimen Ridge is being discontinued. A ban on overtime has delayed snowplowing, keeping some roads blocked later than normal.

Yosemite in California—A pothole-spotted road leading to Yosemite's Lower Pines Campground is unlikely to be repaired this year. Work to renovate restrooms and upgrade the park's amphitheater has been put off. Garbage collection and toilet cleaning have been cut back. Officials hope to repair flood damage that closed part of the park. Hours have been cut back for tours and at visitor centers. Fewer rangers patrol mountainous trails, but spokesman Scott Gedlman said essential services—law enforcement, clean drinking water, emergency medical aid—are being maintained.

Delaware Water Gap Recreation Area in Pennsylvania—The park has been hit by ''a double whammy,'' said Bob Kirby, assistant superintendent—first the budget crunch, then severe floods that put under water much of the 40-mile stretch along the Delaware River in eastern Pennsylvania. Its budget wasn't increased, but the park's costs jumped 13 percent. Kirby said extensive storm damage to beaches and trails along the river must be repaired. Grass isn't being cut as often, and flooding left debris and mud on the beaches and inundated public restroom facilities and picnic areas.

Sequoia in California—The tight budget means fewer park rangers and a shorter summer season. Park spokeswoman Malinee Crapsey said many of the recreational facilities may open a week later than usual. Rangers will conduct fewer tours. Park officials also are turning more toward private groups to help sponsor programs.

Cape Hatteras Seashore in North Carolina—Trash collection has been cut in half, but some slack has been taken up by private volunteer groups. Park spokesman Bob Woody said visitor services are being maintained, and the park has more educational programs than last year. But tourists trying to call the Hatteras ranger station near the famed striped Hatteras Lighthouse often have to talk to an answering machine because rangers are busy elsewhere.

Acadia in Maine—Eight or nine fewer summer employees are being hired, and fewer nature briefings and tours are being conducted by park rangers. But most visitors ''will not notice any reduction in service,'' said Len Bobinchock, the park's deputy superintendent. ''These programs are so popular, we've had to put a limit on the number of people who can participate anyway.'' Hours are not being changed.

Crater of the Moon in Idaho—Park officials say they haven't been hit very hard. The area features a broad swath of lava formations from old volcanoes, and some walking trails have buckled and need to be repaired. The monument is building a scenic motoring loop, and some areas may be closed by the construction.

IT'S A FACT: RURAL AMERICA STILL EXISTS

(By Larry Rader, Program Specialist)

[From West Virginia Rural Water Magazine—Spring 1996]

It was a dreary, rainy February day, the kind you only find at the bottom of a deep hollow and I was standing in mud up to my ankles looking at a dilapidated water treatment plant. I had been in this same scene a hundred times over the past ten years, but this time there was something different. I had company and a lot of it. Jim Anderson of RECD (I'mIIA to those of us who can't get used to the name change) had called me the previous week and requested that I take part in a fact finding tour of McDowell County, West Virginia on February 22, 1996. Jim is RECD's state project officer for Water 2000. The Water 2000 initiative is a combined effort of federal, state and local agencies committed to providing potable drinking to all

rural residents of the United States by the year 2000.

The McDowell fact finding tour was initiated by Senator Robert C. Byrd and planned by Bobby Lewis, State Director of RECD. Mr. Lewis is from McDowell county and rightly felt that this area of the state typifies many of the problems facing not only West Virginia, but rural areas across the country. Senator Byrd is also from a rural area of Raleigh County and realizes that the view from Washington sometimes becomes a little clearer when taken from the bottom of a hollow in the mud and rain. The tour consisted of both staff members and elected officials federal, state and local. Those who needed help and those who could provide it, all in the same hollow, same rain, same mud and same good spirits. It was an opportunity to reaffirm the existence of rural America and its needs. McDowell County PSD operates a mish-mash of twelve dilapidated systems abandoned by various coal companies over the years. System personnel must travel 120 miles each day just to check the small treatment plants. And forget water loss percentages! Just keeping water in the decaying lines is a triumph. It is a minute by minute struggle most of us could never envision.

Water quality and quantity in the old systems are inconsistent at best, however, right smack in the middle of this drinking water nightmare sets two water treatment facilities which would be the pride of any community. The new facilities at Coalwood and Caretta, both treatment and distribution, were designed by Stafford Consultants and completed in 1994. Almost overnight 350 households had access to something most people take for granted, a dependable supply of safe drinking water. Although the Coalwood and Caretta systems were funded primarily through RECD in the form of loans and grants, McDowell PSD has applied to ARC, AML, Small Cities Block Grants as well as RECD, all of whom were represented on that wet day in an attempt to upgrade the remaining 12 communities.

Rural people have always been willing to share in the cost of providing essential services. However, they must have access to agencies, both federal and state, which understand their problems and are sympathetic to the uniqueness of their situation.

Beginning in the 1950's RECD for instance, has provided over $203,000,000 in low interest loans and grants to over 200 water and waste water systems statewide and is either wholly or partially responsible for most of the rural systems built in West Virginia since that time. But you occasionally need to remind other people that not only does the need still exist, so do the possibilities.

We are very proud that WVRWA was included in the February 22, 1996 Fact Finding Tour of McDowell County. We are always ready to plead the case for rural America and it gave me the opportunity to visit with people who can and do make a difference. As always, I am extremely proud of the people at McDowell PSD. Jeannie, Ralph, Bill, Randy, the other employees along with that PSD Board of Directors and the McDowell County Commission are proof that it can work in rural areas. Many of us never doubted it.

FACT FINDING TOUR MCDOWELL, COUNTY—FEBRUARY 22, 1996 PARTICIPANT LIST

Bobby Lewis, State Director, RECD-WV.

John Romano, Assistant Administrator, Rural Utilities Service, Washington, DC.

Galen Fountain, Minority Clerk, Subcommittee on Agriculture & Rural Development, Senate Appropriations Committee Senator Dale Bumpers' (D-AK) Office, Washington, DC.

Ralph Goolsby, ARC Program Director, WV Development Office, Charleston, WV.

Jim Anderson, Rural Development Coordinator, RECD WV.

Terri Smith Legislative Assistant, Senator Robert C. Byrd's Office, Washington, DC.

Dawn Dunnings, AmeriCorp.

Sanjay Saxena, Program Coordinator, National Drinking Water Clearinghouse, Morgantown, WV.

STATE'S DRINKING WATER SUPPLY WORSENING, STUDY SAYS

(By Julie R. Cryser)

It would take $162.3 million to clean up and provide potable water to approximately 79,000 West Virginians, according to a study conducted by a federal agency.

It would take another $405.7 million to meet the worsening, but not yet critical, drinking water supply situation of about 476,000 West Virginians.

And amid all of these problems, the federal government is cutting federal grants and loans for water projects. West Virginia will lose approximately $5 million in loans and $3.2 million in grants for water and sewer projects in 1996, according to Bobby Lewis, state director for Rural Economic and Community Development.

''The cuts overall are devastating to a state like West Virginia that has always been at the bottom of the list for funding for projects,'' Lewis said.

These figures come from the West Virginia Water 2000 assessment, part of the Clinton administration's high-priority Water 2000 initiative. The program is aimed at providing safe drinking water to the 1 million Americans without water piped directly into their homes.

Clay, Barbour, Boone, Fayette and Lincoln counties are ranked as the counties with the worst drinking-water problems in the state, Lewis said. Most of the problems stem from untreated water or people using wells that are semicontaminated or not treatable, he said.

The study was conducted by the U.S. Department of Agriculture and state and local government agencies. The West Virginia Rural Water Association and the Regional Planning and Development Council helped to develop a list of more than 200,000 households with water that is undrinkable.

''There are still people out there we didn't get on our list,'' Lewis said.

He estimates that at least half of West Virginians have water systems that pump out water that should not be consumed.

''Some places you can hardly bathe in it,'' he said.

Lewis said the study will help draw attention to deplorable water conditions in the state. The project could also help qualify some areas for USDA-funded projects under the Water 2000 project guidelines.

''There is a serious need for some type of assistance for these small communities in rural West Virginia,'' he said, ''If you don't have water, you can't attract industry or people.''

WHERE THE COMMONPLACE IS PRIZED—QUARTER OF WEST VIRGINIANS LACK ACCESS TO MUNICIPAL WATER

(By Michael Janofsky)

For nearly a century, most residents of this tumbledown mountain hamlet have been drawing their drinking water from a common well on a hillside just above the town's 70 houses.

Three years ago state officials found that the water was contaminated with pollutants, and issued an order to boil it before drinking.

Like most other people in Campbelltown, Carroll Barlow says it is high time that she and her neighbors are finally hooked up to the municipal water system in Marlinton, less than a mile away. But neither the state nor the local governments can afford to pay for the pipes or the pumps to carry the water up the valley.

''I hope I live long enough to get safe water in this house,'' said Ms. Barlow, 55, who says she has to clean her sinks and toilet twice a day to deal with rust-colored stains that the water from the well leaves behind.

State officials say no medical problems can be traced to the water, but Ms. Barlos is not taking any chances. She uses the well water only for washing and buys drinking water in 69-cent gallon jugs at the Foodland grocery store in Marlinton.

From small communities like Campbelltown to isolated hollows with no names, access to reliable supplies of clean drinking water has long been a problem in West Virginia. The state's rugged geography, coupled with the endemic poverty of rural Appalachia, has strictly limited the ability of both local and state government to extend water lines everywhere. Neither the state nor the Federal Government is required to connect isolated residents to existing water systems, and, given the nation's tight-budget environment, money to build water or sewage systems to our spur economic development in rural areas is likely to become increasingly scarce.

''We just can't do everything,'' said W.D. Smith, a director of the Appalachian Regional Commission, a Federal agency that helps promote economic development but is a perennial target of budget-cutters in Congress.

Mr. Smith said that with so many communities seeking financing for new systems, only those that can demonstrate an unusually urgent need or immediate economic benefit will succeed.

''We've got a third-world situation here,'' he said. ''I've seen human suffering, old people, people coming to me in tears. But I always have to ask them, 'What's so unusual about your situation?' It's not enough anymore just to say they don't have any water.''

A recent study by the Agriculture Department concluded that more than a million people living in rural sections around the country, including large parts of the Mississippi Delta and areas along the Mexican border, did not have clean drinking water piped into their homes. But experts say no other state has so large a percentage of its population unserved by municipal systems as West Virginia. By the state's own estimate, almost a quarter of its 1.8 million people have no access to municipal water, and 40 percent are not served by public sewerage.

West Virginians who do not get municipal water rely mostly on wells; in places, a single well serves an entire community. Water drawn from these wells must in some cases be boiled or chemically treated to remove impurities like contaminants that seep into underground water reservoirs from abandoned coal mines. People living near active mines are especially vulnerable to pollution; even subtle shifts in rock formations can unloose new contaminants into the aquifers that supply well water, or even destroy the aquifers.

Despite Senator Robert C. Byrd's legendary ability to funnel Federal money home for West Virginia's highway system and other programs, officials say state agencies have only recently focused on water and sewerage needs to bolster economic development. Last year, voters approved a $300 million bond issue for water and sewerage.

''More people are being served now,'' said Amy Swann, a division director at West Virginia's Public Service Commission. ''But there will always be people who won't be served. It's just too expensive to spend $1

million to construct a water line to hollows where 12 people live.''

State officials say water problems exist in all 55 of West Virginia's counties but most acutely in the rugged eastern half of the state. Here, amid thick forests of maple, elm and oak trees, gurgling rivers and dazzling scenic overlooks, dozens of small communities, some with fewer than 100 residences, straddle narrow mountain roads that once served rich coal mines and timber fields.

The coal and timber industries are long past their peak, but many of the children and grandchildren of the workers remain, drawing from the same wells or roadside springs, some in use for more than 60 years. Most of the people are now too old, too poor or too proud to move.

In Marlinton itself, the latest problem is that officials do not have the $3 million needed to carry water from the town's water plant to the new hospital, which was built on a hill to keep it high and dry above the flood-prone banks of the Greenbrier River.

For now, the hospital, scheduled to open this summer, will draw its water from the well that serves the local school, across the street. ''We're struggling to find the funding,'' said Douglas Dunbrack, the Marlinton Mayor, who doubts that the well water supply will be adequate for the hospital, intended to serve some 9,000 people in eastern West Virginia. ''We need a big-time grant, but there's just no money available.''

WATER SUPPLY UNSAFE FOR MANY WEST VIRGINIANS

The U.S. Department of Agriculture (USDA), through its Rural Economic and Community Development (RECD) offices in West Virginia, has completed a four-month assessment of the state's most pressing safe drinking water system investment needs. The assessment is part of the Clinton administration's high priority Water 2000 initiative, which, according to RECD state Director Bobby Lewis, ''aims to deliver safe drinking water to the estimated one million rural Americans currently living without water piped directly into their homes.''

In a related development, the U.S. Congress recently sent to President Clinton a 1996 appropriations bill that produces a 30 percent funding cut below 1995 levels for safe drinking water and sanitary sewer project construction.

West Virginia's Water 2000 assessment results show that the state's rural towns have come a long way in solving their safe drinking water problems over the past quarter century, but still have a lot of gaps to fill. According to the results, the 50 West Virginia communities with the most pressing needs require a combined investment of $162.3 million to serve approximately 79,000 people who now have serious drinking water quality or quantity problems. Additionally, some $405.7 million will be required to meet the worsening but not yet critical drinking water supply situation of some 476,000 West Virginians in 443 communities.

The Water 2000 assessment was conducted by USDA's West Virginia-based personnel, together with state and local government agencies, and representatives of two non-profit organizations—the West Virginia Rural Water Association and the Regional Planning and Development councils.

Historically, the USDA's water and sewer loan and grant program has been the primary funding source for rural communities seeking to improve their public health, job development and fire protection situations by constructing and improving water and sewer systems. The USDA's Rural Utilities Service (RUS), as part of Water 2000, has begun to better target its loans and grants to lower income, remote rural communities with the nation's most pressing drinking water quality and quantity problems. The USDA's water and sewer loan program, in its 55-year history, has loaned out $14 billion, and lost only $14 million—a loss rate of one-tenth of one percent.

Wally Beyer, Washington-based administrator of the RUS, said that West Virginia water and sewer projects received $16.8 million in loans and $10.5 million in grants in fiscal year (FY) 1995 from this federal source. Approximately 60 percent of those funds were invested in safe drinking water projects. According to Beyer, based on funding cuts recently approved by Congress and signed into law, West Virginia will lose approximately $5 million in loans and $3.2 million in grants for such projects in FY 1996, which started on October 1.

''These cuts will hurt rural West Virginia towns that need to invest in very basic community drinking water improvements for their residents.'' Beyer said. ''At the level of funding the Congress has provided for 1996, it will take at least 14 years to solve West Virginia's most critical rural drinking water problems, and at least 35 years to make all of the improvements identified in the just-completed Water 2000 assessment.''

RURAL WATER NEEDS TO BE ADDRESSED

A U.S. Department of Agriculture official will be in McDowell County today, examining rural drinking water needs, Sen. Robert C. Byrd's office reported.

John Romano, USDA assistant administrator for rural utilities service, will be joined in his tour by local leaders including Bobby Lewis, the USDA's state director for Rural Economic and Community Development.

''In follow-up to a recent study conducted by the USDA on the nation's water needs, which ranked West Virginia among the five states in greatest need of safe drinking water, I urged Agriculture Department officials to take a fact-finding trip to West Virginia,'' Byrd said in a prepared statement.

Byrd said current funding for the rural development portion of the USDA cannot keep up with the demand for safe drinking water, yet it is one of the programs suffering in the battle for a balanced federal budget.

''It is important for federal officials to understand the challenge we are certain to face if our nation continues to neglect our infrastructure investment deficit,'' Byrd said.

DOMENICI AMENDMENT

Increase non-defense discretionary spending limits in FY 1997 by: $5 billion in budget authority, $4.1 billion in outlays.

Changes (in millions) the following areas in FY 1997:

	Budget Authority	Outlays
Science, Space	200	100
Energy	900	200
Agriculture	300	200
Commerce and Housing	400	300
Transportation	1,500	700
Comm. and Reg. Dev	1,100	100
Services	1,700	800
Health	300	600
Medicare	200	200
Income Security	400	200
Net Interest	100	100
Allowances	−2,100	900
Total adds	5,000	4,100

The PRESIDING OFFICER. The question is on agreeing to the amendment. The yeas and nays have not been ordered.

Mr. EXON. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the amendment. The yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

Mr. FORD. I announce that the Senator from Arizona [Mr. BUMPERS] is necessarily absent.

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

The result was announced—yeas 45, nays 54, as follows:

[Rollcall Vote No. 155 Leg.]

YEAS—45

Akaka	Ford	Lieberman
Baucus	Glenn	Mikulski
Bingaman	Graham	Moseley-Braun
Boxer	Harkin	Moynihan
Bradley	Heflin	Murray
Breaux	Hollings	Nunn
Bryan	Inouye	Pell
Byrd	Johnston	Pryor
Conrad	Kennedy	Reid
Daschle	Kerrey	Rockefeller
Dodd	Kerry	Sarbanes
Dorgan	Kohl	Simon
Exon	Lautenberg	Simpson
Feingold	Leahy	Wellstone
Feinstein	Levin	Wyden

NAYS—54

Abraham	Faircloth	Mack
Ashcroft	Frist	McCain
Bennett	Gorton	McConnell
Biden	Gramm	Murkowski
Bond	Grams	Nickles
Brown	Grassley	Pressler
Burns	Gregg	Robb
Campbell	Hatch	Roth
Chafee	Hatfield	Santorum
Coats	Helms	Shelby
Cochran	Hutchison	Smith
Cohen	Inhofe	Snowe
Coverdell	Jeffords	Specter
Craig	Kassebaum	Stevens
D'Amato	Kempthorne	Thomas
DeWine	Kyl	Thompson
Dole	Lott	Thurmond
Domenici	Lugar	Warner

NOT VOTING—1

Bumpers

The amendment (No. 4040) was rejected.

Mr. LEAHY. Mr. President, I cannot support this budget resolution for 1997 fiscal year.

While I am encouraged that the majority was able to moderate their balanced budget plan from last year because of stronger economic estimates from the Congressional Budget Office, this budget resolution still falls short. It cuts Medicare and Medicaid more than is necessary to achieve a balanced budget. And it cuts education and environment funding while increasing defense spending—which is unacceptable in today's post-cold war world.

This Republican budget cuts Medicare by $167 billion, $50 billion more than the President's budget over the next 6 years. These cuts would reduce Medicare spending growth per-beneficiary far below projected private sector growth rates. I am disappointed that the majority persists in cutting a program that is vital to 83,000 Vermonters, 12 percent of whom live below the poverty level.

The Senate Republican budget resolution ignores the fact that it is not just Medicare costs that are rising. All health care costs are rising. And by just cutting Medicare—and Medicaid for that matter—a huge cost-shift of medical expenses will result and make sure that all Vermonters pay more for health care.

The Republican Medicare cuts are short sighted. Simply cutting Medicare does not make its problems go away. To reduce Medicare costs, we must reduce health care costs throughout the system, which can only be achieved by true health care reform. I look forward to sitting down at a table with Members from both sides of the aisle and hammering out a plan to deal with the issue of comprehensive health care reform. But in the meantime, simply cutting Medicare is not the answer.

This Republican budget includes $72 billion in Medicaid cuts, $18 billion more in cuts than the President's budget over the next 6 years. The resolution does not describe how these savings would be achieved, but it appears the Republicans still intend to block grant Medicaid. This will simply blow a hole in the safety net for our most neediest citizens.

This Republican budget also proposes capping the Federal direct student loan program at 20 percent of loan volume. Since schools participating in the direct loan program currently handle 40 percent of loan volume, many will be forced out of the program. The resolution only increases overall education funding by $3 billion over a freeze baseline over the next 6 years—hardly an investment in the one of the Nation's most important resources.

Unfortunately, the majority refused to moderate its cuts in protecting the environment during debate on this resolution. Compared to the President, the Republican budget cuts overall funding for environment and natural resources programs by 16 percent in the year 2002. The Republicans cut National Park Service operations by 20 percent. Compared to President, the Republican budget cuts funding for EPA's enforcement and operations by 23 percent in the year 2002.

The people of the United States never voted to gut environmental spending in the last election. They overwhelmingly want to make sure Government provides basic safeguards for a clean environment. This is a job that Government can do and needs to do.

The environment will not take care of itself. We have to step up and be responsible about the future we pass to our children. We must not step back from the bipartisan commitments made in the past 25 years to protect our air, water, streams, and natural resources.

Moreover, this budget ignores corporate welfare. President Clinton proposed that $40 billion be raised from corporate reforms and loophole closing legislation. But the majority has caved to special interests, and its budget remains silent on corporate welfare. Closing tax loopholes should be part of any fair balanced budget plan.

Finally, the Republican plan includes $17 billion in cuts to the earned income tax credit, which helps low-income working families stay off welfare and out of poverty. The President's budget proposes only $5 million in reforms to cut down on earned income tax credit fraud.

This Federal tax increase will raise taxes in seven States that have a State earned income tax credit tied to the Federal credit, including my home State of Vermont. The resolution could raise both State and Federal taxes on 27,000 Vermont working families earning less than $28,500 a year. It is very doubtful that the Vermont General Assembly can afford to increase the State earned income tax credit to make up this loss, with even more Federal cuts on the way.

At a time when many working Americans are struggling to make ends meet, the Senate Republican budget would hike Federal taxes on low and moderate-income working families. It would also raise some State taxes on these same working families. This is a double whammy on working families.

Mr. President, this budget resolution is better than last year's extreme budget, but it still cuts programs for elderly, young, and low-income Vermonters more than is necessary to balance the budget. We can do better than this budget.

Ms. MOSELEY-BRAUN. Mr. President, on April 23, 1996, the Senate, by a vote of 100 to 0, passed the Health Insurance Reform Act, a bill that will make health insurance more available to more Americans, end job lock, and end concerns regarding pre-existing conditions. That same bipartisan approach is what is needed now if this Senate is to do what the American people expect us to do—restore real, lasting discipline to the Federal budget.

In the last Congress, I served on the Bipartisan Commission on Entitlement and Tax Reform. The first finding in that Commission's interim report to the President, which was overwhelmingly endorsed by both the Democratic and Republican members of the Commission, stated:

> To ensure that today's debt and spending commitments do not unfairly burden America's children, the Government must act now. A bipartisan coalition of Congress, led by the President, must resolve the long-term imbalance between the Government's entitlement promises and the funds it will have available to pay for them.

The Commission, however, did much more than simply make a rhetorical case for bi-partisan cooperation to address our budget problems. It also did extensive work to document the nature of the budget problem we face, because no consensus solution to our budget problems is possible unless there is first a consensus on what our real budget problems are.

The Commission laid out the kind of budget future we face, and the underlying causes of our budget problems, in considerable detail. Perhaps the Commission's most important finding was that, unless we begin to act now, the portion of the gross domestic product of the United States consumed by the Federal Government will rise from approximately 21.4 percent of GDP in 1995 to over 37 per cent of GDP by the year 2030.

Now, thinking about percentages of GDP is not very meaningful to most Americans. It might be useful, therefore, to think about what that figure might mean for the Federal Government and Federal deficits if we translate those percentages into the fiscal year 1995 Federal budget.

In fiscal 1995, the Federal Government spent approximately $1.5 trillion dollars. If that year's budget took up 37 percent of GDP, as the Commission forecast for 2030, total fiscal year 1995 spending for the Federal Government would have been over $1.15 trillion higher, or $2.65 trillion. The Federal deficit would explode from the $163 billion actually reported in fiscal 1995 to over $1.3 trillion. The Federal deficit, under this scenario, would amount to almost 87 percent of the total amount the Federal Government actually spent in fiscal 1995.

Domestic discretionary spending would not account for a single penny of that increase; It would consume only $252 billion of that theoretical budget, or approximately 11 percent of total Federal spending. Nor would defense spending account for any part of that increase. It would continue to account for only $273 billion of the total $2.65 trillion budget.

What would increase is interest on the national debt, which would more than triple from the $232 billion the Federal Government actually spent on interest expense in fiscal 1995 to almost $700 billion. Social Security would double from the roughly $330 billion actually spent in fiscal 1995 to well over $650 billion. Medicare would also double, from approximately $150 billion to over $310 billion. And Medicaid would double as well, going from $90 billion to $180 billion.

That kind of budget is impossible. The Federal Government could not sell the new Government bonds that would be necessary to support deficits of that size. Essentially, the Federal Government would have to declare bankruptcy long before the budget ever reached that point. The members of the Commission, of course, all knew that. But it was the Commission's judgment—one that I fully endorsed—that it was important to lay out the budget trends the Federal Government is facing, because only then can the President and Congress, working together, do something to change those trends.

The Commission's work, however, did much more than identify the trends, though. The Commission went on to clearly lay out the underlying causes for those trends—rising health care costs and the aging of the baby boomers.

The Commission found that Federal health care expenses rose by double digit rates in the late 1980's and early 1990's, and it forecast that total Federal health care expenses would triple to 11 percent of GDP by the year 2030, unless appropriate policy changes are made. Even more frighteningly, it found that total Federal health care expenses will at least double as a percentage of GDP even if health care cost inflation is brought under control.

Changes in the American population are even a more powerful engine, one that is driving overall Federal spending ever-higher. Americans are now living much longer than they did in 1935 when Social Security began. The average life expectancy was 61.4 years then. It is 75.8 years now, and it is projected to be 78.4 years by 2025. In 1935, the life expectancy of a person reaching the age of 65 was 12.6 years. Now it is 17.5 years, and by 2025, it will be 18.8 years.

These figures represent a real triumph for our American community. What they tell us is that the American system works. But these figures also help explain why that triumph is not cost-free. In 1990, there were almost five workers for each Social Security retiree; by the year 2030, there will be less than three. More and more people are drawing Social Security benefits, and drawing them for a longer period. More and more people are using Medicare and Medicaid, and using them for a longer period of time. And those facts mean higher costs.

These are the fundamental truths we must all face, Mr. President, if we really want to address our budget problems—if we really want to balance the budget in a way that makes sense and that will work. We have to decide together—on a bipartisan basis—what our priorities are, what we think Government can do and must do, and what we are willing to pay. The only way to make these decisions is to be honest with the American people about what the problems are, and about what various options for solution of these problems would entail.

I would like to be able to say that the resolution now before us is based on that kind of bipartisan approach to the budget issue. I would like to be able to say that it is based on the bipartisan analysis contained in the Commission's report. And I would like to say that it is an attempt to present the American people with a set of proposals that face the underlying budget trends and their causes, but I cannot.

The American people want bipartisanship in approaching our budget problems. Unfortunately, however, this budget is not a bipartisan budget. It does not reflect an agreement between Congress and the President, or even between the Democrats and Republicans here in the Senate. Instead, as the straight party line vote in the Budget Committee on this resolution demonstrated, it is instead based on the partisan approach to the budget that was so in evidence last year—an approach that gave us three Government shutdowns, 13 continuing resolutions funding the Government for as little as a day at a time, and, in the end, no real progress toward dealing with our most significant budget problems.

This is a large budget resolution, and it covers six fiscal years, but it is easy to tell it is not based on the Bipartisan Commission's analysis of our budget problems. This budget resolution, for example, obtains fully half of its deficit reduction from domestic discretionary spending.

Mandatory spending—principally Social Security, Medicare, Medicaid, federal retirement, and interest on the national debt—has risen from 32.4 percent of the total Federal budget in 1963 to 64.1 percent now, and it will account for fully 72 percent of the Federal budget in the year 2003. Domestic discretionary spending, on the other hand, has been shrinking as a percentage of the total Federal budget, and it has been generally stable as a percentage of GDP. It is not the primary source of our budget problem. At roughly 17 percent of the overall Federal budget, it certainly does not account for 50 percent of our budget problem.

Perhaps the most compelling way to demonstrate that fact is to go back to the Entitlement Commission's report. The Commission found that after the year 2012, even if every single domestic discretionary spending program is cut to zero, and even if the Defense Department's budget is cut to zero, the Federal Government would still run deficits every year thereafter, unless we act to address our core budget issues.

The American people do not want that to happen, Mr. President. They do not want the Federal Government to be without resources to address important national priorities like education and the environment. They know that Federal investment in education is a public good. They know that Federal investment in highways and mass transit and aviation safety is a public good. They know that Federal investment in health research is a public good. They know that Federal stewardship of our national parks, including such national treasures as Yellowstone and the Grand Canyon, represents a public good. And they know that Federal action to protect our environment and clean up our air, our water, and toxic waste sites is a public good.

When American communities experience floods, or hurricanes, or tornados or earthquakes, they want the Federal Government to be able to act. What they don't want is a situation where the Federal Government is unable to act because of our failure to address the Federal Govenment's budget problems. Yet, if deficit reduction efforts continue to focus in such a disproportionate way on this already shrinking of the Federal budget, while avoiding coming to grips with the real budget problems in the mandatory spending part of the budget, that will be the inevitable result.

Domestic discretionary spending is not the only area where this budget resolution falls short. In Medicare, it proposes reductions in spending that total $167 billion, cuts that are, at the same time, too large and too small.

That may seem like a contradiction, but it's not. And the reason it is not goes back to the underlying forces driving up federal spending—health care inflation and demographics.

We need to sit down together on a bipartisan basis, and to work together to develop an approach to Medicare—and for that matter, Medicaid—that will actually reduce the Federal health care cost inflation rate. Then, based on what we believe we can actually achieve, we should include those savings in the budget resolution. This resolution does exactly the opposite. It sets an arbitrary amount of budget savings, and essentially caps Medicare spending, without knowing what those arbitrary caps will do to quality of care, access to care, affordability of care, or choice of provider. And while it does not increase direct costs to beneficiaries, it does assume major cuts in payments to hospitals and home health providers that serve beneficiaries, which will clearly have an impact on quality and access.

Moreover, the figures in the resolution are not based on any real analysis of how much health care inflation can be reduced, and how much time it will take to accomplish. Instead, the resolution is like an old Soviet 5-year plan—except it covers 6 years. It simply says this shall happen. Like the old Soviet 5-year plans, therefore, it has only the vaguest connection with economic—and in this case, health care—reality.

At the same time, however, the proposals assumed in the budget resolution do not in any way come to grips with the underlying demographic trends, which is why they are both too large and too small. They start at levels higher than can be justified based on reining in health care inflation, but they do not even attempt to begin to anticipate what needs to be done to handle the retirement of the baby boomer generation. We have to do better than that.

This resolution also contains a tax cut. It is a smaller tax cut than in last year's resolution, but it suffers from the same flaws. I am the first to agree that Americans ought to have more money in their pockets. More and more Americans are being priced out of the American dream. More and more Americans are losing their ability to purchase a home, a new car, or to provide a college education for their children. It is clear that more and more Americans are being priced out of the dream market. Between 1980 and 1995, for example:

the average price of a home increased from about $76,000 to over $150,000, an increase of more than 100 percent; the average price of a car went from about $7,000 to about $20,000, an increase of over 285 percent, and the number of weeks an American had to work to pay

for the average car increased from about 18 weeks to over 27 weeks, an increase of about 150 percent; and the cost of a year's tuition at a publicly supported college increased from $635 to $2,860, an increase of almost 450 percent, and a year's tuition at a private college increased from an average of $3,498 to $12,432, an increase of 355 percent.

These cost increases have continued into the 1990's, but income growth has not kept pace. Economic stagnation and rising income disparity are now facts of life. Just last month, for example, it was reported that Americans now have to work a record number of weeks—27, as I stated earlier—to purchase a new car. What that fact means, of course, is that more and more Americans are being pushed out of the new car market altogether.

Given these cost trends, Americans justifiably want to see higher take-home pay. Government can make an important contribution that can help Americans achieve that goal by helping to create a climate where productivity can increase, because increases in productivity lead to increases in wealth, and because in our country, it is private markets, and not Government fiat, that determines people's incomes.

Some people may assume that tax cuts automatically increase productivity, but it is worth remembering that, Federal taxes took are lower now than they were in 1969—one full percentage point of GDP lower. In 1969, the top Federal income tax rate was 77 percent; now it's 39 percent. Since 1969, the amount raised by Federal income tax on individuals has dropped by almost 11 percent, and the amount raised by the corporate income tax has been cut almost in half, as a percentage of GDP. Yet, the U.S. economy generally, and the standard of living of the average American, grew more quickly then.

The truth is that, if we want to increase national savings, and thereby help increase the pool of capital that is necessary to support productivity growth, the most efficient way to do that is to address our core budget problems, and not to cut taxes now. The most important reason not to do a tax cut now, however, has nothing to do with tax policy, national savings rates, or productivity. The most important reason not to do a tax cut now is that a tax cut sends a totally wrong message to the American people about the scope and extent of our budget problem.

A tax cut now is like President Johnson's guns and butter policy in the 1960's. It says that our budget problems are easy to solve, so easy that we can afford tax cuts while we balance the budget with one hand tied behind our backs. But that's not the case. We can continue to ignore the facts for a few more years if we want, but ignoring the truth will not make it go away. It will only make the day of reckoning that much worse.

It need not be so. While tough steps will be needed, and while serious costs are involved, if we work together on a bipartisan basis, if we think about the long-term, and if we keep our focus on the priorities of the American people, we can address our budget problems in a way that will allow this great Nation to protect the retirement security of Americans—now and in the future. We can do so in a way that will allow the United States to meet the health care priorities of Americans—now and in the future. And we can do so in a way that retains resources for other essential investments—like education and the environment.

The budget resolution now before this Senate cannot accomplish these goals because it is not bipartisan and because it is not based on the budget realities we are facing. I urge my colleagues, therefore, to join me in voting to put this resolution aside. And much more importantly, I urge my colleagues to come together in a bipartisan way to begin the process of putting together the kind of budget the American people expect of us.

THE ARCTIC NATIONAL WILDLIFE REFUGE [ANWR]

Mr. BAUCUS. Mr. President, I would like to engage in a colloquy with the ranking member of the Budget Committee on the issue of ANWR?

Mr. EXON. Mr. President, I would be happy to.

Mr. BAUCUS. It has come to my attention that the Energy and Natural Resources Committee has been instructed to achieve close to $1 billion in savings that are not highlighted as part of the mandatory assumptions section of the environment and natural resources function of the committee report on the budget resolution. Can the Senator from Nebraska confirm that this is true?

Mr. EXON. The Senator from Montana is correct. in fact, this billion dollars of savings amounts to almost 75 percent of the required savings the Energy and Natural Resources must produce in order to comply with the Republican budget resolution.

Mr. BAUCUS. It also has come to my attention that the latest CBO savings estimate for opening up the Arctic National Wildlife Refuge [ANWR] for oil drilling is just under $1 billion. Does the Senator from Nebraska find it odd that there is no mention of ANWR in this year's budget resolution?

Mr. EXON. Yes, I do find that strange. The committee report for last year's budget resolution cited ANWR as the major mandatory savings assumption for the Energy and Natural Resources Committee. indeed, it's inclusion in the final reconciliation bill was one of the major reasons why the President vetoed that bill.

Mr. BAUCUS. Mr. President, I would like to inquire of Senator EXON, is it fair for me to assume that in order for the Energy and Natural Resource Committee to meet its reconciliation instructions this year, the Republican majority is planning to include drilling in ANWR?

Mr. EXON. Yes, I do believe that the Senator from Montana is correct in making that assumption. The Energy and Natural Resources Committee has a limited amount of mandatory programs under its jurisdiction to target for savings as part of a reconciliation bill. With the exception of privatizing the Power Marketing Administrations, a proposal that was soundly rejected during last year's debate, I might add with the Senator Montana's leadership. I can think of no other policy under their jurisdiction that could generate a $1 billion in savings.

Mr. BAUCUS. Since this is indeed the case, I wonder why our friends on the Republican side were not willing to highlight their proposal to drill for oil in the Arctic Refuge as the leading assumption in their report, given the fact that it accounts for 75 percent of the savings for the Energy and Natural Resources Committee?

Mr. EXON. It might be due to the fact that a clear majority of the American people do not support opening up the Arctic National Wildlife Refuge for oil and gas exploration. It appears to me that the Republicans are trying to find a clever way to cover up all the damage their budget will do to the environment.

Senator BAUCUS. I believe that the Senator from Nebraska is correct. The American people, by a two to one margin, oppose opening up ANWR for oil and gas drilling. No wonder that proponents of drilling do not want to confront the issue head-on.

Our citizens understand, even if some members of this body may not, that leasing the Arctic National Wildlife Refuge risks serious harm to one of our national treasures. It squanders the natural resources that we should be leaving for future generations. And it is another example of public lands policies that favor special interests over the interests of ordinary families.

The irony is that we do not need to take these risks to ensure adequate supplies of energy. There are new oil fields being developed in the Gulf of Mexico right now, in very deep water, that can produce oil without the environmental disruptions that would surely accompany drilling in ANWR.

Last year, the Office of Management and Budget, hardly an environmentally zealous group, stated that:

> Exploration and development activities would bring physical disturbances to the area, unacceptable risks of oil spills and pollution, and long-term effects that would harm wildlife for decades.

That is not the kind of legacy we should be leaving for our children. Yet that is what could well be in store for this country if the reconciliation instructions in this budget are carried out as the Senator from Nebraska has indicated. I thank the Senator for his observations.

WELLSTONE EDUCATION TAX DEDUCTION AMENDMENT

Mr. BAUCUS. Mr. President, I voted for the amendment of my colleague from Minnesota because I support providing a tax deduction to parents to

help defray the costs of a higher education for their kids. Senator WELLSTONE's amendment would also permit taxpayers who pursue additional education to deduct all or a portion of the related costs. This is important for taxpayers who lose their job and need additional skills to get reemployed or who want to advance to a higher paying job. In fact, Mr. President, I introduced S. 1312 earlier this year to provide a $5,000 deduction for higher education costs.

I do have one concern with Senator WELLSTONE's amendment. The only tax cuts permitted under its language are a child tax credit and the deduction for higher education costs. There are a number of other tax cuts that merit consideration Mr. President, and I hope we can get to them this year. For example, an increase in section 179 expensing for small businesses, expansion of IRA's to encourage savings, and estate and gift tax relief for family-owned businesses.

I look forward to working with my distinguished colleague from Minnesota on the child tax credit and the higher education deduction as well as a number of other tax cuts that will benefit taxpayers in Minnesota and Montana as well as the entire Nation.

KYL AMENDMENT REQUIRING A SUPERMAJORITY TO RAISE TAXES

Mr. BAUCUS. Mr. President, the Sense of the Senate amendment of my colleague from Arizona notes that the current tax system is overly complex and burdensome and that action must be taken to produce a tax system that is fairer, flatter and simpler. I couldn't agree more and I look forward to working with him and the rest of my colleagues to reform a tax system that is badly in need of repair.

I was unable however, Mr. President, to vote for Senator Kyl's amendment because of the provision requiring a supermajority vote to raise taxes. Ironically, I believe this proposal could impeded meaningful tax reform. It could have the effect of locking in existing loopholes unless those of us who want real tax reform could muster a supermajority. Congress may ultimately determine that in fact more than a simple majority of its members should be required to increase taxes. However, a number of questions need to be addressed before we take such action.

What is a supermajority? Two thirds of the members, or perhaps three-fourths?

Can the supermajority requirement be waived in the event of a national emergency? How would we define a national emergency?

And how do we define what it means to ''raise'' taxes? Does closing a corporate loophole—which would increase the taxes paid by the companies benefitting from the loophole—require a supermajority? If it does, Congress will be hard pressed to close corporate loopholes.

I do agree with the language in my distinguished colleague's amendment calling for tax reform, and I may agree in time with the need for a ''supermajority'' before taxes can be ''raised,'' but cannot at this time vote for his amendment calling for that supermajority.

Mr. FEINGOLD. Mr. President, the debate surrounding this year's budget resolution is tame compared to the debate we heard last year at this time. But we should not be lulled by this relative quiet. This year's model is not much different from the one produced last year.

In one key regard, it may be worse.

The warnings many of us made last year have come true. Rather than focusing on eliminating the deficit and finally balancing the Federal budget, this year's budget resolution has one overarching goal, namely to provide an election year tax cut.

Mr. President, on this issue, the hands of both parties are dirty. Republicans and Democrats both have engaged in this tax cut bidding war. Even the so-called bipartisan budget proposal revolves around a $130 billion tax cut.

Mr. President, we have lost a real opportunity.

After the debate of the last year, one might have thought that we had reached a consensus that balancing the Federal budget was our most important task. The negotiations that took place between the Republican Congressional leadership and the White House appeared to be moving the parties closer together. Each side had agreed to similar ground rules and a timetable for a balanced budget; each side had offered a budget plan that actually reached balance.

Sadly, negotiations broke off, and there was no agreement reached on a plan to balance the budget.

Mr. President, a central reason for the failure of those negotiations was that the shared goal of deficit reduction was weighed down with other competing agendas—the structure of Medicare, whether Medicaid should be a block grant, welfare reform, and the amount and structure of the tax cut. All of a sudden, it wasn't enough to balance the budget. Eliminating the deficit took a back seat to those other priorities.

Mr. President, of course these other matters have an impact on our ability to achieve and maintain a balanced budget. I support reforms to Medicare and Medicaid not only for their own sake but for the very reason that such reforms are needed if we are to achieve a balanced budget.

But we cannot afford to divert our attention from what must be the immediate business of Congress—balancing the budget.

Of all the distractions, Mr. President, by far the most dangerous is the promise of a major tax cut. It is already difficult to get agreement on the spending cuts needed to eliminate the deficit. The work of balancing the budget is not pleasant, and it is all too easy to find excuses not to do that work.

Proposals to cut taxes make it even more difficult to stay focused on that unpleasant but necessary task. How much easier it is to speak about how one might cut taxes, and by how much.

Mr. President, as I noted earlier in this debate, we are now obsessed with enacting tax cuts, no matter what the cost to the integrity of the budget. Every time you turn around you bump into another proposal for some tax cut. Some come clothed as tax reform, such as the so-called flat tax. Others are less subtle. The Wall Street Journal recently reported that a ''trendier'' tax cut plan is a 15 percent across-the-board cut in income tax rates, phased in over 3 years. And I have no doubt that the nominees of both parties will each have their own tax cut plan to tout this summer.

We've just spent 2 weeks debating the issue of a 4.3 cent gas tax cut, and the other body has sent us a 1.7 billion dollar special adoption tax credit and is working on another 7 billion dollar tax cut for small businesses.

Everyone is eager to float a tax cut plan. Mr. President, would that they were equally as eager to offer plans to cut spending and balance the budget.

This budget resolution aids and abets this fiscally reckless and irresponsible agenda. Its structure of consecutive reconciliation bills, finishing with a tax cut extravaganza just a few weeks before the election, is a guarantee that it cannot hope to lead to a balanced budget, only political posturing.

The budget resolution has other flaws as well. The Medicare and Medicaid programs are underfunded, the direct result of the need to fund the tax cut and to add even more funding to a Defense Department that instead should be asked for significantly more cuts. And as with last year's budget resolution, there is no effort to limit some of the corporate welfare that responsible members of both parties have identified as a top priority for cutting.

Mr. President, I suspect that some of this year's budget resolution is the result of the special political dynamics of presidential election year politics. If that is the case, I earnestly hope that once that election is behind us, both parties will seize the opportunity and reach out for a bipartisan plan to balance the budget. I am confident that a majority of the Senate and the other body would support such a plan.

Until that time, Mr. President, I will continue working with members form both sides of the aisle to identify areas where we can find savings that will move us closer to completely eliminating our Federal budget deficit.

Mr. EXON. Mr. President, as we conclude debate, I cannot help but be struck by the futility of this Republican budget. It is a tragic repeat of last year's Republican budget fiasco. It is a fool's errand twice over.

A year ago, many of us stood on the Senate floor imploring our Republican colleagues to temper their harsh views and to join with us to create a bipartisan balanced budget. We predicted a

train wreck otherwise. We got not one, but two train wrecks, including the longest Federal Government shutdown in the history of our Nation.

We will soon vote on this so-called new Republican budget. But no one should be fooled as to its novelty. It is at best a hybrid of the old Republican budget grafted onto some slick parliamentary procedures. It will spin out not one, but three, reconciliation bills, because the Republican Majority wants to create a web of budgetary intrigue in which to trap the President. They want to amplify partisan confrontation over the summer and into the fall elections.

Some call this the silly season. It would be silly, if it were not so sad for our Nation.

Once again, the congressional majority is squandering an opportunity to balance the budget. Last year, all the Republicans wanted was for President Clinton to submit a 7-year, CBO-certified, balanced budget. President Clinton delivered with a fair and reasonable balanced budget. But no, the Republicans claimed that it was not good enough for them—even though it was good enough for the Republican-selected CBO Director.

Perhaps this debate did serve one larger purpose. With amendments from this side of the aisle, the American people could see that there is another vision for the future of our Nation. There is a way to balance the budget, but without jeopardizing quality health care for our seniors, without fouling the environment, without limiting the learning horizons of our children. But on this floor, the American people saw the Republican majority oppose moderation time and time again.

It has been said that the definition of insanity is doing the same thing over and over again and expecting a different result. This budget would be insane, except that no one expects a different result. This is a senseless repetition of a failed budget. Because of its extremism, it deserves to fail. I urge my colleagues to reject it once again.

Mr. BINGAMAN. Mr. President, I intend to vote against the Republican Federal budget proposal. This budget is nearly the same as the one proposed last year by Republicans, and I feel that the interests of the Nation continue to be poorly served by the guidelines specified in this sort of ideologically driven legislation.

Both last year's Republican budget proposal and the one we are voting on today represent a misguided set of priorities for the next century by cutting resources for education, job training, the environment, and Medicaid in order to pay for tax breaks for the wealthy and unneeded defense programs.

Over 7 years, the Republican proposal slashes Medicare by $226.8 billion, a number only slightly different from their proposal last year to cut Medicare by $228.2 billion. Reductions in the earned income tax credit will result in increasing taxes on lower income working families by $21 billion over 7 years, compared to the $20-billion tax increase proposed last year.

I am also very concerned about proposals in this legislation that would allow States to make significant cuts in their own contributions to Medicaid in the rules governing block grants from the Federal to State governments. These policies threaten guarantees of coverage for children, people with disabilities, and older Americans. This series of proposals represents an alarming trend away from providing the most rudimentary safety net for those in need toward further enriching those who are the most prosperous in our country.

The President's budget proposal as well as a centrist alternative budget crafted primarily by Senators BREAUX and CHAFEE do a far better job of balancing the needs of the most disadvantaged in our society with the objective of reaching a balanced budget by 2002. The President's budget secures the integrity of the Medicare trust fund through 2005, and it does so without ravaging this important program. In contrast, the Republican budget cuts Medicare by $50 billion more than the President's plan.

Education and job training—Head Start, Basic Education Assistance—title 1—School-to-Work, and Job Training for Dislocated Workers—remain high priorities of our Government, as they should be, in the President's budget. In contrast, the Republicans slash more than $60 billion from these programs.

The President does not raise taxes on low-income working Americans. In contrast, the Republicans, by cutting EITC by $21 billion over the next 7 years, intend to raise taxes for between 6 to 10 million Americans.

I think it is possible to balance the budget by 2002 without abandoning America's priorities—and without abandoning those most in need. We can clearly preserve paycheck security, health security and retirement security for America's working families without abandoning our commitment to a balanced budget.

Mr. President, I must also add that I am impressed with the efforts of Senator JOHN BREAUX and Senator JOHN CHAFEE in leading the way on yet another alternative budget to that proposed by the Republican majority. This 7-year bipartisan alternative budget proposal, which I have voted to support, is a conscientious, bipartisan effort that does a much better job of maintaining the right priorities for our country. I do have concerns about whether cutting the CPI by ½ percent is the best approach to dealing with the question of getting a better, more accurate inflation indicator, and I think that any adjustment in our cost growth measure must be progressive in its application.

While the Breaux-Chafee alternative does not contain everything I would want in a budget, the process of bringing both Democrats and Republicans together to seriously confront the problem of achieving a fair yet balanced budget is much better than what we ended up with—namely, the Republicans trying to force the same old budget down our throats.

Mrs. MURRAY. Mr. President, I rise today to express my opposition to the Republican budget resolution for fiscal year 1997. Quite simply, this budget resolution does not reflect the priorities and values held by most Americans—the belief that we need to ensure our quality of life, educate our children, and care for our elderly and disabled.

I regret that this vote will not be bipartisan, because I believe we have made great progress over the past year. Unfortunately, this Republican budget falls short. It fails to meet us halfway, and it proposes deep cuts in Medicare, education, Medicaid, and the environment while increasing defense spending. These cuts are not necessary to balance the budget; rather, they are punitive and unwise.

Mr. President, when discussing the budget, we must step back and look at where we were just a year ago. A year ago, the President's budget was not balanced and the Republican budget called for even deeper cuts in important programs—cuts as big as $250 billion out of Medicare. Since that time, however, the President has submitted a CBO-certified balanced-budget that includes modest, but realistic, cuts in Medicare and Medicaid. And Republicans have acknowledged the need to increase funding for Medicare, education, the environment, Cops on the Street and Americorps.

A year ago, I was opposed to cutting back Medicaid because it provides health care for our poorest children and it ensures quality nursing home standards for our parents. After working with health care experts in Washington State, I concluded my home State could still serve our most vulnerable populations as long as we don't have drastic cuts to Medicaid. I'm willing to concede that point, and I know now that if we all give a little, we can reach compromise. But Republican cuts still go too far.

Republican Medicaid cuts appear to be shrinking, but, unfortunately you are not seeing the whole story. The $72 billion cut mentioned in the bill, by itself, would force changes in eligibility and services for Americans on Medicaid. But in addition, this bill would allow States to walk away from paying their fair share in this successful State and Federal partnership. Between State and Federal share reductions, over $250 billion would be cut from health care coverage for poor and working families.

The majority party contends their Medicaid provisions would be endorsed by the National Governor's Association. They would not. Among other problems, this bill is a block grant, with no way for States to be reimbursed for extra costs resulting from

natural disaster or economic downturn. Even if their were no problems, and there are many, I could not support these cuts. States need flexibility, and the types of flexibility sought by my State are reasonable. But we in Congress are here to assure that every child in this country can get basic health services, no matter which State they live in.

On welfare, Republicans cut $53 billion and removes the guarantee to public assistance, but they are not very clear about where the money comes from. We can only assume they will do the same as last year—deep cuts in food aid and nutrition programs. I am interested in real welfare reform—reform that gives people alternatives and assistance to move people off of public assistance in a way that allows them to support themselves. This Republican budget is an attack on poor families, and I cannot support it.

Mr. President, let us remember exactly where we are on this road to ending the deficit. Since 1993, we have made great progress toward reducing this Nation's deficit. CBO estimates the 1996 deficit will fall to $130 billion—the fourth straight year the deficit has declined. We have cut the budget deficit in half in less than 4 years, and today's annual deficit stands as the lowest percentage of our gross domestic product since 1980. I'm proud of this fact. I am proud to have been involved in crafting the budget package of 1993. That deficit reduction package has us on the right track.

Our need to do more, however, spawned a bipartisan group of Senators, who have come together and formulated a well-reasoned, well-balanced budget proposal. I commend Senators CHAFEE and BREAUX for their leadership and hard work on this matter. I voted for their budget alternative because it is exactly the kind of bipartisan teamwork Congress needs to see more of. Certainly, I would like to see less savings come out of discretionary accounts that include education, job training, trade promotion, and the environment. And the tax cuts may be too generous. The Chafee-Breaux plan may not be perfect, but I believe it is probably the most realistic compromise one could craft. I am hopeful this Centrist plan will become the framework for future budget negotiations.

Mr. President, this past year has taught us we can reach a balanced budget. We learned we can formulate a budget that uses common sense and reflects America's values and priorities. That is why Senator KERRY and I offered an amendment to restore education and job training funds in the Republican budget. As my colleagues know, this amendment failed despite the fact that the Republican budget will cut education spending 20 percent from current levels.

Americans understand how important education and job training investments are for our children, and the future success of this Nation. A recent USA Today poll found that education has become the most important issue for Americans—ranking above crime, the economy and the quality of one's job.

As a former teacher, mother, and PTA member, I know from personal experience the value and importance of Head Start, vocational education and education, technology programs. I have seen these programs work, and I have seen the satisfaction on the faces of children who are finally getting a chance to excel and succeed.

And, Mr. President, this Republican budget takes a serious step backwards in our efforts to preserve our environment and ensure our quality of life. Unfortunately, the Senate rejected several amendments that would have softened this budget's impact on the environment. First, I oppose a change in the way sales of Federal assets are treated in this resolution. For the last decade, Congress has recognized that our public lands and other Federal assets were too precious to sell or lease unless Congress or the administration decided that so doing was in the best interest of the public. That is good policy and one that traditionally has enjoyed strong bi-partisan support. I cosponsored the Bumpers-Bradley amendment which would have preserved our national heritage for generations to come, and would have rejected this approach to the disposition of our Federal assets.

I also supported the amendment offered by Senators LAUTENBERG and KERRY that would have increased funding by $7.3 billion over 6 years for Function 300, which funds the National Park Service, the Environmental Protection Agency and other environmental programs. This amendment would have restored balance to the budget. It would have provided a stable, strong level of funding to protect our national treasures and clean up our environment.

Senator WYDEN's Sense of the Senate amendment would have eliminated tax deductions for fines, penalties, and damages arising from a failure to comply with Federal and State environmental or health protection laws. That common sense approach to balancing the budget would have raised up to $100 million annually. The amendment provided an excellent opportunity to express our support for law-abiding companies who do not break environmental and safety laws by closing a tax loophole enjoyed by those who do break our laws.

Mr. President, last year's budget debate was painful for all of us. It was especially painful for our constituents—our hard-working friends and neighbors. They didn't know why the budget debate forced the Government to shut down twice—one time for three straight weeks. They didn't see that as progress. Instead, they saw it as just another example of what is wrong with Congress and the Government today.

It is my hope this year's budget and appropriations process will be more orderly. It is my hope the American people will not be used as pawns during our budget negotiations. And it is my hope that my colleagues will remember the budget debate requires compromise if we hope to really serve the people. In the end last year, we learned our Government is truly a democracy. We learned any successful budget agreement will need to be as broad and bipartisan as possible.

We have a lot of work to do if we are going to reach a balanced budget. But the truth of the matter is that both parties have agreed to enough savings that we could balance the budget today if we really want to. When considering the entire budget, the difference between the two parties amounts to less than 1 percent of the Federal Government's spending. A balanced budget plan is possible. All we need is the courage to find compromise.

I look forward to working with my colleagues on the Appropriations and Budget Committees in order to make sure this Congress' spending priorities are balanced and in line with our constituents' wishes. Unfortunately, today's budget resolution fails to strike a balance. It's simply a replay of last year's failed Republican budget. And I will be fighting to make sure this Congress does not lose sight of what is truly important to our friends and families.

Mr. KERRY. Mr. President, let me make a simple observation on the Republican budget resolution before the Senate: it does not reflect the priorities of the American people. For that reason, I will oppose this budget.

Mr. President, as you know, I attempted throughout the past several days to amend this Republican budget so it meets the needs of working Americans. I attempted to ensure that the violent crime reduction trust fund will be fully funded and that sufficient funds will be allocated to the community policing initiative. But this amendment was rejected along party lines.

I tried to add back some of the cuts the Republicans have made to environmental protection and conservation efforts. But the amendment was rejected along party lines. I attempted to add back funds for education that the Republicans cut from the budget —the largest education cut in history. But the amendment was rejected along party lines.

Time and again, the Republican party moved in lockstep to prevent us from providing services that the American people urgently need.

The President of the United States has proposed a budget that balances in 6 years. It protects the environment. It secures our neighborhoods by putting more cops on the beat. It gives assistance to families trying to care for elderly parents and educate their children. I voted for that budget, Mr. President.

The President s budget continues the sound economic and fiscal policy put in place in 1993 which has halved the deficit, kept interest rates and inflation low and created more than 8 million jobs. This is the right way to balance the budget.

The Republicans' budget continues the smoke-and-mirror gimmicks vetoed by the President and rejected by the American people. It slashes Medicare, cripples education programs and opens tax loopholes for big corporations. This is the wrong way.

Mr. President, let me give you an example of why I am wary of the budget the Republicans have presented this year despite all the pleas that they have learned their lesson and corrected their past mistakes. Last year, the Senate voted that 90 percent of any tax cut should go to people making less than $100,000 per year. Yet, the Republican budget, which the President wisely vetoed, devoted almost 48 percent of the tax cuts to people earning more than $100,000. So, Mr. President, here we go again. My parents taught me an old saying which guides me in my decision to reject the Republican plan before us: ''once bitten, twice shy.'' The Republican plan—then as now—raises Medicare premiums on our seniors, makes our environment vulnerable to the whims of polluters, denies Medicaid coverage to veterans who would have been ineligible for VA medical care, and prevents children of many middle income Americans from getting a loan to go to college.

That is the wrong set of priorities for our Nation, for our economy and for hard-working American families, Mr. President. I reject this budget as I rejected the Republican plan last year, as the President rejected the Republican plan last year, and as the American people rejected the Republican plan last year.

I hope my colleagues oppose the Republican plan.

I yield the floor.

Mr. GLENN. Mr. President, I rise today in opposition to Senate Concurrent Resolution 57, the concurrent resolution on the budget for fiscal year 1997. While I support the committee's efforts to balance the budget, I cannot agree with the means by which that balance is achieved.

It is ironic that the committee's proposed budget resolution appears to soften the hard edge of many of the funding cuts proposed in last year's vetoed reconciliation legislation. The committee recognized the need to make the cuts look less draconian, yet, cuts similar to those from last year's failed attempt remain.

The committee's budget resolution merely pays lipservice to the fact that it could not garner the support it needed to succeed last year, because it tries to include similar cuts by disguising them in a 6-year rather than a 7-year program, by rescoring the cuts to make them look smaller, and, in the instance of Medicaid, by reformulating the way the cut is made so that the true cut can be made at the State level rather than at the Federal level.

I guess we are to chalk it up to election year politics, but the budget resolution before us asks us to ignore our experience last year when we witnessed the so-called train wreck that caused the Government to shut down twice.

And, we are to ignore the progress, albeit, limited in some areas, made in negotiations between the congressional leadership and the White House. This budget resolution, in many instances, marks a disavowal of the last offer made in January by the majority in the ongoing budget negotiations. Instead, particularly in the case of welfare and other nondefense discretionary spending, we are asked to support a return to the kinds of funding decisions that closed the Government twice last year.

When you make an apples-to-apples comparison with last year's failed welfare measure, the combined cuts to welfare programs, like aid to families with dependent children, supplemental security income and food stamps, are essentially the same.

The cuts in nondefense discretionary funding are deeper than the January offer made to the President but not quite as deep as the vetoed reconciliation bill. However, since the House adopted the deepest cuts yet proposed in nondefense discretionary funding, it seems an almost certainty that we are headed back to the levels contemplated in last year's failed reconciliation bill when we get to conference.

The Republican budget continues its attack on education and training. The budget resolution caps the direct student loan program at 20 percent and, to use the majority's convenient euphemism, it freezes funding for Pell grants work study programs. Further, the budget resolution terminates funding for the AmericaCorps National Service Program.

Mr. President, these changes to higher education would continue the majority's efforts to make it harder for working families and their children to finance a college education. If these proposed cuts and changes are to become law, many students will see the doors closed to the opportunities and choices a college education can open up for them. Other students and their families will see their options for financing an education narrowed. OMB estimates that the student loan cap would eliminate 1,100 schools and 1.6 million students from participation, just in the upcoming academic year. When extended over the life of the budget program, this cap would deny direct lending opportunities to 7 million borrowers.

Mr. President, that's not what this country stands for. We must ensure that working middle-income families will be able to afford to provide higher educational opportunities to their children.

The Republican budget again proposes to cut all funding for the first major new education reform bill passed by Congress in the past two decades. Goals 2000 is a comprehensive national attempt to help our schools achieve their goals of producing informed citizens and a skilled, competitive work force for the future. I believe it is extremely shortsighted for the Republicans to continue to propose eliminating this important program.

The budget resolution freezes funding—again, there's that euphemism for what amounts to a cut—for Head Start and chapter 1, the most successful programs designed to get our children ready for school and for teaching basic skills, hampering our efforts to reform public education in this country. I cannot support these proposals which will scale back our commitment to public education in this country.

In another critical area in nondefense discretionary funding, Mr. President, the budget resolution uses funding cuts to weaken environmental protection and to decrease the Government's ability to improve public health and safety.

While targeting environmental programs for particularly harsh cuts, this budget resolution also effectively makes policy changes that should be enacted through regular legislative means. This measure assumes revenues from opening the Arctic National Wildlife Refuge for oil exploration and development. The Coastal Plain of this wildlife refuge is one of our few remaining ecological treasures, containing 18 major rivers, and providing a habitat for 36 species of land mammals and over 30 fish species. The wilderness and environmental values of this area are irreplaceable. The environmental values of this area are far greater than any short-term economic gain from oil and gas development.

Unfortunately, Mr. President, these are the kinds of tradeoffs, taking away educational opportunities at all levels, from preschool through postsecondary education, gutting environmental programs, and ruining ecological treasures, all in order to make a politically expedient tax cut and, as we'll see when we move to the defense authorization bill, to waste billions of dollars in the defense accounts on programs we don't need. I can't agree to this, Mr. President. But, sadly, this is just the tip of the iceberg.

Let's take a look at the proposed cut to the earned income tax credit, a tax credit designed to assist low-income working families stay off the welfare rolls. It's true that the proposed cut is less than last year's failed reconciliation package, but it is significantly deeper than that proposed by the majority in January during the budget negotiations. Moreover, it is almost twice as large as the cut proposed by the National Governor's Association. And, curiously, it seems to be at odds with a proposal made during the minimum wage debate in the House that the earned income tax credit should be expanded as an alternative to raising the

minimum wage. The majority party says it is offering a tax cut. With the proposed cuts in the earned income tax credit, never mind the advertised tax cut, the best some working families can hope for is that their taxes won't go up.

A similar sleight of hand occurs with respect to Medicaid. The amount of Federal funding proposed to be cut is less than the latest budget offer made in January. The hitch is, the budget resolution changes the contribution that States are required to make. This change allows 80 percent of the cuts proposed last year to be made.

Moreover, not only does the budget resolution cut Federal Medicaid payments to the States by $72 billion, it does not specify how the cuts would be made. I assume that the Republicans still support block granting Medicaid funds. I am opposed to this proposal because of the adverse impact it would have on children in low-income families, the disabled, and the elderly who require nursing home care.

When you get to Medicare, again, you have to pay attention to the fine print. The size of the cut, $168 billion, is the same as that proposed in the last offer but the difference here is the cut is taken in a shorter period of time, over a 6-year program rather than a 7-year program. So, the majority again greatly reduces Medicare funding for the elderly in order to provide a tax cut for wealthy Americans. The budget resolution's reduction of $168 billion in Medicare means that the growth in spending per beneficiary will be less than the projected growth in spending in the private sector which insures a younger, healthier population. I am concerned that these cuts and the proposed changes in the structure of the Medicare Program will adversely impact the quality of care for Medicare beneficiaries and will make it more expensive to individuals.

Mr. President, we have debated this budget resolution over the course of several days and have had vigorous debate over a series of amendments which would have restored necessary funding in areas such as health care, education, job training, and environmental protection. Regrettably, these efforts did not succeed. But, the votes really have been just a self-fulfilling prophecy. It is clear that the majority isn't looking to compromise or learn from our painful experience last year. This legislation was never designed to engender my support and I certainly will not lend my support to it.

In addition to the funding issues I have described, Mr. President, I feel compelled to discuss the unusual instruction contained in the budget resolution concerning the reporting out of three separate reconciliation bills. This instruction is objectionable because it unnecessarily expands the role of reconciliation in the budgeting process. Perhaps, more importantly, it is objectionable because it goes so far as to instruct the reporting out of a reconciliation bill that not only will not lower the deficit but undoubtedly will raise the deficit.

Mr. President, I yield the floor.

AMENDMENT NO. 4022

The PRESIDING OFFICER. The pending business before the Senate is now the McCain amendment No. 4022.

Mr. DOMENICI addressed the Chair.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. I yield to the Senator who has the amendment, Senator MCCAIN.

Mr. MCCAIN. Doesn't the opposition speak first, Mr. President, the other side?

Mr. EXON. I yield Senator HOLLINGS the 30 seconds on our side on the McCain amendment.

Mr. HOLLINGS. Mr. President, I understand the distinguished Senator from Arizona and I are agreed substantially with his sense-of-the-Senate resolution. In every one of the auctions, Mr. President, what we do on them is not to maximize the revenues but to protect the public interest. We want to increase the efficiency and enhance the competition.

So I welcome this particular sense-of-the-Senate resolution. But I have to add, of course, the fundamental of the public interest, which I am sure the Senator from Arizona is interested in, is stipulated in the Communications Act of 1934, section 309, and now in the new Telecommunications Act it is also to be adhered to. So I move the adoption of the resolution.

Mr. DOMENICI. We have no objection to the resolution.

Mr. EXON. We have no objection.

Mr. MCCAIN. Mr. President, I thank the Senator from South Carolina.

Mr. HOLLINGS. Mr. President, the sense-of-the-Senate resolution offered by my friend from Arizona encourages the Federal Communications Commission [FCC] to move forward expeditiously on a number of pending proceedings. In doing so, would the Senator from Arizona agree that section 309 of the Communications Act of 1934, as amended, is the provision of law that authorizes the FCC's use of auctions as a licensing procedure?

Mr. MCCAIN. I agree.

Mr. HOLLINGS. Would the Senator further agree that the FCC should follow the statute in conducting auctions?

Mr. MCCAIN. Yes, I agree that the FCC should follow the law.

I yield the floor and yield back the remainder of my time.

AMENDMENT NO. 4041 TO AMENDMENT NO. 4022

Mr. MURKOWSKI. Mr. President, I send a second-degree amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

Mr. HOLLINGS. Parliamentary inquiry. Did we adopt the amendment?

The PRESIDING OFFICER. We have not adopted the amendment.

Mr. HOLLINGS. I ask unanimous consent it be agreed to.

The PRESIDING OFFICER. There is a pending second-degree amendment that has not been read.

The clerk will report.

The legislative clerk read as follows:

The Senator from Alaska [Mr. MURKOWSKI] for himself, Mr. WARNER, Mr. MCCAIN, Mr. CHAFEE, and Mr. SMITH, proposes an amendment numbered 4041 to amendment No. 4022.

Strike all after the word ''SEC.'' and insert:

The Congress finds that—

(1) The Founding Fathers were committed to the principle of civilian control of the military;

(2) Every President since George Washington has affirmed the principle of civilian control of the military;

(3) Twenty-six Presidents of the United States served in the United States Armed Forces prior to their inauguration and none of them claimed the Presidency represented a continuation of their military service;

(4) No President of the United States prior to May 15, 1996 has ever sought relief from legal action on the basis of serving as Commander-in-Chief of the United States Armed Forces;

(5) President Clinton is the subject of a sexual harassment lawsuit filed on May 6, 1994 in Federal District Court in Little Rock, Arkansas involving allegations about his conduct in May, 1991;

(6) On May 15, 1996, a legal brief filed on behalf of the President of the United States in the United States Supreme Court asserted the President of the United States may be entitled to the protections afforded members of the United States Armed Forces under the Soldiers' and Sailors' Relief Act of 1940 (50 U.S.C. 501 et. al); and

(7) The purpose of the Soldiers' and Sailors' Civil Relief Act of 1940 is to enable members of the military services ''to devote their entire energy to the defense needs of the nation.''

It is the sense of the Senate that the assumptions underlying this resolution include that the President of the United States should state unequivocally that he is not entitled to and will not seek relief from legal action under the Soldiers' and Sailors' Civil Relief Act of 1940, and that he will direct removal from his legal brief any reference to the protections of the Act.

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

The PRESIDING OFFICER. Each side gets 30 seconds. The Senator from Alaska has 30 minutes.

Mr. FORD. I asked for a quorum.

Mr. MURKOWSKI. I ask for the yeas and nays. Mr. President, along with Senators WARNER, CHAFEE and MCCAIN, who are cosponsors, I believe what we have here is an assertion without precedent. The President of the United States claims in a brief filed in the Supreme Court that a pending sexual harassment lawsuit against him should be delayed indefinitely. He claims he is entitled to the protection afforded members of the military under the Soldiers and Sailors Act of 1940.

For the President to make the claim that he is a member of the Armed Forces is simply beyond comprehension.

Mr. FORD. Mr. President, regular order.

Mr. MURKOWSKI. It flies in the face of the 207-year-old tradition established by George Washington that the U.S. military should be under civilian control.

Mr. FORD. Regular order.

Mr. MURKOWSKI. As the commander of the American Legion said: ''We've had plenty of great Americans take off a military uniform to assume the Presidency. None has ever put on a uniform after Inauguration Day.''

As a former member of the U.S. Coast Guard, I respectfully request that the President should immediately direct his attorney to drop this absurd claim.

Mr. EXON. Mr. President, the Senator is not in order.

The PRESIDING OFFICER. The Senator from Nebraska has 30 seconds.

Mr. EXON. My apologies to those I told we would be out of here by 5:10.

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

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

The PRESIDING OFFICER. Without objection, it is so ordered. The Senator from Mississippi.

Mr. LOTT. Mr. President, it is obvious that we are not going to be able to work out an agreement as to how a vote can be obtained on this issue this afternoon. The budget resolution is very important to the American people. Therefore, I ask unanimous consent that the amendment be withdrawn following 4 minutes of debate equally divided between the amendment sponsor and the Democratic leader.

The PRESIDING OFFICER. Is there objection?

Mr. DOMENICI. Reserving the right to object, Mr. President, I wonder if our leader will further say, when that is done what will happen, so we all know.

Mr. LOTT. I believe, Mr. President, from the chairman, we have one amendment left that will be voice voted, and we will be prepared to go to final passage immediately after that.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request?

Mr. DOMENICI. Does the unanimous-consent request include the last statement about the sequencing?

Mr. LOTT. Mr. President, I ask unanimous consent that the sequence after this exchange be, we have a voice vote on the pending McCain amendment and we go immediately to final passage of the budget resolution.

The PRESIDING OFFICER. Is there objection to the revised unanimous consent request? Without objection, it is so ordered.

The Senator from Alaska.

Mr. MURKOWSKI. Mr. President, in the interest of moving the budget process along, I am withdrawing my amendment, but I want to assure my colleagues, until our President orders his legal counsel to drop this argument in court, I will be raising this issue on every bill.

As we go out for this Memorial Day recess, I urge all of us to reflect on the significance of this particular issue.

I yield the remaining time split between Senator MCCAIN and Senator WARNER.

Mr. WARNER addressed the Chair.

The PRESIDING OFFICER. The Senator from Virginia.

Mr. WARNER. Mr. President, I would like to read from the CONGRESSIONAL RECORD, October 7, 1940, referring to this act. It reads:

The term ''person in military service'' and the term ''persons in the military service of the United States,'' as used in this Act, shall include the following persons and no others: All members of the Army of the United States, the United States Navy, the Marine Corps, the Coast Guard and all officers of the Public Health Service detailed by proper authority for duty either with the Army or the Navy. The term ''military service,'' as used in this Act, shall signify Federal service on active duty with any branch of service. * * *

The PRESIDING OFFICER. The Senator from Arizona.

Mr. MCCAIN. Mr. President, I do not know if the President of the United States knew that this was part of the defense prepared by his lawyers. I hope very strongly that he will have this taken from it. It is an issue which is very emotional to a lot of Americans, and I hope that by us raising this issue that the issue will be dispensed with very quickly by the President of the United States.

I yield back the remainder of my time.

The PRESIDING OFFICER. The minority leader.

Mr. DASCHLE. Mr. President, let me read a statement, first of all, by Robert Bennett, the attorney representing the President:

* * * my petition on the President's behalf references the Soldiers' and Sailors' Civil Relief Act as one of five illustrative examples of the types of stays that can temporarily defer lawsuits. The President does not rely on the Act, and has no intention of doing so, as the basis for requesting relief in this case. Our petition does not rely on the Act, but is based instead on important constitutional principles. We have no intention of changing our approach in the future.

Mr. President, I submit for the RECORD the brief submitted on behalf of the President, and I ask unanimous consent that it be printed in the RECORD.

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

[In the Supreme Court of the United States, October term, 1995]

WILLIAM JEFFERSON CLINTON, PETITIONER, *vs.* PAULA CORBIN JONES, RESPONDENT

On Petition For A Writ Of Certiorari To The United States Court Of Appeals For The Eighth Circuit.

PETITION FOR A WRIT OF CERTIORARI

QUESTIONS PRESENTED

1. Whether the litigation of a private civil damages action against an incumbent President must in all but the most exceptional cases be deferred until the President leaves office.

2. Whether a district court, as a proper exercise of judicial discretion, may stay such litigation until the President leaves office.

PARTIES TO THE PROCEEDING

Petitioner. President William Jefferson Clinton, was a defendant in the district court and appellant in the court of appeals. Respondent Paula Corbin Jones was the plaintiff in the district court and cross-appellant in the court of appeals. Danny Ferguson was a defendant in the district court.

Petitioner William Jefferson Clinton respectfully requests that a writ of certiorari issue to review the judgment of the United States Court of Appeals for the Eight Circuit entered in this case on January 9, 1996.

OPINIONS BELOW

The opinion of the court of appeals (Pet. App. 1) is reported at 72 F.3d 1354. The court of appeals' order denying the petition for rehearing (Pet. App. 32) is reported at 81 F.3d 78. The principal opinion of the district court (Pet. App. 54) is reported at 869 F. Supp. 690. Other published opinions of the district court (Pet. App. at 40 and 74) appear at 858 F. Supp. 902 and 879 F. Supp. 86.

JURISDICTION

The judgment of the United States Court of Appeals for the Eighth Circuit was entered on January 9, 1996. A petition for rehearing was filed on January 23, 1996, and denied on March 28, 1996. This Court's jurisdiction is invoked pursuant to 28 U.S.C. §1254(l) (1994).

LEGAL PROVISIONS INVOLVED IN THE CASE

U.S. CONST. art. II, §1, cl. 1.
U.S. CONST. art. II, §§2–4.
U.S. CONST. amend. XXV.
42 U.S.C. §1983 (1994).
42 U.S.C. §1985 (1994).
50 U.S.C. app. §510 (1988).
50 U.S.C. app. §521 (1988).
50 U.S.C. app. §525 (Supp. V 1993).
FED. R. CIV. P. 40.

These provisions are set forth at pages App. 79–85 of the Petitioner's Appendix.

STATEMENT OF THE CASE

Petitioner William Jefferson Clinton is President of the United States. On May 6, 1994, respondent Paula Corbin Jones filed this civil damages action against the President in the United States District Court for the Eastern District of Arkansas. The complaint was premised in substantial part on conduct alleged to have occurred three years earlier, before the President took office. The complaint included two claims arising under the federal civil rights statues and two arising under common law, and sought $175,000 in actual and punitive damages for each of the four counts.[1] Jurisdiction was asserted under 28 U.S.C. §§1331, 1332 and 1343 (1994).

The President moved to stay the litigation or to dismiss it without prejudice to its reinstatement when he left office, asserting that such a course was required by the singular nature of the President's Article II duties and by principles of separation of powers. The district court stayed trial until the President's service in office expired, but held that discovery could proceed immediately ''as to all persons including the President himself.'' Pet. App. 71.

The district court reasoned that ''the case most applicable to this one is *Nixon v. Fitzgerald*, [457 U.S. 731 (1982)],'' (Pet. App. 67) which held that a President is absolutely immune from any civil litigation challenging his official acts as President. While the holding of *Fitzgerald* did not apply to this case because President Clinton was sued primarily for actions taken before he became President, the court stated that ''[t]he language of the majority opinion'' in *Fitzgerald*

''is sweeping and quite firm in the view that to disturb the President with defending civil litigation that does not demand immediate attention . . . would be to interfere with the conduct of the duties of the office.''

Pet. App. 68–69. The district court further found that these concerns ''are not lessened

Footnotes at end of brief.

by the fact that [the conduct alleged] preceded his Presidency.'' *Id.* Invoking Federal Rule of Civil Procedure 40 and the court's equitable power to manage its own docket, the district judge stayed the trial ''[t]o protect the Office of President . . . from unfettered civil litigation, and to give effect to the policy of separation of powers.'' Pet. App. 72.[2]

The trial court, observing that the plaintiff had filed suit three years after the alleged events, further concluded that the plaintiff would not be significantly inconvenienced by delay of trial. Pet. App. 70. However, it found ''no reason why the discovery and deposition process could not proceed,'' and said that this would avoid the possible loss of evidence with the passage of time. Pet. App. 71.

The President and respondent both appealed.[3] A divided panel of the court of appeals reversed the district court's order staying trial, and affirmed its decision allowing discovery to proceed. The panel issued three opinions.

Judge Bowman found the reasoning in Fitzgerald ''inapposite where only personal, private conduct by a President is at issue,'' (Pet. App. 11), and determined that ''the Constitution does not confer upon an incumbent President any immunity from civil actions that arise from his unofficial acts.'' Pet. App. 16. He also wrote that

''[t]he Court's struggle in *Fitzgerald* to establish presidential immunity for acts within the outer perimeter of official responsibility belies the notion . . . that beyond this outer perimeter there is still more immunity waiting to be discovered.''

Pet. App. 9.

Judge Bowman further concluded that it would be an abuse of discretion to stay all proceedings against an incumbent President, asserting that the President ''is entitled to immunity, if at all, only because the Constitution ordains it. Presidential immunity thus cannot be granted or denied by the courts as an exercise of discretion.'' Pet. App. 16. Ruling that the court of appeals had ''pendent appellate jurisdiction'' to entertain respondent's challenge to the stay of trial issued by the district court, (Pet. App. 5 n.4) (citing *Kincade v. City of Blue Springs, Mo.*, 64 F.3d 389, 394 (8th Cir. 1995), *cert. denied*, 1996 WL 26287 (Apr. 29, 1996)), Judge Bowman accordingly reversed that stay as an abuse of discretion. Pet. App. 13 n.9.

In reaching these conclusions, Judge Bowman put aside concerns that the separation of powers could be jeopardized by a trial court's exercising control over the President's time and priorities, through the supervision of discovery and trial. He stated that any separation of powers problems could be avoided by ''judicial case management sensitive to the burdens of the presidency and the demands of the President's schedule.'' Pet. App. 13.

Judge Beam ''concur[red] in the conclusions reached by Judge Bowman.'' Pet. App. 17. He stated that the issues presented ''raise matters of substantial concern given the constitutional obligations of the office'' of the Presidency. Pet. App. 17. He also acknowledged that ''judicial branch interference with the functioning of the presidency should this suit be allowed to go forward'' is a matter of ''major concern.'' Pet. App. 21. He expressed his belief, however, that this litigation could be managed with a ''minimum of impact on the President's schedule.'' Pet. App. 23. This could be accomplished, he suggested, by the President's choosing to forgo attending his own trial or becoming involved in discovery, or by limiting the number of pre-trial encounters between the President and respondent's counsel. Pet. App. 23–24. Judge Beam stated that he was concurring ''[w]ith [the] understanding'' that the trial judge would have substantial latitude to manage the litigation in a way that would accommodate the interests of the Presidency. Pet. App. 25.

Judge Ross dissented, stating that the ''language, logic and intent'' of *Fitzgerald*

''directs a conclusion here that, unless exigent circumstances can be shown, private actions for damages against a sitting President of the United States, even though based on unofficial acts, must be stayed until the completion of the President's term.''

Pet. App. 25. Judge Ross observed that ''[n]o other branch of government is entrusted to a single person,'' and determined that

''[t]he burdens and demands of civil litigation can be expected * * * to divert [the President's] energy and attention from the rigorous demands of his office to the task of protecting himself against personal liability. That result * * * would impair the integrity of the role assigned to the President by Article II of the Constitution.''

Pet. App. 26.

Judge Ross also stated that private civil suits against sitting Presidents

''create opportunities for the judiciary to intrude upon the Executive's authority, set the stage for potential constitutional confrontations between courts and a President, and permit the civil justice system to be used for partisan political purposes.''

Pet. App. 28. At the same time, he reasoned, postponing litigation ''will rarely defeat a plaintiff's ability to ultimately obtain meaningful relief.'' Pet. App. 30. Judge Ross concluded that litigation should proceed against a sitting President only if a plaintiff can ''demonstrate convincingly both that delay will seriously prejudice the plaintiff's interests and that * * * [it] will not significantly impair the president's ability to attend to the duties of his office.'' Pet. App. 31.

The court of appeals denied the President's request for a rehearing en banc, with three judges not participating and Judge McMillian dissenting. Judge McMillian said the majority's holding had ''demean[ed] the Office of the President of the United States.'' Pet. App. 32. He wrote that the panel majority ''would put all the problems of our nation on pilot control and treat as more urgent a private lawsuit that even the [respondent] delayed filing for at least *three* years,'' and would ''allow judicial interference with, and control of, the President's time.'' Pet. App. 33.

REASONS FOR GRANTING THE PETITION

This case presents a question of extraordinary national importance, which was resolved erroneously by the court of appeals. For the first time in our history, a court has ordered a sitting President to submit, as a defendant, to a civil damages action directed at him personally. We believe that absent exceptional circumstances, an incumbent President should never be placed in this position. And surely a President should not be placed in this position for the first time in our history on the basis of a decision by a fragmented panel of a court of appeals, without this Court's review.

The decision of the court below is erroneous in several respects. It is inconsistent with the reasoning of *Nixon v. Fitzgerald* and with established separation of powers principles. The panel majority's suggested cure for the separation of powers problems—''judicial case management sensitive to . . . the demands of the President's schedule'' (Pet. App. 13)—is worse than the disease: it gives a trial court a general power to set priorities for the President's time and energies. The panel majority also grossly overstated the supposedly extraordinary character of the relief that the President seeks. The deferral of litigation for a specified, limited period is far from unknown in our judicial system, and it is routinely afforded in order to protect interests that are not comparable in importance to the interests the President advances here.

Now is the appropriate time for the Court to address these issues. If review is declined, the President would have to undergo discovery and trial while in office, which would eviscerate the very interests he seeks to vindicate. Moreover, if the decision below is allowed to stand, federal and state courts could be confronted with more private civil damage complaints against incumbent Presidents. Such complaints increasingly would enmesh Presidents in the judicial process, and the courts in the political arena, to the detriment of both.

A. The Decision Below Is Inconsistent With This Court's Decisions And Jeopardizes The Separation Of Powers

1. The President ''occupies a unique position in the constitutional scheme.'' *Nixon v. Fitzgerald*, 457. 731, 749 (1982). Unlike the power of the other two branches, the entire ''executive Power'' is vested in a single individual, ''a President,'' who is indispensable to the execution of that authority. U.S. CONST. art. II, §1. The President is never off duty, and any significant demand on his time necessarily imposes on his capacity to carry out his constitutional responsibilities.

Accordingly, ''[c]ourts traditionally have recognized the President's constitutional responsibilities and status as factors counseling judicial deference and restraint.'' *Fitzgerald*, 457 U.S. 753. Indeed, ''[t]his tradition can be traced far back into our constitutional history.'' *Id*, at 753 n.34. The form of ''judicial deference and restraint'' that the President seeks here—merely postponing the suit against him until he leaves office—is modest. It is far more limited, for example, than the absolute immunity that *Fitzgerald* accorded all Presidents for action taken within the scope of their presidential duties.

The panel majority concluded that because the *Fitzgerald* holding was limited to civil damages claims challenging official acts, the President should receive no form of protection from any other civil suits. This conclusion is flatly inconsistent with the reasoning of *Fitzgerald*. The Court in *Fitzgerald* determined that the President was entitled to absolute immunity not only because the threat of liability for official acts might inhibit him in the exercise of his authority (*id*. at 752 & n.32), but also because, in the Court's words, ''the singular importance of the President's duties'' means that ''diversion of his energies by concern with private lawsuits would raise unique risks to the effective functioning of government.'' *Id*. at 751,

The panel majority ignored this second basis for the holding of *Fitzgerald*. The first basis of *Fitzgerald*—that the threat of liability might chill official Presidential decision making—is, of course, largely not present here, and accordingly, the President does not seek immunity from liability.[4] But the second danger to the Presidency emphasized by *Fitzgerald*—the burdens inevitably attendant upon being a defendant in a lawsuit—clearly exists here. the court of appeals simply disregarded this ''unique risk[] to the effective functioning of government.''

2. As the *Fitzgerald* Court demonstrated, the principle that a siting President may not be subjected to private civil lawsuits has deep roots in our traditions. *See* 457 U.S. at 751 n.31. Justice Story stated that

''[t]he president cannot . . . be liable to arrest, imprisonment, or detention, while he is in the discharge of the duties of his office; and for this purpose *his person must be*

deemed, in civil cases at least, to possess an official inviolability.''

3 JOSEPH STORY, COMMENTARIES ON THE CONSTITUTION OF THE UNITED STATES §1563, pp. 418–19 (1st ed. 1833) (emphasis added), *quoted in Fitzgerald,* 457 U.S. at 749. Senator Oliver Ellsworth and then-Vice President John Adams, both delegates to the Constitutional Convention, also agreed that

''the President, personally, was not . . . subject to any process whatever . . . For [that] would . . . put it in the power of a common justice to exercise any authority over him and stop the whole machine of Government.''

JOURNAL OF WILLIAM MACLAY 167 (E. Maclay ed., 1890), *quoted in Fitzgerald,* 457 U.S. at 751 n.31.

President Jefferson was even more emphatic:

''The leading principle of our Constitution is the independence of the Legislature, executive and judiciary of each other. . . . But would the executive be independent of the judiciary, if he were subject to the *commands* of the latter, & to imprisonment for disobedience; if the several courts could bandy him from pillar to post, keep him constantly trudging from north to south & east to west, and withdraw him entirely from his constitutional duties?''

10 The Works of Thomas Jefferson 404 n. (Paul L. Ford ed., 1905), *quoted in Fitzgerald,* 457 U.S. at 751 n.31. As the Court said in *Fitzgerald,* ''nothing in [the Framers'] debates suggests an expectation that the President would be subjected to the distraction of suits by disappointed private citizens.'' 457 U.S. 751 n.31.

3. The panel majority minimized the separation of powers concerns that so troubled the Framers. It ruled that these problems can never be addressed by postponing litigation against the President until the end of his term. Pet. App. 16. Instead, the panel majority's solution was ''judicial case management sensitive to the burdens of the presidency and the demands of the President's schedule.'' Pet. App. 13. Rather than solving the separation of powers problems raised by allowing a suit to go forward against a sitting President, the panel's approach only exacerbates them.

The panel majority envisioned that, throughout the course of litigation against him, a President could ''pursue motions for rescheduling, additional time, or continuances'' if he could show that the proceedings ''interfer[ed] with specific, particularized, clearly articulated presidential duties.'' Pet. App. 16. If the President disagreed with a decision of the trial court, he could ''petition [the court of appeals] for a writ of mandamus or prohibition.'' Pet. App. 16. In other words, under the panel's approach, a trial court could insist, before considering a request by the President for adjustment in the litigation schedule, that the President provide a ''specific, particularized'' explanation of why he believed his official duties prevented him from devoting his attention to the litigation at that time. The court would then be in the position of repeatedly evaluating the President's official priorities—precisely what Jefferson so feared.

This approach is an obvious affront to the complex and delicate relationship between the Judiciary and the Presidency. Neither branch should be in a position where it must approach the other for approval to carry out its day-to-day responsibilities. Even if a trial court discharged this mission with the greatest judiciousness, it is difficult to think of anything more inconsistent with the separation of powers than to put a court in the position of continually passing judgment on whether the President is spending time in a way the court finds acceptable.

4. The panel majority similarly attempted to downplay the demands that defending private civil litigation would impose on the President's time and energies. Pet. App. 13–15. The concurring opinion in particular likened the defense of a personal damages suit to the few instances when Presidents have testified as witnesses in judicial or legislative proceedings. Pet. App. 22–23. This notion is implausible on its face; there is no comparison between being a defendant in a civil damages action and merely being a witness. Even so, Presidents have been called as witnesses only in cases of exigent need, and only under carefully controlled circumstances designed to minimize intrusions on the President's ability to carry out his duties.

A sitting President has never been compelled to testify in civil proceedings. Presidents occasionally have been called upon to testify in criminal proceedings, in order to preserve the public's interest in criminal law enforcement (*Fitzgerald,* 457 U.S. at 754) and the defendant's Constitutional right to compulsory process (U.S. Const. amend. VI; *United States v. Burr,* 25 F. Cas. 30, 33 (C.C.D. Va 1807) (No. 14,692d))—factors that are, of course, not present here. But even in those compelling cases, as Chief Justice Marshall recognized, courts are not ''required to proceed against the president as against an ordinary individual.'' *United States v. Burr,* 25 F. Cas. 187, 192 (C.C.D. Va. 1807) (No. 14,694). Instead, courts have required a heightened showing of need for the President's testimony, and have permitted it to be obtained only in a manner that limits the disruption of his official functions, such as by videotaped deposition.[5]

In any event, there is an enormous difference between being a third-party witness and being a defendant threatened with financially ruinous personal liability. This is true even for a person with only the normal business and personal responsibilities of everyday life—which are, of course, incalculably less demanding than those of the President. A President as a practical matter could never wholly ignore a suit such as the present one, which seeks to impugn the President's character and to obtain $700,000 in putative damages from the President personally. ''The need to defend damages suits would have the serious effect of diverting the attention of a President from his executive duties since defending a lawsuit today—even a lawsuit ultimately found to be frivolous—often requires significant expenditures of time and money, as many former public officials have learned to their sorrow,'' *Fitzgerald,* 457 U.S. at 763 (Burger, C.J., concurring).

Judge Learned Hand once commented that as a litigant, he would ''dread a lawsuit beyond anything else short of sickness and death.''[6] In this regard the President is like any other litigant, except that a President's litigation, like a President's illness, becomes the nation's problem.

B. The Court of Appeals Erred in Viewing the Relief Sought by the President As Extraordinary

The court below appears to have viewed the President's claim in this case as exceptional, both in the relief that it sought and in the burden that it imposed on respondent.[7] In fact, far from seeking a ''degree of protection from suit for his private wrongs enjoyed by no other public official (much less ordinary citizens)'' (Pet. App. 13), the relief that the President seeks—the temporary deferral of litigation—is far from unknown in our system, and the burdens it would impose on plaintiffs are not extraordinary.

There are numerous instances where civil plaintiffs are required to accept the temporary postponement of litigation so that important institutional or public interests can be protected. For example, the Soldiers' and Sailors' Civil Relief Act of 1940, 50 U.S.C. app. §§501–25 (1988 & Supp. V 1993), provides that civil claims by or against military personnel are to be tolled and stayed while they are on active duty.[8] Such relief is deemed necessary to enable members of the armed forces ''to devote their entire energy to the defense needs of the Nation.'' 50 U.S.C. app. §510 (1988). President Clinton here thus seeks relief similar to that to which he may be entitled as Commander-In-Chief of the Armed Forces, and which is routinely available to service members under his command.

The so-called automatic stay provision of the Bankruptcy Code similarly provides that litigation against a debtor is to be stayed as soon as a party files a bankruptcy petition. That stay affects all litigation that ''was or could have been commenced'' prior to the filing of that petition, 11 U.S.C. §362 (1994), and ordinarily will remain in effect until the bankruptcy proceeding is completed. *Id.*[9] Thus, if respondent had sued a party who entered bankruptcy, respondent would automatically find herself in the same position she will be in if the President prevails before the Court—except that the bankruptcy stay is indefinite, while the stay in this case has a definite term, circumscribed by the constitutional limit on a President's tenure in office.

It is well established that courts, in appropriate circumstances, may put off civil litigation until the conclusion of a related criminal prosecution against the same defendant.[10] That process may, of course, take several years, and affords the civil plaintiff no relief. The doctrine of primary jurisdiction, where it applies, compels plaintiffs to postpone the litigation of their civil claims while they pursue administrative proceedings, even though the administrative proceedings may not provide the relief they seek. This process too can take several years. *See, e.g., Ricci* v. *Chicago Mercantile Exch.,* 409 U.S. 289, 306–07 (1973). And public officials who unsuccessfully raise a qualified immunity defense in a trial court are entitled, in the usual case, to a stay of discovery while they pursue an interlocutory appeal. *Harlow* v. *Fitzgerald,* 457 U.S. 800, 818 (1982). Such appeals can routinely delay litigation for a substantial period.

We do not suggest that all of these doctrines operate in exactly the same way as the relief that the President seeks here. But these examples thoroughly dispel any suggestion that the President, in asking that this litigation be deferred, is somehow placing himself ''above the law,'' or that holding this litigation in abeyance would impermissibly violate a plaintiff's entitlement to access to the courts. More specifically, these examples demonstrate that what the President is seeking—the temporary deferral of litigation—is relief that our judicial system routinely provides when significant institutional or public interests are at stake, as they manifestly are here.

C. The Panel Majority Erred In Asserting Jurisdiction Over, And Reversing, The District Court's Discretionary Decision To Stay The Trial Until After President Clinton Leaves Office

1. Respondent cross-appealed to challenge the district court's order to stay trial. Ordinarily, a decision by a district court to stay proceedings is not a final decision for purposes of appeal. *Moses H. Cone Memorial Hosp.* v. *Mercury Constr. Corp.,* 460 U.S. 1, 10 n.11 (1983). Such orders may be reviewed on an interlocutory basis only by writ of mandamus. *See* U.S.C. §651 (1994).[11] Inserting that jurisdiction existed for her cross-appeal, the respondent did not seek such a writ or contend that the stay was appealable under 28 U.S.C. §1291 (1994) as a final order, or as a collateral

order under *Cohen v. Beneficial Indus. Loan Corp.*, 337 U.S. 541, 546 (1949). Instead respondent asserted, and the panel majority found, that the Court of Appeals had ''pendent appellate jurisdiction'' over respondent's cross-appeal. Pet. App. 5 n.4.

In *Swint v. Chambers County Comm'n*, 115 S. Ct. 1203 (1995), this Court ruled that the notion of ''pendent appellate jurisdiction,'' if viable at all, is extremely narrow in scope (*see id.* at 1212), and is not to be used ''to parlay *Cohen*-type collateral orders into multi-issue interlocutory appeal tickets.'' *Id.* at 1211. The panel majority sought to avoid *Swint* by declaring that respondent's cross-appeal was ''inextricably intertwined'' with the President's appeal. Pet. App. 5 n.4. This conclusion is incorrect.

The question of whether the President is entitled, as a matter of law, to defer this litigation is analytically distinct from the question of whether a district court may exercise its discretion to stay all or part of the litigation. The former question raises an issue of law, to be decided based on the President's constitutional role and the separation of powers principles we have discussed; the latter is a discretionary determination to be made on the basis of the particular facts of the case. Moreover, the legal question of whether a President is entitled to defer litigation is one on which the district court's determination is entitled to no special deference; a court's exercise of discretion to stay proceedings is a determination that can be overturned only for abuse of that discretion.

The district court, in deciding to postpone trial in this case, explicitly invoked its discretionary powers over scheduling (Pet. App. 71 (citing Fed. R. Civ. P. 40 and ''the equity powers of the Court'')), and based its decision not only on the defendant's status as President—certainly a relevant and valid factor—but also on a detailed discussion of the particular circumstances of this case:

''This is not a case in which any necessity exists to rush to trial. It is not a situation, for example, in which someone has been terribly injured in an accident . . . and desperately needs to recover . . . damages. . . . It is not a divorce action, or a child custody or child support case, in which immediate personal needs of other parties are at stake. Neither is this a case that would likely be tried with few demands on Presidential time, such as an *in rem* foreclosure by a lending institution.''

''The situation here is that the Plaintiff filed this action two days before the three-year statute of limitations expired. Obviously, Plaintiff Jones was in no rush to get her case to court. . . . Consequently, the possibility that Ms. Jones may obtain a judgment and damages in this matter does not appear to be of urgent nature for her, and a delay in trial of the case will not harm her right to recover or cause her undue inconvenience.''

Pet App. 70.

Review of the district court's discretionary decision to postpone the trial—unlike review of its decision to reject the President's position that the entire case should be deferred as a matter of law—must address these particular facts of this case. Thus the respondent's cross-appeal raised issues that, far from being ''inextricably intertwined'' with the President's submission, can be resolved separately from it. The panel majority's expansion of the court of appeals' jurisdiction over this interlocutory appeal was in error.

2. The decision to reverse the district court also was incorrect on the merits. As Justice Cardozo explained for this Court in *Landis v. North Am. Co.*, 299 U.S. 248 (1936), a trial judge's decision to stay proceedings should not be lightly overturned:

''[T]he power to stay proceedings is incidental to the power inherent in every court to control the disposition of the causes on its docket. . . . How this can best be done calls for the exercise of judgment, which must weigh competing interests and maintain an even balance.''

Id. at 254–55. Indeed, the Court in *Landis* specifically stated that

''[e]specially in cases extraordinary public moment, the [plaintiff] may be required to submit to delay not immoderate in extent and not oppressive in its consequences if the public welfare or convenience will thereby be promoted.''

Id. at 256.

The panel majority justified its reversal of the district court with a single sentence in a footnote: ''Such an order, delaying the trial until Mr. Clinton is no longer President, is the functional equivalent of a grant of temporary immunity to which, as we hold today, Mr. Clinton is not constitutionally entitled.'' Pet. App. 13 n.9. It is unclear what the panel meant by labeling the district court's order the ''functional equivalent'' of ''temporary immunity'', inasmuch as the district court held that the litigation could go forward through all steps short of trial. But it is entirely clear that the panel majority, in its sweeping and conclusory ruling, did not begin to conduct the kind of careful weighing of the particular facts and circumstances that might warrant a conclusion that the trial court here abused its discretion.

