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Senate

The Senate met at 11 a.m., and was called to order by the Honorable SUSAN M. COLLINS, a Senator from the State of Maine.

PRAYER

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

Spirit of the living God, we confess the banked fires of faith in the hearths of our hearts. White ash often covers the burned-down embers. The danger of burnout is always present when we become so busy that there is little time to be refueled by Your love and power, Your wisdom and strength. You never meant for us to make it on our own. Our responsibilities are too great to face without a constant replenishment of Your inspiration. Bellow the flickering embers of our hearts until they are white hot again with the fire of patriotism, vision and hope, conviction and courage. Holy Spirit, we need You. Thank You for setting us ablaze with Your fire. Amen.

APPOINTMENT OF THE ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore [Mr. THURMOND].

The assistant legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, DC, February 5, 1997.

To the Senate:

Under the provisions of rule 1, Section 3, of the Standing Rules of the Senate, I hereby appoint the Honorable SUSAN M. COLLINS, a Senator from the State of Maine, to perform the duties of the Chair.

STROM THURMOND,
President pro tempore.

Ms. COLLINS thereupon assumed the chair as Acting President pro tempore.

RECOGNITION OF THE ACTING MAJORITY LEADER

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

Mr. NICKLES. Madam President, I thank you.

SCHEDULE

Mr. NICKLES. Today, the Senate will begin a period of morning business until 3 p.m. this afternoon. At 3 p.m., the Senate will begin consideration of Senate Joint Resolution 1, the constitutional amendment requiring a balanced budget. By unanimous consent, during today's session no amendments will be in order to Senate Joint Resolution 1. Senators, hopefully, will make their opening statements throughout the day, and I encourage all Members to make remarks today so that on Thursday we will be prepared to make progress on this important constitutional amendment.

For the remainder of the week, it is still possible the Senate will consider any of the available nominations that have been or will be reported from committee. As always, Senators will be notified of any rollcall votes as they are scheduled.

I might mention that it is anticipated no votes will occur today, but that has not been totally decided. So with that, I thank my colleagues and I yield the floor.

The PRESIDING OFFICER (Mr. BROWNBACK). Under the previous order, the Senator from Maine [Ms. COLLINS], is recognized to speak for up to 30 minutes.

Ms. COLLINS. Thank you, Mr. President.

REPRESENTING THE PEOPLE OF MAINE

Ms. COLLINS. Mr. President, it is with great pride that I rise to address my colleagues for the first time from the floor of the U.S. Senate, the world's greatest deliberative body. I

am honored to be standing where once stood Senator Margaret Chase Smith, who was such an inspiration to me as a young girl growing up in Caribou, ME.

In all of history, only 26 women have served in the Senate, only 15 of us elected in our own right. I am especially proud that my home State is the first to send two Republican women to serve in the Senate at the same time. And I am very pleased to be sharing that honor with my colleague, Senator OLYMPIA SNOWE.

During my youth, the people of Maine were fortunate to have an inspiring example of a woman who stood tall for her principles and for her State. As a Senator from 1949 to 1972, Margaret Chase Smith taught us that women could reach the highest levels of government and that hard work, common sense, and integrity are rewarded.

Equally important, Senator Smith taught us how to govern. She recognized it is only through civil discourse and a spirit of cooperation that the people's business gets done. And she showed us all, through her deeds as well as her words, that there is a difference between the principle of compromise and the compromise of principle. Compromising one's principles is wrong. Compromising on how to achieve those principles is the essence of a healthy democracy.

Each of us is called to serve, and the different ways in which we are called form the fabric of this great Nation. Some are called to heal and become doctors and nurses. Others are called to impart wisdom to the next generation and become teachers. Others are called to work in the businesses, large and small, that provide the products and services that enrich our daily lives. Still others are called to be the entrepreneurs who create the jobs that keep this country at the forefront of the world's economy.

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



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With a father, grandfather, great-grandfather, and great-great-grandfather who all served in the Maine Legislature, I heard the call to public service at an early age. And that call was not limited to the men in my family, as my mother served as head of the local school board, as mayor of Caribou, and as the chair of the board of trustees of Maine's State university system. With my family background, no greater honor could be bestowed upon me than to represent the people of Maine in the U.S. Senate.

In undertaking my duties as Senator, Mr. President, I come to Washington not as an enemy of government but as one committed to improving it. We need a vigorous debate in this country about the role of government, a reassessment of what it can and cannot do. There are some problems that only the Federal Government has the resources and the authority to address, but many times the answers are found not in Washington but in our neighborhoods, our communities, our States, and ultimately in ourselves.

If there is one change in government on which we should all be able to agree, it is that we need to start to be more forthright with the American people about the difficult challenges facing us. A well-known Maine business sells hunting boots, and if you buy a pair of them you can be confident they will withstand the test of time. Take them apart and you will understand why. They contain no bells or whistles. If our Federal budget were as honestly constructed as a pair of Maine boots, future taxpayers could sleep as well as Maine woodsmen.

In assessing the role of government, we must never forget that the great advances we have made over the years can ultimately be traced to the energy and creativity of our citizens. Indeed, perhaps the most profound change in political thought around the globe during the past two decades has been the recognition that there is usually a correlation between less government and more progress.

Government must foster the energy and creativity of our private sector. As Winston Churchill once said, "Some see private enterprise as a predatory target to be shot, others as a cow to be milked, but few see it as a sturdy horse pulling the wagon." I do see private enterprise as that sturdy horse, and in that wagon which it is pulling are the jobs that are so critical to all of our constituents.

Wherever I travel in Maine, the primary concern of the people is jobs. In the past, they were worried about whether jobs would be there for their children and their grandchildren. Today, they are worried about their own jobs as well—some about getting jobs and many more about keeping the ones that they have. We live in the midst of an exciting and dynamic technological revolution, but it is accompanied by widespread anxiety about our futures. One need only visit with

former mill workers in Millinocket or Biddeford, ME, to understand that fear.

To respond to the concerns of our citizens, Government policies must promote job creation and retention, and the starting point is small business. In my State, it is the 30,000 small businesses that provide most of the new employment opportunities, and it is small businesses that will account for two-thirds of the new jobs in the next decade.

Even though small businesses provide the spark that ignites many of the new ideas that benefit us all, Government policies often serve to inhibit rather than foster these enterprises. A glaring example is the onerous estate tax that deters families from passing on a successful business from one generation to the next. An owner of such a business in Maine once told me that he made the painful decision to sell his family business to a large out-of-State corporation rather than leave it to his children and force them to assume a large debt to pay the Federal estate tax. He was forced to abandon what he and his father before him had spent their lives building. Making matters worse, the new corporate owner consolidated its administrative operations out of State, costing Maine more than 50 good jobs. That is wrong. That is the kind of policy we must change.

If excessive taxes cause the downfall of some enterprises, others are done in by unreasonable regulations. This occurred in Lubec, ME, located in one of the most beautiful but also one of the poorest parts of my State. During my Senate campaign, I toured the empty shell of the McCurdy Fish Co., a family owned business that had operated in Lubec for more than 90 years, providing 20 good, much-needed jobs to this area. It was closed down by new Federal regulations with which it simply could not afford to comply. Adding insult to injury, just across the border the company's Canadian competitor continued processing fish in the same manner as had the Lubec company and exported its product into the United States, free from these expensive regulations.

Mr. President, another essential step to promoting an economic climate that creates jobs is balancing the Federal budget. It has been estimated that a balanced budget would reduce interest rates by more than 1 percent, a strong stimulus for growth and employment.

To ensure long-term prosperity, we must learn to live within our means. Not since 1969 has this Nation seen a balanced budget. More than 25 years of skyrocketing spending and an unwillingness to make sacrifices have ballooned our debt to more than \$5.2 trillion. We must act now or leave a legacy of crushing debt to the next generation. At the rate we are going, we may cross that bridge to the 21st century, only to arrive in a land of unkept promises and unpaid bills.

To avoid this fate, one of my top priorities will be to pass a balanced budg-

et amendment to the Constitution. History shows that it will take a constitutional requirement for Congress to embrace fiscal responsibility as a permanent obligation rather than as a passing fad.

Fiscal responsibility also means Medicare and Social Security must be placed on a sound financial footing. Only through effective action on these fronts will we be able to keep our promises to our seniors without bankrupting our children.

A third key to jobs is quality education. The fruits of the new age in which we live will be shared by most of our citizens only if the doors of opportunity are open wide. Contrary to what some would have you believe, we do not face a choice between the greed of a few and the well-being of the many. Rather, we need policies that will ensure that when an entrepreneur drops the stone of innovation into the technological pool, the benefits ripple throughout society. Government cannot and should not assure equality of outcomes. But without equality of opportunity, the American dream is unfairly denied.

The reality of today's workplace is that 85 percent of the new jobs will require some sort of post-secondary education, whether that be a community college, a technical or vocational education, or a bachelor's degree and beyond. We must do what we can to open the doors to a post-secondary education for anyone who wants it, and to ensure that cost is not the barrier that separates those who pursue higher education from those who do not. Increasingly, we are finding that the growing gap between the rich and the poor in this Nation is an education gap.

A final element in achieving broad-based participation in the new American-led industrial and technological revolution is fair trade. The primary victims of unfair trading practices are workers, particularly those with the fewest skills and the least education. Let me be clear: I am a strong advocate of free trade, but we cannot sustain majority support for that policy unless we take a strong stand against unfair practices.

While mine is a message of jobs and opportunity, I know that there are those who, through no fault of their own, are unable to get by without help from their government. Hubert Humphrey once said, "the moral test of a government is how *** [it] *** treats those who are in the dawn of life, the children; those who are in the twilight of life, the elderly; and those who are in the shadows of life—the sick, the needy and the handicapped." As we go about the difficult task of balancing the budget, of choosing among many worthwhile programs, we must take care not to leave behind those who truly need our help.

Those are the principles upon which my vision of the future of America is based. And I bring one other principle

to this body, one which will guide me more than any other as I embark upon this exciting journey, and that is a steadfast commitment to the people of Maine. Whether it is fighting for Maine's fair share of Federal contracts, urging a business to expand and create jobs in our State, or helping a constituent navigate the bureaucratic maze in order to receive veterans' benefits, it will be service to the people of my State that will be my highest priority as Maine's newest Senator.

Just 1 year ago, I stood in Bangor, ME, with my family and my friends at my side, and announced my intention to seek a seat in the U.S. Senate. I told the people of Maine then that I would represent them with dignity and determination, with energy and enthusiasm. My approach will be simple and straightforward: I will listen to all points of view, I will engage in constructive dialog with my colleagues, I will compromise when compromise is warranted, but, after all is said and done, I will fight for those changes that will make the Federal Government better able to serve the people of Maine.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The acting majority leader.

Mr. NICKLES. Mr. President, I wish to compliment Senator COLLINS for an outstanding maiden speech, her first speech on the Senate floor. I think the speech speaks very well for itself and for Senator COLLINS. I think it also speaks very well for the State of Maine, in showing excellent taste, making an excellent decision in electing Senator COLLINS. I look forward to working with her and joining with her and with Senator SNOWE and following the tradition of Senator Margaret Chase Smith, who was one of the pioneers in the Senate.

I wish to compliment the Senator from Maine for an outstanding speech. Several of the things which she mentioned in her speech we have very high on our agenda. Senator COLLINS mentioned that she wanted to pass a constitutional amendment to balance the budget. We are going to be discussing that today, and hopefully we will be voting on that very soon, certainly by the end of this month.

Hopefully, we will pass it. I might mention, Senator COLLINS' election may well be the deciding vote in making that happen, because in the last Congress, we failed by one vote. So, again, every election is important.

I compliment the Senator from Maine for an outstanding speech and reassure her that I share many of her objectives. She mentioned reducing the inheritance tax to help small business. I couldn't agree more.

I compliment her on an outstanding speech and compliment the people of Maine for sending two outstanding Senators to serve and join us in the U.S. Senate.

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

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. GREGG. 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. GREGG. Mr. President, what is the regular order? Are we in morning business?

The PRESIDING OFFICER. The Senate is in morning business, and the Senator is recognized for 5 minutes.

EDUCATION

Mr. GREGG. Mr. President, I rise today to speak a little bit about the issue of education, which was raised so aggressively by the President in his State of the Union Address last night. I congratulate him, once again, for focusing the country's attention on this critical concern. It is something that we, as a nation, have focused our energies on ever since we began, and many could argue that one of the really unique miracles of American society has been our educational system.

With each generation, we have asked ourselves, is our system working well, is it working right, is it producing individuals who are trained and capable of participating in the issues which their generation will face? In many instances, the answer has regrettably come back, no, maybe we aren't or we are not doing quite enough.

I, for example, remember that in 1980, we had the report of "A Nation at Risk," and that report identified as a country, because of our educational failings, we were falling behind, falling behind our sister nations in the industrial world in the area of educating our students and their capacity to compete, especially in areas such as science and math. So a major initiative was undertaken as a result of that.

Then when I was Governor of New Hampshire back in 1988, President Bush had just been elected, and he proclaimed that he would be the education President and gathered, for the first time, I believe—maybe it was the second time in history—all the Governors in one location for the purpose of taking on a one-item agenda. That was in Charlottesville, VA, and the issue was education.

At that time, Governor Clinton from Arkansas was, I believe, the chairman of the Governors conference and played a major role in identifying five major policies which would be the goals to get us to the year 2000 to improve our educational system.

One of those policies involved being a leader in the world by the year 2000, I believe it was—it might have been earlier—in the area of math and science education.

Now we have President Clinton coming forward and saying, again, and accurately so, that our educational system is not accomplishing what we need as a nation. It is not educating our children to the level that is necessary

for us, as a nation, to compete. And so we revisit the issue.

The question is, how do we revisit the issue? Do we learn from our mistakes of the past, or do we simply go forward with another new set of initiatives which may or may not accomplish our goals or may not accomplish more than what was accomplished in the last efforts. This is what I want to discuss, because I think the President, for all his energy and his enthusiasm and his rightly directed purpose, which is to improve education, has, to some degree, missed the point.

There are a lot of issues of education, but there are parts of education which work well, and one of the core parts of education that works well is the ability to keep the control over education at the local level. The essence of quality education, the formula for quality education is not a formula which says dollars equal better education. It is a formula that has variables in it, including dollars, including teachers, including principals, including school boards. But that formula doesn't necessarily have as a major function in it—we are talking now about secondary and elementary education—the Federal Government deciding the purposes, the roles, the curriculums of education. Rather, the essence of that formula is that the local community, the teachers, the parents, the principals, the school boards collaborate to produce quality education.

So the Federal role in education is narrow, because there could be nothing more disruptive or, in my opinion, nothing that would undermine education more fundamentally than to move the decision process out of the hands of the parents, out of the hands of the teachers, out of the hands of the principals to Washington. We would end up with a bureaucratic structure which would not respond to the needs of better education.

No, the Federal role is narrow. It should be focused, focused on places where it can make an impact, and that is what we tried to do or attempted to do. Sometimes we tried to go beyond that. Basically, that is what we tried to do. The Federal role has been, for example, in postsecondary education. The Federal role is significant, important, and appropriate in assisting students in being able to move on past their high school years to higher education, and the President's initiatives in this area are something that we want to look at because they could be a valuable addition.

The Federal role in the secondary school level has been really limited and focused to a couple of specific areas where we felt the Federal Government could play a major part—chapter 1, Head Start, and special needs students.

But now the President comes forward and lays out a whole brand new set of initiatives, new spending programs, \$43 billion in new programmatic activity, not pursuing programs that are on the books, but setting off on brandnew programs, and you have to ask yourself:

First, how many of those programs are appropriate to the Federal Government and, second, and even more important, is that the best use of those dollars, because there is something that is missing here.

At the local school level, the Federal Government has said you must educate the special needs child under Public Law 94-142. This was an excellent decision, that we require that the special needs child would be able to be educated in the least restrictive, most mainstreamed environment, and it has worked well. But when we passed that law, the Federal Government also said that we were going to be a partner in that education; that we, the Federal Government, because we were insisting that the local government undertake this role in the elementary and secondary schools, that we, the Federal Government, would pay for 40 percent of the cost of special education in this country. Today, the Federal Government doesn't pay for 40 percent of the cost of special education, it pays for approximately 6 percent, and the impact on the local school systems of the Federal Government not stepping forward and doing what it said it would do to assist in educating special needs students has been dramatic.

We have seen a shift in resources at the local level which has been arbitrarily created because of the Federal Government's failure to live up to its responsibility.

In the local schools in my State, for example, the local property taxpayer bears the burden of education primarily, and this is true throughout New England to a large degree, and many other States, I am sure. What happens is that because the Federal Government is unwilling to pay the 40 percent it said it would pay for a special needs student, the local property taxpayer has to pick up that 40 percent, or the difference between what the Federal Government is paying and what it said it would pay, which is about 34 percent.

That has meant that resources which might have been used for the average student, maybe to have an extra art class or an extra language class or an extra math class, or might have been used for the athletic program or for the cultural programs in the school system or might have simply been left with the local property taxpayers so that they could meet their mortgage payments more easily or their car payments more easily, that money is going to educate the special-needs student.

What we have created is a conflict, an inappropriate, unfair conflict, especially to the special-needs student, because what has happened is that in many communities where you have children who need special assistance, that special assistance is extremely expensive, and the parents of the students who are not special-needs students look at the parents of the students who are special-needs students and say, "Why is your son or daughter

getting \$10,000, \$20,000, \$30,000 spent on their education annually when my son or daughter is only having \$3,000 or \$4,000 or \$5,000 spent on him or her?" "It's just not fair," they are saying.

So you have this conflict. And it is not right. There is no reason why that special-needs student should be separated out and find that they are looked upon in a jaundiced way by the community, by the other parents, and parents conflicting with parents, the school board conflicting with parents.

The only reason it is occurring is because the Federal Government has failed to live up to its obligations on this special education. We said we would pay 40 percent of the cost of special education, and instead we are paying 6 percent. That has created this conflict at the local level, which has placed the special needs student in a really unfair and inappropriate position.

You have to ask yourself, why do we do this? Why does the Federal Government do this? Well, it is called an unfunded mandate.

The first act of the Republican Congress 2 years ago was to pass a bill, which I helped author but which was really energized and driven by the Senator from Idaho, Senator KEMPTHORNE, which said we will not pass unfunded mandates any longer. Unfortunately, this one is already on the books. It is the largest unfunded mandate in the education arena; maybe outside of a couple of environmental unfunded mandates, the largest unfunded mandate in the country. It has had this really perverse effect, both of the tax burden on the local communities and the States, but, more importantly, the relationship between the students in a school system. And it is not right.

What we have said is we are going to correct this. We said it in the unfunded mandate language that we passed. More recently we made a commitment, as a Republican Senate anyway, to try to redress this. As we closed out the last budget year, we passed the omnibus appropriations bill. In that appropriations bill, at my suggestion, but with Senator LOTT's leadership, we put in \$780 million more into special education over what had originally been planned. It does not get us up to 40 percent. Maybe it got us up to 7 percent from 6 percent or 8 percent from 6 percent, but it was a downpayment. For example, in New Hampshire an extra \$3.5 million coming to special needs kids toward the Federal obligation. So we showed we were serious, as a Republican Congress.

Then to confirm and dot the "i" and cross the "t" and put the exclamation point in, we have introduced Senate bill 1. Senate bill 1 says that we, as a Republican Senate, commit ourselves to getting to full funding of the special education accounts in a 7-year period on a ramped-up basis, which means that this year we need to add additional moneys in the special education accounts.

Why does this all relate to the President's speech? It relates to the President's speech for this one very obvious reason. The President has proposed \$43 billion in new spending on education. We have not yet seen his budget to know where he is going to get this money. We do not know what accounts he is going to take the \$43 billion from. We have heard him say he is going to do this in the context of reaching a balanced budget by the year 2002, which is our goal and our purpose.

Taking that at face value, that he is going to have legitimate accounting mechanisms and have made hard decisions for the purposes of generating these dollars, it means that a large amount of new dollars is being reallocated from some other accounts into the education accounts.

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

Mr. GREGG. I ask unanimous consent for an additional 3 minutes, Mr. President.

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

Mr. GREGG. That means the President is saying, let us spend another \$43 billion in education, new dollars on new programs. Well, how can he say that when we are not paying what we have already got on the books? That is the point.

How can we go out and put on the books new programs for building construction, which clearly is not a Federal role to begin with, new programs for a variety of different initiatives in education which may be only marginally in the role of the Federal Government, brand new programs, when we are not paying the cost of special education, when we are pitting the special-education students and their parents against the average students and parents in a school system, when we have created this horrendous situation in the local communities where the local school dollars are being drained off to pay for a Federal obligation because the Federal Government is not willing to step up to the bar and make its payment?

It is wrong. What we have done is wrong. Yet now we have the President suggesting a whole new group of expenditures in education.

I suggest, before we step down this road of new education initiatives, before we start building schools for school districts—something that is clearly not a Federal role—that we pay for what is a Federal role, and that we relieve this problem, and that we take out from over the head of the special-needs students the cloud that the Federal Government has failed to pay its fair share.

So I am just putting the Senate on record that I am going to work with the Senate leadership and other Senators who I know feel this way—and there are a lot of us here who feel this way because S. 1 is a consensus bill amongst Republican Senators—to make sure that, before we begin any

new education initiatives, we fund the one we have on the books, we fund the special-needs program, and we fund it appropriately.

So every amendment, every proposal that comes to this floor for a new education initiative will have with it, I assure you, an amendment which will say, special ed is our first obligation, the special-needs child is our first obligation. Let us look to that before we start a new program. Let us fulfill our obligations, before we start a new program, to the special-needs students and to the local taxpayer.

Mr. President, thank you for your courtesy and for the extra time. I yield back my time.

The PRESIDING OFFICER. Thank you.

Under the previous order, the Senator from Wyoming, [Mr. THOMAS] or his designee, is recognized to speak for up to 60 minutes.

Mr. THOMAS. Thank you, Mr. President. Let me assure you that I do not intend to talk for 60 minutes. However, we do intend to use some time as a special order today and will be doing this over a period of time to talk about issues that are important, I think, to the American people and that are important to this Congress, the issues that we now begin to deal with.

THE BUDGET

Mr. THOMAS. We are going to talk about the budget—not a new idea, but, I suspect, the most important issue that we have to talk about, because everything else, everything else that is discussed here, everything else that is decided here will be a function of doing something with the budget.

The Senator from New Hampshire, who just finished, talked about education and special education, which happens to be something that I am very interested in, but it is budgetary; it has to do with the budget.

The budget has to do with more than just arithmetic, more than just a balance sheet; it has to do with priorities, it has to do with fiscal responsibility for our kids, and our grandkids, it has to do with deciding what our direction will be in this country in terms of the Federal Government.

So, Mr. President, we want to talk about that this morning. I will be joined by several of my associates in the freshman and sophomore class who have come together to put a focus on events, and particularly a focus to try to talk about how what we do here with regard to the budget in this instance has to do with where we live, has to do with you and me in terms of our families, has to do with how we have the resources to send our kids to school and pay our bills. There is a direct relationship.

So let me yield 10 minutes to my friend, the new Senator from Arkansas, Senator HUTCHINSON.

The PRESIDING OFFICER. The Senator from Arkansas is recognized.

Mr. HUTCHINSON. I thank the Senator. Mr. President, I rise today to voice my support for the balanced budget amendment to the U.S. Constitution, Senate Joint Resolution 1. I speak not only for myself, but I think I speak for thousands and thousands of Arkansas voters and their families who sent me to Washington with a primary goal of balancing the Federal budget and getting our books in order.

Arkansans, like most Americans, are hard-working, decent people with jobs and families facing constant pressure to make ends meet. Gathered around the kitchen table, these families, like so many others, pay their bills, attempt to budget for future expenses, and say no to the things they cannot afford. They act responsibly. Also, they act with the fear that a prolonged illness or unexpected job loss could push them over the edge, robbing them of financial security and destroying everything that they have worked for and saved. America's families have been forced to live within these limits. My question to the U.S. Senate is, can we ask any less of the Federal Government?

My colleagues, we carry a heavy burden. That burden is both the annual deficit that we caused and the debt that we have created. As of February 3 of this year, our national debt stood at over \$5 trillion. Whenever I hear these numbers I have to ask myself, what does that number mean, what does it mean to me, or better yet, how can we visualize numbers of this magnitude? Author David Schwartz has written a book entitled "How Much Is a Million?" It is a book to help parents explain large numbers to their children. Maybe it will help us as well. One of his examples says, "If a billion kids were to stand on each other to make a human tower, they would stand up past the moon. * * * If you stood a trillion kids on top of each other, they would pass beyond Mars and Jupiter * * * and almost as far as Saturn's rings." In another case he says, "If you wanted to count from one to one trillion * * * it would take you about 200,000 years."

Let me take a moment to put this kind of massive debt into perspective for those slightly older: \$5 trillion of debt translates into over \$19,000 for every man, every woman, and every child in America. That is practically equal to having an additional midsize car payment without having a vehicle. The debt of an average family is more than \$72,000. That could be the equivalent of owning a second residence without being able to stay there. For a family or person who owns a home, it amounts to an additional \$37,000 on average tacked on to their mortgage, without raising the value of their home. For many young adults who are taking advantage of student loans to obtain a better education, the national debt can ring up \$2,200 in additional costs on that loan. This significantly impacts the paycheck of the recent young college graduate who must make

larger than anticipated loan payments at an entry-level salary. For those persons trying to afford a new car, the national debt means the price of that car will go up another \$1,000.

At the conclusion of 1 hour of debate, the 60 minutes that Senator THOMAS has reserved, 1 hour of debate on this resolution, our country will owe roughly \$29 million more than it did when we started the debate.

Last night, the President advocated that we change the Constitution to protect victims rights, but he rejected and condemned the notion that we should amend the Constitution to ensure that our Government lives within its means. As if we were rewriting the Constitution to ensure a balanced budget, saying that is not a requirement, we should not do that. We have the authority; all we have to have is the discipline. I will sign it; you pass it. And yet in the same speech advocating that we change the Constitution to protect victims rights.

There are those who have said that a balanced budget amendment would wreck the economy. Well, business probably more than any other part of our economy has felt the effects of our huge national debt. Government has siphoned billions of dollars in investment capital, which, in turn, restricts our economy from reaching a higher growth potential. Deficits make businesses compete with Government for money, causing interest rates to be higher than they should be. With interest rates higher than necessary and private capital formation being stifled, it is quite possible to foresee lower living standards in the future, even in this time of slow growth we have experienced.