D. The Court Should Grant Review Now To Protect The Interests Of The Presidency

This is the only opportunity for the Court to review the President's claim and grant adequate relief. If review is declined at this point, the case will proceed in the trial court, and the interests the President seeks to preserve by having the litigation deferred—interests ''rooted in the constitutional tradition of the separation of powers''—will be irretrievably lost. *Fitzgerald*, 457 U.S. at 743, 749. Should the President prevail on the merits below, this Court will not even have the opportunity to provide guidance for future cases.

Now, a court for the first time in history has held that a sitting President is required to defend a private civil damages action. This holding breaches historical understandings that are as appropriate today as ever before.[12] The court in *Fitzgerald* specifically anticipated the threat posed by suits of this kind. Because of ''the sheer prominence of the President's office,'' the Court noted, the President ''would be an easily identifiable target for suits for civil damages.'' 457 U.S. at 752–53. Chief Justice Burger added: ''When litigation processes are not tightly controlled . . . they can be and are used as mechanisms of extortion. Ultimate vindication on the merits does not repair the damage.'' *Id.* at 763 (concurring opinion). In these circumstances, the fact that there is ''no historical record of numerous suits against the President''—as there was no comparable record before *Fitzgerald* (*id.* at 753 n.33)—provides no reassurance at all that this case will be an isolated one.

There is no question that the issues raised by this case will have profound consequences for both the Presidency and the Judiciary. The last word on issues of this importance should not be a decision by a splintered panel of a court of appeals—a decision that is inconsistent with the precedents of this Court and with the constitutional tradition of separation of powers. The Court has recognized that a ''special solicitude [is] due to claims alleging a threatened breach of essential Presidential prerogatives under the separation of powers.'' *Id.* at 743. The Court should grant review now, to protect those prerogatives.

CONCLUSION

For the foregoing reasons, we respectfully request that the President's petition for writ of certiorari be granted.

Respectfully submitted,

ROBERT S. BENNETT
Counsel of Record.

Carl S. Rauh, Alan Kriegel, Amy R. Sabrin, Stephen P. Vaughn, Skadden, Arps, Slate, Meagher & Flom, 1440 New York Avenue, N.W., Washington, DC. 20005.

Of Counsel:

David A. Strauss, Geoffrey R. Stone, 1111 East 60th Street, Chicago, Illinois 60637. May 15, 1996.

Attorneys for the Petitioner President William Jefferson Clinton.

FOOTNOTES

[1] The first two counts allege that in 1991, when the President was Governor of Arkansas and respondent a state employee, he subjected respondent to sexual harassment and thereby deprived her of her civil rights in violation of 42 U.S.C. §§1983, 1985 (1994). A third claim alleges that the President thereby inflicted emotional distress upon respondent. Finally, the complaint alleges that in 1994, while he was President, petitioner defamed respondent through statements attributed to the White House Press Secretary and his lawyer, denying her much-publicized allegations against the President.

Arkansas State Trooper Danny Ferguson was named as codefendant in two counts. Respondent alleges that Trooper Ferguson approached her on the President's behalf, thereby conspiring with the President to deprive the respondent of her civil rights in violation of 42 U.S.C. §1985. Respondent also alleges that Mr. Ferguson defamed her in statements about a woman identified only as ''Paula,'' which were attributed to an anonymous trooper in an article about President Clinton's personal conduct published in *The American Spectator* magazine. Neither the publication nor the author was named as a defendant in the suit.

[2] The stay of trial encompassed the claims against Trooper Ferguson as well, because the court found that there was ''too much interdependency of events and testimony to proceed piecemeal,'' and that ''it would not be possible to try the Trooper adequately without testimony from the President.'' Pet. App. 71.

[3] Jurisdiction for the President's appeal was founded on 28 U.S.C. §1291 (1994) and the collateral order doctrine, as articulated in *Mitchell v. Forsyth*, 472 U.S. 511, 526 (1985) and *Nixon v. Fitzgerald*, 457 U.S. 731, 743 (1982). In our view, however, the court of appeals lacked jurisdiction to entertain respondent Jones' cross-appeal. *See infra* pp. 16–19. The district court stayed the litigation as to both defendants pending appellate review. Pet. App. 74.

[4] The President reserved the right below to assert at the appropriate time, along with certain common law immunities, the defense of absolute immunity to the defamation claim that arose during his Presidency.

[5] *See e.g., United States v. McDougal*, No. LR–CR–95–173 (E.D. Ark. Mar. 20, 1996) (videotaped deposition at the White House); *United States v. Poindexter*, 732 F. Supp. 142, 146–47 (D.C.C. 1990) (videotaped deposition); *United States v. North*, 713 F. Supp. 1448, 1449 (D.D.C. 1989) (quashing subpoena because defendant failed to show that President's testimony would support his defense), *aff'd*, 910 F.2d 843 (D.C. Cir. 1990), *cert. denied*, 500 U.S. *941 (1991); United States v. Fromme*, 405 F. Supp. 578, 583 (E.D. Cal. 1975) (videotaped deposition).

[6] 3 *Lectures on Legal Topics*, Assn. of the Bar of the City of New York 105 (1926), *quoted in Fitzgerald*, 457 U.S. at 763 n.6 (Burger, C.J., concurring).

[7] For example, the panel majority declared that Article II ''did not create a monarchy'' and that the President is ''cloaked with none of the attributes of sovereign immunity.'' Pet. App. 6.

[8] Specifically, a lawsuit against an active-duty service member is to be stayed unless it can be shown that the defendant's ''ability . . . To conduct his defense is not materially affected by reason of his military service.'' 50 U.S.C. app. §521 (1988).

[9] Indeed, a bankruptcy judge's discretion has been held sufficient to authorize a stay of third-party litigation in other courts that conceivably could have an effect on the bankruptcy estate, even if the debtor is not a party to the litigation and the automatic stay is not triggered. *See* 11 U.S.C. §105 (1994); 2 COLLIER ON BANKRUPTCY ¶105.02 (Lawrence P. King ed., 15th ed. 1994), and cases cited therein.

[10] *See, e.g., Koester v. American Republic Invs.*, 11 F.3d 818, 823 (8th Cir. 1993); *Wehling v. Columbia*

Broadcasting Sys., 608 F.2d 1084 (5th Cir. 1979); *United States v. Mellon Bank, N.A.*, 545 F.2d 869 (3d Cir. 1976).

[11] Some courts recognize that exceptions may exist in cases in which a stay is ''tantamount to a dismissal'' because it ''effectively ends the litigation.'' *See, e.g., Boushel v. Toro Co.*, 985 F.2d 406, 408 (8th Cir. 1993); *Cheyney State College Faculty v. Hufstedler*, 703 F.2d 732, 735 (3d Cir. 1983). Even assuming that this exception should be allowed, it is not applicable here, where the district court's order clearly contemplated further proceedings in federal court. *See Boushel*, 985 F.2d at 408–09.

[12] Heretofore, there have been no private civil damage suits initiated or actively litigated while defendant was serving as President. While there are recorded private civil suits against Theodore Roosevelt, Harry Truman and John F. Kennedy, all were underway before the defendant assumed office. The first two were dismissed by the time the defendant became President; after each took office, the dismissal as confirmed on appeal. *See New York ex rel. Hurley v. Roosevelt*, 179 N.Y. 544 (1904); *DeVault v. Truman*, 194 S.W.2d 29 (Mo. 1946). The Kennedy case was filed while he was a candidate, and was settled after President Kennedy's inauguration, without any discovery against the Chief Executive. *See, Bailey v. Kennedy*, No. 757200, and *Hills v. Kennedy*, No. 757201 (Los Angeles County Superior Court, both filed Oct. 27, 1960).

Mr. DASCHLE. Mr. President, we all ought to recognize this for what it is. This is politics; this is an effort to embarrass the President of the United States. We all understand that. We all fully appreciate what is going on here.

The fact is, the President has said over and over that the Constitution is his source on all that he does. And certainly in this case, that principle is again articulated in the statement made by Mr. Bennett.

The brief refers to five illustrative examples. That is all. They are illustrative, they are analogous. In no way does the President rely on the Soldiers' and Sailors' Act for any defense or any exemption from legal action. So this resolution is based on a completely false premise and is totally misdirected.

We look forward to the opportunity of having many of these debates in the coming months, because if we are going to be devoting our attention to this kind of minutiae and this kind of politicization of our debate in the coming months, as our colleagues apparently plan to do, we will get nothing done in this Senate. But that may be their choice.

The fact is, the President clearly has made his case. This amendment is in error, and we will have more opportunities to talk about it in the future.

The PRESIDING OFFICER. Under the previous order, the amendment of the Senator from Alaska is withdrawn.

The amendment (No. 4041) was withdrawn.

AMENDMENT NO. 4022

The PRESIDING OFFICER. Under the previous order, the question is on agreeing to the MCCAIN amendment.

The amendment (No. 4022) was agreed to.

Mr. DOMENICI. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of Calendar Order No. 413, House Concurrent Resolution 178, the House budget resolution; further, that all after the resolving clause be stricken, the text of Senate Concurrent Resolution 57, as amended, be inserted in lieu thereof, the Senate then proceed to vote on adoption of the concurrent resolution, and immediately thereafter, the Senate insist on its amendment, request a conference with the House, and the Chair be authorized to appoint conferees on the part of the Senate, and that all of this occur without any intervening debate.

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

The clerk will report.

The bill clerk read as follows:

A concurrent resolution (H. Con. Res. 178) establishing the congressional budget for the United States Government for fiscal year 1997 and setting forth appropriate budgetary levels for fiscal years 1998, 1999, 2000, 2001 and 2002.

The Senate proceeded to consider the concurrent resolution.

The PRESIDING OFFICER. The yeas and nays have not been ordered.

Mr. DOMENICI. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

CHANGE OF VOTE

Mr. WARNER. Mr. President, I ask unanimous consent to change my vote on rollcall vote No. 153, the Domenici second-degree amendment No. 4027, from ''nay'' to ''aye.''

The amendment was overwhelmingly approved by a vote of 75 to 25, so a change in my vote will make no difference in the outcome of the legislation.

I understand that amendment 4027 would add $5 billion in discretionary spending authority, much of which will go to medical research and education, and that there is no impact on the Department of Defense as proposed in the underlying Specter-Harkin amendment No. 4012.

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

The PRESIDING OFFICER. The question is on agreeing to House Concurrent Resolution 178, as amended. The yeas and nays have been ordered. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. FORD. I announce that the Senator from Arkansas [Mr. BUMPERS] is necessarily absent.

The result was announced—yeas 53, nays 46, as follows:

[Rollcall Vote No. 156 Leg.]

YEAS—53

Abraham	Domenici	Kyl
Ashcroft	Faircloth	Lott
Bennett	Frist	Lugar
Bond	Gorton	Mack
Brown	Gramm	McCain
Burns	Grams	McConnell
Campbell	Grassley	Murkowski
Chafee	Gregg	Nickles
Coats	Hatch	Pressler
Cochran	Hatfield	Roth
Cohen	Helms	Santorum
Coverdell	Hutchison	Shelby
Craig	Inhofe	Simpson
D'Amato	Jeffords	Smith
DeWine	Kassebaum	Snowe
Dole	Kempthorne	Specter
Stevens	Thomas	Thurmond
	Thompson	Warner

NAYS—46

Akaka	Ford	Mikulski
Baucus	Glenn	Moseley-Braun
Biden	Graham	Moynihan
Bingaman	Harkin	Murray
Boxer	Heflin	Nunn
Bradley	Hollings	Pell
Breaux	Inouye	Pryor
Bryan	Johnston	Reid
Byrd	Kennedy	Robb
Conrad	Kerrey	Rockefeller
Daschle	Kerry	Sarbanes
Dodd	Kohl	Simon
Dorgan	Lautenberg	Wellstone
Exon	Leahy	Wyden
Feingold	Levin	
Feinstein	Lieberman	

NOT VOTING—1

Bumpers

The concurrent resolution (H. Con. Res. 178), as amended, was agreed to; as follows:

Resolved, That the resolution from the House of Representatives (H. Con. Res. 178) entitled ''Concurrent resolution establishing the congressional budget for the United States Government for fiscal year 1997 and setting forth appropriate budgetary levels for the fiscal years 1998, 1999, 2000, 2001, and 2002.'', do pass with the following amendment:

Strike out all after the resolving clause and insert:

SECTION 1. CONCURRENT RESOLUTION ON THE BUDGET FOR FISCAL YEAR 1997.

(a) DECLARATION.—The Congress determines and declares that this resolution is the concurrent resolution on the budget for fiscal year 1997, including the appropriate budgetary levels for fiscal years 1998, 1999, 2000, and 2001, as required by section 301 of the Congressional Budget Act of 1974, and including the appropriate levels for fiscal year 2002.

(b) TABLE OF CONTENTS.—The table of contents for this concurrent resolution is as follows:

TITLE I—LEVELS AND AMOUNTS

SEC. 101. RECOMMENDED LEVELS AND AMOUNTS.

The following budgetary levels are appropriate for the fiscal years 1997, 1998, 1999, 2000, 2001, and 2002:

(1) FEDERAL REVENUES.—For purposes of the enforcement of this resolution—

(A) The recommended levels of Federal revenues are as follows:

Fiscal year 1997: $1,086,200,000,000.
Fiscal year 1998: $1,129,900,000,000.
Fiscal year 1999: $1,176,100,000,000.
Fiscal year 2000: $1,229,900,000,000.
Fiscal year 2001: $1,289,600,000,000.
Fiscal year 2002: $1,359,100,000,000.

(B) The amounts by which the aggregate levels of Federal revenues should be changed are as follows:

Fiscal year 1997: −$14,100,000,000.
Fiscal year 1998: −$18,600,000,000.
Fiscal year 1999: −$22,300,000,000.
Fiscal year 2000: −$21,900,000,000.
Fiscal year 2001: −$21,500,000,000.
Fiscal year 2002: −$14,800,000,000.

(C) The amounts for Federal Insurance Contributions Act revenues for hospital insurance within the recommended levels of Federal revenues are as follows:

Fiscal year 1997: $108,000,000,000.
Fiscal year 1998: $113,100,000,000.
Fiscal year 1999: $119,200,000,000.
Fiscal year 2000: $125,500,000,000.
Fiscal year 2001: $131,300,000,000.
Fiscal year 2002: $137,700,000,000.

(2) NEW BUDGET AUTHORITY.—For purposes of the enforcement of this resolution, the appropriate levels of total new budget authority are as follows:

Fiscal year 1997: $1,323,100,000,000.
Fiscal year 1998: $1,361,600,000,000.
Fiscal year 1999: $1,392,400,000,000.
Fiscal year 2000: $1,433,600,000,000.
Fiscal year 2001: $1,454,000,000,000.
Fiscal year 2002: $1,499,100,000,000.

(3) BUDGET OUTLAYS.—For purposes of the enforcement of this resolution, the appropriate levels of total budget outlays are as follows:

Fiscal year 1997: $1,318,600,000,000.
Fiscal year 1998: $1,353,500,000,000.
Fiscal year 1999: $1,382,400,000,000.
Fiscal year 2000: $1,415,600,000,000.
Fiscal year 2001: $1,433,100,000,000.
Fiscal year 2002: $1,467,400,000,000.

(4) DEFICITS.—For purposes of the enforcement of this resolution, the amounts of the deficits are as follows:

Fiscal year 1997: $232,400,000,000.
Fiscal year 1998: $223,600,000,000.
Fiscal year 1999: $206,300,000,000.
Fiscal year 2000: $185,700,000,000.
Fiscal year 2001: $143,500,000,000.
Fiscal year 2002: $108,300,000,000.

(5) PUBLIC DEBT.—The appropriate levels of the public debt are as follows:

Fiscal year 1997: $5,449,000,000,000.
Fiscal year 1998: $5,722,700,000,000.
Fiscal year 1999: $5,975,100,000,000.
Fiscal year 2000: $6,207,700,000,000.
Fiscal year 2001: $6,398,600,000,000.
Fiscal year 2002: $6,550,500,000,000.

(6) DIRECT LOAN OBLIGATIONS.—The appropriate levels of total new direct loan obligations are as follows:

Fiscal year 1997: $41,400,000,000.
Fiscal year 1998: $36,400,000,000.
Fiscal year 1999: $36,600,000,000.
Fiscal year 2000: $36,500,000,000.
Fiscal year 2001: $36,600,000,000.
Fiscal year 2002: $36,600,000,000.

(7) PRIMARY LOAN GUARANTEE COMMITMENTS.—The appropriate levels of new primary loan guarantee commitments are as follows:

Fiscal year 1997: $267,100,000,000.
Fiscal year 1998: $267,800,000,000.
Fiscal year 1999: $268,600,000,000.
Fiscal year 2000: $269,700,000,000.
Fiscal year 2001: $270,400,000,000.
Fiscal year 2002: $271,300,000,000.

SEC. 102. DEBT INCREASE.

The amounts of the increase in the public debt subject to limitation are as follows:

Fiscal year 1997: $290,000,000,000.
Fiscal year 1998: $277,400,000,000.
Fiscal year 1999: $256,000,000,000.
Fiscal year 2000: $236,100,000,000.
Fiscal year 2001: $193,300,000,000.
Fiscal year 2002: $155,400,000,000.

SEC. 103. SOCIAL SECURITY.

(a) SOCIAL SECURITY REVENUES.—For purposes of Senate enforcement under sections 302, 602, and 311 of the Congressional Budget Act of 1974, the amounts of revenues of the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund are as follows:

Fiscal year 1997: $384,900,000,000.
Fiscal year 1998: $401,900,000,000.
Fiscal year 1999: $422,800,000,000.
Fiscal year 2000: $444,200,000,000.
Fiscal year 2001: $463,900,000,000.
Fiscal year 2002: $485,700,000,000.

(b) SOCIAL SECURITY OUTLAYS.—For purposes of Senate enforcement under sections 302, 602, and 311 of the Congressional Budget Act of 1974, the amounts of outlays of the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund are as follows:

Fiscal year 1997: $310,400,000,000.
Fiscal year 1998: $323,000,000,000.
Fiscal year 1999: $335,900,000,000.
Fiscal year 2000: $349,300,000,000.
Fiscal year 2001: $363,900,000,000.
Fiscal year 2002: $378,800,000,000.

SEC. 104. MAJOR FUNCTIONAL CATEGORIES.

The Congress determines and declares that the appropriate levels of new budget authority, budget outlays, new direct loan obligations, and new primary loan guarantee commitments for fiscal years 1997 through 2002 for each major functional category are:

(1) National Defense (050):

Fiscal year 1997:

(A) New budget authority, $265,600,000,000.
(B) Outlays, $263,700,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $800,000,000.

Fiscal year 1998:

(A) New budget authority, $267,100,000,000.
(B) Outlays, $262,100,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $200,000,000.

Fiscal year 1999:

(A) New budget authority, $269,500,000,000.
(B) Outlays, $265,100,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $192,000,000.

Fiscal year 2000:

(A) New budget authority, $271,800,000,000.
(B) Outlays, $268,600,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $187,000,000.

Fiscal year 2001:

(A) New budget authority, $274,200,000,000.
(B) Outlays, $267,500,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $185,000,000.

Fiscal year 2002:

(A) New budget authority, $276,900,000,000.
(B) Outlays, $267,200,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $183,000,000.

(2) International Affairs (150):

Fiscal year 1997:

(A) New budget authority, $14,200,000,000.
(B) Outlays, $14,900,000,000.
(C) New direct loan obligations, $4,333,000,000.
(D) New primary loan guarantee commitments, $18,110,000,000.

Fiscal year 1998:

(A) New budget authority, $12,700,000,000.
(B) Outlays, $13,600,000,000.
(C) New direct loan obligations, $4,342,000,000.
(D) New primary loan guarantee commitments, $18,262,000,000.

Fiscal year 1999:

(A) New budget authority, $11,600,000,000.
(B) Outlays, $12,600,000,000.
(C) New direct loan obligations, $4,358,000,000.
(D) New primary loan guarantee commitments, $18,311,000,000.

Fiscal year 2000:
(A) New budget authority, $12,000,000,000.
(B) Outlays, $11,400,000,000.
(C) New direct loan obligations, $4,346,000,000.
(D) New primary loan guarantee commitments, $18,311,000,000.
Fiscal year 2001:
(A) New budget authority, $12,400,000,000.
(B) Outlays, $11,500,000,000.
(C) New direct loan obligations, $4,395,000,000.
(D) New primary loan guarantee commitments, $18,409,000,000.
Fiscal year 2002:
(A) New budget authority, $12,700,000,000.
(B) Outlays, $11,500,000,000.
(C) New direct loan obligations, $4,387,000,000.
(D) New primary loan guarantee commitments, $18,409,000,000.
(3) General Science, Space, and Technology (250):
Fiscal year 1997:
(A) New budget authority, $16,700,000,000.
(B) Outlays, $16,800,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $16,100,000,000.
(B) Outlays, $16,300,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $15,700,000,000.
(B) Outlays, $15,900,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 2000:
(A) New budget authority, $15,400,000,000.
(B) Outlays, $15,500,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 2001:
(A) New budget authority, $15,500,000,000.
(B) Outlays, $15,500,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 2002:
(A) New budget authority, $15,500,000,000.
(B) Outlays, $15,500,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(4) Energy (270):
Fiscal year 1997:
(A) New budget authority, $3,700,000,000.
(B) Outlays, $3,100,000,000.
(C) New direct loan obligations, $1,033,000,000.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $2,900,000,000.
(B) Outlays, $2,200,000,000.
(C) New direct loan obligations, $1,039,000,000.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $2,600,000,000.
(B) Outlays, $1,800,000,000.
(C) New direct loan obligations, $1,045,000,000.
(D) New primary loan guarantee commitments, $0.
Fiscal year 2000:
(A) New budget authority, $2,500,000,000.
(B) Outlays, $1,600,000,000.
(C) New direct loan obligations, $1,036,000,000.
(D) New primary loan guarantee commitments, $0.
Fiscal year 2001:
(A) New budget authority, $2,700,000,000.
(B) Outlays, $1,600,000,000.
(C) New direct loan obligations, $1,000,000,000.
(D) New primary loan guarantee commitments, $0.
Fiscal year 2002:
(A) New budget authority, $2,400,000,000.
(B) Outlays, $1,200,000,000.
(C) New direct loan obligations, $1,031,000,000.
(D) New primary loan guarantee commitments, $0.
(5) Natural Resources and Environment (300):
Fiscal year 1997:
(A) New budget authority, $20,300,000,000.
(B) Outlays, $21,500,000.
(C) New direct loan obligations, $37,000,000.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $20,000,000,000.
(B) Outlays, $20,900,000,000.
(C) New direct loan obligations, $41,000,000,000.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $19,900,000,000.
(B) Outlays, $20,600,000,000.
(C) New direct loan obligations, $38,000,000.
(D) New primary loan guarantee commitments, $0.
Fiscal year 2000:
(A) New budget authority, $19,500,000,000.
(B) Outlays, $20,100,000,000.
(C) New direct loan obligations, $38,000,000.
(D) New primary loan guarantee commitments, $0.
Fiscal year 2001:
(A) New budget authority, $19,400,000,000.
(B) Outlays, $19,600,000,000.
(C) New direct loan obligations, $38,000,000.
(D) New primary loan guarantee commitments, $0.
Fiscal year 2002:
(A) New budget authority, $19,300,000,000.
(B) Outlays, $19,400,000,000.
(C) New direct loan obligations, $38,000,000.
(D) New primary loan guarantee commitments, $0.
(6) Agriculture (350):
Fiscal year 1997:
(A) New budget authority, $12,800,000,000.
(B) Outlays, $11,000,000,000.
(C) New direct loan obligations, $7,794,000,000.
(D) New primary loan guarantee commitments, $5,870,000,000.
Fiscal year 1998:
(A) New budget authority, $12,500,000,000.
(B) Outlays, $10,600,000,000.
(C) New direct loan obligations, $9,346,000,000.
(D) New primary loan guarantee commitments, $6,637,000,000.
Fiscal year 1999:
(A) New budget authority, $12,200,000,000.
(B) Outlays, $10,300,000,000.
(C) New direct loan obligations, $10,743,000,000.
(D) New primary loan guarantee commitments, $6,586,000,000.
Fiscal year 2000:
(A) New budget authority, $11,500,000,000.
(B) Outlays, $9,700,000,000.
(C) New direct loan obligations, $10,736,000,000.
(D) New primary loan guarantee commitments, $6,652,000,000.
Fiscal year 2001:
(A) New budget authority, $10,500,000,000.
(B) Outlays, $8,700,000,000.
(C) New direct loan obligations, $10,595,000,000.
(D) New primary loan guarantee commitments, $6,641,000,000.
Fiscal year 2002:
(A) New budget authority, $10,300,000,000.
(B) Outlays, $8,400,000,000.
(C) New direct loan obligations, $10,570,000,000.
(D) New primary loan guarantee commitments, $6,709,000,000.
(7) Commerce and Housing Credit (370):
Fiscal year 1997:
(A) New budget authority, $8,100,000,000.
(B) Outlays, −$2,400,000,000.
(C) New direct loan obligations, $1,856,000,000.
(D) New primary loan guarantee commitments, $197,340,000,000.
Fiscal year 1998:
(A) New budget authority, $9,600,000,000.
(B) Outlays, $5,700,000,000.
(C) New direct loan obligations, $1,787,000,000.
(D) New primary loan guarantee commitments, $196,750,000,000.
Fiscal year 1999:
(A) New budget authority, $10,600,000,000.
(B) Outlays, $6,100,000,000.
(C) New direct loan obligations, $1,763,000,000.
(D) New primary loan guarantee commitments, $196,253,000,000.
Fiscal year 2000:
(A) New budget authority, $12,600,000,000.
(B) Outlays, $7,500,000,000.
(C) New direct loan obligations, $1,759,000,000.
(D) New primary loan guarantee commitments, $195,883,000,000.
Fiscal year 2001:
(A) New budget authority, $11,400,000,000.
(B) Outlays, $7,400,000,000.
(C) New direct loan obligations, $1,745,000,000.
(D) New primary loan guarantee commitments, $195,375,000,000.
Fiscal year 2002:
(A) New budget authority, $11,700,000,000.
(B) Outlays, $7,400,000,000.
(C) New direct loan obligations, $1,740,000,000.
(D) New primary loan guarantee commitments, $194,875,000,000.
(8) Transportation (400):
Fiscal year 1997:
(A) New budget authority, $42,600,000,000.
(B) Outlays, $39,300,000,000.
(C) New direct loan obligations, $15,000,000.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $43,300,000,000.
(B) Outlays, $37,000,000,000.
(C) New direct loan obligations, $15,000,000.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $43,800,000,000.
(B) Outlays, $35,600,000,000.
(C) New direct loan obligations, $15,000,000.
(D) New primary loan guarantee commitments, $0.
Fiscal year 2000:
(A) New budget authority, $43,500,000,000.
(B) Outlays, $34,100,000,000.
(C) New direct loan obligations, $15,000,000.
(D) New primary loan guarantee commitments, $0.
Fiscal year 2001:
(A) New budget authority, $43,700,000,000.
(B) Outlays, $33,700,000,000.
(C) New direct loan obligations, $15,000,000
(D) New primary loan guarantee commitments, $0.
Fiscal year 2002:
(A) New budget authority, $44,000,000.
(B) Outlays, $33,200,000,000.
(C) New direct loan obligations, $15,000,000.
(D) New primary loan guarantee commitments, $0.
(9) Community and Regional Development (450):
Fiscal year 1997:
(A) New budget authority, $9,900,000,000.
(B) Outlays, $10,800,000,000.
(C) New direct loan obligations, $1,222,000,000.
(D) New primary loan guarantee commitments, $2,133,000,000.
Fiscal year 1998:
(A) New budget authority, $6,700,000,000.
(B) Outlays, $9,500,000,000.
(C) New direct loan obligations, $1,242,000,000.
(D) New primary loan guarantee commitments, $2,133,000,000.
Fiscal year 1999:
(A) New budget authority, $6,700,000,000.
(B) Outlays, $8,600,000,000.
(C) New direct loan obligations, $1,265,000,000.

(D) New primary loan guarantee commitments, $2,171,000,000.
Fiscal year 2000:
(A) New budget authority, $6,700,000,000.
(B) Outlays, $7,700,000,000.
(C) New direct loan obligations, $1,288,000,000.
(D) New primary loan guarantee commitments, $2,171,000,000.
Fiscal year 2001:
(A) New budget authority, $6,700,000,000.
(B) Outlays, $7,200,000,000.
(C) New direct loan obligations, $1,317,000,000.
(D) New primary loan guarantee commitments, $2,202,000,000.
Fiscal year 2002:
(A) New budget authority, $6,600,000,000.
(B) Outlays, $6,700,000,000.
(C) New direct loan obligations, $1,343,000,000.
(D) New primary loan guarantee commitments, $2,202,000,000.
(10) Education, Training, Employment, and Social Services (500):
Fiscal year 1997:
(A) New budget authority, $51,400,000,000.
(B) Outlays, $51,500,000,000.
(C) New direct loan obligations, $16,219,000,000.
(D) New primary loan guarantee commitments, $15,469,000,000.
Fiscal year 1998:
(A) New budget authority, $49,000,000,000.
(B) Outlays, $48,900,000,000.
(C) New direct loan obligations, $19,040,000,000.
(D) New primary loan guarantee commitments, $14,760,000,000.
Fiscal year 1999:
(A) New budget authority, $50,200,000,000.
(B) Outlays, $49,400,000,000.
(C) New direct loan obligations, $21,781,000,000.
(D) New primary loan guarantee commitments, $13,854,000,000.
Fiscal year 2000:
(A) New budget authority, $51,000,000,000.
(B) Outlays, $50,200,000,000.
(C) New direct loan obligations, $22,884,000,000.
(D) New primary loan guarantee commitments, $14,589,000,000.
Fiscal year 2001:
(A) New budget authority, $51,800,000,000.
(B) Outlays, $50,900,000,000.
(C) New direct loan obligations, $23,978,000,000.
(D) New primary loan guarantee commitments, $15,319,000,000.
Fiscal year 2002:
(A) New budget authority, $52,600,000,000.
(B) Outlays, $51,700,000,000.
(C) New direct loan obligations, $25,127,000,000.
(D) New primary loan guarantee commitments, $16,085,000,000.
(11) Health (550):
Fiscal year 1997:
(A) New budget authority, $131,400,000,000.
(B) Outlays, $132,400,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $187,000,000.
Fiscal year 1998:
(A) New budget authority, $137,400,000,000.
(B) Outlays, $137,800,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $94,000,000.
Fiscal year 1999:
(A) New budget authority, $144,000,000,000.
(B) Outlays, $144,100,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 2000:
(A) New budget authority, $152,800,000,000.
(B) Outlays, $152,700,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 2001:
(A) New budget authority, $160,300,000,000.
(B) Outlays, $159,900,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 2002:
(A) New budget authority, $167,200,000,000.
(B) Outlays, $166,700,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(12) Medicare (570):
Fiscal year 1997:
(A) New budget authority, $193,200,000,000.
(B) Outlays, $191,500,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $205,900,000,000.
(B) Outlays, $204,200,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $216,700,000,000.
(B) Outlays, $214,400,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 2000:
(A) New budget authority, $227,300,000,000.
(B) Outlays, $225,600,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 2001:
(A) New budget authority, $239,300,000,000.
(B) Outlays, $237,600,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 2002:
(A) New budget authority, $253,500,000,000.
(B) Outlays, $251,100,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(13) Income Security (600):
Fiscal year 1997:
(A) New budget authority, $232,400,000,000.
(B) Outlays, $240,300,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $241,900,000,000.
(B) Outlays, $245,200,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $246,500,000,000.
(B) Outlays, $253,000,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 2000:
(A) New budget authority, $264,600,000,000.
(B) Outlays, $264,500,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 2001:
(A) New budget authority, $264,100,000,000.
(B) Outlays, $268,500,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 2002:
(A) New budget authority, $282,800,000,000.
(B) Outlays, $281,100,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(14) Social Security (650):
Fiscal year 1997:
(A) New budget authority, $7,800,000,000.
(B) Outlays, $10,500,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $8,500,000,000.
(B) Outlays, $11,200,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $9,200,000,000.
(B) Outlays, $11,900,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 2000:
(A) New budget authority, $10,000,000,000.
(B) Outlays, $12,700,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 2001:
(A) New budget authority, $10,800,000,000.
(B) Outlays, $13,500,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 2002:
(A) New budget authority, $11,600,000,000.
(B) Outlays, $14,300,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(15) Veterans Benefits and Services (700):
Fiscal year 1997:
(A) New budget authority, $39,000,000,000.
(B) Outlays, $39,500,000,000.
(C) New direct loan obligations, $935,000,000.
(D) New primary loan guarantee commitments, $26,362,000,000.
Fiscal year 1998:
(A) New budget authority, $38,600,000,000.
(B) Outlays, $39,300,000,000.
(C) New direct loan obligations, $962,000,000.
(D) New primary loan guarantee commitments, $25,925,000,000.
Fiscal year 1999:
(A) New budget authority, $38,700,000,000.
(B) Outlays, $39,300,000,000.
(C) New direct loan obligations, $987,000,000.
(D) New primary loan guarantee commitments, $25,426,000,000.
Fiscal year 2000:
(A) New budget authority, $38,700,000,000.
(B) Outlays, $40,400,000,000.
(C) New direct loan obligations, $1,021,000,000.
(D) New primary loan guarantee commitments, $24,883,000,000.
Fiscal year 2001:
(A) New budget authority, $38,800,000,000.
(B) Outlays, $37,700,000,000.
(C) New direct loan obligations, $1,189,000,000.
(D) New primary loan guarantee commitments, $24,298,000,000.
Fiscal year 2002:
(A) New budget authority, $39,000,000,000.
(B) Outlays, $39,300,000,000.
(C) New direct loan obligations, $1,194,000,000.
(D) New primary loan guarantee commitments, $23,668,000,000.
(16) Administration of Justice (750):
Fiscal year 1997:
(A) New budget authority, $21,700,000,000.
(B) Outlays, $20,600,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $22,300,000,000.
(B) Outlays, $21,600,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $23,300,000,000.
(B) Outlays, $22,400,000,000.

(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 2000:
(A) New budget authority, $23,300,000,000.
(B) Outlays, $23,000,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 2001:
(A) New budget authority, $19,900,000,000.
(B) Outlays, $19,800,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 2002:
(A) New budget authority, $19,900,000,000.
(B) Outlays, $19,800,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(17) General Government (800):
Fiscal year 1997:
(A) New budget authority, $13,800,000,000.
(B) Outlays, $13,700,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $13,600,000,000.
(B) Outlays, $13,600,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $13,300,000,000.
(B) Outlays, $13,300,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 2000:
(A) New budget authority, $13,200,000,000.
(B) Outlays, $13,100,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 2001:
(A) New budget authority, $13,300,000,000.
(B) Outlays, $13,200,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 2002:
(A) New budget authority, $13,500,000,000.
(B) Outlays, $13,300,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(18) Net Interest (900):
Fiscal year 1997:
(A) New budget authority, $282,800,000,000.
(B) Outlays, $282,800,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $289,400,000,000.
(B) Outlays, $289,400,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $293,200,000,000.
(B) Outlays, $293,200,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 2000:
(A) New budget authority, $294,700,000,000.
(B) Outlays, $294,700,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 2001:
(A) New budget authority, $298,900,000,000.
(B) Outlays, $298,900,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 2002:
(A) New budget authority, $303,400,000,000.
(B) Outlays, $303,400,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(19) The corresponding levels of gross interest on the public debt are as follows:
Fiscal year 1997: $348,234,000,000.
Fiscal year 1998: $351,240,000,000.
Fiscal year 1999: $348,465,000,000.
Fiscal year 2000: $349,951,000,000.
Fiscal year 2001: $351,311,000,000.
Fiscal year 2002: $352,756,000,000.
(20) Allowances (920):
Fiscal year 1997:
(A) New budget authority, −$1,600,000,000.
(B) Outlays, $800,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, −$200,000,000.
(B) Outlays, $100,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, −$400,000,000.
(B) Outlays, −$300,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 2000:
(A) New budget authority, −$800,000,000.
(B) Outlays, −$500,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 2001:
(A) New budget authority, −$1,200,000,000.
(B) Outlays, −$1,100,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 2002:
(A) New budget authority, −$3,700,000,000.
(B) Outlays, −$3,700,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(21) Undistributed Offsetting Receipts (950):
Fiscal year 1997:
(A) New budget authority, −$43,700,000,000.
(B) Outlays, −$43,700,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, −$35,700,000,000.
(B) Outlays, −$35,700,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, −$34,900,000,000.
(B) Outlays, −$34,900,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 2000:
(A) New budget authority, −$36,700,000,000.
(B) Outlays, −$36,700,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 2001:
(A) New budget authority, −$38,500,000,000.
(B) Outlays, −$38,500,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 2002:
(A) New budget authority, −$40,100,000,000.
(B) Outlays, −$40,100,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.

SEC. 105. RECONCILIATION.

(a) FIRST RECONCILIATION OF SPENDING REDUCTIONS.—

(1) SENATE COMMITTEES.—Not later than June 14, 1996, the committees named in this subsection shall submit their recommendations to the Committee on the Budget of the Senate. After receiving those recommendations, the Committee on the Budget shall report to the Senate a reconciliation bill carrying out all such recommendations without any substantive revision.

(A) COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY.—The Senate Committee on Agriculture, Nutrition, and Forestry shall report changes in laws within its jurisdiction that provide direct spending (as defined in section 250(c)(8) of the Balanced Budget and Emergency Deficit Control Act of 1985) to reduce outlays $1,994,000,000 in fiscal year 1997 and $29,376,000,000 for the period of fiscal years 1997 through 2002.

(B) COMMITTEE ON FINANCE.—The Senate Committee on Finance shall report changes in laws within its jurisdiction that provide direct spending (as defined in section 250(c)(8) of the Balanced Budget and Emergency Deficit Control Act of 1985) to reduce outlays $95,402,000,000 for the period of fiscal years 1997 through 2002.

(b) FINAL RECONCILIATION OF SPENDING REDUCTIONS.—

(1) SENATE COMMITTEES.—If legislation is enacted pursuant to subsection (a), then no later than July 12, 1996, the committees named in this subsection shall submit their recommendations to the Committee on the Budget of the Senate. After receiving those recommendations, the Committee on the Budget shall report to the Senate a reconciliation bill carrying out all such recommendations without any substantive revision.

(A) COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY.—The Senate Committee on Agriculture, Nutrition, and Forestry shall report changes in laws within its jurisdiction that provide direct spending (as defined in section 250(c)(8) of the Balanced Budget and Emergency Deficit Control Act of 1985) to reduce outlays $86,000,000,000 in fiscal year 1997 and $251,000,000,000 for the period of fiscal years 1997 through 2002.

(B) COMMITTEE ON ARMED SERVICES.—The Senate Committee on Armed Services shall report changes in laws within its jurisdiction that provide direct spending (as defined in section 250(c)(8) of the Balanced Budget and Emergency Deficit Control Act of 1985) to reduce outlays $79,000,000,000 in fiscal year 1997 and $649,000,000,000 for the period of fiscal years 1997 through 2002.

(C) COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS.—The Senate Committee on Banking, Housing, and Urban Affairs shall report changes in laws within its jurisdiction that provide direct spending (as defined in section 250(c)(8) of the Balanced Budget and Emergency Deficit Control Act of 1985) to reduce outlays $3,628,000,000 in fiscal year 1997 and $3,605,000,000 for the period of fiscal years 1997 through 2002.

(D) COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION.—The Senate Committee on Commerce, Science, and Transportation shall report changes in laws within its jurisdiction that provide direct spending (as defined in section 250(c)(8) of the Balanced Budget and Emergency Deficit Control Act of 1985) to reduce outlays $0 in fiscal year 1997 and $19,396,000,000 for the period of fiscal years 1997 through 2002.

(E) COMMITTEE ON ENERGY AND NATURAL RESOURCES.—The Senate Committee on Energy and Natural Resources shall report changes in laws within its jurisdiction that provide direct spending (as defined in section 250(c)(8) of the Balanced Budget and Emergency Deficit Control Act of 1985) to reduce outlays $84,000,000 in fiscal year 1997 and $1,433,000,000 for the period of fiscal years 1997 through 2002.

(F) COMMITTEE ON ENVIRONMENT AND PUBLIC WORKS.—The Senate Committee on Environment

and Public Works shall report changes in laws within its jurisdiction that provide direct spending (as defined in section 250(c)(8) of the Balanced Budget and Emergency Deficit Control Act of 1985) to reduce outlays $87,000,000 in fiscal year 1997 and $2,212,000,000 for the period of fiscal years 1997 through 2002.

(G) COMMITTEE ON FINANCE.—The Senate Committee on Finance shall report changes in laws within its jurisdiction that provide direct spending (as defined in section 250(c)(8) of the Balanced Budget and Emergency Deficit Control Act of 1985) to reduce outlays $6,716,000,000 in fiscal year 1997 and $169,707,000,000 for the period of fiscal years 1997 through 2002.

(H) COMMITTEE ON GOVERNMENTAL AFFAIRS.—The Senate Committee on Governmental Affairs shall report changes in laws within its jurisdiction that reduce the deficit $955,000,000 in fiscal year 1997 and $8,789,000,000 for the period of fiscal years 1997 through 2002.

(I) COMMITTEE ON THE JUDICIARY.—The Senate Committee on the Judiciary shall report changes in laws within its jurisdiction that provide direct spending (as defined in section 250(c)(8) of the Balanced Budget and Emergency Deficit Control Act of 1985) to reduce outlays $0 in fiscal year 1997 and $476,000,000 for the period of fiscal years 1997 through 2002.

(J) COMMITTEE ON LABOR AND HUMAN RESOURCES.—The Senate Committee on Labor and Human Resources shall report changes in laws within its jurisdiction that provide direct spending (as defined in section 250(c)(8) of the Balanced Budget and Emergency Deficit Control Act of 1985) to reduce outlays $725,000,000 in fiscal year 1997 and $3,097,000,000 for the period of fiscal years 1997 through 2002.

(K) COMMITTEE ON VETERANS' AFFAIRS.—The Senate Committee on Veterans' Affairs shall report changes in laws within its jurisdiction that provide direct spending (as defined in section 250(c)(8) of the Balanced Budget and Emergency Deficit Control Act of 1985) to reduce outlays $175,000,000 in fiscal year 1997 and $5,198,000,000 for the period of fiscal years 1997 through 2002.

(c) RECONCILIATION OF REVENUE REDUCTIONS.—

(1) SENATE COMMITTEE.—If the legislation is enacted pursuant to subsections (a) and (b), then no later than September 18, 1996, the Committee on Finance shall report to the Senate a reconciliation bill proposing changes in laws within its jurisdiction necessary to reduce revenues by not more than $15,359,000,000 in fiscal year 2002 and $116,104,000,000 for the period of fiscal years 1997 through 2002 and reduce outlays $1,692,000,000 in fiscal year 1997 and $11,524,000,000 for the period of fiscal years 1997 through 2002.

(d) TREATMENT OF RECONCILIATION BILLS FOR PRIOR SURPLUS.—For purposes of section 202 of House Concurrent Resolution 67 (104th Congress), legislation which reduces revenues pursuant to a reconciliation instruction contained in subsection (c) shall be taken together with all other legislation enacted pursuant to the reconciliation instructions contained in this resolution when determining the deficit effect of such legislation.

TITLE II—BUDGETARY RESTRAINTS AND RULEMAKING

SEC. 201. DISCRETIONARY SPENDING LIMITS.

(a) DEFINITION.—As used in this section and for the purposes of allocations made pursuant to section 302(a) or 602(a) of the Congressional Budget Act of 1974, for the discretionary category, the term ''discretionary spending limit'' means—

(1) with respect to fiscal year 1997—

(A) for the defense category $266,362,000,000 in new budget authority and $264,568,000,000 in outlays; and

(B) for the nondefense category $227,845,000,000 in new budget authority and $270,923,000,000 in outlays;

(2) with respect to fiscal year 1998—

(A) for the defense category $267,831,000,000 in new budget authority and $262,962,000,000 in outlays; and

(B) for the nondefense category $221,322,000,000 in new budget authority and $258,698,000,000 in outlays;

(3) with respect to fiscal year 1999, for the discretionary category $493,221,000,000 in new budget authority and $525,742,000,000 in outlays;

(4) with respect to fiscal year 2000, for the discretionary category $500,037,000,000 in new budget authority and $525,071,000,000 in outlays;

(5) with respect to fiscal year 2001, for the discretionary category $492,468,000,000 in new budget authority and $517,708,000,000 in outlays; and

(6) with respect to fiscal year 2002, for the discretionary category $501,177,000,000 in new budget authority and $515,979,000,000 in outlays;

as adjusted for changes in concepts and definitions and emergency appropriations.

(b) POINT OF ORDER IN THE SENATE.—

(1) IN GENERAL.—Except as provided in paragraph (2), it shall not be in order in the Senate to consider—

(A) a revision of this resolution or any concurrent resolution on the budget for fiscal year 1998 (or amendment, motion, or conference report on such a resolution) that provides discretionary spending in excess of the sum of the defense and nondefense discretionary spending limits for such fiscal year;

(B) any concurrent resolution on the budget for fiscal year 1999, 2000, 2001, or 2002 (or amendment, motion, or conference report on such a resolution) that provides discretionary spending in excess of the discretionary spending limit for such fiscal year; or

(C) any appropriations bill or resolution (or amendment, motion, or conference report on such appropriations bill or resolution) for fiscal year 1997, 1998, 1999, 2000, 2001, or 2002 that would exceed any of the discretionary spending limits in this section or suballocations of those limits made pursuant to section 602(b) of the Congressional Budget Act of 1974.

(2) EXCEPTION.—

(A) IN GENERAL.—This section shall not apply if a declaration of war by the Congress is in effect or if a joint resolution pursuant to section 258 of the Balanced Budget and Emergency Deficit Control Act of 1985 has been enacted.

(B) ENFORCEMENT OF DISCRETIONARY LIMITS IN FY 1997.—Until the enactment of reconciliation legislation pursuant to subsections (a) and (b) of section 105 of this resolution and for purposes of the application of paragraph (1), only subparagraph (C) of paragraph (1) shall apply to fiscal year 1997.

(c) WAIVER.—This section may be waived or suspended in the Senate only by the affirmative vote of three-fifths of the Members, duly chosen and sworn.

(d) APPEALS.—Appeals in the Senate from the decisions of the Chair relating to any provision of this section shall be limited to 1 hour, to be equally divided between, and controlled by, the appellant and the manager of the concurrent resolution, bill, or joint resolution, as the case may be. An affirmative vote of three-fifths 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.

(e) DETERMINATION OF BUDGET LEVELS.—For purposes of this section, the levels of new budget authority, outlays, new entitlement authority, and revenues for a fiscal year shall be determined on the basis of estimates made by the Committee on the Budget of the Senate.

SEC. 202. TAX RESERVE FUND IN THE SENATE.

(a) IN GENERAL.—In the Senate, revenue and spending aggregates may be reduced and allocations may be revised for legislation that reduces revenues by providing family tax relief, fuel tax relief, and incentives to stimulate savings, investment, job creation, and economic growth if such legislation will not increase the deficit for—

(1) fiscal year 1997;

(2) the period of fiscal years 1997 through 2001; or

(3) the period of fiscal years 2002 through 2006.

(b) REVISED ALLOCATIONS.—Upon the consideration of legislation pursuant to subsection (a), the Chairman of the Committee on the Budget of the Senate may file with the Senate appropriately revised allocations under sections 302(a) and 602(a) of the Congressional Budget Act of 1974 and revised functional levels and aggregates to carry out this section. These revised allocations, functional levels, and aggregates shall be considered for the purposes of the Congressional Budget Act of 1974 as allocations, functional levels, and aggregates contained in this resolution.

(c) REPORTING REVISED ALLOCATIONS.—The appropriate committee shall report appropriately revised allocations pursuant to sections 302(b) and 602(b) of the Congressional Budget Act of 1974 to carry out this section.

SEC. 203. SUPERFUND RESERVE FUND IN THE SENATE.

(a) IN GENERAL.—After the enactment of legislation that reforms the Superfund program and extends Superfund taxes, in the Senate, budget authority and outlays allocated to the Committee on Appropriations under sections 302(a) and 602(a) of the Congressional Budget Act of 1974, the appropriate functional levels, the appropriate budget aggregates, and the discretionary spending limits in section 201 of this resolution may be revised to provide additional budget authority and the outlays flowing from that budget authority for the Superfund program, pursuant to this section.

(b) DEFICIT NEUTRAL ADJUSTMENTS.—

(1) ALLOCATIONS.—

(A) COMMITTEE ALLOCATIONS.—In the Senate, upon reporting of an appropriations measure, or when a conference committee submits a conference report thereon, that appropriates funds for the Superfund program in excess of $1,302,000,000, the chairman of the Committee on the Budget of the Senate may submit revised allocations, functional levels, budget aggregates, and discretionary spending limits to carry out this section that adds to such allocations, levels, aggregates, and limits an amount that is equal to such excess. These revised allocations, levels, aggregates, and limits shall be considered for the purposes of the Congressional Budget Act of 1974 as the allocations, levels, aggregates, and limits contained in this resolution.

(B) COMMITTEE SUBALLOCATIONS.—The Committee on Appropriations of the Senate may report appropriately revised suballocations pursuant to sections 302(b)(1) and 602(b)(1) of the Congressional Budget Act of 1974 following the revision of the allocations pursuant to subparagraph (A).

(2) LIMITATIONS.—The adjustments under this subsection shall not exceed—

(A) the net revenue increase for a fiscal year resulting from the enactment of legislation that extends Superfund taxes; and

(B) $898,000,000 in budget authority for a fiscal year and the outlays flowing from such budget authority in all fiscal years.

SEC. 204. SCORING OF EMERGENCY LEGISLATION.

Notwithstanding section 606(d)(2) of the Congressional Budget Act of 1974, the determinations under sections 302, 303, 311, and 602 of such Act shall take into account any new budget authority, new entitlement authority, outlays, receipts, or deficit effects as a consequence of the provisions of sections 251(b)(2)(D) and 252(e) of the Balanced Budget and Emergency Deficit Control Act of 1985.

SEC. 205. EXERCISE OF RULEMAKING POWERS.

The Congress adopts the provisions of this title—

(1) as an exercise of the rulemaking power of the Senate and the House of Representatives, respectively, and as such they shall be considered as part of the rules of each House, or of that House to which they specifically apply, and such rules shall supersede other rules only to the extent that they are inconsistent therewith; and

(2) with full recognition of the constitutional right of either House to change those rules (so far as they relate to that House) at any time, in the same manner, and to the same extent as in the case of any other rule of that House.

TITLE III—SENSE OF THE CONGRESS, HOUSE OF REPRESENTATIVES, AND SENATE

SEC. 301. SENSE OF THE CONGRESS ON SALE OF GOVERNMENT ASSETS.

(a) SENSE OF THE CONGRESS.—It is the sense of the Congress that—

(1) the prohibition on scoring asset sales has discouraged the sale of assets that can be better managed by the private sector and generate receipts to reduce the Federal budget deficit;

(2) the President's fiscal year 1997 budget included $3,900,000,000 in receipts from asset sales and proposed a change in the asset sale scoring rule to allow the proceeds from these sales to be scored;

(3) assets should not be sold if such sale would increase the budget deficit over the long run; and

(4) the asset sale scoring prohibition should be repealed and consideration should be given to replacing it with a methodology that takes into account the long-term budgetary impact of asset sales.

(b) DEFINITIONS.—For purposes of this section, the term ''sale of an asset'' shall have the same meaning as under section 250(c)(21) of the Balanced Budget and Emergency Deficit Control Act of 1985.

SEC. 302. SENSE OF THE CONGRESS THAT TAX REDUCTIONS SHOULD BENEFIT WORKING FAMILIES.

It is the sense of the Congress that this concurrent resolution on the budget assumes any reductions in taxes should be structured to benefit working families by providing family tax relief and incentives to stimulate savings, investment, job creation, and economic growth.

SEC. 303. SENSE OF THE CONGRESS ON A BIPARTISAN COMMISSION ON THE SOLVENCY OF MEDICARE.

(a) FINDINGS.—Congress finds that—

(1) the Trustees of medicare have concluded that ''the medicare program is clearly unsustainable in its present form'';

(2) the Trustees of medicare concluded in 1995 that ''the Hospital Insurance Trust Fund, which pays inpatient hospital expenses, will be able to pay benefits for only about 7 years and is severely out of financial balance in the long range'';

(3) preliminary data made available to the Congress indicate that the Hospital Trust Fund will go bankrupt in the year 2001, rather than the year 2002, as predicted last year;

(4) the Public Trustees of medicare have concluded that ''the Supplementary Medical Insurance Trust Fund shows a rate of growth of costs which is clearly unsustainable'';

(5) the Bipartisan Commission on Entitlement and Tax Reform concluded that, absent long-term changes in medicare, projected medicare outlays will increase from about 4 percent of the payroll tax base today to over 15 percent of the payroll tax base by the year 2030;

(6) the Bipartisan Commission on Entitlement and Tax Reform recommended, by a vote of 30 to 1, that spending and revenues available for medicare must be brought into long-term balance; and

(7) in the most recent Trustees' report, the Public Trustees of medicare ''strongly recommend that the crisis presented by the financial condition of the medicare trust funds be urgently addressed on a comprehensive basis, including a review of the program's financing methods, benefit provisions, and delivery mechanisms.''.

(b) SENSE OF THE CONGRESS.—It is the sense of the Congress that in order to meet the aggregates and levels in this budget resolution—

(1) a special bipartisan commission should be established immediately to make recommendations concerning the most appropriate response to the short-term solvency and long-term sustainability issues facing the medicare program; and

(2) the commission should report to Congress its recommendations prior to the adoption of a concurrent budget resolution for fiscal year 1998 in order that the committees of jurisdiction may consider these recommendations in fashioning an appropriate congressional response.

SEC. 304. SENSE OF THE SENATE ON CONSIDERING A CHANGE IN THE MINIMUM WAGE IN THE SENATE.

It is the sense of the Senate that—

(1) proposals to increase the minimum wage have important economic and budgetary consequences, as there are about 3,600,000 workers at or below the minimum wage under current law, according to the Congressional Budget Office (''CBO'');

(2) S. 413, a bill to increase the minimum wage, would increase costs for State and local governments by $1,030,000,000 over the period 1996 to 2000, according to the CBO, and would, therefore, violate section 425(a)(2) of the Congressional Budget Act of 1974 regarding unfunded intergovernmental mandates;

(3) S. 413 would increase costs for the private sector by $12,300,000,000 over the period 1996 to 2000 and would reduce jobs by between 100,000 and 500,000, according to the CBO;

(4) increasing the minimum wage would have significant interactions with other Federal spending and tax programs, including welfare programs and the earned income credit;

(5) States have the authority to increase the minimum wage in their States, and, as of February 1996, 10 States, plus Puerto Rico and Washington, D.C., had minimum wages above the Federal minimum wage;

(6) although raising the minimum wage will increase incomes for some workers, it is a poorly targeted approach to helping poor and low-income families because—

(A) it will eliminate jobs for some minimum- and low-wage workers;

(B) 85 percent of workers in poor families are paid more than the minimum wage, and nearly 60 percent are paid more than $5.25 per hour, according to the CBO;

(C) most minimum wage workers are not poor, with some 70 percent in households with incomes above 150 percent of the poverty line, according to the CBO; and

(D) most minimum wage workers do not stay at the minimum wage very long, with two-thirds getting a pay raise within the first year, according to the CBO;

(7) the best approach to increasing wages and incomes for working families is to promote policies that enhance economic growth and job creation, such as increasing net national savings and investment by balancing the Federal budget and promoting private savings and investment through fundamental tax reform;

(8) legislation to change the minimum wage should be considered in the Senate in an orderly manner as part of the regular consideration of matters related to the budget and the economy and not as an unscheduled amendment to unrelated legislation;

(9) there are important issues which should be considered in the same legislation and in conjunction with proposals to raise the minimum wage, such as allowing for improvements in the workplace by enabling cooperative efforts between labor and management as provided for in S. 295, the Team Work for Employees and Management Act of 1995, and maintaining a training wage to minimize job loss for new entrants into the job market; and

(10) the Senate should schedule consideration of legislation that addresses in the same bill, as a single proposal, the minimum wage and the provisions of S. 295 no later than the month of June 1996.

SEC. 305. SENSE OF THE SENATE ON LONG-TERM PROJECTIONS IN BUDGET ESTIMATES.

It is the sense of the Senate that—

(1) the report accompanying a concurrent resolution on the budget should include an analysis, prepared after consultation with the Director of the Congressional Budget Office, of the concurrent resolution's impact on revenues and outlays for entitlements for the period of 30 fiscal years; and

(2) the President should include in his budget each year, an analysis of the budget's impact on revenues and outlays for entitlements for the period of 30 fiscal years, and that the President should also include generational accounting information each year in the President's budget.

SEC. 306. SENSE OF THE CONGRESS ON MEDICARE TRANSFERS.

(a) FINDINGS.—The Congress finds that—

(1) home health care provides a broad spectrum of health and social services to approximately 3,500,000 medicare beneficiaries in the comfort of their homes;

(2) the President has proposed reimbursing the first 100 home health care visits after a hospital stay through medicare part A and reimbursing all other visits through medicare part B, shifting responsibility for $55,000,000,000 of spending from the Hospital Insurance Trust Fund to the general revenues that pay for medicare part B;

(3) such a transfer does nothing to control medicare spending, and is merely a bookkeeping change which artificially extends the solvency of the Hospital Insurance Trust Fund;

(4) this transfer of funds camouflages the need to make changes in the medicare program to ensure the long-term solvency of the Hospital Insurance Trust Fund, which the Congressional Budget Office now states will become bankrupt in the year 2001, a year earlier than projected in the 1995 report by the Trustees of the Social Security and Medicare Trust Funds;

(5) Congress will be breaking a commitment to the American people if it does not act to ensure the solvency of the entire medicare program in both the short- and long-term;

(6) the President's proposal would force those in need of chronic care services to rely upon the availability of general revenues to provide financing for these services, making them more vulnerable to benefits changes than under current law; and

(7) according to the National Association of Home Care, shifting medicare home care payments from part A to part B would deemphasize the importance of home care by eliminating its status as part of the Hospital Insurance Trust Fund, thereby undermining access to the less costly form of care.

(b) SENSE OF CONGRESS.—It is the sense of Congress that in meeting the spending targets specified in the budget resolution, Congress should not accept the President's proposal to transfer spending from one part of medicare to another in its efforts to preserve, protect, and improve the medicare program.

SEC. 307. SENSE OF THE SENATE ON REPEAL OF THE GAS TAX.

(a) FINDINGS.—The Senate finds that—

(1) the President originally proposed a $72,000,000,000 energy excise tax (the so-called BTU tax) as part of the Omnibus Budget Reconciliation Act of 1993 (OBRA 93) which included a new tax on transportation fuels;

(2) in response to opposition in the Senate to the BTU tax, the President and the Congress adopted instead a new 4.3 cents per gallon transportation fuels tax as part of OBRA 93, which represented a 30 percent increase in the existing motor fuels tax;

(3) the OBRA 93 transportation fuels tax has cost American motorists an estimated $14,000,000,000 to $15,000,000,000 since it went into effect on October 1, 1993;

(4) the OBRA 93 transportation fuels tax is regressive, creating a larger financial impact on lower and middle income motorists than on upper income motorists;

(5) the OBRA 93 transportation fuels tax imposes a disproportionate burden on rural citizens who do not have access to public transportation services, and who must rely on their automobiles and drive long distances, to work, to shop, and to receive medical care;

(6) the average American faces a substantial tax burden, and the increase of this tax burden through the OBRA 93 transportation fuels tax represented and continues to represent an inappropriate and unwarranted means of reducing the Nation's budget deficit;

(7) retail gasoline prices in the United States have increased an average of 19 cents per gallon since the beginning of the year to the highest level since the Persian Gulf War, and the OBRA 93 transportation fuels tax exacerbates the impact of this price increase on consumers;

(8) continuation of the OBRA 93 transportation fuels tax will exacerbate the impact on consumers of any future gasoline price spikes that result from market conditions; and

(9) the fiscal year 1997 budget resolution will assume a net tax cut totaling $122,000,000,000 over six years, which exceeds the revenue impact of a repeal of the OBRA 93 transportation fuels tax, and will establish a reserve fund which may be used to provide other forms of tax relief, including relief from the OBRA 93 transportation fuels tax, on a deficit neutral basis.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that the revenue levels and procedures in this resolution provide that—

(1) the Congress and the President should immediately approve legislation to repeal the 4.3 cents per gallon transportation fuels tax contained in the Omnibus Budget Reconciliation Act of 1993 through the end of 1996;

(2) the Congress and the President should approve, through the fiscal year 1997 budget process, legislation to permanently repeal the 4.3 cents per gallon transportation fuels tax contained in the Omnibus Budget Reconciliation Act of 1993; and

(3) the savings generated by the repeal of the 4.3 cents per gallon transportation fuels tax contained in OBRA 93 should be fully passed on to consumers.

SEC. 308. SENSE OF THE SENATE ON MEDICARE TRUSTEES REPORT.

(a) FINDINGS.—The Senate finds that—

(1) the Trustees of the Medicare Hospital Insurance (HI) Trust Fund serve as fiduciaries for one of the Federal Government's most important programs, and as fiduciaries provide critically important information each year to the Congress and the public on the financial status of the Medicare HI Fund;

(2) the Trustees are required to issue a report on the financial status of the medicare HI Trust Fund by April 1 of each year;

(3) the April 1995 Trustees Report stated that the Medicare HI Trust Fund would go bankrupt in the year 2002, but in 1995 the Congress and the President could not agree on a plan to extend the solvency of the medicare program;

(4) in 1996, the Congress and the public require timely information on the full and exact nature of medicare's financial condition in order to understand what actions must be taken to extend the solvency of the of the Medicare HI Trust Fund; and

(5) despite the April 1 deadline, the 1996 Medicare Trustees Report has not yet been issued, and each day of delay further jeopardizes Congress' ability to respond appropriately to forestall the program's bankruptcy.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that the levels in this budget resolution assume that—

(1) the Medicare Trustees should discharge their fiduciary and statutory responsibilities and issue their 1996 report as soon as possible; and

(2) in light of the Trustees' delay thus far, the Chief Actuary of the Medicare Trust Fund should share with Congress immediately any preliminary information on the current financial status of the Trust Fund.

SEC. 309. SENSE OF THE CONGRESS REGARDING CHANGES IN THE MEDICARE PROGRAM.

(a) FINDINGS.—Congress finds that, in achieving the spending levels specified in this resolution—

(1) the public trustees of medicare have concluded that ''the medicare program is clearly unsustainable in its present form'';

(2) the President has said his goal is to keep the medicare hospital insurance trust fund solvent for more than a decade, but his budget transfers $55,000,000,000 of home health spending from medicare part A to medicare part B;

(3) the transfer of home health spending threatens the delivery of home health services to 3.5 million medicare beneficiaries;

(4) such a transfer increases the burden on general revenues, including income taxes paid by working Americans, by $55,000,000,000;

(5) such a transfer artificially inflates the solvency of the medicare hospital insurance trust fund, misleading the Congress, medicare beneficiaries, and working taxpayers;

(6) the Director of the Congressional Budget Office has certified that, without such a transfer, the President's budget extends the solvency of the hospital insurance trust fund for only one additional year; and

(7) without misleading transfers, the President's budget therefore fails to achieve his own stated goal for the medicare hospital insurance trust fund.

(b) SENSE OF THE CONGRESS.—It is the sense of the Congress that, in achieving the spending levels specified in this resolution, the Congress assumes that the Congress would—

(1) keep the medicare hospital insurance trust fund solvent for more than a decade, as recommended by the President; and

(2) accept the President's proposed level of medicare part B savings of $44,100,000,000 over the period 1997 through 2002; but would

(3) reject the President's proposal to transfer home health spending from one part of medicare to another, which threatens the delivery of home health care services to 3.5 million medicare beneficiaries, artificially inflates the solvency of the medicare hospital insurance trust fund, and increases the burden on general revenues, including income taxes paid by working Americans, by $55,000,000,000.

SEC. 310. SENSE OF THE SENATE ON FUNDING TO ASSIST YOUTH AT RISK.

(a) FINDINGS.—The Senate finds that—

(1) there is an increasing prevalence of violence and drug use among this country's youth;

(2) recognizing the magnitude of this problem the Federal Government must continue to maximize efforts in addressing the increasing prevalence of violence and drug use among this country's youth, with necessary adherence to budget guidelines;

(3) the Federal Bureau of Investigation reports that between 1985 and 1994, juvenile arrests for violent crime increased by 75 percent nationwide;

(4) the United States Attorney General reports that 20 years ago, fewer than half our cities reported gang activity and now, a generation later, reasonable estimates indicate that there are more than 500,000 gang members in more than 16,000 gangs on the streets of our cities resulting in more than 580,000 gang-related crimes in 1993;

(5) the Justice Department's Office of Juvenile Justice and Delinquency Prevention reports that in 1994, law enforcement agencies made over 2,700,000 arrests of persons under age 18, with juveniles accounting for 19 percent of all violent crime arrests across the country;

(6) the Congressional Task Force on National Drug Policy recently set forth a series of recommendations for strengthening the criminal justice and law enforcement effort, including domestic prevention efforts reinforcing the idea that prevention begins at home;

(7) the Office of National Drug Control Policy reports that between 1991 and 1995, marijuana use among 8th, 10th, and 12th graders has increased and is continuing to spiral upward; and

(8) the Center for Substance Abuse Prevention reports that in 1993, substance abuse played a role in over 70 percent of rapes, over 60 percent of incidents of child abuse, and almost 60 percent of murders nationwide.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that the functional totals underlying this concurrent resolution on the budget assume that—

(1) sufficient funding should be provided to programs which assist youth at risk to reduce illegal drug use and the incidence of youth crime and violence;

(2) priority should be given to determine ''what works'' through scientifically recognized, independent evaluations of existing programs to maximize the Federal investment; and

(3) efforts should be made to ensure coordination and eliminate duplication among federally supported at-risk youth programs.

SEC. 311. SENSE OF THE SENATE REGARDING THE USE OF BUDGETARY SAVINGS.

(a) FINDINGS.—The Senate finds that—

(1) in August of 1994, the Bipartisan Commission on Entitlement and Tax Reform issued an Interim Report to the President, which found that, ''To ensure that today's debt and spending commitments do not unfairly burden America's children, the Government must act now. A bipartisan coalition of Congress, led by the President, must resolve the long-term imbalance between the Government's entitlement promises and the funds it will have available to pay for them'';

(2) unless the Congress and the President act together in a bipartisan way, overall Federal spending is projected by the Commission to rise from the current level of slightly over 22 percent of the Gross Domestic Product of the United States (hereafter in this section referred as ''GDP'') to over 37 percent of GDP by the year 2030;

(3) the source of that growth is not domestic discretionary spending, which is approximately the same portion of GDP now as it was in 1969, the last time at which the Federal budget was in balance;

(4) mandatory spending was only 29.6 percent of the Federal budget in 1963, but is estimated to account for 72 percent of the Federal budget in the year 2003;

(5) social security, medicare and medicaid, together with interest on the national debt, are the largest sources of the growth of mandatory spending;

(6) ensuring the long-term future of the social security system is essential to protecting the retirement security of the American people;

(7) the Social Security Trust Fund is projected to begin spending more than it takes in by approximately the year 2013, with Federal budget deficits rising rapidly thereafter unless appropriate policy changes are made;

(8) ensuring the future of medicare and medicaid is essential to protecting access to high-quality health care for senior citizens and poor women and children;

(9) Federal health care expenses have been rising at double digit rates, and are projected to triple to 11 percent of GDP by the year 2030 unless appropriate policy changes are made; and

(10) due to demographic factors, Federal health care expenses are projected to double by the year 2030, even if health care cost inflation is restrained after 1999, so that costs for each person of a given age grow no faster than the economy.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that budget savings in the mandatory spending area should be used—

(1) to protect and enhance the retirement security of the American people by ensuring the long-term future of the social security system;

(2) to protect and enhance the health care security of senior citizens and poor Americans by ensuring the long-term future of medicare and medicaid; and

(3) to restore and maintain Federal budget discipline, to ensure that the level of private investment necessary for long-term economic growth and prosperity is available.

SEC. 312. SENSE OF THE SENATE REGARDING THE TRANSFER OF EXCESS GOVERNMENT COMPUTERS TO PUBLIC SCHOOLS.

(a) ASSUMPTIONS.—The figures contained in this resolution are based on the following assumptions:

(1) America's children must obtain the necessary skills and tools needed to succeed in the technologically advanced 21st century;

(2) Executive Order 12999 outlines the need to make modern computer technology an integral part of every classroom, provide teachers with the professional development they need to use new technologies effectively, connect classrooms to the National Information Infrastructure, and encourage the creation of excellent education software;

(3) many private corporations have donated educational software to schools, which are lacking the necessary computer hardware to utilize this equipment;

(4) current inventories of excess Federal Government computers are being conducted in each Federal agency; and

(5) there is no current communication being made between Federal agencies with this excess equipment and the schools in need of these computers.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that the functional totals and reconciliation instructions in this budget resolution assume that the General Services Administration should place a high priority on facilitating direct transfer of excess Federal Government computers to public schools and community-based educational organizations.

SEC. 313. SENSE OF THE SENATE ON FEDERAL RETREATS.

It is the sense of the Senate that the assumptions underlying the functional totals in this resolution assume that all Federal agencies will refrain from using Federal funds for expenses incurred during training sessions or retreats off of Federal property, unless Federal property is not available.

SEC. 314. SENSE OF THE SENATE REGARDING THE ESSENTIAL AIR SERVICE PROGRAM OF THE DEPARTMENT OF TRANSPORTATION.

(a) FINDINGS.—The Senate finds that—

(1) the essential air service program of the Department of Transportation under subchapter II of chapter 417 of title 49, United States Code—

(A) provides essential airline access to isolated rural communities across the United States;

(B) is necessary for the economic growth and development of rural communities;

(C) connects small rural communities to the national air transportation system of the United States;

(D) is a critical component of the national transportation system of the United States; and

(E) provides air service to 108 communities in 30 States; and

(2) the National Commission to Ensure a Strong Competitive Airline Industry established under section 204 of the Airport and Airway Safety, Capacity, Noise Improvement, and Intermodal Transportation Act of 1992 recommended maintaining the essential air service program with a sufficient level of funding to continue to provide air service to small communities.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that the essential air service program of the Department of Transportation under subchapter II of chapter 417 of title 49, United States Code, should receive a sufficient level of funding to continue to provide air service to small rural communities that qualify for assistance under the program.

SEC. 315. SENSE OF THE SENATE REGARDING EQUAL RETIREMENT SAVINGS FOR HOMEMAKERS.

(a) FINDINGS.—The Senate finds that the assumptions of this budget resolution take into account that—

(1) by teaching and feeding our children and caring for our elderly, American homemakers are an important, vital part of our society;

(2) homemakers retirement needs are the same as all Americans, and thus they need every opportunity to save and invest for retirement;

(3) because they are living on a single income, homemakers and their spouses often have less income for savings;

(4) individual retirement accounts are provided by the Congress in the Internal Revenue Code to assist Americans for retirement savings;

(5) currently, individual retirement accounts permit workers other than homemakers to make deductible contributions of $2,000 a year, but limit homemakers to deductible contributions of $250 a year;

(6) limiting homemakers individual retirement account contributions to an amount less than the contributions of other workers discriminates against homemakers.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that the revenue level assumed in this budget resolution provides for legislation to make individual retirement account deductible contribution limits for homemakers equal to the individual retirement account deductible contribution limits for all other American workers, and that the Congress and the President should immediately approve such legislation in the appropriate reconciliation vehicle.

SEC. 316. SENSE OF THE SENATE REGARDING THE NATIONAL INSTITUTE OF DRUG ABUSE.

(a) FINDINGS.—Congress finds the following:

(1) The National Institute on Drug Abuse (hereafter referred to in this section as ''NIDA'') a part of the National Institutes of Health (hereafter referred to in this section as ''NIH'') supports over 85 percent of the world's drug abuse research that has totally revolutionized our understanding of addiction.

(2) One of NIDA's most significant areas of research has been the identification of the neurobiological bases of all aspects of addiction, including craving.

(3) In 1993, NIDA announced that approval had been granted by the Food and Drug Administration of a new medication for the treatment of heroin and other opiate addiction which breaks the addict of daily drug-seeking behavior and allows for greater compliance because the patient does not need to report to a clinic each day to have the medication administered.

(4) Among NIDA's most remarkable accomplishments of the past year is the successful immunization of animals against the psycho-stimulant effects of cocaine.

(5) NIDA has also recently announced that it is making substantial progress that is critical in directing their efforts to identify potential anti-cocaine medications. For example, NIDA researchers have recently shown that activation in the brain of one type of dopamine receptor suppresses drug-seeking behavior and relapse, whereas activation of another, triggers drug-seeking behavior.

(6) NIDA's efforts to speed up research to stem the tide of drug addition is in the best interest of all Americans.

(7) State and local governments spend billions of dollars to incarcerate persons who commit drug related offenses.

(8) A 1992 National Report by the Bureau of Justice Statistics revealed that more than 3 out of 4 jail inmates reported drug use in their lifetime, more than 40 percent had used drugs in the month before their offense with 27 percent under the influence of drugs at the time of their offense. A significant number said they were trying to get money for drugs when they committed their crime.

(9) More than 60 percent of juveniles and young adults in State-operated juvenile institutions reported using drugs once a week or more for at least a month some time in the past, and almost 40 percent reported being under the influence of drugs at the time of their offense.

(10) This concurrent resolution proposes that budget authority for the NIH (including NIDA) be held constant at the fiscal year 1996 level of $11,950,000,000 through fiscal year 2002.

(11) At such appropriation level, it would be impossible for NIH and NIDA to maintain research momentum through research project grants.

(12) Level funding for NIH in fiscal year 1997 would reduce the number of competing research project grants by nearly 500, from 6,620 in fiscal year 1996 to approximately 6,120 competing research project grants, reducing NIH's ability to maintain research momentum and to explore new ideas in research.

(13) NIH is the world's preeminent research institution dedicated to the support of science inspired by and focused on the challenges of human illness and health.

(14) NIH programs are instrumental in improving the quality of life for Americans through improving health and reducing monetary and personal costs of illnesses.

(15) The discovery of an anti-addiction drug to block the craving of illicit addictive substances will benefit all of American society.

(b) SENSE OF THE CONGRESS.—It is the sense of the Congress that amounts appropriated for the National Institutes of Health—

(1) for fiscal year 1997 should be increased by a minimum of $33,000,000;

(2) for fiscal year 1998 should be increased by a minimum of $67,000,000;

(3) for fiscal year 1999 should be increased by a minimum of $100,000,000;

(4) for fiscal year 2000 should be increased by a minimum of $100,000,000;

(5) for fiscal year 2001 should be increased by a minimum of $100,000,000; and

(6) for fiscal year 2002 should be increased by a minimum of $100,000,000;

above its fiscal year 1996 appropriation for additional research into an anti-addiction drug to block the craving of illicit addictive substances.

SEC. 317. SENSE OF THE SENATE REGARDING THE EXTENSION OF THE EMPLOYER EDUCATION ASSISTANCE EXCLUSION UNDER SECTION 127 OF THE INTERNAL REVENUE CODE OF 1986.

(a) FINDINGS.—The Senate finds that—

(1) since 1978, over 7,000,000 American workers have benefited from the employer education assistance exclusion under section 127 of the Internal Revenue Code of 1986 by being able to improve their education and acquire new skills without having to pay taxes on the benefit;

(2) American companies have benefited by improving the education and skills of their employees who in turn can contribute more to their company;

(3) the American economy becomes more globally competitive because an educated workforce is able to produce more and to adapt more rapidly to changing technologies;

(4) American companies are experiencing unprecedented global competition and the value and necessity of life-long education for their employees has increased;

(5) the employer education assistance exclusion was first enacted in 1978;

(6) the exclusion has been extended 7 previous times;

(7) the last extension expired December 31, 1994; and

(8) the exclusion has received broad bipartisan support.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that the revenue level assumed in the Budget Resolution accommodate an extension of the employer education assistance exclusion under section 127 of the Internal Revenue Code of 1986 from January 1, 1995, through December 31, 1996.

SEC. 318. SENSE OF THE SENATE REGARDING THE ECONOMIC DEVELOPMENT ADMINISTRATION PLACING HIGH PRIORITY ON MAINTAINING FIELD-BASED ECONOMIC DEVELOPMENT REPRESENTATIVES.

(a) FINDINGS.—The Senate makes the following findings:

(1) The Economic Development Administration plays a crucial role in helping economically disadvantaged regions of the United States develop infrastructure that supports and promotes greater economic activity and growth, particularly in nonurban regions.

(2) The Economic Development Administration helps to promote industrial park development, business incubators, water and sewer system improvements, vocational and technical training facilities, tourism development strategies, technical assistance and capacity building for local governments, economic adjustment strategies, revolving loan funds, and other projects which the private sector has not generated or will not generate without some assistance from the Government through the Economic Development Administration.

(3) The Economic Development Administration maintains 6 regional offices which oversee staff that are designated field-based representatives of the Economic Development Administration, and these field-based representatives provide valuable expertise and counseling on economic planning and development to nonurban communities.

(4) The Economic Development Administration Regional Centers are located in the urban areas of Austin, Seattle, Denver, Atlanta, Philadelphia, and Chicago.

(5) Because of a 37-percent reduction in approved funding for salaries and expenses from fiscal year 1995, the Economic Development Administration has initiated staff reductions requiring the elimination of 8 field-based positions. The field-based economic development representative positions that are either being eliminated or not replaced after voluntary retirement and which currently interact with nonurban communities on economic development efforts cover the States of New Mexico, Arizona, Nevada, North Dakota, Oklahoma, Illinois, Indiana, Maine, Connecticut, Rhode Island, and North Carolina.

(6) These staff cutbacks will adversely affect States with very low per-capita personal income, including New Mexico which ranks 47th in the Nation in per-capita personal income, Oklahoma ranking 46th, North Dakota ranking 42nd, Arizona ranking 35th, Maine ranking 34th, and North Carolina ranking 33rd.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that the functional totals and reconciliations instructions underlying this budget resolution assume that—

(1) it is regrettable that the Economic Development Administration has elected to reduce field-based economic development representatives who are fulfilling the Economic Development Administration's mission of interacting with and counseling nonurban communities in economically disadvantaged regions of the United States;

(2) the Economic Development Administration should take all necessary and appropriate actions to ensure that field-based economic development representation receives high priority; and

(3) the Economic Development Administration should reconsider the planned termination of field-based economic development representatives responsible for States that are economically disadvantaged, and that this reconsideration take place without delay.

SEC. 319. SENSE OF THE SENATE REGARDING REVENUE ASSUMPTIONS.

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

(1) Corporations and individuals have clear responsibility to adhere to environmental laws. When they do not, and environmental damage results, the Federal and State governments may impose fines and penalties, and assess polluters for the cost of remediation.

(2) Assessment of these costs is important in the enforcement process. They appropriately penalize wrongdoing. They discourage future environmental damage. They ensure that taxpayers do not bear the financial brunt of cleaning up after damages done by polluters.

(3) In the case of the Exxon Valdez oil spill disaster in Prince William Sound, Alaska, for example, the corporate settlement with the Federal Government totaled $900,000,000.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that assumptions in this resolution assume an appropriate amount of revenues per year through legislation that will not allow deductions for fines and penalties arising from a failure to comply with Federal or State environmental or health protection laws.

SEC. 320. SENSE OF THE SENATE REGARDING DOMESTIC VIOLENCE.

The assumptions underlying functional totals and reconciliation instructions in this budget resolution include:

(1) FINDINGS.—The Senate finds that:

(A) Violence against women is the leading cause of physical injury to women. The Department of Justice estimates that over 1 million violent crimes against women are committed by domestic partners annually.

(B) Domestic violence dramatically affects the victim's ability to participate in the workforce. A University of Minnesota survey reported that one-quarter of battered women surveyed had lost a job partly because of being abused and that over half of these women had been harassed by their abuser at work.

(C) Domestic violence is often intensified as women seek to gain economic independence through attending school or job training programs. Batterers have been reported to prevent women from attending such programs or sabotage their efforts at self-improvement.

(D) Nationwide surveys of service providers prepared by the Taylor Institute of Chicago, Document, for the first time, the interrelationship between domestic violence and welfare by showing that between 50 percent and 80 percent of women in welfare to work programs are current or past victims of domestic violence.

(E) The American Psychological Association has reported that violence against women is usually witnessed by their children, who as a result can suffer severe psychological, cognitive and physical damage and some studies have found that children who witness violence in their homes have a greater propensity to commit violent acts in their homes and communities when they become adults.

(F) Over half of the women surveyed by the Taylor Institute stayed with their batterers because they lacked the resources to support themselves and their children. The surveys also found that the availability of economic support is a critical factor in women's ability to leave abusive situations that threaten themselves and their children.

(G) Proposals to restructure the welfare programs may impact the availability of the economic support and the safety net necessary to enable poor women to flee abuse without risking homelessness and starvation for their families.

(2) SENSE OF THE SENATE.—It is the sense of the Senate that:

(A) No welfare reform provision should be enacted by Congress unless and until Congress considers whether such welfare reform provisions would exacerbate violence against women and their children, further endanger women's lives, make it more difficult for women to escape domestic violence, or further punish women victimized by violence.

(B) Any welfare reform measure enacted by Congress should require that any welfare to work, education, or job placement programs implemented by the States address the impact of domestic violence on welfare recipients.

SEC. 321. SENSE OF SENATE REGARDING STUDENT LOANS

(a) FINDINGS.—The Senate finds that—

(1) over the last 60 years, education and advancements in knowledge have accounted for 37 percent of our nation's economic growth;

(2) a college degree significantly increases job stability, resulting in an unemployment rate among college graduates less than half that of those with high school diplomas;

(3) a person with a bachelor's degree will average 50–55 percent more in lifetime earnings than a person with a high school diploma;

(4) education is a key to providing alternatives to crime and violence, and is a cost-effective strategy for breaking cycles of poverty and moving welfare recipients to work;

(5) a highly educated populace is necessary to the effective functioning of democracy and to a growing economy, and the opportunity to gain a college education helps advance the American ideals of progress and social equality;

(6) a highly educated and flexible work force is an essential component of economic growth and competitiveness;

(7) for many families, Federal Student Aid Programs make the difference in the ability of students to attend college;

(8) in 1994, nearly 6 million postsecondary students received some kind of financial assistance to help them pay for the costs of schooling;

(9) since 1988, college costs have risen by 54 percent, and student borrowing has increased by 219 percent; and

(10) in fiscal year 1996, the Balanced Budget Act achieved savings without reducing student loan limits or increasing fees to students or parents.

(b) SENSE OF SENATE.—It is the sense of the Senate that the aggregates and functional levels included in this budget resolution assume that savings in student loans can be achieved without any program change that would increase costs to students and parents or decrease accessibility to student loans.

SEC. 322. SENSE OF THE SENATE REGARDING REDUCTION OF THE NATIONAL DEBT.

(a) The Senate finds that—

(1) S. Con. Res. 57 projects a public debt in fiscal year 1997 of $5,400,000,000,000;

(2) S. Con. Res. 57 projects that the public debt will be $6,500,000,000,000 in the fiscal year 2002 when the budget resolution projects a unified budget surplus; and

(3) this accumulated debt represents a significant financial burden that will require excessive taxation and lost economic opportunity for future generations of the United States.

(b) It is the sense of the Senate that any comprehensive legislation sent to the President that balances the budget by a certain date and that is agreed to by the Congress and the President shall also contain a strategy for reducing the national debt of the United States.

SEC. 323. SENSE OF THE SENATE REGARDING HUNGRY OR HOMELESS CHILDREN.

(a) It is the sense of the Senate that the assumptions in this budget resolution assume that Congress will not enact or adopt any legislation that would increase the number of children who are hungry or homeless.

(b) It is the sense of Congress that the assumptions in this budget resolution assume that in the event legislation enacted to comply with this resolution results in an increase in the number of hungry or homeless children by the end of fiscal year 1997, the Congress would revisit the provisions of said legislation which caused such increase and would, as soon as practicable thereafter, adopt legislation which would halt any continuation of such increase.

SEC. 324. SENSE OF THE SENATE ON LIHEAP.

(a) FINDINGS—The Senate finds that:

(1) Home energy assistance for working and low-income families with children, the elderly on fixed incomes, the disabled, and others who need such aid is a critical part of the social safety net in cold-weather areas during the winter, and a source of necessary cooling aid during the summer;

(2) LIHEAP is a highly targeted, cost-effective way to help millions of low-income Americans pay their home energy bills. More than two-thirds of LIHEAP-eligible households have annual incomes of less than $8,000, more than one-half have annual incomes below $6,000; and

(3) LIHEAP funding has been substantially reduced in recent years, and cannot sustain further spending cuts if the program is to remain a viable means of meeting the home heating and other energy-related needs of low-income families, especially those in cold-weather States.

(b) SENSE OF THE SENATE.—The assumptions underlying this budget resolution assume that it is the sense of the Senate that the funds made available for LIHEAP for fiscal year 1997 will be not less than the actual expenditures made for LIHEAP in fiscal year 1996.

SEC. 325. SENSE OF THE CONGRESS REGARDING ADDITIONAL CHARGES UNDER THE MEDICARE PROGRAM.

(a) FINDINGS.—Congress finds that—

(1) senior citizens must spend more than 1 dollar in 5 of their limited incomes to purchase the health care they need;

(2) ⅔ of spending under the medicare program under title XVIII of the Social Security Act is for senior citizens with annual incomes of less than $15,000;

(3) senior citizens cannot afford physician fee mark-ups that are not covered under the medicare program or premium overcharges; and

(4) senior citizens enrolling in private insurance plans receiving medicare capitation payments are currently protected against excess charges by health providers and additional premium charges by the plan for services covered under the medicare program.

(b) SENSE OF THE CONGRESS.—It the sense of the Congress that any reconciliation bill considered during the second session of the 104th Congress should maintain the existing prohibitions against additional charges by providers under the medicare program under title XVIII of the Social Security Act (''balance billing''), and any premium surcharges for services covered under such program that are levied on senior citizens enrolled in private insurance plans in lieu of conventional medicare.

SEC. 326. SENSE OF THE CONGRESS REGARDING NURSING HOME STANDARDS.

(a) FINDINGS.—Congress finds that—

(1) prior to the enactment of subtitle C of title IV of the Omnibus Budget Reconciliation Act of 1987, deplorable conditions and shocking abuse of senior citizens and the disabled in nursing homes was widespread; and

(2) the enactment and implementation of such subtitle has brought major improvements in nursing home conditions and substantially reduced abuse of senior citizens.

(b) SENSE OF THE CONGRESS.—It the sense of the Congress that any reconciliation bill considered during the second session of the 104th Congress should not include any changes in Federal nursing home quality standards or the Federal enforcement of such standards.

SEC. 327. SENSE OF THE CONGRESS CONCERNING NURSING HOME CARE.

(a) FINDINGS.—Congress finds that—

(1) under current Federal law—

(A) protections are provided under the medicaid program under title XIX of the Social Security Act to prevent the impoverishment of spouses of nursing home residents;

(B) prohibitions exist under such program to prevent the charging of adult children of nursing home residents for the cost of the care of such residents;

(C) prohibitions exist under such program to prevent a State from placing a lien against the home of a nursing home resident, if that home was occupied by a spouse or dependent child; and

(D) prohibitions exist under such program to prevent a nursing home from charging amounts above the medicaid recognized charge for medicaid patients or requiring a commitment to make private payments prior to receiving medicaid coverage as a condition of admission; and

(2) family members of nursing home residents are generally unable to afford the high cost of nursing home care, which ranges between $30,000 and $60,000 a year.

(b) SENSE OF THE CONGRESS.—It is the sense of the Congress that provisions of the medicaid program under title XIX of the Social Security Act that protect families of nursing home residents from experiencing financial ruin as the price of securing needed care for their loved ones should be retained, including—

(1) spousal impoverishment rules;

(2) prohibitions against charging adult children of nursing home patients for the cost of their care;

(3) prohibitions against liens on the homes of nursing home residents occupied by a spouse or dependent child; and

(4) prohibitions against nursing homes requiring private payments prior to medicaid coverage as a condition of admission or allowing charges in addition to medicaid payments for covered patients.

SEC. 328. SENSE OF THE CONGRESS REGARDING REQUIREMENTS THAT WELFARE RECEIPTS BE DRUG-FREE.

In recognition of the fact that American workers are required to be drug-free in the workplace, it is the sense of the Congress that this concurrent resolution on the budget assumes that the States may require welfare recipients to be drug-free as a condition for receiving such benefits and that random drug testing may be used to enforce such requirements.

SEC. 329. SENSE OF THE SENATE ON DAVIS–BACON.

Notwithstanding any provision of the committee report on this resolution, it is the sense of the Senate that the provisions in this resolution do not assume the repeal of the Davis-Bacon Act.

SEC. 330. SENSE OF THE SENATE ON DAVIS–BACON.

Notwithstanding any provision of the committee report on this resolution, it is the sense of the Senate that the provisions in this resolution assume reform of the Davis-Bacon Act.

SEC. 331. SENSE OF CONGRESS ON REIMBURSEMENT OF THE UNITED STATES FOR OPERATIONS SOUTHERN WATCH AND PROVIDE COMFORT.

(a) FINDINGS.—The Congress finds that—

(1) as of May 1996, the United States has spent $2,937,000,000 of United States taxpayer funds since the conclusion of the Gulf War in 1991 for the singular purpose of protecting the Kurdish and Shiite population from Iraqi aggression;

(2) the President's defense budget request for 1997 includes an additional $590,100,000 for Operations Southern Watch and Provide Comfort, both of which are designed to restrict Iraqi military aggression against the Kurdish and Shiite people of Iraq;

(3) costs for these military operations constitute part of the continued budget deficit of the United States; and

(4) United Nations Security Council Resolution 986 (1995) (referred to as ''SCR 986'') would allow Iraq to sell up to $1,000,000,000 in petroleum and petroleum products every 90 days, for an initial period of 180 days.

(b) SENSE OF THE CONGRESS.—It is the sense of the Congress that the assumptions underlying the functional totals in this resolution assume that—

(1) the President should instruct the United States Permanent Representative to the United Nations to ensure any subsequent extension of authority beyond the 180 days originally provided by SCR 986, specifically mandates and authorizes the reimbursement of the United States for costs associated with Operations Southern Watch and Provide Comfort out of revenues generated by any sale of petroleum or petroleum-related products originating from Iraq;

(2) in the event that the United States Permanent Representative to the United Nations fails to modify the terms of any subsequent resolution extending the authority granted by SCR 986 as called for in paragraph (1), the President should reject any United Nations' action or resolution seeking to extend the terms of the oil sale beyond the 180 days authorized by SCR 986;

(3) the President should take the necessary steps to ensure that—

(A) any effort by the United Nations to temporarily lift the trade embargo for humanitarian purposes, specifically the sale of petroleum or petroleum products, restricts all revenues from such sale from being diverted to benefit the Iraqi military; and

(B) the temporary lifting of the trade embargo does not encourage other countries to take steps to begin promoting commercial relations with the Iraqi military in expectation that sanctions will be permanently lifted; and

(4) revenues reimbursed to the United States from the oil sale authorized by SCR 986, or any subsequent action or resolution, should be used to reduce the Federal budget deficit.

SEC. 332. ACCURATE INDEX FOR INFLATION.

(a) FINDINGS.—The Senate finds that—

(1) a significant portion of Federal expenditures and revenues are indexed to measurements of inflation; and

(2) a variety of inflation indices exist which vary according to the accuracy with which such indices measure increases in the cost of living; and

(3) Federal Government usage of inflation indices which overstate true inflation has the demonstrated effect of accelerating Federal spending, increasing the Federal budget deficit, increasing Federal borrowing, and thereby enlarging the projected burden on future American taxpayers.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that the assumptions underlying this budget resolution include that all Federal spending and revenues which are indexed for inflation should be calibrated by the most accurate inflation indices which are available to the Federal Government.

SEC. 333. SENSE OF THE SENATE ON SOLVENCY OF THE MEDICARE TRUST FUND.

(a) FINDINGS.—The Senate finds that repeal of certain provisions from the Omnibus Budget Reconciliation Act of 1993 would move the insolvency date of the HI (Medicare) Trust Fund forward by a full year.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that no provisions in this Budget Resolution should worsen the solvency of the Medicare Trust Fund.

SEC. 334. SENSE OF THE CONGRESS THAT THE 1993 INCOME TAX INCREASE ON SOCIAL SECURITY BENEFITS SHOULD BE REPEALED.

(a) FINDINGS.—Congress finds that the assumptions underlying this resolution include that—

(1) the fiscal year 1994 budget proposal of President Clinton to raise Federal income taxes on the Social Security benefits of senior citizens with income as low as $25,000, and those provisions of the fiscal year 1994 recommendations of the Budget Resolution and the 1993 Omnibus Budget Reconciliation Act in which the One Hundred Third Congress voted to raise Federal income taxes on the Social Security benefits of senior citizens with income as low as $34,000 should be repealed;

(2) the Senate Budget Resolution should reflect President Clinton's statement that he believed he raised Federal taxes too much in 1993; and

(3) the Budget Resolution should react to President Clinton's fiscal year 1997 budget which documents the fact that in the history of the United States, the total tax burden has never been greater than it is today, therefore

(b) SENSE OF CONGRESS.—It is the sense of the Congress that the assumptions underlying this Resolution include—

(1) that raising Federal income taxes in 1993 on the Social Security benefits of middle-class individuals with income as low as $34,000 was a mistake;

(2) that the Federal income tax hike on Social Security benefits imposed in 1993 by the One Hundred Third Congress and signed into law by President Clinton should be repealed; and

(3) President Clinton should work with the Congress to repeal the 1993 Federal income tax hike on Social Security benefits in a manner that would not adversely affect the Social Security Trust Fund or the Medicare Part A Trust Fund, and should ensure that such repeal is coupled with offsetting reductions in Federal spending.

SEC. 335. SENSE OF THE SENATE REGARDING THE ADMINISTRATION'S PRACTICE REGARDING THE PROSECUTION OF DRUG SMUGGLERS.

(a) FINDINGS.—The Senate finds that—

(1) drug use is devastating to the Nation, particularly among juveniles, and has led juveniles to become involved in interstate gangs and to participate in violent crime;

(2) drug use has experienced a dramatic resurgence among our youth;

(3) the number of youths aged 12–17 using marijuana has increased from 1.6 million in 1992 to 2.9 million in 1994, and the category of ''recent marijuana use'' increased a staggering 200 percent among 14- to 15-year-olds over the same period;

(4) since 1992, there has been a 52 percent jump in the number of high school seniors using drugs on a monthly basis, even as worrisome declines are noted in peer disapproval of drug use;

(5) 1 in 3 high school students uses marijuana;

(6) 12- to 17-year-olds who use marijuana are 85 percent more likely to graduate to cocaine than those who abstain from marijuana;

(7) juveniles who reach 21 without ever having used drugs almost never try them later in life;

(8) the latest results from the Drug Abuse Warning Network show that marijuana-related episodes jumped 39 percent and are running at 155 percent above the 1990 level, and that methamphetamine cases have risen 256 percent over the 1991 level;

(9) between February 1993 and February 1995 the retail price of a gram of cocaine fell from $172 to $137, and that of a gram of heroin also fell from $2,032 to $1,278;

(10) it has been reported that the Department of Justice, through the United States Attorney for the Southern District of California, has adopted a policy of allowing certain foreign drug smugglers to avoid prosecution altogether by being released to Mexico;

(11) it has been reported that in the past year approximately 2,300 suspected narcotics traffickers were taken into custody for bringing illegal drugs across the border, but approximately one in four were returned to their country of origin without being prosecuted;

(12) it has been reported that the United States Customs Service is operating under guidelines limiting any prosecution in marijuana cases to cases involving 125 pounds of marijuana or more;

(13) it has been reported that suspects possessing as much as 32 pounds of methamphetamine and 37,000 Quaalude tablets, were not prosecuted but were, instead, allowed to return to their countries of origin after their drugs and vehicles were confiscated;

(14) it has been reported that after a seizure of 158 pounds of cocaine, one defendant was cited and released because there was no room at the Federal jail and charges against here were dropped;

(15) it has been reported that some smugglers have been caught two or more times—even in the same week—yet still were not prosecuted;

(16) the number of defendants prosecuted for violations of the Federal drug laws has dropped from 25,033 in 1992 to 22,926 in 1995;

(17) this Congress has increased the funding of the Federal Bureau of Prisons by 11.7 percent over the 1995 appropriations level; and

(18) this Congress has increased the funding of the Immigration and Naturalization Service by 23.5 percent over the 1995 appropriations level.

(b) SENSE OF SENATE.—It is the sense of the Senate that—(1) the functional totals underlying this resolution assume that the Attorney General promptly should investigate this matter and report, within 30 days, to the Chair of the Senate and House Committees on the Judiciary; and

(2) the Attorney General should ensure that cases involving the smuggling of drugs into the United States are vigorously prosecuted.

SEC. 336. CORPORATE SUBSIDIES AND SALE OF GOVERNMENT ASSETS.

(a) CORPORATE SUBSIDIES.—It is the sense of the Senate that the functional levels and aggregates in this budget resolution assume that—

(1) the Federal budget contains tens of billions of dollars in payments, benefits and programs that primarily assist profit-making enterprises and industries rather than provide a clear and compelling public interest;

(2) corporate subsidies can provide unfair competitive advantages to certain industries and industry segments;

(3) at a time when millions of Americans are being asked to sacrifice in order to balance the budget, the corporate sector should bear its share of the burden; and

(4) Federal payments, benefits, and programs which predominantly benefit a particular industry or segment of an industry, rather than provide a clear and compelling public benefit, should be reformed or terminated in order to provide additional tax relief, deficit reduction, or to achieve the savings necessary to meet this resolution's instructions and levels.

(b) SALE OF GOVERNMENT ASSETS.—

(1) BUDGETARY TREATMENT.—

(A) IN GENERAL.—For the purposes of any concurrent resolution on the budget and the Congressional Budget Act of 1974, no amounts realized from the sale of an asset shall be scored with respect to the level of budget authority, outlays, or revenues if such sale would cause an increase in the deficit as calculated pursuant to subparagraph (B).

(B) CALCULATION OF NET PRESENT VALUE.—The deficit estimate of an asset sale shall be the net present value of the cash flow from—

(i) proceeds from the asset sale;

(ii) future receipts that would be expected from continued ownership of the asset by the Government; and

(iii) expected future spending by the Government at a level necessary to continue to operate and maintain the asset to generate the receipts estimated pursuant to clause (ii).

(2) DEFINITIONS.—For purposes of this section, the term ''sale of an asset'' shall have the same meaning as under section 250(c)(21) of the Balanced Budget and Emergency Deficit Control Act of 1985.

(3) TREATMENT OF LOAN ASSETS.—For the purposes of this subsection, the sale of loan assets or the prepayment of a loan shall be governed by the terms of the Federal Credit Reform Act of 1990.

SEC. 337. SENSE OF THE SENATE ON THE PRESIDENTIAL ELECTION CAMPAIGN FUND.

It is the sense of the Senate that the assumptions underlying the functional totals in this resolution assume that when the Finance Committee meets its outlay and revenue obligations under this resolution the committee should not make any changes in the Presidential Election Campaign Fund or its funding mechanism and should meet its revenue and outlay targets through other programs within its jurisdiction.

SEC. 338. SENSE OF THE SENATE REGARDING WELFARE REFORM.

(a) The Senate finds that—

(1) S. Con. Res. 57 assumes substantial savings from welfare reform; and

(2) children born out of wedlock are five times more likely to be poor and about ten times more likely to be extremely poor and therefore are more likely to receive welfare benefits than children from two parent families; and

(3) high rates of out-of-wedlock births are associated with a host of other social pathologies; for example, children of single mothers are twice as likely to drop out of high school; boys whose fathers are absent are more likely to engage in criminal activities; and girls in single-parent families are three times more likely to have children out of wedlock themselves; therefore

(b) It is the sense of the Senate that any comprehensive legislation sent to the President that balances the budget by a certain date and that includes welfare reform provisions and that is agreed to by the Congress and the President shall also contain to the maximum extent possible a strategy for reducing the rate of out-of-wedlock births and encouraging family formation.

SEC. 339. A RESOLUTION REGARDING THE SENATE'S SUPPORT FOR FEDERAL, STATE, AND LOCAL LAW ENFORCEMENT.

(a) FINDINGS.—The Senate finds that—

(1) our Federal, State, and local law enforcement officers provide essential services that preserve and protect our freedoms and security;

(2) law enforcement officers deserve our appreciation and support;

(3) law enforcement officers and agencies are under increasing attacks, both to their physical safety and to their reputations;

(4) Federal, State, and local law enforcement efforts need increased financial commitment from the Federal Government for funding and financial assistance and not the slashing of our commitment to law enforcement if they are to carry out their efforts to combat violent crime;

(5) the President's fiscal year 1996 budget requested an increase of 14.8 percent for the Federal Bureau of Investigation, 10 percent for United States Attorneys, and $4,000,000 for Organized Crime Drug Enforcement Task Forces; while this Congress has increased funding for the Federal Bureau of Investigation by 10.8 percent, 8.4 percent for United States Attorneys, and a cut of $15,000,000 for Organized Crime Drug Enforcement Task Forces;

(6) on May 16, 1996, the House of Representatives has nonetheless voted to slash $300,000,000 from the President's $5,000,000,000 budget request for the Violent Crime Reduction Trust Fund for fiscal year 1997 in House Concurrent Resolution 178; and

(7) the Violent Crime Reduction Trust Fund as adopted by the Violent Crime Control and Law Enforcement Act of 1994 fully funds the Violent Crime Control and Law Enforcement Act of 1994 without adding to the Federal budget deficit.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that the provisions and the functional totals underlying this resolution assume the Federal Government's commitment to fund Federal law enforcement programs and programs to assist State and local efforts shall be maintained and funding for the Violent Crime Reduction Trust Fund shall not be cut as the resolution adopted by the House of Representatives would require.

SEC. 340. SENSE OF THE SENATE REGARDING THE FUNDING OF AMTRAK.

(a) FINDINGS.—The Senate finds that—

(1) a capital funding stream is essential to the ability of the National Rail Passenger Corporation (''Amtrak'') to reduce its dependence on Federal operating support; and

(2) Amtrak needs a secure source of financing, no less favorable than provided to other modes of transportation, for capital improvements.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that—

(1) revenues attributable to one-half cent per gallon of the excise taxes imposed on gasoline, special motor fuel, and diesel fuel from the Mass Transit Account should be dedicated to a new Intercity Passenger Rail Trust Fund during the period January 1, 1997, through September 30, 2001;

(2) revenues would not be deposited in the Intercity Passenger Rail Trust Fund during any fiscal year to the extent that the deposit is estimated to result in available revenues in the Mass Transit Account being insufficient to satisfy that year's estimated appropriation levels;

(3) monies in the Intercity Passenger Rail Trust Fund should be generally available to fund, on a reimbursement basis, capital expenditures incurred by Amtrak; and

(4) amounts to fund capital expenditures related to rail operations should be set aside for each State that has not had Amtrak service in such State for the preceding year.

SEC. 341. SENSE OF THE SENATE—TRUTH IN BUDGETING.

It is the sense of the Senate that:

(1) The Congressional Budget Office has scored revenue expected to be raised from the auction of Federal Communications Commission licenses for various services;

(2) For budget scoring purposes, the Congress has assumed that such auctions would occur in a prompt and expeditious manner and that revenue raised by such auctions would flow to the Federal treasury;

(3) The Resolution assumes that the revenue to be raised from auctions totals billions of dollars;

(4) The Resolution makes assumptions that services would be auctioned where the Federal Communications Commission has not yet conducted auctions for such services, such as Local Multipoint Distribution Service (LMDS), licenses for paging services, final broadband PCS licenses, narrow band PCS licenses, licenses for unserved cellular, and Digital Audio Radio (DARS), and other subscription services, revenue from which has been assumed in Congressional budgetary calculations and in determining the level of the deficit; and

(5) The Commission's service rules can dramatically affect license values and auction revenues and therefore the Commission should act expeditiously and without further delay to conduct auctions of licenses in a manner that maximizes revenue, increases efficiency, and enhances competition for any service for which auction revenues have been scored by the Congressional Budget Office and/or counted for budgetary purposes in an Act of Congress.

Mr. DOMENICI. Mr. President, I move to reconsider the vote.

Mr. LOTT. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The Presiding Officer appointed Mr. DOMENICI, Mr. GRASSLEY, Mr. NICKLES, Mr. GRAMM of Texas, Mr. BOND, Mr. GORTON, Mr. EXON, Mr. HOLLINGS, Mr. JOHNSTON, and Mr. LAUTENBERG.

Mr. DOMENICI. Mr. President, I ask unanimous consent that Senate Concurrent Resolution 57, the Senate budget resolution, be put back on the calendar.

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

Mr. DOMENICI. Mr. President, it is getting late and I normally have a lot of wrap-up but I will not do that tonight. I believe it is imperative that I express my deep appreciation to my friend, the ranking member, the Senator from Nebraska, Senator EXON. This is the last resolution after 16 years of service in the Senate and his State of Nebraska.

I am not sure that he would cherish being part of six or eight more budgets, the way this one has gone. It has taken a long time and has taken a big toll on us. I just thank him for everything he has done and for his help during the last 4, 5 days. I thank all my fellow Senators on the Budget Committee. They were a great help, great guides, and their suggestions permitted us to maneuver our way through all of the problems and get this important resolution adopted.

Mr. President, let me first express my deep appreciation to my friend and ranking member Senator EXON. This will be his last budget resolution after 16 years of distinguished service to the U.S. Senate and his beloved State of Nebraska.

I would also like to thank my fellow Senators on the Budget Committee for their help, guidance, and suggestions this last week as we maneuvered our way through this important resolution. Particular thanks to Senators GORTON and ABRAHAM for their help here on the floor.

Mr. President, I would also like to take a moment to thank the staff on both sides of the aisle. Bill Dauster and his staff have done an excellent job for that side of the aisle. In light of the increasingly partisan nature of the budget, I am always impressed by the working relationship between our staffs. We spent nearly the entire 50 hours and a full 7 days on this budget resolution. We will have considered nearly 100 amendments on myriad of topics. I want to thank the staff for the long hours and hard work that went into this budget resolution. I also want to thank the Republican floor staff and the cloakroom staff. Their assistance gets us through this difficult process. Each of the Budget Committee staff deserves a great deal of credit for the success of this budget resolution.

I want to publicly express my appreciation to my staff director and his two assistants here on the floor this last week, Austin Smythe and Beth Felder. There are other staff behind the scenes that have worked tirelessly to bring this resolution about. Instead of thanking each of my Budget Committee staff individually, I ask unanimous consent that a list of the names of the majority staff be printed in the RECORD.

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

MAJORITY STAFF

Brian Benczkowski; Jim Capretta; Amy Call; Lisa Cieplak; Christy Dunn; Beth Felder; Alice Grant; Jim Hearn; Keith Hennessey; William Hoagland; Carol McQuire; Anne Miller; Mieko Nakabayashi; and Denise G. Ramonas.

Cheri Reidy; Ricardo Rel; Karen Ricoy; J. Brian Riley; Mike Ruffner; Melissa Sampson; Anrea Shank; Amy Smith; Austin Smythe; Bob Stevenson; Beth Wallis; and Winslow Wheeler.

ADMINISTRATIVE STAFF

Diane Bath; Victor Block; Alex Greene; Deena McMullen; Lynne Seymour; and George Woodall.

Mr. EXON. Mr. President, before my friend, the chairman of the committee, leaves, I want to thank him for his kind remarks. Yes, this is my last budget resolution forever. Sometimes I wonder if the chairman of the committee might like to say the same without giving up the leadership of the organization. But it has been a pleasure for 18 years to work with PETE DOMENICI.

As I said the other day, we do not always agree, but we have always been agreeable with each other as we have debated the issues. I thank him for all of his courtesies when we were in the majority and now that he is in the majority. I appreciate it very much. I wish him well.

Mr. President, I want to take the time to thank the Democratic staff of the Senate Budget Committee for the outstanding job they did during consideration of the budget resolution. I would like to extend the appreciation of our side to:

Amy Abraham who is our senior analyst on education and discretionary health;

Ken Colling who is our analyst on justice and general government;

Tony Dresden who is our communications director;

Jodi Grant who is our general counsel;

Matt Greenwald who is our senior analyst on energy, environment, and science & technology;

Joan Huffer who is also a senior analyst covering Medicaid, Social Security and income security issues;

Phil Karsting who is the senior analyst for agriculture and community and regional development;

Jim Klumpner who is our chief economist;

Soo Jin Kwon who is our analyst on commerce, transportation and banking;

Nell Mays who is the committee's staff assistant;

Sue Nelson who is both our director of budget review and senior analyst on Medicare;

Jon Rosenwasser who is our analyst on defense and international affairs;

Jerry Slominski who is our deputy chief of staff and senior analyst on revenues; and

Bill Dauster who is the Democratic staff director and chief counsel for the Budget Committee.

Thanks to all of them and those who work with them for a job very well done. Without you, it would have been impossible to carry on as we have, to uphold what we think are the good points and the bad points of this particular budget.

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

Mr. BOND addressed the Chair.

The PRESIDING OFFICER. The Senator from Missouri is recognized.

Mr. BOND. Mr. President, I will be very brief. First, I want to express my deep appreciation to our esteemed leader of the Budget Committee, Senator DOMENICI of New Mexico, for doing an outstanding job. My appreciation also goes to Senator EXON for his steadfastness and to the members of the staff, who have done a remarkable job. It has been a pleasure and a real treat to work with them. It has been an extremely difficult measure, but they did it very well.

MORNING BUSINESS

Mr. DOMENICI. Mr. President, I ask unanimous consent that there be a period for morning business with Senators permitted to speak therein for up to 5 minutes each.

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

U.S./GERMAN OPEN SKIES AGREEMENT

Mr. PRESSLER. Mr. President, a truly historic moment occurred in Milwaukee today when the United States and the Federal Republic of Germany formally signed an open skies agreement which will liberalize air service between our two countries. To underscore the importance of this agreement, I was pleased both President Clinton and Chancellor KOHL were on hand to sign it.

As I have said before, the U.S./German open skies agreement is a great economic victory for both countries and a very welcome development for consumers. Under the agreement, airlines of both countries will be free to operate to any points in either country, as well as third countries, without limitation. It also liberalizes pricing, charter services and further liberalizes the open skies cargo regime already in place. In short, it allows market demand, not the heavy hands of governments, to decide air service between the United States and Germany.

In addition to direct benefits, I have long said such an agreement would serve as a catalyst for liberalizing air service markets throughout Europe. Recent news reports indicate the competitive impact of the U.S./German open skies agreement is already being felt. For instance, since last October the British government, which is highly protective of the restrictive U.S./U.K. bilateral aviation agreement, expressed no willingness to seek to improve air service opportunities between the United States and the United Kingdom. This week, however, British negotiators came to Washington whistling a very different tune.

The competitive impact of the U.S./German open skies agreement also is being felt in U.S./France aviation relations. Since the French renounced our bilateral aviation agreement in 1992, the French government had shown no interest in negotiating a new air service agreement with the United States. Like the British, the French too are whistling a different tune as a result of the U.S./German open skies agreement.

I welcome reports the Government of France finally has expressed an interest in discussing a liberal bilateral aviation agreement. No doubt this abrupt change in course is due to the competitive reality that France is now virtually surrounded by countries enjoying open skies agreements with the United States. Like a huge magnet, these countries with open skies regimes are drawing passenger traffic away from French airports.

For instance, last year combined traffic at the two major Paris airports, Orly and Charles de Gaulle, fell nearly 1 percent. What makes this statistic remarkable is elsewhere in Europe—particularly in countries with open skies relations with the United States—passenger traffic growth has been robust at major airports. For instance, passenger traffic rose 8.7 percent at Frankfurt Main Airport, 7.6 percent at Amsterdam Schiphol Airport, and 11 percent at Brussels Zaventem Airport.

Clearly, the French realize the U.S./German open skies agreement is only going to make the problem of passenger traffic diversion much worse. As I have said repeatedly, competition will be our best ally in opening the remaining restrictive air service markets in Europe. At great cost to its economy, the French are learning this lesson firsthand.

Mr. President, I commend to my colleagues an article describing the competitive impact of the U.S./German open skies agreement which appeared today in the Aviation Daily. I ask unanimous consent that a copy of that article be printed in the RECORD at the conclusion of my remarks.

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

Mr. PRESSLER. Let me conclude by saying the U.S./German open skies agreement is unquestionably our most important liberalized air service agreement to date. I again praise the bold and steadfast leadership of Secretary of Transportation Federico Pena and German Transport Minister Matthias Wissmann in securing this agreement. Both the United States and Germany will benefit greatly from their leadership which turned an excellent opportunity into a truly historic trade agreement between our two countries.

EXHIBIT 1

[From Aviation Daily, May 23, 1996]

NEW CARRIER ALLIANCES FUEL HOPES FOR U.S.-U.K., EUROPE OPEN SKIES

The emergence of powerful, antitrust-immunized alliances and increasingly open aviation regimes in fueling expectations of breakthroughs in U.S.-U.K. and U.S.-European Union relations. In a Senate floor speech Tuesday, Commerce Committee Chairman Larry Pressler (R–S.D.) said ''a truly historic opportunity may be at hand to finally force the British to join us on the field of free and fair air service competition.'' The chief catalyst for this opportunity is the potential alliance between American and British Airways. With published reports saying BA and American are close to announcing ''a major business alliance,'' British officials ''came to Washington [Monday] to assess the price tag for the regulatory relief the new alliance would require,'' said Pressler. ''I am pleased initial reports indicate [DOT] reaffirmed its longstanding position: Nothing short of full liberalization of the U.S./U.K. air service market would be acceptable,'' he said. ''If the administration stands firm, as I believe it must, the current restrictive U.S.–U.K. bilateral aviation agreement will be cast into the great trash heap of protectionist trade policy, where it belongs.''

Pressler traced the potential for a U.K. breakthrough to the U.S.-Germany open skies agreement, struck early this year. ''Simply put, the possible British Airways/American Airlines alliance is a competitive response to the U.S./Germany open skies agreement and the grant of antitrust immunity to the United Airlines/Lufthansa alliance,'' he said. Pressler was active in developing the U.S.-Germany pact, a point underscored on the Senate floor by Sen. Trent Lott (R–Miss.), who said Pressler's ''steadfast leadership was instrumental in securing'' the open skies agreement. Lott made public letters from DOT Secretary Federico Peña, who praised Pressler's ''bipartisan leadership role'' on the issue, and German Transport Minister Matthias Wissmann, who called Pressler ''a cornerstone in this development.''

In his speech, Pressler said, ''If the Delta alliance with three smaller European carriers is granted a final antitrust immunity order later this month, that alliance—in combination with the United and Northwest alliances—will mean nearly 50% of the passenger traffic between the United States and Europe will be carried on fully integrated alliances.'' This will leave BA ''with no choice but to respond. It now appears to be doing so by seeking to ally itself with the strongest U.S. carrier available and ultimately, to seek antitrust [immunity] for its new alliance.'' The price tag for the regulatory relief for such an alliance ''must be nothing less than immediate open skies,'' said Pressler.

Industry observers are looking toward next week's European Transport Ministers Conference and a meeting of the European Union Council of Ministers in mid-June for possible progress in EU–U.S. aviation relations. Delta Chairman, President and Chief Executive Ronald Allen urged the EU to move ''boldly and swiftly'' toward an open skies relationship with the U.S. as ''the next necessary step forward for world aviation. It is important that we take the step soon.'' In a speech yesterday before the European Aviation Club in Brussels, Allen praised EU Transport Commissioner Neil Kinnock's proposal that the European Commission be given a mandate to negotiate EU-wide open skies with the U.S. ''He is trying to open the door to meaningful transatlantic competition and integration,'' Allen said. Some observers believe Kinnock will gain at least limited authority at the Council of Ministers Meeting.

Allen said Delta backed a number of proposals that may help the talks, including an increase in permissible foreign ownership of U.S. carriers from 25% to 49%. He said the carrier will work for changes in U.S. bankruptcy laws that allow airlines to continue operating while avoiding financial responsibilities, but the EU must also change its policy allowing state subsidies for troubled carriers. ''Both these assistance measures distort marketplace competition and penalize carriers that have made the difficult choices necessary to make their companies competitive and financially sound,'' said Allen. He added that the EU also must resist moves to hamper competition through ''safety net'' regulations.

NOTICE OF PROPOSED RULEMAKING

Mr. THURMOND. Mr. President, pursuant to Section 304(b) of the Congressional Accountability Act of 1995 (2 U.S.C. sec. 1384(b)), a Notice of Proposed Rulemaking was submitted by the Office of Compliance, U.S. Congress. The notice relates to Federal Service Labor-Management Relations (Regulations under section 220(e) of the Congressional Accountability Act.)

Section 304(b) requires this notice to be printed in the CONGRESSIONAL RECORD, therefore I ask unanimous consent that the notice be printed in the RECORD.

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

OFFICE OF COMPLIANCE—THE CONGRESSIONAL ACCOUNTABILITY ACT OF 1995: EXTENSION OF RIGHTS, PROTECTIONS AND RESPONSIBILITIES UNDER CHAPTER 71 OF TITLE 5, UNITED STATES CODE, RELATING TO FEDERAL SERVICE LABOR-MANAGEMENT RELATIONS (REGULATIONS UNDER SECTION 220(e) OF THE CONGRESSIONAL ACCOUNTABILITY ACT)

NOTICE OF PROPOSED RULEMAKING

Summary: The Board of Directors of the Office of Compliance is publishing proposed regulations to implement section 220 of the Congressional Accountability Act of 1995 (''CAA'' or ''Act''), Pub. L. 104–1, 109 Stat. 3. Specifically, these proposed regulations are published pursuant to section 220(e) of the CAA.

The provisions of section 220 are generally effective October 1, 1996. 2 U.S.C. section 1351. However, as to covered employees of certain specified employing offices, the rights and protections of section 220 will be effective on the effective date of Board regulations authorized under section 220(e). 2 U.S.C. section 1351(f).

The proposed regulations set forth herein, which are published under section 220(e) of the Act, are to be applied to certain employing offices of the Senate, the House of Representatives, and the Congressional instrumentalities and employees of the Senate, the House of Representatives, and the Congressional instrumentalities. These regulations set forth the recommendations of the Deputy Executive Director for the Senate, the Deputy Executive Director for the House of Representatives and, the Executive Director, Office of Compliance, as approved by the Board of Directors, Office of Compliance. A Notice of Proposed Rulemaking under section 220(d) is being published separately.

Dates: Comments are due within 30 days after publication of this notice in the Congressional Record.

Addresses: Submit written comments (an original and 10 copies) to the Chair of the Board of Directors, Office of Compliance, Room LA 200, John Adams Building, 110 Second Street, S.E., Washington, DC 20540–1999. Those wishing to receive notification of receipt of comments are requested to include a self-addressed, stamped post card. Comments may also be transmitted by facsimile (FAX) machine to (202) 426–1913. This is not a toll-free call. Copies of comments submitted by the public will be available for review at the Law Library Reading Room, Room LM–201, Law Library of Congress, James Madison Memorial Building, Washington, DC, Monday through Friday, between the hours of 9:30 a.m. and 4:00 p.m.

For further information contact: Executive Director, Office of Compliance at (202) 724–9250. This notice is also available in the following formats: large print, braille, audio tape, and electronic file on computer disk. Requests for this notice in an alternative format should be made to Mr. Russell Jackson, Director, Service Department, Office of the Sergeant at Arms and Doorkeeper of the Senate, (202) 224–2705.

SUPPLEMENTARY INFORMATION

I. Introduction

The Congressional Accountability Act of 1995 (''CAA'' or ''Act'') was enacted into law on January 23, 1995. In general, the CAA applies the rights and protections of eleven federal labor and employment law statutes to covered Congressional employees and employing offices. Section 220 of the CAA addresses the application of chapter 71 of title 5, United States Code (''chapter 71''), relating to Federal Service Labor-Management Relations. Section 220(a) of the CAA applies the rights, protections, and responsibilities established under sections 7102, 7106, 7111 through 7117, 7119 through 7122, and 7131 of chapter 71 to employing offices, covered employees, and representatives of covered employees. These provisions protect the legal right of certain covered employees to organize and bargain collectively with their employing offices within statutory and regulatory parameters.

Section 220(d) of the Act requires the Board of Directors of the Office of Compliance (''Board'') to issue regulations to implement section 220 and further states that, except as provided in subsection (e), such regulations ''shall be the same as substantive regulations promulgated by the Federal Labor Relations Authority (''FLRA'') to implement the statutory provisions referred to in subsection (a) except—

(A) to the extent that the Board may determine, for good cause shown and stated together with the regulations, that a modification of such regulations would be more effective for the implementation of rights and protections under this section, or

(B) as the Board deems necessary to avoid a conflict of interest or appearance of conflict of interest.''

The Board has separately published a Notice of Proposed Rulemaking with respect to the issuance of regulations pursuant to section 220(d).

Section 220(e)(1) of the CAA requires that the Board also issue regulations ''on the manner and extent to which the requirements and exemptions of chapter 71 [] should apply to covered employees who are employed in the offices listed in'' section 220(e)(2). The offices listed in section 220(e)(2) are:

(A) the personal office of any Member of the House of Representatives or of any Senator;

(B) a standing select, special, permanent, temporary, or other committee of the Senate or House of Representatives, or a joint committee of Congress;

(C) the Office of the Vice President (as President of the Senate), the Office of the President pro tempore of the Senate, the Office of the Majority Leader of the Senate, the Office of the Minority Leader of the Senate, the Office of the Majority Whip of the Senate, the Conference of the Majority of the Senate, the Conference of the Minority of the Senate, the Office of the Secretary of the Conference for the Majority of the Senate, the Office of the Secretary for the Minority of the Senate, the Majority Policy Committee of the Senate, the Minority Policy Committee of the Senate, and the following offices within the Office of the Secretary of the Senate: Offices of the Parliamentarian, Bill Clerk, Legislative Clerk, Journal Clerk, Executive Clerk, Enrolling Clerk, Official Reporters of Debate, Daily Digest, Printing Services, Captioning Services, and Senate Chief Counsel for Employment;

(D) the Office of the Speaker of the House of Representatives, the Office of the Majority Leader of the House of Representatives, the Office of the Minority Leader of the House of Representatives, the Offices of the Chief Deputy Majority Whips, the Offices of the Chief Deputy Minority Whips, and the following offices within the Office of the Clerk of the House of Representatives: Offices of Legislative Operations, Official Reporters of Debate, Official Reporters to Committees, Printing Services, and Legislative Information;

(E) the Office of the Legislative Counsel of the Senate, the Office of the Senate Legal Counsel, the Office of the Legislative Counsel of the House of Representatives, the Office of the General Counsel of the House of Representatives, the Office of the Parliamentarian of the House of Representatives, and the Office of the Law Revision Counsel;

(F) the offices of any caucus or party organization;

(G) the Congressional Budget Office, the Office of Technology Assessment, and the Office of Compliance; and;

(H) such other offices that perform comparable functions which are identified under regulations of the Board.

These offices shall be collectively referred to as the ''section 220(e)(2) offices.''

Section 220(e)(1) provides that the regulations which the Board issues to apply chapter 71 to covered employees in section 220(e)(2) offices ''shall, to the greatest extent practicable, be consistent with the provisions and purposes of chapter 71 [] and of [the CAA].'' To this end, section 220(e)(1) mandates that such regulations ''shall be the same as substantive regulations issued by the Federal Labor Relations Authority under such chapter'' with two separate and distinct provisos:

First, section 220(e)(1), like every other CAA section requiring the Board to issue implementing regulations (*i.e.*, sections 202(d)(2), 203(c)(2), 204(c)(2), 205(c)(2), 206(c)(2), 215(d)(2)), authorizes the Board to modify the FLRA's regulations ''(A) to the extent that the Board may determine, for good cause shown and stated together with the regulation, that a modification of such regulations would be more effective for the implementation of the rights and protections under this section.''

Second, independent of section 220(e)(1), section 220(e)(2) requires the Board to issue regulations that ''exclude from coverage under this section any covered employees who are employed in offices listed in [section 220(e)(2)] if the Board determines that such exclusion is required because of—

(i) a conflict of interest or appearance of a conflict of interest; or

(ii) Congress' constitutional responsibilities.''

The provisions of section 220 are effective October 1, 1996, except that, ''[w]ith respect to the offices listed in subsection (e)(2), to the covered employees of such offices, and to representatives of such employees, [section 220] shall be effective on the effective date of regulations under subsection (e).''

II. The Advance Notice of Proposed Rulemaking

A. Issues for Comment that Relate to Section 220(e)

The Board sought comment on two issues related to section 220(e)(1)(A): (1) Whether and to what extent the Board should modify the regulations promulgated by the FLRA for application to employees in section 220(e)(2) offices? (2) Whether the Board should issue additional regulations concerning the manner and extent to which the requirements and exemptions of chapter 71

apply to employees in section 220(e)(2) offices?

The Board sought comment on four issues related to section 220(e)(1)(B): (1) What are the constitutional responsibilities and/or conflicts of interest (real or apparent) that would require exclusion of employees in section 220(e) offices from coverage under section 220 of the CAA? (2) Whether determinations as to such exclusions should be made on an office-wide basis or on the basis of job duties and functions? (3) Which job duties and functions in section 220(e) offices, if any, should be excluded from coverage, and what is the legal and factual basis for any such exclusion? (4) Are there any offices not listed in section 220(e)(2) that are candidates for the application of the section 220(e)(1)(B) exclusion and, if so, why?

In seeking comment on the issues related to section 220(e) regulations, the Board emphasized that it needed detailed legal and factual support for any proposed modifications in the FLRA's regulations and for any additional proposed regulations implementing sections 220(e)(1)(A) and (B).

B. Summary of Comments Received

The Board did not receive any comments on issues arising under section 220(e)(1)(A), and received only two comments on issues arising under section 220(e)(1)(B). These two comments addressed the issue of whether the Board should grant a blanket exclusion for *all* covered employees in the section 220(e)(2) offices. The Board summarizes those two comments here.

One commenter argued that nothing in the CAA warrants any categorical exclusions from coverage. The commenter argued that the CAA's instruction to the Board to issue regulations which ''to the greatest extent practicable'' are ''consistent with the provisions and purposes of chapter 71'' invites coverage as broad in scope as chapter 71 provides for Executive Branch employees. The commenter argued that section 220(e)(1)(B) is an exception to the general rule mandating coverage and that Congress did not purport to find that any covered employees necessarily qualified for application of such an exception. The commenter further argued that the legislative history of section 220(e) indicates that Congress simply authorized the Board to determine whether covered employees in section 220(e)(2) offices should be excluded without in any way suggesting that they should be excluded.

The commenter then pointed out that, like Congress, the President is charged with constitutional responsibilities and that executive branch employees (other than statutorily excepted employees) are nonetheless free to join and be represented by unions of their choice. The commenter urged that there is nothing in the functions of the legislative branch that suggests that union representation of legislative branch employees is any different than union representation of executive branch employees (or that it poses any unique concerns). From this argument, the commenter concluded that no blanket exemption of all of the employees in section 220(e)(2) offices is warranted; and the commenter urged that its conclusion is supported by the overall policy of the CAA to bind Congress to the same set of rules that other employers face.

The second commenter took the position that all of the covered employees in a number of the section 220(e)(2) offices should receive a blanket exemption from coverage under section 220. In support of this argument, the commenter first described the Senate's constitutional responsibilities to exercise the legislative authority of the United States; to ''make all laws which shall be necessary and proper for carrying into Execution'' its enumerated powers; to advise and consent to treaties and certain presidential nominations; and to try matters of impeachments. The commenter then stated that, in fulfilling these responsibilities, the Senate must be ''free from improper influence from outside sources so that Members can fairly represent the interests of the United States and its citizens.'' The commenter asserted that exclusion from coverage of all employees in Senators' personal offices is necessary to insulate the legislative process from improper influence by outside parties.

In so stating, the commenter recognized that a number of such employees would already be excluded under chapter 71, but argued that the participation of any employee of a Senator's office in a labor organization would ''interfere with the Senator's constitutional responsibilities, [] allow unions to obtain an undue advantage in the legislative process and to exercise improper influence over Members, and [] create conflicts of interest.'' The commenter asserted that allowing such employees to organize would ''provide labor unions with unprecedented access to and influence over the operations and legislative activities of Senators' personal offices'' and turn the collective bargaining process into ''a lobbying tool of organized labor.''

The commenter contended that union representation of employees in a Senator's personal office also could create significant conflicts of interest, both because legislation that affects union or management rights may have a direct impact on a Senator's bargaining position with an employee union, and because a Senator's voting position may be tainted by the appearance that he or she is affected by the position of the employee union. The commenter also claimed that payment of union dues by a Senator's employees could create the perception of a conflict of interest, because Senate employees may not make political contributions to their employer, but the employees may nonetheless pay dues to a union that, in turn, contributes to that employer. The commenter further argued that, if a Senator's employees are permitted to organize, they may develop conflicting loyalties that could render them politically incompatible with the Senator for whom they work. The commenter contended that it would be an unfair labor practice for an employer to discharge an employee because of union affiliation even if that union affiliation led to political incompatibility, thus allegedly eviscerating section 502 of the CAA (which is said to authorize an employing office to discharge an employee based on such incompatibility). Finally, the commenter asserted that, if employees of Senators' offices are granted the right to organize, they will be the only employees of federal elected officials who are organized.

The commenter also took the position that the concerns stated regarding union organization in Senators' personal offices are equally applicable to employees in Senate leadership and committee offices. The commenter further asserted that employees in offices under the jurisdiction of the Secretary of the Senate (Offices of the Parliamentarian, Bill Clerk, Legislative Clerk, Journal Clerk, Executive Clerk, Enrolling Clerk, Official Reporters of Debate, Daily Digest and Printing Services, Office of Senate Chief Counsel for Employment) should be excluded from coverage because they allegedly occupy confidential positions that are integral to the Senate's constitutional functions. The commenter also asserted that employees in the Office of Senate Chief Counsel for Employment should be excluded because attorneys in that office will engage in labor negotiations on behalf of management in Senate offices and because all employees in the office have access to privileged and confidential information. The commenter similarly stated that employees in the Office of the Legislative Counsel and the Office of the Senate Legal Counsel should be excluded because they have direct access to privileged and confidential information relating to the constitutional functions of the Senate.

Finally, the commenter contended that, pursuant to 220(e)(2)(H), employees in four other offices should be subject to a blanket exclusion: Employees in the Executive Office of the Secretary of the Senate, because they are privy to confidential information about both the legislative functions of the Senate and the labor management policies of the Office of the Secretary; employees in the Office of Senate Security, because they have access to highly sensitive and confidential information relating to the constitutional responsibilities of the Senate, as well as to matters of national security; employees in the Senate Disbursing Office, because they have access to confidential financial information that could enhance a union's bargaining position; and employees in the Administrative Office of the Sergeant at Arms, because they have access to confidential information about the office and the Senate.

III. Notice of proposed rulemaking

In developing its proposed regulations, the Board has carefully considered both its responsibilities under section 220(e) and the two directly contradictory comments that the Board received concerning the regulations that it must issue. For the reasons that follow, the Board's judgment is that a blanket exclusion of *all* of the employees in the section 220(e)(2) offices is not ''required'' under the stated statutory criteria. But the Board will propose regulations that *allow* the exclusion issue to be raised with respect to any particular employee in any particular case. The Board also urges commenters who support any categorical exclusions, in commenting on these proposed regulations, to explain why particular jobs or job duties require exclusion of particular employees so that the Board may exclude them by regulation, where appropriate. Through this initial regulation and any categorical exclusions that may appropriately be included in its final regulations, the Board intends to carry out its statutory responsibility under section 220(e) to exclude employees from coverage where required, and to make changes in the FLRAs regulations where necessary.

A. Section 220(e)(1)(A)

Section 220(e)(1)(A) authorizes the Board to modify the FLRA's regulations ''to the extent that the Board may determine, for good cause shown and stated together with the regulation, that a modification of such regulations would be more effective for the implementation of the rights and protections under [section 220(e)].'' No commenter took the position that there was good cause to modify the FLRA regulations for more effective implementation of section 220(e). Equally important, no commenter took the position that a blanket exclusion of *all* of the covered employees in any of the section 220(e) offices would be ''more effective for the implementation of the rights and protections under [section 220(e)].'' And, at present, the Board has not independently found any basis to exercise its authority to modify the FLRA regulations for more effective implementation of section 220(e). The Board therefore does not propose to issue separate regulations pursuant to section 220(e)(1)(A)—that is, except as to employees whose exclusion from coverage under section 220 is required, the Board proposes that the regulations that it issues under section 220(d) will apply to

employing offices, covered employees, and their representatives under section 220(e).

B. Section 220(e)(1)(B)

Section 220(e)(1)(B) provides that the Board ''shall exclude from coverage under [section 220] any covered employees in [section 220(e)(2) offices] if the Board determines that such exclusion is required because of—

(i) a conflict of interest or appearance of a conflict of interest; or

(ii) Congress' constitutional responsibilities.''

The question here for resolution, then, is to what extent the Board should exclude covered employees in the section 220(e)(2) offices from coverage.

1. The statutory language and legislative history indicate that exclusions are proper only where ''required'' by the stated statutory criteria

Section 220(e)(1)(B) states that the Board ''shall'' exclude any covered employee of a section 220(e)(2) office where such exclusion is ''required'' by the stated statutory criteria. The statutory specification that the exclusion be ''required'' by Congress' constitutional responsibilities or a conflict of interest is telling. In this context, the term ''required'' means ''insist[ed] upon usu[ally] with certainty and urgency.'' *See* Webster's Third New International Dictionary (1986); *see also* Black's Law Dictionary (4th ed. 1968) (''direct[ed], order[ed], demand[ed], instruct[ed], command[ed]''). Thus, merely being helpful to or in furtherance of the stated statutory criteria is insufficient; rather, the exclusion must be *necessary* to the conduct of Congress' constitutional responsibilities or to the avoidance of a conflict of interest (real or apparent).

Although legislative history should always be consulted with due care and regard for its limitations, the scant legislative history directly attached to section 220(e)(1)(B) here appears to confirm that exclusions are proper only where necessary to achieve the stated statutory criteria. *See* 141 Cong. Rec. S626 (section-by-section analysis of CAA). What is now section 220(e) was added to a predecessor to the CAA in October 1994 in the Senate Governmental Affairs Committee. The Committee's Report explains that this provision was added in response to several Members' concerns that the application of labor laws to the legislative offices might interfere with Congress' ability to fulfill its constitutional functions:

''For example, there was a concern that, if legislative staff belonged to a union, that union might be able to exert undue influence over legislative activities or decisions. Even if such a conflict of interest between employees' official duties and union membership did not actually occur, the mere appearance of undue influence or access might be very troubling. Furthermore, there is a concern that labor actions could delay or disrupt vital legislative activities.'' [S. Rep. No. 397, 103d Cong., 2d Sess. 8 (1994).]

The Report went on to explain that the proposed bill addressed the Members' concerns in two ways: First, rather than applying the National Labor Relations Act (''NLRA'') to Congress, the bill would apply chapter 71 whose ''provisions and precedents . . . address problems of conflict of interest in the governmental context and . . . prohibit strikes and slowdowns.'' Second, ''as an extra measure of precaution,'' the bill would not apply to the section 220(e)(2) offices ''until the Board has conducted a special rulemaking to consider such problems as conflict of interest.'' *Id.* at 8.

The above-described Senate Report does not reveal—either expressly or implicitly—any congressional expectation that exclusions would necessarily result as a consequence of the Board's special rulemaking. Instead, the Report explains that the concerns of several Members were principally addressed by the incorporation of chapter 71 (rather than the NLRA) in the bill and that, ''as an extra measure of precaution,'' the Board should consider in a special rulemaking whether application of even chapter 71 to employees in section 220(e) would defeat Congress' responsibilities or cause insoluble conflicts of interest (real or apparent). *See* 141 Cong. Rec. S444-45 (remarks of Senator Grassley). Indeed, the section-by-section analysis of the bill that became the CAA states that section 220(e) should not be construed as ''a standardless license to roam far afield from [the] executive regulations.'' *See* 141 Cong. Rec. S626.

These legislative materials suggest that section 220(e) requires the Board to exclude employees in section 220(e)(2) offices only where ''required'' by the statutory criteria—*i.e.*, where exclusion is necessary to the accomplishment of the statutory criteria. The legislative materials leave no room for the exclusion of covered employees in the absence of a demonstrated and substantial need for doing so.

2. Exclusion of all employees in section 220(e) offices is not required by Congress' constitutional responsibilities or concerns about real or apparent conflicts of interest

On the basis of the comments received to date, the Board is unable to find a demonstrated and substantial need for the blanket exclusion of *all* employees in the section 220(e)(2) offices. Such a blanket exclusion of *all* covered employees does not appear to be required by either Congress' constitutional responsibilities or any real or apparent conflicts of interest.

a. Exclusion is not necessitated by Congress' constitutional responsibilities

The key premise of the commenter's argument that exclusion of *all* section 220(e)(2) office employees is required by Congress' constitutional responsibilities is the assertion that collective bargaining rights for section 220(e) employees are categorically inconsistent with the effective functioning of the Legislative Branch. But the legislative judgment embodied in chapter 71 is that collective bargaining rights are entirely consistent with—and, indeed, enhance—the efficient and effective functioning of the Executive Branch. *See* 5 U.S.C. §7101. More to the point, the legislative judgment in chapter 71 is that collective bargaining is consistent with—and, indeed, supportive of—the Executive Branch's fulfillment of the President's constitutional responsibility faithfully to execute the laws of the United States. The Board has not yet been presented with any facts or legal argument that would support a determination that, in contrast to the situation in the Executive Branch, *all* employees of the section 220(e)(2) offices must be excluded from collective bargaining in order for the Legislative Branch to be able to fulfill its constitutional charge.

For example, although the commenter asserts that, if a Senator is required to bargain with his or her employees' union, the employees' union will obtain an undue advantage in the legislative process by dint of its members' special access to the Senator and its members' influence over the Senator's legislative positions, the Board does not believe that a Senator can be brought to his constitutional knees so easily. The commitment of our Nation's elected representatives to the performance of their constitutional duties is great; and, access or no access by unions, it must be presumed that our elected representatives will carry out their constitutional responsibilities with fervor. Moreover, it must also be recognized that, in doing so, our elected representatives will be supported by many employees who simply do not have the right to organize. Supervisors—defined as individuals with authority to hire, direct, assign, promote, reward, transfer, furlough, layoff, recall, suspend, discipline, or remove employees, or to adjust their grievances, or to effectively recommend such action—are not even covered by chapter 71 as applied by the CAA. *See* sections 7103(a)(2)(iii) & 7103(a)(10). Likewise, management officials—defined as individuals in positions whose duties and responsibilities require or authorize the individual to formulate, determine, or influence the policies of their employer—are not covered. *See* sections 7103(a)(2)(iii) & 7103(a)(11). Furthermore, confidential employees—defined as employees who act in a confidential capacity with respect to individuals who formulate or effectuate management policies in the field of labor-management relations—and employees engaged in personnel work are not covered. *See* sections 7112(b)(2),(3) & 7103(a)(13). Finally, employees whose participation in the management of a labor organization or whose representation of a labor organization results in a conflict or apparent conflict of interest or is otherwise incompatible with law or with official job duties are not covered. *See* section 7120(e). Cumulatively, these exclusions undermine the claim that *all* employees of a section 220(e)(2) office—including secretaries and messengers—must be excluded from coverage in order for the Legislative Branch to fulfill its constitutional charge; to the extent that a union obtains access, it will be on behalf of employees who are *not* at the center of the Senator's management core.

The commenter supporting blanket exclusion for all employees in certain section 220(e)(2) offices also argued that, absent such an exclusion, a Senator's employees would be able to influence a Senator's legislative position in exchange for concessions at the bargaining table. This argument, however, ignores the fact that, for those employees not exempted (such as certain secretaries and messengers), chapter 71 provides only a limited set of labor relations rights. Once organized, employees may bargain about their conditions of employment. But they may not bargain about matters ''specifically provided for by Federal statute,'' a category which includes *inter alia* a number of restrictions on pay, health insurance, and retirement benefits for legislative employees. *See* sections 7102(2), 7103(a)(12), 7103(a)(14)(C). Moreover, they may only bargain about their ''terms and conditions of employment''; *their Senator's legislative positions are not properly on the table.* And in the event that nonexempt employees in section 220(e)(2) offices fail to come to terms with an employing office about their terms and conditions of employment, the employees do not have the principle coercive weapons that organized labor uses to further its employment goals, *see Allis Chalmers v. NLRB*, 388 U.S. 175 (1967), because they lack the right to strike or slow down. *See* sections 7103(a)(2)(v), 7311. These limitations make it clear that exclusion of *all* additional employees in a section 220(e)(2) office (such as certain secretaries and messengers) is not necessary to prevent the allegedly improper influence that concerns the commenter; and they make self-evident that such a blanket exclusion of *all* section 220(e)(2) office employees is not required by Congress constitutional responsibilities.

The commenter supporting blanket exclusion of *all* employees in section 220(e)(2) offices further argued that all members of a Senator's staff—no matter how routine their job duties—are privy to inside information about the Senator, including information about the Senator's legislative positions.

The commenter expressed a concern that a Senator's organized employees might reveal this confidential information to their union and that a union might then use the confidential information to exert improper influence on the Senator and thus on the legislative process. The commenter also feared that a Senator's organized employees would not wholeheartedly perform their duties if the Senator were to take a position inimical to the interests of unions. But, again, these concerns are not sufficient to justify blanket exclusions, if only because they can be addressed by other means.

The confidentiality of information and loyal performance of duties can be ensured without exclusion of *all* section 220(e)(2) office employees. Nothing in federal law, and certainly nothing in chapter 71 or the CAA, limits a Member's right to establish neutral work rules designed to assure productivity, discipline, and confidentiality and to discipline and/or discharge any employee who violates those rules. An employee who violates one of these work rules may be discharged *for that reason*.

This point answers the commenter's argument that categorical exclusion is necessary because a Senator would not be able to discharge or discipline an employee who leaks confidential information, or one who openly and actively supports legislation that the Senator opposes. If the Senator had in place and enforced a work rule neutrally forbidding such conduct, then he or she could discipline or discharge an employee who engaged in the forbidden conduct without regard to the employee's union membership or activity (so long as the employee's constitutional rights were not violated). The Senator would only violate section 220 of the CAA if he or she simply forbid inconsistent conduct that related to union membership or activities or enforced a facially neutral rule in a discriminatory manner. Exclusion of *all* covered employees is thus not ''required'' to address the confidentiality and loyalty concerns that have been advanced here.

b. Exclusion of all employees in section 220(e)(2) offices is not ''required'' by any real or apparent conflicts of interest

Nor is the Board prepared at this point to accept the argument that blanket exclusion of all employees in section 220(e)(2) offices is ''required'' to avoid conflicts of interest, real or apparent. The exclusions in chapter 71 for supervisory, confidential and other such employees are sufficient to take care of most potential conflict of interest questions created by employee organization; indeed, chapter 71 itself allows exclusion of employees with additional insoluble conflicts of interest. While the Board is prepared to exclude appropriate categories of employees where required by conflicts of interest, the suggestion that *all* employees in section 220(e)(2) offices must be excluded because of such alleged conflicts does not appear well-founded.

The commenter expressed a fear that organized employees would necessarily have a loyalty to the union and to union goals that would be inconsistent with loyal service to a Member and to his or her legislative positions. There may indeed be such tensions and potential conflicts that arise from union membership of covered employees. But such tensions and conflicts also arise in connection with a covered employee's membership and participation in other special interest groups, such as the Sierra Club, the National Rifle Association, the National Right to Work Foundation, or the National Organization of Women. Indeed, an employee's outside associations—whatever they may be—all give rise to a possible tension between the employee's interests and loyalties (as expressed by outside associations) and the Member's legislative positions. Nonetheless, Congress has not imposed a blanket prohibition on employee membership and participation in outside associations; and, under chapter 71, the tensions and potential conflicts that arise in connection with union membership have not been enough to justify a blanket exclusion of all employees from organization in the Executive Branch. While the Board is prepared to consider whether such associations might preclude organization rights for particular employees in particularly sensitive positions, it cannot accept the suggestion that the possible tensions between employee interests and loyalties and Member positions ''requires'' the blanket exclusion of *all* employees in section 220(e)(2) offices; there are surely less restrictive means for mitigating these potential conflicts for many, if not all, of the employees of section 220(e)(2) offices.

The commenter also asserted that exclusion of all employees is required by an apparent conflict of interest for Members voting on legislation that affects unions: according to the commenter, if the Members support the legislation, they may be perceived as caving to union pressure; if they oppose it, they may be perceived as attempting to enhance their bargaining positions with the union; in either instance, they would *not* be perceived as serving their constituents. But this situation does not appear to differ from that faced by the President when he or Executive Branch officials acting on his behalf take a position on pending labor legislation. That apparent conflict is inherent to employee organization in the public sector; and yet chapter 71 reflects a judgment that this apparent conflict does not require the categorical exclusion of all employees from collective organization. The judgment in chapter 71, which Congress incorporated by reference in the CAA, prevents the Board from accepting any argument that this apparent conflict *requires* exclusion of all employees in a section 220(e)(2) office.

Indeed, with respect to both alleged conflicts of interest, the Board finds it significant that, in chapter 71's statement of congressional findings and purpose, Congress expressly found that ''labor organizations and collective bargaining in the civil service are in the public interest'' because they ''safeguard[] the public interest,'' ''contribute[] to the effective conduct of public business,'' and ''facilitate[] and encourage[] the amicable settlements of disputes between employees and their employers involving conditions of employment.'' *See* Section 7101. Section 220(e)(1) of the CAA instructs the Board to hew as closely as possible to ''the provisions and purposes of chapter 71.'' In doing so, the Board has no choice but to reject the proposition that *all* employees in a section 220(e)(2) office must be excluded from coverage because of a real or apparent conflict that their organization would create for their Member of Congress. The premise of chapter 71, and thus the CAA, is that employees in unions may loyally serve government employers and that the public will not view government acts in response to union demands as illegitimate responses to union pressure.

3. Proposed regulations under section 220(e)(1)(B)

For these reasons, the Board does not propose to issue regulations that grant blanket exclusion of all employees in any of the section 220(e)(2) offices. In the Board's judgment, the issuance of blanket exclusions from the application of section 220 for *all* employees in section 220(e)(2) offices would represent a significant departure from the overall purposes and policies of the CAA. The Board would promptly take that step if it were necessary because of a conflict of interest (real or apparent) or Congress' constitutional responsibilities. But no necessity has been shown or yet been found for the exclusion of all employees in section 220(e)(2) offices.

The Board further notes that no commenter took the position that there were job duties of employees within section 220(e)(2) offices that required application of section 220(e)(1)(B)'s exception to coverage; *a fortiori*, no commenter provided the Board with any facts or legal argument in support of the issuance of regulations providing that employees in section 220(e)(2) offices who perform certain job duties are not covered by section 220. For this reason, the Board does not propose to issue any such regulations at this time. Of course, the Board stands ready to use its rulemaking authority to propose and issue such regulations when and if the Board is presented with facts and legal argument demonstrating that the application of section 220(e)(1)(B) to employees performing particular job duties is ''required.'' The Board again urges commenters to provide the Board with such information and authorities.

The commenter supporting blanket exclusion of all employees in section 220(e)(2) offices argued that, pursuant to its power under section 220(e)(2)(H), the Board should propose regulations (i) adding the Executive Office of the Secretary of the Senate, the Office of Senate Security, the Senate Disbursing Office, and the Administrative Office of the Sergeant at Arms to the statutory list of section 220(e)(2) offices, and (ii) granting a blanket exclusion of all covered employees in these offices. By its analysis above, the Board has effectively rejected the argument that any offices, including these four, are entitled to blanket exclusion of all of their employees from application of section 220. The Board agrees, however, with the commenter's assertion that employees in these offices perform functions ''comparable'' to those performed by employees in the other section 220(e)(2) offices, and thus the Board proposes, pursuant to section 220(e)(2)(H), to treat these offices as section 220(e)(2) offices for all purposes, including the determination of the effective date of sections 220(a) and (b). For all other offices—that is, all offices that are not either listed in section 220(e)(2) or defined as section 220(e)(2) offices here—the effective date of sections 220(a) and (b) is October 1, 1996.

No commenter took the position that the Board should adopt a regulation authorizing parties and/or employees in appropriate proceedings to assert, and the Board to decide, where appropriate and relevant, that a covered employee employed in a section 220(e)(2) office is required to be excluded from coverage under section 220(e) because of a conflict of interest (real or apparent) or because of Congress' constitutional responsibilities. The Board, however, proposes to issue such a regulation. By doing so, the Board intends to ensure that an exclusion may be provided where the law and the facts require it. The proposed regulation of the Board allows the issue of exclusions under section 220(e)(1)(B) to be raised and decided on a case-by-case basis.

IV. Method of approval

The Board recommends that (1) the version of the proposed regulations that shall apply to the Senate and employees of the Senate be approved by the Senate by resolution; (2) the version of the proposed regulations that shall apply to the House of Representatives and employees of the House of Representatives be approved by the House of Representatives by resolution; and (3) the version of the proposed regulations that shall apply to

other covered employees and employing offices be approved by the Congress by concurrent resolution.

Signed at Washington, D.C., on this 22nd day of May, 1996.

GLEN D. NAGER,
Chair of the Board, Office of Compliance.

§2472 Specific regulations regarding certain offices of Congress

§2472.1 Purpose and Scope

The regulations contained in this section implement the provisions of chapter 71 as applied by section 220 of the CAA to covered employees in the following employing offices:

(A) the personal office of any Member of the House of Representatives or of any Senator;

(B) a standing select, special, permanent, temporary, or other committee of the Senate or House of Representatives, or a joint committee of Congress;

(C) the Office of the Vice President (as President of the Senate), the Office of the President pro tempore of the Senate, the Office of the Majority Leader of the Senate, the Office of the Minority Leader of the Senate, the Office of the Majority Whip of the Senate, the Conference of the Majority of the Senate, the Conference of the Minority of the Senate, the Office of the Secretary of the Conference for the Majority of the Senate, the Office of the Secretary for the Minority of the Senate, the Majority Policy Committee of the Senate, the Minority Policy Committee of the Senate, and the following offices within the Office of the Secretary of the Senate: Offices of the Parliamentarian, Bill Clerk, Legislative Clerk, Journal Clerk, Executive Clerk, Enrolling Clerk, Official Reporters of Debate, Daily Digest, Printing Services, Captioning Services, and Senate Chief Counsel for Employment;

(D) the Office of the Speaker of the House of Representatives, the Office of the Majority Leader of the House of Representatives, the Office of the Minority Leader of the House of Representatives, the Offices of the Chief Deputy Majority Whips, the Offices of the Chief Deputy Minority Whips, and the following offices within the Office of the Clerk of the House of Representatives: Offices of Legislative Operations, Official Reporters of Debate, Official Reporters to Committees, Printing Services, and Legislative Information;

(E) the Office of the Legislative Counsel of the Senate, the Office of the Senate Legal Counsel, the Office of the Legislative Counsel of the House of Representatives, the Office of the General Counsel of the House of Representatives, the Office of the Parliamentarian of the House of Representatives, and the Office of the Law Revision Counsel;

(F) the offices of any caucus or party organization;

(G) the Congressional Budget Office, the Office of Technology Assessment, and the Office of Compliance; and;

(H) the Executive Office of the Secretary of the Senate, the Office of Senate Security, the Senate Disbursing Office and the Administrative Office of the Sergeant at Arms.

§2472.2 Application of Chapter 71

(a) The requirements and exemptions of chapter 71 of title 5, United States Code, as made applicable by section 220 of the CAA, shall apply to covered employees who are employed in the offices listed in section 2472.1 in the same manner and to the same extent as those requirements and exemptions are applied to other covered employees.

(b) The regulations of the Office, as set forth at sections 2420–29 and 2470–71, shall apply to the employing offices listed in section 2472.1, covered employees who are employed in those offices and representatives of those employees.

§2472.3 Exclusion from coverage

Notwithstanding any other provision of these regulations, any covered employee who is employed in an office listed in section 2472.1 shall be excluded from coverage under section 220 if it is determined in an appropriate proceeding that such exclusion is required because of (a) a conflict of interest or appearance of a conflict of interest, or (b) Congress constitutional responsibilities.

THE VERY BAD DEBT BOXSCORE

Mr. HELMS. Mr. President, too many Americans have not the foggiest notion about the enormity of the Federal debt. Every so often, I ask various groups, how millions of dollars are there in a trillion? They think about it, voice some estimates, most of them not even close.

They are stunned when they learn the facts, such as the case today. To be exact, as of the close of business yesterday, May 22, 1996, the exact Federal debt—down to the penny—stood at $5,117,440,103,398.93.

Another astonishing statistic is that on a per capita basis, every man, woman, and child in America owes $19,318.08 as his or her share of the Federal debt.

As for how many millions of dollars there are in a trillion, there are a million million in a trillion, which means that the Federal Government owes more than 5 million million dollars.

MINTZ LEVIN'S SUCCESSFUL DOMESTIC VIOLENCE PROJECT

Mr. KENNEDY. Mr. President, domestic and other acts of violence against women have reached epidemic proportions. Figures from 1994 show that, on the average in the United States, a woman was murdered every two days, and a woman was beaten every 15 seconds as a result of domestic violence.

The Violence Against Women Act was passed in 1994 to address this problem and ensure the safety and peace of mind of millions of women and their families. Congress took an approach that requires a partnership between the private sector and the public sector at every level—Federal, State, and local.

The Domestic Violence Project being carried out by the law firm of Mintz Levin Cohn Ferris Glovsky and Popeo is an excellent example of a successful partnership. In testimony before the Senate Judiciary Committee, Kenneth J. Novak, chairman of the firm's Community Service Program, described its Domestic Violence Project and its efforts to reduce domestic violence.

The Domestic Violence Project that Mr. Novak described can be an effective model for many others in helping the Nation meet and master the challenge of domestic violence. I believe that Mr. Novak's testimony will be of interest to all of us in Congress, and I ask unanimous consent that it be printed in the RECORD.

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

Mr. Chairman, and members of the Judiciary Committee, my name is Kenneth J. Novack of the law firm Mintz, Levin, Cohn, Ferris, Glovsky and Popeo, P.C., with offices in Boston and Washington, D.C. As a member of the Firm's Executive Committee, previous President and CEO, and Chairman of the Mintz Levin Community Service Program, I am pleased to be here today to provide testimony regarding the commitment of one law firm to make a significant and continuing difference in the fight against domestic violence.

BACKGROUND

Mintz Levin has strived for over 60 years to create and maintain a workplace of diversity and tolerance, and to serve the community as well as our clients.

In 1990, at the initiative of two first-year associates, the Firm created the Mintz Levin Domestic Violence Project to provide free legal representation to victims of domestic violence. In 1994, the Firm decided to expand and focus its community service commitment, and we chose the area of domestic violence as the principal focus of all our future community service. We hired a full-time Director of Community Service and established a Community Service Fund to complement our domestic violence pro bono practice and to encourage Firm-wide participation.

DOMESTIC VIOLENCE INITIATIVES

Mintz Levin chose a three-pronged approach for our efforts against domestic violence: public policy issues on a national level; state and local efforts; and an internal focus within the Firm.

Internal Focus. As the foundation of our domestic violence initiatives, we began at home by working to give all our employees access to the support needed to free themselves from abusive situations. Mintz Levin provides its employees with free legal assistance including, when necessary, helping them to obtain restraining orders. Each new employee is given an information packet including a resource card entitled *Where to Get Help if Domestic Violence is a Problem*, which identifies three Mintz Levin attorneys and one attorney from another law firm who will provide free and confidential assistance. In addition, a booklet entitled *Domestic Violence: The Facts* is provided to each employee and lists local resources. Our Human Resources Department has developed a policy for managing family violence situations, and all management staff have been trained to recognize and respond to such situations. A speaker's bureau provides regularly scheduled seminars to increase employee awareness. We have also offered Model Mugging safety-defense classes in both our Boston and Washington offices. As a result of our efforts, our employees feel free to come forward for assistance and do so on a regular basis.

Mintz Levin also creates opportunities for broad-based participation by our employees in community service activities. A Domestic Violence Task Force, consisting of attorneys, senior professionals and other employees, regularly reviews and advises with respect to the Firm's public policy and program development initiatives. A Community Service Advisory Committee, consisting primarily of administrative and support staff, initiates volunteer projects and Firmwide events on behalf of local domestic violence organizations. The Firm encourages interested employees to assist shelters, advocacy groups and other organizations on Firm time.

State and Local Efforts. The second component of Mintz Levin's domestic violence initiative consists of continuing efforts at the state and local levels, enabling us to utilize our skills as legal advocates and to identify opportunities for new, innovative projects in the Greater Boston and Washington, D.C. communities. Our attorneys and senior professionals are active in a wide variety of service and planning committees, and our Domestic Violence Project continues to provide pro bono legal representation to victims of domestic violence. The Project is staffed by specially trained Mintz Levin attorneys, paralegals and project analysts, who have been accepting restraining order cases from Greater Boston Legal Services since July 1990. To date, participants in the Project have been successful in obtaining protective orders, vacate orders, and temporary custody and support orders for over 100 clients. Project attorneys also assist clients in the enforcement of such orders. The Project provides clients with social services referrals for their non-legal needs, such as housing and counseling. In Washington, we have also represented battered women in court and sponsored city-wide training sessions to encourage other attorneys to do the same.

Through our Domestic Violence Project, Mintz Levin attorneys have also represented battered women in appellate matters before the Massachusetts Supreme Judicial Court and have filed briefs amici curiae in both federal and state courts. Such appellate work is essential to the interpretation and enforcement of laws intended to protect victims of domestic violence. Law firms, especially large ones like Mintz Levin, are uniquely situated to muster the legal resources necessary to undertake such appellate cases.

In addition to pro bono client services, Project participants work with the Massachusetts Coalition of Battered Women Service Groups toward the enactment of legislation that will afford greater protection to victims of domestic violence. As a result of these efforts, the Project was instrumental in securing the passage in December 1990 of the Act to Further Protect Abused Persons, which substantially strengthened the Massachusetts Abuse Prevention statute. In December 1993, the Project worked with the Massachusetts Coalition of Battered Women Service Groups for the passage of legislation that directs judges to consider evidence of past or present domestic violence in custody and visitation proceedings. More recently, Project members worked to further the enactment of the Massachusetts Weapons Bill, which takes guns, ammunition and other weapons out of the hands of batterers.

Our experience has demonstrated that the opportunities to serve are not limited to the fields of litigation or government relations. Mintz Levin's real estate and environmental law professionals have provided *pro bono* legal services to non-profit corporations which have built shelters for the victims of domestic violence and transitional housing for homeless women and their families. In 1986, the Firm began its representation of the Elizabeth Stone House, an alternative mental health and battered women's shelter, with the acquisition of two buildings and the conversion of them into a battered women's shelter and a transitional housing program.

In 1993, the Firm represented the Asian Task Force Against Domestic Violence in its efforts to build a 12-bed emergency shelter for battered women and their children. This shelter was the first shelter for Asian women in New England. In the past year, more than 170 women have used the Asian Shelter, and the shelter has received 1,000 calls for help and another 4,000 calls seeking information. It is an especially important facility for Asian women since it provides a hot line and counselling in a number of Asian languages, and language barriers have often prevented Asian women from seeking help at traditional shelters. Attorneys from the Firm have served on the Board of Directors of both the Elizabeth Stone House and the Asian Task Force Against Domestic Violence.

The issues of homelessness and substance abuse are intertwined with that of domestic violence. Therefore, the Firm's real estate and environmental law attorneys have given their time to help the Women's Institute for Housing and Economic Development develop two transitional programs for women, one for women recovering from substance abuse and one for homeless women and their families.

In Massachusetts, we work closely with the Massachusetts Coalition of Battered Women Service Groups, helping them obtain funds for shelters and to develop programs that provide assistance to battered women and their children. We act as advisors to district attorneys, to the Governor's office and to legislators on the issue of domestic violence. We have worked with the Massachusetts Coalition of Battered Women Service Groups toward the enactment of legislation to help prevent placing children at risk from batterers, by creating a rebuttable presumption that a parent who engages in a ''pattern'' or ''serious incidence'' of abuse against his or her partner should not be awarded sole or joint custody over their children. Our efforts extend to helping the Massachusetts Coalition of Battered Women Service Groups obtain funding for their member shelters, including by bringing together committed advocates and legislators who keep the issue of funding active in the agenda of the Massachusetts legislature.

In 1990, the Project received an award from the Young Lawyers Division of the Boston Bar Association; and in 1992, the Project received an award from the Women's Bar Association for its work on behalf of victims of domestic violence. In 1994, the Rose Foundation presented an award to Mintz Levin for its efforts in the area of domestic violence. We are encouraged by these recognitions of our work to hope that other firms will join us in helping battered women and children.

Our Community Service Program also includes non-legal direct service work. As part of the Polaroid CEO Challenge, we have partnered with the Elizabeth Stone House, building on our long-standing commitment to that organization. The CEO Challenge encourages business leaders to end domestic violence by partnering with a battered women's shelter, providing support and advocacy. Our partnership with Elizabeth Stone House has to date included a mentoring program for children, and internship program in our production department for women seeking new job skills, a children's holiday party, and a very successful effort to raise money to provide a new roof. Mintz Levin also worked with the Massachusetts Office of Victim Assistance, by helping to craft and implement ''safe plan'', a program that provides women with protection and assistance through each step of their escape from violence. And we have provided support services to Peace At Home, one of the first organizations to define domestic violence as a human rights issue.

National Level. On a national level, we are proud to be affiliated with the National Network to End Domestic Violence. As you know, The National Network was instrumental in the drafting of the Violence Against Women Act, and working for its passage and funding. The Violence Against Women Act is historic legislation, and I applaud your championship, Senator Hatch, of the issue of violence against women and children. Our efforts on behalf of the National Network have included our serving as *pro bono* legal counsel, as well as providing office space and administrative support, and organizational development, as well as writing *amicus* briefs regarding the confidentiality of records of battered women and rape crisis service providers.

Other national efforts include Mintz Levin's participation in the newly organized National Workplace Resource Center, where we serve as Co-chair of the Corporate Social Responsibility Sub-committee, and as liaison to the American Bar Association's Commission on Domestic Violence.

Charitable Contributions. Our initiatives include financial contributions, which we make through our Community Service Fund, as well as in-kind contributions. Mintz Levin in-kind contributions include donations of clothing, furniture, office supplies, graphic design, printing and training events. We have identified a continuing need of grassroots organizations for assistance in strategic planning, business development and computer technology. We consider the funding of an organizational development consultant to be an excellent form of in-kind contribution. For example, when the Same Sex Domestic Violence Coalition applied to our Community Service Fund, we suggested a contribution of a day-long strategic planning session with a consultant of their choice. The group accepted and, six weeks after their planning session, we received an invitation to a community forum which they had identified as the first step in their strategic plan. The community forum inspired an active group of forty organizations and committed individuals who are now working together to develop services for victims of same sex domestic violence.

LESSONS LEARNED

The Power of Networking. Mintz Levin draws upon the knowledge and commitment of approximately 600 employees, including over 225 attorneys and senior professionals. As a large law firm, we have experience with the justice system, connections to the corporate community, extensive state and federal government relations capabilities, and a remarkable ability to make a difference. I believe the greatest service that Mintz Levin has offered in its six-year-old domestic violence initiative has been to open doors which have traditionally been shut to battered women and children and their advocates, and to make the introductions necessary for diverse leaders with very different backgrounds to form new partnerships.

I would like to mention a few examples. One of our goals has been that resources for battered women and their children be easily accessible, and that domestic violence advocates and service organizations be able to communicate with each other across the country. We encouraged our client America Online (''AOL''), which operates the country's largest consumer online service, to consider a domestic violence area within its new Digital City Boston. AOL responded enthusiastically. At my request, the Mintz Levin Director of Community Service brought together representatives from AOL and local domestic violence activists to design and implement a domestic violence area. The Massachusetts Coalition of Battered Women Service Groups is now partnering with AOL, and involved advocates are receiving the training and software necessary to maintain the area. A representative from the Public Educational Technical Assistance Project of the National Resource Center on Domestic Violence, funded by the Centers for Disease Control, is involved to ensure coordination with other emerging domestic violence online networks. The area is scheduled to open

in June, and I hope it will be a precursor to a national online network.

We have been pleased, and occasionally surprised, by the interest of others in supporting our efforts. As part of our fund raising efforts to provide a new roof for the Elizabeth Stone House, we received a donation of roofing materials from a Firm client, and donations from several vendors for a silent auction. I have recently agreed to serve as Co-chair for a Men's Advisory Committee for the Massachusetts Coalition of Battered Women Service Groups, which I hope will encourage other businessmen to become personally involved in working to end domestic violence.

Mintz Levin was also instrumental in the establishment of the Jane Doe Safety Fund. Through our corporate clients, we were able to bring together corporations, foundations and other funds to provide guidance and financial assistance to members of the domestic violence community who wanted to establish a fund to educate the public about domestic violence and to support battered women's shelters. The Jane Doe Safety Fund is now in its fifth year of existence.

Mintz Levin plans to continue its public policy efforts in the area of domestic violence on both a state and national level, including our partnerships with the National Network and the Elizabeth Stone House, as well as our own Firm-based education and prevention programs. The broad-based involvement and enthusiasm of our employees reinforces and deepens our commitment to the issue. We will also continue to use our access and relationships to encourage and foster new public/private partnerships. Building a network of like-minded law firms across the country is one of our goals for the coming year.

Economic Security. Economic security is listed as the number one reason battered women go back to their abusers. It would be wrong to separate artificially the problem of domestic violence from the issues of free legal services, social services and child support programs. Battered women need more support, not less, to end abusive relationships.

Learning from Others. Our initiatives in domestic violence, and our partnerships with the National Network, the Elizabeth Stone House, and other service organizations, have taught us that in addition to having a lot to offer, we have a lot to learn. From battered women and their advocates we can learn what is needed next to end domestic violence and how and when our resources and skills can best help. The passage and funding of the Violence Against Women Act has already created, and will continue to create, opportunities for unlikely partnerships. Domestic violence advocates, law firms, corporations, government agencies and the judicial system each have their own perspectives on the problem of domestic violence, and we all may be a bit parochial in our approaches. Building new models of collaboration is both challenging and rewarding. Our new partnerships require building new bridges. We must learn to work respectfully with people and organizations with very different histories, different measures of success, and sometimes even histories as adversaries. As we create new models of cooperation, we must also recognize that it will take time, patience, goodwill and even humor to go the distance.

CONCLUSION

Chairman Hatch and Members of the Senate Judiciary Committee, I offer my congratulations and thanks for your leadership in the passage of the Violence Against Women Act. I also thank you for the opportunity to speak to you today. It is my belief that lawyers and law firms are in a unique position to become innovative partners in the implementation of the Act. My colleagues and I look forward to working with others in the legal profession to make a significant contribution to the fight against domestic violence.

Respectfully submitted, Kenneth J. Novack.

TRIBUTE TO CHARLES MEISSNER

Mr. KENNEDY. Mr. President, the tragic plane crash in Croatia last month that took the life of Secretary of Commerce Ron Brown also took the lives of other outstanding officials in the Department of Commerce, including Charles F. Meissner, who was Assistant Secretary for International Economic Policy and who was also the husband of Doris Meissner, the Commissioner of the Immigration and Naturalization Service. During the 1970's, he had served with great distinction for several years on the staff of the Senate Foreign Relations Committee.

Our hearts go out to the Meissner family in this time of their great loss. In the days following that tragedy, a number of eloquent tributes to Charles Meissner described his extraordinary career, his dedication to public service, and his contributions to our country and to peoples throughout the world. I believe these tributes will be of interest to all of us in Congress and to many others, and I ask unanimous consent that they be printed in the RECORD.

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

TRIBUTE TO CHARLES MEISSNER

(By Stuart E. Eizenstat)

Doris, Christine, Andrew, family and friends of Chuck Meissner. I feel doubly blessed by my association with the Meissner family. In the Carter Administration it was my good fortune to work closely with Doris on immigration issues—to see directly her intelligence, her calm amidst the pressures of policymaking, her quiet dignity, her dedication to public service. It was then that I first came in contact with Chuck.

But it was during the past 2½ years, with me in Brussels and Chuck in Washington, that we formed an intense professional and personal bond which profoundly influenced me. We worked together on every important trade and commercial issue involving the European Union and its member states.

During Chuck's frequent travels to Brussels, he stayed with Fran and me, and had many meals with us. Chuck and I attended innumerable meetings together. When my appointment to my current position at Commerce became known, I spent a great deal of time talking and meeting with Chuck, seeking his advice and counsel and telling him of my plans to beef-up the International Economic Policy unit he so ably led. Our last conversation came only a few days before his trip to Bosnia and Croatia.

During Chuck's all-too-brief tenure as Assistant Secretary, there was hardly a continent that did not benefit from Chuck's sterling efforts. Chuck used his extensive financial experience at Chemical Bank and the World Bank to encourage private sector investment in the border regions in Mexico, as chair of the U.S.-Mexico Border Economic Development task force. He helped to expand economic contacts between the West and Central Europe and the states of the former Soviet Union by his work to invigorate the Economic Forum of the Organization for Security and Cooperation in Europe, and by the drive and leadership he gave to the West-East Economic Conferences.

Chuck was inspiring in his work with large and small American companies. He had a flair for dealing with CEOs. They empathized with him and understood his global vision. Nowhere was this better exemplified than in the Transatlantic Business Dialogue. Secretary Brown initiated the idea that U.S. and European business should take the lead in helping government design future transatlantic commercial policy. But it was Chuck that made this idea work. The success of the historic conference in Seville, Spain, last November that brought a 100 leading American and European CEOs together was due in large part to Chuck.

Following on his deep conviction that trade was the best force for peace, Chuck used his boundless energy to bring American companies together with companies in emerging democracies and in reforming countries. He was the leading force behind President Clinton's White House Conference on trade and investment in Eastern Europe, held in Cleveland last year. That conference exposed America's top companies to the genuine opportunities to build commercial bridges to Central Europe.

He poured his heart into using commercial policy to support the peace process in Northern Ireland. He was particularly proud, and justly so, of bringing scores of companies there to support our efforts and those of the British government to bring peace to that troubled land. When peace finally comes to Northern Ireland, as it surely will, Chuck Meissner will have played a major role in being a midwife. He was just beginning to do the same in Haiti.

It was on another such venture to undergird a fragile peace, that took Chuck and Ron Brown to Croatia and Bosnia. He died doing what he loved, using the resources of the American private sector to strengthen the forces of peace and democracy abroad. The terrible conflict in Bosnia has now claimed several friends, earlier Bob Frasure, and now Chuck, Ron and our other colleagues at the Commerce Department.

Chuck maintained a punishing travel schedule, as he was driven to extend our commercial diplomacy round the world. He joked to me that he only saw Doris, with her own demanding schedule, as their planes criss-crossed in the sky! And Doris, his love for you and the children was evident in the fond ways in which he talked about you.

But all of this was a continuation of a life devoted to public service, with a particular emphasis on expanding America's economic relationships abroad, relationships which are the very essence of our efforts to expand democracy and prosperity around the globe. He served in senior positions in the Treasury Department, on the Senate Foreign Relations Committee, where he was Staff Director of the Subcommittee on Foreign Relations, and in the State Department where he was Deputy Assistant Secretary for International Finance and Development and Ambassador and U.S. Special Negotiator for Economic Matters. Chuck's service to the United States was not limited to civilian positions. He was a Vietnam veteran, decorated on several occasions for his bravery in combat as a Captain in the United States Army.

But will all of these accomplishments, I will most remember Chuck with genuine love and affection for something more personal. Few people have touched me the way Chuck did. He had a wonderful joy of life and sense of humor. He made me laugh—not always easy to do! When I told Doris at her home Friday about this, she said, ''You

know, one of the reasons I married Chuck was that he made me laugh too!''

When Chuck came into a room his radiance lit it up. That beautiful smile and almost cherubic face—like a grown-up version of one of Raphael's endearing child angels—never failed to touch me deeply and to the core. I was drawn to Chuck, as I know all of you were, by not only his obvious competence but by his basic decency, his goodness, his wonderful humanity. Chuck believed in causes but he never forgot the people who were to benefit from them.

Just as we all feel blessed by Chuck's friendship, and by his caring, all of us also feel, in our own way, cheated by his tragic death—for myself, deprived of an opportunity to work even closer together on the causes he so believed in, deprived of more time to nurture our friendship, deprived of the chance to simply feel so good in his presence.

But all of this pales in comparison to the loss for Doris and the children of a husband, a father, a companion. There is an old saying, that ''men and women plan, but God laughs at our plans and has his own for us.'' None of us can possibly explain this tragedy. All one can say is that God on High must have been particularly lonely and needed Chuck's companionship and laughter; as those who knew him on this imperfect earth so reveled in it.

Chuck, we loved you as you loved us. Our memories are sweet as the fragrances of Spring will surely come. They did not die with you. All of your friends will always be the better for you having come into our lives with your wonderful countenance.

Doris, we hope that our prayers and the heartfelt feelings of your colleagues in the Justice Department, the Commerce Department and throughout the Administration will strengthen you in these dark and difficult days, and will sustain you as you continue to service the country so well for which Chuck gave his life.

REFLECTIONS ON CHARLES MEISSNER

(By Michael Ely)

Today it is my honor briefly to talk to you about Charles Meissner and the central theme of his working life, service to his government and, more broadly, service to his nation and to the world. Chuck might have been embarrassed by this discussion. His sense of personal responsibility and commitment was so deep and integrated into his life that it became part of his personality. It went right down to his toenails. He felt that devotion to the public good was normal and natural behavior, even if not widely shared in a world full of people in futile pursuit of private gain and satisfaction outside of and divorced from the public good.

Indeed, his concept of the good was universal, comparable to what we might think of as the inner vision of a saint, but tempered by years of experience in addressing complex issues of public policy where the path to the good is unmarked and has to be discovered or even created. Here was an area that must have drawn Doris and Chuck together: their willingness, even eagerness, to grapple with policy issues with difficult tradeoffs, no easy solutions and multiple painful outcomes. Chuck sought to reconcile commercial affairs with broader national interests; Doris deals with the terrible tensions between social decency and justice and conflicting economic and social problems.

Our paths first came together in the State Department almost two decades ago. From a senior staff position with the Senate Foreign Relations Committee he had been parachuted in, as it were, as Deputy Assistant Secretary in the Bureau of Economic Affairs, then a powerful and aggressive organization with entirely State personnel. Chuck used to joke, with some reason, that I was brought in as his principal deputy to keep an eye on him. We ended up mentoring each other, he with his broad Treasury and Senate background, I a decade older with depth in overseas diplomatic service and State bureaucratic background. Our relations, warmed by Chuck's openness, honesty and obvious ability, deepened into mutual trust and ripened into friendship.

It was in retrospect an exciting and creative period. In the wake of the first oil shock and the world economic slowdown many countries in Latin America, Africa and eastern Europe could not repay to the US hundreds of millions in official debts contracted in better times. It was Chuck's labor of Hercules to sort out the economic implications and the sticky foreign and domestic politics to come up with a set of US government responses. A thankless business—he specialized, like Doris, in thankless tasks—with infinite opportunity for offending the Congress, the Treasury, the debtor countries and the other creditors.

It was in this thicket of problems that he encountered Michel Camdessus, then a very senior officer of the French Treasury, and like him an official of extraordinary breadth and ability. Their initial adversarial relations were transformed by mutual appreciation into a partnership that defined the rules for handling sovereign debt, and lived on through the years that followed.

The dozen years Chuck spent sorting out the debt problems of the Chemical Bank and experiencing the institutional culture of the World Bank were stepping stones to his policy position in Commerce; all of us confidently expected his star to mount in the coming years, the years that have been taken from him.

As a negotiator he was matchless. He won, of all things, by being straight! To begin with, Chuck was deeply uninterested in the social luxuries of diplomatic life (I finally got him to recognize the difference between red and white wines) and skipped the cocktail parties unless he had a diplomatic chore to do there. For another, he neither bluffed nor threatened, nor did he respond to such tactics; while he could sense the hidden agenda of his adversary, he had none of his own; and his attention never wavered nor temper flared. His physical vitality and a Churchillian ability to snatch catnaps equipped him to outlast the most tenacious adversary. And his patience had no end.

This perhaps gives one insight into the secret of Chuck's consistent success as a public servant: a unmatched combination of selflessness, honesty, self control, and hunger for the public good that set him apart and armored him against any accusations of personal advantage. All this was matched by easy good humor, modesty, natural courtesy and a radiant smile that made this man, in some respects really most formidable, one of the least threatening I have ever known. The biggest occupational hazard of diplomacy is vanity and it increases with rank. Chuck's ambassadorial title, conferred to increase his negotiating prestige, never impressed him; he laughingly liked to suggest he be called Ambassador Chuck.

Yet he was a true intellectual—he would not have liked the term—with an original, searching mind that looked so broadly and deeply as to go quite beyond the reach of most of us. Because of this he was, I think, sometimes quite alone—very few could stay with him at the vertiginous level of conceptualization that he felt was—is—urgently needed to think out tough problems. It was to help in this endeavor that he asked me to join him as an advisor.

In particular, Chuck was convinced that the age calls for new and creative ways to use the dynamism and power of the American private sector as an instrument for peace, stability and democracy. In his two years at Commerce he wrestled with the challenge of integrating foreign commercial policy with its materially-driven bottomline goals with broader foreign policy to find how they could be used to energize and reinforce each other. The breakthroughs for reconciliation in Ireland, which Chuck created almost single handedly, were propelled by his vision of economic growth and development based on cooperative measures to induce private investment by American enterprises.

Underlying all of his endeavors—his efforts in Ireland, his attempts to strengthen the Organization for Security and Cooperation in Europe, his approach to the problems of the big emerging markets—was a great long-term vision. He believed that the essential task of the post-Cold War era was to structure incentives and institutions for bringing all the Russias, Chinas and Bosnias—all the reforming and emerging countries—into the world economic order. Chuck dreamed of a world of peace, stability and democracy built upon irreversible global interdependence: all nations would have more to gain by cooperating, by participating in an open world system based on the rule of law, than by resort to traditional unilateral attempts to seek advantage. He saw the vast American commercial structure as a central instrument in this great scheme.

He was working on how to articulate this broad concept into a series of strategies when he was taken from us.

A week ago Stuart Eizenstat led a gathering of Commerce employees in reflection on the loss of Chuck and his colleagues. In that moving ceremony one of the respondents from the audience declared that the finest memorial for the perished would be to continue to work toward the goals they believed in. So be it with Charles Meissner, visionary, public servant, man of honor—and husband, father and friend. His memory will strengthen and sustain us as we continue his gallant search.

THE HONORABLE CHARLES F. MEISSNER

Charles Meissner was sworn in as the Assistant Secretary for International Economic Policy at the Department of Commerce on April 4, 1994 following confirmation by the United States Senate. As Assistant Secretary, Mr. Meissner was responsible for international commercial policy development, including country and regional market access strategies, multilateral and bilateral trade issues, and policy support of Secretary of Commerce Ronald Brown on international issues.

Since 1992, Mr. Meissner had served at the World Bank as manager of the Office of Official Co-financing and Trust Fund Management. Mr. Meissner was responsible for maintaining the Bank's financial relationships with official co-financiers who co-finance approximately $10 billion in projects annually with the World Bank.

Previously, Mr. Meissner served as Vice President at Chemical Bank where he coordinated sovereign debt restructuring policy within the bank and represented Chemical in negotiations with debtor countries.

In 1980, Mr. Meissner was appointed Ambassador and U.S. Special Negotiator for Economic Matters. Mr. Meissner has also served as Deputy Assistant Secretary for International Finance and Development in the Bureau of Economic and Business Affairs at the U.S. Department of State.

In 1973, he accepted a professional staff appointment to the Committee on Foreign Relations of the U.S. Senate where he served as

an economist. In his final year with the committee, he also served as staff director to the Subcommittee on Foreign Assistance. He began his career in 1971 at the U.S. Department of Treasury in the Office of International Affairs where he worked as the Japan desk officer and as special assistant to the Assistant Secretary for International Affairs.

A native of Wisconsin, Mr. Meissner is a three-time graduate of the University of Wisconsin, including a BS in 1964, an MS in Economics in 1967, and a Ph.D. in Agricultural Economics with a minor in Latin American Studies in 1969. He served in the Vietnam War as a Captain in the United States Army during 1969 and 1970 and received for his service the Army Commendation Medal, the Joint Service Commendation Medal and the Bronze Star.

Doris and Chuck met during their freshman year at the University of Wisconsin and were married in 1963. They have two children, Christine, 31, and Andrew, 27.

Mr. SIMPSON. Mr. President, I rise with my colleague from Massachusetts to mourn the loss of Charles F. Meissner, the Assistant Secretary for International Economic Policy at the Commerce Department. He was a man who devoted his life to furthering America's economic strength; our Nation is the better for his service.

His close friends—leaders from the public and private sector—have eulogized Chuck Meissner more ably than I could ever hope to do. I want to share their moving statements with my colleagues and with others of our Nation, so all Americans may know and understand how deeply America misses his service and his leadership. I ask unanimous consent that these tributes to the life and accomplishments of Chuck Meissner be printed in the RECORD.

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

TRIBUTE TO CHARLES MEISSNER

(By Michel Camdessus)

Having had the privilege for 18 years to be one of the innumerable colleagues and friends of Chuck Meissner in the international community, let me try to tell you what sort of man he was for all of us.

Let me tell you first how we became friends, something, I must say, which changed my life.

When I first met Chuck in 1978, he was the highly respected and seasoned head of the U.S. delegation to the Paris Club—this group of industrialized countries dealing with the payment difficulties of the debtor countries—and I its newly appointed and totally unprepared Chairman. It was there, as Chuck tactfully guided me through the intricacies of developing country debt, that I first came to know the fine qualities that we all admired so much in him.

I must say, from the first he impressed me very much. He was one of those people whose mere presence transformed a group's life, focusing its purposes, adding to its creativity, making it congenial and enthusiastic. What was the secret of this? Was it his charm, his persuasiveness, his distinction and natural nobleness, sense of humor, the fun he found in working, his selfishness, his own sense of purpose and dedication? All of these things, and more! The fact that behind the opposite member at the negotiating table he saw a person, and behind the problems, people; men, women, children, whose opinion had to be sought given their responsibility for their own destinies, people whose suffering had to be alleviated, people who had to be given a new chance . . . And more again, but you had to know him well to perceive this and to be prepared to read it in his eyes, his smile, his jokes, or in his silences, the extraordinary way in which love was the unifying factor of his life. He loved his family, he loved his friends, he loved his country, the values of his country and to work for them, knowing pretty well since his experience in Vietnam that this could imply the ultimate sacrifice. Let me mention a few of these values: the sense of responsibility for leading the way toward a better world, confidence that it is always worthwhile to help people stand again on their feet, to work with them to build peace through solidarity. I said solidarity; perhaps the proper word should be brotherhood throughout the world ''from sea to shining seas.'' This was, I think the professional secret of Chuck, the fact that in one way or another, even in the most adverse situations, he was always giving something of himself, putting his mind and heart into achieving a better agreement, in finding a more constructive solution.

I witnessed this many, many times, as the debt crises multiplied the clients of the Paris Club, making Chuck a regular customer on the transatlantic flights between Washington and Paris. Let me tell you that I particularly admired him on the occasion of an UNCTAD meeting in Manila where, leading the American delegation, his role was decisive in transforming an occasion which could have been confrontational and rhetorical into an opportunity for solidly laying down the basic principles (the so-called ''features'') which since then have governed public debt rescheduling operations. This could seem somewhat esoteric to you, but if I tell you that since then, on the basis of these principles, more than 250 billion dollars of public debt has been generously rescheduled * * * and 65 countries have been given a new chance, you will have some idea of the contribution Chuck made in making the world a better place. No more of this.

In the days since that terrible tragedy on the hillside outside Dubrovnik, Chuck's many friends, colleagues and admirers around the world have recounted the many other instances in which Chuck tried to make a difference—and succeeded. In Belfast, where he had traveled many times to assist in building economic bridges across the political divide, and where, as I read in a message from the West Belfast Economic Forum director: The community activists working towards economic and social regeneration in West Belfast came to know Charles Meissner. It was, however, to Chuck Meissner's own credit as an individual, that we came to also regard him as a friend. Over the past two years, Charles Meissner returned to West Belfast on several occasions. Always, he ensured that grassroots activists from the disadvantaged communities were consulted and kept informed. He understood that if there was to be a ''Peace Dividend'' then any economic intervention from the USA must be targeted specifically as those communities which have suffered most from exclusion and marginalisation. Chuck recognised that more than straightforward economic investment is required to bring about economic regeneration. He valued the work of the community organizations and the opinions of those with firsthand experience of dealing with the problems in our community. Chuck gave freely of his own time and expertise and encouraged others, both within his department and among the American business community to support locally based economic initiatives.

Chuck's action was similar at the US-Mexican border, where he worked to improve the economic and environmental conditions. And most recently, in Bosnia where Chuck was seeking to secure a fragile peace with the promise of a better future through economic development and trade. Suffice it here for me to quote his last declaration in Bosnia, I quote the wire agencies:

'' 'We want to build confidence in investing and reestablish the internal confidence' between the Serbs, Croats and Muslims, said Charles Meissner, assistant secretary of commerce for international economic policy.

''Development 'gives a common ground that you re-establish economically, developing the basis for interdependency,' he said.''

This was Chuck, my friends, this is Chuck: a great man, a great friend, a great American, a great builder of peace, one of those ''God will call his children'' (Mat. 5–9), one of those who can tell the Lord with a joyful assurance ''your house will be my home.'' (Ps. 23).

MEMORIAL SERVICE FOR CHARLES F. MEISSNER

(By Ted Crabb)

I came to know Chuck Meissner in the early '60's when I was working, as I still do, at the Wisconsin Union, the student-led community center at the University of Wisconsin-Madison. Like his brother David, Chuck came to the Union not only to take part in the social, cultural and recreational activities the Union provided, but to help plan, develop and promote those activities.

It tells you something about Chuck Meissner that in choosing to become active at the Union as a student, he was not deterred by the fact that his older brother had already made his mark there, first as a committee chair and then as president of the Union's student-faculty-alumni governing board. Another person, less comfortable with himself, might have chosen a different activity, or even a different college in the first place. Not Chuck. If the Union was the place to mix with students of diverse backgrounds, to meet informally with professors, to debate the issues of the day, to encounter new and provocative ideas, to get involved, then that's where Chuck wanted to be.

It may have been at the Union that Chuck learned the patience that would enable him to cope with the vagaries and uncertainties of government service. Two years in a row, Chuck was responsible for a lecture to be given by Werner von Braun. Two years in a row, he made posters, distributed notices to university classes, made arrangements for a special dinner for the honored guest, even produced little table tents resplendent with glittering rocket ships. Two years in a row, von Braun canceled his appearance at the last minute.

Certainly, Chuck learned at the Union how to deal with dashed hopes. In his senior year, he was a candidate for president of the Union but lost out to his good friend, Carol Skornicka. It tells you something about Chuck that this defeat was no permanent setback to their lifelong friendship.

Chuck left the university after he finished his graduate work in Agricultural Economics, but he retained his interest in the university and in the Wisconsin Union. For the last eleven years, he served in an advisory role to the Union, most recently as a member of the board of trustees of the building association. In that role, he was the kind of board member that a president or director both loves and fears.

Chuck didn't just attend meetings. He engaged himself in them totally, asking tough questions, goading everyone to more effort. And when he left the annual meeting after an intense day and a half session, I knew that within a few days, I'd get a letter from him. It wouldn't be one of those innocuous,

''Thank you very much, you're doing a great job and enclosed are my expenses'' letter. No. It would be two or three single-spaced, tightly packed pages of ideas for the future and suggestions for implementation. ''What is the Union doing to prepare for a decline in funding when undergraduate enrollment is cut back? What can you learn and put into practice from the recent Carnegie Foundation report on higher education? What is the Union doing to serve the community in continuing education and to broaden the life experiences of students?''

In one letter in 1990, Chuck focused on the role and image of Union South, a second Union building, located on the Engineering Campus and long seen by some as a sort of afterthought, or as Chuck called it, ''the second child who has to share his parents' love and always perform up to the older sibling's standards.'' Chuck had a dozen different ideas for upgrading its image, including the possible rededication of the building to honor those who have promoted civil and human rights in Wisconsin as a means of promoting greater campus community feeling in the cause of a shared heritage among blacks, whites, Hispanics, Asians and Native Americans on campus.

At the 1991 meeting of the trustees, Chuck proposed the establishment of a permanent endowment for the Union trustees, to provide a stable source of funding for the programming efforts of the Union and the upkeep and renovation of the physical structures. He followed up his suggestion with a three-page draft of a funding statement that the board of trustees adopted at its next meeting, with almost no changes, and which it has since implemented.

All directors of organizations should have members like Chuck to prod and nudge.

The Wisconsin Union is a tiny entity in the world that Chuck occupied. It tells you a lot about Chuck Meissner that he gave it the same kind of focused attention he gave to the global issues that made up his work day. Just last fall, he was calling to ask me to send him information about the Wisconsin Union that he could take to a person he'd met on a trade mission, who was trying to build a campus community center at his own college in Ireland.

The goals and the purpose of the Wisconsin Union as a unifying force in a diverse community were not just words to Chuck. He believed in the worth of student volunteer activities. He never wavered from the view that the Union's primary mission was to provide opportunities for volunteering and to help students develop the skills that would make them effective volunteers and contributors to their communities—to become persons who were concerned not just with getting something out of life but with putting something into life. Chuck had great faith in students. He believed there was little they could not accomplish if given the opportunity. His constant question was, ''What is the student role in this program or this function?''

To those of us who worked with Chuck at the Union, it was no surprise that his last effort would be leading a group of volunteer business leaders to Bosnia. Again, he had persuaded others to apply their skills and talents to doing a job that needed to be done. The scope of the job was mammoth: beginning the healing of the unimaginable wounds of a civil war and the rebuilding and revitalizing of an entire society. But Chuck had seen that there was a role to be played by volunteers who were willing to put their unique talents and resources to work to help their larger community. As he had done throughout his life, he was putting into practice the Union ideal that the foundation of democracy is the individual efforts of citizens, working together to solve their common problems.

Many people say that heroism has vanished from America. We in this audience know better. We know that Chuck Meissner was a hero. Not only because he gave his life for his country or because he took great risks in the service of his country or flew dozens of hazardous and uncomfortable flights to remote places, all of which he did, but also because he lived the values to which many people give lip service. He honored his commitments. He gave generously of himself, not for self-aggrandizement or private fortune but for the worth of the undertaking. He did what he did because it was the right thing to do. And in the end he left the world a better place for his having been here.

We think of Chuck and we remember that broad smile, that gentle spirit, the way he could walk into a room of strangers and put everyone at ease, his enjoyment of the rich and varied experiences his jobs offered him, and that sense of irony that helped him maintain his perspective in the heady and unreal world of Washington politics. We think of the love and pride that were so evident whenever Chuck talked about Chris and Andrew. We think of his marriage to Doris: a marriage in which each partner provided the ballast that allowed the other to soar. And when we think of all these things we can only be grateful that we knew Chuck and that he was our friend.

[From the National Journal, Apr. 13, 1996]

HERE WAS A PUBLIC SERVANT

(By Ben Wildavsky)

The way a friend of Charles F. Meissner's tells the story, Commerce Secretary Ronald H. Brown was once leading an American delegation to Bonn when high-profile diplomat Richard C. Holbrooke joined him in the head car of the U.S. motorcade. Not long after the vehicles got under way, the motorcade stopped. Holbrooke walked back to find Meissner in another car and told him that Brown had requested that the two of them trade places. ''I understand you're the guy who tells him what to say before the meeting,'' Holbrooke told Meissner.

Meissner, the assistant Commerce secretary for international economic policy, was one of the best of that unsung yet indispensable Washington class: the people who tell other people what to say before the meeting. While he was a distinguished international negotiator in his own right, Meissner was fulfilling a key behind-the-scenes role for Brown when he was killed in the April 3 plane crash that took the lives of the Commerce Secretary and more than 30 other Americans.

Those who knew Meissner say the 55-year-old international economics expert showed by example what it means to live a life of public service. ''He was a civil servant in the best tradition of the European civil service, where it carries much more prestige,'' said Jeffrey E. Garten, former Commerce undersecretary for international trade and now dean of the Yale School of Management. ''When I was nominated to go to the Commerce Department, he was about the first person I went to, to see if he would come with me.''

With the new Clinton Administration eager to give the Commerce Department an active role in combining commercial and foreign policy, Meissner's extensive background in government and in international banking was tailor-made for the department's mission. ''Chuck had the ideal profile in that he had worked in the State Department but he had all this private-sector experience,'' Garten said. ''Most importantly, he knew how to deal with the bureaucracy—and in the State Department, he was known for being very, very tough in pursuing his goals, It was kind of a joke that when he headed toward Treasury, they all left their offices because they didn't want to spend the next three days arguing with him. He was extremely tenacious.''

Charles William Maynes, editor of *Foreign Policy* magazine, said Meissner deserves a share of the credit for the changed role of the Commerce Department under Brown. In the Administration's first three years, ''there was more foreign policy coming out of the Commerce Department than any other division,'' Maynes said. ''You can quarrel with it, but they had a specific strategy and certain countries they targeted. That is Chuck and Garten and Brown who did that—that's where that came from.''

A graduate of the University of Wisconsin, where he earned a doctorate in economics, Meissner received the Bronze Star for his Army service during the Vietnam war. He began his Washington career at the Treasury Department in 1971. Following a five-year stint as a Senate Foreign Relations Committee economist, he joined the State Department as a deputy assistant secretary and later gained ambassadorial rank as the lead U.S. negotiator on international debt rescheduling. Meissner spent nine years as a Chemical Bank vice president, then moved to a senior World Bank post in 1992 before joining the Administration in April 1994. His wife, Doris, became commissioner of the Immigration and Naturalization Service in 1993.