National growth rates of 2 to 3 percent simply are inadequate for America. Balancing the budget can mean an additional \$88.2 billion of capital investment in the first 7 years that we have a balanced budget. The less money being taken by Government, the more money that is available for economic development and job growth. Even more important, we have seen evidence that our debt and annual deficits have restrained the ability to make a better life for all of us.

The Federal Reserve Bank of New York reported that deficits have kept our standard of living down by 5 percent. However, if we decide to make the choice to balance the budget by the year 2001, the General Accounting Office has stated it would lead to a 35-percent increase in the standard of living. Just think what that would mean in spending power to middle-class Americans. A balanced budget amendment will propel Congress to do what legislative remedies, with such words as "firewalls," "spending ceilings," and "lock boxes," what all of those statutory techniques have failed to accomplish since 1968. This measure will give the impetus to set goals and make priorities without budget gimmicks which have characterized the process over the

last 30 years. It will make the budget process look more like what happens with our families than the current situation.

For most of the history of our country, the budget was balanced. Permanent deficits were viewed as intolerable. Permanent deficits were viewed as something that was wrong. Chronic deficits were unacceptable not because of the constitutional prohibition, but because of a deeply embedded moral belief that permanent deficits were simply wrong, a principle held by politicians and the general public alike. With the creation of entitlement programs in the 1960's, the proclivity of politicians to expand these popular and expensive entitlement programs have gone virtually unchecked. The intolerable increase in spending has had the inevitable result of persistent deficits and an ever expanding national debt.

James Buchanan, a professor of economics at George Mason who testified in 1995 before the Senate Judiciary Committee, said, "The immorality of the intergenerational transfer that deficit financing represents cries out for correction." He is so right. He calls it the "immorality of the intergenerational transfer of deficit spending." What he calls the "immorality of inter-generation transfer" is nothing less than one generation stealing from another generation. The fundamental moral code of our Judeo-Christian tradition says "thou shall not steal." That sets the standard. Every time we as a Government spend one dollar that we do not have, we are stealing from our children.

From the establishment of the Republic, our Founders saw public debt not only as immoral but as the principal threat to the survival of our representative democracy. James Madison said, "I go on the principle that a public debt is a public curse and in a republican government, a greater curse than any other." George Washington, in his farewell address, called the accumulation of debt "ungenerously throwing upon posterity the burden of which we ourselves ought to bear."

Indeed, the War of Independence was fought over the principle of taxation without representation. The Founders also knew that deficit spending would impose exorbitant tax rates on coming generations to pay for the debt accumulated by our own conspicuous consumption.

My colleagues, this is the ultimate taxation without representation. When we immorally steal from our children, from our grandchildren, ensuring that they are going to face ever increasing levels of taxation without the right to have any say about it today, Mr. President, the time has come for us to stop stealing from our children and stop the chronic deficit spending by the adoption of a balanced budget amendment to the Constitution, sending it to the States for ratification. We must do it now.

I thank Senator THOMAS for yielding.

(Disturbance in the visitors' galleries.)

The PRESIDING OFFICER. The gallery is reminded not to display expression of approval or disapproval.

Mr. THOMAS. Mr. President, I thank the Senator from Arkansas.

It seems to me that is a very important aspect of this business of balancing the budget. It is not only a mechanical matter, it is not only a fiscal matter, it is a moral matter, and whether or not we have the responsibility to balance the budget and pass on to our kids something that is as good as we had.

Certainly the economics of it are very important, the economics in terms of the amount of interest we pay and all those things.

But it is a moral imperative that we be responsible for what we are doing. If we are going to buy it, we have to pay for it. That is a great concept. I thank the Senator from Arkansas.

Let me now yield 10 minutes to the Senator from Ohio, Senator DEWINE.

The PRESIDING OFFICER (Mr. ENZI). The Senator from Ohio is recognized.

Mr. DEWINE. Mr. President, I thank my colleague and friend from Wyoming.

I rise today also to support the balanced budget amendment to the Constitution. There is no doubt about the need for a balanced budget. We all agree on the huge benefits that will accrue to America if we put our fiscal house in order.

To begin with, it would stave off a horrible catastrophe. Mr. President, if we do not establish a balanced budget and if we choose instead to continue on our present course, by the year 2012, the whole budget is going to be eaten up by entitlements and by interest on the national debt. There will be absolutely no money in the domestic discretionary budget for investment in the future of our children—no money, zero. No money for Pell grants, no money for student loans, no money for National Institutes of Health research, none of the things that really are an investment in our children, our grandchildren, and our great grandchildren. This alone is good enough reason to balance the budget—to avoid a social and fiscal disaster.

Mr. President, there will also be a huge positive benefit from a balanced budget. According to the latest estimates from the Congressional Budget Office, a permanently balanced budget could make our country 25 percent richer by the year 2030. That is outstanding news. That's why so many Americans are very happy to see the signals coming out of the budget process that we may be getting close to an agreement on a balanced budget. That would mean a better future for America. It's that simple. We all agree on this.

But the question we have to ask ourselves now is: Do we need to write this practice of budget balancing into the

Constitution of the United States? Some might contend that our recent success at reducing the deficit proves that a constitutional amendment is unnecessary. Some may say and may tell us that if it's not broken, we don't need to fix it.

Mr. President, that may seem to make sense on the surface, but that argument flies in the face of history. It doesn't make sense when we consider the fact that it has taken the Congress 27 years to make the limited progress we are seeing today—27 years. It took 27 years, Mr. President. The last time the Federal budget was balanced was in 1969. My wife Fran and I were graduating from Miami University in Ohio in 1969.

So of all the arguments against the constitutional amendment, the argument that it's easy enough to balance the budget is certainly one of the weakest. No, Mr. President, our decision on the balanced budget amendment has to be based on a much more fundamental criteria. Indeed, on a matter of conscience.

The question all of us have to ask ourselves is simply this: How important is a balanced budget? Does it rise to the level of a constitutional principle? In other words, is it a fundamental component of what we want to be as a nation? This is a question we all have to answer for ourselves, reflecting on our own deepest values, as well as those of the people who sent us here to make the decisions.

My decision is based on the America I want my children and my grandchildren to inherit a nation bound by its fundamental law to pay its bills on time, to avoid pulverizing future generations with a towering national debt; in simple terms, Mr. President, an America that says no longer are we going to borrow from our children and grandchildren so we can live better today.

In my view, Mr. President, that is as close to a bedrock principle as we can find in political life. I believe it must be in the Constitution. I believe history tells us that it has to be in the Constitution. That is why I believe, for my family, for the people of the State of Ohio and future generations, as well as the present generation, we must pass the constitutional amendment and send it out to the States.

Thank you, Mr. President. I yield the floor.

Mr. THOMAS. Mr. President, I thank the Senator from Ohio. You hear these arguments, and almost no one would disagree with the notion that we need to pay the bills. Few would argue with the idea that it is irresponsible for us to leave it for someone else to pay later. Yet, it has been 1969 since we have had a balanced budget. There is a legitimate argument to be addressed that we must be flexible if there is a war or a disaster. There has to be some movement, as there is in your family. But the fact is that we haven't done it.

We have not done it. So we need to make some difference. You can't expect to change things if you continue to follow the same course. That is precisely what has gone on here.

So we have an opportunity now, for the first time in some time, to do what I think most people believe ought to be done. You might ask why are the freshmen and sophomores particularly doing this this morning, and doing it as a focus on issues throughout the year? I think it is because we are the ones who have most recently gone through the elections, who have most recently been to Greybull, WY, and small towns in Ohio. We know that people want to balance the budget. We know that the folks where we come from say, "Look, we have to be fiscally responsible, and our State has a balanced budget amendment. We have to do that stuff, and it works." Furthermore, we want some control of the growth in Federal Government. We don't want it to grow exponentially. We want it to be under control. Everyone in this place says, "Yes, I am for a balanced budget, but I don't want to do anything that would cause us to have to do that. I don't want any discipline applied." I think that is the issue that we are coming upon, the issue we will deal with. Do you want a balanced budget? Yes. How do we get there? Just do it. Well, that doesn't work, and it hasn't worked for some time.

So that's what it's all about and where we are. We are talking about a process to cause us to do the things that almost unanimously we would choose to do. Mr. President, I am glad to be joined by the Senator from Kansas to talk a bit about the balanced budget.

I yield 10 minutes to the Senator from Kansas.

The PRESIDING OFFICER. The Chair recognizes the senior Senator from Kansas.

Mr. BROWNBACK. Mr. President, I thank my colleague from Wyoming for recognizing me for this opportunity. This is my first opportunity to speak, as well, on the U.S. Senate floor. It is a tremendous honor, privilege, and responsibility to do so. I am delighted to be speaking on the U.S. Senate floor for the first time about balancing the budget and about the balanced budget amendment to the Constitution, which I feel is basically very important and critical for future generations. Now is the time for us to act and to address not just the financial health of our country, but also the freedom of our children and grandchildren, by passing the balanced budget constitutional amendment.

The U.S. Constitution is not only the foundation of our country, but also the standard bearer of our worth as a principled nation. The Constitution has guaranteed and defended the freedom of the American people. The balanced budget amendment is necessary to protect and defend that freedom for future generations.

But we must act now to preserve, protect, and defend the Constitution by giving it the strength it will need to continue protecting and defending the American people. The balanced budget constitutional amendment will protect our families, our children—my children, Abby, Andy, and Liz—and our future from the excesses of a government which, for much of this century, has shown its contempt for the integrity of our people by equivocations and false assurances. Deficit spending must stop, and the budget must be balanced. Right now, as I speak and as we have heard several speakers just before me speak on the U.S. Senate floor, our Federal debt is at an astounding \$5.3 trillion, which means that every American—every man, woman, and child—in this country owes today over \$19,000 per person. They can't just pay that off and say, "I am done with my share of the Federal debt." It keeps growing and growing. This is wrong. It is immoral and must stop.

Opponents of the balanced budget amendment will try, and have tried, to frame this debate in terms of fear. The Keynesian apostles will tell that you the economy will collapse in tough times. But the debate over the balanced budget constitutional amendment should not and must not be a debate framed in fear and falsehoods. It is really a debate about hope and about the future, and ultimately about the American dream.

That is why I believe that good Government is not sustained by the politics of cynicism and fear. Quite to the contrary, it is sustained rather by the honest desire of each individual to work for that which he believes to be right and just. The balanced budget is both right and just.

It is right because it means an end to the days of reckless Government spending when politicians made pork barrel promises that added too little to the public good and too much to the public debt.

The balanced budget amendment is just because it helps our families and protects our children by curbing the practice of tax and spend. It is just because it means an end to the hidden tax that our Government levies every year when it fails to balance its budget and pay down its debt.

It is a moral imperative, as some of my colleagues have spoken to, that we balance the budget and that we give ourselves the tools we need to balance the budget. How will future generations judge us if we have not the moral wherewithal to abolish the shameful practice of enslaving our children to the reckless desires of our bloated Federal Government? The system of burdening our children with the full cost of our present consumption is a great crime. We must not hesitate to bring it to an end.

One of the most insidious aspects of the budget deficit is that it amounts to a hidden tax on our income and on our children's future income. This hidden

tax is felt by everyone who has taken out a loan to pay for school, buy a car, or purchase a home. Higher interest rates are the taxes levied by a government that has not the courage to live responsibly, or even honestly. By balancing the budget, we will pay down the debt and we will free future generations from the shackles of Government debt. But we will do much more than free future generations.

A balanced budget will draw down interest rates, spurring new investment decisions, and increasing our gross domestic product. Lower unemployment and higher productivity is not the empty promise of a campaign season, it is the real promise of a constitutional amendment to balance the budget.

Yet, the ivory tower has railed against the balanced budget constitutional amendment because it would mean the end to unlimited Government deficit spending. The effects of a balanced budget promise a brighter future not only for our children and grandchildren but for ourselves as well. By eliminating the hidden tax on our American families, a family could easily save over \$1,500 per year. A balanced budget will produce that savings. Estimates by the Joint Economic Committee indicate that yearly savings on an \$80,000 home mortgage would be over \$1,200, and a student fresh out of school paying back a college loan would save about \$180 per year because of the resultant lower interest rates. American families and children are already taxed too much. They are taxed to the max. They, more than anyone else, deserve a break.

The balanced budget amendment is right in principle and in practice. In fact, it was Jefferson in 1816 who acknowledged, "Public debt is the greatest of the dangers to be feared."

As I said frequently during my campaign for the U.S. Senate, which was just completed and which placed me in this body with the gracious will of the people of Kansas, I believe that we are each placed on this Earth for a reason and for a short season. I believe that the task of our generation is to renew the American culture and to restore responsible Government and the promise of the American dream to the people.

We must act now. And in this matter of balancing the budget, we must act now and pass the balanced budget amendment to the Constitution.

I yield the floor.

Mr. THOMAS addressed the Chair.

The PRESIDING OFFICER. The Chair recognizes the senior Senator from Wyoming.

Mr. THOMAS. I thank my friend from Kansas and welcome him in his initial visit to the floor. I am sure he will be back many times, and I hope that is the case.

Mr. President, we have now an opportunity. I am optimistic about it. We all heard the President's State of the Union Message last night. He listed a great many things that he is interested in. Certainly most of them are positive

kinds of things that, in one way or another, we want to work with as well.

So we listened to the President. We listened to the voters. We listened to the American people. And now we are ready to work on some solutions toward really all of America.

There is a plan soon for the congressional leadership to visit with the President, to sit down and talk about a number of things. Balancing the budget is one. Improving education, certainly, to move more and more education toward local communities and parental involvement; to provide some permanent tax relief so that we can increase investments, so that we can increase jobs, and so that we can increase the ability of families to prepare for themselves. Much of that is affected by what we do. What we do about interest rates that have a direct impact on the budget has much to do with what we do with this debt, a debt of \$5.5 trillion, the interest upon which will become, if not this year, soon, the largest single line-item in the budget—\$275 billion in interest, none of which is used for education, none of which is used to fight drugs, and none of which is used for investment—interest on the debt that we accumulate.

Mr. President, I am excited that the President of the United States said to us last year that the “era of big Government is over.” He said that the Government is not the answer to everything, that we need to be responsible, that we need to be responsible to ourselves as individuals and citizens. Certainly, that is true. We need to be responsible as a Government, and we need to be responsible as people who have been sent here to deal with the budget—about physical matters.

So that is what we are dealing with, two things: One is balancing the budget and being responsible; and then having the ability, which we have not had for 28 or 29 years, of doing it, and how do we change things to cause that to happen? We believe that it is the balanced budget amendment to the Constitution, which provides, as it does in Wyoming, Mr. President—as you well know just coming from the legislature there—a requirement as a legislature and the Governor not to spend beyond its revenues. It works. Many other States have the same kind of thing.

So we have heard for some time from our voters and our constituents that they want smaller Government, a Government that is more efficient, and a budget that is balanced. We have heard from the President that he is ready for a smaller Government, that the era of big Government is over.

We will see his budget, I think, tomorrow, and that will be when the rubber really hits the road. It is not just talking about it, but doing it. We will be sharing that responsibility with the President to do that.

There will be all kinds of suggestions as to how a balanced budget ought to be changed. There will be some scare tactics saying it is going to ruin Social

Security. If you want to protect Social Security, you need to balance the budget. I am one who believes that we ought to have a Social Security net for the elderly. I want to continue it. I do not want to see it run out. The same is true with Medicare. The best way to do that is to balance the budget. If we do not do that, we will not have money to do any of those kinds of things.

So we will hear a lot about it. We need a budget that is honest. We need one that is out there not one that is backloaded, where it looks good for a couple of years and all of a sudden for somebody else it is piled up at a very high rate. We need one that is honest and forthright. We do not need gimmicks. We do not need to move things from one place to another. We do not need to trigger it so that it takes over in a certain way. We do not need budgets that have tax relief in it for a little while and then they go away. We need some real honest budgeting so that everyone is confident in understanding that that is where we are.

I hope each of us remembers the impact it has on everyone at home. Interest rates could be lower. Debt for kids to go to school could be less. Borrowing on our homes, borrowing on our cars, these are all related. This is not an abstract thing that belongs in somebody's accounting book. This is not for accountants and CPAs only. They affect each of us where we live. Families pay \$1,500 a year easily on mortgage payments. So these are the kinds of things that we are doing.

So I think all of my associates welcome the President's commitment to a balanced budget. We certainly look forward to his ideas and to how that budget will work as he releases it tomorrow. But most of all, I think we need to take the responsibility to make the changes that have to be made, and now is the time.

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

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DORGAN. 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. DORGAN. Mr. President, I ask unanimous consent to proceed in morning business for as much time as I consume.

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

THE CONSTITUTIONAL AMENDMENT TO BALANCE THE BUDGET

Mr. DORGAN. Mr. President, we have had ample discussion this morning about a wide range of public issues, discussion about the President's State of the Union Address, and a discussion about the agenda before the Congress. I wanted to comment on a bit of that, and then begin a discussion about the

constitutional amendment to balance the budget, which the Senate will shortly take up.

First the general issues. I do not think there is a difference between folks who serve in this body on Government or the size of Government. I mean, I don't think there is a case where one side says, “We want bigger Government.”

I don't want a bigger Government. I want a better country, and there are some circumstances under which the requirement for schools and roads and other things that we do together in Government are necessary. I want us to improve the things we do in Government. But there are things that are important for us to do together in Government.

Part of the agenda that we discuss, part of the reason for us being in a U.S. Senate, is to decide what to do together to make this a better country.

Provide for the common defense? Yes, we do that. We have a Defense Department. We created it, and we fund it. We ask men and women in uniform to go out and help preserve this country's liberty and put their lives on the line to do so. That is part of Government.

Roads, schools, research in health care at the National Institutes of Health, the Coast Guard, and so much more—we do those things together. We should do them well. We should make sure they contribute to a better country and achieve the goals and objectives that we have for those functions.

Some come to the floor and they say: Our objective is less Government, balance the budget, two or three other things, and that's all. My objective is this: I want better schools for our kids in this country, and we can do that and we should do that. And I want better paychecks for workers in this country.

That has always been the legacy of what we fight for, a country in which workers might expect that they will have more opportunity, more job security, more advancement, their children will have more income and better opportunity and better educations.

I believe we ought to have good health care in our country, and that does not come by accident. At the turn of the century you were expected to live to be age 48; 100 years later you are expected to live to nearly 78. Is that magic? No. Massive research in health care in this country has developed breathtaking new medicine, breathtaking new procedures so that those with cataracts now get surgery and see, those whose heart muscles get plugged now get open heart surgery and live, those with bad hips get their hips replaced and are out of the wheelchair and walk. Good health care.

We don't see people getting on airplanes, leaving America to find good health care elsewhere. Our health care system is the envy of the world. By accident? No. Wonderful men and women working in health care, and a substantial amount of research, especially

Government sponsored research, have allowed these breathtaking breakthroughs to occur.

Safe streets? We want safe streets and safe neighbors. That deals with crime. That responds to police and security, the kinds of things that we also do in Government.

Restoration of values? Yes, that is of interest. Really, not so much Government, but we all ought to care about it and work together on it.

It starts in the home, the community, the neighborhood, the family. And a balanced budget? Absolutely. We ought not spend beyond our means.

So better schools, bigger paychecks for workers, good health care, safe streets, a sound defense, restoration of values, balancing the budget—all of these things are things that we think can make this a better country and we ought to work on together.

It is interesting to me that in the context of the balanced budget, we really also will have to talk about priorities. As we balance the budget—and we should—what are our priorities? What is important and what is not important? What do we invest in and what don't we invest in?

For instance, do we build the star wars program? Do we build a program that will cost well over \$100 billion, a program that many say is not needed? Do we build that and then say we do not have enough money to expand the Head Start Program for early intervention for kids?

These questions are examples of the choices we must make. We must choose priorities that we want to develop. That is precisely what the Congress must be about: making choices, some of them very hard.

I want to make one point as I begin talking about the constitutional amendment to balance the budget. I am not someone who believes that we have made a lot of wrong choices in this country. I have heard people stand on this floor and talk about shame on the last 50 years in this country, shame on us, this country somehow has gone down the wrong road. What an awful place, we hear.

I tell you, this country remains the beacon of hope for the rest of the world. I traveled in six countries in November, and one of the refrains I heard everywhere I went was they would like to come to America. They like America. America is opportunity. America is freedom. America is still a beacon of hope.

We can dwell on the negative, and we have plenty of challenges and there are negatives, but look at the positives as well. This country is a remarkable country, with a remarkable economy and a market system that provides great jobs and great opportunity for a lot of people.

I agree with those who say there is no social program in this country—none—that is as important as a good job that pays well. There is no social program as important as a good job

that pays well. And that's why our economy and the market system that we have had has performed so well and helped us create a country that grows and prospers.

As I said, we have lots of challenges, but part of why this has all happened is we have made a lot of right choices. We decided that we were going to have a substantial system of universal education for virtually anyone who wanted it. What happened?

What happened was we led the world in virtually every area of technology and achievement. Who stood people on the Moon? The United States of America. How did that happen? It happened because massive investments in education unleashed the potential, the technology, the understanding and the knowledge that allowed us first to fly and then to fly to the Moon. And that has been true in virtually every other area of our life. Yes, space, technology, walking on the Moon, but health care, and in virtually every other area as well.

We have made all kinds of decisions about what we do in all of these areas, and some of them have been great decisions. Let's have a Head Start Program. Let's invest in young kids. Let's build the best system of colleges in the world—in the world. No one else comes close to us. We have done all these things—including building up our national defense. There is no other military in any country that parallels ours or matches our strength.

So it is time for us to understand a bit about what we have built, that this is a remarkable achievement.

Where do we go from here? We can undercut all of those achievements and weaken this country substantially if we don't balance our budget. I agree with that. We ought to balance the Federal budget. I will say this, that I am one of those in 1993 who cast a very controversial vote, and the vote cut spending and increased some taxes. It carried by one single vote, and since that time, the unified budget deficit is down 60 percent.

I am pleased I did it. Was it an easy vote? No. The political vote would have been to say, "No, I don't want to do any heavy hitting." I did it because it was the right thing for this country. Controversial, yes, but right. We made some progress in reducing the Federal budget deficit, but it is not enough, and we must do more to balance the budget. The debate will be about changing the Constitution to balance the budget.

Let me say that I am someone who will support a constitutional amendment to balance the budget. Do I think it is a great choice? No, not necessarily, but do I think it probably is a reasonable choice, given the need for fiscal policy discipline in our country? Yes. But I insist that it be done the right way, not the wrong way.

I have been in the room where they wrote the Constitution of the United States, and for those who want to visit

it, George Washington's chair still sits in front of the room. Fifty-five of them wrote a Constitution over 200 years ago. Some here think it is a rough draft. Every second day they want to make a change in the Constitution. I, frankly, don't see a lot of folks who can represent Madisons, Masons, or Franklins these days. So if we are going to change the Constitution, we need to think it through.

We are going to have a proposition on the floor of the Senate that says, let us amend the U.S. Constitution to require a balanced budget. And it says that for describing when a budget is in balance, all spending and all revenue will be considered to determine whether the budget is in balance.

The dilemma with that is this: In 1983 this country recognized it was going to have a difficult time with Social Security in the long term because America was growing older and there were going to be more people retiring relative to people working to support them in Social Security. So we decided that we would do something different for a change. We would begin saving in the Social Security system. In other words, each year taking in more in Social Security revenue than we need to expend, and that money would then be saved so that when the baby boomers retire after the turn of the century, we could more easily afford to pay them the benefits they will have earned.

I was involved in that decision. I was on the House Ways and Means Committee, and I cast a vote in support of that legislation. But the decision was not to increase payroll taxes and accrue a body of savings so that someday later somebody can misuse it to claim they balanced the budget with Social Security trust funds. That is not what we said. We said, let's increase savings so that savings will be available after the turn of the century.

When you describe a balanced budget proposal that says let's take Social Security trust funds and throw them over here to use the surplus to show we balanced the budget, I want to show you what happens. What happens is the very year in which the budget is balanced, according to the majority that is supporting this constitutional amendment, the very year in which they claim the budget of the United States is in balance, Federal debt will rise in that year by nearly \$130 billion.

Question: If the Federal debt is increasing by \$130 billion in a year, is the budget in balance? If the budget is in balance, why would one have to increase the Federal debt?

Answer: Because the budget isn't in balance. They pretend it is in balance, they say it is in balance, but they use the Social Security dedicated trust funds to make it look like it is in balance, but it is not. The Federal debt will continue to increase.

The Center on Budget and Policy Priorities has put out a report that I hope my colleagues will read. In it they describe exactly this dilemma. The constitutional amendment that is going to

be debated, and I will address this matter again during that debate, is an amendment that offers no choice. It says we will take the Social Security trust funds and use them as an offset for other revenue and claim we balanced the budget, when we really have not.

We will give our Senate colleagues an opportunity to vote on another constitutional amendment to balance the budget. It is one that does it the right way. It says let us balance the budget. Let us require in the Constitution that we balance the budget. But let us do it exclusive of the Social Security trust funds because we promised that we would save those trust funds for the future when they are needed.

This publication by the Center on Budget and Policy Priorities describes chapter and verse of exactly what is happening in this area. I have heard people come to the floor and say, "Oh, what a bunch of prattle that is. What a bunch of nonsense, these folks worried about Social Security." Well, it is not prattle, and it is not nonsense.

We had a column by Mr. Krauthammer in the Washington Post last week. It is the third column he has written on this subject. In it he says essentially what he has said before. He says, there is no Social Security trust fund. There is no Social Security trust fund.

Let me suggest a tour to him in Parkersburg, WV, where, under armed guard, the bonds that are the securities of the Social Security trust fund exist. It would not be too long a drive for him to go on up there and take a look at those bonds.

He is wrong. There is a Social Security trust fund. The dilemma is that there will not be anything there of meaning unless we decide to make the right choice here.

Mr. Krauthammer also says that Social Security is a pay-as-you-go system. He must have missed 1983, because in 1983 it was decided that it will be more than a pay-as-you-go system. It was decided in 1983 that we would collect more money than is necessary in current years, specifically in order to accrue a surplus. Social Security is more than a pay-as-you-go system. So, when Mr. Krauthammer says it is pay-as-you-go, he clearly does not understand the law and clearly does not understand what the Congress did to save some money.

Let me read for him and for others something from the 1983 commission on Social Security because they described exactly the plan. This is a quote by commission member Robert Ball in testimony before the House Ways and Means Committee talking about separating the Social Security system from the operating budget.

Only by such a separation can it be made unmistakably clear that Social Security decisions are being made for reasons internal to [Social Security] and not for the purpose of making a unified budget look better. Since Social Security funds can be used only

for Social Security benefits and to pay for the cost of administration, I believe that separation is also better accounting practice.