Meissner was known among colleagues and friends for an engaging sense of humor and for his basic decency. In the days after Meissner's death, a colleague spoke of the strong interest he took in advancing the careers of the people who worked for him. Another recalled the ''extraordinary''—and successful—efforts Meissner made to help a Vietnamese woman escape her country just before the fall of Saigon. Many remembered his personal warmth.

''He was splendid in every aspect of his personal and professional life,'' said Richard M. Moose, undersecretary of State for management, who first met Meissner around 1970 at the U.S. military headquarters in Vietnam. Moose was then a staff member of the Foreign Relations Committee, and Meissner was an Army Intelligence officer. Meissner helped brief the visiting Capitol Hill aides and impressed Moose right away. ''He found a way not to go along with the convention of misleading congressional delegations,'' Moose said. Later, when Meissner went to the Foreign Relations Committee, the two became partners, taking numerous trips together to Vietnam and Cambodia. ''It was like a traveling seminar in macroeconomics,'' Moose said. ''He was terribly good at taking his knowledge of economic theory and applying it to very practical kinds of situations.''

Maynes said Meissner had a rare understanding of the real-world intersection of politics and economics. ''He was an outstanding economist and a devoted public servant,'' Maynes said. ''But the most notable thing about him was that he was an excellent negotiator.'' He observed that Meissner's negotiating skills were ''so extraordinary'' he was asked to stay at State in the Reagan Administration even though he was a Democrat.

Other testimonials to Meissner's qualities abound. W. Bowman Cutter, former deputy director of the National Economic Council, said Meissner's high-level experience in government and business made his judgment ''something you could really rely on.'' Messiner ''obviously loved his work, and he was good at it,'' said former Senate Majority Leader George J. Mitchell, D-Maine, who

worked side by side with Meissner in the U.S. effort to promote economic development in Northern Ireland and called him ''a good friend.''

In the end, another friend said, Meissner stood out for his love of substance. ''The higher you go in government, the more you come in touch with sharks or political animals who really aren't interested in policy but who want to do favors for people on the Hill, or do what looks good in tomorrow's press stories,'' said Ellen L. Frost, a former trade official now with the Institute for International Economics in Washington. ''And Chuck was never one of those. He cared about sound policy.''

HOLDS AGAINST MILITARY NOMINATIONS

Mr. THURMOND. Mr. President, before we recess to honor all veterans as we observe Memorial Day, I would like to bring a situation, which I find extremely egregious, to the attention of my colleagues.

Today there are 25 military nominations pending before the Senate. These general and flag officers have been on the Executive Calendar and available for confirmation by the Senate since Thursday May 2, 1996. Now, 3 weeks later, they are still not confirmed because one Senator has placed a hold on these nominations.

I do not like anonymous holds for any reason. I can understand a Senator holding a political civilian nominee until a meeting can occur or an agreement can be reached on an issue related to the civilian nominee's duties. In these cases the civilian nominee and the agency would clearly understand who is holding the nomination and the circumstances under which they may reach accommodation. In my view, this type of hold is within the bounds of Senatorial privilege.

Traditionally, military nominations have not been the subject of political holds. In the past, we have seen military nominations held for as long as a year. However, in these cases, the hold was not anonymous and the hold was imposed until an investigation of the activities of the nominee could be completed to the Senator's satisfaction. The 25 general and flag officers being held today are hostages, I believe, to a political debate which is totally unrelated to the qualifications or assignments of the nominees.

Let me review for my colleagues a few of the nominations which are being held. In the Air Force, Lt. Gen. Richard Myers has been nominated for reappointment to lieutenant general and for assignment as the assistant to the Chairman of the Joint Chiefs of Staff; Air Force Lt. Gen. John Jumper has been nominated for reappointment to lieutenant general and for assignment as Deputy Chief of Staff for Plans and Operations for the Air Force; Lt. Gen. Ralph Eberhart has been nominated for reappointment to lieutenant general and for assignment as Commander, U.S. Forces, Japan; Lt. Gen. Daniel Christman has been nominated for reappointment to lieutenant general and for assignment as the Superintendent of the U.S. Military Academy. Mr. President, these are not all of the 35 senior military officers currently under an anonymous hold, but they represent a sample of the effect of this hold.

Why would a Senator deny the Chairman of the Joint Chief of Staff his key assistant, the person who travels with the Secretary of State representing the Chairman in critical foreign policy discussions? Why would a Senator hold an officer selected for assignment as the plans and operations officer for the entire U.S. Air Force. We all understand the global commitments of the Air Force. Why would a Senator deny the chief of staff of the Air Force the ability to fill this very critical billet? Why would a Senator deny our U.S. Forces in Japan a commander or the cadets of the U.S. Military Academy their Superintendent? Is there any political agenda so worthy as to merit such action? I think not.

Mr. President, I abhor this tactic of holding military nominations hostage. I assure my colleagues this is not the way to force me or Senator NUNN to capitulate on a political issue. I strongly believe also that the Department of Defense should not make concessions while military nominees are held. We cannot allow military nominations to become bargaining chips in political disagreements, for local defense contracts or approval of military construction projects. Military personnel are selected for promotion and nominated by the President based on their performance and potential for greater service. These are merit based actions not political decisions. As chairman of the Armed Services Committee, I will do everything possible to keep politics out of the military promotion process.

I urge the Senator who has placed a hold on the military nominations to release them and permit the Senate to confirm these key military leaders so they can continue to serve their country and perform the business of national security.

Mr. NUNN. Mr. President, I would like to take a moment today to discuss the current hold that has been placed on military nominations that are pending on the Senate Calendar.

There are today 25 military nominations pending before the Senate. These are nominations for promotion or appointment of men and women to the flag and general officer grades in each of the military departments. These are people who have each performed in the service of our country with great distinction for over 20 years. They are individuals who will continue to serve at the highest leadership levels in our military.

Some examples of the kinds of nominations that are pending include the appointment of the next Commander of U.S. Air Forces in Japan; the appointment of the next Commander of U.S. Central Command Air Forces; the appointment of the next Superintendent of the U.S. Military Academy; and the promotion of 19 officers in the Navy to the grade of rear admiral.

Each appointment and promotion list has been considered by the Armed Services Committee and the committee has favorably reported each nomination to the Senate recommending confirmation. Some of these nominations were reported to the Senate on May 2; others on May 14. Although some of these nominations have been pending for 3 weeks, the Senate is not acting on them because they have been put on hold by one Senator.

I want to be clear here that I do not object to the long-standing Senate practice that permits a Senator to hold a nomination when there is a problem with a nomination. Even this should only be done when there is sufficient cause. This is certainly not what is happening here.

I strongly object to the tactic of putting a hold on military nominations in order to gain leverage on an issue that is totally unrelated to either the nominees themselves or the positions for which they have been nominated. This is the announced purpose of the Senator's hold.

The Senate has had a strong tradition of not involving our military nominees in the politics of the Nation or in the politics of the Senate. That tradition is being ignored here and I think it is wrong.

There may be some that say that the holding up the nominations of men and women in uniform is an appropriate way of getting the attention of the Department of Defense. In my judgment, it is inappropriate and I would recommend the Pentagon leadership not react to this type of blackmail because, once they do, all military nominations would be at risk.

And anyone that thinks it is appropriate to use military servicemembers as a bargaining chip for whatever reason does a tremendous disservice to those brave men and women who volunteer to serve our Nation in uniform and it does a tremendous disservce to this institution.

How do you tell a patriot who has served almost half his or her life in uniform, frequently in harms way, that they are not being confirmed for promotion because a United States Senator wants to get the attention of someone in the administration?

We are talking here about people nominated to hold the positions of the highest responsibility in our military services at a time when that military is committed in harms way around the globe.

Additionally, the unnecessary delay of military nominations has some very real consequences for the individuals and their families that I want to mention.

The spring and early summer months are traditionally the periods of the highest turnover for military personnel. Every effort is made to effect transfers during the summer months in order to cause as little disruption to families during the school year.

The reassignment of a senior military officer upon Senate confirmation is often the lynchpin of a series of reassignments that moves like a ''daiseychain'' down through the ranks.

Accompanying one 3-star appointment can be a series of nine or ten other moves. So, unnecessarily delaying confirmation has a tremendous effect on a number of officers—and their families—far removed from the nominee. These families have to plan their moves, their travel and leave time. They can not move until the individual at the top moves. And the individuals at the top can not move until they are confirmed. One reason for this is that the Senate does not want nominees to take any actions that presume the outcome of the confirmation process.

Additionally, it is important to note that some of the military nominees pending before the Senate could be promoted immediately if they were confirmed. Therefore, holding up their confirmation is actually taking money out of the pockets of these officers. Surely, we do not want to require a military officer to pay literally for a political disagreement in which he or she has no part.

If a Senator need to get someone's attention; if one Senate committee needs to work out some difference with another Senate committee; if someone needs to gain support for a legislative proposal; there are ways to do this without placing the military service members in the middle and adversely affecting them and their families.

Each day we ask these men and women to make tremendous sacrifices for our Nation. Sacrifices that no one in any other walk of life is asked to make. These men and women have earned the promotions and appointments for which they have been nominated. We do them a disservice when the confirmation process is used as a tactic to gain advantage in the Senate or in other circles.

Mr. President. I ask my colleagues to understand the effect that holding military nominations has on the men and women caught in the middle and to refrain using military nominations as hostages. I would hope that the Senator will release his hold so these nominees can be confirmed prior to the Memorial Day recess.

CHILDREN'S HEALTH: WHAT WORKS?

Mrs. MURRAY. Mr. President, as part of my ongoing commitment to children, I have come to the floor today to draw attention to my efforts to improve the health of American children and young people.

It is clear that many people work hard every day for the well-being of children in this country. However, we all can do—and need to do—so much more. Children's health in my home State of Washington is better overall, including lower infant mortality and better prenatal care. However, immunization rates and child nutrition need improvement.

Across our Nation, over 10 million children are uninsured. One in four children are covered by Medicaid—more than half in working families. And, nearly 200,000 babies were born in 1993 who had no prenatal care, or none until the last 3 months of pregnancy, despite the fact that we know that averting one low birth-weight baby can prevent as much as $37,000 in initial hospital and doctor fees.

Internationally, among industrialized countries, America ranks 16th in the living standards of our poorest children, 18th in the gap between rich and poor children, and 18th in infant mortality.

Certainly, we all can do better for our children's well-being. We know it, and the American people know it.

When I hear from people in Washington State on the topic of children's health, I hear common themes. People from Vancouver to Yakima to Spokane to Tacoma worry about kids not having access to basic health care. They talk about children going to emergency rooms with preventable illnesses and injuries. Parents talk about feeling like they need more and better information to make decisions affecting their child's health.

In response to those concerns, you will continue to see me working in three different areas to improve and protect children's health and well-being:

First, keep effective national standards for health care in place for all children, including those with special needs.

Second, make prevention the centerpiece of our national children's health policy.

Third, increase access to information for families to make the best decisions possible for their children.

There are several ways to do more for children, and not all of them are difficult. One way to help kids is simply to draw attention to the people, programs, and services that are working and doing a good job for children today.

In my home State of Washington, for example, we are helping children to be more healthy in a variety of ways.

In Ellensburg and in Coupeville, through a program now running in four counties that I hope one day goes statewide, parents of young children get two important services that help them make the best decisions for their children.

First, any parent of a child between birth and age 6 gets special mailings and health information sent to their home, including information on well-baby checkups, immunizations, safety, and normal patterns of growth and development. All at no cost to the parents, and all for a total cost of about $10 per child.

Second, parents get reminders and assistance to get the many immunizations their child will need. We know children should be protected from a host of childhood illnesses, from diphtheria and tetanus, and from polio to measles, mumps, and rubella. We also know people are busy, and need reminders, access to affordable vaccines, and lots of information. This program is a good start.

There is also a dental health promotion effort underway in my State. In the past, many dentists' advice to parents has been to bring children in for their first visit about the time they start school, at age 4 or 5. The problem is that many children show up to their first dental visit with decay, gum problems—in many cases so serious that they require dental surgery—because of preventable causes.

The Access to Baby and Child Dentistry [ABDC] program in Spokane, WA, reaches out to families with young children and encourages early dental visits. ABDC dentists remind them to do things like remove baby bottles at the proper age, and not give babies soft drinks or candy bars. In addition, dentists, apply fluoride varnishes and other treatments to baby teeth, and do other clinical procedures to decrease a baby's chances of developing dental problems.

These measum save all of us money in the long run.

Sometimes bringing awareness to a problem is not enough. I mentioned that we need to preserve national standards for children's health. This must happen at the national level.

This Friday, tomorrow, the National Highway Traffic Safety Commission and Prevention magazine will release Prevention's 1996 report on auto safety in America. I hope we all pay attention to their findings. Last year, the report included information on child safety helmets. This year, their report will focus on the things we can do to make automobile travel safer.

Effective national standards for children's health do not have to be some scientific formula. Sometimes it's as easy as retaining a Federal speed limit, or Federal safety regulations. We know that the 55-mile-per-hour speed limit has saved countless children's lives. We know that the automobile industry has made great strides to improve automobile safety. We know air bags improve safety, and that cellular telephone use probably decreases it.

When it comes to the basic safety of our children, it should not depend on which line on a map they just crossed on their family vacation.

As a final note, I want to remind you all that on June 1, the Children's Defense Fund will host Stand for Children, an event in Washington, DC, that will bring Americans together, to show their shared commitment to children. We spend so much time talking about our differences of opinion. We need to respect our opposing view, but get beyond them to common ground and common sense action for children.

I encourage all Americans who can attend this event to do so. It will be a

day to rally around our children, and show them how important they are to us all. This will be a day of fun family activies, and togetherness, and of the power of individual action.

I have heard from many people around the country who cannot attend the event. I encourage you to support those at the Lincoln Memorial in your thoughts and prayers, I encourage every American to do at least one thing to make a difference in the life of a child, and June 1 would be a great place to start. If anyone wants more information on the Stand for Children event they can call 1–800–233–1200.

Anyone who is listening can make it easier for one child to get appropriate health care. Offer to provide child care or a ride to the clinic, so someone's child can go to a medical check-up or get immunized.

We all can help prevent health problems to avoid bigger costs later on. Anyone listing can volunteer to distribute information on health screenings, immunizations, or blood drives. Lead a safety committees or fitness day at the local park, school, or community center. Help to find or build affordable housing in your area.

You can stay educated and prepared about children's health. Read about childhood illnesses. Make a personal medical history for each member of your family, so you can be ready in the case of illness or trauma.

Nothing is more vital to a child than her basic health. A child must be healthy to learn well. She must be educated to participate and contribute to our society. But we must start with making sure we do everything we can for her basic well-being.

You will see me doing my best for the health of our children. Please join me in this critical effort.

FOREIGN OIL CONSUMED BY THE UNITED STATES? HERE'S THE WEEKLY BOX SCORE

Mr. HELMS. Mr. President, the American Petroleum Institute reports that for the week ending May 17, the United States imported 7,782,000 barrels of oil each day, 256,000 barrels less than the 8,038,000 barrels imported during the same week a year ago.

Americans relied on foreign oil for 54.9 percent of their needs last week, and there are no signs that this upward spiral will abate. Before the Persian Gulf war, the United States obtained about 45 percent of its oil supply from foreign countries. During the Arab oil embargo in the 1970's, foreign oil accounted for only 35 percent of America's oil supply.

Anybody else interested in restoring domestic production of oil—by U.S. producers using American workers? Politicians had better ponder the economic calamity certain to occur in America if and when foreign producers shut off our oil supply—or double the already enormous cost of imported oil flowing into the United States—now 7,782,000 barrels a day.

THE RETIREMENT OF CUMBERLAND LAW SCHOOL DEAN PARHAM H. WILLIAMS, JR.

Mr. HEFLIN. Mr. President, the longtime dean of Cumberland Law School of Samford University, Dr. Parham H. Williams, Jr., will retire on June 1, 1996. When he leaves his position at the Birmingham, AL, law school, he will have served a total of 25 years as a law school dean, 14 at the University of Mississippi and 11 at Cumberland. His tenure as a dean is such that his title has virtually become a part of his name. Even his grandchildren call him ''Dean.''

Dean Williams is widely known for his involvement in the legal community and his outstanding performance as an academician. He has strengthened Cumberland's program by recruiting a superb faculty which has added a diversity of talents and ideas. He oversaw the revitalization of the faculty through the development and implementation of sabbatical, promotion, tenure, and governance policies and procedures.

The size of its entering class was decreased by 15 percent at a time when the number of applications increased over 200 percent. As a result, the average admissions criteria have been raised to new heights. The academic excellence of the law school has also been enhanced through initiatives such as increased alumni involvement; the implementation of a broad continuing legal education program; the improvement of the advocacy program; the expansion of foreign study opportunities; the development of joint degree programs; the inauguration of the master of comparative law degree; and the internationalization of the law school by visiting faculty and foreign students.

Since taking over as dean on July 1, 1985, Dean Williams has helped secure a bright future for the law school by overseeing the largest funds development effort in its history. The endowment has increased from less than $1 million to over $4.2 million, resulting in 2 endowed chairs, 25 endowed scholarships, 8 annually-funded scholarships, and 6 special funds endowing lectures and other programs. The stature, beauty, and utility of the law school have been enriched by the construction of the Lucille Stewart Beeson Law Library.

Dean Williams earned both his bachelor of arts and law degrees at the University of Mississippi, in 1953 and 1954, respectively. In 1965, he received his LL.M. degree from Yale University. Before coming to Cumberland, the alma mater of both his parents—class of 1925—he served as a district attorney in his native Mississippi and as an associate professor, professor, associate dean, and dean at the University of Mississippi School of Law. His academic specialties are evidence, criminal procedure, criminal law, and professional responsibility.

The author of 9 law review articles and co-author of ''Mississippi Evidence,'' he has served as a commissioner of the law enforcement assistance commission and the national conference of commissioners of uniform State laws. He was chairman of the Governor's blue ribbon committee on corrections; the Governor's task force on tort reform; and the Mississippi Supreme Court advisory committee on rules.

As Dean Parham H. Williams, Jr., retires, he will be remembered for bringing the Cumberland Law School into the life of Birmingham and in Alabama more than ever before. His polished, Southern, and unfailingly pleasant manner have guided his actions and helped create an image of civility and learning. I am proud to congratulate him for the impeccable job he has done and for the outstanding legacy he leaves behind.

MESSAGES FROM THE PRESIDENT

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

EXECUTIVE MESSAGES REFERRED

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

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

REPORT OF PROPOSED LEGISLATION ENTITLED ''THE RETIREMENT SAVINGS AND SECURITY ACT''—MESSAGE FROM THE PRESIDENT—PM 150

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with an accompanying report; which was referred to the Committee on Finance.

To the Congress of the United States:

I am pleased to transmit today for the consideration of the Congress the ''Retirement Savings and Security Act.'' This legislation is designed to empower all Americans to save for their retirement by expanding pension coverage, increasing portability, and enhancing security. By using both employer and individual tax-advantaged retirement savings programs, Americans can benefit from the opportunities of our changing economy while assuring themselves and their families greater security for the future. A general explanation of the Act accompanies this transmittal.

Today, over 58 million American public and private sector workers are covered by employer-sponsored pension or retirement savings plans. Millions more have been able to save through Individual Retirement Accounts (IRAs). The Retirement Savings and Security Act would help expand pensions to the over 51 million American

private-sector workers—including over three-quarters of the workers in small businesses—who are not covered by an employer-sponsored pension or retirement savings program and need both the opportunity and encouragement to start saving. Women particularly need this expanded coverage: fewer than one-third of all women retirees who are 55 or older receive pension benefits, compared with 55 percent of male retirees.

The Act would also help the many workers who participate in pension plans to continue to save when they change jobs. It would reassure all workers who save through employer-sponsored plans that the money they have saved, as well as that put aside by employers on their behalf, will be there when they need it.

The Retirement Savings and Security Act would:

—Establish a simple new small business 401(k)-type plan—the National Employee Savings Trust (NEST)—and simplify complex pension laws. The NEST is specifically designed to ensure participation by low- and moderate-wage workers, who will be able to save up to $5,000 per year tax-deferred, plus receive employer contributions toward retirement. The Act would encourage employers of all sizes to cover employees under retirement plans, and it would enable employers to put more money into benefits and less into paying lawyers, accountants, consultants, and actuaries.

—Increase the ability of workers to save for retirement from their first day on the job by removing barriers to pension portability. In particular, employers would be encouraged no longer to require a 1-year wait before employees can contribute to their pension plans. The Federal Government would set the example for other employers by allowing its new employees to begin saving through the Thrift Savings Plan when they are hired, rather than having to wait up to a year. In addition, the Act would reduce from 10 to 5 years the time those participating in multiemployer plans—union plans where workers move from job to job—must work to receive vested benefits. It would also help ensure that returning veterans retain pension benefits and that workers receive their retirement savings even when a previous employer is no longer in existence.

—Expand eligibility for tax-deductible IRAs to 20 million more families. In addition, the Act would encourage savings by making the use of IRAs more flexible by allowing penalty-free withdrawals for education and training, purchase of a first home, catastrophic medical expenses, and long-term unemployment. It would also provide an additional IRA option that provides tax-free distributions instead of tax-deductible contributions.

—Enhance pension security by protecting the savings of millions of State and local workers from their employer's bankruptcy, as happened in Orange County, California. The Act would (1) require prompt reporting by plan administrators and accountants of any serious and egregious misuse of funds; (2) double the guaranteed benefit for participants in multiemployer plans in the unlikely event such a plan becomes insolvent; and (3) enhance benefits of a surviving spouse and dependents under the Civil Service Retirement System and the Railroad Retirement System.

—Ensure that pension raiding, such as that which drained $20 billion out of retirement funds in the 1980s, never happens again—by retaining the strong current laws preventing such abuses and by requiring periodic reports on reversions by the Secretary of Labor.

Many of the provisions of the Retirement Savings and Security Act are new. In particular, provisions facilitating saving from the first day on the job, in both the private sector and the Federal Government; the doubling of the multi-employer guarantee; and improving benefits for surviving spouses and dependents of participants in the Civil Service Retirement System and the Railroad Retirement System deserve special consideration by the Congress. In addition, many of the provisions and concepts in this Act have been previously proposed by this Administration and have broad bipartisan support.

American workers deserve pension security—as well as a decent wage, lifelong access to high quality education and training, and health security—to take advantage of the opportunities of our growing economy.

I urge the prompt and favorable consideration of this legislative proposal by the Congress.

WILLIAM J. CLINTON.

THE WHITE HOUSE, *May 23, 1996.*

MESSAGES FROM THE HOUSE

At 12:19 p.m., a message from the House of Representatives, delivered by Mr. Hays, one of its reading clerks, announced that the House has passed the following bills, in which it requests the concurrence of the Senate:

H.R. 3068. An act to accept the request of the Prairie Island Indian Community to revoke their charter of incorporation issued under the Indian Reorganization Act.

H.R. 3259. An act to authorize appropriations for fiscal year 1997 for intelligence and intelligence-related activities of the United States Government, and the Central Intelligence Agency Retirement and Disability System, and for other purposes.

ENROLLED BILL SIGNED

The message also announced that the Speaker has signed the following enrolled bill:

H.R. 1965. An act to reauthorize the Coastal Zone Management Act of 1972, and for other purposes.

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

The message further announced that pursuant to section 637(b) of Public Law 104–52 as amended by section 2904 of Public Law 104–134, the Speaker appoints the following Members on the part of the House to the National Commission on Restructuring the Internal Revenue Service: Mr. PORTMAN of Ohio and Mr. MATSUI of California; and as members from private life: Mr. Ernest Dronenberg of California, Mr. Gerry Harkins of Georgia, Mr. Grover Norquist of the District of Columbia, and Mr. George Newstrom of Virginia.

At 4:59 p.m., a message from the House of Representatives, delivered by Mr. Hayes, one of its reading clerks, announced that the House has agreed to the following concurrent resolution:

S. Con. Res. 60. Concurrent resolution providing for a conditional adjournment or recess of the Senate and the House of Representatives.

MEASURE REFERRED

The following bill was read the first and second times by unanimous consent and referred as indicated:

H.R. 3068. An act to accept the request of the Prairie Island Indian Community to revoke their charter of incorporation issued under the Indian Reorganization Act; to the Committee on Indian Affairs.

MEASURE PLACED ON THE CALENDAR

The following measure was read the first and second times by unanimous consent and placed on the calendar:

H.R. 3259. An act to authorize appropriations for fiscal year 1997 for intelligence and intelligence-related activities of the United States Government, and the Central Intelligence Agency Retirement and Disability System, 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–2704. A communication from the General Counsel of the Department of Transportation, transmitting, pursuant to law, the report of a final rule concerning the amendment to Class D and E2 Airspace and establishment of Class E4 Airspace (RIN 2120–AA66), received on May 13, 1996; to the Committee on Commerce, Science, and Transportation.

EC–2705. A communication from the General Counsel of the Department of Transportation, transmitting, pursuant to law, the report of a final rule concerning the establishment of Class E Airspace at San Andreas, CA (RIN 2120–AA66), received on May 13, 1996; to the Committee on Commerce, Science, and Transportation.

EC–2706. A communication from the Director of the Federal Bureau of Prisons, Department of Justice, transmitting, pursuant to law, the report of an interim rule concerning

the amendments of the Bureau of Prisons regulations on institutional management with respect to special administrative measures that may be necessary to prevent acts of violence and terrorism that may be caused by contacts with certain inmates (RIN 1120–AA54), received on May 16, 1996; to the Committee on Judiciary.

EC–2707. A communication from the Director of the Federal Bureau of Prisons, Department of Justice, transmitting, pursuant to law, the report of an interim rule concerning the further amending of an interim rule on Drug Abuse Treatment Programs which allows for consideration of early release of eligible inmates who complete a residential drug abuse treatment program, including a transitional treatment phase (RIN 1120–AA36), received on May 16, 1996; to the Committee on Judiciary.

EC–2708. A communication from the Deputy Associate Administrator for Acquisition Policy, General Services Administration, transmitting, pursuant to law, the report of an interim rule concerning the amendment of the General Services Administration Acquisition Regulation for Change 71, Acquisition of Leasehold Interests in Real Property (RIN 3090–AF92), received on May 13, 1996; to the Committee on Governmental Affairs.

EC–2709. A communication from the Executive Director of the Committee for Purchase From People Who Are Blind or Severely Disabled, transmitting, pursuant to law, the report of a final rule concerning the action adding to the Procurement List services to be furnished by nonprofit agencies employing persons who are blind or have other severe disabilities, received on May 16, 1996; to the Committee on Governmental Affairs.

EC–2710. A communication from the President and Chief Executive Officer, U.S. Enrichment Corporation, transmitting, pursuant to law, the report concerning the management controls and overall internal control framework being adequate and effective, received on May 21, 1996; to the Committee on Governmental Affairs.

EC–2711. A communication from the Chairman of the Cost Accounting Standards Board, Office of Management and Budget, Executive Office of the President, transmitting, pursuant to law, the report concerning the Cost Accounting Standards Board, received on May 21, 1996; to the Committee on Governmental Affairs.

EC–2712. A communication from the Chairwoman of the National Mediation Board, transmitting, pursuant to law, the report concerning the agency's accounting systems being in conformance with the principles, standards, and related requirements prescribed by the Comptroller General, received on May 16, 1996; to the Committee on Governmental Affairs.

EC–2713. A communication from the Auditor of the District of Columbia, transmitting, pursuant to law, the report entitled ''Fiscal Year 1995 Annual Report on Advisory Neighborhood Commissions,'' received on May 16, 1996; to the Committee on Governmental Affairs.

EC–2714. A communication from the Chairman of the Federal Mine Safety and Health Review Commission, transmitting, pursuant to law, the report on its internal controls and financial systems in effect during fiscal year 1995; to the Committee on Governmental Affairs.

EC–2715. A communication from the Director of the Office of Personnel Management, transmitting, pursuant to law, the report entitled ''Federal Employment Reduction Assistance Act of 1996,'' received on May 9, 1996; to the Committee on Governmental Affairs.

EC–2716. A communication from the Acting Administrator of the General Services Administration, transmitting, a draft of proposed legislation to reduce the Government's relocation and travel costs, and to ease administrative burdens while providing equitable reimbursement to employees, received on May 9, 1996; to the Committee on Governmental Affairs.

EC–2717. A communication from the Chairman of the Federal Housing Finance Board, transmitting, pursuant to law, the report on the Board's internal controls and financial management systems in effect during the calendar year 1995; to the Committee on Governmental Affairs.

EC–2718. A communication from the Chairman of the Federal Housing Finance Board, transmitting, pursuant to law, the report concerning the activities and findings of the Office of the Inspector General, received on May 6, 1996; to the Committee on Governmental Affairs.

EC–2719. A communication from the Director of the Office of Personnel Management, transmitting, pursuant to law, the report of a final rule relative to issuing final regulations on alternative forms of annuity (RIN 3206–AG16), received on May 9, 1996; to the Committee on Governmental Affairs.

EC–2720. A communication from the Federal Reserve Employee Benefits System, transmitting, pursuant to law, the 1994 annual report for the Thrift Plan for Employees of the Federal Reserve System, received on May 6, 1996; to the Committee on Governmental Affairs.

EC–2721. A communication from the Regulatory Policy Official, National Archives (College Park), transmitting, pursuant to law, the report of a final rule concerning the revision regulations to require Federal agencies to reimburse NARA for storage of certain records maintained in Federal records centers that have exceeded the authorized disposal date (RIN 3095–AA65), received on May 3, 1996; to the Committee on Governmental Affairs.

EC–2722. A communication from the Executive Director of the Committee for Purchase From People Who Are Blind or Severely Disabled, transmitting, pursuant to law, the report of a final rule concerning the addition to the Procurement List of a commodity and services to be furnished by nonprofit agencies employing persons who are blind or have other severe disabilities, received on May 8, 1996; to the Committee on Governmental Affairs.

EC–2723. A communication from the Deputy Director of the Office of Personnel Management, transmitting, pursuant to law, the report of a final rule relative to changing survey responsibilities for several appropriated fund Federal Wage System wage areas in recognition of shifting employment patterns among agencies and the need for lead agencies to balance their wage survey workloads throughout the 2-year survey cycle (RIN 3206–AH28), received on May 6, 1996; to the Committee on Governmental Affairs.

EC–2724. A communication from the Director of Personnel Management, transmitting, pursuant to law, the report of an interim rule concerning Federal employee training (RIN 3206–AF99), received on May 9, 1996; to the Committee on Governmental Affairs.

EC–2725. A communication from the Director of the National Legislative Commission, The American Legion, transmitting, pursuant to law, the report on the Commission's internal controls and financial management systems in effect during calendar year 1995; to the Committee on Judiciary.

EC–2726. A communication from the Chairman of the Farm Credit Administration, transmitting, pursuant to law, the annual report of the Administration under the Freedom of Information Act for calendar year 1995; to the Committee on Judiciary.

EC–2727. A communication from the Director of the Federal Bureau of Prisons, Department of Justice, transmitting, pursuant to law, the report of an interim rule concerning the adoption of regulations on the operation of the Intensive Confinement Center Program (RIN 1120–AA11), received on May 13, 1996; to the Committee on Judiciary.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. PRESSLER, from the Committee on Commerce, Science, and Transportation, with an amendment in the nature of a substitute:

S. 39. A bill to amend the Magnuson Fishery Conservation and Management Act to authorize appropriations, to provide for sustainable fisheries, and for other purposes (Rept. No. 104–276).

By Mr. STEVENS, from the Committee on Governmental Affairs, without amendment:

H.R. 1880. A bill to designate the United States Post Office building located at 102 South McLean, Lincoln, Illinois, as the ''Edward Madigan Post Office Building''.

H.R. 2262. A bill to designate the United States Post Office building located at 218 North Alston Street in Foley, Alabama, as the ''Holk Post Office Building.''

H.R. 2704. A bill to provide that the United States Post Office building that is to be located on the 2600 block of East 75th Street in Chicago, Illinois, shall be known and designated as the ''Charles A. Hayes Post Office Building.''

By Mr. HATCH, from the Committee on the Judiciary, without amendment:

H.R. 2980. A bill to amend title 18, United States Code, with respect to stalking.

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. HATCH, from the Committee on the Judiciary:

J. Rene Josey, of South Carolina, to be U.S. Attorney for the District of South Carolina for the term of 4 years.

(The above nomination was reported with the recommendation that he be confirmed.)

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. BAUCUS:

S. 1796. A bill to amend the Tariff Act of 1930 to permit merchandise purchased in a duty-free sales enterprise to be exempt from duty under certain circumstances; to the Committee on Finance.

By Mr. LEVIN (for himself and Mr. ABRAHAM):

S. 1797. A bill to revise the requirements for procurement of products of Federal Prison Industries to meet needs of Federal agencies, and for other purposes; to the Committee on the Judiciary.

By Mr. FEINGOLD:

S. 1798. A bill to amend the Reclamation Reform Act of 1982 to clarify the acreage limitations and incorporate a means test for certain farm operations, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

By Ms. SNOWE (for herself, Ms. MIKULSKI, Mrs. FEINSTEIN, Mrs. MURRAY, Ms. MOSELEY-BRAUN, and Mr. KERRY):

S. 1799. A bill to promote greater equity in the delivery of health care services to American women through expanded research on women's health issues and through improved access to health care services, including preventive health services; to the Committee on Labor and Human Resources.

By Mr. D'AMATO (for himself, Mr. KERRY, Mrs. BOXER, Mr. BRYAN, Ms. MOSELEY-BRAUN, and Mrs. MURRAY):

S. 1800. A bill to amend the Electronic Fund Transfer Act to limit fees charged by financial institutions for the use of automatic teller machines, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. MCCAIN:

S. 1801. A bill to amend title 49, United States Code, to authorize appropriations for the Federal Aviation Administration for fiscal year 1997, to reform the Federal Aviation Administration, and for other purposes; to the Committee on Commerce, Science, and Transportation.

By Mr. THOMAS (for himself and Mr. SIMPSON):

S. 1802. A bill to direct the Secretary of the Interior to convey certain property containing a fish and wildlife facility to the State of Wyoming, and for other purposes; to the Committee on Environment and Public Works.

By Mr. GRASSLEY:

S. 1803. A bill to provide relief to agricultural producers who grant easements to, or owned or operated land condemned by, the Secretary of the Army for flooding losses caused by water retention at the dam site at Lake Redrock, Iowa, to the extent that the actual losses exceed the estimate of the Secretary, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. MURKOWSKI (for himself, Mr. JOHNSTON, and Mr. AKAKA):

S. 1804. A bill to make technical and other changes to the laws dealing with the Territories and Freely Associated States of the United States; to the Committee on Energy and Natural Resources.

By Mr. GRAMS:

S. 1805. A bill to provide for the management of Voyageurs National Park, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. D'AMATO (for himself, Mr. DODD, and Mr. FRIST):

S. 1806. A bill to amend the Federal Food, Drug, and Cosmetic Act to clarify that any dietary supplement that claims to produce euphoria, heightened awareness or similar mental or psychological effects shall be treated as a drug under the Act, and for other purposes; to the Committee on Labor and Human Resources.

By Mr. MURKOWSKI (for himself and Mr. STEVENS):

S. 1807. A bill to amend the Alaska Native Claims Settlement Act, regarding the Kake Tribal Corporation public interest land exchange; to the Committee on Energy and Natural Resources.

By Mr. MURKOWSKI (for himself and Mr. JOHNSTON):

S. 1808. A bill to amend the Act of October 15, 1966 (80 stat. 915), as amended, establishing a program for the preservation of additional historic property throughout the Nation, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. MURKOWSKI:

S. 1809. A bill entitled the ''Aleutian World War II National Historic Areas Act of 1996''; to the Committee on Energy and Natural Resources.

By Mr. GORTON (for himself and Mrs. MURRAY):

S. 1810. A bill to expand the boundary of the Snoqualmie National Forest, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. MACK (for himself, Mr. BRADLEY, Mr. ROTH, Mr. LAUTENBERG, and Mr. BIDEN):

S. 1811. A bill to amend the Act entitled ''An Act authorizing Federal participation in the cost of protecting the shores of publicly owned property'' to confirm and clarify the authority and responsibility of the Secretary of the Army, acting through the Chief of Engineers, to promote and carry out shore protection projects, including beach nourishment projects, and for other purposes; to the Committee on Environment and Public Works.

By Mr. GRAHAM:

S. 1812. A bill to provide for the liquidation or replication of certain frozen concentrated orange juice entries to correct an error that was made in connection with the original liquidation; to the Committee on Finance.

By Mr. HELMS (for himself and Mr. GRASSLEY):

S. 1813. A bill to reform the coastwise, intercoastal, and noncontiguous trade shipping laws, and for other purposes; to the Committee on Commerce, Science, and Transportation.

By Mr. GRAHAM (for himself and Mr. MACK):

S. 1814. A bill to provide for liquidation or reliquidation of certain television sets to correct an error that was made in connection with the original liquidation; to the Committee on Finance.

By Mr. GRAMM (for himself, Mr. D'AMATO, Mr. DODD, Mr. BRYAN, and Ms. MOSELEY-BRAUN):

S. 1815. A bill to provide for improved regulation of the securities markets, eliminate excess securities fees, reduce the costs of investing, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. BOND (for himself, Mr. COATS, Mr. ABRAHAM, Mr. GRAMM, Mr. ASHCROFT, Mr. CRAIG, Mr. COVERDELL, Mr. GRASSLEY, Mr. GREGG, Mr. SANTORUM, Mr. FAIRCLOTH, and Mr. NICKLES):

S. 1816. A bill to expedite waiver approval for the ''Wisconsin Works'' plan, and for other purposes; to the Committee on Finance.

By Mr. GRASSLEY (for himself, Mr. HATCH, Mrs. KASSEBAUM, and Mr. BOND):

S. 1817. A bill to limit the authority of Federal courts to fashion remedies that require local jurisdictions to assess, levy, or collect taxes, and for other purposes; to the Committee on the Judiciary.

By Mr. DASCHLE (for himself, Mr. BRYAN, Mr. DODD, Mr. KENNEDY, Mr. LEAHY, Ms. MIKULSKI, Ms. MOSELEY-BRAUN, Mr. ROCKEFELLER, and Mr. SIMON) (by request):

S. 1818. A bill to amend the Employee Retirement Income Security Act of 1974 to provide for retirement savings and security; to the Committee on Labor and Human Resources.

S. 1819. A bill to amend the Railroad Retirement Act of 1974 to provide for retirement savings and security; to the Committee on Labor and Human Resources.

S. 1820. A bill to amend title 5 of the United States Code to provide for retirement savings and security; to the Committee on Governmental Affairs.

S. 1821. A bill to amend the Internal Revenue Code of 1986 to provide for retirement savings and security; to the Committee on Finance.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

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

S. Res. 256. A resolution to authorize the production of records by the Select Committee on Intelligence; considered and agreed to.

By Mr. LOTT:

S. Con. Res. 60. A concurrent resolution providing for a conditional adjournment or recess of the Senate and the House of Representatives; considered and agreed to.

By Mr. DOLE:

S. Con. Res. 61. A concurrent resolution commending the Americans who served the United States during the period known as the Cold War; to the Committee on Armed Services.

By Mr. PRESSLER:

S. Con. Res. 62. A concurrent resolution expressing the sense of the Congress that the Secretary of the Navy should name the first of the fleet of the new attack submarines of the Navy the ''South Dakota.''; to the Committee on Armed Services.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. LEVIN (for himself and Mr. ABRAHAM):

S. 1797. A bill to revise the requirements for procurement of products of Federal Prison Industries to meet needs of Federal agencies, and for other purposes; to the Committee on the Judiciary.

THE FEDERAL PRISON INDUSTRIES COMPETITION IN CONTRACTING ACT

• Mr. LEVIN. Mr. President, I am pleased to introduce, with Senator ABRAHAM, the Federal Prison Industries Competition in Contracting Act. This bill, if enacted, would eliminate the requirement for Federal agencies to purchase products made by Federal Prison Industries and require that FPI to compete commercially for Federal contracts. It would implement a key recommendation of the Vice President's National Performance Review, which concluded that we should ''Take away the Federal Prison Industries' status as a mandatory source of Federal supplies and require it to compete commercially for Federal agencies' business.'' Most importantly, it would ensure that the taxpayers get the best possible value for their Federal procurement dollars.

Mr. President, the Director of Federal Prison Industries, Mr. Steve Schwalb, told me earlier this year that his agency is fully capable of competing with private industry for Federal contracts. Indeed, FPI would have a significant advantage in any such head-to-head competition: FPI pays inmates only $1.35 an hour, less than a third of the minimum wage and a small fraction of the wage paid to most private sector workers in competing industries.

The taxpayers already provide a direct subsidy Federal Prison Industries products by picking up the cost of feeding, clothing, and housing the inmates

who provide the labor. There is no reason why we should provide an indirect subsidy as well, by requiring Federal agencies to purchase products from FPI even when they are more expensive and of a lower quality than competing commercial items.

Despite Mr. Schwalb's statement that Federal Prison Industries is capable of competing with the private sector, FPI remains unwilling to do so. The reason is obvious: it is much easier to gain market share by fiat than it is to compete for business. Under current law, FPI need not offer the best product at the best price; it is sufficient for it to offer an adequate product at an adequate price, and insist upon its right to make the sale. Indeed, FPI currently advertises that it offers Federal agencies ''ease in purchasing'' through ''a procurement with no bidding necessary.'' The result of the FPI's status as a mandatory source is not unlike the result of other sole-source contracting: the taxpayers frequently pay too much and receive an inferior product for their money.

Mr. President, I do not consider myself to be an enemy of Federal Prison Industries. I am a strong supporter of the idea of putting Federal inmates to work. I understand that a strong prison work program not only reduces inmate idleness and prison disruption, but can also help build a work ethic, provide job skills, and enable prisoners to return to product society upon their release.

However, I believe that prison work must be conducted in a manner that is sensitive to the need not to unfairly eliminate the jobs of hard-working citizens who have not committed crimes. FPI will be able to achieve this result only if it diversifies its product lines and avoids the temptation to build its work force by continuing to displace private sector jobs in its traditional lines of work. For this reason, I have been working since 1990 to try to help Federal Prison Industries to identify new markets that it can expand into without displacing private sector jobs. I had hoped.

In 1990, the House Appropriations Committee requested a study to identify new opportunities for FPI to meet its growth requirements, assess FPI's impact on private sector businesses and labor, and evaluate the need for changes to FPI's laws and mandates. That study, conducted by Deloitte & Touche, concluded that FPI should meet its growth needs by using new approaches and new markets, not by expanding its production in traditional industries. The Deloitte & Touch study concluded:

> FPI needs to maintain sales in industries that produce products such as traditional furniture and furnishings, apparel and textile products, and electronic assemblies to maintain inmate employment during the transition.
>
> These industries should not be expanded, and FPI should limit its market shares to current levels.

I followed up on that report by meeting with Federal Prison Industries officials and participating in a summit process, sponsored by the Brookings Institute, designed to develop alternative growth strategies for FPI. The summit process resulted in two suggested areas for growth: First, entering partnerships with private sector companies to replace offshore labor; and second, entering the recycling business in areas such as mattresses and electrical motors.

In January 1994, I urged FPI to move quickly to implement these recommendations and develop new markets. At that time, I wrote to Kathleen M. Hawk, the Director of the Bureau of Federal Prisons, as follows:

> As you know, I am supportive of FPI's role in keeping inmates occupied and teaching them a work ethic and job skills. However, FPI's continued market share growth in the government furniture market has had an unfair and disproportionate impact on that particular sector. In order to take pressure off of such traditional industries where FPI has focused, FPI should cap its market share and diversify its activities away from these traditional industries and into alternative growth strategies.
>
> I am alarmed that FPI continues to increase its share of government purchases of furniture. The 1991 Deloitte and Touche study recommended that FPI limit its industry market share to current levels in traditional industries. It would be a welcome sign of goodwill in this ''summit'' process if FPI were to cap its market share in the furniture industry while aggressively pursuing acceptable alternative growth strategies.

Unfortunately, Federal Prison Industries has chosen to take the exact opposite course of action. Earlier this year, FPI acted unilaterally to virtually double its furniture sales from $70 million to $130 million and from 15 percent of the Federal market to 25 percent of the Federal market, over the next 5 years. In direct contravention of the Deloitte & Touche recommendations, FPI has announced its intention to undertake similar market share increases in other traditional product lines, such as work clothing and protective clothing.

In defense of this action FPI contends that it will not place an undue burden on the private sector because most firms within the industry are not heavily involved in the Federal market.

Mr. President, Federal Prison Industries cannot have it both ways. If they are providing a substantial number of jobs to inmates, then they must be displacing a substantial number of jobs in the private sector. A substantial increase in FPI's business means a similar decrease in U.S. private sector business—unless it is displacing imports, which is what FPI should be doing. Instead of diversifying as recommended by the Deloitte & Touche study and the Brookings summit, FPI is going back to the same well yet again, and taking it out of the hide of the same traditional industries.

Mr. President, this is the easy way out, but it isn't the right way for FPI, it isn't the right way for the private sector workers whose jobs FPI is taking, and it isn't the right way for the taxpayer, who will continue to pay more and get less as a result of the mandatory preference for FPI goods. We need to have jobs for prisoners, but can no longer afford to allow FPI to designate whose jobs it will take, and when it will take them. Competition will be better for FPI, better for the taxpayer, and better for working men and women around the country.●

Mr. ABRAHAM. Mr. President, I am very pleased to join with my distinguished colleague from Michigan in sponsoring this legislation. I think that Federal Prison Industries plays an extremely valuable role in giving prisoners something useful to do with their time and helping them to develop the self-discipline and other virtues that enable people outside of prison to lead productive lives. I am convinced, however, that these same goals can be accomplished within the parameters set by this legislation. I also see no reason why the law abiding owners of small businesses and the workers they employ should be deprived of any opportunity to bid for a class of government contracts in favor of FPI. Finally, I appreciate Senator LEVIN's acceptance of my suggestion to include section 2, which I believe provides useful encouragement to FPI to try to concentrate its expansion efforts in the direction of goods that the Government presently acquires by importing them.

By Mr. FEINGOLD:

S. 1798. A bill to amend the Reclamation Reform Act of 1982 to clarify the acreage limitations and incorporate a means test for certain farm operations, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

THE IRRIGATION SUBSIDY REDUCTION ACT OF 1996

Mr. FEINGOLD. Mr. President, I am introducing today a new measure to curb the receipt of Federal irrigation subsidies by large agribusiness interests. I am introducing legislation in this area as a deficit reduction measure because I believe that the Federal Government needs to scrutinize carefully all forms of assistance it provides in these times of fiscal constraint. I am also prompted to act in this area, Mr. President, because the Federal Government has been unable to correct fundamental abuses of reclamation law that cost the taxpayer millions of dollars every year.

In 1901, President Theodore Roosevelt proposed legislation, which came to be known as the Reclamation Act, to encourage development of family farms throughout the western United States. The idea was to provide needed water for areas that were otherwise dry and give small farms—those no larger than 160 acres—a chance, with a helping hand from the Federal Government, to establish themselves.

Under the Reclamation Reform Act of 1982, Congress acted to expand the size of the farms that could receive subsidized water to 960 acres. The RRA of 1982 expressly prohibits farms that

exceed 960 acres in size from receiving Federally-subsidized water. These restrictions were added to the Reclamation law to close loopholes through which Federal subsidies were flowing to large agribusinesses rather than the small family farmers that Reclamation projects were designed to serve. Agribusinesses were expected to pay full cost for all water received on land in excess of their 960-acre entitlement. Despite the express mandate of Congress, regulations promulgated under the Reclamation Reform Act of 1982 have failed to keep big agricultural water users from receiving Federal subsidies. The General Accounting Office and the Inspector General of the Department of the Interior continue to find that the acreage limits established in law are circumvented through the creation of arrangements such as farming trusts. These trusts, which in total acreage well exceed the 960 acre limit, are comprised of smaller units that are not subject to the reclamation acreage cap. These smaller units are farmed under a single management agreement often through a combination of leasing and ownership.

Three years ago, as part of a settlement of a suit with the Natural Resources Defense Council, the Bureau of Reclamation agreed to propose new regulations under the reclamation program. At the beginning of February 1996, the Administration issued its final environmental impact statement [EIS] on its proposed regulations. On March 8, 1996 I joined with the Senator from New Jersey [Mr. BRADLEY], the Senator from New Hampshire (Mr. GREGG) and others in writing to the President to express our concern and disappointment that these new regulations would continue to allow the 960-acre loophole to be exploited. Indeed, neither the Bureau's ''preferred option'' for the regulation, nor any of the alternatives they describe in the EIS, would act to curb irrigation water abuses by these agribusiness trusts.

Last week, I received a response to the letter I joined in sending to the Department of the Interior. The letter states, ''Last spring's release of a proposed rule making and draft EIS prompted nearly 400 letters and 8 public hearings on these complex issues during the comment period. The FEIS alternative responds to many of the comments we received.'' Mr. President, this letter specifically does not respond to the concerns that I, the Senator from New Jersey [Mr. BRADLEY] and others raised. Now is the time, in light of the Department's inability to correct this problem, to look back to the statute and attempt to correct the costly loopholes that it facilitates.

Presently, according to the Bureau of Reclamation, there are 80 such trusts receiving subsidized water on more than 738,000 acres of land, or about 10 percent of the land for which the Bureau of Reclamation provides water. In a 1989 GAO report, the activities of six of these trusts were fully explored. According to GAO, one 12,345 acre cotton farm—roughly 20 square miles—operating under a single partnership, was reorganized to avoid the 960-acre limitation into 15 separate land holdings through 18 partnerships, 24 corporations, and 11 trusts which were all operated as one large unit. A seventh very large trust was the sole topic of a 1990 GAO report. The Westhaven trust is a 23,238-acre farming operation in California's Central Valley. It was formed for the benefit of 326 salaried employees of the J.G. Boswell Company. Boswell, GAO found, had taken advantage of section 214 of the RRA, which exempts from its 960-acre limit land held for beneficiaries by a trustee in a fiduciary capacity, as long as no single beneficiary's interest exceeds the law's ownership limits. The RRA, as I have mentioned, does not preclude multiple land holdings from being operated collectively under a trust as one farm while qualifying individually for federally subsidized water. Accordingly, the J.G. Boswell Company reorganized 23,238 acres it held as the Boston Ranch by selling them to the Westhaven Trust, with the land holdings attributed to each beneficiary being eligible to receive federally subsidized water.

Before the land was sold to Westhaven Trust, the J.G. Boswell Company operated the acreage as one large farm and paid full cost for the Federal irrigation water delivered for the 18-month period ending in May 1989. When the trust bought the land, due to the loopholes in the law, the entire acreage became eligible to receive federally subsidized water because the land holdings attributed to the 326 trust beneficiaries range from 21 acres to 547 acres—all well under the 960-acre limit.

In the six cases the GAO reviewed in 1989, owners or lessees paid a total of about $1.3 million less in 1987 for Federal water then they would have paid if their collective land holdings were considered as large farms subject to the Reclamation Act acreage limits. Had Westhaven trust been required to pay full cost, GAO estimated in 1990, it would have paid $2 million more for its water. The GAO also found, in all seven of these cases, that reduced revenues are likely to continue unless Congress amends the Reclamation Act to close the loopholes allowing benefits for trusts.

The legislation that I am introducing combines various elements of proposals introduced during previous attempts by other members of Congress to close loopholes in the 1982 legislation and to impose a $500,000 means test. This new approach limits the amount of subsidized irrigation water delivered to any operation in excess of the 960-acre limit which claimed $500,000 or more in gross income, as reported on their most recent IRS tax form. If the $500,000 threshold were exceeded, an income ratio would be used to determine how much of the water should be delivered to the user at the full-cost rate, and how much at the below-cost rate. For example, if a 961-acre operation earned $1 million dollars, a ratio of $500,000 (the means test value) divided by their gross income would determine the full cost rate, thus the water user would pay the full cost rate on half of their acreage and the below cost rate on the remaining half.

This means testing proposal was profiled in this year's ''Green Scissors'' report, written by Friends of the Earth and Taxpayers for Common Sense and supported by 21 other environmental and consumer groups, including groups like the Concord Coalition, the Progressive Policy Institute. The premise of the report is that there are a number of subsidies and projects, totaling $39 billion dollars in all, that could be cut to both reduce the deficit and benefit the environment. This report coalesces what I and many others in the Senate have long known, we must be diligent in eliminating practices that can no longer be justified in light of our enormous annual deficit and national debt. The ''Green Scissors'' recommendation on means testing water subsidies indicates that if a test is successful in reducing subsidy payments to the highest grossing 10 percent of farms, then the Federal Government would recover at least $440 million per year, or at least $2.2 billion over 5 years.

The measure I introduce today is my third legislative effort in the area of irrigation subsidies, all of which have been profiled in the ''Green Scissors'' report. In February of 1995, I introduced two related pieces of legislation aimed at reducing double dipping for irrigation water subsidies that cost the Federal taxpayers millions of dollars each year. I hope that other Members will join me in sponsoring these efforts, as elimination of western water subsidies, and a wide range of reclamation subsidies, should be pursued as legitimate deficit reduction opportunities.

When countless Federal program are subjected to various types of means tests to limit benefits to those who truly need assistance, it makes little sense to continue to allow large business interests to dip into a program intended to help small entities struggling to survive. Taxpayers have legitimate concerns when they learn that their hard-earned tax dollars are being expended to assist large corporate interests in select regions of the country who benefit from these loopholes. The Federal Water Program was simply never intended to benefit these large interests.

In conclusion, Mr. President, it is clear that the conflicting policies of the Federal Government in this area are in need of reform, and if Federal agencies cannot be diligent in curbing this corporate welfare administratively, Congress should act. Large agribusinesses should not be able to continue to soak the taxpayers. We should act to close these loopholes as soon as possible. I ask unanimous consent that

the text of the measure be printed in the RECORD.

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

S. 1798

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 ''Irrigation Subsidy Reduction Act of 1996''.

SEC. 2. FINDINGS.

Congress finds that—

(1) the Federal reclamation program has been in existence for over 90 years, with an estimated taxpayer investment of over $70,000,000,000;

(2) the program has had and continues to have an enormous effect on the water resources and aquatic environments of the western States;

(3) irrigation water made available from Federal water projects in the West is a very valuable resource for which there are increasing and competing demands;

(4) the justification for providing water at less than full cost was to benefit and promote the development of small family farms and exclude large corporate farms, but this purpose has been frustrated over the years due to inadequate implementation of subsidy and acreage limits;

(5) below-cost water prices tend to encourage excessive use of scarce water supplies in the arid regions of the West, and reasonable price increases to the wealthiest western farmers would provide an economic incentive for greater water conservation;

(6) the Federal Government has increasingly applied eligibility tests based on income for Federal entitlement and subsidy programs, measures that are consistent with the historic approach of the reclamation program's acreage limitations that seek to limit water subsidies to smaller farms; and

(7) including a means test based on gross income in the reclamation program will increase the effectiveness of carrying out the family farm goals of the Federal reclamation laws.

SEC. 3. AMENDMENTS.

(a) DEFINITIONS.—Section 202 of the Reclamation Reform Act of 1982 (43 U.S.C. 390bb) is amended—

(1) by redesignating paragraphs (7), (8), (9), (10), and (11) as paragraphs (9), (10), (11), (12), and (13), respectively;

(2) in paragraph (6) by striking ''owned or operated under a lease which'' and inserting ''owned, leased, or operated by an individual or legal entity and which'';

(3) by inserting after paragraph (6) the following:

''(7) LEGAL ENTITY.—The term 'legal entity' includes a corporation, association, partnership, trust, joint tenancy, or tenancy in common, or any other entity that owns, leases, or operates a farm operation for the benefit of more than 1 individual under any form of agreement or arrangement.

''(8) OPERATOR.—

''(A) IN GENERAL.—The term 'operator'—

''(i) means an individual or legal entity that operates a single farm operation on a parcel (or parcel) of land that is owned or leased by another person (or persons) under any form of agreement or arrangement (or agreements or arrangements); and

''(ii) if the individual or legal entity—

''(I) is an employee of an individual or legal entity, includes the individual or legal entity; or

''(II) is a legal entity that controls, is controlled by, or is under common control with another legal entity, includes each such other legal entity.

''(B) OPERATION OF A FARM OPERATION.—For the purposes of subparagraph (A), an individual or legal entity shall be considered to operate a farm operation if the individual or legal entity is the person that performs the greatest proportion of the decisionmaking for and supervision of the agricultural enterprise on land served with irrigation water.''; and

(4) by adding at the end the following:

''(14) SINGLE FARM OPERATION.—

''(A) IN GENERAL.—The term 'single farm operation' means the total acreage of land served with irrigation water for which an individual or legal entity is the operator.

''(B) RULES FOR DETERMINING WHETHER SEPARATE PARCELS ARE OPERATED AS A SINGLE FARM OPERATION.—

''(i) EQUIPMENT- AND LABOR-SHARING ACTIVITIES.—The conduct of equipment- and labor-sharing activities on separate parcels of land by separate individuals or legal entities shall not by itself serve as a basis for concluding that the farming operations of the individuals or legal entities constitute a single farm operation.

''(ii) PERFORMANCE OF CERTAIN SERVICES.—The performance by an individual or legal entity of an agricultural chemical application, pruning, or harvesting for a farm operation on a parcel of land shall not by itself serve as a basis for concluding that the farm operation on that parcel of land is part of a single farm operation operated by the individual or entity on other parcels of land.''.

(b) IDENTIFICATION OF OWNERS, LESSEES, AND OPERATORS AND OF SINGLE FARM OPERATIONS.—The Reclamation Reform Act of 1982 (43 U.S.C. 39aa et seq.) is amended by inserting after section 201 the following:

''SEC. 201A. IDENTIFICATION OF OWNERS, LESSEES, AND OPERATORS AND OF SINGLE FARM OPERATIONS.

''(a) IN GENERAL.—Subject to subsection (b), for each parcel of land to which irrigation water is delivered or proposed to be delivered, the Secretary shall identify a single individual or legal entity as the owner, lessee, or operator.

''(b) SHARED DECISIONMAKING AND SUPERVISION.—If the Secretary determines that no single individual or legal entity is the owner, lessee, or other individual that performs the greatest proportion of decisionmaking for and supervision of the agricultural enterprise on a parcel of land—

''(1) all individuals and legal entities that own, lease, or perform a proportion of decisionmaking and supervision that is equal as among themselves but greater than the proportion performed by any other individual or legal entity shall be considered jointly to be the owner, lessee, or operator; and

''(2) all parcels of land of which any such individual or legal entity is the owner, lessee, or operator shall be considered to be part of the single farm operation of the owner, lessee, or operator identified under subsection (1).

(c) PRICING.—Section 205 of the Reclamation Reform Act of 1982 (43 U.S.C. 390ee) is amended by adding at the end the following:

''(d) SINGLE FARM OPERATIONS GENERATING MORE THAN $500,000 IN GROSS FARM INCOME.—

''(1) IN GENERAL.—Notwithstanding subsections (a), (b), and (c), in the case of—

''(A) a qualified recipient that reports gross farm income from a single farm operation in excess of $500,000 for a taxable year; or

''(B) a limited recipient that received irrigation water on or before October 1, 1981, and that reports gross farm income from a single farm operation in excess of $500,000 for a taxable year;

irrigation water may be delivered to the single farm operation of the qualified recipient or limited recipient at less than full cost to a number of acres that does not exceed the number of acres determined under paragraph (2).

''(2) MAXIMUM NUMBER OF ACRES TO WHICH IRRIGATION WATER MAY BE DELIVERED AT LESS THAN FULL COST.—The number of acres determined under this subparagraph is the number equal to the number of acres of the single farm operation multiplied by a fraction, the numerator of which is $500,000 and the denominator of which is the amount of gross farm income reported by the qualified recipient or limited recipient in the most recent taxable year.

''(3) INFLATION ADJUSTMENT.—

''(A) IN GENERAL.—The $500,000 amount under paragraphs (1) and (2) for any taxable year beginning in a calendar year after 1997 shall be equal to the product of—

''(i) $500,000, multiplied by

''(ii) the inflation adjustment factor for the taxable year.

''(B) INFLATION ADJUSTMENT FACTOR.—The term 'inflation adjustment factor' means, with respect to any calendar year, a fraction the numerator of which is the GDP implicit price deflator for the preceding calendar year and the denominator of which is the GDP implicit price deflator for 1996. Not later than April 1 of any calendar year, the Secretary shall publish the inflation adjustment factor for the preceding calendar year.

''(C) GDP IMPLICIT PRICE DEFLATOR.—For purposes of subparagraph (B), the term 'GDP implicit price deflator' means the first revision of the implicit price deflator for the gross domestic product as computed and published by the Secretary of Commerce.

''(D) ROUNDING.—If any increase determined under subparagraph (A) is not a multiple of $100, the increase shall be rounded to the next lowest multiple of $100.''.

(d) CERTIFICATION OF COMPLIANCE.—Section 206 of the Reclamation Reform Act of 1982 (43 U.S.C. 390ff) is amended to read as follows:

''SEC. 206. CERTIFICATION OF COMPLIANCE.

''(a) IN GENERAL.—As a condition to the receipt of irrigation water for land in a district that has a contract described in section 203, each owner, lessee, or operator in the district shall furnish the district, in a form prescribed by the Secretary, a certificate that the owner, lessee, or operator is in compliance with this title, including a statement of the number of acres owned, leased, or operated, the terms of any lease or agreement pertaining to the operation of a farm operation, and, in the case of a lessee or operator, a certification that the rent or other fees paid reflect the reasonable value of the irrigation water to the productivity of the land.

''(b) DOCUMENTATION.—The Secretary may require a lessee or operator to submit for the Secretary's examination—

''(1) a complete copy of any lease or other agreement executed by each of the parties to the lease or other agreement; and

''(2) a copy of the return of income tax imposed by chapter 1 of the Internal Revenue Code of 1986 for any taxable year in which the single farm operation of the lessee or operator received irrigation water at less than full cost.''.

(e) TRUSTS.—Section 214 of the Reclamation Reform Act of 1982 (43 U.S.C. 390nn) is repealed.

(f) ADMINISTRATIVE PROVISIONS.—

(1) PENALTIES.—Section 224(c) of the Reclamation Reform Act of 1982 (43 U.S.C. 390ww(c)) is amended—

(A) by striking ''(c) The Secretary'' and inserting the following:

''(c) REGULATIONS; DATA COLLECTION; PENALTIES.—

''(1) REGULATIONS; DATA COLLECTION.—The Secretary''; and

(B) by adding at the end the following:

''(2) PENALTIES.—Notwithstanding any other provision of law, the Secretary shall establish appropriate and effective penalties for failure to comply with any provision of this Act or any regulation issued under this Act.''.

(2) INTEREST.—Section 224(i) of the Reclamation Reform Act of 1982 (43 U.S.C. 390ww(i)) is amended by striking the last sentence and inserting the following: ''The interest rate applicable to underpayments shall be equal to the rate applicable to expenditures under section 202(3)(C).''.

(g) REPORTING.—Section 228 of the Reclamation Reform Act of 1982 (43 U.S.C. 390zz) is amended by inserting ''operator or'' before ''contracting entity'' each place it appears.

(h) MEMORANDUM OF UNDERSTANDING.—The Reclamation Reform Act of 1982 (43 U.S.C. 390aa et seq.) is amended—

(1) by redesignating sections 229 and 230 as sections 230 and 231; and

(2) by inserting after section 228 the following:

''SEC. 229. MEMORANDUM OF UNDERSTANDING.

''The Secretary, the Secretary of the Treasury, and the Secretary of Agriculture shall enter into a memorandum of understanding or other appropriate instrument to permit the Secretary, notwithstanding section 6103 of the Internal Revenue Code of 1986, to have access to and use of available information collected or maintained by the Department of the Treasury and the Department of Agriculture that would aid enforcement of the ownership and pricing limitations of Federal reclamation law.''.

By Ms. SNOWE (for herself, Ms. MIKULSKI, Mrs. FEINSTEIN, Mrs. MURRAY and Ms. MOSELEY-BRAUN):

S. 1799. A bill to promote greater equity in the delivery of health care services to American women through expanded research on women's health issues and through improved access to health care services, including preventive health services; to the Committee on Labor and Human Resources.

WOMEN'S HEALTH EQUITY ACT OF 1996

Ms. SNOWE. Mr. President, I am extremely pleased to join with Senator MIKULSKI in introducing the Women's Health Equity Act of 1996. I believe that this event is historic, not only because of the impressive breadth and depth of this legislation, but because five women Senators, including Senators FEINSTEIN, MURRAY, and MOSELEY-BRAUN, have joined together to set an agenda for congressional action to improve women's health.

For too many years, women's health care needs were ignored or poorly understood, and women were systematically excluded from important health research. One famous medical study on breast cancer examined hundreds of men. And another federally funded study examined the ability of aspirin to prevent heart attacks in 20,000 medical doctors, all of whom were men, despite the fact that heart disease is the leading cause of death among women.

Today, Members and the American public understand the importance of ensuring that both genders benefit equally from the fruits of medical research and the delivery of health care services. Unfortunately, equity does not yet exist in health care, and we have a long way to go. Knowledge about appropriate course of treatment for women lags far behind that for men for many diseases. Research into diseases affecting predominately women, such as breast cancer, for years went grossly underfunded. And many women do not have access to critical reproductive and other health services.

Throughout my tenure in the House and Senate, I have worked hard to expose and eliminate this health care gender gap and improve women's access to affordable, quality health services. And under my leadership as the co-chair of the Congressional Caucus for Women's Issues, women legislators in the House called for a GAO investigation into the inclusion of women and minorities in medical research at the National Institute of Health. This study documented the widespread exclusion of women from medical research, and spurred the caucus to introduce the first Women's Health Equity Act [WHEA] in 1990. This comprehensive legislation provided Congress with its first broad, forward looking health agenda intended to redress the historical inequities that face women in medical research, prevention and services.

Since the initial introduction of WHEA in the 101st Congress, women legislators have made important strides on behalf of women's health. Legislation from that first package was signed into law as part of the NIH Revitalization Act in June 1993, mandating the inclusion of women and minorities in clinical trials at NIH. We established the Office of Research on Women's Health at NIH, and secured dramatic funding increases for research into breast cancer, osteoporosis, and cervical cancer.

Today, I have joined forces with many of my women colleagues on a bipartisan basis to take the next crucial step on the road to achieving equity in health care. The Women's Health Equity Act of 1996 is comprised of 39 bills devoted to research and services in areas of critical importance to women's health. I have already introduced several of the bills contained in WHEA in the Senate: the Consumer Involvement in Breast Cancer Research Act; the Women's Health Office Act; the Genetic Information Nondiscrimination in Health Insurance Act of 1996; the Patient Access to Clinical Studies Act; the Medicare Bone Mass Measurement Coverage Act; and the Accurate Mammography Guidelines Act. Together, these 39 bills represent the high-water mark for legislation on women's health.

The research bills contained in title I of WHEA continue to push for increased biomedical research in women's health at NIH and other Federal agencies, and address the need for social policy to keep pace with scientific technology. The impact of the environment of women's health, women and AIDS, osteoporosis, and lupus are all addressed in this title.

The service-oriented bills contained in title II of WHEA target new areas such as the prevention of insurance discrimination based on genetic information or participation in clinical research as well as insurance protection for victims of domestic violence. Several bills address the need for education and training of health professionals and the importance of providing information about health risks and prevention to women. Adolescent health, eating disorders, postreproductive health, and breast and cervical prevention are also addressed, as well as the need to designate obstetrician-gynecologists as primary care providers for insurance purposes and to provide for minimum hospital stays for mothers and their newborns.

Improving the health of American women requires a far greater understanding of women's health needs and conditions, and ongoing evaluation in the areas of research, education, prevention, treatment, and the delivery of services. I believe that the 39 bills comprising the Women's Health Equity Act will take a giant step in this direction, and the passage of this legislation will help ensure that women's health will never again be a missing page in America's medical textbook.

Ms. MIKULSKI. Mr. President, I am honored to join my good friends Senators SNOWE, BOXER, FEINSTEIN, MURRAY, and MOSELY-BRAUN in introducing the Women's Health Equity Act. This years' bill, composed of 37 separate bills, will improve the status of women's health in the areas of research, services and prevention. The package builds on past successes. It brings resources and expertise to bear on the unmet health needs of America's women. This bill sets an agenda. It's where women's health care needs to go as we enter the 21st century.

There has been a pattern of neglect and a history of indifference to women's health needs. It's astonishing that between 1979 and 1986 the death rate from breast cancer was up 24 percent. No one knew why. Yet there was no research being done—the research community was ignoring this very significant problem. I worked with colleagues to change that by making sure that breast cancer research got its fair share of research dollars.

I was frustrated when I found out that America's flagship medical research center, the National Institutes of Health [NIH], was supporting research that systematically excluded women. Less than a decade ago, only 14 percent of every research dollar was going to study the health problems of 51 percent of the American population. I wanted to change that. And I did. With the help of my colleagues, I was successful in setting up the Office of Women's Health Research at NIH. This office is turning these statistics around. Women are now routinely included in clinical trials.

Despite all our progress, we have a long way to go. We have to change outdated attitudes. It's not easy to reverse gender biases. We take a few steps forward and then a few steps back.

I want to make sure that women's health care needs are met comprehensively and equitably. The NIH must allocate sufficient resources to women's diseases. It should continue to include women in clinical trials. It must continue to expand access to health services for women. We must aggressively pursue prevention in women's diseases. I pledge to fight for new attitudes and find new ways to end the needless pain and death that too many American women face.

I am proud to introduce this bill with a great group of Senators that care equally about women's health. This bill confirms our intent to move forward in women's health equity. It is an outline, a framework, an agenda. No doubt, it will take time, but I'm sure we will succeed.

Mrs. MURRAY. Mr. President, I rise in strong support of the Women's Health Equity Act. I am proud to join my colleagues, Senators SNOWE, MIKULSKI, FEINSTEIN, and MOSELEY-BRAUN, in offering this package of 39 legislative initiatives of critical importance to the health of women and their children. Today we are sending a powerful and united message. We are more committed than ever to keeping the spotlight on the important issues surrounding women's health research, treatment and education.

There are so many worthy pieces to this bill that I won't go into each and every one separately. This bill underscores the lack of attention that has been paid to women's health issues and the many obstacles we face in getting accurate, vital information about our health, the health of our children and the health care system as it effects us.

Women face an array of unique and serious health risks. We must do more to ensure that adequate research and education programs are maintained, supported and enriched. We have much more to learn about diseases like osteoporosis, lupus, and breast cancer that devastate the lives of women across this country. And we need to continue to broaden the scope of current efforts in research into AIDS, cardiovascular disease and alcoholism to better understand how women are impacted. We must enable women to protect themselves and their daughters.

Mr. President, our bill recognizes the need for supporting this kind of research and specifically addresses all of these conditions which jeopardize the health of women. We must encourage a coordinated and committed effort from the top level of our government to make sure that women's health issues receive the attention they deserve. For too long, our concerns were ignored or given second-class status. If we continue to allow this to happen—women will die, our children will get sick, and future generations will be short-changed of valuable information about ways to prevent health-related tragedies.

And our bill acknowledges another critical health issue which disproportionately affects women—domestic violence. The Women's Health Equity Act includes a number of provisions which seek to protect women who are victims of violence from being discriminated against when seeking health insurance. Family violence is a public health crisis which tears families apart and often prevents women, especially low-income women, from providing their children with a safe, nurturing environment in which to learn and grow.

As you know Mr. President, one of my biggest concerns as a Senator is the well being of our Nation's young people. I am proud that this bill includes provisions which encourage: adolescent health demonstration projects; eating disorders research and education initiatives; fetal alcohol syndrome research and prevention programs; and demonstration projects to prevent smoking in WIC clinics. These efforts are critical and send our young people an important message that we care about them, their health, and their futures.

I am particularly pleased that the Newborns' and Mothers' Health Protection Act was included in this act. By allowing longer hospital stays after child-birth, we will see improved health for both mother and baby. Women will receive essential information about care for their newborn and if there are any health complications, mother and baby will receive the attention they need.

Mr. President, I want to commend Senator SNOWE for her leadership in coordinating this effort and for all she has done for women's health and health care. I am proud to be an original cosponsor of this bill and I urge all of my colleagues to join and help move these initiatives forward. Together, we can improve the lives and health of women and children in our Nation, continue the important work we have started and celebrate the great strides we have made. I look forward to this challenge.

By Mr. D'AMATO (for himself, Mr. KERRY, Mrs. BOXER, Mr. BRYAN, Ms. MOSELEY-BRAUN, and Mrs. MURRAY):

S. 1800. A bill to amend the Electronic Fund Transfer Act to limit fees charged by financial institutions for the use of automatic teller machines, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

THE FAIR ATM FEES FOR CONSUMERS ACT OF 1996

Mr. D'AMATO. Mr. President, I rise today with Senators KERRY and MURRAY as my primary cosponsor to introduce legislation to protect consumers from excessive and redundant fees imposed by automated teller machine (ATM) operators. I am also pleased that Senators BOXER, BRYAN, and MOSELEY-BRAUN have joined in cosponsoring this important initiative.

Traditionally, a bank or financial institution, let's call it Integrity Bank, agrees to provide a consumer with a package of services in exchange for the use of the consumer's money. These services typically include access to an ATM network, such as MOST, CIRRUS, or PLUS, which consists of any Integrity Bank ATM's as well as ATM's operated by other banks or financial institutions. Integrity Bank and the consumer have an agreement about whether Integrity Bank will charge the consumer for using ATM's not owned by Integrity Bank. Integrity Bank, in turn, is responsible for paying the network a fee for transactions completed by its consumers on ATM's not owned by Integrity Bank.

Changes which took effect in April of this year may force the consumer to pay new fees. Until April 1, the major electronic banking networks prohibited the assessment of ATM user fees by the bank which owned the ATM. The networks have revoked this policy, opening the door to a new and outrageous practice beyond the control of Integrity Bank and its customer. Now, despite the fact that Integrity Bank pays fees to the ATM network, ATM owners and operators can now charge non-customers who use their ATM's—a service that consumers thought was included in any charges imposed by Integrity Bank—their bank.

Now many ATM users may be caught in the middle. Their own banks can continue to impose fees while the operators of the ATM's they use are entitled to ransack consumers' accounts. What is next, explicit and redundant fees for deposit envelopes? A nighttime ATM surcharge? I will refrain from offering banks any further suggestions on how to pick the pockets of American consumers.

Mr. President, this double-dipping is unfair and unconscionable. Consumers should not be charged twice for a single ATM transaction and should certainly not be charged a fee which has nothing to do with the relationship between the consumer and his or her financial institution.

Banks and other financial service providers argue that these surcharges are necessary to cover the costs of ATM operation. In-branch ATM's present minimal expense to financial institutions. How can banks argue with straight faces that surcharges are necessary to cover costs of operation?

Mr. President, the rules change which permits this extra fee was enacted only recently. While some banks have already imposed the surcharge, many others are testing the waters before they take advantage of the rule change. Congress should act before this unfair practice spreads like a wildfire.

It is hard to believe that banks are so strapped when industry profits have never been higher. For the fourth straight year in 1995, commercial banks reported record earnings. Last year, commercial banks reported profits of $48.8 billion, exceeding the previous year's record of $44.6 billion by

9.4 percent. These skyrocketing earnings are primarily the result of increased interest and fee income. On top of this, commercial banks now pay nearly nothing to receive deposit insurance.

Are banks really losing money on ATM operations or is this new fee just an easy way to gouge the consumer? The U.S. Public Interest Research Group and the Center for the Responsive Law recently reported that ATM's generated $3.1 billion in transaction fees for banks in 1995. Though ATM transactions cost banks $3.2 billion, the report said, profits increased by $2.2 billion as a result of the labor savings. This new ATM surcharge is nothing more than a thinly veiled attempt to artificially inflate profits at the consumer's expense.

Banks have spent the past 20 years enticing consumers to use ATMs to reduce the need for branch offices. Banks have told regulators and the Congress that branch closings save money without decreasing service because ATM's fill the role once served by branch offices. Now it appears providing that service comes only with an added cost to the consumer and more profit for the provider.

Let me just say a few words about the impact of this fee on community banks. These banks have already agreed to pay fees to ATM networks in order to ensure that their customers have access to funds at convenient locations. Now community banks face the threat of losing customers to large banks with large ATM networks. Since community bank customers depend on other institutions' ATM's, large banks can use ATM user fees to steal community bank customers.

This moves comes at a time when some banks are charging their customers a premium for teller service. These banks justify this teller fee with claims that teller service is more expensive to provide than ATM service. Now, some banks are squeezing consumers even harder with new ATM user fees. Consumers are getting nickel-and-dimed to death and it has got to stop.

Mr. President, the bill I introduce today would prohibit user fees imposed by ATM operators. Under this bill, for example, banks would remain free to charge their own customers for using the ATM's of other banks. Other ATM owners and operators, however, would be prohibited from taking a second bite out of the consumer.

There is congressional precedent for this type of legislation. Congress originally passed legislation banning surcharges in the credit card industry in 1976 and renewed the ban twice in 1978 and 1981. In that instance, Congress prohibited retail institutions from charging consumers surcharges on their credit card purchases. To allow additional charges and fees for card use after the consumer had paid for the use of the credit card would have forced customers to pay twice and permitted some unscrupulous merchant to engage in deceptive advertising and other harmful practices. This is analogous to our current ATM situation.

I understand that some businesses that rely on retail sales through credit and ATM cards may be concerned about this bill. They need not worry. The sole purpose of this legislation is to prohibit excessive fees to ATM users. I recognize that there may be some off-site ATM's that are costly to maintain and have historically charged fees. I am willing to consider necessary accommodations to this bill. However, I will draw the line in cases where it is clear the consumer is being fleeced.

Mr. KERRY. Mr. President, I am pleased to join my colleague from New York, the chairman of the Banking Committee, Senator D'AMATO, in introducing this important piece of legislation.

It is not often that Senator D'AMATO and I agree on issues on this floor or in the Banking Committee, and when we do, there is justification for strong bipartisan support. That is indeed the case on this legislation, and I am pleased to join with my colleague, and I congratulate him on his leadership in moving to protect consumers against the potential of double-bank-fees that amount to a banking-penalty tax on consumers.

Why do we need this legislation now? Because, on April 1 of this year, American depositors had a cruel April Fool's joke played on them. That's the day Visa and MasterCard—owners of two of the largest automated teller network—began letting their member banks charge a fee to other banks' customers who use their automated tellers. Some banking analysts tell me that across the country this surcharge can range from 50 cents to $2.50. Consumers can be charged an increased fee by both their bank and the bank whose machine they are using which could cost as much as $5 to make a deposit, a withdrawal, or to check your balance.

Our legislation has a simple purpose: it prohibits a transaction fee assessed by the owner or operator of an ATM machine. This bill will stop double fees.

It gives consumers negotiating power with a financial services industry which is consolidating and downsizing—laying off tellers, shutting branches and reducing bank-lobby hours; it helps the small banker from being run out of business by the big banks; and it bolsters congressional oversight of antitrust violations.

Mr. President, Massachusetts is in a unique situation. Because of pending bank mergers and consolidations the 2 largest banks will soon own 2,200 of the 3,500 ATM machines in the State—about 65 percent.

In no other State does one bank control more than 15 percent of the ATM's. I applaud the banking industry which has grown and is healthy and strong, and there is room in financial services for large institutions and for small credit unions and neighborhood savings and loans. This bill not only protects consumers, but it protects small banks that don't own more than a few ATM's from being run out of business by the larger banks who can offer free transactions at thousands of machines.

Let me put this in perspective. In a survey of just 228 of the 3,500 machines in my State—less than 10 percent of all the machines—it was reported that 400,742 transactions per month would be subject to the new surcharge—almost 5 million transactions per year at just 10 percent of the ATM's in my State.

If the larger financial institutions could offer no fee if a consumer took their money out of a smaller institution, the fate of the smaller institutions in an increasingly automated environment is obviously in question, and we have to address this problem now. And to save the community banks and avoid the 1990's version of the 1980's S&L crisis.

Mr. President, in a recent USA Today interview with an executive of one of the Nation's largest banks, when asked ''are you instituting surcharges on non-customers who use your automated teller machines?'' the answer was somewhat disturbing.

It was:

> We're going to do it . . . The reason is frankly pretty self-evident. You've got a community bank that likes to tell you they're going to give you this wonderful service and you can shake the President's hand and get a doughnut and a cup of coffee in the lobby and so on. When you go in to open an account they say we don't have any ATM's but don't worry about it, here's our card and you can use anybody's ATM in the country. So we're subsidizing the community banks. We're not going to do that anymore.

Well, Mr. President, I ask, what's wrong with community banks. I like the idea of neighborhood credit unions and having a cup of coffee and a doughnut in the lobby. What this response tells me is that there is more to the surcharge than meets the eye. And we should be aware of the what lies around the corner as we head down the road.

You will hear from representatives of the industry, Mr. President. Some of the biggest banks will lobby heavily saying that this fee is an issue of convenience. But I suspect that other forces are at play. Commercial banks posted record profits last year. This new fee is not designed to raise profits.

Yet, community and cooperative bankers will tell you a different story—a constituent of mine in Dorchester, MA, owns a profitable bank with one ATM machine. He runs the bank well and serves the community. But he is no match against far bigger competitors. He knows that once these surcharges become pervasive and the big banks start charging his customers to use their ATM's, they will just move their accounts to the big banks to avoid the charge.

So, this is not an issue of establishing prices and fees; this is an antitrust issue. I want to set the marker down clearly—the Congress needs to do a

better job in monitoring and preventing the trend of consolidation from running the smaller banks out of business.

I want to be clear about what else this bill does, and what it does not do. This legislation does not regulate fees and prices, and does not curtail the widespread use of ATM's especially in lower income areas.

Mr. President, I do not believe that it is the business of the U.S. Senate to set prices and fees at banks and other financial institutions. I am a great believer in the free market—not the Federal Government—dictating fee structures. But there is a general sense of fairness that is being violated in this new surcharge.

When a depositor opens an account, he or she knows the fees associated with transactions. It is current Federal law—found in statutes like the Electronic Funds Transfer Act, the Truth-in-Savings Act and the Truth-in-Lending Act—that mandates fees to be disclosed to the consumer. So, when we open a bank account, we will know how much each transaction will cost.

But now, with this new surcharge, we are left in the dark. We don't find out how much it will cost to use an ATM machine, not associated with our particular bank, until our statement appears in the mail, long after the ATM transaction is completed.

That is bad for consumers and it is bad precedent. And the trend is not favorable. Historic mergers, consolidations and acquisitions have taken place in financial service industry. Consumers have less choice, not more. Bank lobby hours have been curtailed so drastically, tellers replaced by machines, that we are forced to use ATM's. This is the direction of the industry and at some point the Congress must step in and let the banks know enough is enough.

Thank you and I yield the floor.

By Mr. MCCAIN:

S. 1801. A bill to amend title 49, United States Code, to authorize appropriations for the Federal Aviation Administration for fiscal year 1997, to reform the Federal Aviation Administration, and for other purposes; to the Committee on Commerce, Science, and Transportation.

THE OMNIBUS AVIATION ACT OF 1996

Mr. MCCAIN. Mr. President, today, I am introducing the Omnibus Aviation Act of 1996. This legislation reauthorizes for one year several key programs of the Federal Aviation Administration, including the vital Airport Improvement Program. It also provides needed, comprehensive FAA reform, including the development of a stable, long-term funding system for the FAA, and addresses other critical safety and airport concerns. Specifically, this legislation would:

Reauthorize AIP at $1.8 billion for one year;

Expand the prohibition on airport revenue diversion;

Provide for thorough reform of the FAA;

Encourage Congress to meet the FAA's short-term funding needs;

Enhance airline safety by requiring airlines to share employment and performance records before hiring new pilots; and

Abolish the MWAA Board of Review.

Significantly, this bill expresses the sense of the Senate that Congress must act immediately to address the short-term funding needs of the FAA. Mr. President, we have all heard by now that certain aviation excise taxes that make up most of the Airport and Airway Trust Fund, which provides nearly all of the FAA's funding, expired at the end of last year. Since then, no money has been going into the aviation trust fund. Yet, the FAA has determined that since the beginning of this year, approximately half a billion dollars has been spent each month from the existing trust fund balance. The FAA advises that at this rate, all of the money in the trust fund will be spent by December. Without immediate action by Congress to provide interim, short-term funding for the FAA, confidence in the FAA and our nation's air traffic control system could erode.

The legislation that I am introducing today not only encourages quick resolution of the FAA's immediate funding problem, but also sets out a plan for complete FAA reform. In specific, this bill incorporates the Air Traffic Management System Performance Improvement Act, which I have cosponsored with Senator FORD and Senator HOLLINGS, to create a more autonomous and accountable FAA that can continue to ensure the safety of the traveling public while, at the same time, meet the needs of the growing aviation industry.

This FAA reform measure is particularly important because while the interim, short-term funding is in place and during the one-year reauthorization of FAA programs, the FAA will be able to set up a performance-based fee system to satisfy the FAA's long-term funding needs. This FAA reform proposal would ensure that the new FAA funding system must consider the FAA's costs of providing air traffic control services and must increase the efficiency with which air traffic control services are produced or used, without jeopardizing safety.

The existing aviation excise tax system does not enable the FAA to determine whether the air traffic control system is becoming more or less costly per flight, or whether air traffic control system productivity is increasing or decreasing. By contrast, establishing a user fee funding system under this bill would compel the FAA to establish a cost accounting system, which would enable it to determine the efficiency and costs of the FAA and the air traffic control system, and develop investment and modernization programs that are viable.

This legislation also addresses other critical aviation issues. First, it contains provisions intended to reverse the disturbing trend of illegal diversion of airport revenues. To ensure that airport revenues are used only for airport purposes, this legislation would expand the prohibition on revenue diversion to cover more instances of diversion. It also would establish clear penalties and stronger mechanisms to enforce Federal laws prohibiting revenue diversion. In addition, the bill would impose additional reporting requirements so that illegal revenue diversion is easily identified and verified. It also would provide important protections for whistleblowers.

To enhance the safety of the Nation's air transportation system, this legislation also contains provisions that would require air carriers to request and receive, after obtaining written consent from a pilot application, relevant employment and performance records before hiring someone as a pilot. These provisions focus on encouraging and facilitating the flow of information between employers so that safety is not compromised in any way.

To ensure that the burden of these pilot recordsharing provisions does not fall on employers and the legal system, when a transfer is requested and complied with, both the employer who turns over the requested records and the prospective employer who receives them will be immune from lawsuits related to the transferred information, unless the employer who provides the information knows it is false. Complete immunity is critical—without it, the airlines simply will not share records. The legislation therefore could not achieve its objective of making it a common practice of prospective employers to research to the greatest extent the experience of pilots, and to learn significant information that could affect air carrier hiring decisions and, ultimately, airline safety.

Finally, this legislation makes certain changes to the Metropolitan Washington Airports Authority required following recent Federal court rulings. In specific, the bill would abolish the MWAA Board of Review, and increase the number of presidentially appointed members of the MWAA Board of Directors. It also conveys the sense of the Senate that the MWAA should not provide free, reserved parking areas at either Washington National Airport or Washington Dulles International Airport for Members of Congress and other government officials or diplomats.

Mr. President, certain unfortunate, recent events have raised questions about the safety of our nation's air transportation system. We must do our part to reassure the traveling public that we have the world's safest system. This comprehensive legislation will go a long way in reassuring the public that the system is safe, and will provide the FAA with a stable, predictable, and sufficient funding stream for the long term.

By Mr. THOMAS (for himself and Mr. SIMPSON):

S. 1802. A bill to direct the Secretary of the Interior to convey certain property containing a fish and wildlife facility to the State of Wyoming, and for other purposes; to the Committee on Environment and Public Works.

RANCH A CROOK COUNTY, WYOMING LEGISLATION

Mr. THOMAS. Mr. President, I rise today along with my colleague from Wyoming, Senator SIMPSON, to introduce legislation to protect public land in our State. This bill would transfer 680 acres of land currently administered by the United States Fish and Wildlife Service to the State of Wyoming. This property commonly known as Ranch A is located in Crook County, WY, and is scheduled to be disposed of by the General Services Administration in the coming months. Since the area is unique and possesses many historic and distinctive characteristics, the State of Wyoming would like to have the property transferred to it so that the property and facilities on the land can be preserved for the public for many years to come.

The Ranch A lodge, which sits on 680 acres of property, was constructed by a private developer in the 1930's and acquired by the U.S. Fish and Wildlife Service in 1963. Since the area has an abundant supply of spring-fed water, it is ideal for trout research and the study of trout genetics. The Fish and Wildlife Service continued its research operations at Ranch A until 1980 when all of the agency's trout research work was transferred to Bozeman, MT. Since that time, the Service has maintained the facility but has leased the area to a variety of groups including the Wyoming Game and Fish Department and the South Dakota School of Mines.

Although the area has significant historical and cultural values, in 1995 the Department of Interior took action to divest itself of ownership of Ranch A. Recently, the Fish and Wildlife Service declared the property as ''surplus'' and is planning to dispose of Ranch A through the General Services Administration. No formal action has been taken on the disposal request and the property is still owned and maintained by the Fish and Wildlife Service.

The State of Wyoming is interested in protecting Ranch A and working to ensure the area is protected for future generations. Earlier this year, the Wyoming congressional delegation was approached by Gov. Jim Geringer and asked if we could introduce legislation to have the property transferred to the State of Wyoming. The State is willing to assume ownership of the area and maintain the facility and the adjacent land for educational, historical and wildlife management purposes.

The legislation I am introducing today would achieve that goal. The bill would transfer all right and title of the 680 acres and all buildings on the Ranch A property to the State of Wyoming. The State would assume control of the property and would be required to manage the area for public purposes including fish and wildlife management, education and historical uses. In order to ensure the area remains public, the legislation contains a reverter clause that requires the State of Wyoming to manage the property for public uses or it would be transferred back to Federal ownership.

The bill is the product of long negotiations between the State of Wyoming and the Fish and Wildlife Service. Initially, the State would only accept the land if Federal funds were authorized to refurbish the area. However, by working with the State, the Federal Government and local officials, we have been able to craft a compromise that does not require any Federal expenditures and keeps the land public.

Mr. President, the Ranch A property is a truly unique facility that should be kept in public ownership. The area has significant historic and cultural value in addition to its wildlife and research opportunities. Keeping the area clean and pure is a goal of the residents in the region who hope to preserve the beauty of the facility and surrounding land for future generations to enjoy. The State of Wyoming is willing to take on the responsibility of protecting this wonderful property and I strongly support their efforts to ensure that Ranch A is protected for many years to come.

Instead of allowing the Federal Government to dispose of this unique property that has such a variety of uses, I urge Congress to take action and allow the State of Wyoming to protect Ranch A. The choice is clear—either we pass this bill and keep the area open to the public, or we allow the Federal Government to move forward and dispose of the land into private ownership. I hope we can move quickly to support this outstanding area and pass this legislation in the near future.

By Mr. MURKOWSKI (for himself, Mr. JOHNSTON and Mr. AKAKA):

S. 1804. A bill to make technical and other changes to the laws dealing with the territories and freely associated States of the United States; to the Committee on Energy and Natural Resources.

TERRITORIES AND FREELY ASSOCIATED STATES LEGISLATION

Mr. MURKOWSKI. Mr. President, today I am introducing legislation that will address several concerns that were brought to my attention by the leadership in some of the United States territories and in the nations in free association with the United States. I am pleased that this legislation is cosponsored by the Ranking Member and former Chairman of the Committee on Energy and Natural Resources, Senator JOHNSTON, as well as by Senator AKAKA, who has also had a long and abiding interest in the welfare of the territories and freely associated States.

During the February recess, I had the opportunity to meet with the chief executives of the United States territories of American Samoa, Guam, and the Commonwealth of the Northern Mariana Islands as well as the Presidents of the Republic of Palau, the Republic of the Marshall Islands, and the Federated States of Micronesia. I want to express my appreciation to all of them for their courtesies and their willingness to meet with Senator AKAKA and myself and for their assistance in arranging full and frank discussions.

I was impressed by the diversity within the Pacific and the magnitude of the problems facing these island governments. I have some appreciation for their problems in dealing with Washington because I can recall the days of territorial administration for Alaska. I was also able to point out that Statehood is not a complete remedy for those who still think Alaska is their private reserve. Alaska, like the islands, is noncontiguous and must deal with standards developed for the lower 48 States. We have the problem of servicing small remote populations, much like the Republic of the Marshalls and the Federated States of Micronesia have.

The legislation that I am introducing today would address the following issues:

Section 1 extends the supplemental food assistance program for Enewetak and Bikini for an additional 5 years. Enewetak and Bikini were the sites for the United States atmospheric nuclear testing program in the Marshall Islands and the food assistance program is necessary to supplement local food supplies while the populations resettle their atolls. The difficulty that Enewetak has experienced in establishing a local food supply should be ample warning to the population of Bikini of the environmental consequences of a scrape, and I sincerely hope that we can avoid that environmental degradation. While Enewetak is making significant strides in reestablishing a local food supply, it is clear that a continuation of the agriculture assistance is needed. The language would also require the United States to ensure that the program is designed to meet the actual needs of the populations. I understand that the program is running at the same level as it did 10 years ago without taking into account the change in population.

A concern was also raised over the medical care and monitoring program that the Department of Energy runs in the Northern Marshalls. At the same time that I am introducing this legislation, I am also introducing an amendment that would extend the program to Bikini and Enewetak. While I do not want to jeopardize the effectiveness of the program for the affected populations of Rongelap and Utirik, I also want to ensure that the objectives of the four atoll program are being met. This language will also provide the Committee with an opportunity to review the administration of the program

since it was shifted out of defense programs and into environmental health within DOE. I appreciate that the four atoll health program was to be administered by the Tribunal established under the Compact of Free Association, but I am also mindful of the special responsibility that the United States has for the populations of the four affected atolls. Under the terms of the Compact, we authorized further ex gratia assistance if justified, and I think it is time for the Committee on Energy and Natural Resources to examine how the programs—those being provided by the Republic of the Marshall Islands and those provided by the United States—are being implemented. I was very impressed by my visit to Bikini and am grateful for the courtesies and hospitality extended by the Mayor, the Council, and Senator Balos. During the hearings on this legislation, I also want to examine what role the Public Health Service can play in improving health care not only to the four atolls, but throughout the Republic of the Marshall Islands and also to the Federated States of Micronesia and the Republic of Palau. I again want to emphasize that in no way do I want to jeopardize the overriding objective of the health care being provided by Brookhaven to the 133 exposed Marshallese, but I do not want to pass over the opportunity to see if the populations of Bikini and Enewetak could bootstrap onto the program using their trust funds.

Section 2 of the legislation would repeal a provision of law that authorizes the government of the Commonwealth of the Northern Mariana Islands to take over the American Memorial Park in Saipan. Senator AKAKA and I participated in a wreath laying at the park, and I was impressed with the development of the area, especially in light of staff descriptions of the site only a few short years ago. Ambassador Haydn Williams deserves a great deal of credit for his persistence and commitment to seeing the park established. While I am not opposed to proposals for other arrangements, it seems to me that the area is now a part of the National Park System and should remain so until the lease expires unless some concrete proposal is brought forward that will maintain the objectives and purposes for the memorial. I fully expect that we will need to modify this provision to permit the commonwealth the ability to develop the marina area, but at least for the time being, I think the National Park Service should continue to operate and maintain the memorial.

Section 3 is a technical amendment to the legislation dealing with the land grant status of the College of Micronesia and was brought to my attention by Susan Moses, the president of the college. The amendment would provide separate land grant status to the three successor institutions to the former College of Micronesia—the College of Micronesia—FSM, the College of the Marshall Islands, and the Palau Community College. This amendment will hopefully eliminate some administrative headaches for the college.

Section 4 amends the Guam Organic Act to guarantee that any lands acquired by the United States for Federal purposes will be made available to the Government of Guam when those purposes have expired. The Federal Government, principally the Department of Defense, controls about one-third of the available land area in Guam. Those lands were acquired for defense needs, and when those needs no longer exist, the lands should be returned to Guam. I was particularly troubled by the situation at Ritidian Point where the Fish and Wildlife Service, seemingly in the dead of night, effectively stole land that the Department of Defense and the Government of Guam had negotiated for transfer. Whatever the justification for Fish and Wildlife's interest, there is no excuse for the insensitivity shown by the Department of the Interior in that acquisition. Rather than spending their time enlarging their empire, the Fish and Wildlife Service could make better use of their resources by going after the brown tree snake. At the rate they are going, they will have the only wildlife refuge dedicated to extinct species. I especially want to thank Congressman UNDERWOOD for his assistance in developing this approach to guarantee a role for the Government of Guam in any further Federal land disposal in Guam. The Governor of Guam made an excellent presentation of the problems created by the actions of the Fish and Wildlife Service and I think this is a situation that needs to be addressed and I am grateful for the comprehensive briefing he provided us during our brief visit to Guam.

Section 5 would repeal a provision of law that limits the use of lands transferred to Guam. Again, I want to thank Congressman UNDERWOOD for suggesting this amendment. I cannot think of any restriction more onerous than transferring property for which the Federal Government has no further need and then denying the Government of Guam the ability to derive the economic benefits of its use and development.

Section 6 was suggested by the Resident Representative of the Commonwealth of the Northern Mariana Islands and would provide State-like treatment for the commonwealth, the Virgin Islands, and American Samoa for certain drug enforcement programs. Guam and Puerto Rico presently have State-like treatment, and this amendment simply provides uniform treatment for all the territories.

Section 7 of the legislation would amend the Revised Organic Act of the Virgin Islands at the request of the Governor of the Virgin Islands. The first amendment would provide that the Governor would retain his powers as Governor when he is temporarily absent from the territory on official business. This amendment recognizes that with modern communications and transportation, the current limitations are archaic and impede continuity in the operations of the executive branch in the Virgin Islands.

The second amendment would reform the authority granted to the Virgin Islands in 1976 to issue bonds secured by the matching fund. The debt is now priority debt, not parity debt. Priority debt places a premium value on the earliest debt, while parity debt places all bond holders on a level playing field. Although most communities now issue parity debt, the current limitation handicaps the Virgin Islands by requiring a higher fee and interest rate on subsequent issues as well as over collateralization. The amendment would permit the Virgin Islands to issue parity debt and allows for a transition to permit the Virgin Islands to refinance their current priority debt. This would reduce the debt service and free up needed revenues for school improvements and emergency repairs made necessary by Hurricane Marilyn. I want to emphasize that current bond holders will be fully protected.

Section 8 was suggested by Senator JOHNSTON to begin to look at what the economic future of the Virgin Islands will be in light of the changes that are happening both politically and economically in the Caribbean and what the Federal Government can do to provide a stable and self-sustaining local economic base. I fully agree with Senator JOHNSTON that the time to do that analysis is now.

Mr. President, upon my return from my visit to the Pacific, I wrote the President on what I thought was a fairly significant concern raised by the Presidents of the Republic of the Marshall Islands and the Federated States of Micronesia. While the political relationship under the Compacts of Free Association is of indefinite duration, certain provisions are subject to renegotiation and expire at the end of 15 years. The compacts require renegotiation in the 13th year and the Presidents quite correctly pointed out that was not sufficient time to conclude negotiations and obtain the necessary ratifications by the United States and their governments. Like the Governor of the Virgin Islands and Senator JOHNSTON, they are looking to the future and trying to plan for it. They asked if I would request the administration to begin the process of formulating the U.S. position and begin discussion while there was a degree of time. Given the number of years it took for the original ratification, that seemed like a reasonable request. I will not comment on the President's response, other than to ask unanimous consent that a copy of my letter and his response be included in the RECORD.

Mr. President, I appreciate that we are late in this session of the Congress, but these are important matters that require the attention of the Congress. I

want to announce that the Committee on Energy and Natural Resources will hold a hearing on this legislation on June 25, 1996 and at the same time we will review the report on the law enforcement initiative in the commonwealth of the Northern Mariana Islands. I will not go into great detail on the situation in the Commonwealth other than to say that reforms need to be implemented. We had extensive and detailed briefings and discussions with the Governor's staff, the Federal officials on the island, the Chamber of Commerce, the legislature, the U.S. attorney and Federal judiciary. It is my intention to move expeditiously on this legislation immediately after the hearing is concluded.

Mr. President, I ask unanimous consent that additional material be printed in the RECORD.

S. 1804

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

SECTION 1. MARSHALL ISLANDS AGRICULTURAL AND FOOD PROGRAMS.

Paragraph (2) of subsection (h) of section 103 of Public Law 99–239, as amended, is further amended by striking the word ''ten'' and inserting in lieu thereof the word ''fifteen'' and by adding at the end of subparagraph (B) ''Such technical assistance, programs and services shall ensure, on an ongoing basis, that the commodities provided reflect the changes in the population that have occurred since the effective date of the Compact.''.

SEC. 2. AMERICAN MEMORIAL PARK.

Section 5 of Public Law 95–348 is amended by striking subsection (f), and renumbering subsections (g) and (h) as subsections (f) and (g), respectively.

SEC. 3. TERRITORIAL LAND GRANT COLLEGES—TECHNICAL AMENDMENT.

Subsection (b) of section 1361 of Public Law 96-374 is amended by striking the words ''August 30, 1980 (7 U.S.C. 327), commonly referred to as the Second'' and inserting in lieu thereof the words ''July 2, 1862 (7 U.S.C. 305), commonly referred to as the First''.

SEC. 4. AMENDMENT TO THE GUAM ORGANIC ACT.

The Organic Act of Guam (48 U.S.C. 1421 et seq.), as amended, is further amended by adding at the end thereof the following new section:

''SEC. 36. (a) At least 180 days before transferring to any Federal agency excess real property located in Guam, the Administrator of General Services shall notify the government of Guam that the property is available under this section.

''(b) The Administrator shall transfer to the government of Guam all right, title, and interest of the United States in and to excess real property located in Guam, by quit claim deed and without reimbursement, if the government of Guam, within 180 days after receiving notification under subsection (a) regarding the property, notifies the Administrator that the government of Guam intends to acquire the property under this section.

''(c) For purposes of this section, the term 'excess real property' means excess property (as that term is defined in section 3 of the Federal Property and Administrative Services Act of 1949, as in effect on the date of enactment of the Guam Land Return Act) that is real property.''.

SEC. 5. REPEAL OF LIMITATION ON USE OF LANDS BY THE GOVERNMENT OF GUAM.

(a) IN GENERAL.—Section 818(b)(2) of Public Law 96–418 (94 Stat. 1782), is repealed.

(b) EXECUTION OF INSTRUMENTS.—The Secretary of the Navy and the Administrator General Services shall execute all instruments necessary to implement this section.

SEC. 6. CLARIFICATION OF ALLOTMENT FOR TERRITORIES.

Section 901(a), Part 1, title I of the Act of June 19, 1968 (42 U.S.C. 3791(a)), as amended, is further amended in paragraph (2) by changing the proviso to read as follows: ''(2) ''State'' means any State of the United States, the District of Columbia, The Commonwealth of Puerto Rico, the Virgin Islands, American Samoa, Guam, and the Commonwealth of the Northern Mariana Islands.''

SEC. 7. AMENDMENTS TO THE REVISED ORGANIC ACT OF THE VIRGIN ISLANDS.

(a) Section 7(a) of P.L. 90-496 (82 Stat. 839), as amended, is futher amended by adding at the end thereof ''As used in this section, the term 'temporary absence' shall not be construed as being physically absent from the territory while on official Government business.''

(b) Section 3 of P.L. 94–392 (90 Stat. 1195), as amended, is further amended to read as follows:

(1) by inserting ''hereinafter'' between ''obligations'' and ''issued'';

(2) by deleting ''priority for payment'' and inserting in lieu thereof ''a parity lien with every other issue of bonds or other obligations hereinafter issued for payment''; and

(3) by deleting ''in the order of the date of issue''.

(c) The provisions of section 149(d)(3)(A)(i)(I) and 149(d)(2) of the Internal Revenue Code of 1986, as amended, shall not apply to bonds issued:

(1) by an authority created by statute of the Virgin Islands legislature, the proceeds of which will be used to advance refund certain bonds issued by such authority on July 8, 1992; or

(2) by an authority created by statute of the Virgin Islands Legislature, the proceeds of which will be used to advance refund certain bonds issued by such authority on November 3, 1994.

(d) The amendments made by subsections (b) and (c) shall apply to obligations issued on or after the date of enactment of this section.

SEC. 8. COMMISSION ON THE ECONOMIC FUTURE OF THE VIRGIN ISLANDS.

(a) ESTABLISHMENT AND MEMBERSHIP.—

(1) There is hereby established a Commission on the Economic Future of the Virgin Islands (the ''Commission''). The Commission shall consist of six members appointed by the President, two of whom shall be selected from nominations made by the Governor of the Virgin Islands. The President shall designate one of the members of the Commission to be Chairman.

(2) In addition to the six members appointed under paragraph (1), the Secretary of the Interior shall be an ex-officio member of the Commission.

(3) Members of the Commission appointed by the President shall be persons who by virtue of their background and experience are particularly suited to contribute to achievement of the purposes of the Commission.

(4) Members of the Commission shall serve without compensation, but shall be reimbursed for travel, subsistence and other necessary expenses incurred by them in the performance of their duties.

(5) Any vacancy in the Commission shall be filled in the same manner as the original appointment was made.

(b) PURPOSE AND REPORT.—

(1) The purpose of the Commission is to make recommendations to the President and Congress on the policies and programs necessary to provide for a secure and self-sustaining future for the local economy of the Virgin Islands through 2020 and on the role of the federal government in providing for that future. In developing recommendations, the Commission shall—

(A) solicit information and advice from persons and entities that the Commission determines have expertise to assist the Commission in its work;

(B) examine and analyze historical data since 1970 on expenditures for infrastructure and services;

(C) analyze the sources of funds for such expenditures;

(D) assemble relevant demographic and economic data, including trends and projections for the future; and

(E) estimate future needs of the Virgin Islands, including needs for capital improvements, educational needs and social, health and environmental requirements.

(2) The recommendations of the Commission shall be transmitted to the President, the Committee on Energy and Natural Resources of the United States Senate and the Committee on Resources of the United States House of Representatives no later than December 1, 1997. The recommendations shall be accompanied by a report that sets forth the basis for the recommendations and includes an analysis of the capability of the Virgin Islands to meet projected needs based on reasonable alternative economic, political and social conditions in the Caribbean, including the opening in the near future of Cuba to trade, tourism and development.

(c) POWERS.—

(1) The Commission may—

(A) hold such hearings, sit and act at such times and places, take such testimony and receive such evidence as it may deem advisable;

(B) use the United States mail in the same manner and upon the same conditions as other departments and agencies of the United States;

(C) enter into contracts or agreements for studies and surveys with public and private organizations and transfer funds to federal agencies to carry out such aspects of the Commission's functions as the Commission determines can best be carried out in such manner; and

(D) incur such necessary expenses and exercise such other powers as are consistent with and reasonably required to perform its functions.

(2) The Secretary of the Interior shall provide such office space, furnishings and equipment as may be required to enable the Commission to perform its functions. The Secretary shall also furnish the Commission with such staff, including clerical support, as the Commission may require and shall provide to the Commission financial and administrative services, including those related to budgeting, accounting, financial reporting, personnel and procurement.

(3) The President, upon request of the Commission, may direct the head of any federal agency of department to assist the Commission and if so directed such head shall—

(A) furnish the Commission to the extent permitted by law and within available appropriations such information as may be necessary for carrying out the functions of the Commission and as may be available to or procurable by such department or agency; and

(B) detail to temporary duty with the Commission on a reimbursable bases such personnel within his administrative jurisdiction as the Commission may need or believe to be useful for carrying out its functions, each such detail to be without loss of seniority, pay or other employee status.

(d) CHAIRMAN.—Subject to general policies that the Commission may adopt, the Chairman of the Commission shall be the chief executive officer of the Commission and shall exercise its executive and administrative powers. The Chairman may make such provisions as he may deem appropriate authorizing the performance of his executive and administrative functions by the staff of the Commission.

(e) APPROPRIATIONS.—There is authorized to be appropriated such sums as may be necessary to carry out the purposes of this section.

(f) TERMINATION.—The Commission shall terminate three months after the transmission of the report and recommendations under subsection (b)(2).

U.S. SENATE, COMMITTEE ON ENERGY AND NATURAL RESOURCES,
Washington DC, March 11, 1996.

Hon. WILLIAM J. CLINTON,
President of the United States,
The White House,
Washington, DC.

DEAR MR. PRESIDENT: Recently Senator Akaka and I had the opportunity to meet with President Amata Kabua of the Republic of the Marshall Islands and his Cabinet and later with President Bailey Olter of the Federated States of Micronesia and the Speaker of their legislature. While we had frank and informative meetings, one issue arose in both meetings that we wanted to bring to your attention and request your support.

As you know, in 1986, the Republic of the Marshall Islands and the Federated States of Micronesia emerged from the former United Nations Trust Territory of the Pacific Islands as sovereign nations in free association with the United States. That status had been requested by the Micronesian governments in the late 1960's and negotiated with the United States over more than a decade. Congress approved the Compacts of Free Association for these two areas in Public Law 99–239, signed by the President on January 14, 1986. That approval came after several years of Congressional consideration.

Under the terms of the Compacts, the political relationship is open ended, but the federal assistance provisions terminate after fifteen years, in 2001, with a possible two year extension if negotiations on such assistance have not concluded. Under section 231 of the Compacts, negotiations on those provisions that expire at the end of fifteen years shall commence no later than in year thirteen, in 1999. The leadership in both countries strongly urged that discussions begin prior to that time. I support that request.

In addition to the critical strategic and policy interests of the United States in each of these areas, we have developed a close and, I hope, an enduring relationship based on mutually shared values. the political development of the freely associated states and their emergence from the United Nations trusteeship system was done peacefully. The option of free association was a decision made by the Micronesians at a time when full independence was the mark of decolonization elsewhere in the world. While there have been significant developments in the ten years of the Compacts, the process of nation-building is not simple nor without setbacks and problems. The relationship is unique, and while I understand that there are some who find it troubling, I think an honest review would demonstrate that it has exceeded the expectations of all parties.

I do have some concerns with how the present relationship has been implemented, not the least of which is the failure of the Department of the Interior to assign an individual to each of the freely associated states to provide assistance and monitor the various federal programs and grants that have been provided despite the clear intent of the Congress in approving section 108 of P.L. 101–219 and explicit appropriations. That is a situation that should be rectified immediately. Some of the present economic problems might have been avoided with a continuing presence from the Department. While I support the Administration's economic policy reforms being carried out in cooperation with the Asian Development Bank, those reforms do not obviate the need for a full time presence from the Department of the Interior in responding to the problems.

I think it is clear, however, that the United States has much to offer the micronesian governments consistent with their sovereignty and our fiscal limitations. Technical and other assistance in marine resources and tourism will be important as these countries attempt to develop their economic potential while preserving their culture and traditions. Continued assistance in fiscal management will also be vital.

I strongly suggest that you begin consideration of the Administration's policy with respect to future assistance to the freely associated states now and that you do so in close consultation with the Congress. The history of the original approval of the Compacts indicates that the two years provided in section 231 is wholly inadequate for negotiations and Congressional consideration. It would be even worse if the Administration waited any longer to begin to formulate its position.

I do want to emphasize the need for close Congressional consultations. This Committee, as well as the relevant House Committees, were involved in the discussions and negotiations that led to the passage of the Covenant for the Northern Mariana Islands and the Compacts for the three freely associated states, and many of our concerns are reflected in the final documents.

Sincerely,

FRANK H. MURKOWSKI,
Chairman.

THE WHITE HOUSE,
Washington, April 10, 1996.

Hon. FRANK H. MURKOWSKI,
U.S. Senate,
Washington, DC

DEAR MR. CHAIRMAN: Thank you for your letter regrading U.S. policy toward the Federated States of Micronesia and the Republic of the Marshall Islands. These former parts of the Trust Territory of the Pacific Islands make an important contribution to our security presence in the Asia-Pacific region.

We are working closely with Micronesia and the Marshall Islands to ensure the nearly $2 billion in scheduled U.S. assistance from over forty agencies is effectively and efficiently used. The Interior Department has dedicated substantial personnel resources for this purpose.

I look forward to working with you and other members of your committee to support the exciting process of nation-building that is taking place in these former parts of the Trust Territories.

Sincerely,

BILL CLINTON.●

● Mr. JOHNSTON, Mr. President, I am pleased to join in the introduction of this legislation that will address several important areas of concern in the territories and freely associated states. Many of the provisions result from a recent trip that the chairman of the Committee on Energy and Natural Resources, Senator MURKOWSKI, and Senator AKAKA recently took to most of the Pacific insular areas.

It is almost 24 years since I first came to the Senate and assumed the chairmanship of the Subcommittee on Territories of the then Committee on Interior and Insular Affairs. I thought it was important to visit the areas under the committee's jurisdiction and meet with the leadership. There is nothing that can replace that first-hand knowledge. Given the enormous workload of the committee and the critical nature of the legislation before us, it is often easy to overlook the needs of the territories and freely associated states. I sincerely hope that other members of the committee will also visit these areas and come to appreciate the unique needs and problems that confront the residents. The responsibility for these areas is one of those unique constitutional authorities entrusted to Congress by article IV.

In the time that I have been involved with the insular areas, Congress has enacted legislation providing full local self-government to the Virgin Islands, Guam, and American Samoa—including the election of non-voting delegates to the House of Representatives. We have also terminated the Trust Territory of the Pacific Islands, leader to the emergence of three sovereign nations in free association with the United States and a fully locally self-governing territory—the Commonwealth of the Northern Mariana Islands. I also had the privilege of serving on the Ad Hoc Advisory Group of Puerto Rico with our former colleague Marlow Cook and former Governor Luis Munoz Marin.

I want to focus on one provision of this legislation, and that is the study of the future economic needs of the Virgin Islands. Since 1960, the Virgin Islands has experienced enormous growth and development. In large part, that growth resulted from increased tourism after the closure of Cuba and also from improved transportation links to the Islands. Another component was the favorable trade status of the Virgin Islands, which is outside the customs territory of the United States. Those underpinnings are about to disappear. NAFTA and other trade agreements are eroding the trade advantages that the Virgin Islands has enjoyed. Within the foreseeable future, we will have a post-Castro Cuba that will likely challenge the Virgin Islands tourist industry. Rather than waiting for those events to happen, it is essential that we—the Virgin Islands and the federal government—begin to plan for the future. This legislation calls for the creation of a Commission on the Economic Future of the Virgin Islands. The Commission would carry out an in-depth study of what will need to be done to provide a transition for the Virgin Islands to a fully self-sustaining local economy and what the federal government needs to do to facilitate that transition.

I am pleased to cosponsor this legislation and I look forward to the hearings that the Committee will conduct

in the next several weeks. At that time we will also review the report from the Administration on the law enforcement initiative in the Commonwealth of the Northern Mariana Islands. I was the floor manager for the Covenant, and I take particular pride in the accomplishments that have occurred in the past twenty years. The Northern Marianas entered territorial status heavily dependent on federal support for basic government operations. In twenty years, the territory has progressed to the point that it no longer requires direct assistance in operations and is capable of matching federal grants for capital infrastructure. That progress has had a price, however, and I intend to very carefully examine the labor situation and the continued reports of abuse, especially in the garment industry. While I fully support the authority for local self-government conferred under the Covenant, that grant also included the responsibility for exercising that authority properly.

In that context, on July 20, 1995, the Senate passed S. 638, a bill containing, among other things, significant provisions addressing labor issues in the Commonwealth of the Northern Mariana Islands. The House has not yet responded to this important legislative initiative. My hope is that we can obtain House action on S. 638 soon—in time for the 104th Congress to act to address these problems.●

By Mr. GRAMS:

S. 1805. A bill to provide for the management of Voyageurs National Park, and for other purposes; to the Committee on Energy and Natural Resources.

VOYAGEURS NATIONAL PARK ACCESSIBILITY AND PARTNERSHIP ACT

Mr. GRAMS. Mr. President, there is a march toward democracy afoot in America today.

That statement may seem surprising; after all, why would such a movement be needed? We Americans take pride in the fact that our Government is based on the pursuit of democracy—in the words of Abraham Lincoln, ''a government of the people, by the people and for the people.'' And that principle should have as much relevance today as it did when President Lincoln delivered the Gettysburg Address 130 years ago—but does it?

In theory perhaps, but as a practical matter, it seems that the words of Lincoln have been steadily eroded by the recent surge in the size and power of the Federal Government. And with that growth in Washington has come the slow but unmistakable shift in power from the people to the government.

Under a democracy, government is needed to establish and enforce the fundamental rules by which our society operates—with the express support of the people. It is there to protect the rights of individuals and to step in when those rights come into conflict—to resolve disputes between people, not to create them.

But in recent years, the American people have been forced to watch Government expand its role in our daily lives through the use of laws, rules, and regulations—to the point of interference. Instead of receiving its power from the people, it has usurped that authority and as a result, abandoned any sense of public accountability.

As a result, many people believe that they have lost control of their Government—indeed a growing number of us feel that the Government now controls us.

There is no better example of this shift in power than in the Federal Government's management of our natural resources and public lands, particularly as it has affected the people of my home state in the controversy surrounding Voyageurs National Park.

The Park, now comprising 218,000 acres in northern Minnesota, was created in 1971 and established as part of the National Park System in 1975 following years of contentious debate and public hearings. While a number of local residents supported the creation of the park, they did so after promises by the Federal Government of increased economic growth in the region; maintenance of the Park as a multiple recreational use facility, for recreational activities like snowmobiling; and the continued use of input from the public into the management of the park.

But as the years passed, those promises fell by the wayside, leaving local residents out in the cold and understandably distrustful of government bureaucrats who have been unaccountable to the people they are supposed to serve and unresponsive to their needs. Instead of working for the people, the Federal Government has consistently ignored their concerns and in some cases, actually worked against them.

For example, the people of northern Minnesota were promised that in exchange for giving up their rights to the land that would comprise the Park, they would receive opportunities to boost their local economy. In fact, upon creation of the Park, Federal officials estimated that it would host over 1.3 million visitors each year, thereby providing much-needed economic growth for the surrounding communities.

But the road toward economic prosperity never found its way through Voyageurs National Park. Park officials currently estimate the annual number of visitors at 200,000—less than one-sixth their initial projection. Even worse, the Park Service has tried to cover its tracks by suggesting that the park—despite its low visitor rate—is not underutilized.

While the facts and figures certainly counter the Park Service's assertion, nothing beats a first-hand assessment of park use. So, on a beautiful Saturday last July, I visited Voyageurs National Park. While admiring the beauty and historical significance of the lands and waters enclosed within the park, I was struck by the fact that hardly anyone—with the exception of park officials and a few scattered visitors—was there. It was only when I drove through the neighboring city of International Falls, MN, that I did see a number of tourists and visitors—in line—waiting to pass through customs—on their way to Canada.

In 1983, Congress called for the Park Service to create a comprehensive visitor use and facilities plan which would lay out a strategy to increase park use. In spite of Congress' directive, no attempt to carry out the study ever occurred—perhaps due to the Park Service's belief that the park was not being underutilized, bureaucratic stonewalling, or maybe just out of simple negligence. Whatever the reason, Voyageurs National Park today remains underutilized—an isolated enclave—with the people of northern Minnesota forced to pay the price of the National Park Service's mismanagement.

The Park Service and the U.S. Fish and Wildlife Service have also worked together to curtail legitimate visitor access to and use in the Park. Under the guise of the Endangered Species Act, certain bays were shut off to snowmobiling in order to protect the nesting habitat of bald eagles. While everyone agreed that the eagles should be protected, many believed that both agencies failed to give valid, scientific reasons for closing off the bays. Recently, a Federal district judge ruled that Federal bureaucrats had abused the Endangered Species Act to unfairly restrict snowmobile access in the bays. It is sadly ironic that it took a Federal judge to recognize a legitimate use in the Park—something the Park Service and Fish and Wildlife Service have failed to comprehend.

But perhaps the greatest example of arrogance on the part of the Federal Government concerns the question of wilderness designation within the Park. Despite the clearly expressed intent of Congress that Voyageurs National Park was to be a multiple recreational use facility, the Park Service has continued to manage certain portions of the Park for wilderness study characteristics. One need go no further than to ask my colleague from Minnesota, Representative JIM OBERSTAR, who helped create the Park when he served as a Congressional staffer, about the intent of Congress that it was to be open for multiple use. Yet, major segments of the Park continue to be shut off to legitimate and recognized multiple uses—such as snowmobiling, boating and dog sledding—further breaking the long-standing commitments made to northern Minnesotans.

Mr. President, as much as we would like to, we cannot rewrite the history of Voyageurs National Park or simply wave a magic wand to right the wrongs to which the people of northern Minnesota have been subjected over the last 25 years. But we can and must take action to ensure that history does not repeat itself—that future management

of the Park be conducted in accordance with the views of the people.

For that reason, today, I am introducing legislation which would help resolve this controversy by bringing democracy and government accountability back to Voyageurs National Park.

Under my legislation, a new Planning and Management Council will be charged with developing and monitoring a comprehensive management plan. It will consist of 11 members appointed by the Secretary of the Interior and will include representatives from Federal, State, local and tribal governments.

The management council will be authorized to create Advisory Councils made up of individuals representing diverse interests. All council meetings will be open to the public, who will be given opportunities to provide comment on agenda items.

Mr. President, under my bill, public input will no longer be ignored—in fact, it will be encouraged as part of the management process.

Finally, my legislation will prohibit the Park Service from issuing any additional regulations regarding the Park between enactment of this bill and the Secretary's final approval of the management plan, except in cases of routine administration, law enforcement need and emergencies.

To better understand how this new management council will improve the situation in northern Minnesota, one need look no further than the recent ban that was proposed by the National Park Service on the use of live bait within the interior lakes of Voyageurs National Park—one imposed without the solicitation of public input or notification to area fisherman and the Minnesota Department of Natural Resources.

This unilateral action taken by the Park Service naturally created enormous controversy and outrage in northern Minnesota. As one State official said at the time, ''It was a big surprise to us * * *. There was no prior discussion with us on the ban. There's a longstanding tradition in the park of being able to use live bait.''

After many of us raised our objections and outrage over the ban, the Park Service backpedaled, then lifted the ban, stating that it had misread the law. In doing so, the Superintendent of the Park was quoted in the papers saying, ''I had no idea this was going to be a problem. If I had known, trust me, I would have dealt with it differently.''

Mr. President, think about those words for a second. According to the Park Service, if they had just known, they never would have tried to impose their will on the people. If they had just known, just listened, just sought input, none of this would have happened. That is exactly what we are seeking today.

My legislation would avoid such embarrassments in the future by bringing everyone together to ensure that management of the Park is conducted by agreement, not edict. It will ensure that everyone has a seat at the table when the decisions are made. Above all, this new management council will return democracy to the preservation of Voyageurs National Park. It will return to the people of northern Minnesota a voice in how the park is operated and its impact on their communities, economy and livelihood.

Mr. President, I spoke earlier today of a growing movement toward democracy in America—born in the heartland of our Nation, led by the American people, and headed toward Washington. Since holding two public field hearings in Minnesota on this issue last year, I have heard from numerous citizen organizations, community leaders, and average Minnesotans about the management of the park and how their daily lives are affected by it.

Their message is simple: Let us have a say in how our natural resources are maintained—return some of the power to the people—give us back our government and our country. The silent majority, which has been suppressed for so many years, is now finding its voice again—and it is our responsibility to listen to it and act upon it. By conducting our field hearings, which attracted well over 2,000 Minnesotans, we took the first step by listening. Now, we must move ahead and take action.

During those hearings, I heard a number of people give profound and often moving testimony. Many presented facts and figures—invaluable data about the history and management about the park. But what struck me the most during the hearings were the personal stories—the real-life accounts about how the Federal Government and its mismanagement of Voyageurs National Park has truly changed the lives of the people it was created to serve.

One of these stories belonged to Carol Selsaas of Cohasset, MN. In her testimony, Carol described the work of her late father, George Esslinger, who was one of the strongest supporters in northern Minnesota for the creation of Voyageurs National Park.

Carol said:

For over 9 years, my father worked with other men and women to fight for the creation of the park. He assisted the Department of the Interior in physically identifying the boundaries of the park. He traveled and spoke in favor of the park. He gave his heart and soul to the park. He believed the area he supported for a national park should be maintained for the enjoyment of all people: snowmobilers, cross country skiers, boaters, hikers, fishermen, hunters, yes and even dog sledders. He felt that this would be a park for everyone who had respect for this land, not one locked up except for a chosen few.

Carol went on to describe how her father supported the park with the understanding that the trails and roads already established—over 200 miles on the Kabetogama Peninsula alone—would be maintained. To date, all but 12 miles are now closed off to public access. On one of those closed off trails, Carol said, rests a memorial to her father placed by the Park Service. With tears in her eyes, she said that because of the inaccessibility of the trail, she has never been able to visit her father's memorial.

''My father died knowing that he had been lied to,'' said Carol. ''He died apologizing to me, his grandson, his community. On his death bed, I promised that I would fulfill his wish and tell the story of how he was misled in his support for Voyageurs National Park.''

Indeed, she did—as did many other of my fellow Minnesotans. We cannot forget their words or discard their testimonies. In the sterile halls of the Federal buildings here in Washington, the words of Carol Selsaas and others may not mean much, but to me, they describe the heartfelt emotions and passions about the culture of northern Minnesota—a culture that Washington may not understand, but cannot take for granted.

Nor can we hide in the halls of Congress from the march of democracy that is spreading throughout the heartland of our country. If we are truly committed to operating as the open democracy described by President Lincoln, we must turn the tide and return power back to its legitimate source in America: the people.

The legislation I introduce today is a necessary step in bringing the principles of democracy back to one small, but important region of our Nation. Let us no longer obstruct the march of democracy but help pave the way for it across America.

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

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

S. 1805

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 ''Voyageurs National Park Accessibility and Partnership Act of 1996''.

SEC. 2. FINDINGS.

Congress finds that—

(1) Voyageurs National Park serves as a unique federal park unit in 1 of the Nation's distinguished natural ecosystems;

(2) Voyageurs National Park shall serve as a year-round multiple-use recreational unit as mandated under Public Law 91–661;

(3) current management of Voyageurs National Park has unilaterally restricted use and accessibility within certain portions of the park;

(4) intergovernmental cooperation that respects and emphasizes the role of State, local, and tribal governments in land management decision-making processes is essential to optimize the protection and development of social, historical, cultural, and recreational resources; and

(5) the national interest is served by—

(A) improving the management and protection of Voyageurs National Park;

(B) ensuring appropriate public access, enjoyment, and use throughout Voyageurs National Park; and

(C) allowing Federal, State, local, and tribal governments to engage in an innovative management partnership in Federal land management decisionmaking processes.

SEC. 3. PLANNING AND MANAGEMENT COUNCIL.

Public Law 91–661 (16 U.S.C. 160 et seq.) is amended—

(1) by redesignating sections 304 and 305 (16 U.S.C. 160i and 160j) as sections 306 and 307, respectively; and

(2) by inserting after section 303 (16 U.S.C. 160h) the following:

"SEC. 304. PLANNING AND MANAGEMENT COUNCIL.

''(a) ESTABLISHMENT.—There is established the Voyageurs National Park Intergovernmental Council (referred to in this Act as the 'Council').

''(b) DUTIES OF THE COUNCIL.—The Council shall develop and monitor a comprehensive management plan for the park in accordance with section 305.

''(c) MEMBERSHIP.—The Council shall be composed of 11 members, appointed by the Secretary, of whom—

''(1) 1 member shall be the Assistant Secretary for Fish and Wildlife and Parks, or a designee;

''(2) 3 members shall be appointed, from recommendations by the Governor of Minnesota, to represent the Department of Natural Resources, the Office of Tourism, and the Environmental Quality Board, of the State of Minnesota;

''(3) 1 member shall be a commissioner from each of the counties of Koochiching and Saint Louis, appointed from recommendations by each of the county boards of commissioners;

''(4) 1 member shall be a representative from the cities of International Falls and Orr, appointed from recommendations by each of the city councils;

''(5) 1 member shall be a State senator who represents a legislative district that contains a portion of the park, appointed from a recommendation by the Governor of Minnesota;

''(6) 1 member shall be a State representative who represents a legislative district that contains a portion of the park, appointed from a recommendation by the Governor of Minnesota;

''(7) 1 member shall be an elected official from the Northern Counties Land-Use Coordinating Board, appointed from recommendations by the Board; and

''(8) 1 member shall be an elected official of the Native American community to represent the 1854 Treaty Authority, appointed from recommendations by the Authority.

''(d) ADVISORY COMMITTEES.—

''(1) IN GENERAL.—The Council may establish 1 or more advisory committees for consultation, including committees consisting of members of conservation, sportsperson, business, professional, civic, and citizen organizations.

''(2) FUNDING.—An advisory committee established under paragraph (1) may not receive any amounts made available to carry out this Act.

''(e) QUORUM.—A majority of the members of the Council shall constitute a quorum.

''(f) CHAIRPERSON.—

''(1) ELECTION.—The members of the Council shall elect a chairperson of the Council from among the members of the Council.

''(2) TERMS.—The chairperson shall serve not more than 2 terms of 2 years each.

''(g) MEETINGS.—The Council shall meet at the call of the chairperson or a majority of the members of the Council.

''(h) STAFF AND SERVICES.—

''(1) STAFF OF THE COUNCIL.—The Council may appoint and fix the compensation of such staff as the Council considers necessary to carry out this Act.

''(2) PROCUREMENT OF TEMPORARY SERVICES.—The Council may procure temporary and intermittent services under section 3109(b) of title 5, United States Code.

''(3) ADMINISTRATIVE SUPPORT SERVICES.—The Administrator of General Services shall provide to the Council, on a reimbursable basis, such administrative support services as the Council requests.

''(4) PROVISION BY THE SECRETARY.—On a request by the Council, the Secretary shall provide personnel, information, and services to the Council to carry out this Act.

''(5) PROVISION BY OTHER FEDERAL DEPARTMENTS AND AGENCIES.—A Federal agency shall provide to the Council, on a reimbursable basis, such information and services as the Council requests.

''(6) PROVISION BY THE GOVERNOR.—The Governor of Minnesota may provide to the Council, on a reimbursable basis, such personnel and information as the Council may request.

''(7) SUBPOENAS.—The Council may not issue a subpoena nor exercise any subpoena authority.

''(i) PROCEDURAL MATTERS.—

''(1) GUIDELINES FOR CONDUCT OF BUSINESS.—The following guidelines apply with respect to the conduct of business at meetings of the Council:

''(A) OPEN MEETINGS.—Each meeting shall be open to the public.

''(B) PUBLIC NOTICE.—Timely public notice of each meeting, including the time, place, and agenda of the meeting, shall be published in local newspapers and such notice may be given by such other means as will result in wide publicity.

''(C) PUBLIC PARTICIPATION.—Interested persons shall be permitted to give oral or written statements regarding the matters on the agenda at meetings.

''(D) MINUTES.—Minutes of each meeting shall be kept and shall contain a record of the persons present, an accurate description of all proceedings and matters discussed and conclusions reached, and copies of all statements filed.

''(E) PUBLIC INSPECTION OF RECORD.—The administrative record, including minutes required under subparagraph (D), of each meeting, and records or other documents that were made available to or prepared for or by the Council incident to the meeting, shall be available for public inspection and copying at a single location.

''(2) NEW INFORMATION.—At any time when the Council determines it appropriate to consider new information from a Federal, State, or local agency or from a Council advisory body, the Council shall give full consideration to new information offered at that time by interested members of the public. Interested parties shall have a reasonable opportunity to respond to new data or information before the Council takes final action on management measures.

''(j) COMPENSATION.—

''(1) IN GENERAL.—A member of the Council who is not an officer or employee of the Federal government shall serve without pay when carrying out duties pursuant to this Act.

''(2) TRAVEL EXPENSES.—While away from the home or regular place of business of the member in the performance of services for the Council, a member of the Council shall be allowed travel expenses, including per diem in lieu of subsistence, in the same manner as persons employed intermittently in Federal Government service are allowed expenses under section 5703 of title 5, United States Code.

''(k) FUNDING.—Of amounts appropriated to the National Park Service for a fiscal year, the Secretary shall make available such amounts as the Council shall request, not to exceed $150,000 for the fiscal year.

''(l) TERMINATION OF COUNCIL.—The Council shall terminate on the date that is 10 years after the date of enactment of this subsection.

"SEC. 305. MANAGEMENT PLAN.

''(a) SCHEDULE.—

''(1) IN GENERAL.—Not later than 3 years after the date of enactment of this subsection, the Council shall submit to the Secretary and the Governor of Minnesota a comprehensive management plan (referred to in this section as the 'plan') for the park, to be developed and implemented by the responsible Federal agencies, the State of Minnesota, and local political subdivisions.

''(2) PRELIMINARY REPORT.—Not later than 1 year after the date of the first meeting of the Council, the Council shall submit a preliminary report to the Secretary describing the process to be used to develop the plan.

''(b) DEVELOPMENT OF PLAN.—

''(1) IN GENERAL.—In developing the plan, the Council shall examine all relevant issues, including—

''(A) appropriate public access and recreational use, including—

''(i) snowmobiling opportunities;

''(ii) campsites and trails;

''(iii) the management policies of harvesting fish and wildlife;

''(iv) aircraft access throughout the park;

''(v) policies affecting hiking, bicycling, snoeshoeing, skiing, current watercraft opportunities, and other recreational activities the Council considers appropriate for the park; and

''(vi) visitation and services at the Kettle Falls facilities;

''(B) the proper distribution of visitors in the park;

''(C) a comprehensive visitor education program; and

''(D) the need for wilderness management for certain areas of the park.

''(2) CONDITIONS.—In carrying out subparagraphs (A) through (D) of paragraph (1), the Council shall—

''(A) be subject to relevant environmental law;

''(B) consult on a regular basis with appropriate officials of each international, Federal, or State agency or local government that has jurisdiction over land or water in the park;

''(C) consult with interested conservation, sportsperson, business, professional, civic, and citizen organizations; and

''(D) conduct public meetings at appropriate places to provide interested persons the opportunity to comment on matters to be addressed by the plan.

''(3) PROHIBITED CONSIDERATIONS.—The Council may not consider—

''(A) removing park designation; or

''(B) allowing mining, logging, or commercial or residential development.

''(4) REPORT.—The Council shall report to the International Joint Commission on water levels in the Rainy Lake Watershed, pursuant to the Convention Providing for Emergency Regulation of the Level of Rainy Lake and of Certain Other Boundary Waters, signed at Ottawa September 15, 1938 (54 Stat. 1800).

''(c) APPROVAL OF PLAN.—

''(1) SUBMISSION TO SECRETARY AND GOVERNOR.—The Council shall submit the plan to the Secretary and the Governor of Minnesota for review.

''(2) APPROVAL OR DISAPPROVAL BY SECRETARY.—

''(A) REVIEW BY THE GOVERNOR.—The Governor may comment on the plan not later than 60 days after receipt of the plan from the Council.

''(B) SECRETARY.—

''(i) IN GENERAL.—The Secretary shall approve or disapprove the plan not later than 90 days after receipt of the plan from the Council.

''(ii) CRITERIA FOR REVIEW.—In reviewing the plan, the Secretary shall consider—

''(I) the adequacy of public participation;

''(II) assurances of plan implementation from State and local officials in Minnesota;

''(III) the adequacy of regulatory and financial tools that are in place to implement the plan;

''(IV) provisions of the plan for continuing oversight by the Council of implementation of the plan; and

''(V) the consistency of the plan with Federal law.

''(iii) NOTIFICATION OF DISAPPROVAL.—If the Secretary disapproves the plan, the Secretary shall, not later than 30 days after the date of disapproval, notify the Council in writing of the reasons for the disapproval and provide recommendations for revision of the plan.

''(C) REVISION AND RESUBMISSION.—Not later than 60 days after receipt of a notice of disapproval under subparagraph (B) or (D), the Council shall revise and resubmit the plan to the Secretary for review.

''(D) APPROVAL OR DISAPPROVAL OF REVISION.—The Secretary shall approve or disapprove a plan submitted under subparagraph (C) not later than 30 days after receipt of the plan from the Council.

''(d) REVIEW AND MODIFICATION OF IMPLEMENTATION OF PLAN.—The Council—

''(1) shall review and monitor the implementation of the plan; and

''(2) may, after providing for public comment and after approval by the Secretary, modify the plan, if the Council and the Secretary determine that the modification is necessary to carry out this Act.

''(e) INTERIM PROGRAM.—Before the approval of the plan, the Council shall advise and cooperate with appropriate Federal, State, local, and tribal governmental entities to minimize adverse impacts on the park.

''(f) NATIONAL PARK SERVICE REGULATIONS.—During the period beginning on the date of enactment of this subsection and ending on the date a management plan is approved by the Secretary under subsection (c)(2), the Secretary may not issue any regulation that relates to the park, except for—

''(1) regulations required for routine business, such as maintenance, visitor education, and law enforcement; and

''(2) emergency regulations.

''(g) STATE AND LOCAL JURISDICTION.—Nothing in this Act diminishes, enlarges, or modifies any right of the State of Minnesota or any political subdivision of the State to—

''(1) exercise civil and criminal jurisdiction;

''(2) carry out State fish and wildlife laws in the park; or

''(3) tax persons, corporations, franchises, or private property on land and water included in the park.''.

By Mr. D'AMATO (for himself, Mr. DODD and Mr. FRIST):

S. 1806. A bill to amend the Federal Food, Drug, and Cosmetic Act to clarify that any dietary supplement that claims to produce euphoria, heightened awareness or similar mental or psychological effects shall be treated as a drug under the Act, and for other purposes; to the Committee on Labor and Human Resources.

LEGISLATION TO CONTROL HERBAL STREET DRUGS

● Mr. D'AMATO. Mr. President, today I am introducing legislation—along with my colleagues Senators DODD and FRIST—to control the growing problem of dangerous herbal stimulants that are marketed and sold as alternatives to powerful and illegal street drugs. This carefully-drafted bill will make these herbal street drugs subject to pre-market safety reviews and allow the Food and Drug Administration, the FDA, to take prompt and decisive action against this narrow class of products.

I strongly support the right of the American people to have access to legitimate dietary supplements, and I want to clearly state that this bill will not limit that access. However, herbal street drugs are not legitimate dietary supplements. They are quite simply dangerous products masquerading as dietary supplements to evade Government review and sanctions.

Mr. President, on March 7, 1996, one of these products, called Ultimate Xphoria, killed 20-year-old Peter Schlendorf of Northport, NY. Peter, a junior at the State University of New York at Albany, died from a lethal combination of herbal stimulants found in this product. A statement issued by the medical examiner's office in Panama City, FL, where Peter died, specifically states that Peter's death ''was a result of the use of Ultimate Xphoria, an herbal product containing Ma Huang.'' Ma Huang—also known as Ephedra—is a botanical source of the powerful stimulant ephedrine. The medical examiner's statement lists Peter's cause of death as the ''synergistic effect of ephedrine'' and several other herbal stimulants contained in this product. The statement further explains that these stimulants ''can have an adverse effect on the heart and central nervous system.''

Mr. President, I am committed to doing everything that I can to ensure that no more young people die from these dangerous herbal street drugs. And let me be perfectly clear: if Congress fails to act, it will just be a matter of time before these products kill more young people.

This is a battle to protect our children. The slick peddlers of these herbal street drugs have specifically targeted young people. They sell their products in novelty shops, using flashy signs and posters that appeal to and attract adolescents. They give their products names like Cloud 9, Herbal Ecstacy, Ultimate Xphoria, Magic Mushrooms and E-Ludes.

Using the Internet and showy brochures, they hawk their dangerous wares with promises of ''euphoric stimulation, highly increased energy levels, tingly skin sensations, increased sexual sensations, enhanced sensory processing and mood elevations.'' One product, called Herbal Ecstacy, even claims that it is ''a carefully formulated and thoroughly tested organic alternative to actual MDMA or Ecstacy''—a dangerous, illegal street drug. The marketing brochure for this product further states that it ''acts on the same basis as MDMA, triggering similar, but not identical, physical reactions in the body.'' This is just outrageous.

In addition, many of these products falsely claim to be safe and tested. Some are even advertised as ''100 percent and FDA approved'' and as ''100 percent natural . . . with no side effects''. As Peter's death clearly demonstrates, however, these products can be deadly, and none are FDA-approved. How can the producers of these herbal street drugs claim that they are safe and tested when they can produce such tragic results? This is wrong and must be stopped.

The manner in which these products are marketed invites misuse by unsuspecting young people. These products are advertised as alternatives to street drugs. They are intended to get young people high. And what happens when the recommended dosage doesn't achieve the desired high? Then, the claims that these products are safe, natural and thoroughly tested lure young people into taking larger dosages. Indeed, some sellers are telling people to take two, three and four times the recommended dosage to achieve the desired high.

Mr. President, the legislation that I am introducing today will help to ensure that no more young people die from these dangerous products. The bill amends the Federal Food, Drug, and Cosmetic Act to clarify that a dietary supplement shall be considered a drug if its label or labeling claims or implies that the dietary supplement produces euphoria, heightened awareness or similar mental or psychological effects. As a result, this narrow class of dangerous products will be subject to the same premarket safety reviews as other drugs, and the FDA will have enhanced authority to take prompt and decisive action against them. Now, the FDA will be able to quickly pull these herbal street drugs, like the one that killed Peter Schlendorf, from stores before they kill again. This legislation is necessary to protect the health of the American public, particularly its youth, who are obviously the target of these dangerous herbal street drugs.

Again, let me clearly state that this bill has been carefully drafted to maintain the public's continued access to legitimate dietary supplements. For example, it will not limit access to either over-the-counter drugs, such as Sudafed, or legitimate dietary supplements, such as herbal teas, that contain ephedra or its related products.

I am certain that no Member of Congress envisioned that the Dietary Supplement Health and Education Act of 1994—the Dietary Supplement Act—would protect dangerous products like these herbal street drugs, but these products are currently covered by the literal language of that act. Since these products are considered dietary

supplements under current law, the FDA's authority to regulate them is significantly limited. For example, these products are not currently subject to premarket safety reviews. In addition, the FDA cannot regulate herbal street drugs as a class, but instead must take action against each product individually. Indeed, the FDA must prove that a particular formulation of an herbal street drug ''presents a significant or unreasonable risk of illness or injury'' before it can take any action against the product. This is a lengthy process that can take years.

Moreover, under current law, an herbal street drug manufacturer can easily evade an FDA enforcement action simply by changing the composition of its product, while continuing to make the same labeling claims for drug-like mental and psychological effects. Each time the product formula changes, the FDA must evaluate the new formula and build its case from the beginning. The product formula thus becomes a moving target that the FDA must chase. The FDA should not have to chase herbal street drugs.

Some will argue that this legislation is unnecessary and that the FDA already has the authority to take action against herbal street drugs, but the clever producers and marketers of these herbal street drugs have been careful to take advantage of the protections afforded legitimate dietary supplements under the Dietary Supplement Act. For example, under that act, a dietary supplement is not subject to regulation as a drug simply because its label or labeling bears a truthful, nonmisleading claim regarding its effect on the body. This provision significantly limits the FDA's ability to take action against the peddlers of herbal street drugs who use carefully worded labels to evade FDA review and control.

Other options available to the FDA would also be ineffective against herbal street drugs. For example, the Dietary Supplement Act gives the Secretary of Health and Human Services the authority to declare that a dietary supplement poses an imminent hazard to public health or safety. Once such a declaration is made, the dietary supplement can be banned. A formal imminent hazard declaration requires lengthy formal rulemaking procedures, however, including a trial-type hearing before an administrative law judge. In addition, because what sells an herbal street drug is its claims rather than its ingredients, the imminent hazard declaration can easily be defeated by a formulation change without any label change. One can easily imagine the slick peddlers of these products switching a single ingredient—for example, from ephedra to kava-kava, another powerful herbal stimulant—just as the FDA is knocking on their door.

Mr. President, the marketing of herbal street drugs as dietary supplements, rather than as drugs, does not promote any of the goals identified by Congress in the Dietary Supplement Act. That act was intended to promote the public health. Congressional findings in section 2 of the act cite the role of a healthy diet, including safe dietary supplements in disease prevention, long-term good health, and reducing health care costs. Far from promoting the public health, herbal street drugs endanger the health and safety of consumers and give rise to unnecessary medical costs.

These dangerous products are not taken for nutritional purposes or to otherwise improve health and thus are not within the intended coverage of the Dietary Supplement Act. The manufacturers of herbal street drugs should not be permitted to abuse the Dietary Supplement Act by using it to legitimize the marketing of dangerous products. A narrowly drafted statutory amendment to correct the inclusion of herbal street drugs in the language of the act would achieve the intent of Congress by closing a loophole that Congress never intended to create.

Herbal street drugs killed young Peter Schlendorf. We have to make sure that this does not happen again. We have carefully drafted this legislation to target the narrow class of products that killed Peter—products that are being marketed and sold to young people as safe and legal alternatives to dangerous, illegal street drugs. We must take action quickly. I urge my fellow Senators to support this effort and quickly pass this legislation. If we wait, herbal street drugs will end more promising, young lives.●

● Mr. DODD. Mr. President, I am proud to sponsor this very important legislation with my colleagues, Senators D'AMATO and FRIST. In my view, the legislation is necessary to protect the American public, and particularly our Nation's youth, from what amount to common street drugs.

The makers of these products make no attempt to sell them as products to improve health or nutrition. The products carry names like ''Herbal Ecstacy,'' ''Ultimate X-Phoria,'' and ''Cloud 9.'' One product claims ''It is a carefully formulated and thoroughly tested organic alternative to actual MDMA or Ecstacy.'' I hardly think any of us believe that our Nation's children should be able to go into any novelty store and buy the equivalent of a powerful, dangerous, and I might add, illegal street drug.

Let me share with you the claims and promotional language of these products, lest there be any doubt what there purpose is for:

The effects of Herbal Ecstacy beyond smart drug capacity include: Euphoric stimulation; highly increased energy levels; tingly skin sensations; enhanced sensory processing; mood elevations.

Herbal Ecstacy acts on the same basis as MDMA, triggering similar but not identical physical reactions in the body.

Our herbs are 100% natural and are uniquely formulated to give you a floaty, energetic, mind expanding, euphoric experience.

And listen to what is presented on a brochure as endorsements by users:

They don't call it ''ultimate'' for nothing! This puts everything else I've tried to shame!!

Now, Mr. President, I guess we might feel differently if we knew these products were without risk. But the fact is, they have proven deadly. Peter Schlendorf, a 20-year-old from York, FL, died because he took one of these products. The cause of death was identified by the medical examiner's office in the Florida town where Peter died.

The makers of these products claim they are nutritional supplements, legitimately sold and promoted. They point to a law passed a couple of years ago that was meant to govern legitimate dietary supplements, that improve health and nutrition. But make no mistake. These products do nothing to improve health and nutrition.

So, the legislation we are proposing today is very simple. It says that products claiming to produce euphoria, heightened awareness or similar mental or psychological effects shall be treated as a drug. It would make the products subject to the same review, by the U.S. Food and Drug Administration, as other drugs. The products are not banned. And the bill will have no effect on legitimate dietary supplements. It only will affect products that are marketed and sold as alternatives to powerful street drugs.

Mr. President, it is my hope that we can act quickly on this legislation and prevent the kind of tragedy experienced by the Schlendorfs.●

● Mr. FRIST. Mr. President, I rise today to join my distinguished colleague from New York in introducing legislation to address an alarming problem facing our children today.

A new class of street drugs is endangering our Nation's young people. These products are being portrayed as safe, natural alternatives to illegal street drugs, but they are far from safe.

As a medical doctor who specialized in heart ailments, I am familiar with the powerful and even life-threatening effect some of these products can have on the human heart and central nervous system. And as the father of three young boys of the ages 8, 10 and 12, I am outraged at the way these products are being blatantly marketed toward children and young adults.

Therefore, I have joined Senators D'AMATO and DODD in introducing a bill that will control the growing problem of herbal street drugs. This bill will classify as drugs products marketed and sold, particularly to young people, as alternatives to illegal street drugs. As a result these products will be subject to the same Federal review and sanctions as other pharmaceuticals.

This bill will not limit public access to legitimate dietary supplements and over-the-counter medications. It is not drafted to limit public access to products that contain particular ingredients. The producers of legitimate products that make truthful claims about their product have nothing to fear from

this bill. To the contrary, they should support the intent of this bill because it addresses the problem of unscrupulous manufacturers who are giving the dietary supplement industry a bad name and abusing the very laws which permit dietary supplement manufacturers to place truthful and nonmisleading claims on their products.

These herbal street drugs pose significant health risks to consumers. These products are marketed under a variety of brand names, including Cloud 9, Herbal Ecstasy and Ultimate Xphoria, with labels that claim or imply that they produce such effects as euphoria, heightened awareness and other effects. These labels often portray the products as legal alternatives to illegal street drugs such as ''ecstasy.'' ''Ecstasy'' is the street name for MDMA (4-methyl-2, dimethoxyamphetamine), which produces euphoria.

These products often contain botanical sources of ephedrine. Ephedrine is an amphetamine-like stimulant that can have potentially dangerous effects on the heart and central nervous system. Possible adverse effects range from clinically significant effects such as heart attack, stroke, seizures, psychosis and death, to clinically less significant effects that may indicate the potential for more serious effects. These effects can include dizziness, headache, gastrointestinal distress, irregular heartbeat, and heart palpitations. The labels on these herbal street drugs may list one or more ephedrine-containing ingredients, including ma huang, Chinese ephedra, ma huang extract, ephedra, Ephedra sinica, ephedra extract, ephedra herb powder, epitonin or ephedrine.

Ephedrine and its related products are also available in many legitimate forms that will not be affected by this bill. For example, ephedrine can be useful for treating mild forms of seasonal or chronic asthma and is also FDA-approved for treating enursesis hypotension, nasal congestion and sisustitis.

According to a statement by the Panama City, Florida medical examiner, 20-year-old Peter Schlendorf died ''as a result of the use of Ultimate Xphoria, an herbal product containing Ma Huang''. Peter's cause of death was listed as the ''synergistic effect of ephedrine, pseudo-ephedrine, phenylpropanolamine and caffeine''. There is no question that this combination of stimulants can have an adverse effect on the heart and central nervous system.

As lawmakers, we have a responsibility to make sure that no more young people die from these herbal street drugs. This bill provokes debate on this important issue. I have already been contacted by a major trade association, the Council for Responsible Nutrition [CRN], and the Nutritional Health Alliance, an industry and consumer coalition, expressing a desire to work with us to reach an effective solution to this issue. I urge all interested parties to come to the table and address the serious consequences of allowing these herbal street drugs to fall into the hands of our children.●

By Mr. MURKOWSKI (for himself and Mr. STEVENS):

S. 1807. A bill to amend the Alaska Native Claims Settlement Act, regarding the Kake Tribal Corporation public interest land exchange; to the Committee on Energy and Natural Resources.

KAKE LAND EXCHANGE LEGISLATION

● Mr. MURKOWSKI. Mr. President, today I introduce the Kake Tribal Land Exchange Act on behalf of myself and Senator STEVENS. This legislation would amend the Alaska Native Claims Settlement Act which authorized the transfer of 23,040 acres of land from the U.S. Government to Kake Tribal Corporation.

The land was transferred to Kake to recognize ''an immediate need for a fair and just settlement''

Unfortunately, Kake has not received the full beneficial use of its 23,040 acres because the city's watershed—over 2,400 acres—rest within Kake Tribal's lands. In order to protect the city's watershed and still receive beneficial use of their 23,040 acres we are proposing an acre-for-acre land exchange. This will assist the people of Kake, AK, as they move toward a safer, cleaner, and healthier future.

Under this proposal, Kake Tribal would exchange the watershed for 2,427 acres in southeast Alaska, thereby allowing Kake to receive its full entitlement under ANCSA. This legislation is of great importance to the residents of the community of Kake, AK.

This legislation will ensure protection of the Gunnuk Creek watershed which is the main water supply for the city of Kake as well as protect critical habitat for the Gunnuk Creek hatchery.

The legislation has received wide support in Alaska from diverse groups such as: The Southeast Alaska Conservation Council, the city of Kake, AK, the Organized Village of Kake, the Kake non-profit fishery, the Alaska Federation of Natives, and Sealaska Corporation.

Additionally, the Governor of Alaska has written to me in support of this exchange. Attached are copies of some of the letters of support I have received for the record at this time.

Because this is an acre-for-acre exchange there will be no cost to the Federal Government. I introduced this legislation with the confidence that it is in the best interest of not only the citizens of Kake but with the knowledge that it is in the best interest of all Americans to protect drinking water for our communities. Lastly, this legislation will help fulfill our commitment to the Natives of Alaska that they will be treated fairly and justly under the Alaska Native Claims Settlement Act.

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

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

S. 1807

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 ''Kake Tribal Corporation Land Exchange Act.''

SEC. 2. AMENDMENT OF SETTLEMENT ACT.

The Alaska Native Claims Settlement Act (Public Law 92–203, December 18, 1971, 85 Stat. 688, 43 U.S.C. 1601 et seq.), as amended, is further amended by adding a new section to read:

SEC. 40. KAKE TRIBAL CORPORATION LAND EXCHANGE.

(a) To provide Kake Tribal Corporation with land suitable for development, to acknowledge the corporation's return to public ownership land needed as a municipal watershed area, and to promote the public interest, the Secretary shall convey to the corporation approximately 2, 427 acres of Federal land as described in subsection (c). The land to be conveyed includes:

(1) up to 388 acres in the Slate Lakes area, as described in (c)(2) of this section, if, within five years after the effective date of this section, the corporation has entered into an agreement to lease or otherwise convey some or all of the land to the operator of the Jualin Mine; or,

(2) at the corporation's option, the 388 acres mentioned in (1) of this subsection and the remaining 2,039 acres may be conveyed from the acres described in (c)(3) of this section.

(b) TITLE TO SURFACE AND SUBSURFACE.—Subject to valid existing rights and easements, the Secretary shall, no later than the deadlines specified in (c)(2) and (3) of this section, convey to Kake Tribal Corporation title to the surface estate in this land and convey to Sealaska Corporation title to the subsurface estate in that land.

(c) DESCRIPTION AND DEADLINES.—The land covered by this section is in the Copper River Meridian and is further described as follows:

(1) the land to be conveyed by Kake Tribal Corporation to the United States, no later than 90 days after the effective date of this section, as shown on the map dated _____ and labeled Attachment A, is the municipal watershed area and is described as follows:

Municipal watershed

Section	*Approximate acres*
T56S, R72E	
13	82
23	118
24	635
25	640
26	346
34	9
35	349
36	248
Approximate total	2,427

(2) Kake Tribal Corporation shall have the option to select up to 388 acres in the Slate Lakes area, as shown on the map dated _____ and labeled Attachment B. This option shall remain in effect for five years after the date of enactment of this section. The land to be conveyed is identified on the following maps as:

Slake lakes area

Section	*Description*	*Approximate acres*
	T35S, R62E	
22	E½	27
23	W½	152
26	W½	119
27	E½	23
	T36S, R62E	
1	W½, NW¼	38
Two utility corridors: One beginning in the northwest quarter of section 1, T36S, R62E, heading northwest through the northeast quarter of section 2, then heading northwest through section 26, T35S, R62E; another beginning in section 23, T35S, R62E, heading northeast, then heading northwest through section 23, then northwest through the southwest quarter of section 15, then northwest through section 16, then turning northeast in the northeast quarter of section 16 to the Jualin patented group.		
Approximate total.		388

(3) the remaining 2,039 acres of land to be conveyed to Kake Tribal Corporation, or the entire 2,427 acres if the option on the 388 acres mentioned in (2) of this subsection is not exercised, shall be land in the Hamilton Bay and Saginaw Bay areas and shall be conveyed within 90 days after the effective date of this section; this land is shown on the maps dated _____ and labeled Attachments C and D.

(d) TIMBER MANUFACTURING.—Notwithstanding any other provision of law, timber harvested from lands conveyed to Kake Tribal Council pursuant to this Act shall not be available for export as unprocessed logs from Alaska, nor may Kake Tribal Corporation sell, trade, exchange, substitute, or otherwise convey such logs to any other person for the purpose of exporting such logs from their.

(e) RELATION TO OTHER REQUIREMENTS.—The land conveyed to Kake Tribal Corporation and Sealaska Corporation under this section is, for all purposes, considered land conveyed under the Alaska Native Claims Settlement Act.

(f) MAPS.—The maps referred to in this section shall be maintained on file in the Office of the Chief, United States Forest Service, and in the Office of the Secretary of the Interior, Washington, D.C. The acreage cited in this section is approximate, and if a discrepancy arises between cited acreage and the land depicted on the specified maps the maps shall control. The maps do not constitute an attempt by the United States to convey State or private land.●

By Mr. MURKOWSKI (for himself and Mr. JOHNSTON):

S. 1808. A bill to amend the Act of October 15, 1966 (80 stat. 915), as amended, establishing a program for the preservation of additional historic property throughout the Nation, and for other purpose; to the Committee on Energy and Natural Resources.

THE NATIONAL HISTORIC PRESERVATION ACT OF 1966 AMENDMENT ACT OF 1996

● Mr. MURKOWSKI. Mr. President, on behalf of Senator JOHNSTON and myself, I introduce a bill to amend the National Historic Preservation Act of 1966, that, when enacted, will continue the appropriations authorization for the Advisory Council on Historic Preservation.

Established in 1966, the Council is an independent Federal agency responsible for advising the President and the Congress on historic preservation matters and commenting to Federal agencies on the effects of their activities upon historic properties.

Mr. President, over the past three decades, the Congress has made a substantial commitment to the preservation and encouragement of our national heritage. Established by the National Historic Preservation Act, the Advisory Council on Historic Preservation has served to improve the effectiveness and coordination of public and private efforts in historic preservation.

Historic preservation safeguards physical links to the past. It is through these links that our important cultural resources are preserved and passed on to succeeding generations. Destruction of our significant cultural and historic resources serves no purpose. Our memory of important history only becomes more difficult without the various fabrics to view, touch and or experience.

Congress recognized this principle in the National Historic Preservation Act of 1966: ''The historical and cultural foundations of the nation should be preserved as a living part of our community life and development in order to give a sense of orientation to the American people.''

Mr. President, in addition to many educational programs, one of the most important functions of the Advisory Council is mediating between any Federal agency issuing a permit and the individual who is planning to develop his property. Under the terms of Section 106 of the National Historic Preservation Act, the Council seeks to negotiate a memorandum of agreement in such cases, setting forth what will be done to reduce or avoid and adverse effects the undertaking will have.

While the section 106 process has often been described as contentious by private property rights advocates and others, I believe the Advisory Council can and should serve as a solution to resolving conflicts between a sometimes over-reaching bureaucracy and the individual property owner.

It is my hope that the committee hearing process will shed light on the problems, address the issues, as well as the successes of the Council; and that we can move forward on this important program in a positive and constructive manner.

The Council's appropriations authorization expires with the current fiscal year. This legislation will authorize the continuing work of the Council by providing appropriations authority from fiscal year 1997 through fiscal year 2002.

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

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

S. 1808

Be it enacted by the Senate and the House of Representatives of the United States of America in Congress assembled, That the Act of October 15, 1966 (80 Stat. 915), as amended (16 U.S.C. Section 470 et seq.) is further amended as follows:

(a) Section 212(a) is amended by deleting the last sentence and inserting in lieu thereof the sentence ''There are authorized to be appropriated not to exceed $5,000,000 in each fiscal year 1997 through 2002.''●

By Mr. MURKOWSKI:

S. 1809. A bill entitled the ''Aleutian World War II National Historic Areas Act of 1996''; to the Committee on Energy and Natural Resources.

THE ALEUTIAN WORLD WAR II NATIONAL HISTORIC AREAS ACT OF 1996

● Mr. MURKOWSKI. Mr. President, I introduce a bill entitled the ''Aleutian World War II National Historic Areas Act of 1996.''

Mr. President, the Ounalashka Corporation is the Alaska Native village corporation for the Unalaska region of the Western Aleutian Islands. The Corporation is the major land owner of Amaknak Island, where the City of Unalaska is located. The Corporation has been working closely with municipal officials of the City of Unalaska to identify Corporation land which would be Federally recognized and designated as a unique ''historic area''.

Many have forgotten that during World War II, Unalaska came under attack. Unalaska was raided and bombed by Japanese aircraft in one of the few sieges on U.S. territory. This area of Amaknak Island was heavily fortified, and much of the original bunkers, tunnels, and buildings remain. The Corporation owns the majority of land and facilities occupied by U.S. military forces on Amaknak Island during the war.

The area is rich in history and memories. In recent years World War II veterans who were stationed in Unalaska, and in some cases family members, have made pilgrimages back to honor fallen friends and relive the past.

In addition to the historic significance of Unalaska during the War, there is also a compelling story of the Aleutian Islands indigenous people which is not well known. Alaska Native people from 23 villages were evacuated from the region during the War, and many were interned in relocation camps. As a result of the devastating bombing by the Japanese, the city of Unalaska was the only village that was re-inhabited following the World War II effort.

The Aleut people made substantial contributions to the war effort and yet suffered hardships similar to those of the Japanese-Americans throughout the war.

The Corporation, the City of Unalaska, and many historians believe that the history of the Aleut people and the war effort in the region are

intertwined. In response to the increased interest of the World War II veterans and their survivors who have visited Unalaska, the Corporation is considering constructing a World War II Historic Center on the Island of Amaknak to tell this unique, but little known history of the war in the Aleutians and the Aleut people to the rest of the world.

Mr. President, this legislation, when enacted, will establish the ''Aleutian World War II National Historic Area''. I am very cognizant of the adverse effects that new units of the National Park System can create on existing units of the System. This legislation provides us with a unique opportunity to work with and for the private sector in the development and operation of this important historic resources.

There will be no land acquisition or day-to-day operational expenses normally associated with other units of the National Park System. The Ounakashka Corporation has exclusive ownership and control of the lands, buildings and historic structures which would comprise the historic area.

The Corporation is not seeking land exchanges with the Department of the Interior and does not desire to convey or encumber title to, or control of, its lands to the Federal Government. The Corporation only wants to work with the Federal Government to save this significant piece of the history of the United States. The expense to the National Park Service would be minimal, and would consist of technical assistance and training. The contribution to the public will be a historic site that is preserved for the enjoyment and education of all Americans.

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

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

S. 1809

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Aleutian World War II National Historic Areas Act of 1996''.

SEC. 2. PURPOSE.

The purpose of this Act is to designate and preserve the Aleutian World War II National Historic Area within lands owned by the Ounalaska Corporation on the island of Amaknak, Alaska and to provide for the interpretation, for the educational and inspirational benefit of present and future generations, of the unique and significant circumstances involving the history of the Aleut people, and the role of the Aleut people and the Aleutian Islands in the defense of the United States in World War II.

SEC. 3. BOUNDARIES.

The Aleutian World War II National Historic Area shall be comprised of areas on Amaknak island depicted on the map entitled ''Aleutian World War II National Historic Area''.

SEC. 4. TERMS AND CONDITIONS.

Nothing in this Act shall—

(a) authorize the conveyance of lands between the Ounalaska Corporation and the U.S. Department of the Interior, nor remove land or structures appurtenant to the land from the exclusive control of the Ounalaska Corporation; or

(b) provide authority for the Department of the Interior to assume the duties associated with the daily operation of the Historic Area or any of its facilities or structures.

SEC. 5. TECHNICAL ASSISTANCE.

The Secretary of the Interior may award grants and provide technical assistance to the Ounalaska Corporation and the City of Unalaska to assist with the planning, development, and historic preservation from any program funds authorized by law for technical assistance, land use planning or historic preservation.●

By Mr. GORTON (for himself and Mrs. MURRAY):

S. 1810. A bill to expand the boundary of the Snoqualmie National Forest and for other purposes; to the Committee on Energy and Natural Resources.

THE SNOQUALMIE NATIONAL FOREST BOUNDARY ADJUSTMENT ACT OF 1996

● Mr. GORTON. Mr. President, today I am joined by junior Senator from Washington State, Mrs. MURRAY, in introducing the ''Snoqualmie National Forest Boundary Adjustment Act of 1996.'' Earlier this week Representative JENNIFER DUNN, of Washington State, introduced identical legislation in the House.

This legislation will facilitate the exchange of land between the Weyerhaeuser Company and the Forest Service by adjusting a National Forest Boundary. As Chairman of the Interior Appropriations Subcommittee, which funds our National Forest and Parks, land exchanges result in less expense to the Federal taxpayer than do land acquisitions.

I will be working over the course of the next few months to get this legislation passed by both the House and Senate, and I encourage my colleagues to support this legislation.●

● Mrs. MURRAY. Mr. President, I fully support this landmark agreement negotiated by the Sierra Club's Cascade Checkerboard Project, the Weyerhaeuser Company, and the Forest Service. I particularly applaud the Weyerhaeuser Company's donation of approximately 1,900 acres of land, 900 acres of which will become part of the Alpine Lakes Wilderness Area.

This exchange will give Weyerhaeuser 7,200 acres of 80- to 100-year-old trees within the Mount Baker-Snoqualmie National Forest in Pierce County, WA, in exchange for 33,000 acres of company's land. Essentially, the company gets timber to cut now, and the public gets much more land upon which future forests will be grown. Both Weyerhaeuser and the Forest Service will also be better able to manage their lands as ecosystems and reduce costs and administrative burdens of checkerboard management.

I strongly support such negotiated trades. I believe it is in all of our interests to reduce the checkerboard pattern of ownership—which Congress created through a massive land grant to the Northern Pacific Railroad in 1864. I will continue to encourage cooperation between public and private landowner, and environmental and timber interests. Such agreements provide models for resolution of natural resources disputes and other environmental issues.

Mr. President, I urge the Senate to take expeditious action on this bill, which simply alters the boundary of Mount Baker-Snoqualmie National Forest. The boundary change is needed before the exchange can occur. I thank my colleagues for any support they can give to their bipartisan, non-controversial bill.●

By Mr. MACK (for himself, Mr. BRADLEY, Mr. ROTH, Mr. LAUTENBERG and Mr. BIDEN):

S. 1811. A bill to amend the Act entitled ''An Act authorizing Federal participation in the cost of protecting the shores of publicly owned property'' to confirm and clarify the authority and responsibility of the Secretary of the Army, acting through the Chief of Engineers, to promote and carry out shore protection projects, including beach nourishment projects, and for other purposes; to the Committee on Environment and Public Works.

THE SHORE PROTECTION ACT OF 1996

Mr. MACK. Mr. President, I rise today to announce legislation I am introducing—along with Senator BRADLEY and others—to reaffirm the Federal role in beach preservation and renourishment. I want to thank the Senator from New Jersey for his steadfast efforts on this issue and for all he did to make this bill possible.

Mr. President, in my State of Florida, healthy beaches mean a healthy economy. Each year, millions of people travel from around the world to enjoy the recreational benefits of my State's coastlines. This tourist activity sustains our economy and provides hundreds of thousands of jobs for Floridians. As a consequence, people in Florida care deeply about the future of our beaches and look to us to ensure that they are properly maintained.

For 60 years, Mr. President, the U.S. Army Corps of Engineers worked in partnership with the Congress, the States, and coastal communities to devise a workable policy on sandy beach renourishment. The Corps brought to this partnership a wealth of accumulated technical expertise and institutional knowledge about beach preservation. Further, they brought funding which was leveraged with State and local participation into projects which directly benefited the Nation's coastlines.

This all ended last year when the Clinton administration turned its back on coastal communities by ending the traditional Federal role in beach renourishment. In its 1996 budget request, the administration indicated that beach preservation and maintenance was no longer of national significance.

I strongly disagree. Almost half our population lives in or near coastal communities. The coastal economy is responsible for one-third of our gross domestic product and more than 28 million jobs. Much of this economic activity derives from the vacationtime

lure of healthy beaches. These projects truly are of national significance, Mr. President, and the Corps of Engineers ought to remain a full partner in this effort.

Last year, I joined Senator BRADLEY and several of my colleagues in twice writing the administration in protest. Further, we restored the Corps' authority through the appropriations process. This victory was only short term, however, and coastal communities throughout the Nation asked Congress for assurance of a permanent Federal presence in this sector.

When the administration released this year's budget and again proposed to end the Corps' involvement in restoring beaches, we began to explore a permanent legislative solution to this problem. The culmination of our efforts is the bill we are introducing today.

Our legislation is very simple, Mr. President. We amend the mission of the Corps to include shore protection projects, and we mandate that the Corps make recommendations to Congress on specific projects that are worthy of Federal participation. Further, we require the Corps to consider benefits to the local and regional economy and ecology when considering preparing cost/benefit analyses on beach projects. And we encourage the Corps to work with the States and local communities on regional plans for the long-term preservation of our coastal resources.

Mr. President, this bill will ensure that the Federal Government remains a full partner with the States and communities on the preservation of our beach resources. This is critical to Florida and to our Nation's economy. I encourage my colleagues to join the Senator from New Jersey and me as we continue to move ahead on this issue.

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

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

S. 1811

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 ''Shore Protection Act of 1996''.

SEC. 2. FINDINGS AND PURPOSE.

(a) FINDINGS.—Congress finds that—

(1) the beach, shore, and coastal resources of the United States—

(A) are critical assets that must be protected, conserved, and restored; and

(B) provide economic and environmental benefits that are of national significance;

(2) a network of healthy and nourished beaches is essential to the economy, competitiveness in world tourism, and safety of coastal communities of the United States;

(3)(A) the coasts of the United States are an economic asset, supporting 34 percent of national employment, or 28,000,000 jobs; and

(B) the 413 coastal communities of the United States generate $1,300,000,000,000, or ⅓, of the gross domestic product;

(4)(A) travel and tourism—

(i) is the second largest sector of the economy of the United States; and

(ii) contributed over $746,000,000,000 to the gross domestic product in 1995;

(B) the health of the beaches and shoreline of the United States contributes to this economic benefit, since the leading tourist destinations in the United States are beaches; and

(C) 85 percent of all tourism-generated revenue in the United States derives from coastal communities;

(5)(A) the value of the coastline of the United States lies not only in the jobs and revenue that the coastline generates, but also in the families, homes, and businesses that the coastline protects from hurricanes, typhoons, and tropical and extratropical storms;

(B) almost 50 percent of the total United States population lives in coastal communities; and

(C) beaches provide protection to prevent the destruction of life and hundreds of billions of dollars worth of property;

(6) shoreline protection projects can provide ecological and environmental benefits by providing for, or by restoring, marine and littoral habitat;

(7)(A) the coastline of the United States is a national treasure, visited by millions of Americans and foreign tourists every year;

(B) over 90,000,000 Americans spend time boating or fishing along the coast each year; and

(C) the average American spends 10 recreational days per year on the coast; and

(8) since shoreline protection projects generate positive economic, recreational, and environmental outcomes that benefit the United States as a whole, Federal responsibility for preserving this valuable resource should be maintained.

(b) PURPOSE.—The purpose of this Act is to provide for a Federal role in shore protection projects, including projects involving the replacement of sand, for which the economic and ecological benefits to the locality, region, or Nation exceed the costs.

SEC. 3. SHORE PROTECTION.

(a) IN GENERAL.—The first section of the Act entitled ''An Act authorizing Federal participation in the cost of protecting the shores of publicly owned property'', approved August 13, 1946 (33 U.S.C. 426e), is amended—

(1) in subsection (a)—

(A) by striking ''damage to the shores'' and inserting ''damage to the shores and beaches''; and

(B) by striking ''the following provisions'' and all that follows through the period at the end and inserting the following: ''this Act, to promote shore protection projects and related research that encourage the protection, restoration, and enhancement of sandy beaches, including beach restoration and periodic beach nourishment, on a comprehensive and coordinated basis by the Federal Government, States, localities, and private enterprises. In carrying out this policy, preference shall be given to areas in which there has been a Federal investment of funds and areas with respect to which the need for prevention or mitigation of damage to shores and beaches is attributable to Federal navigation projects or other Federal activities.'';

(2) in subsection (d), by striking ''or from the protection of nearby public property'' and inserting '', if there are sufficient benefits to local and regional economic development and to the local and regional ecology (as determined under subsection (e)(2)(B)),''; and

(3) in subsection (e)—

(A) by striking ''(e) No'' and inserting the following:

''(e) AUTHORIZATION OF PROJECTS.—

''(1) IN GENERAL.—No''; and

(B) by adding at the end the following:

''(2) STUDIES.—

''(A) IN GENERAL.—The Secretary shall—

''(i) recommend to Congress studies concerning shore protection projects that meet the criteria established under this Act (including subparagraph (B)(iii)) and other applicable law;

''(ii) conduct such studies as Congress requires under applicable laws; and

''(iii) report the results of the studies to the appropriate committees of Congress.

''(B) RECOMMENDATIONS FOR SHORE PROTECTION PROJECTS.—

''(i) IN GENERAL.—The Secretary shall recommend to Congress the authorization or reauthorization of shore protection projects based on the studies conducted under subparagraph (A).

''(ii) CONSIDERATIONS.—In making recommendations, the Secretary shall consider the economic and ecological benefits of a shore protection project and the ability of the non-Federal interest to participate in the project.

''(iii) CONSIDERATION OF LOCAL AND REGIONAL BENEFITS.—In analyzing the economic and ecological benefits of a shore protection project, or a flood control or other water resource project the purpose of which includes shore protection, the Secretary shall consider benefits to local and regional economic development, and to the local and regional ecology, in calculating the full economic and ecological justifications for the project.

''(iv) NEPA REQUIREMENTS.—Nothing in this subparagraph imposes any requirement on the Army Corps of Engineers under the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.).

''(C) COORDINATION OF PROJECTS.—In conducting studies and making recommendations for a shore protection project under this paragraph, the Secretary shall—

''(i) determine whether there is any other project being carried out by the Secretary or the head of another Federal agency that may be complementary to the shore protection project; and

''(ii) if there is such a complementary project, describe the efforts that will be made to coordinate the projects.

''(3) SHORE PROTECTION PROJECTS.—

''(A) IN GENERAL.—The Secretary shall construct, or cause to be constructed, any shore protection project authorized by Congress, or separable element of such a project, for which funds have been appropriated by Congress.

''(B) AGREEMENTS.—

''(i) REQUIREMENT.—After authorization by Congress, and before commencement of construction, of a shore protection project or separable element, the Secretary shall enter into a written agreement with a non-Federal interest with respect to the project or separable element.

''(ii) TERMS.—The agreement shall—

''(I) specify the life of the project; and

''(II) ensure that the Federal Government and the non-Federal interest will cooperate in carrying out the project or separable element.

''(C) COORDINATION OF PROJECTS.—In constructing a shore protection project or separable element under this paragraph, the Secretary shall, to the extent practicable, coordinate the project or element with any complementary project identified under paragraph (2)(C).

''(4) REPORT TO CONGRESS.—The Secretary shall report annually to the appropriate committees of Congress on the status of all ongoing shore protection studies and shore protection projects carried out under the jurisdiction of the Secretary.''.

(b) REQUIREMENT OF AGREEMENTS PRIOR TO REIMBURSEMENTS.—

(1) SMALL SHORE PROTECTION PROJECTS.—Section 2 of the Act entitled ''An Act authorizing Federal participation in the cost of protecting the shores of publicly owned property'', approved August 13, 1946 (33 U.S.C. 426f), is amended—

(A) by striking ''SEC. 2. The Secretary of the Army'' and inserting the following:

''SEC. 2. REIMBURSEMENTS.

''(a) IN GENERAL.—The Secretary'';

(B) in subsection (a) (as so designated)—

(i) by striking ''local interests'' and inserting ''non-Federal interests'';

(ii) by inserting ''or separable element of the project'' after ''project''; and

(iii) by inserting ''or separable elements'' after ''projects'' each place it appears; and

(C) by adding at the end the following:

''(b) AGREEMENTS.—

''(1) REQUIREMENT.—After authorization of reimbursement by the Secretary under this section, and before commencement of construction, of a shore protection project, the Secretary shall enter into a written agreement with the non-Federal interest with respect to the project or separable element.

''(2) TERMS.—The agreement shall—

''(A) specify the life of the project; and

''(B) ensure that the Federal Government and the non-Federal interest will cooperate in carrying out the project or separable element.''.

(2) OTHER SHORELINE PROTECTION PROJECTS.—Section 206(e)(1)(A) of the Water Resources Development Act of 1992 (33 U.S.C. 426i–1(e)(1)(A)) is amended by inserting before the semicolon the following: ''and enters into a written agreement with the non-Federal interest with respect to the project or separable element (including the terms of cooperation)''.

(c) STATE AND REGIONAL PLANS.—The Act entitled ''An Act authorizing Federal participation in the cost of protecting the shores of publicly owned property'', approved August 13, 1946, is amended—

(1) by redesignating section 4 (33 U.S.C. 426h) as section 5; and

(2) by inserting after section 3 (33 U.S.C. 426g) the following:

''SEC. 4. STATE AND REGIONAL PLANS.

''The Secretary may—

''(1) cooperate with any State in the preparation of a comprehensive State or regional plan for the conservation of coastal resources located within the boundaries of the State;

''(2) encourage State participation in the implementation of the plan; and

''(3) submit to Congress reports and recommendations with respect to appropriate Federal participation in carrying out the plan.''.

(d) DEFINITIONS.—

(1) IN GENERAL.—Section 5 of the Act entitled ''An Act authorizing Federal participation in the cost of protecting the shores of publicly owned property'', approved August 13, 1946 (as redesignated by subsection (c)(1)), is amended—

(A) by striking ''SEC. 5. As used in this Act, the word 'shores' includes all the shorelines'' and inserting the following:

''SEC. 5. DEFINITIONS.

''In this Act:

''(1) SECRETARY.—The term 'Secretary' means the Secretary of the Army, acting through the Chief of Engineers.

''(2) SEPARABLE ELEMENT.—The term 'separable element' has the meaning provided by section 103(f) of the Water Resources Development Act of 1986 (33 U.S.C. 2213(f)).

''(3) SHORE.—The term 'shore' includes each shoreline of each''; and

(B) by adding at the end the following:

''(4) SHORE PROTECTION PROJECT.—The term 'shore protection project' includes a project for beach nourishment, including the replacement of sand.''.

(2) CONFORMING AMENDMENTS.—The Act entitled ''An Act authorizing Federal participation in the cost of protecting the shores of publicly owned property'', approved August 13, 1946, is amended—

(A) in subsection (b)(3) of the first section (33 U.S.C. 426e(b)(3)), by striking ''Secretary of the Army, acting through the Chief of Engineers,'' and inserting ''Secretary,''; and

(B) in section 3 (33 U.S.C. 426g), by striking ''Secretary of the Army'' and inserting ''Secretary''.

(e) OBJECTIVES OF PROJECTS.—Section 209 of the Flood Control Act of 1970 (42 U.S.C. 1962–2) is amended by inserting ''(including shore protection projects such as projects for beach nourishment, including the replacement of sand)'' after ''water resource projects''.

Mr. BRADLEY. Mr. President, I rise today to join Senator MACK in introducing a measure designed to provide for a continuing Federal role in protecting a valuable national resource—our Nation's coastline. The Shore Protection Act of 1996 states clearly that the Federal Government has an obligation to provide necessary support—both financial and technical—for projects that promote the protection, restoration and enhancement of sandy beaches and shorelines in cooperation with States and localities.

Beach, shore and coastal resources are critical to our economy and quality of life, but they are fragile and must be protected, conserved and restored. As a coastal State Senator, who walks the beaches of the Jersey shore every year, I know first-hand the economic and recreational benefits that are derived from healthy beaches. Every summer, thousands of New Jerseyans and visitors from all over the U.S. and the world, visit the beaches of the Jersey shore, generating roughly $11 billion in travel and tourism revenues.

However, beaches are important not only to New Jersey's economy or to those of other coastal communities, they are important to the Nation's economy. Beaches support 28 million jobs, and coastal communities generate $1.3 trillion, or one-third, of the Gross National Product. Travel and tourism is the second largest sector of our economy, contributing over $746 billion in 1995 and amounting to a $26 billion trade surplus. Beaches are responsible for this economic boom. As the leading tourist destination in the U.S., coastlines generate 85 percent of tourism-related revenue. If we allow this valuable resource to simply wash away, billions of dollars in beach related revenues will disappear as well.

The value of our coastline lies not only in the jobs and revenue that they generate, but also in the families, homes and business they protect from hurricanes, nor'easters and tropical storms. With almost 50% of all Americans living in our coastal communities, we simply must have healthy beaches as our first line of defense. Nourished beaches can also provide ecological and environmental benefits for certain species of wildlife by providing, or restoring, marine and littoral habitat.

In 1995, the Administration proposed an end to the Federal role in shore protection projects. Citing budgetary concerns, the Administration proposal called for Federal involvement in projects that were of ''national significance'' only. This bill makes the case that the preservation of an invaluable economic and environmental resource—our shoreline—is of national significance. Our bill would permit all the local, regional and national economic and ecological benefits of a shoreline protection project to be considered when judging a project's merit. I am confident this comprehensive evaluation will demonstrate that shore protection projects are indeed of national significance.

Mr. President, let me take a moment to outline the major provisions of the bill. Specifically, the bill would mandate a continuing Federal role in shore protection projects. The bill changes the mission of the Corps from one of general authority to do beach projects to a specific mandate to undertake the protection, restoration and enhancement of beaches in cooperation with states and local communities.

Additionally, the bill would require that new criteria be used in conducting the cost/benefit analysis of a proposed project. Currently, when undertaking cost/benefit analysis to determine the suitability of proposed projects, the Corps is only required to consider the property values of property directly adjacent to the beach. The Corps can take into account revenues generated through recreation, but is not required to do so, nor can the recreational values be weighed as anything other than an ''incidental'' benefit. This bill requires that the benefits to the local, regional and national economy and the local, regional and national ecology be considered. This comprehensive evaluation will demonstrate that shore protection projects are of national significance.

The bill also requires that the Corps report annually to Congress on beach project priorities. The Corps will be required to submit information (reports) to Congress on projects that, when evaluated with the bill's new cost/benefit criteria, are found to merit Federal involvement. In current law, this authority is discretionary and has been suspended by the Administration.

The bill also encourages the Corps to work with state and local authorities to develop regional plans for preservation, restoration and enhancement of shorelines and coastal resources. Further the Corps is encouraged to work with other agencies to coordinate with other projects that may have a complimentary effect on shoreline protection projects.

A network of healthy and nourished beaches is essential to our economy, competitiveness in world tourism and the safety of our coastal communities.

Protection of the Nation's shoreline must be a continued Federal priority.

By Mr. GRAHAM:

S. 1812. A bill to provide for the liquidation or replication of certain frozen concentrated orange juice entries to correct an error that was made in connection with the original liquidation; to the Committee on Finance.

LEGISLATION TO CORRECT INEQUITY SUFFERED BY JUICE FARMS, INC.

● Mr. GRAHAM. Mr. President, I am introducing legislation today that will order Customs to take the necessary steps to correct an inequity suffered by a Florida company, Juice Farms, Inc., resulting from a Customs administrative error arising from a dumping case.

From 1987 to 1990, several anti-dumping orders were issued covering Brazilian frozen concentrated orange juice. Juice Farms imported juice from Brazil and deposited duties with Customs. As required by law, liquidation of the import entries by Customs was suspended by Commerce pending the outcome of administrative dumping reviews to be conducted by Commerce.

In 1991, after three successive reviews, the Department of Commerce found no sales at less than fair value. Commerce instructed Customs to return Juice Farms' anti-dumping duty deposits plus interest. Juice Farms learned, however, that Customs had mistakenly liquidated a number of entries. Such liquidations were in clear violation of the suspension order.

Juice Farms pursued court challenges but received an unfavorable decision because the court found that the company filed its protest of the premature liquidations too late. Accordingly, even though the duties were required by law to be returned to Juice Farms, to date the deposits have not been received. The legislation I propose today simply will correct that error and require Customs to refund the funds properly owed Juice Farms.●

By Mr. HELMS (for himself and Mr. GRASSLEY):

S. 1813 A bill to reform the coastwise, intercoastal, and noncontiguous trade shipping laws, and for other purposes; to the Committee on Commerce, Science, and Transportation.

THE COASTAL SHIPPING COMPETITION ACT OF 1996

Mr. HELMS. Mr. President, since 1920 there has been a Federal statute in force in America that, however well intentioned, has nonetheless prevented a vast segment of the farming community in North Carolina and other States from obtaining reasonably much-needed and priced grain from the Midwest.

In doing so, of course, it has long prevented Midwestern grain producers from delivering grain to grain deficit States which repeatedly experience difficulty in sustaining their livestock. North Carolina is one of the those States.

That is why I am today introducing S. 1813, the Coastal Shipping Competition Act, which will eliminate a harmful anachronism that enables a few waterborne carriers to cling to a monopoly on shipping. The victims of this system, in North Carolina and elsewhere, assert accurately that those shippers have no certified Jones Act ships to meet the demands of producers who need the gain.

In fact, Mr. President, poultry and pork farmers in North Carolina say they can't get enough grain for their farms to feed their animals. North Carolina cannot now, nor ever be able, to produce enough grain to satisfy the urgent needs of the poultry and pork producers in North Carolina. As a result, they must rely upon grain shipped in from the Midwest. The railroads can't guarantee enough railcars to move this grain from the Midwest, and the costs of such shipments as can be arranged are enormous.

The increase in transportation costs, coupled with the price of grain, inevitably leads to excessively high overhead costs for North Carolina farmers. To put it succinctly, the shortage of grains and shortage of trains means sharply elevated costs and prices that threaten the livelihoods of many farmers.

Mr. President, I ask unanimous consent that letters from two highly respected North Carolina farmers, both of whom urge introduction and passage of this legislation, be printed in the RECORD at the conclusion of my remarks.

Mr. President, according to the most recent North Carolina Department of Agriculture statistics, North Carolina was, in 1995, No. 1 in the Nation in turkey production with 61.2 million birds; in hog production, North Carolina was No. 2, with 8.3 million heads—Iowa was No. 1—and in commercial broilers North Carolina was No. 4 with 644 million birds—Arkansas, Georgia, and Alabama ranked first, second, and third.

Mr. President, this past Saturday an article in the May 18 edition of the Raleigh News and Observer, reported that 800 poultry jobs in Chatham County, N.C., were threatened by, among other things, high-feed grain prices. I ask unanimous consent that this article ''800 Perdue Jobs in Danger'' be printed in the RECORD at the conclusion of my remarks.

Mr. President, additionally, in times of severe weather—such as this past winter—railroads often are unable to get through mountain passes because of snow or flooding.

Mr. President, the Jones Act unfairly and unreasonably restricts shipping between ports in the United States because it requires that merchandise and produce shipped by water between U.S. points be shipped only on U.S.-built, U.S.-flagged, U.S.-manned, and U.S.-citizen owned vessels specifically documented and authorized by the Coast Guard for such shipments.

But, Mr. President, the problem with that is that not nearly enough certified vessels exist to transport grain to farmers in North Carolina and other States. As a matter of fact, my farmers are now being forced to go to foreign sources for feed grain.

Last year, according to a report in the September 12, 1995, Journal of Commerce, Murphy family farms brought in a cargo shipment of 1 million bushels of Canadian wheat to the port of Wilmington, NC, aboard Canada steamship lines.

Mr. President, the Jones Act is simply not fair. It's not fair to farmers in the Midwest and it is unfair to countless producers in my own State and in other States.

Those who may protest this legislation are likely to claim that it will somehow destroy American shipping. That simply is not so. Moreover, if the status quo is maintained, my farmers will have no choice but to purchase their foreign grain from Canada, Argentina, and other countries—and all of it will be shipped on foreign flagged vessels.

According to a December 1995 report by the U.S. International Trade Commission,

The economy wide effect of removing the Jones Act is a U.S. economic welfare gain of approximately $2.8 billion. This figure can also be interpreted as the annual reduction in real national income imposed by the Jones Act. A primary reason for the large gain in welfare is a decline of approximately 26 percent in the price of shipping services formerly restricted by the Jones Act.

Mr. President, isn't it ironic that the United States—the breadbasket of the world—has such an unwise and unfair lid on that bread basket? That lid, Mr. President, is the Jones Act.

That is my reason for offering this legislative remedy, Mr. President. If Senators truly believe in the free enterprise system, they will support this proposal to allow American grain to be shipped unhindered to grain deficit States that are in need of it.

Mr. President, I ask unanimous consent that additional material be printed in the RECORD.

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

S. 1813

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 ''Coastal Shipping Competition Act of 1996''.

SEC. 2. MISCELLANEOUS AMENDMENTS TO DEFINITIONS IN TITLE 46, UNITED STATES CODE.

Section 2101 of title 46, United States Code, is amended—

(1) in each of paragraphs (1) through (45), by striking the period at the end and inserting a semicolon;

(2) in paragraph (46), by striking the period at the end and inserting ''; and'';

(3) by striking paragraph (3a) and inserting the following:

''(3a) 'citizen of the United States' means—

''(A)(i) a national of the United States, as defined in section 101(a)(22) of the Immigration and Nationality Act (8 U.S.C. 1101(a)(22));

''(ii) a corporation established under the laws of the United States or under the laws

of a State, territory, district, or possession of the United States, that has—

''(I) a president or other chief executive officer and chairman of the board of directors of that corporation who are citizens of the United States; and

''(II) a board of directors, on which a majority of the number of directors necessary to constitute a quorum are citizens of the United States;

''(iii) a partnership existing under the laws of a State, territory, district, or possession of the United States that has at least 1 general partner who is a citizen of the United States;

''(iv) a trust that has at least 1 trustee who is a citizen of the United States; or

''(v) an association, joint venture, limited liability company or partnership, or other entity that has at least 1 member who is a citizen of the United States; but

''(B) such term does not include—

''(i) with respect to a person or entity under clause (ii), (iii), or (v) of subparagraph (A), any parent corporation, partnership, or other person (other than an individual) or entity that is a second-tier owner (as that term is defined by the Secretary) of the person or entity involved; or

''(ii) with respect to a trust under clause (iv), any beneficiary of the trust.'';

(4) by inserting after paragraph (4) the following new paragraph:

''(4a) 'coastwise trade'—

''(A) subject to subparagraph (B), means the transportation by water of merchandise or passengers, the towing of a vessel by a towing vessel, or dredging operations embraced within the coastwise laws of the United States—

''(i) between points in the United States (including any district, territory, or possession of the United States);

''(ii) on the Great Lakes (including any tributary or connecting waters of the Great Lakes and the Saint Lawrence Seaway);

''(iii) on the subjacent waters of the Outer Continental Shelf subject to the Outer Continental Shelf Lands Act (43 U.S.C. 1331 et seq.); and

''(iv) in the noncontiguous trade; and

''(B) does not include the activities specified in subparagraph (A) on the navigable waters included in the inland waterways trade except for activities specified in subparagraph (A) that occur on mixed waters.'';

(5) by inserting after paragraph (11c) the following new paragraph:

''(11d) 'foreign qualified vessel' means a vessel—

''(A) registered in a foreign country; and

''(B) the owner, operator, or charterer of which is a citizen of the United States or—

''(i) has qualified to engage in business in a State and has an agent in that State upon whom service of process may be made;

''(ii) is subject to the laws of the United States in the same manner as any foreign person doing business in the United States; and

''(iii) either—

''(I) employs vessels in the coastwise trade regularly or from time to time as part of a regularly scheduled freight service in the foreign ocean (including the Great Lakes) trades of the United States; or

''(II) offers passage or cruises on passenger vessels the owner, operator, or charterer employs in the coastwise trade or in the coastwise trade as part of those cruises offered in the foreign ocean (including the Great Lakes) trades of the United States.'';

(6) by redesignating paragraph (14a) as paragraph (14b);

(7) by inserting after paragraph (14) the following new paragraph:

''(14a) 'inland waterways trade'—

''(A) means—

''(i) the transportation of merchandise or passengers on the navigable rivers, canals, lakes other than the Great Lakes, or other waterways inside the Boundary Line;

''(ii) the towing of barges by towing vessels in the waters specified in clause (i); or

''(iii) engaging in dredging operations in the waters specified in clause (i); and

''(B) includes any activity specified in subparagraph (A) that is conducted in mixed waters.'';

(8) by redesignating paragraph (15a) as paragraph (15b);

(9) by inserting after paragraph (15) the following:

''(15a) 'mixed waters' means—

''(A) the harbors and ports on the coasts and Great Lakes of the United States; and

''(B) the rivers, canals, and other waterways tributary to the Great Lakes or to the coastal harbors and coasts of the United States inside the Boundary Line,

that the Secretary of Transportation determines to be navigable by oceangoing vessels.'';

(10) by redesignating paragraph (17a) as paragraph (17b);

(11) by inserting after paragraph (17) the following:

''(17a) 'noncontiguous trade' means transportation by water of merchandise or passengers, or towing by towing vessels—

''(A) between—

''(i) a point in the 48 continental States and the District of Columbia; and

''(ii) a point in Hawaii, Alaska, Puerto Rico, Guam, the Virgin Islands, American Samoa, the Northern Mariana Islands, or any other noncontiguous territory or possession of the United States, as embraced within the coastwise laws of the United States; or

''(B) between 2 points described in subparagraph (A)(ii).'';

(12) in paragraph (21)(A)—

(A) in clause (ii), by striking ''or'' after the semicolon;

(B) in clause (iii), by inserting ''or'' after the semicolon; and

(C) by adding at the end the following new clause:

''(iv) an individual who—

''(I) is a member of the family or a guest of the owner or charterer; and

''(II) is not a passenger for hire;'';

(13) by striking paragraph (40) and inserting the following:

''(40) 'towing vessel' means any commercial vessel engaged in, or that a person intends to use to engage in, the service of—

''(A) towing, pulling, pushing, or hauling alongside (or any combination thereof); or

''(B) assisting in towing, pulling, pushing, or hauling alongside;''; and

(14) by inserting after paragraph (40) the following new paragraphs:

''(40a) 'towing of a vessel by a towing vessel between points' means attaching a towing vessel to a towed vessel (including any barge) at 1 point and releasing the towed vessel from the towing vessel at another point, regardless of the origin or ultimate destination of either the towed vessel or the towing vessel; and

''(40b) 'transportation of merchandise or passengers by water between points' means, without regard to the origin or ultimate destination of the merchandise or passengers involved—

''(A) in the case of merchandise, loading merchandise at 1 point and permanently unloading the merchandise at another point; or

''(B) in the case of passengers, embarking passengers at 1 point and permanently disembarking the passengers at another point.''.