The point is, the increase in taxes and the other things that were necessary to accrue this surplus in Social Security will all be obliterated by a decision to enshrine in the Constitution a practice of misusing the Social Security trust funds.

Mr. Krauthammer does not like this problem. He says, well, this debate is without substance. I can only say that his argument is without substance. He is flat, dead wrong on this issue, demonstrably wrong. And he ought to know it. The minimum amount of research would tell him that.

The same is true of colleagues here who have taken three lines of defense offered at different times by different people.

One will pop up like one of these little carnival games and will say, "Well, first of all, there is no Social Security trust fund," and make a long, windy argument about it, and then sit down.

Then someone else will pop up at another moment and say, "All right, there is a Social Security trust fund, but we are not misusing the money," and then vanish.

Then a day later someone else will pop up and say, "All right, there is a Social Security trust fund, and we are misusing the money, and we pledge to stop doing it by the year 2008."

Those are the three stages of denial I have heard on the floor of the Senate, all from supporters of a constitutional amendment that would enshrine in the Constitution the practice of taking Social Security trust funds, using them as an offset against other revenue, and claiming you have balanced the budget at the same time that the Federal debt will increase by \$130 billion the year they claim the budget is in balance.

There is a way to solve this. A way to solve it is to vote for a constitutional amendment to balance the budget that does not use or misuse the Social Security trust funds. I will offer it, along with my colleagues, Senator REID, Senator HOLLINGS, Senator FORD, Senator FEINSTEIN, and others, and we will give people an opportunity to say, "Yes, I support a constitutional amendment to balance the budget, but when we do it, let us make sure we really balance the budget."

Let us make sure we keep the promise of accruing the surpluses in the Social Security trust fund and make sure that no one is able to misuse the Social Security trust fund in the future.

Mr. President, there will be much more to discuss on this subject. I wanted to make note of the piece that Mr. Krauthammer did because it is the third time that he has essentially written the same piece, misunderstanding the issue in this country.

Everybody has a right to be wrong. I do not quarrel with that.

I just say that someone got up this morning and went to work. That person will work hard all day, and then

collect a paycheck and discover that part of that paycheck is taken away first. The part taken away is called Social Security taxes, and it is promised by the Government to the worker that the amount of money we took from your paycheck is going to be put in a fund, and it is a fund dedicated for one purpose, Social Security. That worker does not deserve to have someone in Congress now say, "Oh, but we changed our mind. That's the premise under which we took it from you, but we're using it for another purpose." That is precisely what is happening today. I think we ought to stop it. There is a way to stop it when we have these votes in the coming days or weeks.

We can amend the Constitution the right way, or we can, as is usually the wont around here, mess around some more, talk and talk some more, and claim and claim some more that we have really done something worthy and meritorious and have balanced the budget, and then have some constituent stand up in a town meeting some night, somewhere, and ask you, "Mr. Senator, if you balanced the budget, why did my son or daughter just inherit a Federal debt that went up \$130 billion this year?" I want to be in the room with a microphone to record the response because there is not a response that is adequate.

What our constituents should expect from us is that we balance the budget the right way and that we amend the Constitution the right way. I hope at the end of this debate this Senate and this Congress will have determined to do that.

It is not just a few Democrats who believe this is a serious problem. Several dozen Republicans over in the House of Representatives, some of whom I have talked to, make exactly the same case in the House of Representatives. So it is not a one-sided issue. We have Republicans and Democrats who believe that there is a right way and a wrong way to do things. Some of us are going to insist that when we do something as significant as amending the U.S. Constitution that finally we do it the right way.

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

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

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

The PRESIDING OFFICER (Mr. THOMAS). Without objection, it is so ordered. The Chair recognizes the Senator from Nevada.

(The remarks of Mr. REID pertaining to the introduction of S. 265 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

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

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

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

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

EDUCATION

Mr. BINGAMAN. Mr. President, I want to spend a few minutes commenting on some of the points the President made last night in his State of the Union Address. I was particularly impressed and encouraged about his decision to make education the centerpiece of that speech and his decision to make education the first priority of his administration this next 4 years.

One aspect of what he talked about in education, I think, is extremely important, and that is standard setting. We have had debates in Congress for many years now about the issue of standards. In fact, I introduced legislation in 1990 to establish national standards in education, and, of course, we are continuing to pursue that through the National Education Goals Panel, which I serve on along with Senator JEFFORDS.

I am persuaded that part of what the American people would like to see in their educational system is higher standards and more accountability. They want to be sure that teachers are performing to a high standard, students are performing to a high standard, and the parents of children in our public schools want to know where their children stand relative to other students around the country, around their State, and in general.

The President in particular talked about how he was going to work through the Department of Education to adapt two widely used high-quality tests—the fourth grade NAEP reading test, the National Assessment of Educational Progress, which is already being used in more than 40 States, and the now-familiar eighth grade math test, the TIMSS test, which recently confirmed how poorly many of our students are doing relative to the achievement level of other nations.

The President proposed adapting those two tests into a new test that will be available free of charge to every student, every school district, and every State in the Nation that wishes to participate in it. This is going to be done in the next 2 years.

I think this will be a major step forward, because what it will do is to allow us to give very hard, objective information about which of our schools are succeeding and which of our schools are failing. We have the anomalous situation that, because of our inability to track performance, we have in many school districts and major cities in the country some schools that are doing superbly and other schools that are doing miserably. Parents, unfortunately, sometimes do not even know which of those two schools their children are in.

For this reason, we need to give parents clear indications of which schools are doing the best job in educating students. Currently, we have a hodgepodge of different tests, a hodgepodge of different standards around the country. Parents who are interested in finding out how their children are doing often are misled by inaccurate information. So I very much commend the President for this initiative to adapt these two well-recognized tests into something which each student can take, each parent can understand, each school can understand. I think that will be a major step forward.

Let me also talk about another aspect of the standards issue, which the President, I hope, will also move ahead on very aggressively, and that is the teaching of advanced placement courses. Many of us are familiar with advanced placement courses because of our own children going through high school. These are courses that are taught in the 11th and 12th grades, generally to students who are planning to go on to college and who want to get advanced credit so they can avoid taking the same course once they get there.

We have not done what we should at the national level to encourage States and school districts to expand instruction in advanced placement courses. I believe this year, for the first time, we will see a change in that. I hope to see the President, in the budget we receive tomorrow, requesting some funds to assist low-income students in the cost of taking those advanced placement courses and tests. That, I believe, would be another major step forward.

I had the chance to speak to the New Mexico Legislature on Monday of this week, and I talked to them about the challenge that my State faces in expanding access to advanced placement classes. These courses should be available to all students. They are highly demanding, but any willing student can succeed in them.

Many people know about the advanced placement program because of a movie that came out several years ago called "Stand and Deliver." This was a movie that Edward James Olmos starred in. It was the story of Jaime Escalante, a high school calculus teacher. I believe in Garfield High School in east Los Angeles. He had become very famous in that school and in that school district because of his success in teaching students, many of them students without a good academic grounding. He would teach those students this advanced placement course in calculus.

The reason he became famous and the reason that movie was made was not because he was teaching any old calculus course. He was teaching a course that was an advance placement course so that anybody in the country who paid attention would know that was a high-quality course. If his students in east Los Angeles passed that course, they were every bit as good as any student in Manhattan, or Ohio, or in New Mexico, or anywhere else. So

they got the recognition that they deserved. He got the recognition that he deserved. They were very proud of their achievement.

I have believed for a very long time that one reason our school system falls short is that we expect too little of our students. We have low expectations for what our students can learn, what our children can learn. The truth is, if you expect very little, you will receive very little. We need to expect higher performance by our students, higher performance levels by our teachers, and through this advanced placement set of courses we do exactly that.

New Mexico lags behind the national average fairly significantly in the per capita rate of 11th and 12th graders who take advance placement courses. In my State I think the percentage is something like 24 percent. Nationally it is 40 percent. We need to do better than that. We can do better than that. We are setting about working with the business community and our State legislature to bring together the resources to expand the training of advanced placement teachers and to expand course work in advanced placement courses.

I think one other point needs to be made. It should be obvious to everybody. You are not going to bring about a major reform of education, a major improvement and upgrading of education, without a very major program to reeducate and develop the human capacity to do that. We need to have training courses for our teachers in the summer. These advanced placement courses are very good. But, unfortunately, too few teachers are able to take advantage of them, or do take advantage of them.

So we need to think seriously in this Congress about what we can do to support the retraining that is needed to get people to these higher standards that the President is talking about. This is an essential part of the agenda that we need to confront over the next couple of years.

I commend again the President for his leadership in putting this on the front burner for the country. I hope we, in Congress, are up to the task of following his lead. I think he has identified a very important priority for our country. It is the one that I hear the most about.

I get around New Mexico a lot, and people want to know why we can't do a better job of educating kids in this country. I hope that we can.

Mr. DORGAN. Mr. President, will the Senator yield?

Mr. BINGAMAN. Yes. I am glad to yield.

Mr. DORGAN. I was interested in the Senator's statement. He, I think, identifies one of the priorities of many of us in this Congress. If we do not make an investment in education of America's youth then the country does not have much of a future. I am enormously proud of what we have done in

the investment in the Head Start Program, for example. This does not start in grade school or high school or college. It starts in the early intervention years with Head Start. The Head Start Program we know works. It produces enormous dividends. It gradually improves the opportunity of young people who come from difficult circumstances.

But one of the things that it seems to me we should invest in is safe schools. First of all, if the school is not safe and the students feel insecure, they cannot learn. And the other ingredient is a teacher who knows how to teach—a good teacher, a student willing to learn, and a parent who cares. If any one of those are missing, it does not work very well.

But let us talk about the safe school issue first. The Senator from New Mexico I know heard me describe on the floor a bill which I introduced late last year on this issue. If I might, with the indulgence of the Senator from New Mexico, I would like to describe again a circumstance that exists that I am trying to correct dealing with safe schools in New York City.

A young boy came into a school with a loaded pistol in his belt and a jacket covering his loaded pistol. He went through the school, walked down the hallway to his classroom, and a security guard identified or saw the bulge in the young 16-year-old's jacket and apprehended this young boy and took a loaded pistol from this young fellow. A loaded pistol with this young fellow walking down the school hallway; the security guard removes it. It goes to court and goes to a disciplinary proceeding. The result of it all was that the court said the exclusionary rule applied to the disciplinary proceeding and the security guard had no right to search that kid and take the gun away.

When I read that I thought, "Can this be right? Could anybody use that kind of strange thinking to conceive of that kind of decision?"

You go to the airport and get on a plane going to New Mexico or North Dakota. They will run you through a metal detector because they say, "You can't get on an airplane with a gun. We will not allow it." But it is OK to go through a school hallway to a classroom with a loaded pistol with a 16-year-old. I do not think so. That does not make any sense to me.

So I introduced legislation dealing with that issue. The exclusionary rule, my eye. A 16-year-old and a loaded pistol—I want a security guard to take that pistol away in a schoolroom because my kids and yours and all of the kids in this country deserve to be safe in school.

That is the first element: Safety in school.

The second is what the Senator from New Mexico is talking about: Directing investment into programs that we know work and we know yield significant returns. He talked about good teachers, and the President talked about attracting and keeping good

teachers in our classrooms. Nothing could be more important than that because we send our kids to someone else most of the day. We place them in their hands. I have been in a school that the Senator from New Mexico has. He knows some of these teachers. I leave that school thinking, "Wow, this is an incredible person. What a job they do with these young kids." There are times when perhaps you find something that you think isn't quite right. The President addressed that last night.

But the key, it seems to me, is matching the three things: First, a teacher who really knows how to teach; a kid who is willing to learn; and a parent who cares about that kid's education and is with that kid at the end of the day before they go to bed at night, reviewing the homework. All of those elements come together to make an educational system work.

But the Senator from New Mexico is right. We need in this country at the State and local level and at the Federal level to decide that the education of our children is a priority for us because educating our children is an investment in our country's future.

I really appreciate the statement which the Senator from New Mexico made.

Mr. BINGAMAN. I appreciate, Mr. President, the statement of the Senator from North Dakota.

Let me just add one other element to this. I commend him for his proposal to deal with the problem of someone coming into school with a gun and no one being able to apprehend him. I am also persuaded that virtually everything we want to see happen better in our schools will be facilitated if we recognize that we need to have smaller classrooms.

Much of the crime, discipline, and absentee problems in our schools today are because the schools are too large and because the teachers do not know the students by their first names. The students don't feel accountable to their peers. We put 40 kids into a class and wonder why the teacher can't teach all of them. We put 2,000 or 3,000 kids in a high school and wonder why the principal can't keep track of everybody.

There have been some very good studies done that show that the optimum size for a high school, for example, is somewhere between 600 and 900 kids, and that when you go over 900 the quality of the students' performances start dropping, the discipline problems start rising, and the incidence of criminal problems start rising. We need to factor this issue into what we do as well.

Of course, we in Congress don't make the laws that govern the size of the schools, and we should not. But we need to encourage States and local school districts to take that into account when they decide to build a new high school. You don't necessarily need to tear down the old building. You can take an existing complex and break it into two or three high schools just as

well as leaving it in one 3,000-person high school.

Mr. DORGAN. If the Senator will yield further, Mr. President, I was in a school recently called the Ojibwa School on an Indian reservation in North Dakota. When the Senator from New Mexico talks about construction, the President last evening talked about our trying to provide help to State and local governments with respect to school construction. I can tell you that in the Ojibwa School, and others that I have visited, there is a significant need for some construction, some maintenance, and some repair. I worry very much that these little kids on that Indian reservation going to this school are going to be in significant trouble some day because the repairs have not been made. That school is not a safe school. We have report after report and investigation after investigation. Now we have another one going on. But we very much need to invest in the infrastructure of these schools.

The Senator from New Mexico is right. We do not run the schools, and should not. Local school boards should run the local schools, and the States are involved largely in the State judgments about what the curriculum is, and so on. But we can marginally help in a range of other ways and do Head Start and college. We also can help in the kinds of things the President recommended in providing some resources for school construction in areas where you need to have some additional construction to repair and bring up to standard some of our schools.

Again, I say finally, the question around here is always a question of choices: What is your priority?

Two years ago, I was on this floor talking about the strange sense I had when I looked at a budget document offered and actually passed—it was subsequently vetoed—which said let us double the amount of money we spend for star wars and let us cut by half the amount of money we spend for Star Schools. Star Schools was not a very big program, but it was a really interesting program—directed investment to try to help certain people. I just thought that was a strange priority. But the priority I hope for all of us is to find some way to advance the opportunity to improve our schools in this country for the future of this country.

I appreciate the Senator from New Mexico yielding.

Mr. BINGAMAN. I appreciate the Senator from North Dakota and his comments.

Let me say one other thing and then I will yield the floor, Mr. President. I was on a radio interview program earlier this morning, and one of the reporters, who is a very knowledgeable reporter, said to me, "The President said we ought to increase funding for education by 20 percent. That is a very major increase. Can we afford that kind of an increase given the budgetary constraints on us?"

My response was that you have to look at this in the context of the overall Federal budget. In the overall Federal budget, we spend somewhere near 1.5 percent on education, which represents less than 10 percent of overall spending by States and localities. So what the President is saying is that we ought to spend 1.8 percent, or thereabouts, on education. Most of the people I talk to in New Mexico do not think that is excessive. I think it is not unreasonable for the Federal Government to give education that high a priority.

So I hope very much we follow the President's lead. I hope very much we will make education the centerpiece of our efforts here in this 105th Congress.

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

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. ROTH. 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 remarks of Mr. ROTH and Mr. MOYNIHAN pertaining to the submission of Senate Resolution 50 are located in today's RECORD under "Submission of Concurrent and Senate Resolutions.")

The PRESIDING OFFICER. The Senator from Delaware is recognized.

Mr. ROTH. I thank the Chair.

(The remarks of Mr. ROTH and Mr. LIEBERMAN pertaining to the submission of Senate Concurrent Resolution 5 are located in today's RECORD under "Submission of Concurrent and Senate Resolutions.")

The PRESIDING OFFICER. The Senator from Delaware.

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

(The remarks of Mr. ROTH pertaining to the introduction of S. 266 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

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

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

The legislative clerk proceeded to call the roll.

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

(The remarks of Mr. McCAIN pertaining to the introduction of S. 268 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

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

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

TRIBUTE TO THE LATE AMBASSADOR PAMELA HARRIMAN

Mr. HARKIN. Mr. President, it was with great sadness that my wife and I learned this morning of the death of a dear friend of over two and one-half decades, Pamela Harriman, our country's Ambassador to France.

As I said, for the better part of about 25 years, Pamela and Averell, first of all, were friends and two people who encouraged me early on in my political life when I first ran for office. Later, after her husband Averell passed away, Pamela continued to extend that hand of friendship to me, my wife, and our family.

I remember when I first came to Washington as a freshman Congressman in 1975, I was amazed at how Pamela Harriman and Averell at that time opened up their home to younger Members. I know a lot has been made about how the movers and shakers of the world were always at Pamela Harriman's house. But it was not just them; she always made sure her home and house was open to the new people who came to Washington. She was constantly promoting and encouraging young people, young Members of Congress, new people who were here, to showcase their ideas, to encourage them, to push harder and to climb up the ladder. So I remember her very fondly for the encouragement and support that she gave this Senator in my early years of seeking public office.

During the last decade, the 1980's, Pamela Harriman was always there in our party, the Democratic Party, trying to rebuild and to encourage people to seek public office. As I said, she was always encouraging the formulation of new ideas and approaches. I think our party owes her a great debt for all that she did to encourage these younger people and to keep us pulled together during the decade of the 1980's. During the Presidential election of 1992, she was very active in helping then Governor Clinton gain the White House.

For the last 3½ years, Pamela Harriman served this country honorably and well and I think with great distinction as our Ambassador to France. As I have had occasion to travel overseas, I have heard, on many occasions, from individuals in different parts of Europe about what a great representative of America Pamela Harriman was. She was indeed that.

Pamela Harriman was always proud of her British ancestry and heritage. She was even more proud of the fact that she was an American. She was always undeniably gracious to all who came within her reach. She was always open to new ideas, as I said, of the younger people coming into Government and politics. She always found time to give encouragement, help, and support.

So it is a sad day for our country, for all of her friends, and for all of those of

us in the Democratic Party who looked to her for help and support for so many years. Ruth, my wife, and I extend our deepest sympathies to the Harriman family. I just want to say that Pamela Harriman indeed left a very indelible mark, not only in the city of Washington, not only on the Democratic Party, but indeed on the United States of America. She will be greatly missed.

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

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. COATS. 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. COATS. Mr. President, may I inquire what the current order of business is?

The PRESIDING OFFICER. The Senate is in morning business.

WELCOMING FORMER SENATOR ALAN J. DIXON

Mr. COATS. Mr. President, I note the presence of a colleague and friend on the floor, the former Senator from Illinois. We are pleased to have him come back and visit us. I just want to take this opportunity to tell him how much we appreciated his service and how much I enjoyed serving with him on the Senate Armed Services Committee. I hope he is doing well.

AMBASSADOR PAMELA HARRIMAN

Ms. MIKULSKI. Mr. President, I rise to honor the life and legacy of Ambassador Pamela Harriman. She was a gallant and courageous lady—and a very dear friend.

Pamela Harriman lived a full and exciting life. We all know of her grace and her charm. But she was so much more.

She was, for me, first of all a good friend. She and I worked together on issues and politics for many years. She was a tremendous supporter of women candidates, and I often turned to her for her insight and counsel. I will always treasure the memory of my last visit with Ambassador Harriman. She helped me to work with European space agencies—to foster better links with our space program. She was, as always, perceptive and enthusiastic about the prospect of greater cooperation between America and Europe.

She wanted to make a contribution to our political system. She brought together leaders from all sectors of society to discuss a wide range of important issues. She fostered the kind of civil political discourse that is so often lacking.

Ambassador Harriman had the kind of strong patriotism that comes from being born in another country—and from witnessing first hand what America did during the Second World War. She often talked about living through the Battle of Britain—and how America's military partnership helped the

British people to keep their morale high. She loved her adopted country—and she served it with great honor.

She was one of our Nation's most effective ambassadors. During a period of prickly relations with France, she was able to reassure the French of the importance of our friendship and alliance.

The French liked and trusted her. She knew the language, the people, and the country. She respected their history and their culture. The French honored her with their highest cultural honor—the commander of the Order of Arts and Letters.

Mr. President, Ambassador Hariman's sudden death was a tragedy. But her life was a triumph. Her family is in my prayers. I will miss her deeply.

THE VERY BAD DEBT BOXSCORE

Mr. HELMS. Mr. President, at the close of business yesterday, Tuesday, February 4, the Federal debt stood at \$5,300,797,430,319.62.

Five years ago, February 4, 1992, the Federal debt stood at \$3,797,723,000,000.

Ten years ago, February 4, 1987, the Federal debt stood at \$2,232,429,000,000.

Fifteen years ago, February 4, 1982, the Federal debt stood at \$1,038,710,000,000.

Twenty-five years ago, February 4, 1972, the Federal debt stood at \$423,427,000,000 which reflects a debt increase of more than \$4 trillion—\$4,877,370,430,319.62—during the past 25 years.

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

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

The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

The PRESIDING OFFICER (Ms. COLLINS). Without objection, it is so ordered.

Mr. BYRD. Madam President, I ask unanimous consent to proceed for not to exceed 6 minutes prior to the calling up of the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered. The Senator from West Virginia.

Mr. BYRD. I thank the Chair. Madam President, I shall speak out of order.

THE TAX-EXEMPT ARENA DEBT ISSUANCE ACT

Mr. BYRD. Madam President, I strongly support S. 122, the Stop Tax-exempt Arena Debt Issuance Act—let me say that again—the Stop Tax-Exempt Arena Debt Insurance Act—a measure that has been introduced by Senator MOYNIHAN. This bill would amend title I, section 141, of the Internal Revenue Code by closing a tax loophole that has been beneficial to a select few individuals: owners of professional sports teams. For the average taxpayer, however, it is nothing more than professional sports welfare.

Provisions of the 1986 Tax Reform Act were supposed to prevent professional sports teams from building sports facilities with tax-exempt bonds. Under the law, professional sports teams are categorized as a private entity, and, as such, the issuing of private activity bonds is taxed. However, due to clever maneuvering, professional sports teams have circumvented the intent of the law by encouraging State governments to issue governmental bonds, which are exempted from Federal taxes, for the purpose of constructing large sports facilities. While such a tactic is technically legal, professional sports teams owners have manipulated the law for their own personal gain.

Many large metropolitan areas have attempted to lure professional sports teams to relocate by offering generous incentive packages, including the construction of new stadia. Many of the proposed facilities cost in excess of \$225 million. The Congressional Research Service has reported that the Federal share for a \$225 million stadium could be as high as 34 percent. In plain monetary figures, that is \$75 million over the lifetime of the stadium—\$75 million that might better be spent and more usefully spent on benefits for the Nation, like books for our schools, safer roads and bridges for commuters, and more police to keep our streets safer. Madam President, the list is endless. Instead, the Federal Government receives no tax revenue, and money that could have been spent on these other, more deserving programs, is wasted, in my opinion.

I commend my colleague, Senator MOYNIHAN, for offering S. 122. I agree with his desire to close this tax loophole that is mainly beneficial to a few select and wealthy individuals. In this time of fiscal austerity, the Federal Government cannot afford to subsidize such programs. S. 122 seeks to preserve the intentions of the 1986 Tax Reform Act by ensuring that professional sports teams do not use—directly, or indirectly—Federal funds for the construction of their sports facilities. I have nothing in particular against sports or sports teams.

I just think America has its values standing on their heads when it puts sports ahead of the development of the minds, the intellects of young people. But that is a discussion for another day. Professional sports in the United States is a lucrative and financially healthy private industry. It does not need this kind of public Federal subsidy while so many other pressing needs are feeling the slash of the budget-cutter's pencil.

S. 122 is equally important for another reason. By seeking to prevent professional sports teams and localities from circumventing the obvious intentions of the 1986 tax law, S. 122 illustrates how complex our Tax Code has become. For far too long, tax loopholes, such as those contained in Section 141 of the code, have reduced the

fairness and efficiency of our Tax Code. They are as leeches draining the health and equity of the U.S. tax code. These tax expenditures—that portion of our budget that proceeds for the most part on automatic pilot—have not been subject to the same level of scrutiny as have other forms of federal spending. This must change.

Madam President, in fiscal year 1995, total tax expenditures—or loopholes—reduced Federal revenues by approximately \$500 billion, an amount equal to nearly one-third of the entire Federal budget. Clearly, tax expenditures need further scrutiny, and, where they are deemed to be outdated or unnecessary—or unnecessary—they need to be repealed. By identifying and correcting one of these wasteful tax loopholes, Senator MOYNIHAN has introduced S. 122. It represents a step in the right direction.

Madam President, I thank my colleague, Senator MOYNIHAN, for his leadership. And I thank Senator HATCH for allowing me the privilege of going forward at this time. Madam President, I yield the floor.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Morning business is closed.

The PRESIDING OFFICER. The Senator from Rhode Island.

Mr. CHAFEE. Madam President, I thank the Chair.

(The remarks of Mr. CHAFEE pertaining to the introduction of S. 275 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

BALANCED BUDGET AMENDMENT TO THE CONSTITUTION

The PRESIDING OFFICER. Under the previous order, the hour of 3 p.m. having arrived, the Senate will now proceed to the consideration of Senate Joint Resolution 1 for debate only. The clerk will report.

The assistant legislative clerk read as follows:

A joint resolution (S.J. Res. 1) proposing an amendment to the Constitution of the United States to require a balanced budget.

The Senate proceeded to consider the joint resolution.

The PRESIDING OFFICER. The Senator from Utah.

PRIVILEGES OF THE FLOOR

Mr. HATCH. Madam President, I ask unanimous consent that Manus Cooney, Sharon Prost, Shawn Bentley, Paul Larkin, Larry Block, Steve Tepp, Troy Dow, and Paul Joklik be permitted privileges of the floor for the duration of the debate.

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

Mr. HATCH. Madam President, today we begin one of the most important debates that has ever taken place in the U.S. Senate or in the Congress of the

United States. The subject matter goes to the very heart of our Founding Fathers' hope for our constitutional system—a system that would protect individual freedom through the maxim of limited Government.

In the latter half of this century, however, the intentions of the Framers of the Constitution have been betrayed by the Congress' inability to control its own spending habits. The size of this Federal leviathan has grown to such an extent that the very liberties of the American people are threatened.

I just stood at a press conference with our Democratic cosponsors of this amendment, and there was a huge table filled with unbalanced budgets since 1969.

History was made in the 104th Congress when 300 of our courageous colleagues in the House of Representatives, both Democrats and Republicans, approved a balanced budget amendment to the Constitution. Unfortunately, the same measure was defeated in this Chamber by one solitary single vote.

This year we begin a new Congress following an intensive fall campaign in which people in every State across this Nation made unmistakably clear their insistence that we put our fiscal house in order. The eyes of the people, now more than two-thirds of whom favor a balanced budget amendment, now turn to us to follow through on our promises.

I am pleased to be joined by 61 of my colleagues, including every Republican Senator in the U.S. Senate and 7 bold Democrats who have done exactly that in sponsoring Senate Joint Resolution 1, the balanced budget constitutional amendment. Madam President, as we begin the debate on Senate Joint Resolution 1 proposing an amendment to the U.S. Constitution to require balanced annual Federal budgets, I want to summarize why I feel this amendment should be added to the basic great law of this great Nation.

Let me say that as a lifelong student of the Constitution and having served on the Judiciary Committee in this body during my tenure here of 20 years, I do not lightly suggest amending our founding document. Yet, all other avenues having failed us, I believe it appropriate to take recourse to our basic charter to rein in an abused power of the purse—as has been done in similar situations in our history since the Magna Carta—in order that we might save future generations from the heavy burden of irresponsible Government borrowing.

Madam President, let me just summarize the reasons I believe the proposed balanced budget amendment should be presented to the States for ratification. We have to have a two-thirds vote in both of the bodies and submit this amendment to the States, and we have to get three-quarters of them to ratify the amendment before it can be entered into the Constitution. It is a tough process. It ought to be a tough process.

These are some of the reasons why I believe this amendment should be presented to the States for their ratification:

No. 1, integrity and accountability. It will bring immediate credibility to our current budget process and negotiations, and it will restore a measure of integrity and accountability to our Government.

No. 2, our children's future. Passing the balanced budget constitutional amendment is a vote for our children's economic freedom.

No. 3, family financial security. Passing the balanced budget amendment will improve the economic health and stability of all American families.

No. 4, economic strength. The stabilizing effect the balanced budget amendment will have on the economy is clear, and it will enable us to rein in the level of our country's foreign-held debt.

No. 5, retirement security. If we pass this balanced budget constitutional amendment it will literally save Social Security. It will stabilize the economy which will benefit all current and future retirees. Without it, all of these programs will be placed in jeopardy.

Now let me describe these reasons in more detail. On the issue of integrity and accountability, our national debt is rocketing out of control and the American people are paying a very heavy price for it. As you can see by this chart, the debt was relatively stable for many decades, up to about 1970, a little bit before 1970. In recent years the debt has increased at alarming rates under the watch of both political parties. The fact is, our deficits have been structural and they will not be eliminated in the long run without the discipline of a balanced budget constitutional amendment.

They really shot up in the 1980's, right on through the 1990's, and still that arrow is going almost straight up, even today, even with the efforts and actions that have been taken.

Since 1978, there have been no fewer than five major statutory schemes or regimes enacted which promised to deliver balanced budgets, and these include Gramm-Rudman-Hollings. But there has not been a single balanced budget since 1969, which was the only balanced budget since 1960.

While I support the steps we have taken to pass the balanced budget plan, I question whether, without the weight of a constitutional requirement to balance the budget, we will achieve balance by the year 2002. Without a balanced budget amendment, every year Congress has to act, and we have seen the lack of will to do what's right around here. For this reason, I feel passage of the balanced budget amendment is critical.

Let's just acknowledge what every American citizen knows. In recent decades, Washington has been biased to spending, without feeling any constraints by the amount of money it actually has on hand. Washington has

lost the habit of prioritized spending options. Any ideas with political appeal get enacted regardless of cost. We borrow the money if we run short. That is what we have been doing for most of the last 60 years. Those listening could try this thinking on their own budgets at home. Buy any item that looks appealing next time you are at the mall. Just put it on the card. What happens to your budget? Something like this chart probably, but hopefully not quite so high.

Washington, however, is not as constrained as the average American. Washington spends in this way, and when the bill comes, it signs the debt over to the American people. In addition to paying their own bills, the American people have to pay Washington's bills in the form of higher taxes, of course, and accumulated debt. They also pay them in the form of higher interest rates on their homes, their cars, or student loans. They pay in the form of lower job growth, lower wages, and they even pay in the form of decreased services from the Government because more of the budget is being spent on interest rather than on education, health care, job training, child care, the environment, et cetera.

The point is that Americans are getting fed up with Washington because they feel the pinch put on them by Washington's spendthrift ways. They know they have to make hard choices about how they will spend their own money, but they feel that Washington does not feel constrained to make hard choices about spending priorities. It's not even Washington's own money that it's spending so freely; it is the American people's money. No wonder the American people are tired of it.

Besides being dismayed by Washington's free spending habits, the American people also believe that Washington is not accountable for its decisionmaking. The balanced budget amendment responds to both of these concerns. On this chart is the actual text of the balanced budget amendment before the Senate at this time. This balanced budget amendment will require Washington to make tough choices about spending priorities within the constraint of the amount of money it has, or it requires Members of Congress to go on record for its borrowing and taxing decisions. There will be no more voice votes when it comes to raising taxes. There will be no more voice votes when it comes to raising the deficit. You are going to have to stand up and vote. This amendment will see to that. It also requires Congress to achieve some measure of increased consensus about spending priorities if it is going to finance that spending by borrowing.

The concept is simple: Don't borrow, unless a significant number of Members are willing to go on record as saying this spending is such a priority that we must borrow to do it. That would go a long way toward letting Americans know that their Government is deliberating about its spending

habits, making choices among competing options, and only spending beyond its means when it really needs to in order to achieve a goal so important that a supermajority of Members could agree. The balanced budget amendment will go a long way toward restoring the people's faith in the integrity of our budget process and in the accountability of Washington for its decisions.

A vote for the balanced budget amendment is a vote for integrity and accountability in Washington.

Now, our children's future. Our national debt now tops \$5.3 trillion. That averages out to about \$20,000 in debt for every man, woman, and child in America. That is what our fiscal insanity has brought us to. A child born in America today comes into this world \$20,000 in debt—and that is going up. Do we have the right to spend our children's future for our own comfort today?

Over time, the disproportionate burdens placed or imposed on today's children and their children by a continuing pattern of deficits could include some combination of the following: Increased taxes, reduced public welfare benefits, reduced pensions and Social Security benefits, reduced benefits or expenditures on infrastructure and other public investments, diminished capital formation, diminished job creation, diminished productivity enhancement and less real wage growth in the private economy, higher interest rates, higher inflation, increased indebtedness to and economic dependence on foreign creditors, and increased risk of default on the Federal debt.

Madam President, I have said this in the past. This is "fiscal child abuse" and it must end. It is our children's future versus Washington's spending addiction. I hope the Senate of the United States will come down overwhelmingly on the side of our children's future by passing this amendment.

A vote for the balanced budget amendment is a vote for our children's economic security.

Now, what about family financial security? It is not just our children that we hurt with these outrageous deficits. We are suffocating our own families. The impact of higher interest rates, higher taxes, lower wage and job growth, and higher mortgages are felt at kitchen tables all across America. The Concord Coalition has estimated that the interest payments on our mountainous debt amount to \$5,360 a year for a family of four. Just to pay the interest against our national debt, it's \$5,360 a year.

Chairman KASICH of the House Budget Committee has pointed out that three of the causes of the "middle class squeeze"—high taxes, counter-productive Government spending policies, and anemic wage growth—are at least partly caused by continued borrowing by the Federal Government. He points out that the baby boom generation pays taxes that are at least 50 percent higher than those paid by their

grandparents. Real per hour wages inched up just one-third of 1 percent annually over the past 4 years, which is one-seventh the rate of growth in the period between 1960 and 1974, and productivity over the past 4 years grew at only one-fifth the rate of that same period. Economist Lester Thurow noted that the one-earner middle-class family is extinct and explains that almost one-third of all men between the ages of 25 and 34 make less each year than is required to keep the average family of four above the poverty level. These combined pressures tear at the very fabric of our Nation and our families.

By contrast, implementing the balanced budget amendment will lower interest rates, making it easier for our families to pay their mortgages, their car loans, and their student loans. Economist at DRI-McGraw-Hill estimate that a balanced budget rule would result in a 2-percent drop in interest rates. Now, DRI-McGraw-Hill is one of the best econometric groups in the country. A balanced budget rule would mean annual savings of \$1,230 on a middle-class family's home mortgage, \$216 each year for an average student loan, and \$180 each year on the average car loan.

The good effects of our overall economic health will help family budgets in many other possible forms, such as a higher paycheck, more job opportunity or security, lower taxes in the future, and a greater ability to save and invest for the future. The Joint Economic Committee has estimated that the average American family would have an additional \$1,500 a year if we implemented a balanced budget rule. A balanced budget amendment will make it easier for American families to afford a house, a car, or to send a child to college. This offers a real way to relieve the pressure on American families who are struggling to stay together and get ahead. A vote for the balanced budget amendment is a vote for the economic health and stability of American families.

Now, economic stability. Economists from all over this country agree that the balanced budget amendment should pass. They agree that "we have lost the moral sense of fiscal responsibility that served to make formal constitutional restraints unnecessary." Hundreds of economists support the balanced budget amendment as being good for the national economy by increasing both investor and business confidence, both foreign and domestic.

Some economists are against us on the balanced budget amendment. As a general rule, they are academics who depend upon the Government in many ways for their moneys and in many respects love the spending practices of the Federal Government. Not all—some sincerely worry about the amendment. But there are also many, many who worry that if we do not pass the amendment we are really going to be in trouble, and economic stability will be threatened.

If the Government would stop borrowing so much money, interest rates would come down and money would be available for businesses to invest in creating jobs and paying higher wages. The Director of the Congressional Budget Office, June E. O'Neill, has testified recently that "balancing budget will induce favorable changes in the economy," and among those favorable changes she specifically pointed to "interest rates, economic growth, and the share of GDP represented by corporate profits." All of this can put real money in the pockets of real people, including small business owners and employees.

CBO Director O'Neill has also suggested that taking action now to balance the budget can assure greater budgetary stability in the future. Greater budget stability means greater tax stability. And that means that Americans, and their families, and the businesses they own, can plan for the future better, with less risk that shifting tax policy will wipe out their plans in unforeseen ways. At the very least, this will save Americans substantial amounts on tax attorneys. But long-term planning, with less risk from shifting tax policy, can pay dividends throughout the economy.

Decreasing our dependence on debt to finance Government activities will also increase our national economic sovereignty. Interest payments on our debt are increasingly leaving the country. This chart, based on Treasury Department statistics, shows that from 1992 to 1995, the portion of our debt held by foreign interests has increased 28 percent. That is money that leaves the United States, thus weakening our national economy, and perhaps slowly jeopardizing our national independence. It has been said, "It is tough to get tough with your banker." The less we borrow from foreigners, the less dependent we are on foreigners, and the more independent we will be as a nation.

By returning honesty to budgeting, the balanced budget amendment will improve our economy and our economic independence.

RETIREMENT SECURITY

The balanced budget amendment is important to current and future retirees.

This is a very important chart because this chart is based on the Social Security trustees' intermediate projections. As you can see here, while we run modest yearly surpluses until the year 2015—down here is the 2015, and the green shows the moderate surpluses above zero, we get to 2015. The long-term projections are mammoth annual deficits—the red line—mammoth annual deficits that start about the year 2015, if we are lucky. That is assuming a rosy economic picture over the next 19 years. The long-term projections are for mammoth annual deficits projected at current dollars at as much as \$7 trillion for today's children when they retire.

The word "trust" in the Social Security trust fund refers to the trust retirees repose in the Government to meet its future obligations. We will be hard pressed to meet our obligations if we do not get our debt under control now and force ourselves to avoid the growth of debt in the future. The balanced budget amendment will force and empower us to meet these future obligations.

In addition, the economic benefits of the amendment will benefit current and future retirees who are increasingly relying on private financial investments for retirement security. There are 34 million households that have invested in the stock market in some form. As financial expert Jim Cramer notes, if you have a pension, it's likely that it's invested in stocks. If you have a 401K plan, it's probably invested in stocks. Worth magazine's Ken Kurson points out that in 1996, 34 percent of households headed by someone under 35 had some sort of mutual fund. Simply put, many Americans are relying less on Government and more on themselves and their own investments for their retirement security. The balanced budget amendment will strengthen the markets and the investments these Americans are relying on.

No matter the source of retirement security, the balanced budget amendment will benefit current and future older Americans.

Some have argued that we should take Social Security out of the purview of the balanced budget amendment. They argue that we should take the highest items in the Federal budget and the most important item in the Federal budget out of the budget because they think that might protect Social Security. Give me a break. That is not going to protect Social Security. It is going to jeopardize it, because what happens is that if we take it out now, even the President has admitted that you cannot balance the budget by the year 2002 if you do not keep Social Security in the total unified budget.

So it is a gradual way that we get there, and if we get there, then Social Security will be much more stable. When we get to these years when it starts to drop off, we have to take care of it, and, frankly, we have to do it within reasonable constraints and do it right.

The fact is that some argue that we should keep Social Security in the amendment until the year 2003 and then all of a sudden take it out when all of these deficits occur. The reason they want that is so they can keep spending. As far as everybody knows, if we take Social Security out of the purview of the balanced budget, we would be creating the biggest loophole in the history of this country and they could spend anything they want by simply labeling it Social Security.

Madam President, this scares me to death. It is true. These are the trustees' estimates here. That is assuming a fairly rosy economic picture. If we hit

a recession or depression during this period of time, it is going to be worse. And the deficits might actually start before then. But that is the best analysis that we can get at this time.

Madam President, only the force of the Constitution can balance out the incentives for irresponsibility that dominate the Congress, and only the balanced budget amendment can save this country from being swallowed in debt.

A vote for the balanced budget amendment is a vote for a stronger and a freer future for all Americans.

When we began this debate, we had at least 68 Members of the Senate who committed and promised that they would vote for this amendment. We need 67. So we believe the votes should be here. We believe people are honorable and will honor their commitments when they ran for office and when they appeared before their families and friends and voting constituents within their respective States. They all knew at the time that this was the only amendment we could possibly pass. They all knew at the time that this is a bipartisan consensus amendment brought about by both Democrats and Republicans, and that we have worked for over 20 years on this amendment. They all knew at the time that this was the one time in history when we could really get this done. And I hope we do. I believe we will because I believe our fellow Senators will live up to the word that they gave to their constituents.

Madam President, I yield the floor.

Mr. LEAHY addressed the Chair.

The PRESIDING OFFICER. The Senator from Vermont.

Mr. LEAHY. Madam President, I wonder if I could ask the distinguished senior Senator from Utah a question. Shall we vote now?

Mr. HATCH. We would be happy to do it, if the Senator wants to.

Mr. LEAHY. Shall we call the roll?

Mr. HATCH. Sure. That would be fine with me.

Mr. LEAHY. It would be fine with me.

Mr. HATCH. I do not think it would be fine with that side, but it would be fine with me.

Mr. LEAHY. I suspect that you probably have at least one leader on that side who might not be in favor.

Mr. HATCH. I will clear the way.

Mr. LEAHY. Why not talk with him while I give my opening statement to see if we want to do that.

Mr. HATCH. Let us let everybody say what they want to say about this on both sides, and at a reasonable time we would like to—

Mr. LEAHY. If the Senator would like to this afternoon—

Mr. HATCH. I will be happy to do it.

Mr. LEAHY. Why not talk with him.

Mr. HATCH. I will.

Mr. LEAHY. And see if it could be cleared here, too.

Madam President, last night in his State of the Union Address, the Presi-

dent of the United States spoke of the difference between taking action to balance the Federal budget and the political exercise of considering a constitutional amendment on balancing the budget. I mention this because the American people know there is a big difference between talking about a constitutional amendment to balance the budget, a big difference between talking about what you might or might not do, and actually doing it. Here is what President Clinton said.

Balancing the budget requires only your vote and my signature. It does not require us to rewrite our Constitution. I believe it is both unnecessary and unwise to adopt a balanced budget amendment that would cripple our country in time of economic crisis and force unwanted results, such as judges halting Social Security checks or increasing taxes.

Listen to what the President said. Balancing the budget requires only the vote of the Congress and his signature.

This from a President who in the 22 years I have been here is the only President who has brought the deficit down 4 years in a row—the only President who has done that. In fact, if we were not paying the interest on the deficits run up during Presidents Reagan and Bush administrations, we would have a surplus today and not a deficit.

In fact, I believe he is probably the only President in my lifetime, Republican or Democrat, who has 4 years in a row brought the deficit down and certainly the only one since the last President, a Democrat, who had a surplus. That was President Johnson. Deficits have run since then, and only President Clinton has brought them down four times in a row and is about to submit a budget which will bring the deficits down for the fifth time in a row.

That is a record which certainly in modern times, certainly the postwar time, no President, Democrat, or Republican, has done and is a marked contrast to the two Republican Presidents who preceded him who tripled the national debt, who took all the debt from 200 years and tripled it in just 12 years.

So President Clinton is committed to signing a balanced budget that protects America's values, honors our promises to seniors and our veterans and fulfills our responsibilities to the disadvantaged and the young. If this Congress, the 105th, will join him for the good of the Nation and the future, we can, in fact, be the Congress that finally balances the budget.

Madam President, I would like to be part of that Congress, and I would like to see Democrats and Republicans work together to bring about that kind of a balanced budget. But that would mean each one of us, every man and woman in this body and every man and woman in the other body, will have to stand up and cast votes that are politically unpopular—not a vote that sounds very popular but does not cut a single program and does nothing to balance the budget.

My good friend from Utah has talked about the public opinion polls that say how popular a balanced budget is. I support a balanced budget. I voted for more deficit reduction than most of the Members of this body. But wanting it and voting it can be sometimes two different things. It is easy to stand up, as we all do, in town meetings back home and say we want a balanced budget. It is very difficult to come back and face special interest groups on the right and left and say we are going to cast votes to achieve balance.

This is not one of those tough votes. This proposed constitutional amendment is unnecessary, it is unwise, it is unsound, and it is dangerous.

First, it demeans our Constitution. It will destabilize the power among our three branches of Government. That balance of power between our three branches of Government gives this, the greatest and most powerful democracy in history, its greatest protection. It would head us down the road to minority rule and undermine our constitutional democracy. It would likely result in a shifting of burdens, responsibilities and costs to State governments. Whether my own State of Vermont, the State of Maine, the State of Utah, or any other of the 50 States, these State governments are ill-equipped to assume the vast burdens of the Federal Government.

Both because of what it would do and what it would not accomplish, adoption of this proposed 28th amendment to the U.S. Constitution would be wrong. Treasury Secretary Rubin testified that the proposed constitutional amendment would "subject the Nation to unacceptable economic risks in perpetuity. It would be a terrible, terrible mistake for this country."

Treasury Secretary Rubin commands the highest respect of both Republicans and Democrats and certainly within the financial community, and when he speaks of the unacceptable economic risks in perpetuity we ought to stop and listen to him. We should also listen to the 11 Nobel laureates in economics who joined 1,000 other economists who condemn the proposal as unsound and unnecessary. It is what the Los Angeles Times calls a false political star.

Now, there are responsible ways to reduce our budget deficit, but focusing our attention on this proposed amendment only delays us from making progress on what are some very tough choices. This is the same old sleight of hand that we have witnessed around here since 1982 when people began voting for a constitutional amendment on the budget rather than to vote to balance the budget. A lot of people stood up to say, "Yes, I voted to amend the Constitution to balance the budget."

Hurrah, hurrah, how brave they are, but they cannot quite step up here and vote on these tough issues that actually do balance the budget. There is no magic in the proposed constitutional amendment. The magic is hard work. Reducing the deficit will take hard work, and it will require hard choices.

Some may even use a "feel good" vote for this proposed amendment as the excuse to sit back and await the ratification process in the States, and then they would sit back and await the consideration of implementing legislation. Then they would sit back and await the consideration of budgets consistent with such implementing legislation. Then maybe, just maybe, they would start making the necessary cuts.

Madam President, it is like some of the people who stand on the floor of this body or the other body and say that we have to amend the Constitution and have term limits. There are those who stand up and say, "I have been arguing for term limits for 20 years," some who have been arguing term limits before some of the Members of this body were born, and they will keep on into the next century saying we have to have a constitutional amendment for term limits.

I heard one Member of the House, who has been here, I think, 14 terms, say, "If I do nothing before I leave here, we are going to get term limits—if it takes me another 14 terms to get term limits."

What makes more sense, instead of looking for bumper sticker amendments and bumper sticker politics, is to cast votes that will cut the deficit now. Do not wait until the next century. I want to continue to lower the deficit now, not wait for two more election cycles to pass before balancing the budget sometime after the year 2002, which, incidentally, is the earliest date this amendment could be effective.

We showed in the last two Congresses we could make progress in undoing the mistakes of the deficits-building decade of the 1980's without having this proposed amendment in the Constitution. For the first time since Harry Truman was President, the deficit has declined 4 years in a row and with the help of President Clinton we have reduced the deficit 63 percent over the last 4 years. We have reduced the deficit, as a percentage of our economy, from 4.7 to 1.4 percent. These may seem like just numbers, but what we have done is we have reduced the deficit as a percentage of our economy to the lowest among the world's industrialized countries. Instead of constantly standing up supporting this because it might sound like good politics, let us be honest with the people we represent. We have done better than any industrialized country in the world.

As part of our efforts we passed legislation that saves tens of billions of dollars of taxpayer-financed Government programs. These are tough votes. For example, the distinguished senior Senator from Indiana, Senator LUGAR, and I sponsored legislation that reorganized the U.S. Department of Agriculture to become a more efficient and effective agency. The Leahy-Lugar bill passed Congress at the end of 1994. It will result in saving over \$3 billion, but it has to close 1,200 USDA field offices including, should anybody ask, a large

number of offices in my home State of Vermont.

What the distinguished Senator from Indiana and I did was not just to talk about it, we actually put together a piece of legislation which means in every single State in this country somebody is going to feel the pain. I know because I got letters from all over the country about it. But we passed it.

Maybe some of the same people who so eagerly support this constitutional amendment should ask themselves, are they responsible for the huge and unprecedented budget deficits of the Reagan and Bush years? Many are. I am one of only five remaining Senators in this body who voted against the 1981 Reagan budget package that increased defense spending by a huge amount while cutting taxes by a huge amount and which, of course, caused our debt to explode. The 12 years following Reaganomics have left us with over \$2.6 trillion in additional debt.

Do we have a deficit today? Of course we do. If we did not have to pay the interest on the debt run up during President Reagan and President Bush's terms, we would have a surplus today. I commend, again, the President, who, while inheriting a huge national debt, a huge deficit, and a huge debt service when he came into office, has brought the deficit down. President Clinton has, four times in a row, brought the deficit down and is about to do it a fifth time in a row, something that none of us in our lifetime have seen.

But this proposed constitutional amendment remains now what it was then: political cover for the failed policies of the 1980's and their tragic legacy. Those mistakes continue to cost our country hundreds of millions of dollars every workday in interest on deficits run up during the last two Republican administrations. Think of that—hundreds of millions of dollars every single workday just on interest alone based on the deficits of those years. As I said before, were it not for the interest on this debt, we would have had a balanced budget in each of the last several years.

The proposed constitutional amendment contains no protection against the Federal Government seeking to balance its budget by shifting costs and burdens to the States. That is the ultimate budget gimmick—pass the buck to the States. The proposed constitutional amendment would be a prescription for disaster, especially for small States that are ill-equipped to handle the extra load. We know what happened in the 1980's; Federal contributions to State and local governments fell sharply, by about a third. During that same decade, my home State of Vermont had to make up the difference. We had to raise the State income tax rate from 23 to 28 percent. In addition, State and local property taxes and taxes of all kinds had to be increased.

I remember talking to so many people in my State of Vermont, hard-

working men and women, people who bring home a weekly paycheck and pay the mortgages, set money aside for their children to go to college. They keep our economy going. I said, "Have you felt these huge tax cuts that we read you have gotten under Reaganomics?" Except for a couple of my friends who, frankly, Madam President, make a heck of a lot more money than I do, they had not. In fact, what they had seen, the average person had seen their taxes go up. They saw Social Security taxes go up, they saw their local taxes go up, they saw their State taxes go up to cover the differences.

That is not the way to cut the Federal deficit. It is the Federal deficit. You do not cut it by simply shifting the burdens to State and local government and telling them to raise the taxes on their people. Working people cannot afford tax increases any more just because they are imposed by State and local authorities and not by the Federal Government.

While we passed unfunded mandates legislation last Congress, even that legislation offers insufficient protection. My concerns extend beyond new legislation that the lawyers determine include legally binding obligations. I am concerned as well about those programs that respond to the basic needs of individuals.

Human needs are no less real because they are not set forth in a Federal statute. Hunger, cold, illness, the ills of the aged—these do not need statutory definition to cause suffering. With or without definition, they do cause suffering. If we try to balance the Federal budget by scaling back services, we are just as surely going to be shifting the costs and burdens of these unmet needs, as well as Federal mandates, on State and local governments.

I know the people of Vermont are not going to let their neighbors go hungry or go without medical care, and I expect people elsewhere will not either. As much as our churches and synagogues and our charities and our communities will contribute, a large part of the problem and a large share of the costs are still going to fall to State and local governments.

The distinguished majority leader in the other body, RICHARD ARMEY, said in 1995 that he did not want to spell out the effects of this constitutional amendment before it is passed because he is afraid that Congress would not vote to pass it if it knew what it would do. He later reinforced his remarks by warning supporters not to reveal where the necessary cuts would be made because knees would buckle.

If we are going to be asked to consider this constitutional amendment, let us find out what the impact is likely to be. Certainly, before any State is called upon to consider ratification of such a constitutional amendment, we ought to know what the impact is going to be. Every State ought to be able to look at the debate here and our actions here and know what the impact

is going to be if they ratify. Each State should be advised of the likely effects on its economy and, in particular, on personal income levels and job losses in that State. Let us get some of the answers. Let us know where we are headed.

In fact, I believe this proposed constitutional amendment would invite the worst kind of cynical evasion and budget gimmickry. The experience of States that do have balanced budget requirements only bears this out. My State, which has one of the best credit ratings in the country, takes care of its budget without having in its State constitution a constitutional amendment to balance the budget. Because we know we have good times and bad times, we have provisions to set aside a rainy day fund. We know that there are things that we have to do in our small State economy at a time of recession to help.