SEC. 3. DOCUMENTATION.

(a) DEFINITIONS.—Section 12101(b)(2) of title 46, United States Code, is amended—

(1) by striking paragraph (2) and inserting the following:

''(2) 'license', 'enrollment and license', 'license for the coastwise (or coasting) trade', 'enrollment and license for the coastwise (or coasting) trade', and 'enrollment and license to engage in the foreign and coastwise (or coasting) trade on the northern, northeastern, and northwestern frontiers, otherwise than by sea' mean a coastwise endorsement provided in section 12106.'';

(2) by striking paragraph (3); and

(3) by redesignating paragraph (4) as paragraph (3).

(b) VESSELS ELIGIBLE FOR DOCUMENTATION.—Section 12102(a) of title 46, United States Code, is amended—

(1) by striking all that precedes paragraph (5) and inserting the following:

''(a) A vessel of at least 5 net tons that is not registered under the laws of a foreign country or that is not titled in a State is eligible for documentation if—

''(1)(A) the vessel is owned by an individual who is a citizen of the United States, or a corporation, association, trust, joint venture, partnership, limited liability company, or other entity that is a citizen of the United States; and

''(B) the owner of the vessel is capable of holding title to a vessel under the laws of the United States or under the laws of a State;''; and

(2) by redesignating paragraphs (5) and (6) as paragraphs (2) and (3), respectively.

(c) COASTWISE ENDORSEMENTS.—Section 12106 of title 46, United States Code, is amended to read as follows:

''§ 12106. Coastwise endorsements and certificates

''(a) IN GENERAL.—A certificate of documentation may be endorsed with a coastwise endorsement for a vessel that is eligible for documentation.

''(b) ELIGIBILITY.—

''(1) IN GENERAL.—Any of the following vessels may be issued a certificate to engage in the coastwise trade if the Secretary of Transportation makes a finding, pursuant to information obtained and furnished by the Secretary of State, that the government of the nation of registry of such vessel extends reciprocal privileges to vessels of the United States to engage in the transportation of merchandise or passengers (or both) in its coastwise trade:

''(A) A foreign qualified vessel (as defined in section 2101(11d)).

''(B) A vessel of foreign registry—

''(i) if the vessel is subject to a demise or bareboat charter, for the duration of that charter, to a person or entity that would be eligible to document that vessel if that person or entity were the owner of the vessel; or

''(ii) that engages irregularly in the coastwise trade of the United States.

''(2) VESSEL ENGAGING IRREGULARLY IN THE COASTWISE TRADE.—For purposes of this subsection, a vessel engages irregularly in the coastwise trade of the United States if that vessel—

''(A) during any 60-day period does not make, in the aggregate, more than 4 calls to United States ports; and

''(B) during any calendar year does not make, in the aggregate, more than 6 calls to United States ports.

''(c) EMPLOYMENT IN THE COASTWISE TRADE.—Subject to the applicable laws of the United States regulating the coastwise trade and trade with Canada, only a vessel with a certificate of documentation endorsed with a coastwise endorsement or with a certificate issued under subsection (b) may be employed in the coastwise trade.''.

(d) INLAND WATERWAYS ENDORSEMENTS.—Section 12107 of title 46, United States Code, is amended to read as follows:

"§ 12107. Inland waterways endorsements

''A certificate of documentation may be endorsed with an inland waterways endorsement for a vessel that—

''(1) is eligible for documentation; and

''(2)(A) was built in the United States; or

''(B) was not built in the United States; but was—

''(i) captured in war by citizens of the United States and lawfully condemned as prize;

''(ii) adjudged to be forfeited for a breach of the laws of the United States; or

''(iii) is qualified for documentation under section 4136 of the Revised Statutes (46 App. U.S.C. 14).''.

(e) LIMITATIONS ON OPERATIONS AUTHORIZED BY CERTIFICATES.—Section 12110(b) of title 46, United States Code, is amended—

(1) by striking ''coastwise trade'' and inserting ''coastwise trade or inland waterways trade''; and

(2) by striking ''that trade'' and inserting ''those trades''.

SEC. 4. TRANSPORTATION OF MERCHANDISE IN THE COASTWISE AND INLAND WATERWAYS TRADES.

(a) IN GENERAL.—Section 27 of the Merchant Marine Act, 1920 (46 U.S.C. App. 883) is amended to read as follows:

"SEC. 27. PROHIBITION.

''No merchandise, including merchandise owned by the United States Government, a State (as defined in section 2101 of title 46, United States Code), or a political subdivision of a State, and including material without value, shall be transported by water, on penalty of forfeiture of the merchandise (or a monetary amount not to exceed the value of the merchandise, as determined by the Secretary of the Treasury, or the actual cost of the transportation, whichever is greater, to be recovered from any cosigner, seller, owner, importer, consignee, agent, or other person that transports or causes the merchandise to be transported by water)—

''(1) in the coastwise trade, in any vessel other than—

''(A) a vessel documented with a coastwise endorsement under section 12106(a) of title 46, United States Code; or

''(B) a vessel that has been issued coastwise certification under section 12106(b) of title 46, United States Code, that is in effect for engaging in the transportation of merchandise; or

''(2) in the inland waterways trade in any vessel other than a vessel documented with an inland waterways endorsement under section 12107 of title 46, United States Code.''.

(b) REPEAL.—Section 27A of the Merchant Marine Act, 1920 (46 App. U.S.C. 883–1) is repealed.

SEC. 5. TRANSPORTATION OF PASSENGERS.

(a) IN GENERAL.—Section 8 of the Act of June 19, 1886 (24 Stat. 81, chapter 421; 46 U.S.C. App. 289) is amended to read as follows:

"SEC. 8. PROHIBITION.

''No passengers shall be transported by water, on penalty of $200 for each passenger so transported or the actual cost of the transportation, whichever is greater, to be recovered from the vessel so transporting the passenger—

''(1) in the coastwise trade, in any vessel other than—

''(A) a vessel documented with a coastwise endorsement under section 12106 of title 46, United States Code; or

''(B) a vessel that has been issued a coastwise certification under section 12106(b) of title 46, United States Code, that is in effect for engaging in the transportation of merchandise; and

''(2) in the inland waterways trade, in any vessel other than a vessel documented with an inland waterways endorsement under section 12107 of title 46, United States Code.''.

(b) REPEALS.—The following provisions are repealed:

(1) The Act of April 26, 1938 (52 Stat. 223, chapter 174; 46 U.S.C. App. 289a).

(2) Section 12(22) of the Maritime Act of 1981 (46 U.S.C. App. 289b).

(3) Public Law 98–563 (46 U.S.C. App. 289c).

SEC. 6. TOWING AND SALVAGING OPERATIONS.

Section 4370(a) of the Revised Statutes (46 U.S.C. App. 316(a)) is amended to read as follows:

''(a)(1) No vessel (including any barge), other than a vessel in distress, may be towed—

''(A) in the coastwise trade by any vessel other than—

''(i) a vessel documented with a coastwise endorsement under section 12106(a) of title 46, United States Code; or

''(ii) a vessel registered in a foreign country, if the Secretary of the Treasury finds, pursuant to information furnished by the Secretary of State, that the government of that foreign country and the government of the country of which each ultimate owner of the towing vessel is a citizen extend reciprocal privileges to vessels of the United States to tow vessels (including barges) in the coastal waters of that country; or

''(B) in the inland waterways trade by any vessel other than a vessel documented with an inland waterways endorsement under section 12107 of title 46, United States Code.

''(2)(A) The owner and master of any vessel that tows another vessel (including a barge) in violation of this section shall each be liable to the United States Government for a civil penalty in an amount not less than $250 and not greater than $1,000. The penalty shall be enforceable through the district court of the United States for any district in which the offending vessel is found.

''(B) A penalty specified in subparagraph (A) shall constitute a lien upon the offending vessel, and that vessel shall not be granted clearance until that penalty is paid.

''(C) In addition to the penalty specified in subparagraph (A), the offending vessel shall be liable to the United States Government for a civil penalty in an amount equal to $50 per ton of the measurement of the vessel towed in violation of this section, which shall be recoverable in a libel or other enforcement action conducted through the district court for the United States for the district in which the offending vessel is found.''.

SEC. 7. DREDGING OPERATIONS.

The first section of the Act of May 28, 1906 (34 Stat. 204, chapter 2566; 46 U.S.C. App. 292), is amended to read as follows:

"SECTION 1. VESSELS THAT MAY ENGAGE IN DREDGING.

''(a) IN GENERAL.—A vessel may engage in dredging operations—

''(1) on the navigable waters included in the coastwise trade, if—

''(A) the vessel is documented with a coastwise endorsement under section 12106(a) of title 46, United States Code; or

''(B) the vessel is registered in a foreign country and the Secretary of the Treasury finds, pursuant to information furnished by the Secretary of State, that the government of that foreign country and each government of the country of which an ultimate owner of the vessel is a citizen extend reciprocal privileges to vessels of the United States to engage in dredging operations in the coastal waters of that country; or

''(2) on the navigable waters included in the inland waterways trade, if—

''(A) the vessel is documented with an inland waterways endorsement under section 12107 of title 46, United States Code; or

''(B) the vessel would be qualified to be documented under the laws of the United States with a coastwise endorsement under section 12106(a) of title 46, United States Code, except that the vessel was not built in the United States.

''(b) PENALTIES.—When a vessel is operated in knowing violation of this section, that vessel and its equipment are liable to seizure by and forfeiture to the United States Government.''.

SEC. 8. CITIZENSHIP AND TRANSFER PROVISIONS.

(a) CITIZENSHIP OF CORPORATIONS, PARTNERSHIPS, AND ASSOCIATIONS.—Section 2 of the Shipping Act, 1916 (46 U.S.C. App. 802) is amended—

(1) in subsection (a)—

(A) by inserting a period after ''possession thereof''; and

(B) by striking all that follows the period inserted in subparagraph (A) through the end of the subsection; and

(2) by striking subsection (c).

(b) APPROVAL OF TRANSFER OF REGISTRY OR OPERATION UNDER AUTHORITY OF A FOREIGN COUNTRY OR FOR SCRAPPING IN A FOREIGN COUNTRY; PENALTIES.—Section 9 of the Shipping Act, 1916 (46 U.S.C. App. 808) is amended—

(1) by striking subsection (c) and inserting the following:

''(c) Except as provided in section 611 of the Merchant Marine Act, 1936 (46 U.S.C. App. 1181) and section 31322(a)(1)(D) of title 46, United States Code, a person may not, without the approval of the Secretary of Transportation—

''(1) place under foreign registry—

''(A) a documented vessel; or

''(B) a vessel with respect to which the last documentation was made under the laws of the United States;

''(2) operate a vessel referred to in paragraph (1) under the authority of a foreign government; or

''(3) scrap or transfer for scrapping a vessel referred to in paragraph (1) in a foreign country.''; and

(2) by striking subsection (d) and inserting the following:

''(d)(1) A person that places a documented vessel under foreign registry, operates that vessel under the authority of a foreign country, or scraps or transfers for scrapping that vessel in a foreign country—

''(A) in violation of this section and knowing that that placement, operation, scrapping, or transfer for scrapping is a violation of this section shall, upon conviction, be fined under title 18, United States Code, imprisoned for not more than 5 years, or both; or

''(B) otherwise in violation of this section shall be liable to the United States Government for a civil penalty of not more than $10,000 for each violation.

''(2) A documented vessel may be seized by, and forfeited to, the United States Government if that vessel is placed under foreign registry, operated under the authority of a foreign country, or scrapped or transferred for scrapping in a foreign country in violation of this section.''.

SEC. 9. LABOR PROVISIONS.

(a) LIABILITY FOR INJURY OR DEATH OF MASTER OR CREW MEMBER.—Section 20(a) of the Act of March 4, 1915 (38 Stat. 1185, chapter 153; 46 U.S.C. App. 688(a)) is amended—

(1) by inserting ''(1)'' after ''(a)'';

(2) by adding at the end of paragraph (1) (as designated under paragraph (1) of this subsection) the following new sentence: ''In an action brought under this subsection against

a defendant employer that does not reside or maintain an office in the United States (including any territory or possession of the United States) and that engages in any enterprise that makes use of 1 or more ports in the United States (as defined in section 2101 of title 46, United States Code), jurisdiction shall be under the district court most proximate to the place of the occurrence of the personal injury or death that is the subject of the action.''; and

(3) by adding at the end the following new paragraph:

''(2)(A) The employer of a master or member of the crew of a vessel—

''(i) may, at the election of the employer, participate in an authorized compensation plan under the Longshore and Harbor Workers' Compensation Act (33 U.S.C. 901 et seq.); and

''(ii) if the employer makes an election under clause (i), notwithstanding section 2(3)(G) of the Longshore and Harbor Workers' Compensation Act (33 U.S.C. 902(3)(G)), shall be subject to that Act.

''(B) If an employer makes an election, in accordance with subparagraph (A), to participate in an authorized compensation plan under the Longshore and Harbor Workers' Compensation Act—

''(i) a master or crew member employed by that employer shall be considered to be an employee for the purposes of that Act; and

''(ii) the liability of that employer under that Act to the master or crew member, or to any person otherwise entitled to recover damages from the employer based on the injury, disability, or death of the master or crew member, shall be exclusive and in lieu of all other liability.''.

(b) MINIMUM REQUIREMENTS.—All vessels, whether documented in the United States or not, operating in the coastwise trade of the United States shall be subject to minimum international labor standards for seafarers under international agreements in force for the United States, as determined by the Secretary of Transportation on the advice of the Secretaries of Labor and Defense.

SEC. 10. REGULATIONS REGARDING VESSELS.

(a) APPLICABLE MINIMUM REQUIREMENTS.—Except as provided in paragraph (2), the minimum requirements for vessels engaging in the transportation of cargo or merchandise in the United States coastwise trade shall be the recognized international standards in force for the United States (as determined by the Secretary of the department in which the Coast Guard is operating, in consultation with any other official of the Federal Government that the Secretary determines to be appropriate).

(b) CONSISTENCY IN APPLICATION OF STANDARDS.—In any case in which any minimum requirement for vessels referred to in paragraph (1) is inconsistent with a minimum that is applicable to vessels that are documented in a foreign country and that are admitted to engage in the transportation of cargo and merchandise in the United States coastwise trade, the standard applicable to United States documented vessels shall be deemed to be the standard applicable to vessels that are documented in a foreign country.

(c) MINIMUM REQUIREMENTS FOR VESSELS.—As used in this subsection, the term ''minimum requirements for vessels'' means, with respect to vessels (including United States documented vessels and foreign documented vessels), all safety, manning, inspection, construction, and equipment requirements applicable to those vessels in United States coastwise passenger trade, to the extent that those requirements are consistent with applicable international law and treaties to which the United States is a signatory.

SEC. 11. ENVIRONMENT.

All vessels, whether documented under the laws of the United States or not, regularly engaging in the United States coastwise trade shall comply with all applicable United States and international environmental standards in force for the United States.

SEC. 12. GENERAL REQUIREMENTS.

Each person or entity that is not a citizen of the United States, as defined in section 2101(3a) of title 46, United States Code, that owns or operates vessels that regularly engage in the United States domestic coastwise trade shall—

(1) establish an office or place, and qualify under the laws of that place, to do business in the United States;

(2) name an agent upon whom process may be served;

(3) abide by all applicable laws of the United States; and

(4) post evidence of—

(A) financial responsibility in amounts as considered necessary by the Secretary of Transportation for the business activities of that person or entity; and

(B) compliance with applicable United States laws.

MURPHY FAMILY FARMS,
Rose Hill, NC, May 21, 1996.

Hon. JESSE HELMS,
U.S. Senate, Washington, DC.

DEAR SENATOR HELMS: I am writing to urge you to introduce and sponsor the Coastal Shipping Competition Act—Legislation that I believe would bring much needed, yet fair reform to our nation's antiquated maritime transportation laws.

North Carolina consumes in its animal and poultry production businesses far more grain and oilseed meals than our North Carolina farmers are able to produce. Thus far, we have relied upon rail transportation originating in the ''Eastern Grain Belt'' states to augment local supplies. As our demand increases, we will likely continue to use rail transportation as our primary source of grains and oilseed meals from production areas outside North Carolina. However, we are beginning to experience the symptoms of over taxing the capacity of the rail corridors that serve us. Additionally, realization of the risks inherent in relying too heavily on a single source of dry bulk transport to feed live animals and poultry is becoming far too real when we have had major service interruptions on at least three occasions since early December 1995.

We believe that the only other viable transportation source to supply our needs is via water. Yet, after some five years of diligent effort, the only reasonably competitive cargo that we have been able to procure via water has been foreign cargoes delivered to the port of Wilmington on foreign vessels. This seems illogical to us because we know that the United States is the most efficient and largest producer of grains and oilseed meals in the world and that our country serves as the world's repository of supply of these invaluable resources.

Why can't we access these domestic supplies via water? We believe that a major impediment lies within the constraints imposed upon us and others by the Merchant Marine Act of 1920, more commonly known as the Jones Act. Legislation to reform the Jones Act is desperately needed to help rebuild a viable, competitive United States domestic shipping industry and to enhance the competitive position of ours and other American agricultural producers and businesses. I believe that without this legislation we will experience the not so gradual erosion of the economic viability of our existing capital asset base and likewise the economic demise of many of our good citizens and business persons who depend upon the animal and poultry production industry of North Carolina for their livelihoods.

As a member of the business community and a farmer from your district, I assure you that this is an issue of utmost importance and one that merits your attention and support.

Thank you for your time and effort and please let me know if I may be of assistance.

Sincerely,

WENDELL H. MURPHY,
Chairman and CEO.

GOLDSBORO MILLING COMPANY,
Goldsboro, NC, May 21, 1996.

DEAR SENATOR HELMS: Let me start by thanking you for all you have done in the past in support of agri-business in this country. Your support has meant a great deal to all of us.

I'm also writing you today to ask you to introduce and support the Coastal Shipping Competition Act—legislation that would bring much needed reform to our nation's antiquated maritime transportation laws.

These laws negatively affect thousands of businesses across America every day because the laws have eliminated competitive deepwater domestic waterbourne transportation for essential manufacturing inputs and finished products.

The Merchant Marine Act of 1920 (known as the Jones Act) has had an ironically anti-American impact. While it may have been originally written to protect the U.S. shipping industry, the resulting noncompetitive domestic industry is sparsely available, if at all in many U.S. locations. Not a single coastal freighter over 1,000 tons is operating on the entire 2,000 mile East Coast of the United States.

Those of us in the poultry and hog business on the East Coast really need an alternative transportation option for our inputs (such as grain) because the infrastructure of the railroads is getting critically overloaded. However, being restricted to using a U.S. owned, operated and manned ship effectively eliminates the possibility of getting inputs delivered by water to east coast ports.

Legislation to reform the Jones Act is desperately needed to help build the competitive position of American businesses and agricultural producers.

As a member of the business community in North Carolina, I can assure you this is an issue that merits your attention and support. Thanks for all that you have already done and for your consideration on this matter.

Sincerely,

J.L MAXWELL, Jr.
Chairman.

[From the News & Observer, May 18, 1996]

800 PERDUE JOBS IN DANGER

(By Jay Price)

SILER CITY.—Perdue Farms announced Friday that it will padlock its Chatham County chicken processing plant unless the plant can be sold within 60 days, placing the future of 800 workers in doubt and sending shock waves through the local economy.

The company, which has headquarters in Salisbury, Md., blamed the move on high feed costs and a glutted chicken market. ''Hopefully, we'll find a buyer, and if we don't we'll make the workers aware of job opportunities at other Perdue facilities,'' said company spokesman Richard Auletta in New York.

The news from one of Chatham County's largest employers cast a pall over the annual Siler City Chicken Festival, which begins today.

''I've worked here a long time,'' said Frank Torres, a Perdue employee since 1985. ''I don't know what happened. I can't do nothing new. Now all everybody's got is one piece of paper and a check. I don't know what will happen.''

Torres said that Friday morning, employees were given a letter in Spanish and English outlining the company's plans.

Perdue said employment at a 28-worker feed mill in Staley also will be scaled back, and the operation may later be closed.

Also affected are 118 growers who raise chickens for Perdue under contract, mostly in Chatham and Randolph counties. Only 30 of those will continue to raise birds for the company, which will process them at other plants.

The company said it will try to arrange for the remaining growers to work with other poultry companies in the area.

Perdue said the plant workers, most of whom earn $7 to $7.10 an hour, can apply for jobs at other plants, but the closest ones are in Robbins and Concord, a considerable distance away by car.

About noon Friday, workers dressed in jeans, work boots and hard hats trickled solemnly out of the yellow brick plant and into a gravel parking lot. Many, like Torres, are migrant workers from Mexico who made their way to Chatham County in search of stability.

Domingo Gonzales, 28 years old and the father of two, has been at the plant for only three months.

''I don't know what I'll do,'' he said, noting that he has been working at odd jobs in the United States for nearly nine years and was hoping to finally settle down. ''Maybe I'll go back to Mexico.''

The fate of many workers like Torres and Gonzales may depend on complex business forces over which they have no control.

Besides record-high feed prices Perdue cited a recent jump in fuel costs and an abundance of poultry, beef and pork as major reasons for the decision.

Producers are paying an estimated 40 percent more for feed than they did a year ago, and are getting lower prices for their products, said Dr. Tom Carter, a poultry specialist with the N.C. Cooperative Extensive Service.

''It's an unusual situation with the grain prices so high,'' Carter said. ''The cost of production is higher than the market, and that's because of high corn prices.''

Carter, however, was optimistic that another company would buy the 61,000-square-foot plant, which can process 625,000 birds a week.

''Very seldom does a facility like that go without a buyer,'' Carter said. ''On the surface, it looks like the situation is such that people wouldn't want to buy it, but if you look beneath the surface, you usually get the best buy when the price is down.''

Growers also may be able to sell birds elsewhere, Carter said. Townsend, Golden Poultry and Mount Aire have poultry processing plants in Siler City, Sanford and Bonlee, respectively, Carter said.

''Eventually, growers will adjust and move in with other companies,'' Carter said, ''but it may take longer than some can adjust their finances for.''

Growers work under contract to processors like Perdue. The processor owns the chickens, so in this case the farmers won't get stuck with the birds. But they could get stuck with big investments in chicken houses, which cost about $120,000. The average farmer in the area has three houses, said Dr. Glenn Carpenter, a Pittsboro extension agent specializing in poultry. Some older houses may have cost just a few thousand dollars, he said.

Many growers raise chickens part-time. Typically, it's a family affair employing between one and three people, but some operations are larger and full-time.

The plant was one of a group of processing facilities that Perdue bought from Showell Farms in January 1995. Its products are sold mostly to institutional users such as schools, hospitals and restaurants.

MIXED SIGNALS

In recent months, signs were that it was prospering. Olivier Devaud, director of Chatham's Economic Development Commission, said the plant had been hiring workers since announcing in December that it needed 150 more. In the past year Perdue spent $4 million for new equipment at the plant and $1 million on an expansion, which was still under way when Friday's announcement came.

Other signals were more ominous. In March, Perdue—the nation's No. 2 poultry producer—said it would cut production by 7 percent, but that it didn't plan layoffs. Other large poultry firms, including Tyson, Hudson Foods Inc. and Pilgrims Pride Corp., had already announced similar cuts.

Poultry and eggs make up the most lucrative agricultural industry in the state, said Kim Decker of the state Agriculture Department. In 1994, the most recent year for which statistics were available, poultry and eggs earned farmers $1.9 billion, he said.

In contrast, revenue from hogs was $980 million and from tobacco, $943 million. Statewide, the industry employs more than 27,000 people.

MAJOR JOB SOURCE

The plant is Chatham's third largest employer. Devaud said its closing would be a blow to the local economy. But new companies and expansions are expected to bring 120 new jobs to Siler City in the next month alone, and the county's unemployment rate is just 2.7 percent.

Devaud said he hopes that Townsend, the county's biggest employer, can eventually hire some of the workers at its chicken processing plant.

One who might be looking is Steven Garner, who landed a job loading trucks at the Perdue plant three weeks ago. He was angry Friday.

''That's 800 people,'' he said between puffs of a cigarette.

''I've got a family. I'm the one who buys the groceries and pays the bills. It's going to be really hard.''

By Mr. GRAMM (for himself, Mr. D'AMATO, Mr. BRYAN, and Ms. MOSELEY-BRAUN):

S. 1815. A bill to provide for improved regulation of the securities markets, eliminate excess securities fees, reduce the costs of investing, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

THE SECURITIES INVESTMENT PROMOTION ACT OF 1996

Mr. GRAMM. Mr. President, today I am joined by Senators D'AMATO, DODD, BRYAN, and MOSELEY-BRAUN in introducing the Securities Investment Promotion Act of 1996. This is important legislation incorporating reforms supported by business and by State and Federal Securities regulators.

This legislation moves forward in a significant way to define a division of labor between the State and Federal governments for the supervision of the securities industry. In the process two very important goals are achieved. We improve administration of our nation's securities laws while at the same time greatly reducing the cost of that regulation.

We must always remember that the cost of securities regulation, however desirable or effective that regulation may be, is ultimately born by the people who invest. Today, that includes almost everyone. Not everyone may have a stock portfolio, although an increasing number of American families do. But most Americans have investments in a mutual fund or have a stake in a pension fund that invests in our nation's securities markets. More and more small businesses are funding their growth, expansion, and job creation with financing from the securities markets.

When I became Chairman of the Securities Subcommittee, I was struck by the number of State and Federal regulators, and people in the securities business, as well as investors, who commented on the need to reform out-of-date and unnecessary securities regulation. The most immediate need in that regard the Congress addressed last year, with our bill to reform securities litigation. That was a measured, bipartisan effort.

The legislation that we are introducing today is a continuation of that bipartisan spirit. I am proud to be joined by the Chairman of the Banking Committee, Senator D'AMATO, as well as by the Ranking Member of the Securities Subcommittee, Senator DODD, together with Senators BRYAN and MOSELEY-BRAUN of the Banking Committee. We have all worked closely in drafting the bill that we are introducing, and have in addition benefited from comments and suggestions from the SEC, State securities regulators, trade associations, the stock exchanges, and self-regulatory organizations, among others. I invite further comments as we consider this bill in the Committee and then on the floor of the Senate. I have intentionally sought to cast the net wide in seeking comment from the public on this legislation, since, ultimately, what we do in this bill affects the people of this country in very important ways.

Mr. President, I would like to comment briefly on some of the key provisions of the bill.

Title I of the bill is called the Investment Advisers Integrity Act. It is an updated version of a bill that I introduced on the first day of the 104th Congress, S. 148. There are approximately 25,000 registered investment advisers in the nation today, and the number keeps growing. The SEC has testified that they do not have the resources to supervise effectively such a large number of advisers. In the past, proposals were put forward to increase SEC funding for enforcement of the Investment Adviser Act of 1940 by assessing a $16 million tax on the industry. Even with such a tax, however, an investment adviser could have gone several years without an inspection.

Title I of the bill tries a different approach, first suggested to me by former SEC Commissioner Rick Roberts. This approach addresses the problem through a partnership between the Federal and State securities regulators, dividing up the responsibility. The States would have exclusive jurisdiction to register investment advisers who manage less than $25 million in client assets. These are the investment advisers whose activities are most likely to be within their home State. In fact, about half of all investment advisers do not personally manage any client assets at all.

The SEC would have exclusive responsibility for registration of investment advisers who manage $25 million or more of client assets, as well as for all investment advisors to mutual funds. These are the investment advisers most likely to be engaged in interstate commerce, appropriately a Federal concern.

I would add, Mr. President, that this provision does not impose a Federal mandate on the States, for under the provisions of the bill, any State that did not want to assume the responsibility for registration of investment advisers is not required to do so. The advisers in such a State would then be required to register with the SEC, regardless of the size of their business.

The effect of this division of responsibility will be that between two-thirds and three-quarters of investment advisers will be supervised by the States where they do their business. On the other hand, perhaps as much as two-thirds or more of the assets under management will be managed by investment advisers supervised by the SEC, demonstrating the concentration of managed assets in the hands of the larger investment advisers, having multi-state operations.

I would like to express my appreciation to the representatives of the investment adviser industry, the SEC, and the Texas State Securities Commissioner, Denise Crawford, for their assistance in revising and crafting this title of the bill, and the support that they have expressed for this approach. Whereas today investment adviser supervision is limited at best, and more often than not effectively non-existent, this division of labor will mean that adequate resources and attention can not be brought to bear to encourage the integrity of the industry and further increase the investment opportunities for American families.

Mr. President, perhaps the most significant impact of this bill will come from the provisions assigning responsibility for mutual fund prospectuses review to the SEC. Mutual funds spend tens of millions of dollars each year complying with a patchwork of varied and often conflicting State requirements governing the prospectuses by which funds are offered to investors. These requirements are merely different, usually duplicative, and to not provide investors with any added useful information than what is already required by the SEC. Moreover, complying with these requirements is time consuming. In just one example, while a particular mutual fund was awaiting delays in clearing its prospectus with a certain State regulator, its value increased by 16%. That was a 16% growth denied to the investors of that State who could not place funds with the mutual fund until its prospectus had cleared the State regulators. No investor was helped by that delay. The mutual fund industry has dramatically increased the investment opportunities for American families of all levels of income, and I am please to further the efforts of my colleagues, Congressmen FIELDS and BLILEY, to move forward this important relief from unnecessary regulatory burden.

Similarly, stocks that are traded on the national stock exchange and trading systems would be exempted from State regulation under the provisions of this bill. Again, as with mutual funds, this is a national business, the very kind of activity contemplated by the Founding Fathers with the interstate commerce clause of the Commission.

One of the provisions of the bill, which I consider of high importance, is a requirement that the Chief Economist of the SEC conduct and publish an economic analysis of each new regulation before the regulation can enter into effect. Mr. President, the SEC is a lawyer-heavy agency. The Officer of General Counsel, for example, has a budget of over $10 million and 120 staff members. By comparison, the Office of Economic Analysis, even with the increase required by my amendment to the appropriation bill, has a budget of $3 million and about two dozen employees.

The actions of the SEC in regulating the nation's capital markets have a profound impact on the economy of the nation and of the world. It is therefore of paramount importance that a high priority be given within the SEC to careful examination and analysis of the economic and market consequences of its regulations. Otherwise, we are in danger of regulating blindly, which the economic livelihood and health of the nation cannot risk.

While there are many other important provisions of the bill, I will conclude, Mr. President, by emphasizing the last section of the bill. This provision addresses the need for improving the access to U.S. stock exchanges for the listing of world-class foreign companies. Today, U.S. accounting standards are in many points different from the accounting standards of other countries. They are not necessarily better, just different. Under current regulations, a foreign company wishing to list on a U.S. stock exchange would first have to meet U.S. accounting standards, which in effect may mean that the company would have to keep two sets of books.

The SEC has sought to address this problem through a greater harmonization of international accounting standards. The bill encourages the SEC to redouble its efforts to achieve a level of generally accepted accounting standards and to report to the Congress on its progress.

Our nation's stock exchanges are the preeminent exchanges in the world. It is hard to see how we can continue that position long into the next century while maintaining formidable obstacle to the listing on our exchanges of the major corporations of the world. I do not see how any American investor is protected by being forced to resort to the London or Frankfurt stock exchanges in order to invest in foreign corporations.

Mr. President, this is important legislation. Congressman JACK FIELDS and the members of the House Commerce Committee have done the country a great service by setting in motion a process by which the Congress will begin to delineate clearly the roles of the State and Federal governments in securities regulation. I hope that this bill can be adopted in short order and meet in conference with similar legislation recently adopted unanimously by the House Commerce Committee.

Mr. President, I ask unanimous consent that additional material be printed in the RECORD.

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

SECURITIES INVESTMENT PROMOTION ACT OF 1996

SECTION 1. SHORT TITLE: TABLE OF CONTENTS.

Securities Investment Promotion Act of 1996.

SEC. 2. SEVERABILITY.

Court striking any provision of the Act does not affect other provisions.

TITLE I. INVESTMENT ADVISERS INTEGRITY ACT

SEC. 101. SHORT TITLE.

Investment Advisers Integrity Act.

SEC. 102. ENHANCED FUNDING FOR ENFORCEMENT.

Authorizes appropriation of up to $16 million in each of FY1997 and FY1998 for enforcement of the Investment Advisers Act of 1940.

Sec. 103. Improved Supervision Through Federal and State Cooperation

Investment advisers with less than $25 million in assets under management and that do not advise a mutual fund are exempted from registering with the SEC if they are required to register with the state where the adviser maintains its business.

The SEC may exempt from requirements to register with the SEC other persons or classes of persons if the SEC determines that registration would be unfair, a burden on interstate commerce, or for other reasons. The SEC is given similar authority to make exemptions from state registration.

Investment advisers registered with the SEC are exempt from state investment adviser regulation. States may require such investment advisers to file notice with the state and pay appropriate fees.

SEC. 104. INTERSTATE COOPERATION.

Investment advisers complying with books and records requirements of the state of their principal place of business cannot be subject to added books and records requirements by other states where they may conduct business.

A state may not require an investment adviser to maintain a higher net capital to post a higher bond than required by the sate where the principal offices are located.

SEC. 105. DISQUALIFICATION OF CONVICTED FELONS.

The SEC is authorized to deny investment advisery registration to anyone convicted of a felony in the previous 10 years.

TITLE II. FACILITATING INVESTMENT IN MUTUAL FUNDS

SEC. 201. SHORT TITLE.

Investment Company Act Amendments of 1996.

SEC. 202. FUNDS OF FUNDS.

Allows mutual funds to invest in other mutual funds in the same group or family of funds and allows just one of the funds to impose sales charges on investors.

SEC. 203. FLEXIBLE REGISTRATION OF SECURITIES.

Simplifies the calculation and payment of registration fees by mutual funds.

SEC. 204. INVESTMENT COMPANY ADVERTISING PROSPECTUS.

Allows mutual funds to include in their advertising information that was not included in their last prospectus.

SEC. 205. VARIABLE INSURANCE CONTRACTS.

Gives insurance companies that issue variable annuities the same ability as mutual funds to set product charges.

SEC. 206. PROHIBITION ON DECEPTIVE INVESTMENT COMPANY NAMES.

Mutual funds may not have deceptive or misleading names.

SEC. 207. EXCEPTED INVESTMENT COMPANIES.

Exempts from mutual fund regulation any fund not publicly offered and whose investors are persons who each own at least $5 million in investments or are institutional investors owning at least $25 million in investments.

Within one year the SEC shall prescribe rules to allow employees of such a fund to invest in the fund.

SEC. 208. PERFORMANCE FEES.

Gives authority to the SEC to allow investment advisers to be paid performance fees for advising sophisticated investors.

TITLE III. REDUCING THE COSTS OF SAVING AND INVESTMENT

SEC. 301. EXEMPTION FOR ECONOMIC, BUSINESS, AND INDUSTRIAL DEVELOPMENT COMPANIES.

Exempts business industrial development companies from the Investment Company Act if at least 80% of its securities are sold to ''accredited'' investors who are of the state where the company is organized.

SEC. 302. INTRASTATE CLOSED-END INVESTMENT COMPANY EXEMPTION.

Raises from $100,000 to $10 million the limit for closed-end investment companies to qualify for an exemption from the Investment Company Act.

Sec. 303. Definition of Eligible Portfolio Company

Expands the definition of an eligible portfolio company to include companies with up to $4 million in assets.

Sec. 304. Definition of Business Development Companies

Removes requirement that a business development company provide significant managerial assistance.

Sec. 305. Acquisition of Assets by Business Development Companies

Permits BDCs to acquire securities of a company it may invest in from sources other than the company itself.

Sec. 306. Capital Structure Amendments

Allows BDCs that meet certain requirements to issue a broader range of securities.

Sec. 307. Filing of Written Statements

Authorizes the SEC to require BDCs to include a description of risk factors associated with their capital structure in a written annual report to shareholders.

Sec. 308 Facilitating National Securities Markets.

Codifies existing state exemptions from state registration for securities that are traded on a national exchange, the Nasdaq National Market System, or other exchange or system identified by the SEC, and securities sold to qualified purchasers. Exempts from state registration mutual funds and other investment companies. No state review of prospectuses for such securities or mutual funds. States may impose notice and appropriate fee requirements and are not limited from enforcing state fraud laws in connection with such securities.

Sec. 309. Regulatory Flexibility

Gives the SEC authority to make exemptions from provisions of the Securities Act of 1933 and the Securities Exchange Act of 1934.

Sec. 310. Analysis of Economic Effects of Regulation

Requires the Chief Economist of the SEC to prepare and publish an economic analysis of any proposed SEC regulation before it becomes effective. Authorizes $6 million in appropriations for FY 1997 and $6 million for FY 1998 for the SEC's Economic Analysis Program, including the Office of Economic Analysis.

Sec. 311. Privatization of EDGAR

Requires the SEC, within 180 days of enactment, to submit to Congress a report on its plan for promoting competition and innovation of EDGAR through the privatization of all or parts of the system.

Sec. 312. Improving Coordination of Supervision

Directs the SEC and other securities examination authorities to coordinate their examinations.

Sec. 313. Increased to Foreign Business Information

Facilitates participation by U.S. information media in financial press briefings held outside of the United States.

Sec. 314. Short-Form Registration

Clarifies that voting and non-voting shares shall be considered in determining whether a company is eligible to use the short-form registration statement.

Sec. 315. Church Employee Pension Plans

Exempts church employee pension plans from federal and state securities laws, except the anti-fraud provisions. The plans would continue to be subject to Internal Revenue Code regulations regarding eligibility, governance, and operations of such plans.

Sec. 316. Promoting Preeminence of American Securities Markets

Expresses the sense of the Congress that the SEC should reinforce its efforts in developing generally accepted international accounting standards in order to enhance the ability of foreign corporations to list their stocks on U.S. exchanges, and requires the SEC to report to Congress in one year on its progress.

Mr. D'AMATO. Mr. President, it is with great enthusiasm that I rise today with my colleagues, the chairman and ranking member of the Securities Subcommittee, Senator GRAMM and Senator DODD, and Senators BRYAN and MOSELEY-BRAUN to introduce the Securities Investment Promotion Act of 1996.

The U.S. securities market is the preeminent market in the world. It is a fair, efficient and orderly market. In 1995, the U.S. equity market capitalization of $7.98 trillion represented nearly half of the $16.48 worldwide equity market. The market is at an all time high, having increased in trading volume 168 percent in the last decade from 77.3 billion to 207.4 billion. Clearly our securities market is a national treasure.

This bill my colleagues and I introduce today represents a bi-partisan effort to improve regulation of the securities market. The legislation seeks to maintain our preeminent securities market by making it even more efficient and more accessible to those individuals and entities who seek entry in order to raise capital.

The legislation streamlines securities regulation by peeling back layers of duplicative, unnecessary and burdensome regulation—opening up the capital markets and promoting capital formation. It makes more efficient use of precious State and Federal resources by dividing rather duplicating regulatory responsibility. These changes will also strengthen consumer and investor protection.

INVESTMENT ADVISERS

The Securities Investment Promotion Act fills a significant regulatory gap in the area of investment advisers. As low interest rates have caused individuals to flock to the securities markets with their savings and retirement money—often seeking advice from an investment adviser—it becomes increasingly critical for Congress to ensure that investment advisers are adequately regulated. The increase in mutual fund investments, which are usually managed by investment advisers, has also contributed to the growing number of investment advisers.

Right now, 22,000 investment advisers manage approximately $10.6 trillion in assets. The SEC does not have sufficient resources to maintain an adequate inspection program for investment advisers. According to some SEC estimates, they are only able to inspect some of the smaller investment advisers once every 30 years.

The bill creates a rational system of regulation for investment advisers by dividing between the SEC and the States responsibility for regulating investment advisers. States will regulate the smaller investment advisers who operate in their State and manage $25 million or less in assets. The SEC will regulate the larger advisers. This system will enable the States and the SEC to share regulatory responsibility—better protecting investors.

MUTUAL FUNDS

The Securities Investment Promotion Act of 1996 facilitates the registration, operation and certain disclosures made by mutual funds. Over 30 million U.S. households, or about 31 percent now own mutual funds. In part because of low interest rates, by the end of last year mutual fund assets hit the $2.7 trillion mark—exceeding bank deposits for the first time.

This bill allows the mutual fund market to operate as a national market, comprehensively regulated by the SEC. Right now, when a mutual fund registers its shares it must register with the SEC and the States. As a result, mutual funds must comply with a

crazy quilt of regulation imposed by the laws of each of the 50 States. This bill facilitates mutual fund registration by eliminating the requirement that mutual funds register with the States.

The bill makes it easier for mutual funds to provide current information in advertisements; calculate their registration fees and invest in other mutual funds in their family of funds. It also provides additional consumer and investor protection by giving the SEC authority to prohibit mutual funds from naming their funds in a manner that could mislead or confuse investors.

CAPITAL FORMATION

The bill promotes capital formation by eliminating overlapping State and Federal requirements for registering certain types of securities, such as securities sold to ''qualified purchasers'' or securities that are listed on a national securities exchange or market system. It also gives the SEC flexibility to identify other exchanges or systems that should qualify for the exemption from registration.

The bill promotes investment in small projects and business by making it easier for economic, business, and industrial development companies to raise money without having to register with the SEC. These companies will not have to register their securities if 80 percent or more of the securities are sold to accredited investors within the State the company operates. This bill provides further relied for companies operating within one State. The SEC may now exempt from the securities laws a company with $100,000 in assets that is operating within a State. The Securities Investment Promotion Act of 1996 raises this level to $10 million.

The bill provides liquidity and investment opportunities to business development companies—enabling these companies to invest more capital in small businesses. It also helps venture capitalists tap the capital markets to fund business endeavors by allowing individuals and entities to pool a certain amount of investment funds without having to register with the SEC.

REGULATORY MODERNIZATION

The legislation updates the securities laws to reflect the reality of today's marketplace. It simplifies certain procedures for paying fees and making disclosures. It gives the SEC flexibility to adapt to the changing financial market by giving the SEC authority to exempt transactions, individuals or entities from the Federal securities laws.

The bill fosters awareness of the cost of regulation by requiring the SEC to publish an economic analysis of a proposed regulation before it becomes effective. It also reduces the costs associated with revolving door compliance examinations, where one regulator completes its examination only to be replaced by the next. The legislation requires the regulators to coordinate examinations.

The Securities Investment Promotion Act of 1996 is a significant piece of legislation that will ensure that the U.S. securities market remains number one in the world. It is not a controversial bill, it enjoys support on both sides of the aisle. This bill thoughtfully and carefully tightens the laws governing the securities market. I commend my colleagues and their staff for their excellent work in drafting this legislation and plan to move it quickly through the Banking Committee.

Mr. DODD. Mr. President, I rise today to join Senators GRAMM, D'AMATO, BRYAN, and MOSELEY-BRAUN in introducing the Securities Investment Promotion Act of 1996.

The U.S. capital markets are vitally important for the good economic health not only of virtually every American company but for millions and millions of individual investors who have placed some of their assets either directly in securities or, as has become more and more common, into mutual funds.

We must recognize that sustained economic growth is heavily dependent upon the continuing ability of our capital markets and financial services industry to function efficiently and with integrity. If companies find impediments to obtaining capital, they will not grow. If individuals find impediments to their access to securities and other investments, they will not save. Taking steps to enhance the access of both corporations and individuals to the securities markets is a prudent means by which Congress can help sustain or even increase the Nation's rate of economic growth.

Furthermore, the American capital markets are the envy of the world. No other nation enjoys the international reputation of our capital markets and it is necessary for Congress periodically to review and modernize, where necessary, the laws that make our markets and our financial services industry the world's leader.

The legislation that is being introduced today is the culmination of a lengthy bipartisan effort to reform those aspects of the securities laws that are an outdated impediment to the efficient functioning of the securities industry. The bill will also provide clearer statutory directives to both state and Federal regulators so that the integrity of—and confidence in—our capital markets and financial services industry is enhanced.

Mr. President, let me provide a brief summary of the major elements of this legislation. The three main areas that the bill addresses are: improving the regulation of investment advisors under the Investment Advisors Act of 1940; modernizing and streamlining the regulation of mutual funds under the Investment Company Act of 1940; and, making modest adjustments in the securities laws to account for changes in the financial world over the past 60 years.

Title I, the Investment Advisors Integrity Act, would provide much needed clarity to regulators for the regulation of investment advisors under the Investment Advisors Act of 1940. The most important feature of this title is to draw a clear, bright line between those registered investment advisors who should be regulated at the Federal level by the Securities and Exchange Commission, and those advisors who are more properly regulated by the state that is the advisor's principal place of business.

The bill would require investment advisors with more than $25 million under management to be regulated by the Securities and Exchange commission, while those with assets under the $25 million threshold would be regulated by the state.

This bifurcation is necessary because it is not realistic to expect the SEC to be able to thoroughly supervise the more than 25,000 advisors who are registered under the IAA nor is it reasonable to have the advisor industry burdened by duplicative state and Federal regulation. This change will allow the state and Federal regulators to focus on those parts of the industry that is within their regulatory expertise, while freeing the industry from the burden of duplicative layers of regulation.

The second title of the bill is entitled Facilitating Investment in Mutual Funds. While most of my colleagues are aware of the rapid growth in the mutual fund industry, I wonder how many are aware that nearly one out of every three American families has money invested, in some form or another, in mutual funds. Mutual funds, as of 1995, have slightly more than $2 trillion dollars under management, with $800 billion coming from individual investors and $1.2 trillion coming from institutional investors.

The significantly increasing importance of the mutual fund industry led to a lengthy review by the Securities and Exchange Commission in 1992, entitled ''Protecting Investors: A Half-Century of Investment Company Regulation,'' which made recommendations for modernizing of the Investment Company Act of 1940. The last time Congress revised the ICA was in 1970, and many believe that it is approriate—a quarter century later—for Congress to take a fresh look at the issue of modernization.

Several of the mutual fund provisions of the legislation being introduced today were originally proposed by the SEC in their 1992 report. Other suggestions have been forthcoming since that report and represent a careful balance between the need to make the Investment Company Act fit the mutual fund industry as it exists today, without sacrificing any investor protection.

This section of the bill contains two major components: the first is to eliminate unnecessary state regulation of mutual funds, while preserving the state's authority to investigate for fraud and other types of wrongdoing. Mutual funds are highly regulated by the Securities and Exchange Commission through the Investment Company

Act of 1940; in fact, this is one of the most successfully regulated industries in America, borne out by the explosive growth in mutual funds since the Act was passed. In 1940, there were 105 registered companies with $2 billion in assets (according to the SEC); today, as I mentioned above, there are more than 5,300 funds holding over $2 trillion in assets.

The very success of SEC regulation has rendered most individual state regulations obsolete, not to mention that complying with these duplicative statutes is both expensive and burdensome on the industry. The costs of this regulatory burden are passed onto consumers. The legislation we are introducing today will preempt most state regulation of mutual funds, while preserving the state's necessary ability to protect consumers through anti-fraud and other statutes.

Another area that will be modernized through adoption of this legislation will be in the area of smaller funds whose investors are either wealthy individuals—defined in the bill as those with more than $5 million in investments—and institutional investors. These funds, which are exempt from many of the provisions of the Investment Company Act of 1940 because of their smaller size and unique nature, often provide critically needed capital directly to new corporations and generally to America's emerging industries. By modestly expanding the pool of people and institutions eligible to participate in such funds, the legislation seeks to expand the amount of capital available for investment, particularly newer, small and moderate sized companies.

There are also enhanced mutual fund disclosure requirements benefiting investors that we are continuing to develop, and I would anticipate that if and when this bill goes to mark-up, they will be added to the legislation.

The last title of the bill contains a number of provisions that attempt to remove anomalies that have developed within the securities laws as the financial world has changed over the last sixty years. These changes, while modest in and of themselves, will nevertheless provide significant and needed relief to both investors and industry.

In all, Mr. President, this is an extremely balanced and thoughtful bill that has been drafted in close consultation with the Securities and Exchange Commission and the North American Securities Administrators Association, the umbrella group for the fifty state securities administrators. It has been written in bipartisan manner that is increasingly rare in this body, and as a result, the bill provides statutory reform that is needed by investors, corporations and the financial services industry without sacrificing any consumer protections. I hope that the Senate will move expeditiously to pass this legislation.

Mr. BRYAN. Mr. President, I am pleased to sign on as a co-sponsor of the Securities Investment Promotion Act of 1996. This comprehensive effort to modernize our regulation of the capital markets will help us achieve the most efficient possible regulatory scheme, while preserving investor confidence in our markets by maintaining needed investor protection safeguards.

I come to this issue believing that our capital formation process is fundamentally sound. America's capital markets are the fairest, most successful, and the most liquid the world has ever known. By virtually every statistical measure, our capital markets are vibrant and healthy. The stock market has been setting new records for some time now and is in the midst of the longest run in this century. This has been an unprecedented boom for companies, investors and Wall Street firms.

The manner in which we reform our regulation of securities is important because tens of millions of Americans increasingly rely on our nation's financial markets to save for retirement, fund their children's college education, and to receive a rate of return on savings that exceeds the rate of inflation. Today, more than ever, the people of America are investing in America. For the first time in history, mutual fund assets exceed the deposits of the commercial banking system.

The growth in the mutual fund industry has been nothing short of phenomenal. Today, there are 2,222 stock funds, 2,576 bond and fixed-income funds, plus another 1,000 money-market funds, according to the Investment Company Institute. In fact, there are now twice as many mutual funds—with a value of around $2.8 trillion—as stocks listed on the New York Stock Exchange. The reason for this huge expansion of funds may be summed up in one word: demand. Funds continue to roll off the assembly line because investors want more avenues in which to put their money.

Investors are attracted to mutual funds because the market has remained generally trouble-free and because of its relative safety. While much of the credit for this environment should go to go to the industry itself, so too should credit go to an effective system of regulation. In our enthusiasm for updating and modernizing the oversight of this marketplace, care must be taken to maintain vital investor protections that have helped this industry grow and prosper.

Our securities laws and regulations are designed first and foremost to protect investors and to maintain the integrity of the marketplace, thereby promoting trust and confidence in our system of capital formation. We should strive for a securities regulatory system that is tough—but one that also is fair and reasonable.

On balance, I believe that this legislation does a good job of eliminating or modernizing laws and regulations that either are duplicative or outdated—without sacrificing investor protection. However, I also recognize that the introduction of this bill is just the first step in a longer process and that further fine tuning and revisions will be in order as we learn more about the practical effect of several of its specific provisions. I have decided to sign on as a co-sponsor despite the reservations I have about specific provisions contained in the bill. I will seek out the comments and views of federal and state regulators, industry representatives, and investor advocates on these matters.

I would like to take just a few minutes to briefly highlight a few key provisions of this legislation:

More rational investment adviser oversight. This bill seeks to rationalize the regulatory scheme for investment advisers. Over the last decade, both the House of Representatives and the Senate have held numerous hearings in which we have been told that our system of investment adviser regulation is woefully inadequate, both in terms of the resources we devote to the effort and the laws that govern the industry. Today, we take a modest first step in the effort to establish a credible program of investment adviser oversight. While I applaud the sensible approach contained in this bill, it is my hope that Congress does not end its consideration of this issue here.

This bill will direct the Securities and Exchange Commission to focus on the biggest investment advisers—those who manage more than $25 million of client assets. Investment advisers who fall below this threshold will be overseen by the State securities regulators, who appropriately are given the task of overseeing the smaller, local investment advisers. Now, it may be that the $25 million is not an appropriate dividing line. I would look for guidance here to the regulators and the industry who will be questioned on this issue. If we learn that the threshold is too high, too low, or too inflexible, I expect we will make the necessary revisions.

The oversight of investment advisers is an extremely important issue, as more and more Americans turn to these financial professionals to help guide them through the increasing complexity of our financial markets. Both the Senate and the House of Representatives have addressed the issue of improving investment adviser oversight for several years now, but each time we have failed to reach an agreement on how best to accomplish such a goal. Establishing a more rational system for determining jurisdiction is a helpful step. But, it is only a first step. If we can all agree on this, I hope that we can also agree to come back next year and begin the process of evaluating whether our investment adviser laws are adequate for the protection of investors. For example, as I understand it, there is little more to the federal system of regulation than filling out some paperwork and paying a one-time fee. There are no minimum standards of competency, training, or education to become an investment adviser. We

must take a closer look at this law to determine where it may be deficient and to make the necessary improvements.

Improved State-Federal Coordination. Today, both the Securities and Exchange Commission and the 50 State securities regulators share the responsibility for overseeing our capital markets. By and large, this system of shared regulatory responsibility has worked well, with the SEC taking responsibility for market-wide issues, while the States focus their attention on the issues most affecting individual investors and small businesses.

I also believe that there is room for improved coordination and a more clearly defined allocation of responsibility between the States and the SEC. I support the goal of eliminating duplicative and overlapping regulations that do not provide any additional protections to investors or to the markets but which do serve to increase the costs of raising capital. I believe this bill draws brighter lines of responsibility between the States and the SEC, and streamlines the securities offering process for American businesses. However, I will withdraw my support if any changes are made to the bill that will have the effect of weakening the State role in policing sales practices, or that will in any way undermine the enforcement authority of State securities regulators or the ability of defrauded investors to recover their losses in court under State laws.

Modernization of mutual fund oversight. This bill recognizes the fundamentally national character of the mutual fund industry by assigning exclusive responsibility for the routine review of mutual fund offering documents and related materials to the SEC and NASD. The legislation also encourages further innovation in the mutual fund industry by means of advertising prospectuses and fund of funds.

While I understand that this section of the bill generally corresponds to a similar section contained in H.R. 3005 recently approved by the House Commerce Committee, I am troubled that the Senate version fails to incorporate two key provisions of the House bill that deal with Commission authority with respect to reporting and record keeping requirements.

In closing, I want to say that it is my intention to carefully consider the feedback and comments we receive on this legislation—from Federal and State securities regulators—from representatives of the securities industry—and from investor advocates. I will work to revise any provisions that are identified as having the potential to upset the delicate balance between promoting capital formation and protecting investors that this bill now seeks to accomplish.

By Mr. GRASSLEY (for himself, Mr. HATCH, Mrs. KASSEBAUM, and Mr. BOND):

S. 1817. A bill to limit the authority of Federal courts to fashion remedies that require local jurisdictions to assess, levy, or collect taxes, and for other purposes; to the Committee on the Judiciary.

THE WISCONSIN WORKS ACT OF 1996

Mr. GRASSLEY. Mr. President, I rise today to introduce a measure that will assist the President of the United States in carrying out a promise he made to the people of Wisconsin that he would approve the Wisconsin Works program. There have been some problems getting welfare actually acted on. I had a very nice letter from the President last year for the work that we did on the welfare reform bill. But that measure got vetoed and so did a subsequent measure.

Now, the President has said that he supports the welfare reform demonstration project in Wisconsin, known as Wisconsin Works. Well, today, on behalf of myself, Senators COATS, ABRAHAM, GRAMM of Texas, ASHCROFT, CRAIG, COVERDELL, GRASSLEY, GREGG, SANTORUM, FAIRCLOTH, and NICKLES, I am submitting a very brief bill, which, in substance, says that when waivers are submitted by the Wisconsin Department of Health and Services to conduct a demonstration project known as Wisconsin Works, those waivers shall be deemed approved.

We have heard many stories about the need to reform welfare, Mr. President, and one of those stories that has been repeated recently is that of an experiment in Sedalia, MO, where applicants for food stamps were sent to an employer. Many of them took jobs, which is good. It moved them off public assistance. Those who were turned down because they were not capable could stay on public assistance. Those who refused to show up were taken off of the food stamp rolls. So there was an incentive for those who did not want to work. Two people went for the job, but they were turned down because they tested positive for drugs.

Under existing Federal law, the State of Missouri could not sanction those people, even though they were turned down for a job because they tested positive for drugs. The simple point of that is that that creates the most perverse of incentives—the incentive for people who are on public assistance and who do not want to have to take a job to get on drugs and they can stay on the public assistance rolls.

That is the kind of thing that needs to be changed. That is why we need welfare reform. Today, Mr. President, I am simply acting to expedite one of the many waivers now pending from the States, which has been delayed, I understand from the Governors, an average of 210 days. This measure, if and when adopted, will deem the waivers submitted by the State of Wisconsin to be approved.

By Mr. GRASSLEY (for himself, Mr. HATCH, Mrs. KASSEBAUM, and Mr. BOND):

S. 1817. A bill to limit the authority of Federal courts to fashion remedies that require local jurisdictions to assess, levy, or collect taxes, and for other purposes; to the Committee on the Judiciary.

THE FAIRNESS IN JUDICIAL TAXATION ACT OF 1996

• Mr. GRASSLEY. Mr. President, I introduce the Fairness in Judicial Taxation Act of 1996. I would like to thank Senator HATCH, Senator KASSEBAUM, and Congressman MANZULLO for their leadership on this issue. I hope that both the House and Senate will move quickly to pass this bill.

This important piece of legislation will curb the awesome power that the Federal courts gave themselves in the Supreme Court Case of Missouri versus Jenkins. As this body well knows, in that case the U.S. Supreme Court ruled that Federal courts could force towns and cities across America to raise taxes—even if State law forbids a tax increase. Amazingly, the Supreme Court failed to place any effective limitation on this power.

This is outrageous and violates one of the basic principles our great Nation was founded on—no taxation without representation. I really can't think of a more un-American creature than a tax imposed by an unelected, unaccountable Federal judge. I urge my fellow Senators to remember—the power to tax is the power to destroy.

This Congress is working hard to reduce the tax burdens on American families and small businesses. It would be a dereliction of duty not to do what we can to protect the American taxpayer from the destructive power of judge-imposed taxes.

Today, I expect to be appointed to a national commission which is charged with looking into ways to change the way the IRS operates so that it will be fairer to the American taxpayer. The bill I introduce today is intended to deal with the same sort of problem—helping to protect the American people from the abusive use of Federal power in the collection of taxes.

In my view, and I believe in the view of the vast majority of American taxpayers, it doesn't matter where the abuse comes from—the IRS or some Federal judge. The bottom line is that the scale has tipped too far in the direction of the Federal Government and away from protecting the rights of the American people.

Now, we cannot by statute overturn Missouri versus Jenkins. And we don't have the votes to pass a constitutional amendment. Since the Supreme Court has spoken, and we are stuck with judge-imposed taxes, the Fairness in Judicial Taxation Act goes as far as we can. The bill sets up a six-part test which must be met before a judge can compel the raising of taxes. In brief, before a court could impose a tax, the judge would have to prove:

That there is no way—other than a tax—to achieve justice; right now, courts can compel the raising of taxes

without even looking to see what else can be done;

The tax won't in reality make the problems the tax is supposed to fix even worse;

That the tax will not force property owners to leave the area, thereby actually reducing the amount of tax revenue for the town or city;

The proposed tax will not cause property values to plummet; when property owners leave to avoid judge-imposed taxes, this can cause the value of land and property to go through the floor;

The tax will not override tax caps set by local law; in Missouri versus Jenkins, the Supreme Court actually ruled that Federal Judge can strike down local tax caps;

The proposed tax will effectively redress only the narrow issue before the court; in some cases, Federal judges have used judge-imposed taxation plans to pay for vast social engineering schemes.

As you can see, Mr. President, these six factors will make it difficult—but not impossible—for courts to raise taxes. I wish we could just overturn Missouri versus Jenkins, but we can't. So, this is the next best thing.

Importantly, the Fairness in Judicial Taxation Act gives everyday, average Americans the right to go before the court and be heard on the issue of tax increases. Congress might not be able to force courts not to raise taxes, but we can at least make the courts listen to people who will be harmed by the tax increase. And anyone who wants to, and who has appeared before the judge to oppose the tax, can file their own independent appeal—immediately, and not at the end of the court case, which can drag on for many years.

Mr. President, this bill is good and fair and reasonable. It returns power back to the American people in a real and effective way.●

● Mrs. KASSEBAUM. Mr. President, I am pleased to join today Senator GRASSLEY in introducing the Fairness in Judicial Taxation Act of 1996. I want to commend Senator GRASSLEY, Senator HATCH, and Congressman MANZULLO for their leadership on this important issue.

In recent years, a number of judges have ordered local governments to impose taxes on citizens as a means to remedy a constitutional violation. In many of these cases, I have believed that Federal courts exceeded their limited jurisdiction under article III of the Constitution. While I fully understand the role of the judiciary in protecting constitutional rights, I do not believe that judges should be in the business of needlessly imposing taxes.

Our legislation addresses this issue by requiring Federal courts to meet certain criteria before imposing a tax. The Federal court must find that: There is no other means available to remedy the deprivation of rights, the tax will not contribute to the deprivation intended to be remedied, the tax will not result in a loss of revenue, the tax will not disproportionately affect any racial, ethnic, or national group, and plans submitted by a locality will not effectively redress the deprivation.

These five criteria are similar to the analysis any effective legislature would undertake before imposing a tax on its people. It is a reasonable, moderate approach to a difficult issue.

Mr. President, in 1990, I joined Senator Danforth in supporting a constitutional amendment which would prohibit judicial taxation. Senator THURMOND has advocated a legislative solution to this same issue. While these various approaches have not yet been successful, I believe they represent the emerging consensus that courts should stay out of the business of imposing taxes.

I would hope that the legislation we are introducing today will contribute to the important debate about this issue.

Mr. President, my interest in the issue of judicial taxation grew out of the experience of the Kansas City, MO, school system. In that case, the Federal judge has essentially taken over the school system by imposing a tax on the local population in order to finance implementation of a magnet school plan. His intervention, I would argue, has created an undercurrent of ill will, exacerbated racial tension, and done little to solve, over the long term, the problems with the Kansas City of school system.

School desegregation is not an easy issue. It is fraught with emotion, and there are no magic answers. But imposing a comprehensive solution from the bench—without the support of the community—has not proven effective. We simply must find a better approach to this problem—an approach which brings a community together.

I, for one, have strongly supported neighborhood schools. One of the real strengths of our education system has been in its local base. The sense of connection among students, parents, school officials, and communities is a vitally important source of support for children. When education loses its roots in the neighborhood, we lose the commitment and emphasis which are critical to academic success.

Moreover, at a time when the stresses and outright breakdown of many families have denied to children the strong and positive messages they should be receiving from the parents, the sense of connection and belonging that a school can provide becomes even more vital.

I fear that complex, Rube Goldberg solutions involving busing, magnet schools, and the such—financied by judicially imposed taxes—undermine community support for effective schooling. The business at hand is to guarantee that all our students have an opportunity for a quality education in their neighborhoods. That is where we should devote our energies and our financial resources.

Mr. President, I am pleased to join with Senator GRASSLEY in proposing legislation which deals with a key aspect of this problem—the imposition of taxes by Federal courts. It is my hope that the Senate will act expeditiously on this important legislation, and communities will again work together to improve education for all their children.●

By Mr. DASCHLE (for himself, Mr. BRYAN, Mr. DODD, Mr. KENNEDY, Mr. LEAHY, Ms. MIKULSKI, Ms. MOSELEY-BRAUN Mr. ROCKEFELLER, and Mr. SIMON) (by request):

S. 1818. A bill to amend the Employee Retirement Income Security Act of 1974 to provide for retirements savings and Security; to the Committee on Labor and Human Resources.

S. 1819. A bill to amend the Railroad Retirement Act of 1974 to provide for retirement savings and security; to the Committee on Labor and Human Resources.

S. 1820. A bill to amend title 5 of the United States Code to provide for retirement savings and security; to the Committee on Governmental Affairs.

S. 1821. A bill to amend the Internal Revenue Code of 1986 to provide for retirement savings and security; to the Committee on Finance.

RETIREMENT SAVINGS LEGISLATION

Mr. DASCHLE. Mr. President, lack of retirement security is America's quiet crisis.

Americans who work hard all their lives—either in the workplace or at home—deserve peace of mind that a secure retirement awaits them. But too many Americans live in fear that they cannot afford to retire because they do not have adequate pension coverage.

Right now, 51 million working Americans—more than half of private sector workers—have no private pension plan. Women are especially hard hit by this quiet crisis. Nearly two-thirds of working women do not have pension plans. And if you work in a small business, you only have a 1-in-4 chance of getting pension coverage.

Even those workers fortunate enough to have a pension plan cannot be sure their pensions will actually be there when they are ready to retire. Add to that the fact that more Americans are spending every dollar they earn just to pay the bills, leaving less and less for retirement, and it is no wonder people are worried about the future.

Working Americans should be able to count on a pyramid of income sources that, along with Medicare, provides them with a secure retirement. Social Security is the base of that pyramid, the foundation of retirement security. At the top of the pyramid are employer-provided pensions and private savings.

From day one, Democrats in this Congress have had to fight to protect Social Security and Medicare from attacks by the far right. And we will continue to defend those programs as the critical bedrock of retirement security.

But Social Security and Medicare—alone—were never intended to provide

full retirement security. If people are going to retire with dignity and security, they need personal savings, and they need adequate pension coverage. But too many obstacles exist in our current system for millions of Americans to get and keep pension coverage.

That is why pension reform is one of the top 3 priorities for Democrats between now and November. We are committed to getting some, if not all, of this package back to the President for his signature before this Congress ends.

Democrats plan to ease the fears of working Americans by making it easier for businesses to offer pension plans, and easier for workers who do not have access to employer-sponsored pensions plans to set up their own, tax-free pension plans.

We will also establish a new kind of 401(k) plan to help people save up to $5,000 a year, tax-free, for retirement.

Workers will be able to take their pensions and retirement savings accounts with them when they change jobs. They will not lose what they have already saved every time they take a new job. That is essential in an economy where the average worker will change jobs up to 8 times in his or her career.

In addition to more pensions, this plan will make all pensions more secure by requiring pension funds to be invested in a more timely manner, and by increasing civil and criminal penalties for pension raiding.

Finally, Democrats in the Senate will push to dramatically increase women's retirement security by enabling them to earn pensions themselves, and by making sure women are aware of the spousal pension funds to which they may be entitled.

My colleague from Kansas, Senator KASSEBAUM, predicted in a recent speech that pension reform would be the big issue for the next Congress. I respectfully disagree with my colleague. Senate Democrats believe that pension reform is a big issue for this Congress. There is no reason the American people should have to wait that long.

People who work hard all their lives deserve to be able to retire with dignity and security. We intend to ensure that they can, and we intend to do so this year.

● Ms. MOSELEY-BRAUN. Mr. President, I am pleased to have this opportunity to join my colleagues in introducing President Clinton's pension legislation, the Retirement Savings and Security Act. This legislation addresses some of the most serious concerns of the Nation's work force, and it will have a positive and lasting impact on the working people of this country. The Retirement Savings and Security Act will help America's working people prepare for their retirement, and help ensure their future economic security.

This plan tackles the significant problems of pension coverage and portability by making it easier for people to enroll in pension plans, by making it easier for small businesses to offer benefits to their employees, and by making it easier for people to save for their retirement.

A baby boomer will turn 50 every 7 seconds this year. The average American will hold between four and eight jobs in his or her lifetime. These trends require that we concern ourselves with increasing access to our Nation's pension system and ensuring that pensions are portable.

As the sponsor of S. 1756, the Women's Pension Equity Act, I want to take special note of the attention the President's plan gives to some of the pension issues which have a disproportionate impact on women.

Our pension system was not designed for working women, either those in the work force or in the home. The statistics vividly make the case. Women make up 60 percent of seniors over 65 years old, but 75 percent of the elderly poor. An elderly woman is twice as likely as a man to live below the poverty line. One reason for the high incidence of poverty among older women is clear—less than one-third of female retirees receive any pension benefits at all and for those that do, the average benefit is only half that of male retirees. Over half of all male retirees receive pension benefits.

There are a number of reasons for the disparity in men's and women's pension coverage and benefits. Women are more likely to move in and out of the work force to care for family, women are more likely to work at home, or to work in industries without generous salary or pension benefits, and women earn less compared to men—all of which contributes to little or no pension income.

This legislation encourages increased portability and lower vesting requirements. Allowing workers to earn pension benefits quickly and to take those benefits with them when they change jobs will directly benefit women, who are more likely than men to take time out of the work force to care for their children or their parents.

This legislation encourages small business to offer 401(k) plans. Expanding pension coverage into small businesses will directly benefit women, who disproportionately work in small businesses.

This legislation encourages employers to accept a lump sum rollover of a new employee's pension funds from the previous employer. Making it easier to transfer retirement funds directly into a new account, thereby decreasing the likelihood of pension savings being spent before retirement, will directly benefit women, who are almost a third more likely to receive a lump sum payment as their sole pension income, will benefit directly.

In addition, this plan contains several targeted initiatives that were drawn, in part, from S. 1756, and that will help to further ensure retirement security for older women. These are initiatives to protect working women and homemakers alike who face widowhood or divorce. The current pension laws often leave widows and divorced women without any of the pension benefits earned by their husbands during many years of marriage.

I am very pleased that the President acted to ensure that these provisions were included in the administration's pension bill. The President understands that our pension laws have to reflect the reality faced by women today in the work force, in the home, and in retirement.

I want to take particular note of the President's interest in dealing with two problems affecting widows and divorced widows whose deceased husbands participated in the Federal civil service retirement system.

The first provision in this legislation allows a widow or divorced widow to collect their husband's civil service pension if he dies after leaving his civil service job and before collecting his pension benefits. The second provision allows a court that awards a woman part of her husband's civil service pension upon divorce, to extend that award to any lump sum payment made if the husband dies before collecting benefits.

These provisions ensure that women will not be left without pension income in their retirement years because of absurd, yet potentially devastating, pension loopholes in the civil service retirement system. Similar language is included in S. 1756.

Mr. President, the President's pension initiative will result in significant improvements in pension coverage for older women. This bill is just another example of the President's commitment to increase the economic security of all Americans.

All Americans need improved pension coverage. We need to know that we can retire without falling into poverty or becoming a huge financial burden for our families. We need to know that the golden years are not going to turn into disposable years.

I commend the President on his efforts to expand pension coverage, portability, and security for all Americans and I commend the President for making a special effort when it comes to older women living alone—those most likely to live in poverty.

I am proud to be able to cosponsor this important initiative. All Americans, women included, deserve to retire with dignity.●

ADDITIONAL COSPONSORS

S. 483

At the request of Mr. HATCH, the name of the Senator from Vermont [Mr. LEAHY] was added as a cosponsor of S. 483, a bill to amend the provisions of title 17, United States Code, with respect to the duration of copyright, and for the other purposes.

S. 507

At the request of Mr. PRESSLER, the name of the Senator from Mississippi

[Mr. LOTT] was added as a cosponsor of S. 507, a bill to amend title 18 of the United States Code regarding false identification documents, and for other purposes.

S. 684

At the request of Mr. HATFIELD, the name of the Senator from New York [Mr. MOYNIHAN] was added as a cosponsor of S. 684, a bill to amend the Public Health Service Act to provide for programs of research regarding Parkinson's disease, and for other purposes.

S. 814

At the request of Mr. MCCAIN, the name of the Senator from North Dakota [Mr. CONRAD] was added as a cosponsor of S. 814, a bill to provide for the reorganization of the Bureau of Indian Affairs, and for other purposes.

S. 948

At the request of Mr. DORGAN, the name of the Senator from South Dakota [Mr. DASCHLE] was added as a cosponsor of S. 948, a bill to encourage organ donation through the inclusion of an organ donation card with individual income refund payments, and for other purposes.

S. 1166

At the request of Mr. LUGAR, the names of the Senator from Missouri [Mr. ASHCROFT], and the Senator from Virginia [Mr. ROBB] were added as cosponsors of S. 1166, a bill to amend the Federal Insecticide, Fungicide, and Rodenticide Act, to improve the registration of pesticides, to provide minor use crop protection, to improve pesticide tolerances to safegaurd infants and children, and for other purposes.

S. 1183

At the request of Mr. HATFIELD, the name of the Senator from New York [Mr. MOYNIHAN] was added as a cosponsor of S. 1183, a bill to amend the Act of March 3, 1931 (known as the Davis-Bacon Act), to revise the standards for coverage under the Act, and for other purposes.

S. 1219

At the request of Mr. FEINGOLD, the name of the Senator from Ohio [Mr. GLENN] was added as a cosponsor of S. 1219, a bill to reform the financing of Federal elections, and for other purposes.

S. 1397

At the request of Mr. KYL, the name of the Senator from Alabama [Mr. SHELBY] was added as a cosponsor of S. 1397, a bill to provide for State control over fair housing matters, and for other purposes.

S. 1578

At the request of Mr. FRIST, the names of the Senator from Utah [Mr. BENNETT] and the Senator from South Dakota [Mr. DASCHLE] were added as cosponsors of S. 1578, a bill to amend the Individuals with Disabilities Education Act to authorize appropriations for fiscal years 1997 through 2002, and for other purposes.

S. 1643

At the request of Mr. GREGG, the name of the Senator from Indiana [Mr. COATS] was added as a cosponsor of S. 1643, a bill to amend the Older Americans Act of 1965 to authorize appropriations for fiscal years 1997 through 2001, and for other purposes.

S. 1645

At the request of Mr. KERRY, the name of the Senator from Maine [Ms. SNOWE] was added as a cosponsor of S. 1645, a bill to regulate United States scientific and tourist activities in Antarctica, to conserve Antarctic resources, and for other purposes.

S. 1731

At the request of Mr. CRAIG, the name of the Senator from North Carolina [Mr. FAIRCLOTH] was added as a cosponsor of S. 1731, a bill to reauthorize and amend the National Geologic Mapping Act of 1992, and for other purposes.

S. 1743

At the request of Mr. BINGAMAN, the names of the Senator from Montana [Mr. BAUCUS], the Senator from Iowa [Mr. GRASSLEY], and the Senator from Oklahoma [Mr. INHOFE] were added as cosponsors of S. 1743, a bill to provide temporary emergency livestock feed assistance for certain producers, and for other purposes.

S. 1747

At the request of Mr. GRAMM, the name of the Senator from Texas [Mrs. HUTCHISON] was added as a cosponsor of S. 1747, a bill to correct the marking requirements for American-made feather and down-filled products.

S. 1755

At the request of Mr. DOMENICI, the names of the Senator from South Dakota [Mr. PRESSLER], the Senator from Kansas [Mrs. KASSEBAUM], the Senator from Iowa [Mr. GRASSLEY], and the Senator from Oklahoma [Mr. INHOFE] were added as cosponsors of S. 1755, a bill to amend the Federal Agriculture Improvement and Reform Act of 1996 to provide that assistance shall be available under the noninsured crop assistance program for native pasture for livestock, and for other purposes.

S. 1759

At the request of Ms. MIKULSKI, the name of the Senator from Virginia [Mr. WARNER] was added as a cosponsor of S. 1759, a bill to amend title 5, United States Code, to require that written notice be furnished by the Office of Personnel Management before making any susbstantial change in the health benefits program for Federal employees.

SENATE RESOLUTION 250

At the request of Mr. BROWN, the names of the Senator from California [Mrs. BOXER], the Senator from Ohio [Mr. DEWINE], and the Senator from Utah [Mr. BENNETT] were added as cosponsors of Senate Resolution 250, a resolution expressing the sense of the Senate regarding tactile currency for the blind and visually impaired.

AMENDMENT NO. 4023

At the request of Mr. FAIRCLOTH, the name of the Senator from New York [Mr. MOYNIHAN] was added as a cosponsor of amendment No. 4023 proposed to Senate Concurrent Resolution 57, an original concurrent resolution setting forth the congressional budget for the United States Government for fiscal years 1997, 1998, 1999, 2000, 2001, and 2002.

AMENDMENT NO. 4025

At the request of Mr. ROTH, the names of the Senator from Vermont [Mr. JEFFORDS], the Senator from North Dakota [Mr. DORGAN], the Senator from Delaware [Mr. BIDEN], the Senator from Illinois [Mr. SIMON] and the Senator from Mississippi [Mr. LOTT] were added as cosponsors of amendment No. 4025 proposed to Senate Concurrent Resolution 57, an original concurrent resolution setting forth the congressional budget for the United States Government for fiscal years 1997, 1998, 1999, 2000, 2001, and 2002.

SENATE CONCURRENT RESOLUTION 60—RELATIVE TO A CONDITIONAL ADJOURNMENT OR RECESS OF THE SENATE AND HOUSE OF REPRESENTATIVES

Mr. LOTT submitted the following concurrent resolution; which was considered and agreed to:

S. CON. RES. 60

Resolved by the Senate (the House of Representatives concurring), That when the Senate recesses or adjourns at the close of business on Thursday, May 23, 1996, Friday, May 24, 1996, or Saturday, May 25, 1996, pursuant to a motion made by the Majority Leader or his designee in accordance with this resolution, it stand recessed or adjourned until noon on Monday, June 3, 1996, Tuesday, June 4, 1996 or until such time on that day as may be specified by the Majority Leader or his designee in the motion to recess or adjourn, or until noon on the second day after members are notified to reassemble pursuant to section 2 of this concurrent resolution, whichever occurs first; and that when the house adjourns on the legislative day of Thursday, May 23, 1996, it stand adjourned until 2:00 p.m. on Wednesday, May 29, 1996, or until noon on the second day after Members are notified to reassemble pursuant to section 2 of this concurrent resolution, whichever occurs first.

SEC. 2. The Majority Leader of the Senate and the Speaker of the House, acting jointly after consultation with the Minority Leader of the Senate and the Minority Leader of the House, shall notify the Members of the Senate and House, respectively, to reassemble whenever, in their opinion, the public interest shall warrant it.

SENATE CONCURRENT RESOLUTION 61—RELATIVE TO COMMENDING AMERICANS WHO SERVED IN THE COLD WAR

Mr. DOLE submitted the following concurrent resolution; which was referred to the Committee on Armed Services:

S. CON. RES. 61

Whereas the most dangerous military competition in the history of mankind has come to a close without a nuclear holocaust;

Whereas men and women in the armed forces, intelligence community, and foreign service community of the United States

faithfully performed their duties during the period known as the Cold War;

Whereas many of these persons were isolated from family and friends and served under arduous conditions in far away lands in order to preserve peace and harmony throughout the world:

Whereas these persons performed their duty in the most successful, extended, military competition in the history of mankind and ensured that weapons of mass destruction, capable of destroying all humanity, were never released;

Whereas the self-discipline and dedication of these persons were fundamental to the prevention of a Super Power conflict; and

Whereas the silent determination of these persons brought a peaceful victory to all the people of the world: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That Congress acknowledges the service and sacrifices of these Americans who contributed to historic victory in the Cold War.

Mr. DOLE. Mr. President, today I am pleased to join Representative RICK LAZIO of New York, in paying tribute to the dedicated Americans who served in the Armed Forces, Intelligence Agencies, and the Diplomatic Corps during the Cold War. Their courageous efforts not only ensured America's security, but eventually brought peace and freedom to millions of people around the world who had suffered under communism for decades.

In the aftermath of World War II, a new threat to freedom emerged. Fifty years ago this spring, British Prime Minister Winston Churchill warned the Western world of that new threat in a speech at Westminster College in Fulton, Missouri. ''From Stettin in the Baltic to Trieste in the Adriatic an iron curtain has descended across the Continent * * *. The Communist parties, which were very small in all these Eastern States of Europe, have been raised to pre-eminence and power far beyond their numbers and are seeking everywhere to obtain totalitarian control. Police governments are prevailing in nearly every case, and so far, except in Czechoslovakia, there is no true democracy.'' To combat this new threat Prime Minister Churchill called on us to work to prevent open hostilities and to ensure the ''* * * establishment of conditions of freedom and democracy as rapidly as possible in all countries.'' He further called for cooperation between the United States and her allies ''* * * in the air, on the sea, all over the globe and in science and in industry, and in moral force * * *'' in order that we might have an ''overwhelming assurance of security.''

For the next four decades, the United States, with its Allies, stood resolute against Communist aggression. The full resources of our military, intelligence organizations, and diplomatic corps were brought to bear to ensure freedom and prevent the spread of tyranny. The United States, through the Marshall Plan, rebuilt Europe. We formed alliances, such as NATO, with our allies to provide a coordinated military response to Communist aggression. And the United States embarked on the Strategic Defense Initiative, to ensure that future generations would not grow up fearing a nuclear holocaust.

Now, 50 years after Prime Minister Churchill's speech in Fulton, Missouri the United States is again the world's only super power. We again are leading the world into a new age. Just as America's principled leadership was required for victory in the Cold War, so will our moral strength be required to face the challenges of the future.

Mr. President, I think it is only fitting that today we take a few moments to recognize and thank those Americans who served our government throughout the long years of the Cold War. Without their dedication, bravery, and sacrifice our victory would not have been possible. I am pleased to join Congressman LAZIO in recognizing these Americans and I know my colleagues in the Senate join me in this expression of thanks.

SENATE CONCURRENT RESOLUTION 62—RELATIVE TO THE NAMING THE FIRST OF THE FLEET NEW ATTACK SUBMARINES THE ''SOUTH DAKOTA''

Mr. PRESSLER submitted the following concurrent resolution; which was referred to the Committee on Armed Services:

S. CON. RES. 62

Whereas the battleship South Dakota (BB–57) was commissioned on March 20, 1942, and was originally scheduled to host the surrender of Japan in World War II;

Whereas the battleship South Dakota (BB–57) quickly became the flagship of Admiral Chester W. Nimitz's 3d fleet and was renowned as the famous Battleship ''X'';

Whereas the battleship South Dakota (BB–57) was one of the greatest and most decorated battleships of World War II, earning the Navy unit commendation, the Asiatic-Pacific Campaign Medal with 13 battle stars, the World War II Victory Medal, and the Navy Occupation Service Medal;

Whereas on January 31, 1947, after only 5 years of service, the battleship South Dakota (BB–57) was decommissioned and placed in reserve;;

Whereas during its 5 years of dutiful service, the crew of the battleship South Dakota (BB–57) demonstrated both dedication and courage in their efforts to preserve the security of the United States and protect the freedoms of all Americans; and

Whereas it is entirely appropriate to have the first of the fleet of the new attack submarines of the Navy named the ''South Dakota'' in order to honor the courage and commitment of the brave crew of the battleship South Dakota (BB–57), and to serve as a fitting tribute to one of America's truly great battleships: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That it is the sense of the Congress that the Secretary of the Navy should name the first of the fleet of the new attack submarines of the Navy the ''South Dakota''.

Mr. PRESSLER. Mr. President, I rise to honor and recognize Floyd Gulbrandson, Al Rickel, Charles Skorpik, Willie Wieland, and the rest of the dedicated crew of the famous World War II battleship BB–57, the *South Dakota*, by introducing a resolution to name the first of the next generation of new attack submarines (NSSN) the *South Dakota*.

Following naval tradition, naming the first vessel in a new fleet christens the entire fleet as the class of the first vessel named. Hence by naming the first submarine *South Dakota*, the entire NSSN fleet of four would be classified as the *South Dakota* class. This honor, naming a class of submarines after the BB–57 is truly an appropriate tribute.

For my colleagues familiar with U.S. naval history, the name *South Dakota* should recall a tradition of great battleships and great service. As history records, two separate classes of battleships have borne the name *South Dakota*. Both were marked by innovative design, artillery power, and sea strength. Commissioned in 1908 and authorized on August 19, 1916, BB–49, the first of a class of *South Dakota* battleships was to include six potent vessels. However, after the United States signed the Washington Arms Naval Limitation Treaty on February 6, 1922, construction of BB–49 and the entire *South Dakota* class was canceled due to a 10-year prohibition on warship construction. The first *South Dakota*, BB–49, would never participate in sea combat as she was scrapped before completion. Naval combat for a *South Dakota* class of warships would have to wait until World War II.

The next class of *South Dakota* battleships, this time composed of four vessels, was commissioned 33 years later in 1941, the first being BB–57. The four *South Dakota* class battleships were faster, stronger, and more resistant to damage than any other vessels constructed at that time. In particular, stretching more than 600 feet and displacing more than 43,000 tons of water, BB–57 was equipped with massive firepower, which included 9 16-inch guns, 16 5-inch guns, 68 40-millimeter guns, and 76 20-millimeter guns.

Both classes of *South Dakota* battleships represented the ingenious technological and planning expertise of America's battleship designers. These ships were carefully designed to ensure that our strategic interests and our defense needs were met. Particularly in the case of BB–57, the planning and design of the battleship were truly remarkable naval achievements, considering treaty limitations prior to World War II. *South Dakota* represented future U.S. domination as a world naval power.

Of course, a well-designed battleship is useless without a well-trained, dedicated crew. I would like to share with my colleagues an excerpt from a letter I received from a crewmember of the *South Dakota*. Mr. Elmer Pry's words represent the zeal, loyalty, and teamwork of those who served on this ship.

This ship was the most fightingest hard hitting machine of war that man has ever seen. We took it and by joe we dished it out. I was a very proud person to have the honor

to have been aboard her and I know all my shipmates felt the same. She took us through hell and back. We were mostly a green crew but with the help of the old salts we learned how to do the job and we sure did it as the record shows but I guess you have to give the credit to our beloved skipper, Captain Thomas L. Gatch. He is the one that made us a fighting crew. He trained us the day he came aboard to shoot and shoot straight. . . . Because of him the ship became a fighting machine.

Mr. President, Mr. Pry's words reflect that no resource we commit to the defense of our country is more valued and more precious than the brave individuals who sacrifice and serve. Admiral Nimitz once said, ''We [cannot] relax our readiness to defend ourselves. Our armament must be adequate to the needs, but our faith is not primarily in these machines of defense but in ourselves''. This was especially true of the brave crew of the *South Dakota*. To the American people, BB–57 became known as the famed ''Battleship X'', the flagship of Adm. Chester W. Nimitz's Third Fleet during World War II.

When the call to duty went out following the attack on Pearl Harbor, the crew of the *South Dakota* answered with valiant service. The *South Dakota* became the most decorated battleship of World War II. She participated in 9 major shore bombardments and shot down 64 enemy aircraft. Collectively, the crew of the *South Dakota* endured many battles and earned several distinguished awards, including the Navy Unit Commendation, the Asiatic-Pacific Campaign Medal with 13 battle stars, the World War II Victory Medal, and the Navy Occupation Service Medal.

On October 26, 1942, the *South Dakota* entered its first major battle with a green crew on deck. She was attacked by 180 enemy bombers in what is now known as the Battle of Santa Cruz Island. Defending both the *Enterprise* and *Hornet* aircraft carriers, the *South Dakota* boldly exchanged gunfire and shot down an unprecedented 30 enemy aircraft, rendering 2 enemy aircraft carriers inoperative. Through repeated bombardments and heavy fire, only 1 bomb out of 23 struck the *South Dakota*. For their valiant actions and enduring perseverance, Captain Gatch was decorated with the Navy Cross, the crew was presented with the Navy Unit Commendation, and the *South Dakota* received the first of 13 battle stars. There is no question that BB–57 was instrumental in our winning the naval war in the Pacific, thus protecting many of the freedoms we and countless others around the world enjoy today.

The name South Dakota is important in the history of World War II, not just in terms of naval heroism, but also heroism by South Dakotans on the homefront and the front lines. The State of South Dakota has a long history of strong support for the protection of our national security interests. Ten percent of the population of South Dakota, 74,100 individuals, are veterans. Of those, 20,100 served our country during World War II. Our veterans are representative of South Dakota's ardent commitment to serving our Nation in times of peace and war.

However, families who stayed at home also contributed to and supported the war effort. South Dakotans young and old dug deep into their pockets and piggy banks to keep American troops armed, fed, and clothed. During eight national fundraising campaigns, South Dakota exceeded its quotas. South Dakota consistently ranked first or second in the per capita sale of the Series ''E'' war bonds, known as the people's bonds. South Dakota raised $111.5 million from the sale of people's bonds—that is $173 for every South Dakota man, woman, and child. I am proud to hail from a State that stands for such sacrifice and service.

Mr. President, On January 31, 1947, the *South Dakota* was decommissioned and sold as scrap metal for $466,425. The mainmast and stubs of the 16-inch gun were saved from salvage and stand as a memorial in Sioux Falls to commemorate those who served aboard BB–57. The crew of the *South Dakota* and their descendants gather in Sioux Falls every 2 years to reminisce and offer their respects to those who served our country in war.

It would be appropriate for the first of our next generation of attack submarines—the latest example of naval technological innovation—to carry the name of America's most decorated battleship, the *South Dakota*. NSSN will represent the next generation of undersea superiority. NSSN will have increased flexibility, maneuverability and armaments. If the NSSN is named *South Dakota*, it will carry the history of days ago.

My resolution honors the memory of those associated with the name *South Dakota*, whether it be the designers of the previous *South Dakota* class ships, the veterans who served aboard the BB–57, or the thousands of *South Dakotan*s who unfailingly have answered the call to serve our country. I hope my colleagues will join me in furthering the tradition of the *South Dakota* by joining as sponsors of this resolution.

SENATE RESOLUTION 256—RELATIVE TO THE PRODUCTION OF RECORDS BY THE SELECT COMMITTEE ON INTELLIGENCE

Mr. DOLE (for himself and Mr. DASCHLE) submitted the following resolution; which was considered and agreed to:

S. RES. 256

Whereas, the Office of the Inspector General of the Central Intelligence Agency has requested that the Select Committee on Intelligence provide it with copies of committee records relevant to the Office's pending review of matters related to the Zona Rosa massacre of six American citizens in El Salvador in 1985;

Whereas, by the privileges of the Senate of the United States and Rule XI of the Standing Rules of the Senate, no evidence under the control or in the possession of the Senate can, by administrative or judicial process, be taken from such control or possession but by permission of the Senate;

Whereas, when it appears that documents, papers, and records under the control or in the possession of the Senate may promote the administration of justice, the Senate will take such action as will promote the ends of justice consistently with the privileges of the Senate: Now, therefore, be it

Resolved, That the Chairman and Vice Chairman of the Select Committee on Intelligence, acting jointly, are authorized to provide to the Office of Inspector General of the Central Intelligence Agency, under appropriate security procedures, copies of records that the Office has requested for use in connection with its pending review into matters related to the Zona Rosa massacre.

AMENDMENTS SUBMITTED

THE CONGRESSIONAL BUDGET CONCURRENT RESOLUTION

BIDEN (AND OTHERS) AMENDMENT NO. 4037

Mr. EXON (for Mr. BIDEN, for himself, Mr. LEAHY, Mr. KOHL, and Mr. HATCH) proposed an amendment to the concurrent resolution (S. Con. Res. 57) setting forth the congressional budget for the United States Government for fiscal years 1997, 1998, 1999, 2000, 2001, and 2002; as follows:

At the appropriate place, insert the following:

SEC. . A RESOLUTION REGARDING THE SENATE'S SUPPORT FOR FEDERAL, STATE AND LOCAL LAW ENFORCEMENT.

(a) FINDINGS.—The Senate finds that:

(1) Our Federal, State and local law enforcement officers provide essential services that preserve and protect our freedoms and security;

(2) Law enforcement officers deserve our appreciation and support;

(3) Law enforcement officers and agencies are under increasing attacks, both to their physical safety and to their reputations;

(4) Federal, State and local law enforcement efforts need increased financial commitment from the Federal Government for funding and financial assistance and not the slashing of our commitment to law enforcement if they are to carry out their efforts to combat violent crime;

(5) the President's Fiscal Year 1996 budget requested an increase of 14.8% for the Federal Bureau of Investigation, 10% for United States Attorneys, and $4 million for Organized Crime Drug Enforcement Task Forces; while this Congress has increased funding for the Federal Bureau of Investigation by 10.8%, 8.4% for United States Attorneys, and a cut of $15 million for Organized Crime Drug Enforcement Task Forces;

(6) On May 16, 1996, the House of Representatives has nonetheless voted to slash $300 million from the President's $5 billion budget request for the Violent Crime Reduction Trust Fund for Fiscal Year 1997 in H. Con. Res. 178; and

(7) The Violent Crime Reduction Trust Fund as adopted by the Violent Crime Control and Law Enforcement Act of 1994 fully funds the Violent Crime Control and Law Enforcement Act of 1994 without adding to the federal budget deficit.

(b) SENSE OF THE SENATE.—It is the Sense of the Senate that the provisions and the

functional totals underlying this resolution assume the Federal Government's commitment to fund Federal law enforcement programs and programs to assist State and local efforts shall be maintained and funding for the Violent Crime Reduction Trust Fund shall not be cut as the resolution adopted by the House of Representatives would require.

THE SENATE CAMPAIGN FINANCE REFORM ACT OF 1996

MCCAIN (AND OTHERS) AMENDMENT NO. 4038

(Ordered to lie on the table.)

Mr. MCCAIN (for himself, Mr. FEINGOLD, Mr. THOMPSON, Mr. WELLSTONE, Mr. GRAHAM, Mr. SIMON, Mrs. MURRAY, Mr. KERREY, Mr. KERRY, Mr. KOHL, Mr. DODD, and Mr. BINGAMAN) submitted an amendment intended to be proposed by them to the bill (S. 1764) to authorize appropriations for fiscal year 1997 for military construction, and for other purposes; from the Committee on Armed Services; as follows:

At the end of the bill, insert the following new title:

TITLE ___—CAMPAIGN FINANCE REFORM

SEC. ___01. SHORT TITLE.

This title may be cited as the ''Senate Campaign Finance Reform Act of 1996''.

SEC. ___02. AMENDMENT OF CAMPAIGN ACT; TABLE OF CONTENTS.

(a) AMENDMENT OF FECA.—When used in this title, the term ''FECA'' means the Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.).

(b) TABLE OF CONTENTS.—The table of contents of this title is as follows:

Subtitle A—Senate Election Spending Limits and Benefits

SEC. ___11. SENATE ELECTION SPENDING LIMITS AND BENEFITS.

(a) IN GENERAL.—FECA is amended by adding at the end the following new title:

''TITLE V—SPENDING LIMITS AND BENEFITS FOR SENATE ELECTION CAMPAIGNS

''SEC. 501. CANDIDATES ELIGIBLE TO RECEIVE BENEFITS.

''(a) IN GENERAL.—For purposes of this title, a candidate is an eligible Senate candidate if the candidate—

''(1) meets the primary and general election filing requirements of subsections (c) and (d);

''(2) meets the primary and runoff election expenditure limits of subsection (b);

''(3) meets the threshold contribution requirements of subsection (e); and

''(4) does not exceed the limitation on expenditures from personal funds under section 502(a).

''(b) PRIMARY AND RUNOFF EXPENDITURE LIMITS.—

''(1) IN GENERAL.—The requirements of this subsection are met if—

''(A) the candidate or the candidate's authorized committees did not make expenditures for the primary election in excess of the lesser of—

''(i) 67 percent of the general election expenditure limit under section 502(b); or

''(ii) $2,750,000; and

''(B) the candidate and the candidate's authorized committees did not make expenditures for any runoff election in excess of 20 percent of the general election expenditure limit under section 502(b).

''(2) INDEXING.—The $2,750,000 amount under paragraph (1)(A)(ii) shall be increased as of the beginning of each calendar year based on the increase in the price index determined under section 315(c), except that the base period shall be calendar year 1995.

''(c) PRIMARY FILING REQUIREMENTS.—

''(1) IN GENERAL.—The requirements of this subsection are met if the candidate files with the Secretary of the Senate a certification that—

''(A) the candidate and the candidate's authorized committees—

''(i) will meet the primary and runoff election expenditure limits of subsection (b); and

''(ii) will only accept contributions for the primary and runoff elections which do not exceed such limits;

''(B) the candidate and the candidate's authorized committees will meet the limitation on expenditures from personal funds under section 502(a); and

''(C) the candidate and the candidate's authorized committees will meet the general election expenditure limit under section 502(b).

''(2) DEADLINE FOR FILING CERTIFICATION.—The certification under paragraph (1) shall be filed not later than the date the candidate files as a candidate for the primary election.

''(d) GENERAL ELECTION FILING REQUIREMENTS.—

''(1) IN GENERAL.—The requirements of this subsection are met if the candidate files a certification with the Secretary of the Senate under penalty of perjury that—

''(A) the candidate and the candidate's authorized committees—

''(i) met the primary and runoff election expenditure limits under subsection (b); and

''(ii) did not accept contributions for the primary or runoff election in excess of the primary or runoff expenditure limit under subsection (b), whichever is applicable, reduced by any amounts transferred to this election cycle from a preceding election cycle;

''(B) at least one other candidate has qualified for the same general election ballot under the law of the State involved;

''(C) the candidate and the authorized committees of the candidate—

''(i) except as otherwise provided by this title, will not make expenditures that exceed the general election expenditure limit under section 502(b);

''(ii) will not accept any contributions in violation of section 315; and

''(iii) except as otherwise provided by this title, will not accept any contribution for the general election involved to the extent that such contribution would cause the aggregate amount of contributions to exceed the sum of the amount of the general election expenditure limit under section 502(b), reduced by any amounts transferred to this election cycle from a previous election cycle and not taken into account under subparagraph (A)(ii); and

''(D) the candidate intends to make use of the benefits provided under section 503.

''(2) DEADLINE FOR FILING CERTIFICATION.—The certification under paragraph (1) shall be filed not later than 7 days after the earlier of—

''(A) the date the candidate qualifies for the general election ballot under State law; or

''(B) if under State law, a primary or runoff election to qualify for the general election ballot occurs after September 1, the date the candidate wins the primary or runoff election.

''(e) THRESHOLD CONTRIBUTION REQUIREMENTS.—

''(1) IN GENERAL.—The requirements of this subsection are met if the candidate and the candidate's authorized committees have received allowable contributions during the applicable period in an amount at least equal to the lesser of—

''(A) 10 percent of the general election expenditure limit under section 502(b); or

''(B) $250,000.