But look what happens with States with a balanced budget requirement. Many that do achieve compliance do so only with what the former comptroller of New York State calls dubious practices and financial gimmicks. These gimmicks include shifting expenditures to off-budget accounts, postponing payments to school district suppliers, delaying refunds to taxpayers, deferring contributions to pension funds, and selling State assets. The proposed constitutional amendment does not prohibit the Federal Government from using the same and other dubious practices and gimmicks.

With Congress facing a constitutional mandate, the overwhelming temptation will be to exaggerate estimates of economic growth and tax receipts, underestimate spending, and engage in all kinds of accounting tricks as was done before the honest budgeting efforts of 1993. The result will be that those who do business with the Government may never be certain in what fiscal year the Government will choose to pay up or deliver, and those who rely on tax refunds can certainly expect extended delays from the IRS.

Passing a constitutional directive that will inevitably encourage evasion is only going to invite public cynicism and scorn, and not just toward the Congress. That, Madam President, does bother me, since we represent one of the three branches of Government. What bothers me far more is cynicism toward the Constitution itself.

None of us in this body owns the seat that we are in. We are all here for 6 years at a time. Some day we will leave, as we should, either by our own choice or because we are given an invitation to do so by the voters of our State. But while we are here, we have a responsibility to the institutions of this country, and certainly to our Constitution, an oath that we each take solemnly and without any reservation. (Mr. CRAIG assumed the chair.)

Mr. LEAHY. Mr. President, we are, in some ways, an unprecedented country. No nation, no democracy has achieved

the power that we have. In fact, in history, no country, democracy or otherwise, has had the great economy and the great power of the United States. But no other country has had a constitution like ours, a short constitution, a simple constitution, an understandable constitution. Since the Bill of Rights, it has only been amended 17 times. In one of those cases, it was amended for prohibition and then to repeal prohibition.

I mention this because I think there is a definite connection between the greatness of the United States, the fact that we maintain our democratic principles and, notwithstanding our enormous power, a respect for Government and a respect for our Constitution based on the knowledge of that Government and that Constitution and not because a dictator and army tell us we have to.

But that has meant that the men and women who have occupied these seats that we only temporarily occupy, the men and women who have occupied the seats in the other body that were only temporarily occupied, were wise enough—even though there were hundreds and hundreds of proposals over 200 years—were wise enough not to amend the Constitution willy-nilly, especially for those things that can be taken care of legislatively. As the President said last night, it only requires our vote and his signature for a balanced budget, not a constitutional amendment.

Our predecessors on both sides of the aisle and our predecessors on both sides of the aisle in the other body were wise enough to refrain, no matter how popular it sounded or no matter how much it helped them in their elections, from amending the Constitution willy-nilly, especially for those things they knew they could do legislatively.

It is one thing to amend the Constitution to limit the terms of Presidents or to set up successions when there is a vacancy in the Vice Presidency or the Presidency itself. Those are of constitutional import. But something we can do simply legislatively, why amend the Constitution? Let's not debase our national charter with a misguided political attempt to curry favor with the American people by this declaration against budget deficits. Let us not make the mistake of other countries and turn our Constitution into a series of hollow promises.

We are too great a nation for that. We are too great a democracy for that, and the loopholes in Senate Joint Resolution 1 already abound. One need only consult the language of the proposed amendment and majority report for the first sets of exceptions and creative interpretations that will allow Congress to reduce the deficit only so far as Members choose to cast responsible votes. The Judiciary Committee reports that the Congress will have flexibility in implementing the constitutional amendment. It will leave the critical details to implementing legislation.

This proposed constitutional amendment uses the seemingly straightforward term "fiscal year." But according to the committee report, this time period can mean whatever a majority in Congress wants it to mean. It has no immutable definition. It may mean one thing this year, and we may decide the next year it means something else. It can be shifted around the calendar as Congress deems appropriate. Watch out for the shifting of fiscal years in order to juggle accounts when elections are approaching.

This proposed amendment gives congressional leeway to rely on estimates to balance the budget, to make temporary self-correcting imbalances and to ignore very small or negligible deficits. But what is temporary? What is self-correcting? What is small? What is negligible?

With apologies to one of our distinguished predecessors, the Senator from Illinois, Senator Everett Dirksen, a billion here, a billion there; after a while, it does not add up. This is a lawyer's dream.

What is negligible? We think a billion is negligible, and somebody sues, or a whole lot of people sue. My guess is that unless it becomes a political bone of contention between political parties as we approach an election, we could go a long time without Congress declaring itself in violation of this proposed amendment.

What happens if the President of the United States says, "Well, here are my estimates. My estimates are we are going to receive x number of dollars and my estimates are we are going to spend x number of dollars," and it turns out he is wrong? What do we do? Sue him?

What happens if the Congress does the same thing? We estimate in our budget resolution we are going to receive x number of dollars and spend x number of dollars. What happens if we are wrong? Do all 535 Members go to jail or just those who voted for it?

This proposed constitutional amendment could be economically ruinous. During a recession, deficits rise because tax receipts go down. But various Government payments, like unemployment insurance, go up. By contrast, the amendment would demand the taxes be raised and spending be cut during a recession or depression. It is almost like when President Herbert Hoover, as we started into a slight recession, said the thing that would give the most confidence to the country would be to force through a balanced budget. He did, and we went through the worst depression in this century.

As Treasury Secretary Robert Rubin testified in the Judiciary Committee, "the balanced budget amendment would turn slowdowns into recessions and recessions into more severe recessions or even depressions."

Economic policy has to be flexible enough to change with a changing and increasingly global economy. But the requirements of this proposal would tie

Congress' hands to address regional, national, and international problems. We should not hamstring the legislative power that is expressly authorized in article I, section 8, of the Constitution. Let us not undo that which our Founders wisely provided: flexibility.

This proposed constitutional amendment risks seriously undercutting the protection of our constitutional separation of powers. No one has yet convincingly explained how the proposed amendment would work and what role would the President play and what role would the courts play in its implementation and enforcement?

I can just see the new law school courses all over the country. How do you sue under the constitutional amendment?

When you put the budget in the Constitution, economic policy would inevitably throw the Nation's fiscal policy into the courts. That is the last place issues of taxing and spending should be decided. Basically what it does is it destroys this delicate balance between the three branches of government: the executive, the legislative, and the judicial.

I cannot understand why Members of Congress want to give up their powers to the judiciary, because the effect of the proposed amendment could be to toss important issues of spending priorities and funding levels to the President or to thousands of lawyers in hundreds of lawsuits in dozens of Federal and State courts.

If approved, the amendment would have let Congress off the hook by kicking massive responsibilities for how tax dollars are spent to unelected judges and the President. Judge Robert Bork warned of the danger more than a decade ago. Again, Mr. President, why—why—would we give up the constitutional powers we have had for 200 years and give them over to the courts who do not want them and have not asked for them?

So instead of creating future constitutional questions, let us do the job we were elected to do. Let us remember what the President said last night: You vote it, I sign it; we have a balanced budget. Simple as that. But it means we have to make the tough choices and cast the difficult votes and make progress toward a balanced budget.

I worry, Mr. President, that perhaps some, because it is a lot easier, just vote for a constitutional amendment which has huge popularity. It is a lot easier to do that than to vote against a whole lot of programs where your vote is not popular.

It is not popular to actually cast the votes to balance the budget. It is easy to cast the vote for the constitutional amendment. It is sort of like saying, "I will vote today to eliminate cancer." Who disagrees with that? Or the person says, "I'm against cancer. I don't want to give up smoking, but I'm against cancer." It is the difficult steps.

This proposed constitutional amendment undermines the fundamental

principle of majority rule by imposing a three-fifths supermajority vote to adopt certain budgets and raise the debt limit.

Again, has anybody read a history book in this body? Has anybody found out how this country started? Go back to our Founders. Our Founders rejected such supermajority voter requirements on matters that are within Congress' purview. Alexander Hamilton described supermajority requirements as poison. I sometimes wonder if anybody around here even knows who Alexander Hamilton or Thomas Jefferson, George Washington or these people were.

Hamilton observed that:

Supermajority requirements serve to destroy the energy of the Government and to substitute the pleasure, caprice or artifices of an insignificant, turbulent or corrupt junta to the regular deliberations and decisions of a respectable majority.

These supermajority requirements are a recipe for increased gridlock, not more efficient action. If there are some in here who have not read *The Federalist Papers*, just recall the lessons of the last 2 years when the Government was shut down by a determined minority intent on getting its way. The Nation was pushed to the brink of default when a group pledged that, no matter what, they would not vote on raising the debt limit, they were going to let the Government be shut down. Whether it was political or they went out the wrong door in an airplane or whatever, they shut down the Federal Government.

That cost taxpayers hundreds of millions of dollars. It certainly cost everybody in private enterprise in this area, just about any area in the country, hundreds of millions of dollars more. We looked ridiculous to the rest of the world. But all because a minority made that determination.

Such supermajority requirements reflect a basic distrust, not just of Congress, but of the electorate itself. I reject that notion. I have faith in the electorate. I am prepared to keep faith with and in the American people.

Mr. President, we have also said that "The devil is in the details." I believe Emerson first said that. The proposed constitutional amendment uses such general terms even its sponsors concede that implementing legislation will be necessary to clarify how it is going to work.

So we ask, what will the implementing legislation say? Well, we are not going to find out until we see the implementing legislation. Basically this says, "Trust us. Pass this. And we'll tell you afterward what it means." That is kind of like somebody saying, "I'll sell you this business. Would you sign this contract in blank? Give me all your money, but I will fill in the terms afterward."

I am a Vermonter. We just do not quite do it that way back home. We trust each other, but we kind of like to see the details. The questions raised by this proposed constitutional amendment still lack satisfactory answers.

For example, what programs are going to be off budget? What role will the courts and what role will the President have in executing and enforcing the amendment? How much of our constitutional power do we give up? What is really compliance with the amendment? How much of a deficit may be financed and then carried over to the next year? There are a lot of questions like these that are critical to our understanding of this amendment. And they have not been answered.

Should Congress be asked to amend the Constitution by signing what amounts to a blank check? I disagree with that. No Congress should be asked to do that. Nor should each State be asked to ratify a pig in a poke.

In the interest of fair disclosure, Congress should first determine the substance of any implementing legislation as it did in connection with the 18th amendment, the other attempt to draft a substantive behavioral policy into the Constitution. Let us go look at the implementing legislation first.

In my view, this amendment does not meet the requirements of article V of the Constitution for proposals to the States because it is not constitutionally necessary. It is only with resolve and hard work that we make progress. Neither is evident in the proposed constitutional amendment.

I have heard some of the speeches about why it would be good politics, popular politics to vote for this. Politics—good, popular or otherwise—have no place when we are dealing with the Constitution of the United States. We inherited a great legacy from those who went before us because they resisted the temptation to play politics and to amend our Constitution willy-nilly.

As a result, we are the greatest and strongest democracy history has ever known. The bedrock of it is our Constitution, which sets up three branches of Government, with powers that make sure there are checks and balances. This amendment destroys so much of what this country has rested on for over 200 years.

So instead of a bumper sticker for the Constitution, what we need is the wisdom to ask what programs we must cut, and the courage to explain to the American people that there is no procedural gimmick that can cut the deficit or the debt. There is no nice, easy self-serving item. There is only hard work. But I think the American people would rather have the hard work than have us fool around with our Constitution.

Yesterday the Wall Street Journal printed an editorial titled "Constitutional boondoggle" in its editorial page. The editorial says:

We do need to get the national debt declining . . .

I agree.

We do need to restrain federal spending.

Again, Mr. President, I agree.

We do need to resolve the Medicare crisis . . .

Mr. President, I agree.

We do need to look beyond the year 2002.

Mr. President, I agree. But then they said:

But these battles have to be fought one by one, and [they] can't be solved by amending the Constitution.

Once again, Mr. President, I agree.

The Wall Street Journal editorial concludes:

The concept embodied in the proposed [constitutional] amendment measures nothing useful; it is at best a distraction, and at worst, causes confusion that makes the right things harder to do, not easier.

I ask unanimous consent the Wall Street Journal editorial be printed in the RECORD immediately after my remarks.

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

(See exhibit 1.)

Mr. LEAHY. Mr. President, think back again to last night's State of the Union address. The President said all it takes is for us to cast the votes and for me to sign the bill to balance the budget. Many of us who cast those tough votes to cut programs, to bring the deficits down, have faced in the short term the wrath of our constituents but in the long term a realization that we have done the right thing for the country.

I am proud that I have voted for budgets that have now, 4 years in a row, brought down the deficits, something that has not happened certainly in the last 15 years or so. We have had a President who has had the courage to give us four budgets in a row that bring down the deficits. They have meant tough votes.

Some Members who voted to bring down the deficit have probably lost elections because of those tough votes. How much better they have been to themselves, to their children and their children's children because they resisted the temptation, as Senators and Representatives have for over 200 years, to amend our Constitution unnecessarily.

So let us not proceed to a view of short-run popularity but with a vision of our responsibilities to our constituents and the Nation in accordance with our cherished Constitution.

Mr. President, first and foremost I am going to cast votes on this floor to protect that Constitution, popular or otherwise. I take my oath of office seriously. I appreciate the privilege the people of Vermont have given me to represent them in this body. There is nothing I will ever do in my life that will make me as proud as being in this body representing the people of Vermont. As I have told the people of Vermont in each one of my elections, I will protect the Constitution first and foremost. As I told them in my last two elections, I will vote against this constitutional amendment because it does not protect our country, it devalues the Constitution, and it lets us off the hook from doing the things that we really should do.

I yield the floor.

EXHIBIT 1

[From the Wall Street Journal, Feb. 4, 1997]

CONSTITUTIONAL BOONDOGGLE

With President Clinton about to deliver his State of the Union Address and new budget, this is an apt moment to say that the President is right and the Republicans are wrong on item one of the GOP Congressional agenda. The balanced budget amendment is a flake-out.

The notion of amending the Constitution to outlaw budget deficits is silly on any number of counts. Politically it's empty symbolism. Legally it clutters the Constitution with dubious prose. Today's lesson, though, concerns economics and accounting. You can't measure economic rectitude by any one number, let alone the "deficit," however defined, let alone the deficit projections the proposals will inevitably involve in practice. The attempt to enshrine such a number in the Constitution is bound to prove a snare and a delusion.

The proposal passed by the Senate Judiciary Committee says that outlays ("except for those for repayment of debt principal") shall not exceed receipts ("except those derived from borrowing"). While this concept sounds simple, in fact it reflects neither accounting principles nor economic reality.

If you can balance your family budget, the thinking goes, the government can balance the federal budget. But applying the budget amendment's principles to households would outlaw home mortgages, which have proved a boon to countless families and the general economy. What a family balances is its operating budget, a concept foreign to the federal accounts. In corporate accounting, similarly, the health of an enterprise is measured by careful distinctions such as accruals or depreciation. Even the balanced budget restraints of state and local governments exclude spending on capital improvements financed by bond issues approved by voters.

The reality is that borrowing money is not a sin; it depends on how much money, and in particular on the uses of the borrowed funds. Even the amendment itself recognizes this by allowing Congress to waive the amendment by majority vote when war is declared or when a joint resolution declares "a military conflict which causes an imminent and serious military threat to national security." Other emergencies would presumably be dealt through the provision that Congress could approve borrowing by a two-thirds vote.

Republicans back the amendment because it scores well with focus group participants, who don't understand the difficulties, and with Ross Perot, who doesn't care. They also hope that limiting the government's power to borrow will force it to limit spending. Democrats seem pretty much to agree, and want to voice support for the amendment to appease focus groups while also killing it to avoid a spending straitjacket. We're not so sure.

For one thing, we've observed how European politicians, even supposedly conservative ones, have been behaving toward the budget-deficit requirements they imposed on themselves in the Maastricht agreement. To get within the numerical criteria, the Italians are taking their railroads off and on budget; the French government, in return for an infusion of funds this year, assumed pension obligations running into the far future. Governmental accounting, you see, simply counts formal government debt; it ignores unfunded governmental promises.

This is a loophole enormous enough that Rep. Fernand St Germain could drive half of

the S&L crisis through it in one night in 1980, when he doubled deposit-insurance limits. Another enormous loophole is the government's ability to offload, or "mandate," costs on corporations, individuals and state and local governments without running any receipts or outlays through the Washington books. And when the bill for Rep. St Germain's coup suddenly came due in 1989, would it really have been better to avoid borrowing and put the rest of the government through a temporary wringer?

These imperfections might not matter if the amendment did no harm, but it's easy enough to imagine scenarios in which it would keep us from doing the economically right thing. Take the proposals by the most conservative bloc in the recent Social Security Commission. They would allow current taxpayers to personally invest part of what they owe in payroll tax, giving them a better return. But meeting obligations to those retiring before their benefits were funded would require a big issue of government debt. The new debt would merely formally recognize current obligations, and the privatization would dramatically reduce future obligations. Though this transaction would plainly improve the federal fisc, the balanced budget amendment would outlaw it.

Or for that matter, take the Reagan defense build-up, which led to victory in the Cold War. The balanced budget amendment would have allowed a majority to vote for borrowing if fighting broke out, but not for expenditures to deter it. Is this what we want?

And take the Reagan tax cuts, which in combination with Paul Volcker's tight money, led the country out of 1970s malaise, conquering inflation without an extended recession. Clearly, deficit projections would have prevented the tax changes.

Yes, this policy mix gave us deficits, but the 1980s deficits are themselves a large part of the reason we have a new concern with budget discipline today. Indeed, it seems to us that history argues that discipline comes from forcing governments to borrow, and pay interest—instead of raising taxes or making unfunded promises or issuing unfunded mandates. Yet in the form passed by the Finance Committee, the amendment says you need a majority to raise taxes, a majority to declare a military emergency, but two-thirds to borrow.

What President Reagan understood is that if you limit taxes, spending will sooner or later have to follow. For permanent budget discipline, the best idea now on the table is Rep. Joe Barton's proposal, up for a vote in the House April 15, simply to require a two-thirds vote to raise taxes. If that should pass, nature will take its course.

We do need to get the national debt declining as a per cent of economic output. We do need to restrain federal spending. We do need to solve the Medicare crisis, as Senator Phil Gramm notes alongside. We do need to look beyond the year 2002. But these battles have to be fought one by one, and can't be solved by amending the Constitution. The concept embodied in the proposed amendment measures nothing useful; it is at best a distraction, and at worst spreads confusion that will make the right things harder to do, not easier.

Mr. HATCH. Mr. President, Senator THURMOND, who has worked on the balanced budget amendment for all this time that he has been in this body, the imminent President pro tempore of this body, who deserves so much credit for even getting it up for us to vote on it, has asked that one of our new Senators from Nebraska be given the op-

portunity to take his place at this point. He wanted to defer to the distinguished Senator from Nebraska who will be giving his maiden speech on the balanced budget amendment in the Senate. I am proud of him for doing so. It is an honor to all of us that Senator THURMOND would do this.

Mr. President, I ask unanimous consent the distinguished Senator from Nebraska proceed with his remarks, and then I ask unanimous consent that the distinguished Senator from Nevada be allowed to proceed.

Mr. LEAHY. Mr. President, certainly the Senator from Nebraska, who has been waiting some time, should go next, but perhaps somebody on this side of the issue might go after the Senator from Nebraska.

Mr. HATCH. Let me amend my unanimous consent.

Mr. LEAHY. The distinguished Senator from Utah and I have had enough bills on the floor. It might be good to go back and forth.

Mr. HATCH. Senator BRYAN would like to go after Senator HAGEL, if there is not another opponent who wishes to speak.

Mr. LEAHY. If we do not have another opponent, I am certainly willing to yield to the distinguished Senator.

Mr. HATCH. I wanted to make it clear. We will finish here about 5:30 today, I understand, and certainly we want to have both of these Senators give their speech.

Mr. LEAHY. I assumed the excitement level would be at such a high level we might want to go on all night, but if the distinguished Senator from Utah wants to stop, I will contain my excitement.

Mr. HATCH. We are only doing it to accommodate our friends on the other side who have a dinner. I would like to get the remarks in, and I particularly want to listen to these two Senators.

I yield to the Senator from Nebraska. The PRESIDING OFFICER. The Chair recognizes the junior Senator from Nebraska.

Mr. HAGEL. Thank you, Mr. President. Let me also add my thanks to the distinguished senior Senator from South Carolina, Senator THURMOND, for giving me an opportunity to take his place this afternoon in this debate over the balanced budget amendment.

Mr. President, I rise today to add my strong support for Senate Joint Resolution 1, the balanced budget amendment. I believe Americans want a smaller, less intrusive Federal Government. They want more freedom from the burdens of Government. This is America, a country born from a desire to escape the yoke of oppressive government. Our Founding Fathers did not trust government. They trusted the people.

As we approach a new century, we have again reached a turning point in America's history. We have been given a charge, as a nation and as representatives of the people, to work together to prioritize the role of Government, to

redefine the role of Government in our lives. How much Government do we want? How much do we want Government to do for us? What do we want Government to do for us? How much Government are we willing to pay for?

Reducing the role of the Federal Government will require tough choices. A balanced budget amendment will not make those tough choices and difficult decisions. It is the responsibility of those of us entrusted by the American people in leadership positions in this country to make those tough choices and those difficult decisions. However, a balanced budget amendment will force us to step up to these decisions and help make us better able and disciplined to make those choices necessary to ensure a strong future for this country.

The American people are tired of political posturing and partisan rhetoric. They want action. They want results. They want us to do what we said we would do. We are not here to defend the status quo. We are here to solve problems. We are here to ensure that the taxpayers get the most efficient and effective use of their tax dollars. After all, the money we spend is not our money. It is not the Senate's money. It is not the President's money. It is the American people's money. They earned it. They work for it. It is up to us to spend it wisely. And right now the American people do not believe that Washington spends their money wisely. The American people want us to get control of this country's fiscal policy. They want fiscal responsibility.

That is why a balanced budget amendment is so important. It will force discipline upon the Congress of the United States, a fiscal discipline that has been absent since 1969, the last time America balanced its budget; 36 of the last 37 budgets in this country have not been balanced. It will force us to be honest with the American people.

As our former colleague, Paul Simon, a strong proponent of the balanced budget amendment, wrote just last week in the New York Times: "Elected officials like to do popular things, and there is no popular way to balance the Federal budget." The balanced budget amendment will give us the constitutional discipline to do the right thing.

This debate is about accountability. This debate is about responsibility and leadership. It is about restoring the confidence and trust of the American people and their Government.

We have all been called upon to provide leadership. There is no bigger challenge facing the future of this country than paying down our enormous national debt.

During the debate on the balanced budget amendment there will be numbers and numbers and more numbers. But I ask you to focus on these numbers: America made gross interest payments of \$344 billion in fiscal year 1996 on our national debt. That's \$344 billion that was not used to improve our schools, strengthen our national defense, protect our environment, or

build new transportation systems. And that's just the annual interest. The only thing that we are doing is paying interest on the national debt. We are not even beginning to touch the principal. Each day, we add an average of \$700 million to our national debt that already totals \$5.3 billion. By the time we reach anyone's plan for a balanced budget, the national debt will be \$7 trillion.

The national debt that we are leaving for our children and our children and grandchildren is the real issue in this debate.

What we are doing in cheating the generations that follow us is immoral. We must put our Government in a position to begin paying down our national debt. We must begin to put our fiscal house in order, or our next generation—and I see young people in the galleries today—will face a disaster. They will have a limited future because they will have limited opportunities. This debate is about their future, the future of America, the future of our children and their children.

It strikes me as ironic, Mr. President, that opponents of the balanced budget amendment argue that it will cause cuts in education, Social Security, Medicare, and other programs. What they fail to tell the American people is that if we do nothing—if we fail to act—deficits and our debt will continue to rise until there is nothing left in the Federal budget for education, entitlement programs, national defense, or any other programs—including Social Security.

The real threat to Social Security is the national debt. If we don't act to balance the budget and stop adding to that debt, then we are truly placing the future of Social Security in jeopardy.

Furthermore, exempting Social Security from the balanced budget amendment would actually make Social Security more vulnerable. We are all well aware that Social Security will begin to run a deficit of trillions of dollars early in the next century. Taking Social Security off budget would put it out on a plank all by itself when that time comes. Including Social Security in our total unified budget calculations ensures that Congress will have to deal with this crisis before it hits. How can we take America's largest program off budget?

If Congress took Social Security off budget and ran trillions of dollars of deficits in it, Congress could still say that they balanced the budget. That is ludicrous. That is folly. But, more important, it's dishonest. Does anyone truly believe that Social Security will suffer if we balance our budget? Let's get real. Social Security has been, and will continue to be, the highest priority program in the Federal budget.

Let me say this as straightforward as I can. The best thing we can do to ensure a sound future for Social Security and America is balance a unified Federal budget.

Let's be honest with the American people and say it straight. We have to balance our budget. We cannot continue to pile on to the debt that we are leaving this next generation and then expect them to be competitive in the global economy of the 21st century. If it takes an amendment to the Constitution to balance the budget, we should have one. Our Framers gave us that option. When it was required to do the right thing for the people and the Nation, the Framers gave us amendments to the Constitution to help ensure that we balance our budget, and we need a balanced budget constitutional amendment. So let's get at it. Let's show the American people that we are going to do what we said we would do.

The future for our next generations is growth and more economic opportunities for all Americans. Only through growing our economy, cutting taxes, cutting regulation, and cutting Government spending will we be able to pay off our national debt.

We cannot delay these decisions any longer. Generation after generation will live with the consequences of our actions or our inactions. Will they live with the crushing debt of our indecision? Or will they look back and say that we did rise to the occasion and to the challenge? Will they say that we faced the deficit and the debt honestly and took action and ensured the survival of the American dream?

The magic of America has always been that each generation has done better than the last because it had more opportunities. I do not want to look my 6-year-old and 4-year-old in their eyes in 20 years and say to them that I was a Member of the U.S. Senate, but I didn't do enough to protect their future.

I will not allow that to be the legacy of this U.S. Senator, nor do I believe that this is the legacy my distinguished colleagues wish to leave to their children, grandchildren, and America.

Thank you, Mr. President.

MR. THURMOND. Mr. President, today, we being consideration of a proposed constitutional amendment to require the Federal Government to achieve and maintain a balanced budget.

Undoubtedly, it is the desire of every Member who supports the balanced budget amendment to see the Federal budget deficit eliminated so that we may begin to cut away at the Federal debt which is currently over \$5.28 trillion. Without a balanced budget amendment, there has been little pressure on the President to submit a balanced budget and on the Congress to make tough legislative choices on Federal spending. I would note that the Republican-controlled Congress is working hard to balance the Federal budget. However, we need a balanced budget amendment as part of the Constitution. As the Congress authorizes Federal spending, we must understand

the reality that there are a finite number of tax dollars available for public spending and various proposals would compete on merit and need, not popularity.

The balanced budget amendment would instill legislative accountability as the Congress considers various proposals for increased Federal spending. Currently, there is no real check on runaway Federal spending, and there will never be a shortage of legislation creating new Federal programs or efforts to increase spending in existing programs. Without a balanced budget amendment, budget deficits over the long term will continue to rise and the Federal debt will continue to grow. There have been times when gestures were made to bring spending within our means but those efforts were shortlived. Statutes to reduce Federal spending have not been enough. They are too easily cast aside and the Federal Government rolls along on its path of fiscal irresponsibility.

I am convinced that without the mandate of a balanced budget amendment, Federal spending will continue to eclipse receipts and the American people will continue to shoulder inordinate tax burdens to sustain an indefensible Federal appetite for spending. In 1950, an average American family with two children sent \$1 out of every \$50 it earned to the Federal Government. Today, the average American family is spending \$1 out of every \$4 it earns to the Federal Government.

Mr. President, we can trace the debate on a balanced budget amendment back in our history for 200 years. A defining moment may well have been the appointment of Thomas Jefferson as Minister to France. Thomas Jefferson was abroad when the Constitution was written and he did not attend the constitutional convention. If Jefferson had been in attendance, it is quite possible that he would have been successful in having language placed in the Constitution to limit the spending authority of the Federal Government. Upon studying the Constitution, Thomas Jefferson wrote in a letter of a change he so fervently believed should become part of the Constitution. He wrote the following:

I wish it were possible to obtain a single amendment to our Constitution. I would be willing to depend on that alone for the reduction of the administration of our government to the genuine principles of its Constitution. I mean an additional article taking from the government the power of borrowing.

Further, Jefferson stated,

To preserve our independence, we must not let our rulers load us with perpetual debt. We must make our election between economy and liberty, or profusion and servitude.

Another former President, Andrew Jackson, stated the following,

Once the budget is balanced and the debts paid off, our population will be relieved from a considerable portion of its present burdens and will find . . . additional means for the display of individual enterprise.

President Harrison described unnecessary public debt as "criminal."

Mr. President, early American Presidents and public leaders understood the dangers of excessive public debt. For almost 150 years, balanced budgets or budget surpluses were the fiscal norm followed by the Federal Government. The unwritten rule followed by Presidents and legislators until recently in our Nation's history was to achieve balanced budgets except in wartime. Unfortunately, the role and the size of the Federal Government has grown out of control. In the past three decades, the Federal Government has run deficits in every year except one. Further, the Federal Government has run deficits in 56 of the last 64 years.

The Federal debt has grown as deficits have continued and the debt is now over \$5.28 trillion. It took this Nation over 200 years to run the first trillion dollar debt yet we have recently been adding another trillion dollars to our debt about every 5 years.

I have been deeply concerned during my time in the Senate over the growth of the Federal Government. It has been too easy for the Congress to pass legislation creating new Federal programs and spending more tax dollars whenever there is a call for Federal intervention. Of course, the Federal Government has an appropriate role to protect the citizens of this Nation, but it is not realistic to believe that Washington should respond to every perceived problem with a new Federal approach. This Nation has drifted from its original foundations as a national government of limited authority. I believe the adoption of a balanced budget amendment will do much to return us to a more limited Federal Government and decentralized authority and the mandates of such an amendment will increase legislative accountability. A balanced budget amendment is the single most important addition we can propose to the Constitution to begin reducing the size of the Federal Government.

Mr. President, we have seen the national debt and deficits rise in large part because the Federal Government has grown. The first \$100 billion budget in the history of the Nation occurred in 1962. This was almost 180 years after the Nation was founded. Yet, it took only 9 years, from 1962 to 1971, for the Federal budget to reach \$200 billion. Then, the Federal budget continued to skyrocket; \$300 billion in 1975, \$500 billion in 1979, \$800 billion in 1983, and the first \$1 trillion budget in 1987. The budget for fiscal year 1996 was over \$1.5 trillion. Federal spending has gripped Congress as a narcotic but it is time to break the habit and restore order to the fiscal policy of this Nation.

Two years ago, we were only one vote short of the votes needed to pass the balanced budget amendment. We now have another opportunity to send the balanced budget amendment to the American people for ratification. I hope we do not fail the American people on this historic opportunity and instead present to the States our pro-

posed amendment to mandate balanced Federal budgets. It is time to act to secure the future for all Americans.

I thank the Chair and yield the floor.

Mr. HATCH. Mr. President, as you can see, this is a very important amendment. This is a very important debate. This particular debate is going to determine whether this country is going to go ahead with a fiscally responsible Government or whether it isn't. And, frankly, I think it is time that we do vote on this and that we do what is right for our country.

We are waiting for a couple of Senators who would like to come and speak to this.

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

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

Mr. HATCH. Mr. President, I compliment the distinguished Senator from Nebraska for his maiden speech on the floor of the Senate on the balanced budget amendment. He did a very good job. He made a lot of very important points. I hope everybody in this country will pay attention to him.

This is a fellow who has sacrificed for his country. He was a war hero. He has been much decorated. He decided he wanted to run for the U.S. Senate so he could make a difference, and he made a real difference here today. I personally commend him for it and thank him for it.

Mr. LEAHY. Mr. President, while I disagree with the position of the distinguished Senator from Nebraska, I, too, compliment him on his first speech. He obviously had given great thought to it and to his position. It was sort of in the dim recesses of my own memory of the first time I spoke on the floor. I know it is a special time. I applaud him for waiting to speak on this matter. Whichever side we are on, we all agree that it is a very serious matter.

I notice that the distinguished senior Senator from Massachusetts is on the floor and wishes to speak. Following the sort of informal arrangement the Senator from Utah and I have worked out, trying to go back and forth, I will yield to the Senator from Massachusetts.

The PRESIDING OFFICER. The Chair recognizes the Senator from Massachusetts [Mr. KENNEDY].

Mr. KENNEDY. Mr. President, I thank the Senator from Vermont. Mr. President, I support a balanced budget, but I oppose this constitutional amendment. It is unnecessary, unwise, and untimely. At the very moment when Congress is about to balance the Federal budget the right way, our Republican friends are attempting to do it the wrong way, by writing an inflexible requirement into the Constitution.

Tomorrow, President Clinton will give Congress an opportunity to ap-

prove a balanced budget that genuinely protects the priorities of American families on key issues, such as Social Security, Medicare, education, jobs, health care, and the environment, while achieving the goal of a balanced budget in the year 2002. That is what American families want and need, not a risky and unnecessary constitutional amendment that would jeopardize these priorities, hamstringing the economy, and place a straitjacket in the Constitution.

Our Republican friends refuse to admit the extraordinary progress we have already made under President Clinton to balance the budget. Twelve years of Reagan-Bush budgets tripled the national debt and quadrupled the deficit. But in 4 years under President Clinton's leadership, we have reduced the deficit by nearly two-thirds, and the goal of a balanced budget is clearly within our grasp.

The proposed constitutional amendment has several fatal flaws. One of the most flagrant is the clear threat it poses to Social Security. Today, over 43 million senior citizens rely on Social Security as a lifeline, and millions more are counting on it for their future. Yet the balanced budget constitutional amendment does not protect Social Security—it endangers it.

For over a decade, beginning with the Reagan administration when Social Security first came under heavy hostile fire from some members of the Republican Party, large bipartisan majorities in both the Senate and the House of Representatives have consistently dealt with that threat by providing clear protection for that basic program. Major legislation in 1983, 1985, and 1990 all protected Social Security by placing it outside the regular budget process. Yet this proposed constitutional amendment would undo all those protections, and put Social Security on the chopping block with all other programs.

When we were considering the markup of the balanced budget amendment, I made this point. Those who took a different position said, "Well, Social Security will be protected in any event because of the existing statutes." But what they fail to understand is that we are talking about a constitutional amendment that will override those particular statutes. Those statutes will be ineffective because of the new constitutional mandate.

We will erode the protections afforded Social Security in the past. The protections recommended by the Social Security Commission in 1983, which were effectively adopted in the Gramm-Rudman-Hollings budget statute and restated, with bipartisan support, in 1990. These are important pieces of legislation that clearly said that Social Security is different.

Social Security is special. Social Security represents dollars paid in by workers with the clear understanding and effective guarantee that they will

be paid back at retirement. Social Security is different, as all of us well understand, from other provisions of legislation—direct appropriations and the discretionary budget, which funds, for example, education programs, NIH, the military, and the entitlement programs, plus the interest on the debt. As much as I strongly support the commitments at NIH or the Pell Grant Program, citizens do not pay into those programs expecting to get something back in the future.

That is why, Mr. President, it has been the time-honored position of this body—with bipartisan support—to place a firewall around Social Security. But not under the balanced budget amendment. It is right in there along with other programs, eligible for the chopping block.

This proposal could easily force the Federal Government to stop making payments on Social Security checks. As House sponsors of the amendment have admitted, "The President would be bound, at the point at which the Government runs out of money, to stop issuing checks." That would be a disaster for senior citizens on fixed incomes who count on Social Security to pay their rent, buy their food, or pay their heating bills.

How can any senior citizen count on Republican pledges that say, "Trust us. We won't hurt Social Security"? Our answer is clear—stop dissembling about Social Security. Stop playing this phony shell game with Social Security. We all know how to protect Social Security—so I say, protect it.

The second fatal flaw surrounding this amendment is the pretense of broad public approval. Proponents claim the amendment has widespread support among families in communities across the country. The polls seem—but only seem—to confirm that. A balanced budget constitutional amendment does have superficial appeal. It sounds good in a sound bite, but it can't survive serious debate.

Families don't balance their budgets this way. If they did, they could never buy a home through a mortgage, or borrow money to send their children to college or to buy a car.

That is the family budget. We hear, "Well, the families have to account for their funding." They do, and we should. And we will under President Clinton's budget. But to say that the families of this country do not mortgage their homes and pay off the debt over a period of time or borrow to send their children to college or to buy a car is misstating and misrepresenting what is really happening on Main Street USA.

Our Republican friends should not be lulled into a false sense of public support for this phony amendment. When families across America realize its flaws, this amendment will flunk the kitchen table test.

The third fatal flaw in this amendment is its threat to the economy. Republicans tell us that this proposal is good for families. But over 1,000 econo-

mists, including 7 Nobel prize winners, have condemned the amendment as an unacceptable risk to the health of the economy.

As Secretary of the Treasury Bob Rubin told the Senate Judiciary Committee, the amendment would "subject the Nation to unacceptable economic risks in perpetuity * * *. A balanced budget amendment could turn slow-downs into recessions, and recessions into more severe recessions or even depressions."

Mr. President, we have seen an expanding and growing economy in recent years. It has worked very well for an important percentage of the American people. It has not worked as well for all working families in this country. We acknowledge that. That is an area which I think we have to give greater focus and attention. But we do not have the dramatic swings that we experienced at other times in our economic history. Times that had a disastrous effect on working families—in particular, working families at the lower level of the economic ladder. So why are we putting them at risk with the balanced budget amendment? The wealthiest individuals are not going to be hurt if their Social Security check is cut or the Pell Grant program is reduced. Working families will be at risk. And the working poor have the most to lose because, if this country is put into a depression, they are the ones who will forfeit their jobs and the opportunity to provide for their families.

This amendment could spell disaster for working families during times of recession. The amendment turns off the economy's automatic stabilizers. That could cause unemployment to rise dramatically.

It is estimated that the unemployment rate in the 1992 recession would have risen to 9 percent, instead of 7.7 percent, and an additional 1 million Americans would have been thrown into the unemployment lines. What sense does it make to pass a fell-good constitutional amendment that could have harsh and extreme consequences like that?

Proponents claim that Congress would act in time to avoid any economic emergency. Does anyone seriously believe that? Under the three-fifths rule in this amendment, a willful minority could hold the economy and the entire country hostage indefinitely.

The House sponsors of the amendment have acknowledged this problem. They admit the amendment would have the effect of "lowering the blackmail threshold * * * from 50 percent plus one in either body to 40 percent plus one." That is the height of irresponsible government.

I say, let's work together, on both sides of the aisle, to pass an honest balanced budget that protects the Nation's priorities, protects the economy, and protects the Constitution too. Amending the Constitution is a transparent partisan political gimmick, and

I'm convinced the people will see through it as this debate continues.

Mr. President, I look forward later in this debate to have the chance to debate the issues on Social Security, the enforcement provision, how this measure would tend to force amendments, and we will work with the leadership, Senators LEAHY and HATCH, to offer those amendments in a timely way to permit Members to engage in this debate.

I yield the floor.

The PRESIDING OFFICER. The Chair recognizes the Senator from Nevada.

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

I note by way of a prefacing comment the amendment that we are debating is a significant one. Obviously, there is going to be prolonged and thoughtful debate on the merits of Senate Joint Resolution 1, as is appropriate.

I note that not all Democrats agree with the position I take in support of this amendment, and not all members of the same family agree. The very able and distinguished senior Senator from Massachusetts has made an eloquent statement here just moments ago in opposition. His articulate and able nephew joined us at a press conference earlier today with equal vigor arguing for its ratification. So this will have some ramifications, I am sure, in terms of the process here in Washington.

Mr. KENNEDY. Will the Senator yield?

Mr. BRYAN. I am happy to yield.

Mr. KENNEDY. I appreciate the comment. It is two out of three. We have two out of three members of the family who oppose it. But I appreciate the Senator's pointing out the one member of the family. We will have a chance to talk to him.

Mr. HATCH. Will the Senator yield?

Mr. BRYAN. I will be happy to yield to the Senator.

Mr. HATCH. I think we see some hope for the Kennedy family.

Mr. BRYAN. I do not want to transgress and separate that wall of separation between church and state, but I think there may be a period of redemption here for those who have not yet been enlightened by our view.

It is always a pleasure to engage the Senator from Massachusetts in conversation because I know that he advocates from a position of conviction, sincerely a colleague whom I respect even though in this particular case I find myself in disagreement with his position.

Mr. President, this debate will climax later this month when the Senate tries to muster the 67 votes necessary to make this the 28th amendment to the Constitution. The outcome of this vote will have historic consequences which will significantly affect this country for decades to come. If we are successful in getting this amendment added to our Constitution, it will be this Congress' legacy to the history books and to our children and our grandchildren.

The President spoke eloquently last evening in his State of the Union Address. I have known the President for at least 15 years, when he and I served as chief executive officers of our respective States, and I have never heard him speak more eloquently. I believe it is the most eloquent of the State of the Union Messages that I have heard as a Member of this body. He spoke at considerable length about our children and the 21st century. We are part of the 20th century. As he pointed out, those who are born this year will have little or no memory of the century that has been the governing influence in the lives of every Member of this institution and those who report our actions for this generation.

I believe with equal sincerity that the action we take on this amendment is, likewise, for our children and their legacy so that they may have the same economic opportunities we have. It is my sense, and I will speak to this more in just a moment, that we foreclose and mortgage their future if we do not arrest a trend that has been institutionalized with both Democratic and Republican administrations and with Democratic and Republican Congresses.

As I commented earlier this month at a press conference with my able colleague, the distinguished chairman of the Judiciary Committee, both the White House and the Congress have supported a balanced budget. Democrats and Republicans in the Congress support a balanced budget. It has become the Holy Grail, if you will, of American political strategy to reach a balanced budget. Suffice it to say, our track record has not been particularly impressive. In 59 of the last 67 years, we have failed to balance the budget, and as a consequence these numbers are staggering. I want to talk to that issue a little bit more in a moment.

I do not underestimate the seriousness of an undertaking to amend the Constitution. We have only done so 27 times in our history, and so we should approach this carefully and analytically. This will and should be a lengthy debate, with serious consideration given to legitimate points of view, but in the final analysis I believe it is imperative that Congress send to the States some form of a balanced budget amendment. Other approaches have been tried and failed, but for the future economic well-being of our country, our children, and our grandchildren, we must take this step.

The wording of the resolution is straightforward and the text is barely two pages long. Under Senate Joint Resolution 1, total Federal spending must not exceed total Federal revenues for each year unless a 60-percent supermajority of those elected in both the House and the Senate vote to allow the Congress to authorize a specific amount of deficit spending.

While the wording is straightforward, the significance in terms of its impact on our country cannot be overesti-

mated. Balanced budget amendments are not alien to our Government. In fact, almost all States have balanced budget requirements either in their constitutions or in their statutes.

As Governor of Nevada, I was required to balance the State's budget. It was not always an easy task, particularly during the economic slowdown of the early 1980's which affected my own State of Nevada and many other States. The year that I was elected Governor, in 1982, the recession had reached its low point in my State, and in January 1983, as I assumed office, we were not sure in that first month whether we could handle the payroll for State government. It was close. It was nip and tuck.

It is always the lot of those who seek support for programs, many of which I support, many of which the Members of this Chamber are supportive of, it is always the nature of those groups to ask more than they know you can provide, and Governors have the responsibility reinforced with a balanced budget provision, notwithstanding those requests and the merit of many of them, to simply say I would love to do it, I would like to do it, but we simply cannot do it because we do not have the money to do it and we have to operate within the revenue stream that we have.

That is the way we conduct our personal affairs, in business and private life. We lack that institutional discipline, it seems to me, here at the Federal level. And I say that without respect to partisanship. That is true with Democratic and Republican administrations alike.

My experience born out of that time is that a balanced budget requirement instills fiscal discipline in a system that is otherwise predisposed to avoid making hard, unpopular choices, and for the most part States have performed admirably when it comes to fiscal responsibility. We cannot say the same for the Federal Government in recent history.

In our country's first 150 years, there was almost an unwritten rule that the Federal Government should balance its budget. The United States Government ran deficits during the War of 1812, the Civil War and the Spanish-American War, to name a few occasions. But in other periods the Federal Government ran surpluses to reduce its outstanding debts. On the whole, only emergencies justified running deficits. However, in the past 36 years, the Federal Government has balanced its budget only once, in fiscal year 1969, and has failed in 59 of the last 67 years.

That is not an impressive record. None of us ought to be proud of that record. Let me emphasize, because this is bipartisan, that occurred under Republican administrations, Democrat administrations, Republican Congresses, and Democrat Congresses. So institutionally we all share the failure in being able to achieve that balanced budget.

Since 1980, the accumulated Federal debt has skyrocketed from less than \$1

trillion to over \$5 trillion. That represents \$20,000 for every American, man, woman, and child. This has taken place in an era when our country has not been at war and has enjoyed relatively healthy economic conditions. No one can claim national emergency necessitated running these deficits.

Many in Washington believe there is now a true commitment to fiscal discipline. On the Federal level, in the last few years there has been some cause for optimism. For the first time since before the American Civil War, for four consecutive years, the annual deficit has declined. The President can take credit for that as well as the Congress for actions that have been taken.

What we do not hear is that in the current budget year we are developing, the deficits will begin to rise again, and so they will in each successive year to the year 2002. That success has been achieved as a result of a number of things that we have done in the Congress and in an economy that has enjoyed a surprising long run in growth. The deficit has been cut in half from its projected level just 4 years ago and the deficit has fallen from 4.9 percent of the gross domestic product in 1992 to 1.4 percent in 1996.

I know, and I think every Member of this Chamber knows, it is going to be extremely difficult, but we must complete the task and balance the budget by 2002. I am pleased to note and to sense a strong bipartisan will to achieve this goal. When we debate the budget resolution and 13 appropriations bills later this year, our will to achieve a balanced budget by 2002 will be sorely tested. I am optimistic, and I am hopeful we will rise to that challenge.

If we can balance the budget by 2002, some may ask, why do we need a balanced budget constitutional amendment? The simple answer is that this amendment is in the form of an insurance policy that Congress will live up to its good intentions. The amendment will keep our feet to the fire. While I respect the good intention of Members of Congress, history has proven that in the past three-quarters of a century we have not been up to the challenge. As I indicated a moment ago, in 59 of the last 67 years, the Federal Government has spent more money than it took in.

Additionally, since 1978, Congress has enacted five statutes requiring a balanced Federal budget—clearly good intentions. But Federal statutes have not worked, which is why I believe an amendment to the Constitution is the next logical and necessary step we must take. If we have the desire to balance the budget, why have we had so much difficulty in achieving this goal? While people in theory support a balanced budget, I am sure my colleagues share the same experience that I have had. At every townhall meeting, if asked, "Do you favor the Federal Government balancing its budget?" The answer is overwhelmingly in the affirmative. But when it comes down to specific cuts, it is interesting that that

same townhall meeting will say, "But I don't want you to cut here." And in an audience of a couple hundred people, there are probably a dozen programs that those of our constituents who come to these meetings suggest: Balance the budget but don't make any cuts in these respective programs. They, like past Congresses, shy away from the hard choices.

Unfortunately, the consequences of failing to make the hard choices are either very subtle or are not felt for years or decades. While cuts in food stamps or home heating assistance are felt immediately and energize a specific constituency, a point or two rise in interest rates caused by deficit spending is hidden. Some of the American people have to make the connection between large Federal budget deficits and higher interest rates. These higher interest rates have a dramatic impact on the American family's bottom line. In fact, DRI-McGraw-Hill estimates that interest rates will drop by 2 percent if we balance the budget. This will save an average family \$2,169 per year in mortgage interest, \$180 on an auto loan, and \$216 on a typical student loan.

But the most insidious effects of deficit spending are the larger and larger burdens we pass on to the next generation. In just a decade, the deficit has gone from \$8,000 for every man, woman, and child in this country to more than \$20,000 this year. We are burdening future generations with the tab for our inability to bite the bullet, to make the hard choices.

Our inability to balance the budget has had a compounding effect. Each year we fail to do so, the job becomes harder the next year, as we have to pay more to service the national debt. In the past 20 years, the percentage of our budget that goes to servicing the debt has risen from 7 to 15 percent. We lose 15 percent of our budget just paying for the excesses of the past and just the interest, none of that retiring the principal which is now approximately \$5.3 trillion.

Put another way, \$1 in every \$6 of our Federal budget goes to paying interest on our more than \$5 trillion national debt. Before the first school lunch is paid for, before another road is paved, before much-needed repair is undertaken on our neglected National Park System, we spend in gross interest payments alone, \$300 billion as the cost of servicing our national debt. It is the second largest Federal spending item, following Social Security, and is equal to almost one-half of our personal income taxes paid to the Federal Government. Yet we have nothing to show for it.

While there is little disagreement on the evils of budget deficits, there is a serious disagreement and debate over whether Senate Joint Resolution 1 addresses specific concerns people have. I want to address one that is very sensitive and certainly worthy of being discussed and carefully considered, and

that is whether Social Security should be included in a balanced budget amendment.

I believe Social Security should be removed from the balanced budget amendment. I do not do this lightly, because removing the Social Security surpluses will make it more difficult in our task of balancing the budget. The surplus for 1996 was approximately \$60 billion. But whether Social Security should be taken out of the balanced budget amendment depends on how you view the Social Security system. If you believe it to be a pay-as-you-go system where today's workers' payroll taxes should go to pay the benefits of today's retirees, then Social Security should remain a part of the overall budget, and that is an honest, philosophical point of view. If, however, you believe the funds being taken out of today's workers' payrolls should be set aside for their retirement, years from now, then Social Security should be taken out of budget.

In fact, Congress has spoken on this issue and, in 1990, enacted legislation to take Social Security out of the unified budget. But my support for taking Social Security out of the balanced budget amendment is based on my conviction that we must start putting aside money for future retirees or we will face, as a country, financial calamity. The math does not work out, for there will be far too few workers to support far too many retirees when the baby boom generation retires in the next century.

Finally, we currently have 3.2 workers for every retiree. In the year 2030, we will have only two workers for every retiree, and young people today are rightfully skeptical about what will be left to pay for their retirement. One way to restore their confidence would be to truly set aside their payroll contribution by taking it out of a balanced budget amendment. This would prohibit the Federal Government from using Social Security surpluses when it balances the budget, and Social Security would look more like a traditional retirement system.

Over the next several weeks the Senate will engage in serious debate over the issue of excluding Social Security from a balanced budget amendment. While I support such an amendment, I believe it is vital that we pass a balanced budget amendment, even if it does not exclude Social Security. The worst thing we can do for Social Security is to fail to pass any balanced budget amendment.

Without the fiscal discipline provided by the amendment, we will never be able to keep our budget in order.

If we have learned nothing else from our past budget problems, it should be that putting off the solution only makes matters more difficult to rectify. A little pain now helps us to avoid a lot of pain later. The fiscal discipline of the balanced budget amendment will make it much easier for us to responsibly assure the long-term solvency of

the Social Security System. The worst option for the long-term viability of Social Security, in my opinion, would be to continue with the status quo and fail to enact a balanced budget amendment.

Let me just embellish upon that for a moment. I know that many of my colleagues will be joining me in supporting an amendment to take Social Security off budget, and I believe they are sincere in desiring to protect Social Security. But I must say, I find it difficult to follow the logic that if there is not sufficient votes to take Social Security off budget in this constitutional amendment, that somehow voting against a balanced budget in some way protects Social Security.

I have been a Member of this body since 1989. I have seen budgets submitted by a Republican and a Democratic President, and we will see a budget submitted to us tomorrow by this President. Each President has submitted as part of a budget proposal to us the Social Security surplus. So tomorrow, the \$60 billion that represents this year's surplus will be included in the spending plan that is recommended to the Congress.

So the notion that somehow if we fail to adopt a balanced budget amendment we are protecting Social Security, I must say, is an argument the logic of which I do not understand. We are currently using that surplus in the Social Security budget to finance the operational expenses of the Federal Government. Republican Presidents have done it; Democratic Presidents have done it. And in my view, it is a misguided notion that we protect Social Security by rejecting a balanced budget amendment that does not contain the off-budget language.

Mr. President, this Congress has a historic opportunity to take action that will positively affect this country for generations to come. If we fail, I am afraid we will continue to push financial burdens on those who come after us. Let this Congress' legacy be that it took bold action and that it did so in a bipartisan way, and that by so doing, we protect the future economic well-being of all Americans. I urge my colleagues to enact Senate Joint Resolution 1.

As I said at the outset, I do not take amending our Constitution lightly, but I feel, in light of the circumstances of our recent history, it is the only responsible course of action. History has shown us that good intentions, Federal statutory enactments have failed to do the job. A balanced budget amendment will bring about the fiscal discipline our country so desperately needs, and I urge my colleagues, Democrats and Republicans alike, to join with us in enacting a constitutional amendment that will balance the Federal budget in the year 2002, and, by so doing, ensure that our children and our grandchildren will enjoy the economic opportunities that have been the privilege of our generation to enjoy.

I yield the floor.

Mr. HATCH addressed the Chair.

The PRESIDING OFFICER. The Senator from Utah.