''(2) DEFINITIONS.—For purposes of this title—

''(A) the term 'allowable contributions' means contributions that are made as gifts of money by an individual pursuant to a written instrument identifying such individual as the contributor, except that such term shall not include contributions from individuals residing outside the candidate's State to the extent such contributions exceed 40 percent of the aggregate allowable contributions (without regard to this subparagraph) received by the candidate during the applicable period; and

''(B) the term 'applicable period' means—

''(i) the period beginning on January 1 of the calendar year preceding the calendar year of the general election involved and ending on the date on which the certification

under subsection (c)(2) is filed by the candidate; or

''(ii) in the case of a special election for the office of United States Senator, the period beginning on the date the vacancy in such office occurs and ending on the date of the general election.

''SEC. 502. LIMITATION ON EXPENDITURES.

''(a) LIMITATION ON USE OF PERSONAL FUNDS.—

''(1) IN GENERAL.—The aggregate amount of expenditures that may be made during an election cycle by an eligible Senate candidate or such candidate's authorized committees from the sources described in paragraph (2) shall not exceed the lesser of—

''(A) 10 percent of the general election expenditure limit under subsection (b); or

''(B) $250,000.

''(2) SOURCES.—A source is described in this subsection if it is—

''(A) personal funds of the candidate and members of the candidate's immediate family; or

''(B) personal loans incurred by the candidate and members of the candidate's immediate family.

''(3) AMENDED DECLARATION.—A candidate who—

''(A) declares, pursuant to this Act, that the candidate does not intend to expend funds described in paragraph (2) in excess of $250,000; and

''(B) subsequently changes such declaration or expends such funds in excess of that amount,

shall file an amended declaration with the Commission and notify all other candidates for the same office not later than 24 hours after changing such declaration or exceeding such limits, whichever first occurs, by sending a notice by certified mail, return receipt requested.

''(b) GENERAL ELECTION EXPENDITURE LIMIT.—

''(1) IN GENERAL.—Except as otherwise provided in this title, the aggregate amount of expenditures for a general election by an eligible Senate candidate and the candidate's authorized committees shall not exceed the lesser of—

''(A) $5,500,000; or

''(B) the greater of—

''(i) $950,000; or

''(ii) $400,000; plus

''(I) 30 cents multiplied by the voting age population not in excess of 4,000,000; and

''(II) 25 cents multiplied by the voting age population in excess of 4,000,000.

''(2) EXCEPTION.—In the case of an eligible Senate candidate in a State that has not more than 1 transmitter for a commercial Very High Frequency (VHF) television station licensed to operate in that State, paragraph (1)(B)(ii) shall be applied by substituting—

''(A) '80 cents' for '30 cents' in subclause (I); and

''(B) '70 cents' for '25 cents' in subclause (II).

''(3) INDEXING.—The amount otherwise determined under paragraph (1) for any calendar year shall be increased by the same percentage as the percentage increase for such calendar year under section 501(b)(2).

''(c) PAYMENT OF TAXES.—The limitation under subsection (b) shall not apply to any expenditure for Federal, State, or local taxes with respect to earnings on contributions raised.

''(d) SPECIAL EXCEPTION FOR COMPLYING CANDIDATES RUNNING AGAINST NON-COMPLYING CANDIDATES.—If in the case of an election with more than one candidate where one or more candidates who have received contributions in excess of 10 percent of the general election limits contained in this Act or has expended personal funds in excess of 10 percent of the general election limits contained in this Act choose not to comply with the provisions of this Act or violate the limitations on expenditures contained in this Act, such limitations contained in section 502(b) of this Act for the complying candidate(s) shall be increased by 20 percent.''

''SEC. 503. BENEFITS ELIGIBLE CANDIDATES ENTITLED TO RECEIVE.

''An eligible Senate candidate shall be entitled to receive—

''(1) the broadcast media rates provided under section 315(b) of the Communications Act of 1934;

''(2) the free broadcast time provided under section 315(c) of such Act; and

''(3) the reduced postage rates provided in section 3626(e) of title 39, United States Code.

''SEC. 504. CERTIFICATION BY COMMISSION.

''(a) IN GENERAL.—Not later than 48 hours after an eligible candidate qualifies for a general election ballot, the Commission shall certify the candidate's eligibility for free broadcast time under section 315(b)(2) of the Communications Act of 1934. The Commission shall revoke such certification if it determines a candidate fails to continue to meet the requirements of this title.

''(b) DETERMINATIONS BY COMMISSION.—All determinations (including certifications under subsection (a)) made by the Commission under this title shall be final, except to the extent that they are subject to examination and audit by the Commission under section 505.

''SEC. 505. REPAYMENTS; ADDITIONAL CIVIL PENALTIES.

''(a) EXCESS PAYMENTS; REVOCATION OF STATUS.—If the Commission revokes the certification of a candidate as an eligible Senate candidate under section 504(a), the Commission shall notify the candidate, and the candidate shall pay an amount equal to the value of the benefits received under this title.

''(b) MISUSE OF BENEFITS.—If the Commission determines that any benefit made available to an eligible Senate candidate under this title was not used as provided for in this title, or that a candidate has violated any of the spending limits contained in this Act, the Commission shall so notify the candidate and the candidate shall pay an amount equal to the value of such benefit.''.

(b) TRANSITION PERIOD.—Expenditures made before January 1, 1997, shall not be counted as expenditures for purposes of the limitations contained in the amendment made by subsection (a).

SEC. ___12. FREE BROADCAST TIME.

(a) IN GENERAL.—Section 315 of the Communications Act of 1934 (47 U.S.C. 315) is amended—

(1) in subsection (a)—

(A) by striking ''within the meaning of this subsection'' and inserting ''within the meaning of this subsection and subsection (c)'';

(B) by redesignating subsections (c) and (d) as subsections (d) and (e), respectively; and

(C) by inserting immediately after subsection (b) the following new subsection:

''(c)(1) An eligible Senate candidate who has qualified for the general election ballot shall be entitled to receive a total of 30 minutes of free broadcast time from broadcasting stations within the State or an adjacent State.

''(2)(A) Unless a candidate elects otherwise, the broadcast time made available under this subsection shall be between 6:00 p.m. and 10:00 p.m. on any day that falls on Monday through Friday.

''(B) Except as otherwise provided in this Act, a candidate may use such time as the candidate elects except that such time may not be used in intervals of less than 30 seconds or more than 5 minutes.

''(C) A candidate may not request more than 15 minutes of free broadcast time be aired by any one broadcasting station.

''(3)(A) In the case of an election among more than 2 candidates, the broadcast time provided under paragraph (1) shall be allocated as follows:

''(i) The amount of broadcast time that shall be provided to the candidate of a minor party shall be equal to the number of minutes allocable to the State multiplied by the percentage of the number of popular votes received by the candidate of that party in the preceding general election for the Senate in the State (or if subsection (d)(4)(B) applies, the percentage determined under such subsection).

''(ii) The amount of broadcast time remaining after assignment of broadcast time to minor party candidates under clause (i) shall be allocated equally between the major party candidates.

''(B) In the case of an election where only 1 candidate qualifies to be on the general election ballot, no time shall be required to be provided by a licensee under this subsection.

''(4) The Federal Election Commission shall by regulation exempt from the requirements of this subsection—

''(A) a licensee whose signal is broadcast substantially nationwide; and

''(B) a licensee that establishes that such requirements would impose a significant economic hardship on the licensee.''; and

(2) in subsection (d), as redesignated—

(A) by striking ''and'' at the end of paragraph (1);

(B) by striking the period at the end of paragraph (2) and inserting a semicolon; and

(C) by adding at the end the following new paragraphs:

''(3) the term 'major party' means, with respect to an election for the United States Senate in a State, a political party whose candidate for the United States Senate in the preceding general election for the Senate in that State received, as a candidate of that party, 25 percent or more of the number of popular votes received by all candidates for the Senate;

''(4) the term 'minor party' means, with respect to an election for the United States Senate in a State, a political party—

''(A) whose candidate for the United States Senate in the preceding general election for the Senate in that State received 5 percent or more but less than 25 percent of the number of popular votes received by all candidates for the Senate; or

''(B) whose candidate for the United States Senate in the current general election for the Senate in that State has obtained the signatures of at least 5 percent of the State's registered voters, as determined by the chief voter registration official of the State, in support of a petition for an allocation of free broadcast time under this subsection; and

''(5) the term 'Senate election cycle' means, with respect to an election to a seat in the United States Senate, the 6-year period ending on the date of the general election for that seat.''.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to general elections occurring after December 31, 1996 (and the election cycles relating thereto).

SEC. ___13. BROADCAST RATES AND PREEMPTION.

(a) BROADCAST RATES.—Section 315(b) of the Communications Act of 1934 (47 U.S.C. 315(b)) is amended—

(1) by striking ''(b) The changes'' and inserting ''(b)(1) The changes'';

(2) by redesignating paragraphs (1) and (2) as subparagraphs (A) and (B), respectively;

(3) in paragraph (1)(A), as redesignated—

(A) by striking ''forty-five'' and inserting ''30''; and

(B) by striking ''lowest unit charge of the station for the same class and amount of time for the same period'' and inserting ''lowest charge of the station for the same amount of time for the same period on the same date''; and

(4) by adding at the end the following new paragraph:

''(2) In the case of an eligible Senate candidate (as described in section 501(a) of the Federal Election Campaign Act), the charges for the use of a television broadcasting station during the 30-day period and 60-day period referred to in paragraph (1)(A) shall not exceed 50 percent of the lowest charge described in paragraph (1)(A).''.

(b) PREEMPTION; ACCESS.—Section 315 of such Act (47 U.S.C. 315), as amended by section ___12(a), is amended—

(1) by redesignating subsections (d) and (e) as redesignated, as subsections (e) and (f), respectively; and

(2) by inserting immediately after subsection (c) the following subsection:

''(d)(1) Except as provided in paragraph (2), a licensee shall not preempt the use, during any period specified in subsection (b)(1)(A), of a broadcasting station by an eligible Senate candidate who has purchased and paid for such use pursuant to subsection (b)(2).

''(2) If a program to be broadcast by a broadcasting station is preempted because of circumstances beyond the control of the broadcasting station, any candidate advertising spot scheduled to be broadcast during that program may also be preempted.''.

(c) REVOCATION OF LICENSE FOR FAILURE TO PERMIT ACCESS.—Section 312(a)(7) of the Communications Act of 1934 (47 U.S.C. 312(a)(7)) is amended—

(1) by striking ''or repeated'';

(2) by inserting ''or cable system'' after ''broadcasting station''; and

(3) by striking ''his candidacy'' and inserting ''the candidacy of such person, under the same terms, conditions, and business practices as apply to its most favored advertiser''.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to the general elections occurring after December 31, 1995 (and the election cycles relating thereto).

SEC. ___14. REDUCED POSTAGE RATES.

(a) IN GENERAL.—Section 3626(e) of title 39, United States Code, is amended—

(1) in paragraph (2)—

(A) in subparagraph (A)—

(i) by striking ''and the National'' and inserting ''the National''; and

(ii) by inserting before the semicolon the following: '', and, subject to paragraph (3), the principal campaign committee of an eligible Senate candidate;'';

(B) in subparagraph (B), by striking ''and'' after the semicolon;

(C) in subparagraph (C), by striking the period and inserting a semicolon; and

(D) by adding after subparagraph (C) the following new subparagraphs:

''(D) the term 'principal campaign committee' has the meaning given such term in section 301 of the Federal Election Campaign Act of 1971; and

''(E) the term 'eligible Senate candidate' has the meaning given such term in section 501(a) of the Federal Election Campaign Act of 1971.''; and

(2) by adding after paragraph (2) the following new paragraph:

''(3) The rate made available under this subsection with respect to an eligible Senate candidate shall apply only to that number of pieces of mail equal to 2 times the number of individuals in the voting age population (as certified under section 315(e) of such Act) of the State.''.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to the general elections occurring after December 31, 1996 (and the election cycles relating thereto).

SEC. ___15. CONTRIBUTION LIMIT FOR ELIGIBLE SENATE CANDIDATES.

Section 315(a)(1) of FECA (2 U.S.C. 441a(a)(1)) is amended—

(1) by inserting ''except as provided in subparagraph (B),'' before ''to'' in subparagraph (A);

(2) by redesignating subparagraphs (B) and (C) as subparagraphs (C) and (D), respectively; and

(3) by inserting immediately after subparagraph (A) the following new subparagraph:

''(B) to any eligible Senate candidate and the authorized political committees of such candidate with respect to any election for the office of United States Senator (if any other Senate candidate chooses not to comply with the expenditure limits contained in this Act and has received contributions in excess of 10 percent of the general election limits contained in this Act or has expended personal funds in excess of 10 percent of the general election limits contained in this Act) which, in the aggregate, exceed $2,000;''.

Subtitle B—Reduction of Special Interest Influence

CHAPTER 1—ELIMINATION OF POLITICAL ACTION COMMITTEES FROM FEDERAL ELECTION ACTIVITIES

SEC. ___21. BAN ON ACTIVITIES OF POLITICAL ACTION COMMITTEES IN FEDERAL ELECTIONS.

(a) IN GENERAL.—Title III of FECA (2 U.S.C. 301 et seq.) is amended by adding at the end the following new section:

''BAN ON FEDERAL ELECTION ACTIVITIES BY POLITICAL ACTION COMMITTEES

''SEC. 324. Notwithstanding any other provision of this Act, no person other than an individual or a political committee may make contributions, solicit or receive contributions, or make expenditures for the purpose of influencing an election for Federal office.''.

(b) DEFINITION OF POLITICAL COMMITTEE.—(1) Section 301(4) of FECA (2 U.S.C. 431(4)) is amended to read as follows:

''(4) The term 'political committee' means—

''(A) the principal campaign committee of a candidate;

''(B) any national, State, or district committee of a political party, including any subordinate committee thereof;

''(C) any local committee of a political party that—

''(i) receives contributions aggregating in excess of $5,000 during a calendar year;

''(ii) makes payments exempted from the definition of contribution or expenditure under paragraph (8) or (9) aggregating in excess of $5,000 during a calendar year; or

''(iii) makes contributions or expenditures aggregating in excess of $1,000 during a calendar year; and

''(D) any committee jointly established by a principal campaign committee and any committee described in subparagraph (B) or (C) for the purpose of conducting joint fundraising activities.''.

(2) Section 316(b)(2) of FECA (2 U.S.C. 441b(b)(2)) is amended—

(A) by inserting ''or'' after ''subject;'';

(B) by striking ''and their families; and'' and inserting ''and their families.''; and

(C) by striking subparagraph (C).

(c) CANDIDATE'S COMMITTEES.—(1) Section 315(a) of FECA (2 U.S.C. 441a(a)) is amended by adding at the end the following new paragraph:

''(9) For the purposes of the limitations provided by paragraphs (1) and (2), any political committee that is established, financed, maintained, or controlled, directly or indirectly, by any candidate or Federal officeholder shall be deemed to be an authorized committee of such candidate or officeholder.''.

(2) Section 302(e)(3) of FECA (2 U.S.C. 432) is amended to read as follows:

''(3) No political committee that supports, or has supported, more than one candidate may be designated as an authorized committee, except that—

''(A) a candidate for the office of President nominated by a political party may designate the national committee of such political party as the candidate's principal campaign committee, if that national committee maintains separate books of account with respect to its functions as a principal campaign committee; and

''(B) a candidate may designate a political committee established solely for the purpose of joint fundraising by such candidates as an authorized committee.''.

(d) RULES APPLICABLE WHEN BAN NOT IN EFFECT.—(1) For purposes of FECA, during any period beginning after the effective date in which the limitation under section 324 of that Act (as added by subsection (a)) is not in effect—

(A) the amendments made by subsections (a), (b), and (c) shall not be in effect;

(B) it shall be unlawful for a multicandidate political committee, intermediary, or conduit (as that term is defined in section 315(a)(8) of FECA, as amended by section ___51 of this title), to make a contribution to a candidate for election, or nomination for election, to Federal office (or an authorized committee) to the extent that the making or accepting of the contribution will cause the amount of contributions received by the candidate and the candidate's authorized committees from multicandidate political committees to exceed 20 percent of the aggregate Federal election spending limits applicable to the candidate for the election cycle; and

(C) it shall be unlawful for a political committee, intermediary, or conduit, as that term is defined in section 315(a)(8) of FECA (as amended by section ___51 of this title), to make a contribution to a candidate for election, or a nomination for an election, to Federal office (or an authorized committee of such candidate) in excess of the amount an individual is allowed to give directly to a candidate or a candidate's authorized committee.

(2) A candidate or authorized committee that receives a contribution from a multicandidate political committee in excess of the amount allowed under paragraph (1)(B) shall return the amount of such excess contribution to the contributor.

CHAPTER 2—PROVISIONS RELATING TO SOFT MONEY OF POLITICAL PARTIES

SEC. ___31. NATIONAL COMMITTEES.

A national committee of a political party, including the national congressional campaign committees of a political party, and any officers or agents of such party committees, shall not solicit or receive any contributions, donations, or transfers of funds, or spend any funds, not subject to the limitations, prohibitions, and reporting requirements of this title. This provision shall apply to any entity that is established, financed, maintained or controlled by a national committee of a political party, including the national congressional campaign committees of a political party, and any officer or agents of such party committees, other than an entity that is regulated by section ___32 of this Act.

SEC. ___32. STATE, DISTRICT, AND LOCAL COMMITTEES.

(a) Any amount expended or disbursed by a State, district, or local committee of a political party, during a calendar year in which a Federal election is held, for any activity which might affect the outcome of a Federal election, including but not limited to any voter registration and get-out-the-vote activity, any generic campaign activity, and any communication that identifies a Federal candidate (regardless of whether a State or local candidate is also mentioned or identified) shall be made from funds subject to the limitations, prohibitions and reporting requirements of this title.

(b) Paragraph (a) shall not apply to expenditures or disbursements made by a State, district or local committee of a political party for—

(1) a contribution to a candidate other than for Federal office, provided that such contribution is not designated or otherwise earmarked to pay for activities described in subparagraph (a) above;

(2) the costs of a State or district/local political convention;

(3) the non-Federal share of a State, district or local party committee's administrative and overhead expenses (but not including the compensation in any month of any individual who spends more than 20 percent of his or her time on activity during such month which may affect the outcome of a Federal election). For purposes of this provision, the non-federal share of a party committee's administrative and overhead expenses shall be determined by applying the ratio of the non-Federal disbursements to the total Federal expenditures and non-Federal disbursements made by the committee during the previous presidential election year to the committee's administrative and overhead expenses in the election year in question;

(4) the costs of grassroots campaign materials, including buttons, bumper stickers, and yard signs, which material solely name or depict a State or local candidate; and

(5) the cost of any campaign activity conducted solely on behalf of a clearly identified State or local candidate, provided that such activity is not covered by subparagraph (a) above.

(c) Any amount spent by a national, State, district or local committee or entity of a political party to raise funds that are used, in whole or in part, to pay the costs of any activity covered by paragraph 2(a) above shall be made from funds subject to the limitations, prohibitions, and reporting requirements of this title.

This provision shall apply to any entity that is established, financed, maintained, or controlled by a State, district or local committee of a political party or any agent or officer of such party committee in the same manner as it applies to that committee.

SEC. ___33. TAX-EXEMPT ORGANIZATIONS.

No national, State, district or local committee of a political party shall solicit any funds for or make any donations to any organization that is exempt from Federal taxation under 26 U.S.C. 501(c).

SEC. ___34. CANDIDATES.

No candidate for Federal office, individual holding Federal office, or any agent of such candidate or officeholder, may solicit or receive any funds in connection with any Federal election unless such funds are subject to the limitations, prohibitions and reporting requirements of this title. This provision shall not apply to the solicitation or receipt of funds by an individual who is a candidate for a non-Federal office if such activity is permitted under State law for such individual's non-Federal campaign committee.

SEC. ___35. REPORTING REQUIREMENTS.

(a) REPORTING REQUIREMENTS.—Section 304 of FECA (2 U.S.C. 434) is amended by adding at the end the following new subsection:

''(d) POLITICAL COMMITTEES.—(1) The national committee of a political party, any congressional campaign committee of a political party, and any subordinate committee of either, shall report all receipts and disbursements during the reporting period, whether or not in connection with an election for Federal office.

''(2) A political committee (not described in paragraph (1)) to which section 325 applies shall report all receipts and disbursements including separate schedules for receipts and disbursements for any State Party Grassroots Fund described in section 301(21).

''(3) Any political committee to which section 325 applies shall include in its report under paragraph (1) or (2) the amount of any transfer described in section 325(d)(2) and shall itemize such amounts to the extent required by subsection (b)(3)(A).

''(4) Any political committee to which paragraph (1) or (2) does not apply shall report any receipts or disbursements that are used in connection with a Federal election.

''(5) If a political committee has receipts or disbursements to which this subsection applies from any person aggregating in excess of $200 for any calendar year, the political committee shall separately itemize its reporting for such person in the same manner as required in subsection (b) (3)(A), (5), or (6).

''(6) Reports required to be filed under this subsection shall be filed for the same time periods required for political committees under subsection (a).''.

(b) REPORT OF EXEMPT CONTRIBUTIONS.—Section 301(8) of FECA (2 U.S.C. 431(8)) is amended by inserting at the end the following:

''(C) The exclusion provided in subparagraph (B)(viii) shall not apply for purposes of any requirement to report contributions under this Act, and all such contributions aggregating in excess of $200 shall be reported.''.

(c) REPORTS BY STATE COMMITTEES.—Section 304 of FECA (2 U.S.C. 434), as amended by subsection (a), is amended by adding at the end the following new subsection:

''(e) FILING OF STATE REPORTS.—In lieu of any report required to be filed by this Act, the Commission may allow a State committee of a political party to file with the Commission a report required to be filed under State law if the Commission determines such reports contain substantially the same information.''.

(d) OTHER REPORTING REQUIREMENTS.—

(1) AUTHORIZED COMMITTEES.—Section 304(b)(4) of FECA (2 U.S.C. 434(b)(4)) is amended—

(A) by striking ''and'' at the end of subparagraph (H);

(B) by inserting ''and'' at the end of subparagraph (I); and

(C) by adding at the end the following new subparagraph:

''(J) in the case of an authorized committee, disbursements for the primary election, the general election, and any other election in which the candidate participates;''.

(2) NAMES AND ADDRESSES.—Section 304(b)(5)(A) of FECA (2 U.S.C. 434(b)(5)(A)) is amended—

(A) by striking ''within the calendar year''; and

(B) by inserting '', and the election to which the operating expenditure relates'' after ''operating expenditure''.

CHAPTER 3—SOFT MONEY OF PERSONS OTHER THAN POLITICAL PARTIES

SEC. ___41. SOFT MONEY OF PERSONS OTHER THAN POLITICAL PARTIES.

Section 304 of FECA (2 U.S.C. 434), as amended by section ____35(c), is amended by adding at the end the following new subsection:

''(f) ELECTION ACTIVITY OF PERSONS OTHER THAN POLITICAL PARTIES.—(1)(A)(i) If any person to which section 325 does not apply makes (or obligates to make) disbursements for activities described in section 325(b) in excess of $2,000, such person shall file a statement—

''(I) on or before the date that is 48 hours before the disbursements (or obligations) are made; or

''(II) in the case of disbursements (or obligations) that are required to be made within 14 days of the election, on or before such 14th day.

''(ii) An additional statement shall be filed each time additional disbursements aggregating $2,000 are made (or obligated to be made) by a person described in clause (i).

''(B) This paragraph shall not apply to—

''(i) a candidate or a candidate's authorized committees; or

''(ii) an independent expenditure (as defined in section 301(17)).

''(2) Any statement under this section shall be filed with the Secretary of the Senate or the Clerk of the House of Representatives, and the Secretary of State (or equivalent official) of the State involved, as appropriate, and shall contain such information as the Commission shall prescribe, including whether the disbursement is in support of, or in opposition to, 1 or more candidates or any political party. The Secretary of the Senate or Clerk of the House of Representatives shall, as soon as possible (but not later than 24 hours after receipt), transmit a statement to the Commission. Not later than 48 hours after receipt, the Commission shall transmit the statement to—

''(A) the candidates or political parties involved; or

''(B) if the disbursement is not in support of, or in opposition to, a candidate or political party, the State committees of each political party in the State involved.

''(3) The Commission may make its own determination that disbursements described in paragraph (1) have been made or are obligated to be made. The Commission shall notify the candidates or political parties described in paragraph (2) not later than 24 hours after its determination.''.

CHAPTER 4—CONTRIBUTIONS

SEC. ___51. CONTRIBUTIONS THROUGH INTERMEDIARIES AND CONDUITS.

Section 315(a)(8) of FECA (2 U.S.C. 441a(a)(8)) is amended to read as follows:

''(8) For the purposes of this subsection:

''(A) Contributions made by a person, either directly or indirectly, to or on behalf of a particular candidate, including contributions that are in any way earmarked or otherwise directed through an intermediary or conduit to a candidate, shall be treated as contributions from the person to the candidate. If a contribution is made to a candidate through an intermediary or conduit, the intermediary or conduit shall report the original source and the intended recipient of the contribution to the Commission and the intended recipient.

''(B) Contributions made directly or indirectly by a person to or on behalf of a particular candidate through an intermediary or conduit, including contributions arranged to be made by an intermediary or conduit, shall be treated as contributions from the intermediary or conduit to the candidate if—

''(i) the contributions made through the intermediary or conduit are in the form of a

check or other negotiable instrument made payable to the intermediary or conduit rather than the intended recipient; or

''(ii) the intermediary or conduit is—

''(I) a political committee, a political party, or an officer, employee, or agent of either;

''(II) a person whose activities are required to be reported under section 308 of the Federal Regulation of Lobbying Act (2 U.S.C. 267), the Foreign Agents Registration Act of 1938 (22 U.S.C. 611 et seq.), or any successor Federal law requiring a person who is a lobbyist or foreign agent to report the activities of such person;

''(III) a person who is prohibited from making contributions under section 316 or a partnership; or

''(IV) an officer, employee, or agent of a person described in subclause (II) or (III) acting on behalf of such person.

''(C) The term 'contributions arranged to be made' includes—

''(i)(I) contributions delivered directly or indirectly to a particular candidate or the candidate's authorized committee or agent by the person who facilitated the contribution; and

''(II) contributions made directly or indirectly to a particular candidate or the candidate's authorized committee or agent that are provided at a fundraising event sponsored by an intermediary or conduit described in subparagraph (B);

(D) This paragraph shall not prohibit—

''(i) fundraising efforts for the benefit of a candidate that are conducted by another candidate or Federal officeholder; or

''(ii) the solicitation by an individual using the individual's resources and acting in the individual's own name of contributions from other persons in a manner not described in paragraphs (B) and (C).''.

CHAPTER 5—ADDITIONAL PROHIBITIONS ON CONTRIBUTIONS

SEC. ___61. ALLOWABLE CONTRIBUTIONS FOR COMPLYING CANDIDATES.

For the purposes of this Federal Election Campaign Act of 1971, in order for a candidate to be considered to be in compliance with the spending limits contained in such Act, not less than 60 percent of the total dollar amount of all contributions from individuals to a candidate or a candidate's authorized committee, not including any expenditures, contributions or loans made by the candidate, shall come from individuals legally residing in the candidate's State.

CHAPTER 6—INDEPENDENT EXPENDITURES

SEC. ___71. CLARIFICATION OF DEFINITIONS RELATING TO INDEPENDENT EXPENDITURES.

(a) INDEPENDENT EXPENDITURE DEFINITION AMENDMENT.—Section 301 of FECA (2 U.S.C. 431) is amended by striking paragraphs (17) and (18) and inserting the following:

''(17)(A) The term 'independent expenditure' means an expenditure that—

''(i) contains express advocacy; and

''(ii) is made without the participation or cooperation of, or without the consultation of, a candidate or a candidate's representative.

''(B) The following shall not be considered an independent expenditure:

''(i) An expenditure made by—

''(I) an authorized committee of a candidate for Federal office, or

''(II) a political committee of a political party.

''(ii) An expenditure if there is any arrangement, coordination, or direction with respect to the expenditure between the candidate or the candidate's agent and the person making the expenditure.

''(iii) An expenditure if, in the same election cycle, the person making the expenditure is or has been—

''(I) authorized to raise or expend funds on behalf of the candidate or the candidate's authorized committees; or

''(II) serving as a member, employee, or agent of the candidate's authorized committees in an executive or policymaking position.

''(iv) An expenditure if the person making the expenditure has advised or counseled the candidate or the candidate's agents at any time on the candidate's plans, projects, or needs relating to the candidate's pursuit of nomination for election, or election, to Federal office, in the same election cycle, including any advice relating to the candidate's decision to seek Federal office.

''(v) An expenditure if the person making the expenditure retains the professional services of any individual or other person also providing services in the same election cycle to the candidate in connection with the candidate's pursuit of nomination for election, or election, to Federal office, including any services relating to the candidate's decision to seek Federal office. For purposes of this clause, the term 'professional services' shall include any services (other than legal and accounting services solely for purposes of ensuring compliance with any Federal law) in support of any candidate's or candidates' pursuit of nomination for election, or election, to Federal office.

For purposes of this subparagraph, the person making the expenditure shall include any officer, director, employee, or agent of such person.

''(18)(A) The term 'express advocacy' means when a communication is taken as a whole and with limited reference to external events, an expression of support for or opposition to a specific candidate, to a specific group of candidates, or to candidates of a particular political party.

''(B) The term 'expression of support for or opposition to' includes a suggestion to take action with respect to an election, such as to vote for or against, make contributions to, or participate in campaign activity, or to refrain from taking action.''.

(b) CONTRIBUTION DEFINITION AMENDMENT.—Section 301(8)(A) of FECA (2 U.S.C. 431(8)(A)) is amended—

(1) in clause (i), by striking ''or'' after the semicolon at the end;

(2) in clause (ii), by striking the period at the end and inserting ''; or''; and

(3) by adding at the end the following new clause:

''(iii) any payment or other transaction referred to in paragraph (17)(A)(i) that is not an independent expenditure under paragraph (17).''.

Subtitle C—Miscellaneous Provisions

SEC. ___81. RESTRICTIONS ON USE OF CAMPAIGN FUNDS FOR PERSONAL PURPOSES.

(a) RESTRICTIONS ON USE OF CAMPAIGN FUNDS.—Title III of FECA (2 U.S.C. 431 et seq.), as amended by section ___21, is amended by adding at the end the following new section:

''RESTRICTIONS ON USE OF CAMPAIGN FUNDS FOR PERSONAL PURPOSES

''SEC. 326. (a) An individual who receives contributions as a candidate for Federal office—

''(1) shall use such contributions only for legitimate and verifiable campaign expenses; and

''(2) shall not use such contributions for any inherently personal purpose.

''(b) As used in this subsection—

''(1) the term 'campaign expenses' means expenses attributable solely to bona fide campaign purposes; and

''(2) the term 'inherently personal purpose' means a purpose that, by its nature, confers a personal benefit, including a home mortgage rent or utility payment, clothing purchase, noncampaign automobile expense, country club membership, vacation, or trip of a noncampaign nature, household food items, tuition payment, admission to a sporting event, concert, theatre or other form of entertainment not associated with a campaign, dues, fees, or contributions to a health club or recreational facility and any other inherently personal living expense as determined under the regulations promulgated pursuant to section 302(b) of the Senate Campaign Finance Reform Act of 1996.''.

(b) REGULATIONS.—Not later than 90 days after the date of enactment of this title, the Federal Election Commission shall promulgate regulations consistent with this title to implement subsection (a). Such regulations shall apply to all contributions possessed by an individual on the date of enactment of this title.

SEC. ___82. CAMPAIGN ADVERTISING AMENDMENTS.

Section 318 of FECA (2 U.S.C. 441d) is amended—

(1) in subsection (a)—

(A) in the matter preceding paragraph (1)—

(i) by striking ''Whenever'' and inserting ''Whenever a political committee makes a disbursement for the purpose of financing any communication through any broadcasting station, newspaper, magazine, outdoor advertising facility, mailing, or any other type of general public political advertising, or whenever'';

(ii) by striking ''an expenditure'' and inserting ''a disbursement''; and

(iii) by striking ''direct''; and

(B) in paragraph (3), by inserting ''and permanent street address'' after ''name''; and

(2) by adding at the end the following new subsections:

''(c) Any printed communication described in subsection (a) shall be—

''(1) of sufficient type size to be clearly readable by the recipient of the communication;

''(2) contained in a printed box set apart from the other contents of the communication; and

''(3) consist of a reasonable degree of color contrast between the background and the printed statement.

''(d)(1) Any broadcast or cablecast communication described in subsection (a)(1) or subsection (a)(2) shall include, in addition to the requirements of those subsections, an audio statement by the candidate that identifies the candidate and states that the candidate has approved the communication.

''(2) If a broadcast or cablecast communication described in paragraph (1) is broadcast or cablecast by means of television, the communication shall include, in addition to the audio statement under paragraph (1), a written statement which—

''(A) appears at the end of the communication in a clearly readable manner with a reasonable degree of color contrast between the background and the printed statement, for a period of at least 4 seconds; and

''(B) is accompanied by a clearly identifiable photographic or similar image of the candidate.

''(e) Any broadcast or cablecast communication described in subsection (a)(3) shall include, in addition to the requirements of those subsections, in a clearly spoken manner, the following statement: '_____ is responsible for the content of this advertisement.' (with the blank to be filled in with the name of the political committee or other person paying for the communication and the name of any connected organization of the payor). If broadcast or cablecast by means of television, the

statement shall also appear in a clearly readable manner with a reasonable degree of color contrast between the background and the printed statement, for a period of at least 4 seconds.''.

SEC. ___83. FILING OF REPORTS USING COMPUTERS AND FACSIMILE MACHINES.

Section 302(g) of FECA (2 U.S.C. 432(g)) is amended by adding at the end the following new paragraph:

''(6)(A) The Commission, in consultation with the Secretary of the Senate and the Clerk of the House of Representatives, may prescribe regulations under which persons required to file designations, statements, and reports under this Act—

''(i) are required to maintain and file them for any calendar year in electronic form accessible by computers if the person has, or has reason to expect to have, aggregate contributions or expenditures in excess of a threshold amount determined by the Commission; and

''(ii) may maintain and file them in that manner if not required to do so under regulations prescribed under clause (i).

''(B) The Commission, in consultation with the Secretary of the Senate and the Clerk of the House of Representatives, shall prescribe regulations which allow persons to file designations, statements, and reports required by this Act through the use of facsimile machines.

''(C) In prescribing regulations under this paragraph, the Commission shall provide methods (other than requiring a signature on the document being filed) for verifying designations, statements, and reports covered by the regulations. Any document verified under any of the methods shall be treated for all purposes (including penalties for perjury) in the same manner as a document verified by signature.

''(D) The Secretary of the Senate and the Clerk of the House of Representatives shall ensure that any computer or other system that they may develop and maintain to receive designations, statements, and reports in the forms required or permitted under this paragraph is compatible with any such system that the Commission may develop and maintain.''.

SEC. ___84. AUDITS.

(a) RANDOM AUDITS.—Section 311(b) of FECA (2 U.S.C. 438(b)) is amended—

(1) by inserting ''(1)'' before ''The Commission''; and

(2) by adding at the end the following new paragraph:

''(2) Notwithstanding paragraph (1), the Commission may after all elections are completed conduct random audits and investigations to ensure voluntary compliance with this Act. The subjects of such audits and investigations shall be selected on the basis of criteria established by vote of at least 4 members of the Commission to ensure impartiality in the selection process. This paragraph does not apply to an authorized committee of a candidate for President or Vice President subject to audit under title VI or to an authorized committee of an eligible Senate candidate or an eligible House candidate subject to audit under section 522(a).''.

(b) EXTENSION OF PERIOD DURING WHICH CAMPAIGN AUDITS MAY BE BEGUN.—Section 311(b) of FECA (2 U.S.C. 438(b)) is amended by striking ''6 months'' and inserting ''12 months''.

SEC. ___85. LIMIT ON CONGRESSIONAL USE OF THE FRANKING PRIVILEGE.

Section 3210(a)(6)(A) of title 39, United States Code, is amended to read as follows:

''(A) A Member of Congress shall not mail any mass mailing as franked mail during a year in which there will be an election for the seat held by the Member during the period between January 1 of that year and the date of the general election for that Office, unless the Member has made a public announcement that the Member will not be a candidate for reelection to that year or for election to any other Federal office.''.

SEC. ___86. AUTHORITY TO SEEK INJUNCTION.

Section 309(a) of FECA (2 U.S.C. 437g(a)) is amended—

(1) by adding at the end the following new paragraph:

''(13)(A) If, at any time in a proceeding described in paragraph (1), (2), (3), or (4), the Commission believes that—

''(i) there is a substantial likelihood that a violation of this Act is occurring or is about to occur;

''(ii) the failure to act expeditiously will result in irreparable harm to a party affected by the potential violation;

''(iii) expeditious action will not cause undue harm or prejudice to the interests of others; and

''(iv) the public interest would be best served by the issuance of an injunction,

the Commission may initiate a civil action for a temporary restraining order or a temporary injunction pending the outcome of the proceedings described in paragraphs (1), (2), (3), and (4).

''(B) An action under subparagraph (A) shall be brought in the United States district court for the district in which the defendant resides, transacts business, or may be found, or in which the violation is occurring, has occurred, or is about to occur.'';

(2) in paragraph (7), by striking ''(5) or (6)'' and inserting ''(5), (6), or (13)''; and

(3) in paragraph (11), by striking ''(6)'' and inserting ''(6) or (13)''.

SEC. ___87. SEVERABILITY.

If any provision of this title, an amendment made by this title, or the application of such provision or amendment to any person or circumstance is held to be unconstitutional, the remainder of this title, the amendments made by this title, and the application of the provisions of such to any person or circumstance shall not be affected thereby.

SEC. ___88. EXPEDITED REVIEW OF CONSTITUTIONAL ISSUES.

(a) DIRECT APPEAL TO SUPREME COURT.—An appeal may be taken directly to the Supreme Court of the United States from any interlocutory order or final judgment, decree, or order issued by any court ruling on the constitutionality of any provision of this title or amendment made by this title.

(b) ACCEPTANCE AND EXPEDITION.—The Supreme Court shall, if it has not previously ruled on the question addressed in the ruling below, accept jurisdiction over, advance on the docket, and expedite the appeal to the greatest extent possible.

SEC. ___89. REPORTING REQUIREMENTS.

(a) CONTRIBUTORS.—Section 302(c)(3) of FECA (2 U.S.C. 432(c)(3)) is amended by striking ''$200'' and inserting ''$50''.

(b) DISBURSEMENTS.—Section 302(c)(5) of FECA (2 U.S.C. 432(c)(5)) is amended by striking ''$200'' and inserting ''$50''.

SEC. ___90. EFFECTIVE DATE.

Except as otherwise provided in this title, the amendments made by, and the provisions of, this title shall take effect on January 1, 1997.

SEC. ___91. REGULATIONS.

The Federal Election Commission shall prescribe any regulations required to carry out this title not later than 9 months after the effective date of this title.

TERRITORIES AND FREELY ASSOCIATED STATES LEGISLATION

MURKOWSKI AMENDMENT NO. 4039

(Ordered referred to the Committee on Energy and Natural Resources.)

Mr. MURKOWSKI submitted an amendment intended to be proposed by him to the bill (S. 1804) to make technical and other changes to the laws dealing with the Territories and Freely Associated States of the United States; as follows:

At the end of the bill add the following new section:

''SEC. 9. BIKINI AND ENEWETAK MEDICAL CARE.

In fulfillment of the terms of Public Law 96–205 and section 103(h)(1) of Public Law 99–239, the Secretary of Energy shall include the populations of Bikini and Enewetak within its existing special medical care program in the Marshall Islands at the request of the local government and on a reimbursable basis.

THE CONGRESSIONAL BUDGET CONCURRENT RESOLUTION

BYRD (AND OTHERS) AMENDMENT NO. 4040

Mr. BYRD (for himself, Mr. BINGAMAN, and Mr. LAUTENBERG) proposed an amendment to Senate Concurrent Resolution 57, supra; as follows:

On page 3, line 5, increase the amount by $201,000,000.

On page 3, line 6, increase the amount by $408,000,000.

On page 3, line 7, increase the amount by $649,000,000.

On page 3, line 8, increase the amount by $946,000,000.

On page 3, line 9, increase the amount by $1,068,000,000.

On page 3, line 10, increase the amount by $1,142,000,000.

On page 3, line 14, increase the amount by $201,000,000.

On page 3, line 15, increase the amount by $408,000,000.

On page 3, line 16, increase the amount by $649,000,000.

On page 3, line 17, increase the amount by $946,000,000.

On page 3, line 18, increase the amount by $1,068,000,000.

On page 3, line 19, increase the amount by $1,142,000,000.

On page 4, line 8, increase the amount by $1,011,000,000.

On page 4, line 9, increase the amount by $1,049,000,000.

On page 4, line 10, increase the amount by $1,089,000,000.

On page 4, line 11, increase the amount by $1,131,000,000.

On page 4, line 12, increase the amount by $1,068,000,000.

On page 4, line 13, increase the amount by $1,110,000,000.

On page 4, line 17, increase the amount by $201,000,000.

On page 4, line 18, increase the amount by $408,000,000.

On page 4, line 19, increase the amount by $649,000,000.

On page 4, line 20, increase the amount by $946,000,000.

On page 4, line 21, increase the amount by $1,068,000,000.

On page 4, line 22, increase the amount by $1,142,000,000.
On page 15, line 16, increase the amount by $190,000,000.
On page 15, line 17, increase the amount by $118,000,000.
On page 15, line 24, increase the amount by $224,000,000.
On page 15, line 25, increase the amount by $160,000,000.
On page 16, line 7, increase the amount by $258,000,000.
On page 16, line 8, increase the amount by $222,000,000.
On page 16, line 15, increase the amount by $293,000,000.
On page 16, line 16, increase the amount by $276,000,000.
On page 16, line 23, increase the amount by $228,000,000.
On page 16, line 24, increase the amount by $312,000,000.
On page 17, line 7, increase the amount by $265,000,000.
On page 17, line 8, increase the amount by $304,000,000.
On page 23, line 15, increase the amount by $821,000,000.
On page 23, line 16, increase the amount by $83,000,000.
On page 23, line 23, increase the amount by $825,000,000.
On page 23, line 24, increase the amount by $248,000,000.
On page 24, line 7, increase the amount by $831,000,000.
On page 24, line 8, increase the amount by $427,000,000.
On page 24, line 15, increase the amount by $838,000,000.
On page 24, line 16, increase the amount by $670,000,000.
On page 24, line 23, increase the amount by $840,000,000.
On page 24, line 24, increase the amount by $756,000,000.
On page 25, line 7, increase the amount by $845,000,000.
On page 25, line 8, increase the amount by $838,000,000.
On page 52, line 14, increase the amount by $1,011,000,000.
On page 52, line 15, increase the amount by $201,000,000.
On page 52, line 21, increase the amount by $1,049,000,000.
On page 52, line 22, increase the amount by $408,000,000.
On page 52, line 24, increase the amount by $1,089,000,000.
On page 52, line 25, increase the amount by $649,000,000.
On page 53, line 2, increase the amount by $1,131,000,000.
On page 53, line 3, increase the amount by $946,000,000.
On page 53, line 5, increase the amount by $1,068,000,000.
On page 53, line 6, increase the amount by $1,068,000,000.
On page 53, line 8, increase the amount by $1,110,000,000.
On page 53, line 9, increase the amount by $1,142,000,000.

MURKOWSKI (AND OTHERS) AMENDMENT NO. 4041

Mr. MURKOWSKI (for himself, Mr. WARNER, Mr. MCCAIN, Mr. CHAFEE, and Mr. SMITH) proposed an amendment to amendment No. 4022 proposed by Mr. MCCAIN, supra; as follows:

Strike all after the word ''SEC.'' and insert:

The Congress finds that—

(1) The Founding Fathers were committed to the principle of civilian control of the military;

(2) Every President since George Washington has affirmed the principle of civilian control of the military;

(3) Twenty-six President of the United States served in the United States Armed Forces prior to their inauguration and none of them claimed the Presidency represented a continuation of their military service;

(4) No President of the United States prior to May 15, 1996, has ever sought relief from legal action on the basis of serving as Commander-in-Chief of the United States Armed Forces;

(5) President Clinton is the subject of a sexual harassment lawsuit filed on May 6, 1994, in Federal District Court in Little Rock, Arkansas involving allegations about his conduct in May, 1991;

(6) On May 15, 1996, a legal brief filed on behalf of the President of the United States in the Supreme Court asserted the President of the United States may be entitled to the protections afforded members of the United States Armed Forces under the Soldiers' and Sailors' Relief Act of 1940 (50 U.S.C. 501 et. al); and

(7) The purpose of the Soldiers' and Sailors' Civil Relief Act of 1940 is to enable members of the military services ''to devote their entire energy to the defense needs of the nation''.

It is the sense of the Senate that the assumptions underlying this resolution include that the President of the United States should state unequivocally that he is not entitled to and will not seek relief from legal action under the Soliders' and Sailors' Civil Relief Act of 1940, and that he will direct removal from his legal brief any reference to the protections of the Act.

NOTICE OF HEARING

SELECT COMMITTEE ON INDIAN AFFAIRS

Mr. MCCAIN. Mr. President, I would like to announce that the Senate Committee on Indian Affairs will conduct a hearing during the session of the Senate on Wednesday, June 26, 1996, at 9:30 a.m. on amendments to the Indian Child Welfare Act [ICWA]. The hearing will be held in room 485 of the Russell Senate Office Building.

Those wishing additional information should contact the Committee on Indian Affairs at 224–2251.

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. MURKOWSKI. Mr. President, I would like to announce for the public that a hearing has been scheduled before the full Committee on Energy and Natural Resources to receive testimony regarding S. 1804, a bill to make technical and other changes to the laws dealing with the Territories and Freely Associated States of the United States, that I have introduced today. The hearing will also consider an amendment that I have also introduced that deals with medical care for Bikini and Enewetak Atolls in the Republic of the Marshall Islands. In addition to the legislative matters, the committee will also conduct an oversight into the law enforcement initiative in the Commonwealth of the Northern Mariana Islands. While the report from the Secretary of the Interior is overdue, I expect that it will be submitted in sufficient time for review and comment by the Northern Marianas prior to the hearing.

The hearing will be held on Tuesday, June 25, 1996, it will begin at 9:30 a.m., and will take place in room SD–366 of the Dirksen Senate Office Building in Washington, DC.

For further information, please call James P. Beirne, senior counsel to the committee at (202) 224–2564 or Betty Nevitt at (202) 224–0765.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS

Mr. GRASSLEY. Mr. President, I ask unanimous consent that the Committee on Banking, Housing, and Urban Affairs be authorized to meet during the session of the Senate on Thursday, May 23, 1996, to conduct a hearing on S. 1317, the Public Utility Holding Company Act of 1995.

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

COMMITTEE ON GOVERNMENTAL AFFAIRS

Mr. GRASSLEY. Mr. President, I ask unanimous consent on behalf of the Governmental Affairs Committee to meet on Thursday, May 23 at 10 a.m. for a hearing on IRS oversight.

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

COMMITTEE ON THE JUDICIARY

Mr. GRASSLEY. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet during the session of the Senate on Thursday, May 23, 1996, at 10 a.m. to hold an executive business meeting.

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

COMMITTEE ON VETERANS' AFFAIRS

Mr. GRASSLEY. Mr. President, the Committee on Veterans' Affairs would like to request unanimous consent to hold a hearing on pending legislation at 10 a.m., on Thursday, May 23, 1996. The hearing will be held in room 418 of the Russell Senate Office Building.

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

SELECT COMMITTEE ON INTELLIGENCE

Mr. GRASSLEY. Mr. President, I ask unanimous consent that the Select Committee on Intelligence be authorized to meet during the session of the Senate on Thursday, May 23, 1996, at 9:30 a.m. to hold an open hearing on intelligence matters.

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

SPECIAL COMMITTEE ON AGING

Mr. GRASSLEY. Mr. President, I ask unanimous consent that the Special Committee on Aging be authorized to meet during the session of the Senate on Thursday, May 23, at 9:30 a.m. to hold a hearing to discuss encouraging return to work in the SSI and DI Programs.

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

SUBCOMMITTEE ON CHILDREN AND FAMILIES

Mr. GRASSLEY. Mr. President, I ask unanimous consent that the Subcommittee on Children and Families of

the Committee on Labor and Human Resources be authorized to meet during the session of the Senate at 9:30 a.m., Thursday, May 23, 1996, for a hearing on encouraging responsible fatherhood.

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

ADDITIONAL STATEMENTS

REFORM OF U.S. INTELLIGENCE AGENCIES

• Mr. LEAHY. Mr. President, I would like to briefly discuss the need for reform of our intelligence agencies. This is a subject that has occupied the Senate Select Committee on Intelligence at least since I was vice chairman during the mid-1980's, and I am encouraged that the Congress and the administration are making progress on this. I applaud the work of Chairman SPECTER and Vice Chairman KERREY for their efforts in this area.

I do not think there is any longer a serious question that our intelligence agencies need reform. The issue is what kind of reform, and how much.

For over 40 years, the CIA, the DIA, the State Department's Intelligence and Research Bureau, and every other agency or department that has ever had any pretensions of playing a role in national security or foreign policy, geared their intelligence activities to the necessities of the cold war. The entire structure, which was poorly coordinated, duplicative, inefficient, and often ineffective, was set up to respond to the Soviet threat.

Billions of dollars were spent on activities which today have little relevance to our intelligence needs or budgetary realities and more importantly, failed to even predict the greatest event since World War II—the disintegration of the former Soviet Union.

Appalling lapses have only recently come to light, the Aldrich Ames case being the most notorious example. The CIA's payment of thousands of dollars to a Guatemalan colonel who it had reason to believe had been involved in the murder of an American citizen, is another. Unfortunately, there are others.

But beyond these widely publicized lapses in judgment and intelligence analysis, a culture developed within the intelligence community that at times resulted in intelligence officials withholding crucial information from other officials in the administration and Congress who were formulating and implementing policy. There are examples of station chiefs failing to disclose information to our ambassadors about a matter of grave importance. In Guatemala, the CIA station chief reportedly failed to inform our Ambassador of information relating to the murder of an American citizen by Guatemalan soldiers. The Ambassador, left in the dark, told the victim's family that the Embassy had no information about this crime.

I did not rise today simply to point out the failures of the intelligence community. Our intelligence agencies are comprised of hard working, dedicated people who often provide critical and accurate information to the Congress and the executive branch. However, since the end of the cold war our intelligence needs have changed dramatically while our intelligence agencies have not.

The U.S. intelligence community must reinvent itself to address more effectively the growing threats to our national security, including regional conflicts, the proliferation of weapons of mass destruction, international organized crime, narcotics trafficking, and terrorism. In order to do so effectively, the intelligence community must reduce duplication between agencies, increase efficiency, create a greater accountability for the Director of Central Intelligence, and increase the role of oversight to ensure that the reforms are cost effective.

In response to the changing role of U.S. intelligence, in 1994, former Senator Dennis DeConcini and the senior Senator from Virginia, Senator JOHN WARNER, proposed the creation of a bipartisan commission made up of Members of Congress, the administration, and the private sector to review the current condition of the intelligence community and propose ideas for how best to make lasting reforms. The Intelligence Authorization Act for Fiscal Year 1995 created the Commission on the Roles and Capabilities of the U.S. Intelligence Community chaired by former Secretary of Defense Les Aspin. Unfortunately, Les passed away several months after his appointment, but his enthusiasm and hard work were not lost on the Commission's members or its staff.

The Commission's goal was to review the role of the U.S. intelligence community in the post-cold war world. After almost a year's work, the Commission issued its findings and recommendations on March 1, 1996.

The Commission recommended that U.S. intelligence agencies should integrate intelligence into the policy community, expand cooperation between agencies and the Congress and create greater efficiency in order to meet the intelligence requirements of the 21st century. I strongly support these goals.

But the Commission did not go far enough. I am convinced that substantive reforms will not take root unless the Director of Central Intelligence is given more authority and control over the entire intelligence budget.

I have no doubt that Director Deutch is one of the CIA's finest Directors. However, he does not have sufficient resources at his disposal to fully reform the many different intelligence agencies throughout the Federal Government.

Although Director Deutch is responsible for approving the annual budget for our national intelligence agencies, over 95 percent of the intelligence budget is funded through the Department of Defense and 85 percent of the intelligence budget is utilized by agencies not under his control. This must change.

I am encouraged that the Senate Intelligence Committee recently took a step toward providing the DCI with greater control over the intelligence budget. On April 24, the committee supported the Clinton administration's proposal to declassify the amount spent on the intelligence budget. More importantly, the committee supported proposals to give the DCI a role in appointing the heads of all the intelligence agencies and greater control over the entire intelligence budget, including those intelligence agencies within the Pentagon. I applaud the committee's actions and while I hope the Senate will debate this further, I urge the members of the Senate Armed Services Committee to support the Intelligence Committee's goals.

In addition to providing the DCI with more control over the intelligence budget, I believe that the cloak of secrecy should be removed from the intelligence community to as great an extent as possible. As a government that prides itself on its openness, the United States should not restrict access to information that does not jeopardize national security.

Mr. President, I have the greatest respect for the senior Senator from New York, Senator MOYNIHAN, the former vice chair of the Intelligence Committee. Senator MOYNIHAN's knowledge of history and his experience both before and during his service in the U.S. Senate give him tremendous insight into how the intelligence community should be reformed.

I agree with Senator MOYNIHAN's concern about secrecy in the intelligence community. The extraordinary and excessive efforts to classify harmless information wastes money, discourages informed debate, and leads to inaccurate information treated as fact by the people who are responsible for crafting U.S. foreign policy. In reality, much of what is deemed to be secret can be found by picking up the morning paper or watching CNN.

I hope that the Congress and the executive branch will work together to reform the U.S. intelligence community. The report on the Commission on the Roles and Capabilities of the United States Intelligence Community is a good place to start, but its proposals should not be the only reforms discussed. We must continue to work to ensure that the intelligence community becomes cost effective and addresses the intelligence needs of the 21st century.•

TRIBUTE TO THE TOWN OF ALTON'S BICENTENNIAL CELEBRATION AND 200 YEARS OF HISTORY

• Mr. SMITH. Mr. President, I rise today to congratulate Alton, NH, on

the occasion of their community bicentennial celebration. Almost 200 years ago on June 16, 1796, the town of Alton was incorporated by the New Hampshire House and Senate and approved by then-Governor Gilman. To honor 200 years of history, the citizens of Alton have designated 1996 as a year of bicentennial celebrations with a variety of special town activities. Alton's big Bicentennial Day celebration is planned for June 16 and the bicentennial parade will take place August 17.

The history of Alton began around 1770 when the first pioneers arrived in the area. Early settlers worked diligently to construct roads and bridges, schools and churches. The area now known as Alton these settlers first moved to was truly majestic—the southern tip of Lake Winnipesaukee along the shores of the Merrymeeting River, and nestled by the mountains. Today, Alton still sits in a very picturesque area of the lakes region of New Hampshire—not too far from my hometown of Tuftonboro.

Alton's first town hall meeting was held at the home of Capt. Benjamin Bennett. Town officers were elected on that day, March 13, 1797, and other pertinent town matters were discussed. For hundreds of years now, Alton has continued the town meeting tradition. As Alton's bicentennial proclamation states on behalf of Alton's residents, ''the principles of democracy and self-governance have prevailed on issues such as spending appropriations, building of meeting houses, support of education, construction of highways and bridges, collection of taxes, election of political representatives, and enforcement of laws.''

A number of significant events occurred for Alton in the 1800's. In 1849, the railroad arrived in the town and the trains continued to stop in the Alton Bay area until 1935. Then, in 1872, the steamer, *Mount Washington*, was first launched in Alton Bay after being constructed there. From 1880 to 1920, the Rockwell Clough Co. employed a number of residents and became nationally known as the first manufacturer of cork screws and the company that invented paper clips.

Recently, the people of Alton suffered through a devastating flood that destroyed many homes. I had the opportunity to visit the area after the flood and witnessed how quickly this community had joined together to rebuild. Rescue teams and volunteers, along with families and friends, worked together day and night to help their neighbors who were victims of the flood. I was very impressed with the strength and fortitude this community displayed.

The public officials and residents of Alton have planned some festive activities to recognize the 200 years of history their town has enjoyed. A number of exhibits will be on display in the townhall featuring clay pipes, summer camps, railroads, and the Alton Central School. The Alton Historical Society will provide a walking tour of the city and conduct various other historical programs. A haunted hay ride and haunted house are also planned later in the year for Halloween. June 16 will mark the big anniversary celebration with day-long activities including a family picnic, fireworks, and a bicentennial march to Alton Central School.

My wife taught school in Alton, so this scenic lakeside town holds a special place in the hearts of the Smith family. I congratulate all the residents of Alton on this historic milestone and wish them all an enjoyable year of celebration and remembrance. You all should be very proud of your heritage and 200 years of history.●

MARK HIMEBAUGH

● Mr. LAUTENBERG. Mr. President, I rise today to observe Mark Himebaugh's 16th birthday.

For those who do not know Mark, he is one of America's many missing children. In November 1991, when he was 11 years old, Mark left his home in Cape May County, NJ, to play. He was never seen again. His parents have not seen him in 4½ years. Despite the efforts of his parents, law enforcement, and an outstanding group of volunteers, his parents say they are no closer to recovering Mark than in November 1991.

Mr. President, it is difficult to imagine the heartache and suffering of a parent who has a missing child. With each passing day, there is continuing concern, continuing fear, and continuing prayers for a safe return.

Unfortunately, each year, thousands of people across the country disappear. Most of these are children. Despite the increased awareness and the additional tools law enforcement has acquired, the problem continues to be serious.

Our children are our most precious resource. They are our future. I hope with all my heart that the Himebaugh family is reunited with their son in the near future. And I ask my colleagues to join me in wishing them strength to continue their search for Mark.●

PREVENT TELEPHONE FRAUD

● Mr. SIMON. Mr. President, I would like to briefly highlight the work of several telecommunications companies and organizations, which together have created the Alliance To Outfox Phone Fraud. This cooperative alliance, which includes the Illinois Consolidated Telephone Co., is working to educate and enlist the assistance of consumers in preventing telephone fraud, a rapidly growing crime which costs consumers nearly $3.7 billion every year.

As telecommunications technology continues to improve, the potential for fraudulent activity also rises. As hackers have become sophisticated enough to keep pace with new technology, telephone fraud has grown because consumers are often unaware of the new dangers. Telecommunications fraud takes many forms—''shoulder surfers watch or listen as customers enter their calling card numbers on pay phones; criminals posing as police officers or telephone company representatives try to bill calls to homes; and high-technology cellular thieves use cloning devices to steal cellular phone serial numbers.

Summer travelers are particularly susceptible to telephone fraud. As we approach the hectic summer travel season, I urge consumers to take precautions to ensure that they do not become victims of this increasing crime. Certainly, the efforts of the Alliance To Outfox Phone Fraud to increase consumer awareness are a step in the right direction.●

JOSEPH GARDNER: A LIFE DEDICATED TO MAKING LIFE BETTER FOR PEOPLE AND EXPANDING THEIR OPPORTUNITIES

● Ms. MOSELEY-BRAUN. Mr. President, last week, the city of Chicago, the State of Illinois, and the United States of America suffered a grievous loss because of the death of Joseph E. Gardner. Joe Gardner's life was devoted to helping people, to helping communities, to bringing people into our economy, to bringing economic growth and hope to communities without much of either, and to expanding opportunities for everyone.

I first met Joe when he was working at the Woodlawn Organization, more years ago than I care to remember. And our paths have crossed frequently ever since then. Joe worked on a wide variety of issues, but all of them were fundamentally about helping people, and especially poor people, make their lives better. I always admired his commitment to people and to neighborhoods, and the energy, the enthusiasm, and the savvy he brought to his work.

Chicago is a city of neighborhoods, and Joseph Gardner was a product of Chicago neighborhoods. He was raised in the Lawndale neighborhood on Chicago's West Side, and he graduated from Mount Carmel High School in Woodlawn. He earned his undergraduate degree at Loyola, an institution in Chicago, and went back to the West Side for a masters degree from the University of Illinois at Chicago.

With his education and his obvious gifts, he could have done almost anything. But for Joseph Gardner, education was not a means to get away from his community and his neighbors. Rather it was a way to open doors for poor neighborhoods and poor people who faced closed doors, and who had the doors to opportunity slammed in their faces for far too long.

Joseph Gardner chose to give back to his city, and to his community. He chose to devote his life to making it possible for disadvantaged young people to match and exceed what he had accomplished. He fought for jobs, for decent housing, for education, for safe neighborhoods, for families, and for children. Throughout his career at the

Woodlawn Organization, at Operation Push, where he was executive vice-president, and in government, the fight was always the same—to open up opportunities for people, to expand the possibilities for people, to build hope, and self-respect, and economic security.

Joe Gardner made Chicago a better place. He died far too soon; there was still so much he wanted to do. I will greatly miss him, and I know the people of Chicago and the state of Illinois will miss him, particularly the poor people he cared so much about.●

TRIBUTE TO HIS MAJESTY KING BHUMIBOL ADULYADEJ OF THAILAND

● Mr. JOHNSTON. Mr. President, I rise today to pay tribute to His Majesty King Bhumibol Adulyadej of Thailand, who will celebrate the 50th anniversary of his accession to the throne on June 9, 1996. This is indeed an auspicious occasion, as King Bhumibol is the first Thai king to have reigned for 50 years.

King Bhumibol has been the overseer and benefactor of remarkable change and progress for his nation. From the beginning of his reign, he has tirelessly devoted his time and effort to the well-being and welfare of the Thai people. Under his stewardship, government has become an instrument of progress for people, as evident by the more than 1,800 royal development projects he has initiated in the areas of agriculture, environmental conservation, public health, occupational promotion, water resources development, communications, and social welfare.

During his reign, Thailand has experienced a dramatic transformation in its industrial structure to become a leader among developing nations. Manufacturing accounts for over 31 percent of the nation's economy and exports are booming. Textiles have supplanted rice as Thailand's major export item, and Thailand is now a major exporter of sophisticated high-technology products. King Bhumibol's leadership in diversifying his nation's economy and encouraging foreign investment has opened new doors of opportunity and prosperity to his people and has propelled Thailand to a place of respected prominence among the nations of the Pacific rim.

Not only are the industrial and technological advances significant, but King Bhumibol has achieved these gains while preserving the cultural integrity and national heritage of the Thai people. He is a much beloved leader and national patriarch, who has created a unique version of the modern monarchy. Firmly committed to the development of democratic principles, he has always been on the side of peace and prosperity and has responsibly guided his nation within the parameters of his constitutional authority.

The United States and Thailand have enjoyed a longstanding friendship and economic partnership from which both nations have tremendously benefited. I have had the privilege of visiting Thailand on several occasions to promote opportunities for trade and investment and have been profoundly grateful for the assistance and hospitality I have received. It has been an honor and a pleasure to work with this remarkable nation for the continued peace and prosperity of both of our countries.

I know that my colleagues in the U.S. Senate join me in congratulating King Bhumibol for his magnificent leadership and prosperous reign, as we look forward to many more years of friendship with his great nation.●

CELEBRATING THE 50TH ANNIVERSARY OF THE DEPARTMENT OF VETERANS AFFAIRS VOLUNTARY SERVICE [VAVS]

Mr. ROCKEFELLER. Mr. President, this year marks the 50th anniversary of the Department of Veterans Affairs Voluntary Service [VAVS]. Its half-century of caring for veterans and their families in communities across the country has generated more than 440 million hours of service and introduced millions of citizens to the fulfillment and satisfaction of volunteering.

VAVS was born in the burgeoning, postwar VA medical system as VA hospital administrators sought a way to organize the spontaneous volunteer movements that developed in communities near military and VA hospitals. From the start, VA officials recognized this volunteer movement as a natural adjunct to the quality of health care provided veterans. In April 1946, under the leadership of General Omar Bradley, then head of VA, representatives of eight national veterans and service organizations met in Washington, DC, to form a national advisory committee. The result of the meeting was a plan through which both community organizations and individuals could participate in volunteering and help manage those volunteer programs locally and nationally through advisory committees.

That plan was approved May 17, 1946, the birth date of the VA Voluntary Service. Today, there are 60 major veteran, civic, and service organizations participating on the National Advisory Committee, with more than 350 other national and community organizations supporting VAVS.

Still based in the VA health care system, VA volunteers have expanded with that system into every area of patient care and support, and have followed the VA mission into community settings such as hospice programs, foster care, hospital-based home care, veterans outreach centers, homeless veterans programs, and special events for the disabled. In addition, community volunteers work increasingly with VA's other service delivery venues such as benefits offices and national cemeteries.

VAVS volunteers have been particularly active in supporting community programs aimed at reaching and serving the homeless. These 1-to-3 day events offer a variety of services to the homeless, and VA resources focus on assisting veterans, who make up at least one-third of the homeless male population in a typical community.

Volunteers have also become an integral part of the system of national and local showcase events aimed at introducing persons with disabilities back to mainstream activities. These include the National Disabled Veterans Winter Sports Clinic, the National Veterans Wheelchair Games—the largest wheelchair athletic meet in the world—the National Disabled Veterans Golden Age Games, and the National Disabled Veterans Creative Arts Festival. Corporate volunteers play a strong role in these events and have become elemental to their success. Growing participation from the corporate sector is setting the pace for the future of VAVS, along with a strong and growing youth volunteer program that is introducing teenagers and college students to careers as well as to community service.

The focus remains as it was in those early post-World War II years, responding to each community's desire to put its veterans first. That's why last year, volunteers contributed a total of 14,021,586 hours of service through VAVS programs, 12,649,676 of which came from 93,821 regularly scheduled volunteers. Numbers do not tell the real story, however. There is no way to calculate a community's caring and sharing with some of its most important citizens. For 50 years, VAVS has been there to channel that caring in a productive, meaningful way.●

DISTRICT COURT RULING SHOULD SPUR SECRETARY OF AGRICULTURE TO REFORM CLASSIFIED PRICES

● Mr. FEINGOLD. Mr. President, on Monday, Minnesota District Court Judge David Doty released a decision holding that class I prices used in the Federal milk marketing order system are arbitrary and capricious. I rise today to applaud that ruling. It is the second such ruling by the district court in 2 years. It is my hope that the combination of this most recent ruling and Secretary of Agriculture Dan Glickman's commitment to restore equity in Federal orders will finally be enough to change this discriminatory pricing system for good.

Mr. President, class I prices, prices that farmers receive for fluid milk, increase at a rate of 21 cents for every 100 miles a farmer lives from Eau Claire, WI. This systematic discrimination against Wisconsin dairy farmers has never been adequately defended by the Department of Agriculture which has great administrative latitude to set these prices. Department officials have chosen to continue the discriminatory pricing scheme when they had the authority to change it and the knowledge that it should be changed.

Mr. President, this most recent ruling comes more than 5 years after a group of Minnesota dairy farmers filed a class action lawsuit against then-Secretary of Agriculture Clayton Yeutter charging that class I prices were unlawful under the basic authorities of the authorizing statute. The plaintiffs also charged that the system had caused the loss of thousands of Upper Midwest dairy farms as the excessive prices provided to other regions stimulated surplus production driving down prices to farmers in our region. Since this lawsuit was initiated, Wisconsin has lost more than 6,000 family dairy farms who simply could not compete with the mega-dairies in other regions who were enjoying the artificially high fluid milk prices under the Federal order system. As a Wisconsin State senator at that time, I was able to secure funding for the State of Wisconsin to participate in the lawsuit as an amicus curiae. Since that lawsuit was filed, and since I have been a Member of the U.S. Senate, I and other members of the Upper Midwest congressional delegation have taken all steps possible to push for reform of this system. Legislative reform of class I prices has proved nearly impossible as Senators from regions benefiting from this system have rejected all suggestions for reform.

Two years ago, a different district court judge directed then-Secretary Espy to issue an amplified decision properly justifying a 1993 final rule on Federal orders which failed to reform class I prices. One-hundred and twenty days later on August 12, 1994, an amplified decision was issued by the Secretary. That decision, devoid of substance, was an insult to Wisconsin dairy farmers who have suffered from the Department's approach to this issue.

Following the issuance of that amplified decision, the Minnesota Milk Producers Association filed another motion for summary judgment charging that Secretary Espy's amplified decision was arbitrary and capricious because it was unsupported by evidence and inconsistent with the mandates of the authorizing statute.

On Monday, three Secretaries of Agriculture and four sessions of Congress after the initiation of this legal proceeding, the District Court of Minnesota agreed with the plaintiffs. The court concluded that ''the Secretary has wholly failed to provide an explanation of his decision consistent with the requirements of the Agricultural Marketing Agreement Act.'' With respect to the use of Eau Claire, WI, as the reference point from which most fluid milk prices are determined, the court chided the Department for claiming it does not use Eau Claire as a basing point, despite evidence to the contrary. Judge Doty stated, ''The Secretary may not enforce what is clearly a single basing-point system without explaining how it reflects reasoned consideration of the statutory factors. If Eau Claire is to be the basing point, then the Secretary must explain why, for each market to which a contemplated order relates, distance from Eau Claire is a relevant consideration.''

The court stopped short of finding class I prices illegal but found that they have never been adequately justified by the Department of Agriculture and as such, the decision to maintain them was arbitrary and capricious. Judge Doty remanded the decision to Secretary Glickman for 120 days after which the Secretary is to issue an amplified decision on class I prices that reflects the factors mandated by the authorizing statute.

It is my hope that in 120 days our current Secretary of Agriculture will do the right thing and announce comprehensive changes to the classified pricing system with class I prices based upon the economic factors required by the statute—supply-and-demand factors, prices of feeds, other inputs to production, and the public interest.

Interestingly, this time frame coincides with USDA's Federal order consolidation process required in the 1996 farm bill. I have always said, Mr. President, that reform of these discriminatory class I prices and the elimination of Eau Claire, WI, as the single basing point for milk prices could be accomplished through the legislative process, the administrative process or the judicial process. The recently enacted 1996 farm bill and Monday's district court ruling represent the confluence of these three processes.

The Congress, through the 1996 farm bill, has directed the Secretary to consolidate the number of Federal orders from the current 33 to between 10 and 14. Implicit in that directive is administrative reform of the pricing structure for those new orders—an authority which the Secretary holds under the Agricultural Marketing Agreement Act. Secretary of Agriculture Dan Glickman has publicly admitted, both to dairy farmers and to Congress, that class I prices are unfair to the Upper Midwest and have produced ''regional inequities.'' He has committed to reduce class I differentials in the reform process. Now the district court ruling has provided a clear ruling that the Secretary shall follow the economic criteria of the original authorizing statute in setting those prices rather than bowing to political pressures from those regions that benefit from this discriminatory pricing system.

The Secretary has two choices.

He can comply with the court's order by reforming class I prices to bring them more in line with the economic realities in 1996. He can do that both in issuing an amplified decision that complies with the statute as required by the court as well as by implementing pricing reform as part of Federal milk marketing order reform required by 1996 farm bill.

Or he can continue to fight the Upper Midwest in this lawsuit by seeking to delay the process further, rubberstamping bad decisions by previous Secretaries, causing the loss of even more dairy farms in the Upper Midwest and imposing huge costs on our rural communities that depend on a thriving dairy industry.

I hope Dan Glickman chooses the first option.

This has been a long fight, Mr. President. It is time for it to end. It is time for the Secretary and the administration to do the right thing. I will work with them to make that happen.●

CONGRESSIONAL, PRESIDENTIAL, AND JUDICIAL PENSION FORFEITURE ACT

● Mr. REID. Mr. President, today I join Senators GREGG and NICKLES in introducing long overdue legislation which creates tough new sanctions for public officials who engage in wrongdoing while they are in office. This legislation, the Congressional, Presidential, and Judicial Pension Forfeiture Act, prohibits the receipt of pension benefits by Members of Congress, Presidents and members of the judiciary who engage in criminal conduct while in office. Those who engage in felonies that relate to abuse of office and undermine confidence in public officials should not be entitled to receive generous pension benefits.

Recently, I have heard from many constituents about this issue. This is really something that reflects on the integrity of this institution. It is an issue that affects any individual who aspires to public service. Most I have heard from are upset with the ability of public servants to collect pension benefits after they have been convicted of a felony while serving in a public office. Current law allows a former Member of Congress or a judge to collect their taxpayer financed pensions even after they have been convicted of such offenses as perjury.

The bipartisan legislation we are introducing today would put an end to this practice. Taxpayer financed pensions are not an entitlement. If public officials breach the public's trust they should forfeit their right to these pensions. They do not deserve these benefits if they commit crimes while serving in office. Serving in public office is an honor carrying tremendous responsibility. Whether you are the President, a Federal judge, or a Member of Congress you are always aware of this responsibility. Few undertake this responsibility lightly.

Yet all of us are aware of recent cases involving egregious violations of the public trust. Unfortunately, these individual cases, while isolated, tarnish the image of all public officeholders. They undermine public confidence in our democracy. They do so because the public is led to believe that crime committed while serving in public office pays. And to a certain extent, under the current law, it does. Public officials can commit fraud or perjury

while in public office and are still able to collect generous pensions. This is simply not right.

The bipartisan legislation we are introducing today will put an end to this. Judges, Members of Congress and the President will forfeit their pension benefits if they commit felonies while in public office. The list of felonies which would result in a loss of pension are directly related to the performance of official duties. Among the offenses listed in the bill are bribery and illegal gratuities, improper representation before the government, violation of antilobbying restrictions, false claims and fraud, abuse of the electoral process, conspiracy to defraud the United States, and perjury.

Public service is both an honor and a privilege. It represents a sacred trust and thus we ought to have harsh penalties for those who breach that trust. Those who violate this trust while serving in public office should not be entitled to their pensions. The taxpayers have helped finance these pensions. At a minimum, they are owed this kind of accountability.

Finally, I wish to thank Senators GREGG and NICKLES for their leadership and support on this issue. Senators GREGG, NICKLES and I had been working on a solution to this issue and I am confident that this legislation is the appropriate response. I believe this is a problem in need of bipartisan attention. Greater accountability will ultimately produce public greater confidence in our three branches of government.●

MEMORIAL DAY 1996: SIMPLE TRUTHS

● Mr. DOMENICI. Mr. President, I rise today to mention an upcoming, special American holiday, Memorial Day.

Last year, in honor of Father's Day, I read to you a letter from a fellow New Mexican, Chuck Everett. Mr. Everett originally wrote that letter while he was serving in Korea to his father who was back home in the United States.

In that letter, a younger Chuck Everett talked about certain simple truths—a son's longing to be with his dad on Father's Day; a soldier's patriotism; and hope for the future. The young soldier dedicated that particular day to fathers, the support of free will, free speech, freedom from fear, freedom of religion, and freedom of thought.

Today, in recognition of Memorial Day, I want to share with the Senate and the American people some more insightful thoughts by Mr. Everett. His poem, entitled ''Simple Truths,'' serves as a good reminder to those of us who serve in this esteemed Chamber, as well as to all Americans, that while our country derives much strength from its diversity, we Americans also share basic ideals—ideals for which many men and women have given their lives. As the country remembers those brave Americans who fought for the United States, I submit that we are a nation founded on ideas, notably the rights to life, liberty, and the pursuit of happiness. These are simple truths to be cherished and protected for future generations.

In memory of those who were killed or are still considered to be missing in action, I respectfully ask that the text of Mr. Everett's poem be printed in the RECORD.

The poem follows:

SIMPLE TRUTHS

Simple truths are emotions from the heart
To state those feelings we wish to share
With those with whom we do not stand apart
And sharing those ideals about which we care.

We ever strive to serve our God and country,
A nation born to hear the bells of freedom ring.
Bound not by the shackles of fear and affrontry.
But living free of oppression by dictator or king.

We dedicate our lives to the support of democracy,
Building a nation with simple truths in mind,
Glorified in living free from any aristocracy,
Striving for liberty and justice for all mankind.

Let our mission be to keep this country free,
To stand tall for what we feel is right or wrong,
Embracing ourselves in the principles of liberty
And always being on the alert and ever so strong.—C. Everett.●

WAYLAND V.F.W. POST 7581

● Mr. LEVIN. Mr. President, this weekend America honors its veterans through Memorial Day activities across the country. It is a time when we thank our veterans for their service and remember those we have lost. Veterans of Foreign Wars Post 7581 in Wayland, MI, will be celebrating Memorial Day this year as it does each year. However, this year will be especially significant because it marks the 50th anniversary of the post.

Wayland VFW Post 7581 was chartered at a ceremony in the Wayland High School gym on June 10, 1946, with 43 members. In 1949, a Ladies Auxiliary to the post was instituted. VFW Post 7581 dedicated its headquarters on June 10, 1956. Most of the work on the building was done by the members of the Post. Over the years, post membership has grown dramatically. The post now maintains 289 members, including 74 life members.

During its 50 years, the post has dedicated its efforts to providing services for the Wayland community, including: Lite-a-Hike campaigns, blood banks, little league baseball, polio dances and the donation of flags to local schools. Last winter, the post made national news for helping stranded motorists during the blizzard. The post also conducts military funerals, participates in Memorial Day activities and assists veterans submitting claims to the Veterans' Administration.

Mr. President, the members of Wayland VFW Post 7581 have not only proudly served our country in military service, but they continue to serve through their commitment to community. I know my Senate colleagues will join me in honoring the veterans of VFW. Post 7581 and congratulating them on their 50 years of service to the community of Wayland, MI.●

JANET RENO'S WORDS OF WISDOM

● Mr. HOLLINGS. Mr. President, we have a lot to be proud of in our country and we have many great role models. One role model, who recently visited my home state and spoke to the graduates of the University of South Carolina, is Janet Reno.

Janet Reno is our country's first female Attorney General and has excelled in the role. She is a dedicated, top-flight public servant. And indeed, that was also her reputation in Florida, where President Clinton plucked her in 1993 from her role as the State's attorney for Dade County. Janet Reno was known in Dade County as a tough, front-line crime fighter and she devoted herself to making communities safer, keeping children out of trouble, reducing domestic violence and helping families. She also targeted career criminals, dangerous offenders and drug traffickers, promising strict and certain sentences that put them away and kept them away.

Janet Reno grew up in Florida and worked her way through Cornell University. She wanted to pursue a law degree but was told that ''woman didn't become lawyers.'' She ignored the advice and became one of only 16 women in a class of 565 students to enroll in Harvard Law School in 1960. When she graduated, people said, ''No one will hire a woman lawyer.'' She proved them wrong, of course. Janet Reno was and is a trail-blazer.

In her speech to the USC graduates, Janet Reno talked about the frustrations that faced her and her predecessors as Attorney General. She said:

There is no vaccination for crime, as there is for polio. The only thing we have is hard work, seven days a week, parents raising children right, police walking the beat every single night, and prosecutors putting criminals behind bars, one by one. Our problems are complex and the answers rarely simple.

Janet Reno encouraged the graduates avoid the deadly sins of our public life: extremism, cynicism and defeatism. Her advice is sound and I think we could all benefit from it. I ask that her address be printed in the RECORD.

The address follows:

SPRING COMMENCEMENT ADDRESS BY U.S. ATTORNEY GENERAL JANET RENO

I am honored to share this day with you. It is so wonderful to look out to see so many who have worked so hard to obtain their diploma today. I especially want to say hello to my fellow chemistry majors. In 1960, I earned my chemistry degree from Cornell University. So, to you parents who worry that your graduating sons and daughters still lack a clear career goal, I suggest, give them a little more time; you never know what might happen.

Since my graduation in 1960, so many things in America have changed for the better. In 1960, the Iron Curtain divided the world between freedom and dictatorship. Just two weeks ago I walked the streets of Budapest along side the free people of Hungary, and I talked with Western Europeans and Eastern Europeans alike about our common fight against crime. In 1960, even after the Supreme Court outlawed racial segregation, much of America was still divided into two nations, black and white. But in the civil rights efforts that soon followed, our nation kept the promises the founding fathers made and finally made equality the law of the land.

In 1960 when I graduated from college, people told me a woman couldn't go to law school, and when I graduated from law school, people told me law firms won't hire you. Thirty years later, no one ever told me I couldn't be Attorney General. You are graduating into an amazing era. In 1960, nobody had ever heard of the Internet, no one had been to the moon. The CAT scan was not invented until 1973. But even though our world is more safe and our country is more just and new technologies are changing our lives, nobody would say that we are a nation without serious, serious challenges. Many of these challenges seem so stubborn and unyielding, such as violent crime, homelessness, and poverty. Others seem complex and inscrutable, like the international economy and the spread of AIDS. And others just seem overwhelming, like the fear of terrorism or environmental catastrophe. But America is a nation of optimists and problem solvers. Each generation looks to its children to keep our society moving and to make life better. After the parties and the vacations and the graduate degrees yet to come, America will look to you for help. For no matter where you go and what you do, you can make a difference.

That's what I would like to talk about today. For in these last 30 years, too many people of goodwill have looked at these very hard problems and started throwing up their hands and turning away. They are getting caught up in the three deadly sins of our public life: extremism, cynicism, and defeatism.

The first great threat to our optimistic spirit is extremism, for it blinds us to the tough, tough choices we all confront when we wrestle with the difficult problems of today. The historian Arthur Schlesinger once observed that America's progress and freedom were fueled by what he called ''the vital center in American politics.'' He meant a place where men and women of reason and goodwill could meet regardless of their political party affiliation, a place to hash out their differences and debate the problems of the day. A lively debate to be sure, sometimes even unruly, but one carried out on common terms with respect for the other person. The vital center has always been a place where people might be divided in their approach to solving a problem, but where they were united, as Americans, in their determination to act reasonably and to see the virtue in other points of view. In short, the politics of the vital center means using democracy as a process of working together to find solutions that attack problems with progress. Slow sometimes, terribly slow and exhausting to be sure, but always in the American tradition of reforms that are not perfect, but take us one step forward, one important step forward.

Today I fear many Americans are forgetting about the vital center. Too often in today's politics, on all sides, people are confronting tough problems and retreating to extremes and to simple solutions instead of embracing the complexity that problem solving always demands and that democracy requires. You may not like everything government does, I know I don't, but the alternative is not to throw up your hands or turn to violence. What we must do is to sit down together as reasonable people and make our government do what is right and stop doing what may be wrong-headed or wasteful. Extremism wants to sprint when the race is really a marathon. Extremism wants to escape the complexity of democracy and the staggering diversity of human nature, but it never can. Extremism argues that problems are easy to solve but if they were, we would have licked them a long, long time ago.

As Attorney General, I deal with problems that frustrated previous Attorney Generals for years, such as crime, terrorism and domestic violence. There is no vaccination for crime, as there is for polio. The only thing we have is hard work seven days a week, parents raising children right, police walking the beat every single night, and prosecutors putting criminals behind bars, one by one. We're not a bumper sticker away from solving terrorism. We have to be eternally vigilant, close our borders to those who threaten us and work slowly and patiently for peace in the lands where foreign terrorists come from, just as we must fight the hatred and the paranoia that fuels domestic terrorism. There is no sound byte that can make domestic violence go away. We have to stop abusers one by one and let them know that there is never an excuse for hitting someone you love. We have to build shelters one at a time to give victims a safe place away from the abuse, and we have to help victims rebuild their lives slowly and steadily.

The vital center knows that problems are complicated and that answers are rarely simple. I hope that in your lives you will choose the course of leadership, not partisanship. Think twice when someone has a simple answer. Remember that so many of our problems took decades to get where they are and that no amount of sloganeering can fix them overnight. And don't ever forget to listen. For I have learned so much when I have listened to the people with whom I have disagreed. Sometimes I have changed my mind. Sometimes I have changed theirs.

The second great threat to our nation's optimistic spirit is cynicism. Maybe you have faced it already. The cynic knows so much about what is wrong and why it can't be fixed. He can tell you which baseball players strike out the most and why planes and stock markets crash. She can tell you which public figures were caught doing something wrong, why the current peace negotiations are doomed, and why so many marriages end in divorce. It may be a beautiful South Carolina day, but the cynic knows it is going to rain someday. Of course, cynicism never happens by itself, it always builds on genuine problems and disasters. Watergate and other scandals convinced millions of Americans that government was permanently broken and that everyone in public life was some sort of alien from ordinary American life, that they might as well have landed in a spaceship. In fact, you can look at any of our institutions and you can find a scandal, and cynics told you so. Sports heroes, police officers, business leaders, doctors, ministers, teachers and politicians—everyone can point to people in all walks of life who have fallen below society's standards. We can use a funny line to dismiss politicians or teachers or Wall Street bankers, but that's the easy way out and after we do, what's different? Nothing, except that fewer good people are willing to work to make our government better, care for the helpless amongst us, or build a business that puts its customers needs first.

At the very least, if you're finding yourself falling prey to cynicism, consider its cousin, skepticism. At least the skeptic has an open mind. The skeptic sees all the same problems and asks all the same questions, but is willing to let the answer be good or bad. And if you are a recovering cynic, and you have made it back to skepticism, why not just take the final step and become an idealist in the best American tradition? And I don't mean for a minute that you should be naive. The Reverend Martin Luther King Jr. talked about the need for all of us to have a tough mind and a tender heart. I can tell you that no one can come to Washington and ever hope to do well if she does not start the morning by asking tough questions and end the day getting real answers. This nation was founded by idealists with tough minds and with tender hearts, and they formed a government designed to check the worst in human nature just as they risked their lives to found a country that cherished freedom and liberty over oppression. They took the hard way, and they made a difference.

A month ago, as the sun was setting before it rose again on Eastern morning, I was in Dover Delaware listening to President Clinton honor Commerce Secretary Ron Brown and 32 other Americans who died in the plane crash in Bosnia. They were young and old, men and women, government workers and business leaders, but they were all there because they believed they could help a ravaged country heal from civil war. These 33 lives, said the President, show us the best of America. They are a stern rebuke to the cynicism that is all too familiar these days. He talked about how family after family told him how their loved ones were proud of their work and believed in what they were doing and believed they could make a difference.

Finally, I want to talk to you about the brother of extremism and cynicism, defeatism. Not everyone faces hopelessness, but no one is far away from someone who does. It may be across town where a family can't afford to pay the rent, or take the child to the doctor because they don't have a job. It may be in the next classroom where a student is convinced that he will never succeed, that no one cares, and that street crime will be the only way out of a hard life. It might be next door where a wife or child faces terror every night at the hands of an abusive spouse or parent. You may never find yourself at the bottom of life's pit, and, if you do, I prey that you have the energy and courage to get up and out. But you may know someone who has fallen, someone who doesn't even want to try because he is sure it won't make a difference.

I have been Attorney General now for three years, and my faith in the American people and their ability to deal with adversity has never been so strong. I have never been so sure that we can prevail against the causes of wrong in this world. I know we can defeat extremism and reclaim the vital center. I know we can defeat cynicism and seek what is good amidst all that is bad. I know we can defeat defeatism and teach those who have fallen to get up and to hope again. It won't be easy, and it will take a lot more than any speech could ever do, but I come here today because you are the future of this country.

I know you have the energy. I know you have the commitment. I know you can make the choice to stand for what is right and good in this world. If you choose public service you will be choosing one of the most rewarding and fulfilling careers our society can offer. But whether you are running a business, or teaching a class, prosecuting criminals, or raising a family, you can make a difference. In another spring time, 33 years ago, the Reverend Martin Luther King Jr.

sat in a Birmingham jail, exhausted from years of seeking justice for all. He was dispirited, and even some of his fellow ministers were saying he should back off and wait for progress to happen on its own. He must struggle to keep cynicism out of his every thought, and sitting in that jail cell day after day, with progress coming slowly or not at all, he had to wonder why any man had a right to hope. But Reverend King made his choice, he began writing until his words filled the margins of a secondhand newspaper. The power of his choice flowed out of a pen and into the conscious of America. Today as you prepare to make your choices in life, I would like to close with a few of those words from Dr. King's letter from that Birmingham jail:

''We must come to see that human progress never tolls in on wheels of inevitability. It comes through the tireless efforts and the persistent work of men willing to be co-workers with God, and without this hard work time itself becomes an ally of the forces of social stagnation. We must use time creatively, and forever realize that the time is always ripe to do right.''

I hope and pray that you will make your choice the choice of standing for what is right and good in this world. Thank you, congratulations, good luck, and God bless you.●

TRIBUTE TO PRESIDENT LEE TENG-HUI, PRESIDENT OF THE REPUBLIC OF CHINA

● Mr. BROWN. Mr. President, I rise today to congratulate the first popularly elected President of the Republic of China, Lee Teng-hui. All Americans congratulate the people of Taiwan for voting to complete their transition to democracy.

The election of President Lee on March 23, 1996, was the result of a 10-year transition which some have called a political miracle in twentieth-century Chinese politics, making Taiwan the first Chinese democracy.

President Lee and the people of Taiwan not only deserve congratulations for their transition to democracy, they also deserve our continued support. As President Lee and the Taiwanese emerge as a force for democracy, freedom and stabilization in East Asia, the United States should encourage their efforts to be represented and respected in international organizations and negotiations as well. The United States should also support and encourage constructive dialog and relations between Taiwan and Beijing.

This transition to democracy is especially significant because it took place against a background of mounting military intimidation, political threats, and diplomatic isolation from mainland China. Despite these intimidating threats, the people of Taiwan were not deterred from casting their ballots for freedom and liberty.

On May 20 in Taipei, President Lee delivered his inaugural address to the world as well as to the people of the Republic of China. He said:

My fellow countrymen: The doors have opened to full democracy, with all its vigor in full swing. Today, most deserving of a salute are the people of the Republic of China: A salute to them for being so resolute and decisive when it comes to the future of the country. A salute to them for being so firm and determined when it comes to the defense of the democracy. A salute to them for being so calm and invincible when it comes to facing up to threats.

I join many in celebrating President Lee's triumph and the will of the people of the Republic of China to march boldly down the road of democracy for the first time in the history of the Chinese people.

Mr. President, I ask that the complete text of President Lee's inaugural address be printed in the CONGRESSIONAL RECORD.

The text follows:

FULL TEXT OF PRESIDENT LEE TENG-HUI'S INAUGURAL SPEECH

Your Majesty, Your Excellencies, Distinguished Guests, My Fellow Countrymen, Ladies and Gentlemen:

Today we are assembled here to jubilantly and solemnly celebrate the inauguration of the President and Vice President before all our compatriots. This gather marks not only the commencement of the ninth-term Presidency and Vice Presidency, but also a fresh beginning for the future of the country and the people.

Today, the 21.3 million people in this country formally march in the new era of ''popular sovereignty.''

Today, the Chinese people enter a new frontier full of hope.

Today, we in Taiwan firmly tell the world, with great pride and self-confidence:

We now stand on the apex of democratic reform and will remain there resolutely.

We have proved eloquently that the Chinese are capable of practicing democracy.

We have effectively expanded the influence of the international democratic camp and made significant contributions to the cause of freedom and democracy.

Therefore, this gathering of today does not celebrate the victory of any candidate, or any political party for that matter. It honors a triumph of democracy for the 21.3 million people. It salutes the confirmation of freedom and dignity—the most fundamental human values—in the Taiwan, Penghu, Kinmen and Matsu area.

My fellow countrymen: The doors have opened to full democracy, with all its vigor in full swing. Today, most deserving of a salute are the people of the Republic of China:

A salute to them for being so resolute and decisive when it comes to the future of the country.

A salute to them for being so firm and determined when it comes to the defense of democracy.

A salute to them for being so calm and invincible when it comes to facing up to threats.

From now on, the people as a whole, rather than any individual or any political party, will be invested with the ruling power of the nation. This is free will in full play, the fullest realization of ''popular sovereignty,'' the real compliance with the will of Heaven and response to human wishes.'' the getting rid of the old and ringing in the new. All the glory belongs to the people.

My fellow countrymen: At this very fresh start of history, we pledge ourselves to launch the new era with a new determination and new deeds. This is our common homeland, and this is the fundamental support we draw upon in our struggle for survival. Fifty years of a common destiny forged in fortune and misfortune have united us all into a closely bound and interdependent community. The first-ever popular presidential election has reconfirmed our collective consciousness that we in Taiwan have to work together as one man.

How to make this land of ours more beautiful and how to make its inhabitants feel safer and live a happier and more harmonious life is the common responsibility of the 21.3 million people!

''Whatever the people desire is always in my heart.'' I am fully aware of the needs of the people and I pledge myself to do my best to deserve their trust. But no individual or political party can single-handedly decide a policy of far-reaching importance to the country. The government will soon invite opinion leaders and other representatives from various quarters to exchange views on major topics of future national development. The consensus that emerges from such meetings will launch the country into a new era.

The election is over, but the promises made during the campaign will be kept and fulfilled as soon as possible. Building a modern country entails the services of all available talents. I am convinced that only when upright, insightful, capable and experienced people, regardless of their political affiliation or social group, participate in the leadership of the government will political stability and national growth be ensured.

The times are changing, so is the social climate. Keeping in the old grooves while refraining from any innovation is doomed to failure. Political maneuvering has no place in political interaction, nor can self-interest have any role in deciding upon a political position. No quarrels can be started under the pretense of representing the will of the voters. A boycott certainly is not the equivalent of checks and balances. The ideal of democracy we are pursuing means not just effective checks and balances; it demands hand-in-hand cooperation for the welfare of the people among the political parties.

Four years will soon pass. We have no time for wavering or waiting. For the purpose of laying a solid and secure foundation for the country and bequeathing a happy and comfortable life to the future generations, let us get off to a very good start today—May 20, 1996.

First, we have to broaden and deepen the democratic exercise. Horizontally, we will share our democratic experience with all Chinese and international friends. Vertically, we will proceed to phase 2 constitutional reform, promote clean elections, ensure clean and efficient government, enhance law and order, restructure the political landscape, and strengthen the multiparty political system, so as to guarantee stability and development for democracy.

Economic growth and political democracy are equally important. Without continued success in economic development, we risk losing everything. We have to make sure that the plan for turning Taiwan into a hub for business operations in the Asia-Pacific region will proceed on schedule so that this country may from a position of strength play a role to be reckoned with in the international community and in the process of national unification. In the meanwhile we have to plan ahead for national development well into the next century, nurture a liberalized and internationalized economic regime in as short as possible a period of time, foster a low-tax, obstacle-free business climate, renovate the land system, improve the small and medium business, and greatly enhance national competitiveness. Only when thus prepared will we be able to compete in a new Asia-pacific age of mutual benefit and coprosperity, thus becoming an indispensable partner for prosperity and development internationally.

At the same time we do not intend to neglect development in non-economic sectors. Our top priorities will be the judicial system,

education, culture, and social restructuring, which will have to move ahead in tandem.

Judicial reform should be based above all on the rule of law. All judicial judgments have to be fair and make sure that all are equal before the law. The rule of law being the foundation of democracy, the cause of democracy will be compromised to a serious extent if court rulings are not trusted by the people. The reform will also guarantee full respect for any fundamental human rights including those of prisoners and parties to a law suit. Rectitude and efficiency in the court and prosecutorial system will have to be drastically improved.

Reform in education aims to put into practice a concept of education that imparts happiness, contentment, pluralism and mutual respect. Such education is designed to develop potentialities, respect individualism, promote humanism, and encourage creativeness. All unreasonable restrictions will be removed to allow the emergence of the life education system. Ample room will be reserved for individual originality and personal traits to ensure the continued pursuit of self-growth and self-realization. The new generation will be assisted to know their homeland, love their country and foster a broad international view. Fortified in this manner they can better meet international challenges and map out a bright future for their country in an increasingly competitive global village.

My fellow countrymen: After 5,000 years the Chinese are still going strong solely because the derive sustenance from an excellent culture. Under the strong impact of Western civilization since the mid-19th century, Chinese culture has gone through tribulations and shocks giving rise to a sharp decline in national confidence. Bearing this in mind. I have never stopped thinking about cultural regeneration. I am hoping that the people of Taiwan will nurture a new life culture as well as a broad and long-sighted view of life. The new Chinese culture, with moorings in the immense Chinese heritage, will draw upon Western cultural essence to facilitate adapting to the new climate of the next century.

This is the essence of the concept of ''manage the great Taiwan, nurture a new Chinese culture.'' All the major cultures originated in a very restricted area. The 5,000-year Chinese culture also rose from a small region called Chung Yuan. Uniquely situated at the confluence of mainland and maritime cultures, Taiwan has been able in recent decades to preserve traditional culture on the one hand and to come into wide contact with Western democracy and science and modern business culture on the other. Equipped with a much higher level of education and development than in other parts of China, Taiwan is set to gradually exercise its leadership role in cultural development and take upon itself the responsibility for nurturing a new Chinese culture.

Managing the great Taiwan can nurture not just a new culture, but also a new society. With political democracy, Taiwan's society has become robustly pluralistic. The vigor thus released will provide nourishment for new social life and bring about further progress.

We will regenerate family ethics and build up a strong sense of community beginning at the grass roots. This will enable us to have a harmonious and communicative society where all members can have the joy of family life. People will also be encouraged to live a simple life and treasure all available resources. The land should be used based upon optimum planning, and nature conservation should be promoted to make it possible for future generations to savor the beauty of the landscape. In the same spirit, we will take better care of the disadvantaged groups in the interests of social harmony and human dignity. We also want to have in place a social security system, fair to all and sure to endure, that provides for freedom from want. But this system can only be installed gradually, depending upon the availability of funding support.