Mr. HATCH. Mr. President, I will only take a moment, because the distinguished Senator from Minnesota wishes to make a statement on the other side of the issue.

I thank my colleague from Nevada for an excellent set of remarks. He is a tremendous leader on this issue, the principal cosponsor of this amendment on the Democratic side of the aisle. I thank him for all the work he has done and the excellent remarks that he has made. It means an awful lot to all of us.

Mr. BRYAN. I thank my colleague from Utah for his generous remarks. I look forward to working with him and our other colleagues in seeing this measure is enacted into law.

Mr. HATCH. Mr. President, I would like to take a few seconds to point out this little stack. This is only 28. This stack is only 28 of the unbalanced budgets since 1969. We were afraid to put up the ones before 1969, which was the last year when we had a balanced budget in this country. So those who get up and say, "Well, we just simply ought to have the will to do it," look at this stack. We are going to have to take it down because we are afraid somebody will get hurt. We wanted the American people to see just what they have lived with for 28 solid years, and that doesn't even count the years before. It is pitiful for people to stand up and say, "Well, we don't need a balanced budget amendment." That is pitiful, too.

Mr. DOMENICI. I wonder if Senator HATCH will yield for 1 minute.

Mr. HATCH. I yield to the distinguished chairman of the Budget Committee.

Mr. DOMENICI. Mr. President, I say to my fellow Senators, I happened to be on "Meet the Press" on Sunday. I couldn't put all 29 unbalanced budgets there, but I put a couple. Frankly, I described this episode in American history as 29 years of engagement where we have been engaged with the American people and to the American people on a balanced budget, and, as I put it, the time has come to get married, to tie the knot. The engagement has been too long, 29 years.

My second point is, for those who are listening and frequently see some of us speak to these issues on the floor, before you believe the statements coming from those who oppose this constitutional amendment that by taking it off budget you make it more secure and more safe, just be patient. Some of us will convince you that by taking it off budget, you put the Social Security trust fund at risk and pensions for the future at risk, because they will be subject to exclusively the will of a Congress.

That is all you need to worry about is to put a trust fund out there that has money and let Congress have ahold of

it and no balanced budget requirement. You can just imagine what we are going to be able to show seniors what is going to happen to that fund if you take it off budget.

I thank the Senator.

Mr. WELLSTONE addressed the Chair.

The PRESIDING OFFICER. The Senator from Minnesota.

Mr. WELLSTONE. Mr. President, I won't make some of the arguments that have been made in opposition to this amendment. With all due respect to my colleagues, we can look back with a sense of history, and I think there is probably plenty of blame on both sides—I am glad to say I wasn't here during most of that history—about budgets that were not in balance. But the fact of the matter is, people in our country have made it really clear that they want to see us get our fiscal house in order. We can do that, we should do that, and we don't need this amendment.

I do, in a moment, want to talk about who is at risk and exactly what kind of priorities I believe this amendment is going to lock us into, which I don't think are the priorities and values of people in our country.

PRIVILEGE OF THE FLOOR

Before I do that, I ask unanimous consent that Jordan Cross, who is an intern, be granted privilege of the floor for the duration of this debate.

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

Mr. WELLSTONE. Mr. President, as we turn our thoughts to the new century—and I have a different context about this debate—we can celebrate a great deal. The past 100 years have seen massive improvements in the quality of our national life, American leadership in getting the world past murderous global conflict and successful transcendence of economic crisis.

Our population is more diverse than ever, and at midcentury, we dismantled the legal framework encasing our original sin of State-sanctioned racism. We are, in many varied ways, a model for much of the world.

But there is at least one way in which we are not a model, one area in which in recent times we have been moving in the wrong direction. That is in fulfilling our national vow of equal opportunity.

We said in 1776 that every American should have the right to life, liberty, and the pursuit of happiness. In 1997, that national commitment is in need of refurbishing and renewal. Mr. President, I will explain in a moment why I start out with this context.

More than 35 million Americans—1 out of every 7 of our fellow citizens—are officially poor. More than one out of every four children in our country today are poor. One out of every two children of color are poor in America today. And the poor are getting poorer.

In 1994, of the poor children under the age of 6, nearly half lived in families with incomes below half the poverty

line. That figure has doubled over the last 20 years, as has the number of people who work full time, 40 hours a week, 52 weeks a year, and still are poor.

Mr. President, minorities are poorer than the rest of Americans. African Americans are close to 30 percent and Hispanics at a little over 30 percent. And 44.6 percent of children who lived in families that are female-headed families were poor in 1994. Almost half of all children who were poor live in female-headed households. Women are disproportionately among the ranks of the poor in America. There is a convergence between race and gender and poverty and children.

Mr. President, when I introduce my amendments in this debate that will ensue over the next couple of weeks, I am going to talk in very concrete terms about what it means to be poor in America.

Context, Time magazine, "Special Report: How A Child's Brain Develops, And What It Means for Child Care and Welfare Reform." This is startling. This is medical evidence that is irreducible and irrefutable, and the evidence says that the first 3 years are critical. We have to make sure that, first of all, women that are expecting children have an adequate diet. Otherwise, their children at birth may not have the opportunity and the chance that is the very essence of the American dream. And if children do not have an adequate diet during these early years, and decent health care, and children do not get a smart start and have nurturing care and stimulation by age 3, it may very well be that they will never be able to fully participate in the economic and political and social and cultural life of our Nation.

What does this have to do with this debate? Let me be clear about who is at risk. According to the Center on Budget and Policy Priorities—by the way, Bob Greenstein and the work of this organization is impeccable. All of us on both sides of the aisle have a tremendous amount of respect for their work.

According to the Center on Budget and Policy Priorities, more than 93 percent of the budget reductions in entitlement programs in the 104th Congress came from programs for low-income people. Congress reduced entitlement programs by \$65.6 billion over the period from 1996 to 2002. Of that amount, \$61 billion out of the \$65 billion came out of low-income entitlement programs. Entitlement programs not targeted on low-income households were reduced only \$4.6 billion—whether it was nutrition, whether it was health care, whether it was early childhood development.

I will tell you what was interesting. Those citizens in this country who do not have the political power, who do not hire the lobbyists, who are not the heavy hitters—let me make a connection to campaign finance reform, who were not the big givers—they are the ones who disproportionately were asked to pay the price.

We had deficit reduction—talking about how to balance the budget—based on the path of least political resistance. It was not the oil companies. It was not the pharmaceutical companies. It was not the big insurance companies. But it was children, disproportionately low-income citizens and disproportionately poor children in America.

Mr. President, therefore, the first amendment that I am going to offer, which I think is a litmus test for all of us—I hope I will get support from the other side of the aisle—will read as follows: “This amendment would exempt outlays that would disproportionately affect nutrition, health care, and education programs.”

Mr. President, this is an amendment that basically says that we want to make sure we would exempt outlays that would disproportionately affect the nutrition, health care, and educational programs and status of children.

Mr. President, it is a simple amendment. We have been hearing speeches in which all of us have talked about education and children. We love to have photo opportunities with children. This amendment just says, “OK, if you’re going to lock us in to a balanced budget, I think we need to get a commitment, based upon the record of the 104th Congress, that you are not going to make disproportionate cuts in programs that deal with the educational, health care, and nutritional status of children.” Everyone should vote yes for that.

Let us go on record. Let us be clear that we are not going to target for cuts, we are not going to target for pain poor children in America, that we will not make those disproportionate cuts in nutritional programs for those children, in health care programs for those children, in educational programs and early childhood programs for those children.

I think this amendment speaks to a very real concern that people have in this country. Exactly what is the agenda here?

Mr. President, the second amendment—let me repeat the first amendment one more time: “Federal outlays shall not be reduced in a manner that disproportionately affects outlays for education, nutrition, and health care programs for children.”

That should be an amendment that I should get support on from both sides of the aisle. “Federal outlays shall not be reduced in a manner that disproportionately affects outlays for education, nutrition, and health care programs for children.”

Mr. President, the second amendment that I am going to offer is that “Funding for the Women, Infants, and Children Program shall be exempted from the definition of outlays for balanced budget calculations, thus protecting such spending from cuts under a balanced budget amendment.”

Mr. President, it is pretty simple. The Women, Infants, and Children Pro-

gram provided assistance in 1996 for 7.3 million women, infants, and children. However, it was only 60 percent of the eligible population, and 11 million mothers and children were eligible. Only 7.2 million were covered, leaving 4 million women, infants, and children vulnerable and not benefiting from the Women, Infants, and Children Program.

We all know what the evidence suggests. And so my amendment just simply says, we will exempt that from the definition of outlays for balanced budget calculations, thus protecting this program. Are we going to protect it or not? I want to hear people tell me why we would not go on record saying we would protect it.

The third amendment that I am going to lay out on the floor: “Funding for Head Start shall be exempted from the definition of outlays for balanced budget calculations, thus protecting such spending from cuts under the balanced budget amendment.”

Mr. President, in 1996, Head Start served 796,500 children. According to the Census Bureau, there were roughly 2 million American children living in poverty. That leaves 1,200,000 children who were still unserved.

This program, which gives children just what the title says it does, a head start, reached only 17 percent of eligible 3-year-olds and only 41 percent of eligible 4-year-olds. The medical evidence is in. These are the ages where we need to support these children. These children, just because they come from poor households, deserve every bit of support we can give them.

This amendment lays itself on the line. If you are going to support this amendment to balance the budget and lock us in, then I want a commitment from this Senate that we will not target these children and we will not have cuts in this vital program that gives children a head start, some of the most vulnerable poor children in America.

Finally, Mr. President, another amendment—and these are just four I am going to preview. “Funding for education shall be exempted from the definition of outlays for balanced budget calculations, thus protecting such spending from cuts under the balanced budget amendment.”

I heard the President last night talking about education. I heard the President last night talking about early childhood development. Senators were on their feet applauding. So I am just saying since I saw what we did last Congress, I saw where we made the cuts, I want to hear Senators argue with me that, if there is another position here—almost all those cuts affected low-income citizens. Almost all those cuts affected poor children in America, the very citizens who do not get to the bargaining table, the very citizens who do not march on Washington, DC, the very citizens who do not have lobbyists.

So I say to my colleagues who support this, how about giving me some

reassurance and, more importantly, how about giving people in our country reassurance that when we do this we will make sure, one more time, that Federal outlays shall not be reduced in a manner that disproportionately affects outlays for education, nutrition and health care programs for children; that we go on record that we are not going to cut benefits that deal with the Women, Infants, and Children Program; that we are going to make sure that a woman expecting a child has an adequate diet; that we are not going to make cuts in Head Start, we are going to make sure these children are given a head start; and we are not going to make cuts in educational programs. It is real simple. It is up-or-down votes.

I want to know exactly where my colleagues want to take our country with this constitutional amendment to balance the budget. I want to know what the priorities are. I want to know where the cuts are going to be. My understanding, and I will talk much more about this when I bring the amendments to the floor, is that the majority party, roughly speaking, has about \$500 billion of tax cuts, most of it accelerated beyond the year 2002—my colleague is shaking his head. We can have a debate upon that, and I will be very reassured if that is not the case.

Mr. President, if we have hundreds of billions of dollars, even if it is not \$500 billion, in tax cuts and then the trade-off is going to be cuts, but where? What is going to be the offset? They do not want to go after the corporate welfare. They do not want to go after the Pentagon budget. They want to have hundreds of billions of dollars of tax cuts, most of it benefiting high-income, wealthy people. Where will the cuts be?

In the last Congress almost all cuts focused on low-income families, low-income children, educational programs. All those programs were in jeopardy last time.

This time I think we need a reassurance and we need a strong vote in favor of each of these amendments so that we can have a reassurance for many, many citizens in our country. The goodness of America says do not cut Head Start. The goodness of America says do not cut the Women, Infants, and Children Program. The goodness of America says do not cut health care programs that will affect the status of children. The goodness of America says do not make disproportionate cuts in any of those programs. They have worked. They are important. They are vital.

I hope I will get 100 votes for each of these amendments. If not, then my colleagues will be making their point. My colleagues will be saying we refuse to vote for an amendment that puts us on record that we will not reduce Federal outlays in a manner that disproportionately affects outlays for education, nutrition, and health programs for children. I cannot imagine why any Senator would vote against such an amendment. We should go on record

and let the goodness of the Senate speak out on these amendments.

I look forward to coming to the floor with each of these amendments. I will have much supporting evidence. I want to talk about what happened in the last Congress. I want to go over exactly where we made the cuts, and I want to see if I can get my colleagues to make a commitment that we will not continue down this path. I really do believe that the vast majority of people in America think it would be wrong to make more cuts in programs like WIC and Head Start, more cuts in programs that affect the health care, nutrition and educational status of our children. I yield the floor.

Mr. CRAIG. Mr. President, I think we are about to conclude the business of the Senate for today. Prior to that happening, I want to make some opening observations about this historic constitutional amendment, Senate Joint Resolution 1, that we have on the floor this evening and on which we have started debate.

Let me also say to my colleague from Minnesota, who has eloquently and passionately laid out a variety of critically important items for us to debate in the coming days, my colleague from Minnesota mentioned programs that I support. I have always voted for Head Start, and I have always voted for Women, Infants and Children. Those are very important programs for our country. I am also one who says those programs have to be funded within the context of a balanced budget.

I am standing here beside this 6-foot tall stack of budget documents, what I call the budgets of the era of liberalism. This is when America said that poor people ought to be cared for, and unprecedented in the world, this Nation poured out its riches to the poor. Mr. President, 28 years of budgets are represented here, and benefits resulted from some of what was in them.

We started the WIC program. We started Head Start in these budgets. They were funded last year and will continue to be funded. But what happened along the way? People did not seem to get better. People seemed to get poorer. While this Nation spoke about having a safety net, and it must speak to the need for a safety net for the truly needy, we began to learn lessons in the 1960's, 1970's and 1980's. We began to learn that handouts are not necessarily a hand up. In a society as wealthy as ours, while we truly need to be kind and caring—and the Senator from Minnesota is truly that, and I think that all Senators are—somehow, along the way, we began to realize that the cumulative effect of all these spending programs was to put the whole Nation at risk. These 28 budgets—28 budget packages submitted by six presidents, both Democrats and Republicans—also represent \$5.3 trillion worth of debt. Enough money is paid out annually in interest to service the debt that these budgets created to fund all the programs that the Senator from

Minnesota wants and many, many more.

That is what the debate is about today. This debate is not about Women, Infants, and Children. This debate is not about Head Start. This debate is about fiscal responsibility. This debate is about making tough policy choices.

I am amazed that the Senator from Minnesota would fear the constitutional amendment, as eloquent as he is on the issues that he is impassioned about, because he can appeal to me and he will get my vote—within the context of a balanced budget—for Head Start and for Women, Infants, and Children. Then he and I, working together, will have to work with our other colleagues to make sure that we choose a rational spending policy that prioritizes these programs because we decide to reduce elsewhere.

What I will not do and what this Congress will not do is send to the American people for ratification a constitutional amendment with a loophole in it large enough to drive all of the trucks that service the industries in Minnesota through. We dare not send to the American people a phony document that they might put in the Constitution, in which we exempt all of these programs from the responsible decisionmaking that the Senator from Minnesota and I want to make here on the floor.

Should we exempt Social Security? If we exempted Social Security and Women, Infants, and Children and Head Start and all of the other programs being suggested, that is probably better than a third of the budget. How can we turn to the American people and say now we have a balanced budget when we just took a third of it off-budget? No longer would we have the right to make the choice to set priorities. These would autopilot programs. But instead of protecting these programs, they would become the loophole through which to channel all sorts of new and increased spending. I do not think the Senator from Minnesota wants that. I think what the Senator from Minnesota is speaking to is setting priorities, making tough choices for the right reasons on the right issues for people who are less fortunate. If that is what he means, and I know he means that because I know him well, then he will have the Presiding Officer's support and he will have my support.

What we would like to ask him to do is to join us in pleading that we get away from this stack of 28 unbalanced budgets in a row, that we get away from adding to this \$5.3 trillion worth of debt, with its \$340 billion a year worth of interest to service the debt. Those huge interest payments actually strip this country of its resources to do what that Senator wants done. If we did not have to pay all that interest, if we had paid off the past Federal debts, then we would have a surplus today of more than \$100 billion a year, available

to spend on programs like those the Senator from Minnesota advances.

The American people now agree with us. Mr. President, 70 or 80 percent plus of the American people say a balanced budget is critical. President Clinton said last night he was sending us a balanced budget tomorrow. I bet he funds WIC, and I bet he funds Head Start, and I bet inside that budget is Social Security. This President, our President, last night said that was a balanced budget.

A few moments ago the Senator from Massachusetts was on the floor, and he said we should treat Social Security differently—that there will be an amendment to treat Social Security differently—from how we, the Republicans and some Democrats want to under the balanced budget. He said he wanted to keep it separate and apart. Then he spoke eloquently about the President's budget, and the President treats Social Security exactly the way Republicans want to treat it, leaving it inside the budget, making sure that our Government's fiscal house is in order so that a government whose budget is balanced is a government that can meet its obligation. That is really the issue here, and that is the crux of the debate that will go on over the course of the next several weeks.

The Senator from Minnesota has approached us this afternoon with four amendments. They are important amendments and they should be debated; they should be voted on. I hope that my colleagues, in considering any amendment, will consider that all of the budget be a part of the whole and the whole should be balanced. The Secretary of the Treasury does not suggest that we split anything out of the budget. He suggests that we deal with a whole budget, that we don't start prying things apart. The President will present that kind of a budget tomorrow. The reason that we want to make sure that happens is that it is time this country makes the tough choices. I think that when we make those tough choices, under the responsibility of a balanced budget requirement in our Constitution, social spending programs critical to the truly needy of our country will survive.

For a few moments, Mr. President, let me talk about what stands before us here. Twenty-eight years of endlessly unbalanced budgets are stacked here at my right hand, 28 years of deficit spending, 28 years since the last time this Government balanced its budget in 1969. Now, 14 of these 28 budgets were never intended to be balanced. They were intended to be in deficit, to create debt. But 14 of them—the other half—promised a balanced budget at some point. It was the same kind of promise we heard from President Clinton last night. These were sincere promises, all 14 of these budgets that promised eventual balance, spread over the last 28 years. And I do not question this President's sincerity in promising yet another budget that reaches balance in a few years. I believe that he

believes he can produce a balanced budget.

What was the rhetoric last night? "You vote for it and I will sign it." The problem is choice making—choice making in an environment in which we don't have to make hard choices. And as a result of not having to make hard choices, wanting to serve the needs of the American people, wanting to address the truly needy, Congresses and Presidents instead have made easy choices, 28 long years of easy choices.

Oh, they were tough choices at the time, or at least they felt tough. But when you know you don't have to balance the budget—you do not really set priorities and make hard choices. And we went through an era when deficit spending was supposed to be good because it supposedly stimulated the economy and created jobs. Well, that may have been all right in some instances when we didn't have a \$5.3 trillion debt, when service on the debt was \$5 or \$6 billion a year and was a minuscule part of a total budget. All of a sudden, over the last decade and a half, this debt has exploded on the American scene and on the American taxpayer's pocketbook. Today, Social Security and the interest on debt created by these 28 budgets now rival each other as to which is the largest single expenditure in the annual budgets of the Federal Government.

That is why, consistently over recent years, the American people have said to this Congress—Republican or Democrat—"Get your fiscal house in order and balance the Federal budget." Seventy-plus percent of the American people want a constitutional amendment. But recently polled, only 12 percent really believed that we would get to a balanced budget by the year 2002. Why? Here is the reason why: 28 consistent years of promises made and promises broken to the real people of this country, the taxpayer who now feels exploited and put upon largely because this Congress and Congresses like it promised but failed to deliver. Twenty-eight years of budgets submitted by Presidents that promised deficit reduction or balanced budgets that never came to be.

Twenty-eight years of borrowing, a total of 36 deficits in 37 years, \$5.3 trillion worth of gross debt. That is \$20,000 of debt for every man, woman, and child in America. So the majority of all the real people living in this country today have seen a budget actually balanced only once or never. And they now question the integrity of their Government and the reality of what this country really is about and, more important, what its politicians are about.

We will honor the promises made by Social Security because we want to and because we must. It is a contract with the elderly of our country. A government whose budget is balanced is a government that can honor that pledge. A government that is in bankruptcy sends no checks out to a defense

contractor, to an elderly person, or to a single parent on welfare.

That's the reality of the debate. Somehow we think there are special needs that could get separated out. At a time when our Government finds its fiscal house increasingly in trouble, if it goes bankrupt, no checks go out. That is why, for over 3 years, those who believe in a balanced budget amendment have argued against those who wish to exempt out Social Security and other unique social programs. We understand that the threat to Social Security, the threat to Women, Infants and Children, the threat to Head Start, is not the balanced budget amendment, but the debt. Why are we having to cut back on spending on some programs today? Because we did not balance the budget for so many years before now. Because of deficits and because of a huge, heavy debt structure, and because the American people are saying, "Fix it, it's broken, correct it."

What does it mean? What does this stack of paper—thousands of pages of debt—say to the average American family? Well, it's something like this, in the sense of what it costs them. Since the time I started debating this issue in 1982 until today it represents \$15,000 for every American family in income loss, minimally—\$15,000. That means that the average American family's income today—if we had balanced the Federal budget in 1982 and kept it balanced until 1997—would be \$15,000 more. Those are not my figures. Those are the figures based on a study by the Concord Coalition. We talk of the needy and of wanting to care for people. Put an extra \$15,000 in every American family's budget and see what kind of help you have offered them. But, instead, the Government has taken those fruits of their hard work to service the debt structure represented by 28 years of profligate deficit spending.

What does it mean to a household with a 30-year mortgage if the economists are right and we pass this amendment and balance the budget? Interest rates drop 1½ to 2 points. And that \$30,000 to the average American family, saved on a 30-year mortgage, is a year in one of the most expensive colleges in the country. Or if you are in Idaho, that is 2½ to 3 years of college education in our land grant university. That is a lot of money. Where does it go today? Out of the working person's pocketbook into the IRS coffers to pay to service the debt structure created right here by Congresses past—caring and well-meaning Congresses—that created this stack of paper representing \$5.3 trillion worth of debt.

Well, if there is frustration in this debate for some of our Members, I don't reject their concerns and I don't take it lightly. I must say that it may be frustration that we have inflicted upon ourselves, because it is now necessary to propose a constitutional amendment that is very simple. It gives us plenty of latitude to get our

fiscal house in order by 2002. It does so in a way that also creates the necessary flexibility in times of real need and in times of war. It says that there are margins in which deficit spending can occur, but now it will take tough choices to deficit spend, not the automatic and easy choices of past years, not "oh, well, we will make it up next year or a few years down the road."

We will see a variety of amendments to the balanced budget amendment that will come to the floor in the next several weeks. Senators that will talk impassionedly about certain priorities that are all critical and all important. And all these priorities can be served inside a balanced budget by tough decisions and tough choices on this Congress.

What am I talking about this evening? Correcting a problem that we created, correcting a problem that threatens—not me, not the Presiding Officer, and not the Senator from Vermont, but his children, my children, our grandchildren, and future generations of American citizens who will want to be as productive as we hope we have been.

How important is correcting that problem of adding to the debt? The Office of Management and Budget—President Clinton's Office of Management and Budget—said that if we continue down the path that this Congress and other Congresses have been on, future generations would pay 82 percent of their total income in taxes for all levels of government because of debt, debt service, and government needs—82 percent. That means there is no money left to buy a house, there is no money to put in a savings account for a rainy day, and there is no money left for a college education.

So what happens? You turn to your government, and the endless process is always underway of a government having to do something for more people because government has taken so much from those who worked so hard and find themselves getting nowhere.

That is why this has to be corrected, or there will be no future for the young people of our country. Because a future in which 82 percent of your gross pay goes to all levels of government is no future at all. Those are some of the kinds of things we are talking about.

A child born today—again, not my figures, but those of the National Taxpayers Union—a child born today will pay an additional \$180,000 in taxes during his or her lifetime to service the Federal debt—debt that his or her grandmas and grandpas spent but didn't pay for. And that is a tragedy.

Our friend Paul Simon, the now retired Senator from Illinois, who is as liberal as I am conservative but who stood shoulder to shoulder with me for a decade fighting the battle of the balanced budget amendment to our Constitution, called it fiscal child abuse. And he is right. Because that legacy of crushing debt is no future for any child

born in America today, having that obligation out in front of them, being required of them by their Government for from which something they get no value. That is why this issue has become the No. 1 issue in America.

Our President spoke of valuable priorities last night, important issues—education, some tax cuts, the kind of priorities that an American wants to be proud of and wants to be a part of. Republican or Democrat, there were many of us who heard a President last night speak of issues that we can all identify with. But in doing so, we say, with a simple caveat: They must be within the limit and the capacity of the ability of the Government to pay for them, and the permission of our citizens to pay for them, within a balanced budget. It is a simple requirement. The problem is that the choices are tough, but that is what my job is and that is what I have hired on to do, as has the Presiding Officer, and as has the Senator from Vermont.

In the coming days, as we debate, I hope we can see the very clear differences between those who oppose requiring fiscal responsibility, who do not want the citizens of this country through the Constitution to impose that kind of discipline on the floor of this Senate, and those of us who say that after 28 years of endless spending, endless debt, and endless deficits, it is time we offer the American people the choice of whether to require that kind of constitutional discipline.

The time is growing late. It is our intent to adjourn as soon as we can. But the debate will go on through tomorrow and next week, and we hope through the balance of February, as we deal with this issue and as Members of the Senate speak their will, as they should, because I know of no issue more important than this constitutional amendment.

Our vote will not make it so. Our Founding Fathers decided that was not our job. Our vote is simply to propose to the American people a constitutional amendment. And then 38 States, three-fourths of the States must vote to ratify, and the debate will go on in every State capital across this country—the debate about Government, the Federal Government, and its budgets and its priorities. And that will be one of the healthiest debates the American citizenry has ever been involved in. From that, Senators serving in this Congress and future Congresses will not only have the absolute constitutional requirement to balance the budget, but they will probably have a much clearer idea of what the American people expect of their Federal Government. That ratification process is an important process. If we send forth this amendment, we will have started in this country what I think not only assures that we get our fiscal house in order, but it assures future generations the same kind of opportunity that all of us have had in our lifetime.

I yield the floor.

Mr. LEAHY addressed the Chair.

The PRESIDING OFFICER. The Senator from Vermont.

Mr. LEAHY. Mr. President, I will not be long because, if nobody else wants to go home, I know that staff who serve in this body probably would like to, including the young pages on both sides of the aisle. They are as important as any contributors to this body. They keep us going. I hope that for all of them their service here will be an experience that they will remember all of their lives as worthwhile. I know that former Senator Pryor, who just recently retired, had been a page and felt that way. I know two of my children were pages—here and in the other body—and feel that way.