At the very time when we are engaged in the task of developing the Republic of China on Taiwan, the overseas Chinese are never out of mind. We do our very best continuing to assist them in developing their careers. The welfare of the Chinese in Hong Kong and Macao has always been of great concern to us. We are ready to land them a helping hand to help maintain democracy, freedom and prosperity in this area.

Today the existence and development of the Republic of China on Taiwan has won international recognition and respect. In the new international order of today, such basic tenets as democracy, human rights, peace and renunciation of force are universally adhered to; they are in full accord with the ideals upon which our country was founded. We will continue to promote pragmatic diplomacy in compliance with the principles of goodwill and reciprocity. By so doing we will secure for our 21.3 million people enough room for existence and development as well as the respect and treatment they deserve in the international arena.

My fellow countrymen: China has suffered a lot in the 20th century. In the initial stages, it was buffeted with a series of invasions, and over the last 50 years an ideological gap has been responsible for the Chinese-fighting-Chinese tragedy, resulting in confrontation and enmity among the Chinese. I have been of the view that on the threshold of the 21st century the two sides of the Taiwan Straits should work for ending this historical tragedy and ushering in a new epoch when Chinese should help each other.

It is this consideration that over the past years has been guiding our initiative in promoting a win-win strategy for expanding cross-straits relations leading to eventual national unification, but we are doing this on the premise that the Taiwan, Penghu, Kinmen and Matsu area is well protected and the welfare of its people safeguarded. Unfortunately, the cross-straits relationship has experienced bumps from time to time because the Chinese Communists have refused to admit the very fact that the Republic of China does exist in the area. Beginning last year, the Chinese Communists, because of their opposition to democracy, launched against myself a smear campaign using false charges to damage my credibility, but I simply ignore their irrational behavior and remain patient. An eye for an eye is no solution to an historical question of 50 years.

In an attempt to influence the outcome of the first popular presidential election in March, the Chinese Communist conducted a series of military exercises against Taiwan, but unrivaled restraint prevailed in this country. We know that it is imperative that peace and stability be maintained in the Asia-Pacific region. More important, we would not like to see the sudden disappearance of the economic growth in mainland China that has been made possible with great difficulty by its openness policy over the years. Patience on the part of the 21.3 million people is not tantamount to cowardice. Because we believe quiet tolerance is the only way to dispel enmity bred by confrontation. We will never negotiate under threat of attack, but we do not fear to negotiate. Our position is that dialogue will lead to the resolution of any issues between the two sides of the Taiwan Straits.

The Republic of China has always been a sovereign state. Disputes across the Straits center around system and lifestyle; they have nothing to do with ethnic or cultural identity. Here in this country it is totally necessary or impossible to adopt the so-called course of ''Taiwan independence.'' For over 40 years, the two sides of the Straits have been two separate jurisdictions due to various historical factors, but it is also true that both sides pursue eventual national unification. Only when both sides face up to the facts and engage in dialogue with profound sincerity and patience will they be able to find the solution to the unification question and work for the common welfare of the Chinese people.

Today, I will seriously call upon the two sides of the Straits to deal straightforwardly with the momentous question of how to terminate the state of hostility between them, which will then make a crucial contribution to the historic task of unification. In the future, at the call of my country and with the support of its people, I would like to embark upon a journey of peace to mainland China taking with me the consensus and will of the 21.3 million people. I am also ready to meet with the top leadership of the Chinese Communists for a direct exchange of views in order to open up a new era of communication and cooperation between the two sides and ensure peace, stability and prosperity in the Asia-Pacific region.

My fellow countrymen: We in Taiwan have realized the Chinese dream. The Chinese of the 20th century have been striving for the realization of a happy, wealthy China and of Dr. Sun Yat-sen's ''popular sovereignty'' ideal. For 50 years, we have created in the Taiwan, Penghu, Kinmen and Matsu area an eye-catching ''economic miracle'' and achieved a world-acclaimed democratic reform. The Chinese who were regarded as dictatorial, feudalistic, penurious, and backward by Western countries one century ago have by now created in the Taiwan area a new land of democracy, wealth and progress, proudly enjoying enthusiastic recognition from the world. This stand for not just a proud achievement of our 21.3 million people; it marks a crucial departure for the Chinese people to rise again to a new height of glory. We believe that whatever is achieved by the Chinese in Taiwan can also be achieved by the Chinese in mainland China. We are willing to provide our developmental experience as an aid in mapping out the direction of development in mainland China. The fruits of our hard work can be used to assist in enhancing the welfare of million of our compatriots on the mainland. The Chinese on the two sides can thus join forces for the benefit of the prosperity and development of the Chinese nation as a whole.

My fellow countrymen: I wish to take this opportunity to express my heartfelt gratitude for the trust you have reposed in me. Today, I have accepted with humility and solemnity the office of the ninth-term President of the Republic of China at the swearing-in ceremony this morning. I fully understand the meaning of this office as well as the duties of this office. I pledge myself to the complete performance of my duties to the best of my power. I would never fail you. Meanwhile, I sincerely call upon all my fellow citizens to give me wholehearted, unselfish and patient support so that we may stride forward hand in hand into the 21st century. I am convinced that during the next century the Chinese people will be able to achieve the historic enterprise of peaceful unification and do their very part for the peace and development of the world.

May I wish the Republic of China continued prosperity and all the distinguished guests health and happiness. Thank you.●

THE CLOSURE OF PENNSYLVANIA AVENUE: A MATTER OF COMMON SENSE

● Mr. Pryor. Mr. President, there has been a lot of talk recently, both in Congress and in the media, about reopening the area of Pennsylvania Avenue directly in front of the White House that was closed due to security concerns. Reopening the street to commuter traffic sound good to drivers who are inconvenienced. But before we tear down security structures at any Federal facility we should step back and review recent events in Oklahoma City and New York. The security of Federal buildings has become a serious issue indeed, and when the lives of Americans are threatened we cannot afford to act politically.

About 1 year ago, Treasury Secretary Robert Rubin, whose department is charged with protecting the President, ordered the Secret Service to close Pennsylvania Avenue to vehicular traffic in front of the White House. His decision was not made precipitously but only after it was called for by the most comprehensive study of White House security in our Nation's history. That study, which was conducted by a body called the White House Security Review, determined that the threat of violent acts against the White House, and other Federal buildings, had grown much more serious over the last decade.

It does not take a big study to tell us that times have changed and that there is a greater threat to Federal buildings such as the White House. The World Trade Center bombing, the Oklahoma City bombing, not to mention the murder near CIA headquarters 10 miles from here, are ample evidence of the threat that domestic terrorism now poses in America.

Mr. President, all of us agree that the White House is the property of the public, that it should be as accessible as reasonable possible. But the White House Security Review clearly found that the threat to public safety from an open Pennsylvania Avenue far outweighed the inconvenience to commuters and sightseers in cars. After much consideration the Review concluded that it was, not able to identify any alternative to prohibiting vehicular traffic on Pennsylvania Avenue that would ensure the protection of the President and others in the White House complex from explosive devices carried in vehicles near the perimeter. These findings were endorsed by its independent bipartisan Advisory Committee, which included former Secretary of Transportation William Coleman and the former Director of the FBI and CIA, Judge William Webster.

According to every authorative study of the situation, restricting car traffic around the White House is more than reasonable. It is essential.

Many argue that Secretary Rubin's actions have had a negative effect on America's enjoyment of the White House. However, tours have continued as scheduled, and visitors can now enjoy walking and biking down Pennsylvania Avenue without danger of vehicular traffic. The White House is still the people's house and many would say that enjoyment has been increased by the evolving pedestrian mall.

Perhaps the strongest argument against closure of Pennsylvania Avenue in front of the White House is that it causes traffic problems for city motorists. While it is true that closure of this area has increased an already bad traffic problem, the Department of Transportation's Federal Highway Administration and the District of Columbia's Department of Public Works are examining short-term and long-term measures to reduce traffic problems in the city.

Again, inconvenience of drivers around the White House cannot take precedent over the safety of the public who visit the White House, the public servants who work in the White House and, of course, the President and his family. Our Government and society places a high value on human life and I think even the most anxious D.C. driver would not want their zeal to get around town to result in harm to another American.

It is also valuable to note that the creation of a pedestrian mall is consistent with President Washington's vision for the White House, and it is similar to a proposal that President and Mrs. Kennedy endorsed a generation ago.

Mr. President, Americans have long been known for their freedom, but I like to think Americans are also known for their common sense. While I realize that restricting access to any public building is not consistent with America's sense of freedom, I would argue that reopening Pennsylvania Avenue is contrary to our good common sense.

Mr. President, Secretary Rubin made a wise decision a year ago. He used his common sense and decided that closing Pennsylvania Avenue was the right thing to do. Let's not overrule his good judgment or jeopardize the people's house by reopening Pennsylvania Avenue.●

RECOGNITION OF CHISHOLM TRAIL ROUNDUP, FORT WORTH, TX

● Mrs. HUTCHISON. Mr. President, more than a hundred years ago, cattle drives made their way across the Texas plains toward the railhead of Abilene, KS, along what came to be known as the Chisholm Trail. Within a span of only two decades, the Chisholm Trail not only transformed settlements and towns, like Ft. Worth, into major centers of commerce, it also produced one of our Nation's most enduring folk heroes—the cowboy.

Since 1976, the Chisholm Trail Roundup has been held in the historic Stockyards District of Fort Worth, TX. The Roundup celebrates the Western spirit of adventure and perseverance and honors the cultures of tribe and Nation that forged a new way of life on the American frontier. From native American dances to cowboy gunfights, the roundup displays all aspects of frontier life and creates an atmosphere in which learning about our history and enjoying the festival come together.

As one of the country's largest annual festivals, the Chisholm Trail Roundup is nonprofit and benefits Western heritage organizations. For 3 days in June, Fort Worthians will gather once again to celebrate the city's rich heritage and to relive one of the most memorable times in American history.

As a Senator from the State of Texas, I would like to recognize the Chisholm Trail Roundup and its efforts to remind us of our pioneering heritage. I appreciate the thousands of hours of work that have gone into planning this year's event, and I am looking forward to many more roundups in the years to come.●

LARGE BINOCULAR TELESCOPE ON MT. GRAHAM IN ARIZONA

● Mr. INOUYE. Mr. President, I rise to express my serious concern with language contained in the final fiscal year 1996 appropriations measure which addressed the construction of the Large Binocular Telescope on Mr. Graham in Arizona, which is a sacred place to the Apache Nation and home to the endangered Mt. Graham red squirrel. The Apache tribal and religious leaders have urged the Congress and the administration to protect their historic holy land. They are joined by national Native organizations and by a broad cross-section of the religious and environmental communities internationally. I am also troubled that because there has been no hearing in the Congress on this matter, the Apaches have not been afforded an opportunity to be heard on this important matter of religious freedom.

It is my understanding that the administration has stated its position that construction should not proceed until and unless there is full compliance with standard environmental and cultural reviews. This position is consistent with the recent ruling by the Ninth Circuit Court of Appeals, and it would appear that the language addressing Mt. Graham telescope contained in the appropriations Act is not contrary to this position. I can only assume that the administration and many of my colleagues who have concerns both for the environment as well as Native American rights have not insisted on the removal of this language because they also read it as allowing for the customary environmental and cultural reviews to be completed before construction on the telescope is allowed to proceed.●

SALUTE TO ELIZABETHTON AND CARTER COUNTY ECONOMIC DEVELOPMENT COMMISSION

● Mr. FRIST. Mr. President, today, I would like to commend the city of Elizabethton and Carter County, TN, for their innovative work in helping attract businesses and residents to their community through the use of the Internet. Last November, the Elizabethton and Carter County Economic Development Commission established a World Wide Web home page to provide corporations looking to relocate or select sites for expansion with instant access to the information they need on this region in upper east Tennessee.

The Elizabethton and Carter County Community Profile is an online listing that offers viewers demographic information on the area, including labor statistics, tax rates, education levels, population, housing data, types and availability of transportation, and locations of business complexes and industrial parks. It encompasses more than 120 pages of detailed community and economic information for consultants, site selection, real estate and corporate executives throughout the world and is a fine example of how advanced technology can aid in the growth and development of every American city.

As a physician and a U.S. Senator, I know firsthand how useful the Internet has become in the last few years. When I was a heart transplant surgeon in Nashville, I considered access to the Internet as vital to my work as any surgical instrument because it allowed me to obtain up-to-the-minute information on the latest medical techniques and procedures. It also allowed me to communicate easily with my colleagues in transplant surgery throughout the country and across the globe.

Since coming to the U.S. Senate, I have found a new use for the Internet—constituent communications. My World Wide Web home page—the first established by a Republican Member of Congress—now allows Tennesseans to view legislation that I have introduced, as well as my press releases, flow statements, biographical information, committee assignments, and voting record with the click of a mouse. And I am able to communicate via e-mail with thousands of Tennesseans and Americans who contact my office through my home page seeking further information on specific issues. The Internet has revolutionized the way my Senate office functions.

In much the same way, the information superhighway is revolutionizing the way companies do business and the way cities and counties approach economic development. Mr. President, Elizabethton and Carter County are on the frontlines in this revolution. There are many much larger cities that will have to struggle to obtain the technological advancements that have been made in this community. Mr. President, I commend the Elizabethton and Carter County Economic Development Commission for their foresight, innovation and creativity, and I look forward to seeing other cities and counties follow Elizabethton's and Carter County's lead.●

WHY DO WE CALL TAXES A BURDEN

● Mr. PELL. Mr. President, there is a commonly held belief abroad in the land that all taxes are inherently burdensome. This is implicit in an event recently noted, known as ''Tax Freedom Day.'' I was moved to ponder this matter after reading an article in The Washington Post, entitled ''Why Do We Call Taxes a Burden'?'' by Professor Rashi Fein. Professor Fein makes the point, most excellently, that our language shapes our actions.

A ''burden'' is by definition oppressive. Our facile use of the term in connection with our taxes thereby encourages us to act to ease those taxes. By such thinking, in fashioning a budget resolution, all manner of actions become justified. Let us jettison support for Medicare, Medicaid, Social Security, hiring of police officers, heating assistance to the poor, protection of our environment, education loans, United States humanitarian operations, civilian and military retirement pensions, national defense, prosecution of drug smugglers, and Amtrak. Thus, so this form of reasoning goes, will our ''burden'' be lifted. Yet who among us would not assert that some, if not all of the aforementioned programs are worthy in motive and intent, albeit perhaps not flawless in execution?

Professor Fein posits that the weighing of appropriate tax and expenditure policies is difficult when our language encourages us to think of our taxes as burdens not connected to the benefits we derive from them. Police protection, clean air and water, an educated populace, and a strong national defense benefit each and every one of us. Moreover, Federal entitlements—benefits citizens are entitled to collect if they meet certain demographic or income definitions—reach 49 percent of U.S. households, including 39 percent of families with children and 98 percent of the elderly.

As a moral proposition, we must be careful of our words, for our words become our actions. And, as the adage goes, actions become character, and our character becomes our destiny. In considering amendments to the budget resolution, let us not join in vying to reduce our tax ''burden'' lest our destiny become a society ''less organized and less civilized.''

Mr. President, I ask that the article entitled ''Why Do We Call Taxes a Burden'?'' be printed in the RECORD.

The article follows.

[From the Washington, Post, May 17, 1996]

WHY DO WE CALL TAXES A 'BURDEN'?

(By Rashi Fein)

I learn a lot watching C–SPAN. The other night, one of Washington's leading economists was asked about using the tax system to help reduce environmental damage. The response? It certainly would be difficult, because it would increase the ''tax burden.''

''Tax burden'' is a phrase with which we are all so familiar that we don't stop to think what it means—nor what it implies. At first blush it seems value-free. But plainly a ''burden'' is something to be lifted. We don't refer to the monies we spend on movies, popcorn, milk or shoes as ''burdens.'' We refer to them—and think of them—as expenditures, some (movies and popcorn) optional, others (food, shoes) necessary. We don't speak of our ''consumption burden.'' Why, then, a ''tax burden''?

Is it that our tax payments are not optional but our food expenditures are? That can't be it: We have to buy food. We can choose between steak and hamburger (or yogurt and tofu), but we can't choose between eating and starving. Indeed, the penalty for not eating far exceeds the penalty for nonpayment of taxes. yet we do not speak of the ''food burden.''

More likely, we think of taxes as a burden because we're not quite certain what it is we're buying when we pay them. We miss, somehow, the connection between our tax dollars and the fire protection, the highways, the security against foreign powers and the biomedical research that our dollars buy. The problem is that few of the benefits we derive can be seen, touched or smelled. Moreover, the benefits we derive from government expenditures most often accrue to everyone; they do not come packaged in discrete units—this box of defense for me, this piece of highway for you.

And many of us assume that we'd continue to get whatever it is we're getting from government even if we didn't pay our taxes. Without spending our dollars, we'd have no milk on our tables, but we can't really imagine that schools and roads would disappear if you and I didn't buy them with our tax dollars. Clearly, government doesn't determine how many potholes to fill only after it deposits our tax dollars. If I don't buy that book, that restaurant meal, that aspirin—or if I cheat on my taxes—does government really subtract from the pothole-fixing budget or the salaries of judges? That's a tough connection to make—but without that connection, my taxes come to seem irrelevant, hence unnecessary, hence a ''burden.''

Of course, no government program would suffer if you or I consumed less (and thus paid less in sales tax) or if I cheated on my return (and thus paid less in income tax). But if you and I both underpaid, everyone else would have to pay more. And it surely stretches language beyond acceptable usage to call not taking advantage of one's neighbors a ''burden.''

Burdens are by definition oppressive, and our facile use of the term in connection with our taxes thereby encourages us to do everything we can (within the law) to ease them. Cheating on our taxes comes to seem acceptable (at least understandable), even though tax evasion is precisely analogous to shoplifting. If we take fire protection, guarantees on educational loans, clean air and water but fail to pay for them, we are stealing.

Our language shapes our attitudes. To weigh appropriate tax and expenditure policies in difficult when our language encourages us to think of our taxes as burdens not connected to the benefits we derive from them.

Some weeks ago, I received a brochure encouraging me to open an IRA. In that brochure, a 1040 tax return was labeled ''pain,'' while the application for an IRA was labeled ''pain killer.'' By implication, taxes (like pain) are to be avoided. By implication, I can continue to enjoy the benefits of government expenditures without paying for them.

We can debate ''value for money,'' the wisdom of particular government policies, programs and expenditures. We can argue as to whether we're spending too much here, not enough there. But that debate is distorted if we enter it with the view that any government expenditure—which means my tax dollar—is inherently burdensome.

I feel as I do because I remember what Justice Holmes wrote in 1904: ''Taxes are what we pay for a civilized society'' and what Franklin Delano Roosevelt said in 1936, ''Taxes, after all, are the dues that we pay for the privileges of membership in an organized society.''

Now, at century's end, our economists tell us taxes are a burden, and our pension funds tell us taxes are a pain. Is it any wonder that our leaders vie to reduce the burden and the pain, even if in so doing our society becomes somewhat less organized and less civilized?●

GEORGIA O'KEEFFE COMMEMORATIVE STAMP

● Mr. BINGAMAN. Mr. President, today, on the historic plaza in Santa Fe, New Mexico, the United States Postal Service will unveil the Georgia O'Keeffe ''Red Poppy'' Commemorative Stamp. This stamp is a culmination of the work of many people to bring special recognition to the artist who is considered one of the foremost American artists of the 20th Century.

Although a native of Wisconsin, Miss O'Keeffe has been closely identified with New Mexico for nearly 70 years through her life and work. We are exceptionally proud of the fact that her love of our landscape was so wonderfully realized in her paintings.

Miss O'Keeffe found endless fascination in the bleached bones that dot the New Mexico deserts. The intense colors of common flowers, the vastness of the sky and the shape of the hills all were sources of profound inspiration. Her art expressed her vision. Because of her work, we can have a glimpse of what she saw.

When Georgia O'Keeffe died in Santa Fe on March 6, 1986, her work remained as a lasting testament to her talent and grace. She, like her work, was an American original, and I am very glad that the U.S. Postal Service has chosen to honor her in this way.●

TRIBUTE TO JOHN LIEBENSTEIN, SLAIN RICE COUNTY DEPUTY

● Mr. WELLSTONE. Mr. President, I rise to pay tribute to a very brave man, to Deputy John Liebenstein, 40, a nine year member of the Rice County Sheriff's Department in Minnesota.

Deputy Liebenstein sacrificed his life on May 3, 1996 in the line of duty. He was killed when a suspect, allegedly driving a stolen car, rammed his unmarked squad car on a freeway exit, following a high speed chase by police over forty miles through three counties.

It is a tragedy when any policeman falls in the line of duty. However, Deputy Liebenstein's untimely death had an immediate impact on the citizens of his tightly-knit Minnesota community.

John was a fine law enforcement officer who dedicated his life to defending the peace. Therefore, it was fitting when Governor Arne Carlson ordered all state flags to be lowered to half-staff in his honor.

Deputy John Liebenstein was also a loving husband, and a wonderful father. I extend my deepest, most heartfelt sympathy to his devoted wife, Jean and his three children.

He leaves a rich legacy of protecting the lives and property of his fellow citizens, and we will never forget this gallant man.●

HONORING THE LANGLEYS CELEBRATING THEIR 50TH WEDDING ANNIVERSARY

● Mr. AKAKA. Mr. President, I am delighted today to honor Norton and Joan Langley of Honolulu, Hawaii, who will celebrate their 50th wedding anniversary on May 28, 1996. The commitment to marriage is a solemn one, and the desire to remain united for half a century is laudable.

The Langleys met while teenagers and were married in 1946, after Norton returned from World War II with two Purple Hearts. In 1957, they traded life in San Francisco for Honolulu where they opened the first of their clothing stores, Casual Aire of Hawaii. Their flagship shop, located in the lovely Hilton Hawaiian Village Hotel in Waikiki, was featured in the opening shots of the first television series produced in Hawaii—''Hawaiian Eye.''

Two of their three children continue to reside in Honolulu where son, Larry, and daughter, Jodi, operate Casual Aire. Their eldest daughter, Nanci, resides in Virginia, and is a valued member of my staff. I wish this happy family all the best and congratulate them on the strength of their family ties.●

ON THE EVE OF RUSSIA'S PRESIDENTIAL ELECTIONS

● Mr. PELL. Mr. President, since the Soviet Union broke up in December 1991, Russians have undergone five very painful years of political and economic transition. Life is difficult and uncertain for many average Russians. In Russia's most recent elections, held last December, Communists gained control of the Russian legislature and pro-reform parties were marginalized. Earlier this year, that Parliament voted to abrogate the treaty which disbanded the Soviet Union. While rejecting the Parliament's vote, President Yeltsin is nevertheless pursuing closer ties with its former Soviet neighbors. President Boris Yeltsin has also made several key personnel changes in the last few months, dismissing some of the key reformers. War continues to rage in Chechnya. At the same time, Russia has agreed to adhere to stringent economic requirements to continue to receive funding from International Monetary Fund.

Against this backdrop, on June 16, in less than a month, Russians will go to the polls to elect a President. Whatever the outcome, this election will have profound implications for the course of reform in Russia, the future of democracy in Central and Eastern Europe and the former Soviet Union, the development of United States-Russian relations, and in fact, global stability.

I fear that we are not giving enough thought and attention to what is taking place in Russia and particularly to how the impending election might affect United States-Russian relations. Accordingly, majority and minority staff members of the Foreign Relations Committee were recently tasked with visiting Russia to get a sense of the issues and the candidates in the lead-up to the elections. They have prepared a report based upon their visit which I would commend to my colleagues.

The report makes no predictions about the outcome of the election. Rather, it presents some of the issues confronting the candidates and the electorate, including economic and key foreign policy issues. I would ask that the report summary be placed in the RECORD at the end of my remarks.

The bottom line is that no one can predict what will happen in Russia in the coming weeks and months. I believe, however, that it is important to be as informed as possible about developments in Russia so as to avoid uninformed or knee-jerk reactions to events there. I believe the committee staff report makes a useful contribution to the discussion.

I am pleased to note that the staff trip was conducted and the report was written on a bipartisan basis. I would like to thank Senator HELMS and his staff for the high level of cooperation they have offered on this venture. I know that we share the goal of supporting continued reform in Russia, and as Russia heads into a period of uncertainty, I am hopeful that we can continue to work together to promote that goal.

SUMMARY OF KEY FINDINGS

On June 16, 1996, the Russian Federation will hold Presidential elections. By any estimation, this election—just over a month away—will have profound implications for the course of reform in Russia, the future of democracy in Central and Eastern Europe and the former Soviet Union, the development of United States-Russian relations, and in fact, global stability. No clear favorite candidate has yet emerged.

The Russian presidential election comes in the wake of five very painful years of political and economic transition. Ironically, just as the Russian economy shows evidence of imminent growth, the Russian electorate's hostility to reform and pro-reform candidates is peaking.

The Russian people appear to fear change more than they dislike President Boris Yeltsin. However, voter discontent runs deep and nostalgia for the better, more stable and predictable times, whether based on reality or not, is the order of the day. Many equate

democracy with a breakdown of order, rampant crime and corruption, and oppression by the mafia.

At this point, it appears that the Communist candidate, Gennadiy Zyuganov, has the largest amount of support among the electorate. Zyuganov has a chameleon-like ability to tailor his message to a particular audience. It is, therefore, difficult to distinguish his true beliefs from his campaign rhetoric, and by extension to predict how the Communist Party, if it captures the Presidency, would manage the Russian economy, political system, and foreign policy.

Many in Russia conclude that an electoral victory by the Communists would inevitably result in dictatorship. Such fears may not be overblown: anecdotal information indicates that some reformers are keeping their exit visas current through the presidential election. The gloomier analysts even predict a prompt reopening of the gulags and the reemergence of political trials.

Two trends in the Russian economy may serve to sustain market reforms in Russia even if an anti-market candidate is elected President. The first is the growing base of small businesses. The second is the increasing flow of economic power to the regions.

President Yeltsin has predicted that he will prevail in the first round of the June 16 election, gathering enough of the vote to win the election outright. While such an outcome is nearly impossible, Yeltsin is widely viewed as a likely second place finisher—which is sufficient to get him into the run-off.

While President Yeltsin's core supporters within the electorate are outnumbered by those committed to the Communists, it is widely believed that he has much more opportunity to broaden his support as the campaign wears on.

Vladimir Zhirinovsky must be considered a serious contender if for no other reason than that he has consistently exceeded the expectations of most analysts. While he is reviled by most opponents, Zhirinovsky has a loyal, if somewhat fractious electoral base. His high negative rating makes his chances of victory near impossible. A widely split vote among pro-reform candidates, however, could propel him into the second round, thereby creating the nightmare scenario for Russia's democratic reformers: a runoff between Zyuganov and Zhirinovsky.

Grigory Yavlinsky considers himself to be the last, true democratic reform leader in Russia. Certainly, he is the last democrat with anything resembling a popular constituency in Russia today, although many question whether his popularity extends much beyond Moscow and St. Petersburg.

The key to Yavlinsky's electoral strategy is to build a coalition—the so-called ''third force''—with fellow candidates Svyatoslav Fyodorov and General Alexandr Lebed. The three—all of whom have collected the necessary one million signatures to be listed on the ballot—have tentatively agreed to support the most popular among them. The problem is that each of the three believes himself to be that person.

Aside from the campaign performance of the various candidates for the Presidential election, other factors which may influence the outcome include voter turnout and the ever present threat of fraud. Even if the June election is relatively fair, charges of fraud will likely be made by those who fail to make the second round.

Russian politicians readily admit that foreign policy will not play a major role in the upcoming presidential election campaign. That being said, Russia's identity and role in the world is a theme that all candidates are exploiting—and to which voters seem to be responding.

Given the resonance that nationalist themes have among the electorate, it is not surprising that the current government is emphasizing Russian integration with other countries of the former Soviet Union, rethinking its relationship with the United States, and opposing NATO expansion.

Russian officials go to great lengths to emphasize that the government is pursuing integration with its neighbors as distinct from reintegration. According to these officials, the distinction is that reintegration would imply a reimposition of a command economy and reestablishment of the Soviet Union, while integration implies a voluntary relationship on the model of the European Union.

After the break-up of the Soviet Union in December 1991, there was general euphoria in Washington and Moscow about the prospects for a United States—Russian partnership on a wide range of foreign policy, arms control, and other issues. By 1994, however, several events had occurred which collectively served to dampen enthusiasm in both capitals about the prospects for close United States-Russian cooperation.

Both Washington and Moscow had unrealistic expectations about the possibilities for United States-Russian relations. Still, many Russians, while readily admitting that things had changed, are reluctant to abandon the notion of a Russian-United States partnership—particularly on issues of mutual interest such as arms control and the fight against organized crime and terrorism.

Even those who admit to a cooling in relations with the United States point to United States-Russian collaboration in Bosnia as a success story and a model for future cooperation. Given previous United States-Russian divisions over Bosnia—with the Russians traditionally taking positions sympathetic to the Serbs—Russian satisfaction with the current IFOR arrangement is particularly noteworthy.

While Russian officials continue to voice their opposition to NATO expansion, their arguments are often contradictory and muddled. It is difficult to gauge whether apparent Russian apprehensions are genuine or calculated.

Russian officials offer an unapologetic though naive defense of Russia's relationship with Iran. They regard Russia's relations with Iran as normal, and perceive Iran neither as enemy nor ally. Russian officials completely dismiss suggestions that Iran may use technology acquired from Russia to develop a nuclear weapons program.

Russian foreign policy analysts are divided over whether close relations can be forged with the People's Republic of China. Nonetheless, despite this skepticism, many endorse expanded cooperation with China as a useful counterbalance to the United States on issues such as NATO expansion.●

TRIBUTE TO LIEUTENANT COMMANDER STEPHEN P. METRUCK, U.S.C.G.

● Mr. KERRY. Mr. President, I want to take this opportunity to express my sincere thanks to Lieutenant Commander Stephen Metruck who has served as my legislative assistant for oceans and fisheries issues for the past 2½ years.

Steve has done an outstanding job and has honored himself and the Coast Guard with his dedication and quiet dignity. His talents and the depth of his knowledge brought a unique perspective on the issues on which he advised me, and he will be missed. I know that the Coast Guard needs to retain officers with his experience and capability and Steve's dedication to the Service compels him to return to the field, but I would welcome his permanent service in my office. Our loss is the Coast Guard's gain, and Steve will be leaving my staff shortly to return to serve as the Executive Officer of the Coast Guard Marine Safety Office in Buffalo, NY.

Steve came to my staff on detail from the United States Coast Guard to assist me with my work on the Senate Commerce Committee Subcommittee on Oceans and Fisheries. As Ranking Member of that Subcommittee—and in my prior role as Vice Chairman of the subcommittee's predecessor, the National Ocean Policy Study—I had planned to sponsor a number of important legislative measures including the reauthorization of the Magnuson Fishery Conservation and Management Act and was pleased to gain someone with Steve's experience and expertise in marine safety and environmental policy.

For over 2½ years, Steve has been a crucial part of my legislative team. I have come to rely on his expertise in Coast Guard, marine, coastal and fisheries issues. As we all know around here, it is critical to have staff that can produce high quality work under short deadlines and with constantly shifting priorities. Steve was a master juggler. He was a quick study and in short order he began to work closely with Committee staff where he helped

draft several bills and amendments, including the omnibus rewrite of the Magnuson bill as well as innumerable floor statements, memos and letters.

Another key aspect for any staff in my office is to provide courteous and helpful constituent service. Steve demonstrates an amazing ability to be sensitive yet fair to all parties involved in an issue. I believe that most of my constituents—fishermen, coastal residents, environmental activists and others—who he has served would agree that he is always extremely helpful and treats everyone equally and with respect.

As he leaves to continue his duty with the Coast Guard, I join the members of my staff and everyone who has had the pleasure to work with Steve Metruck during his time in the United States Senate in wishing him well in his service. I know Steve will continue to honor his uniform, his country, and his family with the decency, intelligence, and integrity he brought to his service on my staff. He is to be commended for his deep and abiding belief that we must do everything we can to responsibly protect and preserve the environment. Good luck, Lieutenant Commander Stephen P. Metruck, and thank you for a job well done.●

CONGRATULATING THE UNIVERSITY OF NORTH DAKOTA FLYING TEAM

Mr. CONRAD. Mr. President, I would like to offer my sincere congratulations to the men and women of the University of North Dakota Flying Team, who recently captured their third consecutive national championship at the National Intercollegiate Flying Association's 48th annual Safety and Flight Evaluation Conference in Daytona Beach, FL.

The championship places an emphasis on safety, and is comprised of nine different events that test a variety of aviation skills, both on the ground and in the air. In addition to scoring an overall win, UND was first in combined scoring for the five ground events, and second in the Judges Trophy, which is awarded on the basis of a team's overall depth.

A national championship is clearly a tremendous accomplishment, and I commend each and every member of the team. Although a significant achievement, I want my colleagues to know that this is only the most recent triumph for what has been without question the most successful NIFA team in the country. This year's national championship is the UND Flying Team's tenth in the last twelve years, and the fifth for retiring team coach John Bridewell.

This victory was a team effort from start to finish, but several individuals deserve special recognition. Mike Smieja placed first in Aircraft Recognition, the fourth time he has won that event at the national tournament. Larry Freer was another repeat winner, taking first place in Simulated Comprehensive Aircraft Navigation (SCAN) for the second consecutive year. Freer also placed seventh in Simulator Flying. Robert Shaw captured second place in Computer Accuracy, and Susan Bailey took home second place in the message drop, in her very first competition.

This victory and the women and men who made it possible are a credit to the university and UND's Center for Aerospace Sciences, an internationally recognized center for aerospace learning. I am proud of every member of the team, and offer special congratulations to coach Bridewell, who is ending his distinguished tenure with yet another championship. Every member of the team and coaching staff deserve recognition, and I am pleased to submit a complete list for the RECORD.

The list follows:

1996 UND FLYING TEAM

Team Members: Bill Bailey (senior, Rogers, MN), Susan Bailey (sophomore, Sutton, ND), Shannon Bengeyfield (sophomore, Dillon, MT), Chris Farmer (co-captain, senior, Bluefield, WV), Larry Freer (junior, West Palm Beach, FL), Mike Galante (co-captain, senior, Champlin, MN), Brian Jackson (junior, Sioux Falls, SD), Joshua Kendrick (senior, Lino Lakes, MN), Aleah Longshore (sophomore, Settler, Alberta, Canada), Robert Shaw (senior, Naperville, IL), Mike Smieja (senior, Wells, MN), Juliana Stops (sophomore, Buffalo Grove, IL), and Chris VanGinkel (senior, Maurice, IA).

Coach: John Bridewell.

Assistant Coaches: Drew Avery, Spencer Henderson, Jim Higgins, Mark Johnson, and Al Skramstad.

Mr. BOND addressed the Chair.

The Senator from Missouri is recognized.

(The remarks of Mr. BOND pertaining to the introduction of S. 1816 are located in today's RECORD under ''Statements on Introduced Bills and Joint Resolutions.'')

Mr. MURKOWSKI addressed the Chair.

The PRESIDING OFFICER. The Senator from Alaska is recognized.

ARTS, LETTERS, AND POLITICS

Mr. MURKOWSKI. Mr. President, I thank the Chair. An interesting fundraising letter came to my attention. It was written by actress Priscilla Presley, Elvis Presley's former wife.

Accompanying the letter was another from actor, Robert Redford.

These letters are promoting a special evening of ''Arts, Letters and Politics'' in Beverly Hills benefiting a group called ''Americans for a Safe Future.''

During this special star-studded evening, there will be a lavish reception, followed by a ''program of celebrity prose and poetry readings'' by movie stars Ed Harris and Amy Madigan. The Master of Ceremonies will be Ed Begley, Jr.

Other names on the letterhead include such Hollywood luminaries as rock star Don Henley and TV producers Gayle Hurd and Gary Goldberg.

For as little as $250 or as much as $5000, one can attend this glittering fund raising event at the beautiful Chateau Marmont in Beverly Hills.

The letter goes on to note that proceeds from this fund raising event will benefit Americans for a Safe Future and ''its continuing efforts to protect our environment, our children, and our future from radioactive contamination.''

Well, Mr. President, I want to protect our environment, our children, and our future from radioactive contamination.

We all do.

But I will not be making a contribution to this group.

I will not be sending a check.

I will not be going to Beverly Hills to listen as movie stars read poetry.

Because this group is on the wrong side of the environment, Mr. President.

They are actually opposing what they claim to uphold.

While these movie stars claim to be protecting our children from radioactive contamination, their efforts are inadvertently exposing our children to radioactive contamination.

I am not suggesting that these movie stars want to do this because of a lack of intention.

I am sure they are well meaning. I am certain they think they are doing the right thing.

But they are misinformed, and they are harming those they really want to protect.

''Americans for a Safe Future'' claim they are protecting the Colorado River from the low-level radioactive waste facility planned for Ward Valley in the Mojave Desert.

If the Ward Valley site is built, they say radioactivity from Ward Valley will leak into the Colorado River.

Robert Redford says so.

Ed Begley, Jr. says so.

Priscilla Presley says so.

Don Henley says so.

That is all some people need to hear to reach for their checkbooks and take up the cause.

Sadly, some are content to get information about radioactive waste and desert hydrology from rock singers and movie stars, even if prominent and distinguished scientists say otherwise.

I want to refer to this chart, because it speaks for itself. There are the Hollywood movie stars, and here are the scientists who risk their reputation in saying that Ward Valley is unlikely to leak radioactivity into the Colorado River. Where are you going to put this waste? Nobody wants it. California has met the Federal laws that we set up to allow them to do it. This is the site the National Academy of Sciences has recommended, and here we are listening to movie stars raising money that it will not be there, but they do not propose to put it anywhere.

Mr. President, I believe we ought to listen to geologists and hydrologists when the subject is radioactive waste and desert hydrology, and we ought to listen to movie stars when the subject is, well, movies.

Sadly, the activism of movie stars has temporarily eclipsed the findings of scientists.

Secretary Babbitt is ignoring the National Academy of Sciences report that he himself commissioned and the taxpayers paid for—and we are at an impasse today.

And because of that impasse, low-level radioactive waste is piling up at 800 sites around California, including most major colleges and hospitals.

Some of the sites are in densely populated areas, vulnerable to accidental radioactive releases from fire, flood or earthquake.

''Americans for a Safe Future'' are headquartered in Santa Monica, according to their letterhead. I asked my staff to review the 2,106 radioactive materials licenses in California, and they quickly found 13 in Santa Monica. There are 432 in Los Angeles County. And yes, some are even in Beverly Hills.

Do these activists and movie stars know that radioactive waste is piling up in California neighborhoods, hospitals and college campuses, because they are standing in the way of a facility in the remote and unpopulated desert?

Do they know that fire, earthquake or flood could result in a release of radioactive materials from these sites?

Are they suggesting we halt cancer treatment or AIDS research that uses radioactive materials?

Mr. President, these activists and movie stars may be sincere, but they are sincerely wrong. They do not realize the effect of their activism. They are endangering the environment and their communities while they intend to do the opposite.

Mr. President, like most Americans I like to go to the movies and see talented actors and actresses practice their craft.

And as talented as these actors and actresses are, the are not experts in the field of hydrology or radioactivity.

Nor am I. That is why I rely on experts. And the experts of the National Academy of Sciences have spoken.

Ward Valley is safe. Let us get the waste out of populated neighborhoods, and out to a monitored site in the remote desert where it belongs.

I urge these movie stars who lend their names and talents to these causes to examine the facts and the scientific evidence about Ward Valley, and to reconsider their actions.

I know that they want a safe future. We all do.

But I do not believe we need to trade a safe present to achieve that goal. A single, licensed, monitored disposal site at Ward Valley will not only result in a safe future—but it gets the waste being stockpiled in hospitals and college campuses out of our neighborhoods and away from our children today.

I urge my colleagues to cosponsor a bipartisan bill Senator JOHNSTON and I have introduced to end the impasse: S. 1596, the Ward Valley Land Transfer Act.

Let us listen to science, and end this stalemate.

Thank you, Mr. President. I yield the floor.

I see other colleagues seeking recognition.

I wish you a pleasant recess, Mr. President.

Mr. GRASSLEY addressed the Chair.

The PRESIDING OFFICER. The Senator from Iowa.

THE VOID IN MORAL LEADERSHIP—PART X

Mr. GRASSLEY. Mr. President, last week, attorneys for the President of the United States filed an appeal with the Supreme Court to delay the sexual harassment lawsuit filed against him by Paula Jones. Ms. Jones is a former Arkansas State employee.

The President's strategy is to try to delay the lawsuit until after he leaves office. among the reasons he cites for the need for delay is the Soldiers' and Sailors' Civil Relief Act of 1940. This law lets those who serve in the military postpone civil litigation until the subject's completion of active duty military service.

Columnist Maureen Dowd writes about this issue in this morning's, New York Times. She says it is a move ''that marks a new level of chutzpah in American politics.'' She says, ''As a society, we haven't preserved our sense of shame. But Bill Clinton is doing his best to preserve our sense of shamelessness.''

Why is this? Ms. Dowd goes on to explain: ''* * * Mr. Bennett (the President's attorney in the case) is getting paid too much to make the hideous mistake of reminding the public of one of Mr. Clinton's improvidences (his maneuvering on the draft) in defense of another (his wandering eye).'' That is a quote from Maureen Dowd's column in today's issue of The New York Times.

In a ''Dear Colleague'' letter dated May 21, BOB STUMP, the chairman of the House Committee on Veterans Affairs, also addressed this issue of the President allegedly serving in the armed forces. Mr. STUMP, I might remind my colleagues, was once a member of the President's own party. Here is what Mr. STUMP says, speaking about the President's use of the 1940 act:

> This ignoble pleading is a slap in the face to the millions of men and women who either are serving on active duty, or have served on active duty in the armed forces of the United States. In 1969, President Clinton ran away from his military obligation, dodging the draft, claiming that he 'loathed the military.' Now, President Clinton by claiming possible protection under The Soldiers' and Sailors' Civil Relief Act, makes a mockery of the laws meant to protect the honorable men and women who serve their country in the armed forces of the United States.

Mr. President, I have given a series of statements on this floor regarding the President's absence of moral leadership for this country. I have been very specific about when he has failed to set a good example for those he serves and leads. I have been specific about how he says one thing and does another.

I think moral leadership, from my definition, is doing what you say you are going to do.

This is yet another example—this use of the Soldiers' and Sailors' Civil Relief Act of 1940—where the President of the United States, albeit a citizen, is indeed the Commander in Chief, but he probably is not doing what the intent of the law is. The Constitution empowers him, of course, to be their leader.

With that power, he has responsibilities. Responsibilities to set the best possible example for those in the military.

The U.S. Navy has recently undergone enormous public criticism. One of the most damning incidents was sexual harassment associated with Tailhook. Congress and the public have put great pressure on the Navy to assign responsibility and accountability for that outrageous behavior. Admirals and captains could not hide behind loopholes, helped by clever lawyers, to avoid accountability. They had to face trial, and take responsibility for their actions.

In his appeal to the Supreme Court, the President would like to avoid taking that responsibility. What kind of message does that send to the men and women he leads as Commander in Chief?

Is not the mark of a true leader one who would do the same that he asks of those he leads? How can a leader have one standard for himself and another for everyone under him—a double standard? Is this setting a good example? Is this leadership? And what kind of military would we have if our officers chose to follow their leader, in this case the Commander in Chief, and avoid responsibility in the same way? Well, of course, you know the answer. The integrity of the military would be severely compromised.

Mr. President, this is a good illustration of why moral leadership in a President is so important, just as Franklin Delano Roosevelt observed. I have quoted him so many times on this floor in this series of speeches that I am not going to quote him again, but FDR laid out very clearly that if there is anyplace you are going to question a President, it is his moral leadership. In this President, there is a fundamental lack of moral leadership.

It has a corroding effect on the public's trust in their Government and authorities. It breeds cynicism. That is my great fear, and that is why I have reluctantly taken the floor recently with my observations about the President not doing what he said he would do.

I yield the floor.

Mr. DORGAN addressed the Chair.

The PRESIDING OFFICER (Mr. BENNETT). The Senator from North Dakota.

CRITICIZING THE PRESIDENT

Mr. DORGAN. Mr. President, I must observe before I speak briefly about what I intend to speak about, the Senator from Iowa does not seem so reluctant; he says he reluctantly takes the

floor, and he certainly has been persistent, and today at least he has taken the floor criticizing the President for what he has not done.

The minority leader just finished reading the statement in the Chamber that describes accurately the circumstances of the filing on behalf of the President, and it categorically rejects the assertions just made by the Senator from Iowa. But it is an even-numbered year. We all know what that means. And being President certainly means you are subject to criticism. I understand that, as do others who serve in public office. I believe the American people understand all of us have things about us that are positive, things that are not so positive perhaps. None of us are perfect.

This President, like President Bush and President Reagan, President Carter and others before them, I suspect, resides in the White House trying to figure out how to do the best job he can to move this country forward and serve the best interests of this country.

It is easy to be critical. I hope all of us would understand that the job of the President of the United States is a tough job. It is tough for Republicans and tough for Democrats. This is a country with a lot of good and a lot of opportunity, and I hope all of us can work together to help this President and future Presidents realize that opportunity.

NATIONAL MISSILE DEFENSE

Mr. DORGAN. Mr. President, I take the floor to say that it appears to me we may be talking about National Missile Defense or the Defend America Act very soon. Perhaps it will even be laid down before we finish tonight so there is a cloture vote when we come back. I am not sure.

I want to observe—and I have done this for years that I have been in Congress—that we just finished a budget in which there was a lot of talk about reducing the Federal deficit, the need to reduce Federal spending, and the Defend America Act, or the National Missile Defense Program, is a program, according to the Congressional Budget Office, that just to build—not to operate, just to build—will cost between $30 billion and $60 billion. Now, the operational costs will be much, much greater than that.

It seems to me the funding question ought to be posed and ought to be answered by those who bring a spending program to the floor of the Senate that says let us spend up to an additional $60 billion more on a program that I do not think this country needs because the National Missile Defense Program, or the Defend America Act, will not truly be an astrodome over our country that will defend us against incoming missiles. It presumes that we should build a defense against ICBM's in the event a rogue nation would launch an ICBM with a nuclear tip against our country, or in the event there is an accidental nuclear launch against our country.

Of course, a nuclear device might very likely come from a less sophisticated missile like a cruise missile. We have thousands and thousands and thousands of cruise missiles proliferating this world. They are much easier to get access to. A nuclear-tipped cruise missile is a much more likely threat to this country than the ICBM, or perhaps a suitcase and 20 pounds of plutonium and the opportunity to turn it into a nuclear device, or perhaps a glass vile no larger than this with the most deadly biological agents to mankind.

Of course, we will spend $60 billion on a star wars program, at the end of which it will be obsolete and will not protect this country against that which we advertise we need protection.

We had an ABM system built in North Dakota. Billions and billions of dollars in today's money went into that in northeastern North Dakota. It was declared mothballed the same month it was declared operational. In other words, the same month they declared operational a system which they said we desperately needed they decided would no longer be needed, and it sits up there as a concrete monument to bad planning. It was an expenditure of the taxpayers' money that, in my judgment, need not have been made.

Now we are told that we have the need for a national defense program, or Defend America Act, of some type that will defend us only against a very narrow, limited threat, not a full-scale nuclear attack from an adversary, because it will not defend us against that, will not defend us against a nuclear attack of cruise missiles. It cannot do that. It will not defend us against a nuclear attack by a terrorist nation putting a nuclear bomb in a suitcase in the trunk of a Yugo car, a rusty old Yugo at a dock in New York City. But we are told $60 billion to build and how many tens of billions of dollars to operate is what is necessary.

I say to those who will bring that to the floor, while you do that, please bring us a plan telling us who is going to pay the tax to build it. Where are you going to get the money? Who is going to pay the tax? And then describe why that is necessary and the fact when you get done you have not created the defense for America you say you are going to create.

There are many needs that we have in this country in defense. Many remain unmet. This kind of proposal ranks well down, in my judgment, in the order of priorities. If it is technologically feasible to be built to protect this country, it ranks well down in the order of priorities. My hope is that we will have a full, aggressive, interesting debate on this because it is not a debate about pennies. It is a debate about a major, sizable spending program, new spending program at a time when we are trying to downsize and at a time when we are talking about the need to control Federal spending.

Those who bring this to the floor of the Senate have an obligation to tell us how it is going to be paid for. The announcement of this so-called Defend America Act was made at a press conference recently, and the question was asked: Where do you get the money for this? And the answer at the press conference by Members of the Senate was: Well, we will leave that to the experts.

No, it will not be left to the experts. This Congress will have to decide who pays for a new Federal spending program that will cost $60 billion plus and after being built will not in fact defend this country against a nuclear attack.

There are many needs that we have in our defense system in this country. Some worry that we are in a circumstance where we will decide to downsize in defense too much: We will be unprepared to meet an adversary; we will be unprepared to meet a threat.

I understand that. I understand this country has gone through this in previous periods, and I do not want us to be in that position. But I also understand that in every area of the armed services there are weapons programs that simply seem to have a life of their own and they tend to build and build, and they become not so much a justifiable program that is necessary to defend our country, but they become a program that is supported by a range of politicians and corporations and other interests that give it a life of its own, even when it becomes unnecessary or when the science and the technology demonstrate it is not needed.

I hope we will have an aggressive discussion about this, about the threat and about the amount of proposed expenditure, and about who is going to come up with the money, and especially about whether, in fact, this is needed for this country's defense.

Mr. President, I thank you for your indulgence. I yield the floor, and I make a point of order that a quorum is not present.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

THE INTERSTATE STALKING ACT

Mrs. HUTCHISON. Mr. President, I want to talk about a bill that I hope we can clear tonight in the Senate because it is a very important bill that will begin to protect the victims of stalking all over this country. You know, we did not really know much about stalking until the last few years. That is because it was a hard crime to pin down. Stalking is threats. It is harassment. It is the constant terrorizing of a victim, whether the act that is said would be done is actually perpetrated or if, sometimes, it is not. But whether it is or is not, it is a very tough thing for a

victim to continue to be in fear, to wonder, ''Am I going to have someone stick a knife in my back? Am I going to be able to walk in my neighborhood without fear? Am I going to be able to go to sleep at night without fear?''

Then, in fact, we have found that the victims of this stalking actually become victims sometimes. When Congressman ED ROYCE and I started working on this we had a press conference in which we had some incredible stories of stalking victims. A woman from California who was constantly threatened, who moved to Florida to escape this stalking from this person that she really did not know and who was clearly demented—she moved to Florida and one night did become a victim. The person broke into her home and threatened her with a knife. She did get away without injury.

But then there was the stalking victim whose husband was outside with his wife and she was shot to death, he was shot, and this was from a person who had constantly threatened his wife. So they could have prevented it if there had been some way to do it, but, in fact, there was no way to do it because stalking was not a crime until recently.

Now we have the situation in which you have the stalking in one State, the person moves to another State, and they do not have the coverage in the other State because the actual harassment was in the first State and when it happened in the second State you had to establish it. The Interstate Stalking Act will make it a Federal crime to cross State lines to do the State crime of stalking. It does not make stalking a Federal crime, but it does make crossing State lines to do it, when it is a crime, a crime. That would give protection to the woman who moved from California to Florida. It will give protection to more of the people who have had the terrorizing experience of being constantly barraged by threats from another person. Many people in public life have had this experience. It is a scary thing to happen. To live in fear most of the time, or some of the time, is something we do not have to put up with in our society.

This is a bill that passed unanimously in the House a couple of weeks ago. It was passed out of the Judiciary Committee today on a very bipartisan basis. I thank Senator HATCH and Senator BIDEN for expeditiously having hearings on this bill and putting it through the committee. Now I am very concerned because I thought this would be a bill that would not cause any problem and I would, of course, like to see it go through tonight because I think the President will sign this bill. I think the President is going to see the need for this bill. I think if he can sign it before we come back from the Memorial Day recess, that that might save a life. It might save a victim from being harassed. It really might help a victim. If it helps one victim in this country, then why not do it?

If we pass it tonight, it will go straight to the President because the bill is in the form that it passed the House. This should not be a tough bill.

I am asking my colleagues on the Democratic side to clear this bill. We thought that it was cleared. Perhaps it was not. Perhaps they can make a phone call, if someone has a concern on their side. I think we ought to be able to do what is right. This is a bill that ought to pass. It is a bill that has merit. It is a bill that is not controversial or it would have been stopped before now.

So I hope my colleagues on the other side of the aisle will see fit to find out if there is a real problem with this bill. Or if it is a problem with something else, perhaps they will clear this bill, because it might save one life. It might save one person from being victimized and it would be worth it if we could do that.

This is a bill that passed along with Megan's law on the House of Representative's side. Megan's law has already been signed by the President. This will allow victims of any kind of domestic violence harassment or if it is not a domestic partner or a spouse but a stranger who is doing the harassment, it will also provide protection if a person crosses State lines to do that.

Mr. President, I hope it is not too late tonight. I would like to see this bill cleared because it is important. It is the right thing. It is bipartisan and I think there may be something on the other side that could easily be worked out.

I just ask my colleagues on the Democratic side of the aisle to expedite this. We might save a life and it would be worth it.

The PRESIDING OFFICER. The majority leader.

DEFEND AMERICA ACT

Mr. DOLE. Mr. President, yesterday President Clinton acknowledged—belatedly—that the post-cold-war era presents us with new national security challenges. He stated, ''The end of communism has opened the door to the spread of weapons of mass destruction * * *.'' Unfortunately, while the President is finally willing to recognize the threat posed by the proliferation of weapons of mass destruction, he remains unwilling to seriously respond to it—with progress, as opposed to pronouncements—on national missile defense.

Most Americans do not know—let me underscore—most Americans do not know that the United States has no defense against ballistic missiles. If you were to ask the average American, in fact to ask anybody in this Chamber unless they are on the Armed Services Committee, they might not know. If you were asked a question, ''If a missile, an incoming missile was headed toward Chicago, what should the President of the United States do?'' and the people will tell you in these little focus groups, ''Shoot it down''—we can't. We don't have a defense. So, if a rogue state such as North Korea launched a single missile at the United States, we could do nothing to stop its deadly flight towards an American town or city.

In his speech yesterday President Clinton pointed to his $3 billion budget request for missile defense programs as evidence of a ''strong, sensible national missile defense program.'' This happens to be 21 percent less than the President's own national security advisers proposed in their Bottom-Up review of U.S. defense needs. It is also 30 percent less than what the Senate Armed Services Committee provides in this year's defense authorization bill. In short, it is not enough for a determined and effective effort to defend the American people from the threat of ballistic missiles.

President Clinton attacked the Defend America Act, which I introduced 2 months ago, claiming:

> They have a plan that Congress will take up this week that would force us to choose now a costly missile defense system that could be obsolete tomorrow.

This is simply not true. The Defend America Act only forces to commit now to deploy a national missile defense system by the year 2003. The choice of what type of system is left up to the Secretary of Defense who will report back to the Congress on the requirements for an effective ballistic missile defense system. And making a decision to go forward with missile defense now will not, as the President argued yesterday, lead to America deploying an obsolete system.

The programs we currently have in development can serve as the building blocks for a system that meets the missile threat as it emerges. Furthermore, as with the procurement of any weapons system, moving from development to deployment requires lead time. You cannot do it in a week or a year or 18 months. It does not happen overnight. The President's assertions contradict those of his own Secretary of Defense, who recently stated that these technologies ''would be quite capable of defending against the much smaller and relatively unsophisticated ICBM threat that a rogue or a terrorist could mount any time in the foreseeable future.''

That is the Secretary of Defense.

I would like to address the issue of cost. There has been quite an uproar about a Congressional Budget Office estimate of the cost of deploying a national missile defense system pursuant to the Defend America Act. The CBO stated that total acquisition costs for the year 2010 would range from $31 billion to $60 billion, if such a system largely consists of advanced space-based components. However, the Defend America Act does not specify any required components of a national missile defense system to include space-based components. On the other hand, the CBO says that a ground-based system with upgraded space-based sensors

would run around $14 billion. Section 4 of the Defend America Act states:

The Secretary of Defense shall develop for deployment an affordable and operationally effective national missile defense system which shall achieve initial operational capability by the end of 2003.

The decision on what is affordable and effective is left up to the Secretary of Defense. What I would like to know is how CBO estimated a national missile defense system whose components are unknown. It seems to me that the CBO approach was somewhat like a family deciding they are going to buy a house and being told by a real estate agent that it will cost them anywhere between $40,000 to $4 million. That is the range.

That is true, houses come in many prices. There are two-bedroom homes and then there are the mansions and the couple's decision would come down to what they need and what they can afford. Those are the same guidelines we need to use here. What does the United States need to protect its citizens, and how can it best be done and how can we achieve this protection in an affordable manner?

Outlining these estimates are a good way to avoid a serious debate on a most serious issue. The American people deserve better, because we are talking about the safety and security of their children and their grandchildren and themselves.

You would not know, if you follow some of the press coverage of this issue, that the cold war is over.

We do not need a so-called space shield to defend against an attack of thousands of missiles. We do, however, need to defend the American people against the much more limited threat of an accidental launch or an attack by rogue and terrorist regimes, such as North Korea and Iran, who are acquiring a limited, but deadly, capability to deliver weapons of mass destruction with ballistic missiles.

As President Clinton's former Director of Central Intelligence testified, the threat of ballistic missiles is growing and the administration is not addressing this frightening reality. This is President Clinton's former Director of the CIA.

In his testimony before the House National Security Committee, James Woolsey stated:

Ballistic missiles can, in the future they increasingly will, be used by hostile states for blackmail, terror, and to drive wedges between us and our allies. It is my judgment that the administration is not currently giving this vital problem the proper weight it deserves.

Through budgetary scare tactics and skewed analysis, the administration is trying to confuse this issue and avoid answering the central question of whether or not the American people should be protected. By seeking to proceed to the Defend America Act today, I hope to move beyond rhetoric and misinformation to a serious debate on a critical matter affecting the future security of all Americans.

I believe the number one responsibility this Government has to its citizens is to provide them with protection. That is what the Defend America Act is all about.

So, again, let me repeat the question: If you had an incoming ballistic missile and you ask somebody in my State or any State, What should the President do, they would say, ''Shoot it down.'' And your response would have to be, ''We cannot. We have no defense.''

I suggest those who say it is a decade away go back and look at some of the predictions made in the past. I believe we have that obligation. When we talk about the cost, $14 billion is a lot of money, but so would be the human cost and any added cost if some rogue state or some accidental launch directed a missile toward the United States.

UNANIMOUS CONSENT REQUEST—S. 1635

Mr. DOLE. I now ask unanimous consent that the Senate turn to the consideration of calendar No. 411.

The PRESIDING OFFICER. Is there objection?

Mr. DORGAN. Mr. President, I object.

The PRESIDING OFFICER. Objection is heard.

Mr. DOLE. Let me identify that as S. 1635, the ''Defend America'' bill.

CLOTURE MOTION

Mr. DOLE. Mr. President, I now move to proceed to S. 1635 and send a cloture motion to the desk.

The PRESIDING OFFICER. The cloture motion having been presented under rule XXII, the Chair directs the clerk to read the motion.

The legislative clerk read as follows:

CLOTURE MOTION

We, the undersigned Senators, in accordance with the provisions of rule XXII of the Standing Rules of the Senate, do hereby move to bring to a close debate on the motion to proceed to Calendar No. 411, the ''Defend America'' bill:

Bob Dole, Strom Thurmond, John Warner, Trent Lott, Bob Smith, Rick Santorum, Jesse Helms, Kay Bailey Hutchison, Dan Coats, Dirk Kempthorne, John McCain, Jon Kyl, Pete V. Domenici, Bill Cohen, Lauch Faircloth, Ted Stevens.

Mr. DOLE. Mr. President, I ask unanimous consent that the cloture vote occur at 2:15 p.m. on Tuesday, June 4, and that the mandatory quorum under rule XXII be waived.

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

Mrs. HUTCHISON addressed the Chair.

The PRESIDING OFFICER. The Senator from Texas.

INTERSTATE STALKING

Mrs. HUTCHISON. Mr. President, I have just been informed that the Democratic side is not going to be able to clear the interstate stalking bill tonight. I ask that they do everything possible to see if tomorrow, when we are in session, if we can do what is necessary to clear this bill. It could really make a difference if we can pass it tomorrow, even if there is an amendment and we need to have that cleared with the House, if it is a sincere amendment. I would certainly like to work with the other side to put that on and try to get it cleared by the House next week so we can pass this expeditiously.

It really might make the difference for a victim in this country who has had no remedy. It really might make life better for some child who is a victim who has no remedy. Mr. President, I think it is incumbent on us to be sincere in our efforts when we are dealing with something that is clearly bipartisan. I do not think that it should be held up unless there is a very good reason.

Most of the Senate has looked at this bill. The Judiciary Committee passed it very easily. It passed unanimously in the House, and I just hope whoever has a hold on this bill will let it go. It is a good bill, it is a simple bill, and the timing really could make the difference in someone's life in this country. It would be worth it if we could clear it tomorrow.

Thank you, Mr. President.

Mr. THURMOND addressed the Chair.

The PRESIDING OFFICER. The Senator from South Carolina.

THE DEFEND AMERICA ACT OF 1996

Mr. THURMOND. Mr. President, I am proud to be a principal cosponsor of the Defend America Act of 1996. This legislation will fill a glaring void in United States national security policy by requiring the deployment of a national missile defense system by 2003 that is capable of defending the United States against a limited, accidental, or unauthorized ballistic missile attack.

Mr. President, ironically, most Americans already believe that we have such a system in place. This assumption is understandable since, under the Constitution, the President's first responsibility is to provide for the defense of the American homeland. Unfortunately, the current President has decided that this obligation is one that can be indefinitely delayed. In my view, the time has come to end America's complete vulnerability to ballistic missile blackmail and attack.

The President and his supporters in Congress have argued that there is no threat to justify deployment of a national missile defense system. This is simply not true. The political and military situation in the former Soviet Union has deteriorated, leading to greater uncertainty over the control and security of Russian strategic nuclear forces. China's recent use of ballistic missiles near Taiwan, and veiled threats against the United States, clearly demonstrates how such missiles can be used as tools of intimidation

and blackmail. North Korea is developing an intercontinental ballistic missile that will be capable of reaching the United States once deployed. Other hostile and unpredictable countries, such as Libya, Iran, and Iraq, have made clear their desire to acquire missiles capable of reaching the United States. The technology and knowledge to produce missiles and weapons of mass destruction is available on the open market.

It is also important to bear in mind that a national missile defense system can actually discourage countries from acquiring long-range missiles in the first place. In this sense, we should view national missile defense as a powerful non-proliferation tool, not just something to be considered some time in the future as a response to newly emerging threats.

The policy advocated in the Defend America Act of 1996 is virtually identical to that contained in the fiscal year 1996 defense authorization bill, which was passed by Congress and vetoed by the President. Like the legislation vetoed by the President, the Defend America Act of 1996 would require that the entire United States be protected against a limited, accidental, or unauthorized attack by the year 2003. It differs from the vetoed legislation in that it provides the Secretary of Defense greater flexibility in determining the precise architecture for the system.

The Defend America Act of 1996 urges the President to begin negotiations to amend the ABM Treaty to allow for deployment of an effective system. But it also recommends that, if these negotiations fail to produce acceptable amendments within 1 year, Congress and the President should consider withdrawing the United States from the ABM Treaty. Nothing in this legislation, however, requires or advocates abrogation or violation of the ABM Treaty.

Mr. President, it is important to point out that in 1991, Congress approved, and the President signed, the Missile Defense Act of 1991, which established policies similar to those advocated in the Defend America Act of 1996. Like the Defend America Act, the Missile Defense Act of 1991 called for deployment of an initial national missile defense system by a date certain and provided for a follow-on system. Both also urged the President to begin negotiations to amend the ABM Treaty.

Although there are clear differences between the Defend America Act of 1996 and the Missile Defense Act of 1991, I believe that these similarities are worth pointing out. A number of my colleagues on the other side of the aisle are now saying that they oppose a policy to deploy by a date certain. But this is what we did in the 1991 Act. Several of these same Senators now also seem to be opposed to any amendments to the ABM Treaty, even though the 1991 Act clearly urged to the President to negotiate such amendments.

Mr. President, it has been asserted that a commitment to deploy a national missile defense system might jeopardize the START II Treaty. But the Missile Defense Act of 1991 was signed into law at the same time that negotiations on the START I Treaty were being concluded. Indeed, at the same time that START I was being finalized, Russian President Yeltsin proposed that the United States and Russia cooperate on a ''Global Defense System''. I find it hard to believe that anything in the Defend America Act would jeopardize START II any more than the Missile Defense Act of 1991 jeopardized START I. Those who make this assertion are simply giving Russian opponents of START II another excuse to oppose the agreement.

Mr. President, opponents of the Defend America Act have also argued that it would lock us into a technological dead end; that in 3 years we may have better technology available to do the job. The fact is that there are no technologies in development other than those identified in the Defend America Act. The Administration's so-called ''three-plus-three'' national missile defense plan relies on the exact same technologies that would be employed if the Defend America Act were passed. The only difference is that under the Defend America Act, development of those technologies would be accelerated. Once again the Administration and its congressional allies are just making excuses for not getting on with the business of defending America.

Mr. President, the last issue I want to deal with is the question of cost. We have heard some rather careless assertions made about the cost of the Defend America Act. It is true that if the Secretary of Defense decided to deploy a constellation of space-based lasers, a constellation of ''Brilliant Pebbles'' space-based interceptors, a constellation of ''Brilliant Eyes'' space-based sensors, and 300 or 400 ground-based interceptors at multiple sites the cost could be as high as $60 billion over the next 15 to 20 years. But Mr. President, under the Defend America Act, the Secretary of Defense could also select a more modest deployment that could be achieved for $5 to $10 billion. The Air Force and the Army both have developed such low-cost proposals. According to the Congressional Budget Office, a system consisting of 100 ground-based interceptors, four new ground-based radars and a constellation of Brilliant Eyes sensors would cost approximately $14 billion over the next 6 years.

These are clearly affordable costs when compared with the costs associated with other major items in the defense budget. An entire national missile defense system could be acquired for less than an additional 20 B–2 bombers. The cost would be about the same for the Corps SAM theater missile defense system, which the administration strongly supports even though we already have four core theater missile defense systems in development to protect forward deployed forces.

In my view, those who assert that we cannot afford an NMD system have simply gotten their priorities wrong. With an annual defense budget of $260 billion to $270 billion, it is irresponsible to argue that we should not spend $1 billion per year on the defense of the American homeland.

Mr. President, let me conclude by saying that the Defend America Act of 1996 is balanced and timely legislation. I understand that opponents of this legislation do not want to allow the Senate to vote on this issue. But the President will not be able to hide from it. If the President's allies in the Senate stand in the way of a vote on the Defend America Act to protect him from having to sign or veto this legislation, the American people will nonetheless know who stands for their defense and who does not.

Mr. President, I yield the floor.

DEFEND AMERICA ACT INCREASES NUCLEAR THREAT

Mr. LEVIN. Mr. President, while the stated intent of the so-called Defend America Act is to reduce the threat of nuclear missiles to the United States, in fact, the Defend America Act, so-called, will actually increase that threat. Its passage would actually make us less secure. It should be renamed the Make America Less Secure Act, rather than the Defend America Act.

Do we want defenses? Of course. The issue is not do we want to defend. The issue is, against what threats? What threats do we create in the process of deploying defense? At what price? What resources do we deny ourselves for other threats that may be more real?

This is not simply the Republican leadership of the Congress—Senator DOLE, Speaker GINGRICH and others—versus President Clinton. In support of President Clinton's position are the Joint Chiefs of Staff, the Chairman of the Joint Chiefs of Staff, and the Defense Department.

Now, this is the letter which General Shalikashvili wrote to Senator NUNN relative to this bill. He said in this regard:

> . . . efforts which suggest changes to or withdrawal from the ABM Treaty may jeopardize Russian ratification of START II and, as articulated in the Soviet Statement to the United States of 13 June 1991, could prompt Russia to withdraw from START I. I am concerned that failure of either START initiative will result in Russian retention of hundreds or even thousands more nuclear weapons, thereby increasing both the costs and risks we may face.

He continues:

> We can reduce the possibility of facing these increased cost and risks by planning [a national missile defense] system consistent with the ABM treaty. The current National Missile Defense Deployment Readiness Program, which is consistent with the ABM treaty, will help provide stability in our strategic relationship with Russia as well as reducing future risks from rogue countries.

So the conflict that exists here is between the congressional Republican leadership on the one hand and President Clinton, the Joint Chiefs of Staff, and the Defense Department on the other hand. Of course, there are supporters of each of those two leadership groups. That is the contrast here. We have the Joint Chiefs of Staff and the Defense Department that have adopted, with the administration's support, a National Missile Defense Deployment Readiness Program. With this so-called Three-plus-Three program, we would develop the system in 3 years and then, depending on the threat, depending on the cost, depending on the situation that exists, we would then decide whether to deploy, and could deploy within 3 years of that decision.

That is the Defense Department position. That is the Joint Chiefs of Staff position. That is the administration position: not a commitment now to deploy prematurely and unilaterally, which would jeopardize our relationship with Russia and undermine our determination that they live up to START I and START II. Such a position, as is in this bill, would play right into the hands of those supernationalists and jingoists in Russia who right now are running for President of that country.

This is the worst time to be introducing this kind of legislation. This is not just me saying this. I am not alone in saying or suggesting this. It is not just Senator LEVIN from Michigan who is doing it. It is the Joint Chiefs of Staff who are saying: do not do anything unilaterally to undermine the ABM Treaty, because by doing so Russia has informed us that they will no longer comply with START I and will not ratify START II. They tell us the result—and now I quote—''with the result that Russia would retain hundreds or even thousands more nuclear weapons, thereby increasing both the costs and risks we may face.''

That is the issue before the Senate. Do we want to precipitate that kind of action on the part of Russia by a premature, unilateral decision that we are going to deploy a system which is inconsistent with a critical security agreement between ourselves and Russia? It was the wrong time to do it last year and, after much effort, we avoided it. It is particularly the wrong time to do it this year because there will be an election going on in Russia in the next few weeks. This bill will be seized upon by people in Russia who do not believe in START I, who do not want to ratify START II. It will be seized upon by them as evidence for why they should not ratify START II. That is the fear that General Shalikashvili has set forth.

Now, in addition, this legislation will threaten a number of international security efforts besides the START treaties. The so-called Nunn-Lugar, or cooperative threat reduction program, which helps to secure, store, and dismantle former Soviet nuclear warheads so that they cannot again threaten any nation, would also be put at risk. Negotiations for a comprehensive test ban treaty to outlaw all nuclear weapon tests and help prevent the development of new nuclear weapons would be delayed. Russian ratification of the Chemical Weapons Convention would be sidelined. So, instead of eliminating the world's largest stockpile of chemical weapons, Russia could leave its chemical weapons in place.

This bill could relegate other important cooperative security arrangements with Russia to the scrap heap.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. LEVIN. I ask unanimous consent for an additional 2 minutes.

Mr. WARNER. I see no objection to that.

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

Mr. LEVIN. There are other important cooperative security arrangements with Russia that we have built upon and we have created. We have built, finally, some trust and some confidence between our two militaries. Our Defense Department does not view Russia as an adversary, but as a partner in cooperative security. Take a look at what is happening in Bosnia, where we have Russian soldiers under U.S. command in the implementation force. Take a look at what has happened with the United States and Russian detargeting of our nuclear missiles, where no longer are missiles on either side targeted on the other's nations.

If we threaten unilaterally to violate the ABM Treaty, as the Defend America Act does, it could play right into the hands of those in Russia who want to return to a hostile relationship. By committing to build the system, by making that commitment now to build a system by the year 2003, the Defend America Act also locks us into possibly the least capable technology.

That is another thing that the Pentagon is not agreeing with. They want to develop the technology and, if and when a decision needs to be made, to utilize the best technology that is available.

The Defense Department's missile defense program, which is also the administration's missile defense program, the so-called three-plus-three plan, will develop missile defense technology that will permit a deployment decision as soon as 3 years, and then 3 years thereafter, if there is a threat that warrants the deployment, and if the military capability of that system is such that it is effective, and if the cost is such that it justifies the advantage to us, then we can deploy the system. And because the threat is estimated to be 15 years away, we can continue to develop the technology to make it as effective as possible.

Mr. President, we have threats now with terrorists acquiring and using chemical weapons. It happened in the Tokyo subway, and it could happen here in this country. That is a real threat. And there have been efforts to smuggle nuclear weapon materials from facilities in the former Soviet Union. It is probably no harder to smuggle nuclear materials or weapons into the United States than to smuggle drugs. We have very few efforts underway to halt that deadly enterprise. Less than 20 pounds of plutonium could make a bomb which could destroy an American city. Mr. President, 20 pounds of very easily transportable plutonium can destroy a city. Yet the proposal before us is to spend tens of billions of dollars against threats which are uncertain, which the intelligence experts say has not materialized and is unlikely to materialize in the next 15 years, at the same time that we are underfunding needed defenses against real threats such as the terrorist threat using chemical weapons.

At best, the Dole-Gingrich crash program would only counter a handful of foreign missiles—less than the number contained on a single Russian submarine. Alternatively, some 50 Russian submarines and their missiles would be eliminated outright if the START I and II treaties are implemented. It is clear which approach is more reliable and cost-effective.

By committing to build a system by 2003 the Defend America Act also locks-in the least capable technology. The result would be a very ''thin'' system, according to the Pentagon. Why lock ourselves into such technology prematurely when the threat may eventually demand better technology? Our intelligence agencies estimate no new countries will build missiles able to reach the continental United States for 15 years. The risk of a missile launched against the United States is already drastically deterred by the guarantee of prompt and devastating retaliation.

Let's look at the price tag. The ''Defend America Act'' says, in essence, ''build a system by 2003, whatever the cost.'' When asked about the system's cost, Senator DOLE admitted ignorance. CBO estimates that just buying this system will cost between $31–$60 billion. If the Administration requested money for a new weapon system with no blueprint and no idea of the cost, Congress would flatly reject it. It should do so with the Dole-Gingrich bill.

If we pour money into premature missile defenses, resources will be lacking for other defense efforts that improve our security. To deal with security threats to the U.S. we must exercise cooperative threat reduction, nonproliferation and arms control efforts. We must also maintain our conventional military forces sufficient to dissuade any nation from using weapons of mass destruction against us.

Our strategy to secure the U.S. against weapons of mass destruction demands balance. Supporters of the Dole-Gingrich legislation are looking backwards at a non-existent Soviet

Union instead of looking forward to meeting the real emerging threats to our national security.

Finally, I ask unanimous consent, Mr. President, that the letter from General Shalikashvili to Senator NUNN be printed in the RECORD.

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

CHAIRMAN OF THE
JOINT CHIEFS OF STAFF,
Washington, DC, May 1, 1996.

Hon. SAM NUNN,
U.S. Senate, Committee on Armed Services, Washington, DC.

DEAR SENATOR NUNN: In response to your recent letter on the Defend America Act of 1996, I share Congressional concern with regard to the proliferation of ballistic missiles and the potential threat these missiles may present to the United States and our allies. My staff, along with the CINCs, Services and the Ballistic Missile Defense Organization (BMDO), is actively reviewing proposed systems to ensure we are prepared to field the most technologically capable systems available. We also need to take into account the parallel initiatives ongoing to reduce the ballistic missile threat.

In this regard, efforts which suggest changes to or withdrawal from the ABM Treaty may jeopardize Russian ratification of START II and, as articulated in the Soviet Statement to the United States of 13 June 1991, could prompt Russia to withdraw from START I. I am concerned that failure of either START initiative will result in Russian retention of hundreds or even thousands more nuclear weapons thereby increasing both the costs and risks we may face.

We can reduce the possibility of facing these increased cost and risks by planning an NMD system consistent with the ABM treaty. The current National Missile Defense Deployment Readiness Program (NDRP), which is consistent with the ABM treaty, will help provide stability in our strategic relationship with Russia as well as reducing future risks from rogue countries.

In closing let me reassure you, Senator NUNN, that I will use my office to ensure a timely national missile defense deployment decision is made when warranted. I have discussed the above position with the Joint Chiefs and the appropriate CINCs, and all are in agreement.

Sincerely,

JOHN M. SHALIKASHVILI,
Chairman of the Joint Chiefs of Staff.

Mr. LEVIN. I close, finally, with the last line of General Shalikashvili's letter: ''I have discussed the above position with the Joint Chiefs and the appropriate CINCs, and all are in agreement.''

I thank the Chair and yield the floor.

Mr. WARNER. Mr. President, I ask the chairman of the Armed Services Committee if I may have 5 minutes within which to proceed.

Mr. THURMOND. The able Senator from Virginia can have 25 minutes if he wants to. I am very pleased to hear him speak.

Mr. WARNER. Mr. President, I will inquire of my distinguished colleague from Michigan, before he departs the floor. I ask my colleague from Michigan this. The Senator's opening statement was that we should call this bill ''less secure.''

Mr. President, my understanding is that we have absolutely no ability in this country today to interdict an intercontinental ballistic missile, or indeed a short-range ballistic missile. I ask my distinguished colleague this. We have no security, so how can we be less than what I view is zero today?

Mr. LEVIN. Well, we do have some missile defense against the short-range missiles, as my good friend from Virginia knows. We are trying to improve those defenses. That is an effort that I think almost all Senators support, which is the defense against those short-range missiles that provide the real threat that those rogue countries indeed have. We have the Patriot missile capability, the anti-missile capability, and are trying to improve that, for which our committee funded the efforts. We are seeking defenses against those theater short-range missiles that provide the real threats.

If I can complete my answer, on the long-range missile, the question is two-fold——

Mr. WARNER. If I can interrupt, I will first respond, and then I would appreciate it if we could continue. I am fully aware of the Patriot system. As a matter of fact, I am the chairman of the subcommittee, and my distinguished colleague from Michigan is the ranking member and, indeed, we work on that together. We recognize that those short-range systems, the Patriot, have to be deployed to the region. Theoretically, they cannot run all over the United States. So a rogue attack, if it could be mounted, with a short-range theater missile somehow against the continental units of the United States is dependent on the ability to quickly deploy from what few locations we have in that system to some other part of the United States.

To me, that is highly impractical. That is theoretical. Putting that aside, let us agree, I hope, that the United States does not have any indigenous ability to defend against an intercontinental missile, albeit fired by mistake, fired by a terrorist organization, or perhaps intentionally, against Alaska or Hawaii, from say, Russia or China. Am I not correct on that?

Mr. LEVIN. The Senator's question raises the exact reason why the Defense Department has adopted the National Missile Defense Deployment Readiness Program, which will put us in a position, in 3 years, hopefully, where we can make a decision as to whether or not—those are the key words, ''whether or not''—to deploy the kind of defense which the Senator has just described, without committing us now to do so for two reasons. The two reasons are that we do not want to make a commitment now, according to our Chairman of the Joint Chiefs, to deploy a system which could undermine the ABM Treaty, which, in turn, would then cause Russia not to reduce the number of warheads that she has and could cause Russia not to ratify START II. It is in the interest of this country that Russia ratify the START II Treaty. The other reason given for the Defense Department's position in favor of the National Missile Defense Readiness Program, which will address the threat the Senator talks about, is that they will then be in a position to use the best technology available and not commit themselves prematurely to deploy a system that may be an inferior technology.

Mr. WARNER. Mr. President, I listened carefully as my colleague from Michigan recited his argument. But I come back to his opening statement that this would make us ''less secure.'' We have nothing from which to go to a lesser security today, in terms of our ability tomorrow or tonight to interdict a stray, unintentional missile, or indeed one fired by a terrorist at the United States. Can we agree on that point?

Mr. LEVIN. No. We can, I hope, agree on this. If, in fact, our commitment to deploy a system now causes Russia not to ratify START II, or to pull out from START I, leaving her with thousands of additional warheads that she otherwise would have gotten rid of, it will indeed make us less secure. That is why this bill should be called the Reduce America's Security Act of 1996—because the commitment to deploy this defense prematurely will, in the view of General Shalikashvili and the Joint Chiefs, who share his view, cause Russia to pull out from START I, not to ratify START II, and that will make us less secure.

Mr. WARNER. Now, Mr. President, it is obvious that we are not going to come to closure on that point. But we have each made our positions.

The PRESIDING OFFICER. The Chair informs the Senators that under the rules we are operating by, there are five minutes for morning business. Does the Senator wish to ask for additional time?

Mr. WARNER. The chairman has put in a request that we have more time. I ask unanimous consent that we may proceed for a period in the colloquy of another 3 or 4 minutes, and then the Senator from Virginia will close with a set of remarks of his own.

The PRESIDING OFFICER. Without objection, the Senator from Virginia is recognized to engage in a colloquy, following which the Senator from Virginia is recognized for 5 minutes for morning business.

Mr. WARNER. I thank the Chair.

I say this to my good friend. I, with modesty, mention the fact that in the period when the ABM Treaty was negotiated, I was privileged to be serving in the Department of Defense and, more specifically, under the Secretary of the Navy. I followed the preparations and the negotiations for the ABM Treaty. Mr. President, it was my privilege to accompany the President of the United States and the Secretary of State and our chairman to Moscow in May of 1972. My principal responsibility was to conclude the negotiation of the Incidents at Sea Treaty, on which I have been the principal negotiator, and to be

the signatory on behalf of the United States on that Executive agreement with the Soviet Union and with the Soviet Navy.

Mr. LEVIN. A landmark agreement it was.

Mr. WARNER. It is still in effect today, although modified. It is a living Executive agreement, in a sense.

Departing from that and going back to the ABM Treaty, I remember reviewing this at that time and in the past 2 or 3 years in the course of the debates. Those that were present at that time were clearly of one mind that that treaty was never designed to apply to the short-range theater systems. I might ask, does my distinguished colleague concur in that?

Mr. LEVIN. I do indeed, and that is why we are developing theater systems.

Mr. WARNER. Fine. Well, that is my concern. This ABM treaty has indeed, in my judgment, impeded the unfettered, unrestrained technical knowledge that this country has available to devise means for a defense of the short-range systems. I just wanted to put that point alongside the points of my distinguished colleague from Michigan. That concludes my inquiry.

Mr. LEVIN. If I could comment briefly on that, I do not think the Defense Department or the Joint Chiefs would agree that we have been constrained in the development of the short-range systems, the so-called ''theater systems.'' We are proceeding apace with those systems, and I think we have been assured by the Defense Department that not only would we agree that the ABM Treaty does not cover the short-range or theater systems, but that the Defense Department does not feel that the ABM Treaty has constrained that development. Article 6 of the treaty was written, however, very expressly to prevent each nation from turning non-ABM systems into ABM systems. That was also part of the treaty which was ratified.

Mr. WARNER. Mr. President, I would simply close this debate with the observation that my criticism is not directed at President Clinton but, indeed, to a succession of Presidents who have laid down, should we say, a framework within which our scientists, research and development, and others have been contained. And, if you look carefully at the assertions by the chairman and others, yes, we have not limited them within that framework. But I take the position that the framework should never have been laid down in the first place predicated on the ABM Treaty in the short-range missile defense systems. That never should have applied to any of our research and development as components for a defense against short-range attack.

DEFEND AMERICA ACT

Mr. WARNER. Mr. President, I would like to turn to the legislation at hand which was addressed by the distinguished chairman of the committee.

I rise today to join my colleagues in supporting this crucial legislation to protect the American people from the very real threat of long-range ballistic missile attack. I find it curious that the day after President Clinton made headlines by claiming that he supports a National Missile Defense System, the Democrats in the Senate are preventing the Senate, as the distinguished chairman stated, from even debating and considering a bill that would provide for such a system.

It was timely, in my judgment, for this debate because the interest of the American people have been drawn to the fact that we do not have a defense against an accidental or unintentional firing of a long-range strategic ballistic missile. That, I think, is agreed on by all.

During his speech yesterday at the Coast Guard Academy, President Clinton made a series of points on national missile defense. Let us examine carefully his assertions.

The President begins by talking about theater missile defense: ''Our first priority is to defend against existing or near-term threats, like short- and medium-range missile attacks on our troops in the field or our allies.'' So far, I concur. This is also the priority that Republicans established years ago, in the wake of the Persian Gulf war. On trips to that theatre during that war I saw the destruction of Iraq's use of the scud. I experienced with other Senators, a scud attack on Tel Aviv on February 18, 1991. It impacted a considerable distance from where we were at the Defense Ministry Building.

The President then continues, ''And we are, with upgraded Patriot missiles, the Navy Lower and Upper Tier and the Army THAAD.'' What are the facts? The facts are that the administration's recent BMD Program Update Review shifted the focus of TMD efforts to point defense systems (Patriot PAC-3 and Navy Lower Tier) at the expense of the more promising and capable area wide systems (THAAD and Navy Upper Tier). As a result of this review, $2 billion was stripped from the THAAD program over the FYDP; and the Navy Upper Tier program remains little more than a science project—with no acquisition or deployment strategy. These actions were taken despite last year's clear legal requirements to accelerate both programs. Once again, the Armed Services Committee has had to come to restore both of these programs—adding almost $500 million to the administration's inadequate request in the Senate bill.

Next, the President addresses the threat: ''The possibility of a long-range intercontinental missile attack on American soil by a rogue state is more than a decade away.'' I say wrong Mr. President. The President and many of our Democrat colleagues are relying on a recent intelligence community assessment which reportedly claims that the threat of ballistic missile attack against the United States is 15 years away. Several important qualifications must be highlighted. First, that intelligence assessment was carefully crafted to consider only threats to the continental United States—not Alaska and Hawaii. The threat to Alaska, in particular, from a long-range ballistic missile currently under development by North Korea is real and near-term. Also, that 15-year scenario is based on the assumption that rogue nations will develop their missiles indigenously—without foreign help. We all know that these nations are receiving substantial foreign assistance for their weapons development programs. Such assistance will substantially accelerate the threat.

We should not be lulled into a sense of complacency by such reports. Remember the assessments we received just prior to the Gulf War—Iraq was supposed to be least 5 years away from a nuclear weapons capability. After Desert Storm, and the U.N. inspections, we were shocked to learn the true extent of the advancements in the Iraqi nuclear program

A focus on the threat from rogue nations also ignores the substantial military capabilities both Russia and China—both nations with intercontinental missiles capable of reaching our shores. We all know of the threats the Chinese made during the recent standoff with Taiwan. They correctly know that the United States is currently defenseless against ICBM attack. And the President may take comfort in the Russian promise that they are no longer targeting the United States. But we all know that—even if this representation is true—retargeting is a relatively quick and easy thing to change. I would prefer us to rely on limited U.S. defenses, rather than Russian promises, for our security.

In criticizing the Defend America Act, the President claims that ''They have a plan that Congress will take up this week that would force us to choose now a costly missile defense system that could be obsolete tomorrow. The Congressional Budget Office estimates that this cost will be between $30 and $60 billion.'' The facts? The Defend America Act does not specify a particular architecture for a national missile defense system—it simply says that the United States should have a highly effective system to defend against limited, accidental or unauthorized ballistic missile attacks. There is nothing new here. This is technology that we have been investing in—to the tune of $38 billion—since the early 1980s. We are simply saying that the time for ''science projects'' is over, the time has arrived to turn this technology into a deployed system that will protect Americans.

Weapons development programs—on average—take a decade from start to finish. As technology advances, those advancements are incorporated into the weapons. Why should NMD be any different—why does the President think that an NMD system would be

''obsolete'' by the time it is deployed in the year 2003? There is no basis for such a claim.

Concerning the CBO cost study, the $30 to $60 billion range the President refers to represents the high end of the CBO's conclusions. According to the study, a NMD system capable of protecting the United States could be developed and deployed for less than $14 billion over the next 13 years—or about a billion dollars a year. This is a relatively smaller cost—less than ½ of 1 percent of the DoD budget—to protect the United States from attack.

I should also point out that other cost estimates—these coming from the administration—are much lower than CBO's. For example, the Air Force has said that it would cost only $2.5 billion to deploy such a system; and the Army estimates a cost of $5 billion.

The President states: ''Those who want us to deploy this system before we know the details and the dimensions of the threat we face I believe are wrong. I think we should not leap before we look.'' This is not a surprising statement from a President who is a recent ''convert'' to the need for a national missile defense system. Republicans have been following ''the details and dimensions of the threat'' for over a decade. What more do we have to wait for before committing to defend the United States? The threat is not diminishing. Approximately 30 countries currently have ballistic missiles, with varying ranges, and many of these nations either have or are actively seeking to acquire war heads of mass destruction—nuclear, chemical or biological. There is no lack of appetite in the world for such ''status symbols.'' Weapons of terror, intimidation. I submit that the only thing inevitable about the missile threat we face is that the threat will continue to increase. The President seems to believe that we have the luxury of time to sit around and discuss and contemplate the threat—all the while with Americans remain unprotected against an unintentional or terrorist firing of one or more missiles. I say it is time to act to protect our Nation before it is too late.

One of my favorite lines in the President's speech is: ''It is (Defend America Act) would weaken our defenses by taking money away from things we know we need right now.'' This from a President who submitted a budget request that was $18.6 billion below the FY96 level for defense; and the same President who recently threatened to veto the FY97 Defense Authorization Bill passed by the House because it contains $12 billion more than he requested. A President who has a history for inadequately funding our military.

Finally, the President claims that: ''It is (Defend America Act) would violate the arms control agreements that we have made and these agreements make us more secure.'' Again, the facts. There is nothing in the defend America Act which would violate the ABM Treaty. The Act calls on the President to negotiate changes to that Treaty to allow for the deployment of an effective NMD system. I should point out to my colleagues that the ABM Treaty—a 25-year old agreement with the Soviet Union—was never intended to be a static agreement. The Treaty itself includes provisions for amendments—and, in fact, the Treaty has been amended over the years. Why, all of a sudden, is the Treaty now not amendable?

I firmly believe that Americans here at home and U.S. troops deployed overseas should be protected by highly effective missile defenses as soon as is technologically possible.

ORDER OF PROCEDURE

Mr. WARNER. I know the Chair and others are anxious to conclude the matters before the Senate tonight. I am prepared to assume the role of acting leader and have the concluding remarks for tonight.

The PRESIDING OFFICER. The Senator from Virginia is recognized.

Mr. THURMOND. Mr. President, if there is nothing else to come before the Senate tonight, I think we are ready to adjourn.

Mr. WARNER. Mr. President, I say to the distinguished chairman, might I suggest that either the chairman or I address certain closing remarks for the leader?

Mr. THURMOND. I will delegate that to the able Senator from Virginia.

Mr. WARNER. I thank the distinguished chairman.

MEASURE SEQUENTIALLY REFERRED—H.R. 3286

Mr. WARNER. Mr. President, I ask unanimous consent that when the Finance Committee reports H.R. 3286, the bill be sequentially referred to the Committee on Indian Affairs for the purpose of considering title III of the bill for a period of 10 days of Senate session; further, that if the Committee on Indian Affairs does not report the measure at the end of the 10 session days, the Indian Affairs Committee be discharged from further consideration of the bill and the bill be placed on the calendar.

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

AUTHORITY FOR COMMITTEES TO REPORT

Mr. WARNER. Mr. President, I ask unanimous consent that the committees have between 11 a.m. and 2 p.m. on Wednesday, May 29, to file legislative or executive reported legislation.

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

AUTHORIZATION FOR PRODUCTION OF RECORDS

Mr. WARNER. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of Senate Resolution 256 submitted earlier today by Senators DOLE and DASCHLE.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows.

A resolution (S. Res. 256) to authorize the production of records by the Select Committee on Intelligence.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution.

Mr. DOLE. Mr. President, the Select Committee on Intelligence has received a request from the Office of the Inspector General of the Central Intelligence Agency for copies of committee records relevant to the Inspector General's pending inquiry into the Zona Rosa massacre of six American citizens in El Salvador in 1985.

Mr. President, this resolution would authorize the Chairman and Vice Chairman of the Intelligence Committee, acting jointly, to provide committee records in response to this request, utilizing appropriate security procedures.

Mr. WARNER. Mr. President, I ask unanimous consent that the resolution be agreed to, the preamble be agreed to, the motion to reconsider be laid on the table, and that any statements relating to the resolution appear at the appropriate place in the RECORD.

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

The resolution (S. Res. 256) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, is as follows:

Whereas, the Office of the Inspector General of the Central Intelligence Agency has requested that the Select Committee on Intelligence provide it with copies of committee records relevant to the Office's pending review of matters related to the Zona Rosa massacre of six American citizens in El Salvador in 1985;

Whereas, by the privileges of the Senate of the United States and Rule XI of the Standing Rules of the Senate, no evidence under the control or in the possession of the Senate can, by administrative or judicial process, be taken from such control or possession but by permission of the Senate;

Whereas, when it appears that documents, papers and records under the control or in the possession of the Senate may promote the administration of justice, the Senate will take such action as will promote the ends of justice consistently with the privileges of the Senate: Now, therefore, be it

Resolved, That the Chairman and Vice Chairman of the Select Committee on Intelligence, acting jointly, are authorized to provide to the Office of the Inspector General of the Central Intelligence Agency, under appropriate security procedures, copies of records that the Office has requested for use in connection with its pending review into matters related to the Zona Rosa massacre.

ORDERS FOR FRIDAY, MAY 24, 1996

Mr. WARNER. Mr. President, I ask unanimous consent that when the Senate completes its business today it

stand in adjournment until the hour of 11:30 a.m. on Friday, May 24; further, that immediately following the prayer, the Journal of proceedings deemed approved to date, no resolutions come over under the rule, the call of the calendar be dispensed with, the morning hour be deemed to have expired, and the Senate then turn to a period for morning business until the hour of 1 p.m. with Senators permitted to speak for up to 5 minutes each.

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

PROGRAM

Mr. WARNER. Mr. President, for the information of all Senators, a cloture motion was filed on the Defend America Act today. That cloture vote will occur on Tuesday, June 4, at 2:15 p.m., and will be the next rollcall vote. The Senate will be in session tomorrow for morning business in an attempt to clear a few items that would be considered by consent.

No rollcall votes will occur during Friday's session of the Senate.

ADJOURNMENT UNTIL 11:30 A.M. TOMORROW

Mr. WARNER. Mr. President, if there is no further business to come before the Senate—and I see no Senators seeking recognition—I now ask that the Senate stand in adjournment as under the previous order.

There being no objection, the Senate, at 7:46 p.m., adjourned until Friday, May 24, 1996, at 11:30 a.m.

NOMINATIONS

Executive nominations received by the Senate May 23, 1996:

INSTITUTE OF AMERICAN INDIAN AND ALASKA NATIVE CULTURE AND ARTS DEVELOPMENT

JEANNE GIVENS, OF IDAHO, TO BE A MEMBER OF THE BOARD OF TRUSTEES OF THE INSTITUTE OF AMERICAN INDIAN AND ALASKA NATIVE CULTURE AND ARTS DEVELOPMENT FOR A TERM EXPIRING OCTOBER 18, 2002, VICE PIESTEWA ROBERT HAROLD AMES, TERM EXPIRING.

DEPARTMENT OF DEFENSE

KEITH R. HALL, OF MARYLAND, TO BE AN ASSISTANT SECRETARY OF THE AIR FORCE, VICE JEFFREY K. HARRIS, RESIGNED.

EXECUTIVE OFFICE OF THE PRESIDENT

KERRI-ANN JONES, OF MARYLAND, TO BE AN ASSOCIATE DIRECTOR OF THE OFFICE OF SCIENCE AND TECHNOLOGY POLICY, VICE JAMES M. WALES, RESIGNED.

U.S. INTERNATIONAL DEVELOPMENT COOPERATION AGENCY

GERALD S. MCGOWAN, OF VIRGINIA, TO BE A MEMBER OF THE BOARD OF DIRECTORS OF THE OVERSEAS PRIVATE INVESTMENT CORPORATION FOR A TERM EXPIRING DECEMBER 17, 1998, VICE DONALD BURNHAM ENSENAT, RESIGNED.

DEPARTMENT OF STATE

PETE PETERSON, OF FLORIDA, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE SOCIALIST REPUBLIC OF VIETNAM.

EXECUTIVE OFFICE OF THE PRESIDENT

FRANKLIN D. RAINES, OF THE DISTRICT OF COLUMBIA, TO BE DIRECTOR OF THE OFFICE OF MANAGEMENT AND BUDGET, VICE ALICE M. RIVLIN.

DEPARTMENT OF LABOR

J. DAVITT MCATEER, OF WEST VIRGINIA, TO BE SOLICITOR FOR THE DEPARTMENT OF LABOR, VICE THOMAS S. WILLIAMSON, JR.

EXECUTIVE OFFICE OF THE PRESIDENT

JERRY M. MELILLO, OF MASSACHUSETTS, TO BE AN ASSOCIATE DIRECTOR OF THE OFFICE OF SCIENCE AND TECHNOLOGY POLICY, VICE ROBERT T. WATSON, RESIGNED.

DEPARTMENT OF STATE

JOHN STERN WOLF, OF MARYLAND, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF MINISTER-COUNSELOR, FOR THE RANK OF AMBASSADOR DURING HIS TENURE OF SERVICE AS U.S. COORDINATOR FOR ASIA PACIFIC ECONOMIC COOPERATION [APEC].

CORPORATION FOR PUBLIC BROADCASTING

HEIDI H. SCHULMAN, OF CALIFORNIA, TO BE A MEMBER OF THE BOARD OF DIRECTORS OF THE CORPORATION FOR PUBLIC BROADCASTING FOR A TERM EXPIRING JANUARY 31, 2002, VICE LESLEE B. ALEXANDER, TERM EXPIRED.