Mr. President, my good friend from Idaho—he is my good friend—spoke eloquently of the stacks of budgets. You know that every year we do have a large document that represents the Federal budget, but I would point out to him that no constitutional amendment is needed to balance those budgets.

I have great affection for President Reagan. We had a very good personal relationship. I used to kid him that every year he would talk about a need for a constitutional amendment to balance the budget, and then he would send up a budget that increased our national debt, something he did more than any President in our Nation's history. By the time he got done, he had doubled or tripled the national debt that had taken over 200 years to build up.

He had wonderful speeches saying, "Let us balance the budget. But, by the way, guys, here is my budget, and guess what is in it? It is one more huge deficit."

We talk about charts showing how the deficits went up and they did throughout the 1980's. From President Reagan's election to President Clinton's election, they skyrocketed more than in all the Nation's history put together before those 12 years—more than all the debt that had been arisen from World War II, World War I, the Civil War, the War of 1812, from all of our wars combined, and from all of our depressions and from all of our recessions. In just 12 years, the amount of debt that had grown up was doubled and tripled.

We talk about the last 28 years. Well, President Clinton is the only President in those 28 years—and now for 4 years in a row—who has brought down the deficit. That is not withstanding the fact that he has to find in our budget several hundred million dollars every day, every single day, just to pay the interest on the debt that was built up during President Reagan's and President Bush's terms.

I have great affection for President Reagan and President Bush. I felt privileged to think of them as friends. But there is a big difference between the rhetoric and the reality when it came

to balancing the budget with them. The debt that the Senator from Idaho so eloquently speaks of, in terms of our children and our children's children, the vast bulk of that debt built up just during those 12 years when some talked the talk but were not willing to walk the walk. And now we have to pay it off.

In 4 years, President Clinton has submitted budgets and fought hard for them. For 4 years, he has brought the deficit down. No President in my lifetime, Republican or Democrat, has done that. This year he is trying to reduce the deficit, again, and achieve a balanced budget agreement for the next several years.

We talk of amending this Constitution, this little, short Constitution, the greatest Constitution democracy ever had and the reason we are the most powerful democracy known to history. We talk about amending it as if we could, then we all go home and 10 years from now somehow the amendment would magically come into play and the Federal budget would be balanced. President Clinton told us last night that all it takes to balance the budget is our votes, courageous votes, and his signature. We can balance the budget and we can do it now without a constitutional amendment.

So, instead of amending our Constitution, why not proceed to use our votes. I hold up here the voting lists with the names of all Senators and places marked where they can vote "yea" or "nay." Every one of us can stand up and vote "yea" or "nay" for a balanced budget. That is all it takes. We do not have to go through and say 10 years from now maybe the States will ratify it and it will be in place and maybe some future Congress will act to make the tough decisions. We can vote right this minute, today, this month, this year and do what we should do—make the tough decisions ourselves.

There are only five Senators remaining in this body who had the courage to vote against Reaganomics, which tripled the national debt. I am proud to be one of those five. I have cast the tough votes. I have had special-interest groups from the right and the left, from my State and your State and every other State, come and give me heck for voting against their favorite programs. I have probably written as much legislation as anybody here that has cut huge hunks out of the Federal budget, cuts that affected my State as well as others. But that is the way you do it. You do not cast a vote that is just a nice, popular thing that fits the polls of the moment. You cast votes that run the test of time.

I urge us to be courageous and think of the future. My children are going to live most of their lives in the next century, and when I vote I think of what that next century will be. I do not want them burdened with debt.

I wish the debt had not gone up as it did during the 1980's. I think it was a great mistake. This body went along

with it. I commend the political abilities of President Reagan. He got within one-quarter of 1 percent of every single budget he ever asked for. In fact, when we talk about the veto pen, the only appropriation, or spending bill that President Reagan ever vetoed was one that did not give him as much money as he wanted. He never vetoed a bill because it had too much money. The only spending bill he ever vetoed was one that did not give him all the money he wanted. As I recall, the years when the Democrats were in office, we actually came back with budgets that were smaller than asked for.

What was, was; what is, is. What is today is the ability, as President Clinton said last night, to vote for and enact a balanced budget.

Economists are not asking for a balanced budget amendment to the Constitution. Over 1,000 economists signed a letter, including 11 Nobel laureates, saying do not amend the Constitution; it creates far more problems than it solves. What they said was balance the budget, which we can do if we have the courage, but do not amend the Constitution to do it. Even as conservative a newspaper as the Wall Street Journal yesterday had an editorial saying do not vote for this constitutional amendment. Certainly nobody thinks of Alan Greenspan as a profligate, shoot-for-the-Moon kind of spender, and Alan Greenspan said do not pass this constitutional amendment. Secretary Rubin, one of the most trusted and respected Secretaries of the Treasury any administration has had, says do not pass this constitutional amendment. Instead of passing a bumper-sticker form of economics, do what is right. Have the courage to vote for budgets and spending bills that bring about a balanced budget.

I yield the floor.

Mr. CAMPBELL. Mr. President, for the past ten years I have spoken out in favor of a Balanced Budget Constitutional Amendment, and have supported and voted for this measure each time I have had the opportunity to do so.

In fact, in preparing for this statement, I looked back on my career in Congress to see how many times I have supported this measure, and I noted with interest that in January 1987, my first month of being a member of the House of Representatives, I joined as an original cosponsor to the Balanced Budget Constitutional Amendment. One of the primary sponsors of the legislation on the House side was my colleague, Senator CRAIG, and on the Senate side, Senator HATCH was in the forefront introducing the measure in this body. It is with great pleasure that I join my friends in this effort once again, along with well over 50 of my Senate colleagues.

Opponents believe it would be easy to give up on the idea of passing the Balanced Budget Constitutional Amendment. For a number of years, despite the hard work of many individuals, this measure has failed to pass through

Congress and move on to the states for ratification where it belongs. I believe passage of this Amendment is in the best interest of the future of our country because it will force us to make the tough decisions now that need to be made to balance the budget and eventually eliminate the staggering debt that threatens the economic well-being of every American.

Now, there are those that believe there is no need for the Balanced Budget Constitutional Amendment—that the federal government can be fiscally responsible without being mandated by the Constitution to do so. Well, I have been a Member of Congress for 10 years now, and I have yet to see Congress or the administration bite the bullet, balance the budget, and tackle our enormous debt.

Just last week, the Congressional Budget Office released one of its annual reports making projections on the economic and budget outlook for Fiscal Years 1998–2007. According to CBO, last year's deficit was \$107 billion, making it the fourth year in a row that the deficit has decreased. However, the news is not all good. CBO also projects that the deficit will increase for Fiscal Year 1997 to become \$124 billion. And, if we do not commit ourselves to balancing the budget, and discretionary spending keeps pace with inflation, this country will be faced with a deficit estimated at \$278 billion in 2007.

What does all this mean? It means that nothing ever changes. Year after year we are faced with huge deficits and an increasing national debt. Year after year we talk about doing the right thing, the responsible thing, and passing a balanced budget. And yet, once again, here we are debating the merits of the Balanced Budget Constitutional Amendment.

Back in my home state of Colorado, I have been conducting a series of town meetings, discussing a wide range of issues with my friends and constituents. When the discussion turns to balancing the budget, Coloradans realize that if we do not address this important issue with Constitutional authority, the amount of the federal budget devoted toward paying off the interest on the debt and the entitlement programs will increase to the point that there will be barely any money left for those programs which deserve and require Federal funding.

Currently, more than half of the \$1.6 trillion in spending goes toward the entitlements and mandatory spending. According to CBO, "if current policies remain unchanged, mandatory spending will be twice as large as discretionary spending by 2002." In addition, another 15 percent of all outlays goes toward interest costs on the debt. This is money that does not go toward education, law enforcement, national security, or even our national parks and monuments. As far as I am concerned, it is wasted money. My constituents realize this, and on their behalf I continue to fight for the Balanced Budget Constitutional Amendment.

Now, I am not saying that this Amendment will be the silver bullet which solves all of our problems. However, it will make us accountable to the Constitution and to the will of a majority of Americans and force us to get our fiscal house in order. If we achieve a balanced budget and reduce the deficit, we can expect even lower interest rates, an increased savings rate, and increased economic growth for every American. Essentially, Americans can expect an increase in their standard of living, and I think that is something everyone of us wants and deserves.

Congress came within one vote last session of passing the Balanced Budget Constitutional Amendment. I am optimistic that this year we can pass this legislation and send the measure on to the states for their deliberation. It is time to allow the American people and the state legislatures the opportunity to debate the merits of the Balanced Budget Constitutional Amendment, and I hope that the Congress will see fit to entrust this measure to those who must ratify or reject it.

I yield the floor.

Mr. ROBERTS. Mr. President, I appreciate this opportunity to speak in behalf of the balanced budget amendment to the Constitution.

I especially thank two of my colleagues, Mr. DOMENICI, the distinguished chairman of the Budget Committee, and Mr. HATCH, the distinguished chairman of the Judiciary Committee for their longstanding leadership and efforts in behalf of this legislation and in effect, enabling us to protect the financial and economic future of our children and their children.

Mr. President, for those who have had the perseverance and tenacity to pursue this goal, it has at times been a lonely trail. Whatever success we might achieve and I hope that we will achieve has been in large part due to the efforts of these two Senators.

I have read some interesting commentary regarding this effort. Our opponents predict dark budget clouds for Social Security and any other program deemed essential to a particular economic interest group. But, contrary to that dire prediction, I see a bright future with the sum of the balanced budget parts. I see a nation with 6.1 million more jobs in 10 years. I see lower interest rates that will directly affect the daily lives and pocketbooks of every citizen in terms of the amount of hard-earned income they pay now for living essentials, health care, housing, education loans, food, and transportation. With a 2-percent drop in interest rates, how would you like 6 months of groceries free or corresponding savings in your health care premium costs, mortgage payment, student loan? Compare those savings with the marginal reductions in the amount of growth of Federal programs.

In his State of the Union Address, the President said: "Don't give me a balanced budget amendment; give me a balanced budget."

I must say I agree. But, with all due respect, Mr. President, many of my colleagues and I have done just that to no avail. During the last session of Congress, we sent two balanced budgets to 1600 Pennsylvania Avenue and despite exhaustive effort, we were not able to reach agreement or accommodation.

However, I must say that passing the balanced budget amendment and two budgets that were, in fact, in balance did provide the kind of fiscal backbone and tenacity not seen in the Congress for decades. In my own case, I was proud of our efforts within the House Agriculture Committee in enacting farm program and food stamp reform that also produced an estimated \$33 billion in savings over the life of the budget agreement. So, I agree with you. It can be done. And, with our reform of farm program policy passing by overwhelming margins, we also proved there is bipartisan support for true reform and budget savings. We also achieved considerable budget savings in discretionary spending at the conclusion of the appropriations process; something unique to the last Congress.

However, the real problem is that while there is considerable talk about accepting responsibility and standing four square for a balanced budget, there are serious differences of opinion as to how to bring the budget into balance. Which programs will be cut? Do we have the political wherewithal to save Medicare and other entitlements? In this regard, the President and many of our friends across the aisle stated over and over again they are for a balanced budget but not that budget—that budget meaning any cuts in their favorite and priority programs.

And, I must say, despite the fact that a Republican Congress and the President were within \$10 a month difference in regard to preventing Medicare bankruptcy, the fact we were not able to reach agreement and the fact that the Democrat Party made a conscious decision to make Medicare a top issue in last year's campaign, I am not overly confident any budget agreement can be worked out—unless we have to—unless there is some outside discipline that will force Congress to get the job done. The lure of political opportunism is just too great, the coming debate regarding Social Security being a classic example.

The real question is, does the Congress have the fortitude, the perseverance and the tenacity to balance the budget? Despite good men and women of both parties and the best of intentions, it is now the 28th year in which a majority in the Congress has failed in efforts for the Federal Government to live within its means. We all agree we must make progress toward a balanced budget and then during the course of political deliberations we most generally agree to disagree as to how to achieve this goal. It is clear that if there is anything to be learned during the time we have regretfully experienced ever increasing deficits, it is that

we need a balanced budget amendment to the Constitution to get the job done.

With the fall of the Greek Republic as an example, there is a theory that a democracy cannot exist as a permanent form of government. The theory is it can only exist until the voters discover that they can vote themselves largesse from the public treasury. From that moment on, the majority always votes for the candidates promising the most benefits with the result that a democracy always collapses over a loose fiscal policy.

That is the theory. If true, it is a terrible prospect.

Mr. President, I choose not to accept that dire prediction but I must say given our most recent history and given the fact our best efforts fell short during the last session of Congress, I believe this debate, this legislation, and this time represents our vest best opportunity to set our Nation's fiscal house in order.

As President Clinton stated, "We don't need a constitutional amendment to balance the budget, we need action." Again, with due respect to the President, it is indeed time for action and for action, we need a constitutional amendment to get the job done.

The PRESIDING OFFICER (Ms. SNOWE). The Senator from Michigan.

Mr. ABRAHAM. Madam President, I rise today to give some opening remarks with respect to the resolution on the balanced budget that is now before us. I suspect during the course of the next several weeks in the debate that is ahead, I will probably be here several more times to discuss various aspects of this resolution as well as some of the amendments which are going to be offered. But today I thought I would just make some initial comments regarding what I consider to be the need, the necessity really, for this amendment, both why we need a balanced budget, why we need to have a balanced budget amendment, and why we need to do it now.

First of all, I think it should be clear to all Americans why we need a balanced budget, although it certainly has not been the case that the Congress or the President, over the last many, many years, has responded to the public's demands. The first reason is simple. We have gone literally a generation without balancing the budget.

Just a few minutes ago, all of these budgets were presented to us, reflecting the many years in which we have failed to balance the budget. This is as close to balancing the budget as we have come today, piling these documents on top of each other and making sure they do not fall over, but that is as close to balancing the budget as we have been in a quarter of a century. These years of deficits have to come to an end.

We need a balanced budget also because a failure to balance the budget has hurt the economy. To the extent that Government borrows, it means less capital is available for private citi-

zens to borrow. That means that our economy cannot grow as fast as we would like it. It has especially meant that families in America have suffered. Families have suffered to the extent that the Federal Government's encroachment in capital markets means higher interest rates, higher interest rates on new home purchases, on new automobile loans, on student loans, on the variety of other things which average, hardworking American families must seek financing.

It has also hurt our families in the sense we are passing on to our children what is obviously a mountain of debt. Kids in America today, as one of the earlier speakers, the Senator from Idaho, indicated, inherit immediately upon their birth, an enormous responsibility for debts built up by past Congresses. A child born in America today—and I have a 5-month-old child so I suspect it applies to him—is immediately responsible for paying over his or her lifetime something in the vicinity of \$180,000 in taxes simply to pay his or her share of this debt.

That is certainly not the kind of legacy that was passed on to my generation. It is not the legacy I intend to pass on to my children's generation. Therefore, it is essential that we balance the budget and we do so immediately so we do not continue to hurt our families, our businesses, and especially our children.

The next question is why we need a constitutional amendment to balance the budget. Indeed it is true, as many have said, that simply an action by Congress and the President would bring about a balanced budget. But, as we have seen just in the last 2 years, saying it and doing it are very different things. We reached an impasse in Washington in 1995. I don't think it's an impasse that was unique to the 104th Congress or President Clinton. I think it is the kind of impasse that is likely to be reached on almost any occasion in which the Congress of the United States is controlled by one political party and the executive branch is controlled by someone from the other party. The impasse was over spending priorities. But, even though everyone on all sides of the issue said they wanted a balanced budget, we did not get a balanced budget because of that impasse. The absence of a constitutional requirement that we balance the budget, that outlays not exceed revenues to the Federal Government, meant that the impasse continued in spite of the rhetoric on all sides, in spite of all of the balanced budget proposals that flowed from 1600 Pennsylvania Avenue and on Capitol Hill. Despite all of that, we never got to the balanced budget. It is my view that, without an amendment, without a constitutional requirement that the Congress and the President bring about a balanced budget, impasses such as the one that existed during the winter of 1995 will occur again.

Another reason I believe we need an amendment is because we do not know

what the future will bring, and we need to have a permanent safeguard against the kinds of deficits that have plagued the Nation over the past quarter of a century. Yes, today, today in America, talking about balancing the budget, advocating a balanced budget, is politically popular and what the American people are demanding. But, as we have seen for a quarter of a century, something that is simply politically popular may not get done. We have no idea what future Congresses will think about this issue. If we provide this sort of loophole that a failure to pass this amendment provides, we will be right where we have been for the last 25 years.

Yes, it is possible we all might get together and in this Congress, even though the parties that control the Congress and the White House are different, we might finally reach a balanced budget for the year 2002. But what about the year 2003, or 2005, or 2010? What is the safeguard the American people deserve, to guarantee that in those years the same atmosphere that will bring about a balanced budget maybe in 1 year, will continue? I think the only safeguard will be an amendment to the Constitution.

The last issue is why now? I think the crisis we confront today is one of the strongest arguments that we could have for balancing the budget. But the crises that fiscally will afflict this country in another 15 or 20 years are an even stronger argument for this amendment at this time. As we know, projections with respect to a variety of Federal spending programs, particularly the Federal entitlement programs, suggest that as the baby boom generation members age and ultimately become consumers of entitlements rather than providers of revenue to the Federal Government, such programs as Medicare and retirement programs will begin to run even greater costs than they do at this time. What we need to do is get our fiscal house in order today so that when those greater demands on the Federal Government begin to occur, we have the resources necessary to ensure they are honored. A constitutional amendment that prohibits us from running the deficits that are reflected in this stack of budgets before me will assist us in getting our fiscal house in order.

In summary, the average family in my State of Michigan has interests rates that are unnecessarily high due to the deficits we have run and due to the borrowing of the Federal Government. Because of that, the average family in my State does not have as much to spend on its priorities as it deserves.

That family's parents should have more income to spend on their children and their priorities and send less dollars to Washington and less dollars on interest payments than they do at this time. We need a balanced budget to help that working family in Michigan.

America's long-term security also is at stake. America deserves to have fis-

cal integrity so that as we move forward into the 21st century, this debt does not bind us down, this debt does not undermine our economic security, this debt does not hold America back as we try to compete in the global economy, this ever-more competitive global economy, in the years ahead.

For all these reasons, I think action is required now. I think a balanced budget is a necessity, and I think the only way to achieve it is with an amendment to the Constitution that not only brings about a balanced budget in the year 2002, but assures we will continue balancing the budget into the next century and into the future of our Nation.

For those reasons, Madam President, I support the balanced budget amendment. I look forward to continuing this debate as we move forward into the next few weeks and hope that by the time we reach a final vote on this issue, two-thirds of our colleagues will join together to finally change the direction here in Washington, in America and, most importantly, end the unbroken series of Federal deficit represented by this stack of budgets standing next to me.

Mrs. MURRAY addressed the Chair.

The PRESIDING OFFICER. The Senator from Washington.

Mrs. MURRAY. Madam President, I ask unanimous consent to speak as if in morning business.

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

Mrs. MURRAY. I thank the Chair.

TRIBUTE TO PATRICK ORMSBY

Mrs. MURRAY. Madam President, I rise today to pay a special tribute to a young man, a member of my staff, who was taken from us before his time by cancer last week: Pat Ormsby of Spokane, WA. Pat taught me and everyone he touched a most important lesson—how to live life to the fullest with courage, and how to die with dignity.

Pat came to my office just a few years ago, but he was no stranger to Northwest politics. For 10 years he served on the staff of former Speaker Tom Foley. A schoolteacher, Pat started in Mr. Foley's office as a constituent caseworker and eventually moved to the Nation's Capital to become his adviser for agriculture issues.

His reputation was one of someone who was hardworking, down to earth, never caught in the insider beltway thinking. He was always remembering to do what was right for the people he knew so well—the people of Spokane and eastern Washington.

Two years ago, Pat wanted to return home to Washington State to raise his family. As it happened, we crossed paths at an opportune time: he was job-hunting just when I was looking for an eastern Washington director. Pat fit the bill perfectly, and I could not have asked for a better hire.

For the past 2 years, Pat ran my Spokane office. He worked diligently for

the people: he was always there to take cases and advise my D.C. staff on issues like agriculture and business that so intimately affected the lives of the people around him. He was known across the countryside, and everyone to a person, loved him.

Pat was the guy we counted on. Quiet. Unassuming. But always honest, forthright, and clear. His advice on the farm bill, taxes, even welfare reform was always on target, because Pat always knew we worked for the people—and we were there to serve them first.

He was rare in political circles. He brought a certain generosity and good humor to the job that is not seen too often in politics any more. He loved it, he worked tirelessly, he loved being in the thick of things, but he never let it go to his head. And though he was a committed Democrat, he took pains to avoid bringing any partisan edge to his work. He never forgot who he was—a dad and husband first, a public servant, and a devoted community member.

Last spring Pat shared with us that he and his wife Janet were expecting a second child in November, as his first son, Miles, was just turning 3. A happier man, you could not find.

But July of this year brought tough news. Pat was diagnosed with liver cancer. The news of his illness was tough on all of us who knew him. There was universal disbelief. Everyone I talked to wanted to help, to change the course of his illness, to do something.

Inevitably, these conversations would bring out a funny story about Pat, about his tireless work on some project like housing, or commodity programs, or taking extra time to help a constituent who was upset and feeling frustrated with a bureaucracy. And the more I heard from people, the more clear it became just how special a person Pat was.

Despite chemotherapy and exhaustive treatment, Pat determinedly came to the office each day, after taking time to go to church and put his faith in God. He continued to be the one to encourage all of us, and to let us know he was going to be all right no matter what happened.

Recently it became clear his battle was coming to an end. Pat in his quiet way prepared all of us. He maintained what I can only call a relentless optimism. He reminded us of his deep faith, and said his greatest joy was seeing his new son, Paul, come into the world at the end of September. He even had the audacity to apologize when it became clear he could no longer work, but quickly added that he didn't mind because he never liked the commute. Somehow, amazingly, he always emphasized the positives.

He took care of his family and prepared for their future. Again, with great humor, he reminded us it was actually a blessing that he had time to do everything necessary to chart a path for them. He took the time to tell each of us who knew him that it was OK, not an end, just a new beginning for him.

A week and a half ago in Spokane, friends, family, and coworkers gathered together to honor Pat. Mayor Jack Geraghty declared it Pat Ormsby Appreciation Day in Spokane. We gathered with Pat to share feelings and stories about him and his endless contributions. Pat again thanked us all and said his goodbyes.

Last Thursday, we lost Pat. Our staff came together and shared a quiet moment. It was hard to believe he was gone, and it still is. He had become such an important part of our lives, as an example of a true public servant and family man—who always put others before himself and gave something of his life to so many.

It is not fair that children so young should be denied their father, or Janet her husband. But the steps he took to prepare near the end, and the way he lived his life, will be there to show how much he loved them. And because of the example he set, those children will carry something of their father with them always.

We are grateful we knew him, and we are especially grateful to his family for sharing him. We are comforted now only in knowing that a bit of Pat lives on in each of us who knew him: his courage, his common sense, and his pride in community, State, and country. Pat, in his short life, did what each of us should—gave much more than he received. We will miss him.

BREAST CANCER SCREENING GUIDELINES RESOLUTION

Mrs. MURRAY. Madam President, last night the Senate voted on a resolution proposed by the Presiding Officer, Senator SNOWE of Maine, regarding the urgent need for breast cancer research funding. I was unable to be here to cast a vote for that bill because I was at home attending a funeral of my staff member, but I wish the RECORD to reflect that I would have voted "aye" on the resolution by Senator SNOWE.

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

Mrs. MURRAY. Madam President, I would like to thank my friends, Senators SNOWE and MIKULSKI, for offering their resolution in support of regular mammograms for women over 40. While I certainly respect the National Cancer Institute and its work, I, too, am very concerned about their recent conclusion that standard mammography guidelines for women ages 40 to 49 are unnecessary.

At a time when there is still so much we do not know about breast cancer, I believe it is particularly important that we take the best science available and advise women based on its conclusions. More and more, we are learning that preventive care is the best way to catch breast cancer in time to save a woman's life. With that knowledge, we fought hard for Medicare coverage of mammography screening, and now President Clinton is proposing we expand that coverage.

We all know that mammographies save not only lives, but Federal dollars as well. The cost of annual mammographies is far less than the cost of mastectomies, radiation, or other treatments. M. President, I believe we are headed in the right direction with these policies, and stepping back from encouraging annual check ups is not sending a consistent message to women. Instead, we should be making the same commitment to women between the ages of 40 and 50 as we have to those who are older. Evidence shows that this is the age when the risk of breast cancer increases for many women—and continues to climb in later years.

According to the American Cancer Society, the incidence of breast cancer in the United States has leveled off in recent years. That is very good news. Even still, in my home State an estimated 3,500 women will learn that they have breast cancer this year. An estimated 850 will die from this disease in the same year. And, breast cancer is the No. 1 cancer killer among women ages 15 to 54. Like many here, I have seen the devastation breast cancer leaves in its path and the children it has left motherless. It is heartbreaking to think that with earlier detection they may not have lost their lives. I think we can all agree that—as with any other cancer—if we believe we can prevent women from suffering from this disease, we must do everything in our power to do so.

The American Cancer Society also tells us that in the last decade, the average breast lump size—the first indicator of cancer in most cases—has decreased substantially. In 1991, the average size of detected tumors was down to 2.1 centimeters—that is about the size of a nickel. What this tells us is that potentially malignant tumors are being found in earlier and earlier stages of development. Consequently, women have the opportunity to start treatment earlier, and have a higher chance of survival or avoiding drastic options like mastectomies. Mortality rates for Caucasian women have leveled off and even started dropping in recent years. Unfortunately, however, the statistics for women of color are not as good, but at least we know screening helps—now we have to make sure that these women have access to screening.

I do not believe that anyone in this Chamber would deem regular mammographies for a woman over 40 as frivolous. On the contrary, I believe the Members of this body, including myself, now understand better than ever the importance of regular screening for many forms of cancer. I am not a doctor, nor do I pretend to know more than the participants of the NCI's breast cancer screening consensus panel. However, I do know enough to understand the value of preventive screening for breast cancer. And, I also know that we have been fighting an uphill battle to get women—or men, for

that matter—into their doctors' offices to have annual check ups. Therefore, I am very concerned about the consequence of continued confusion over recommendations for how often a woman should have a mammography and mixed signals from leading officials. I look forward to the results of the American Cancer Society's review of the data used by the consensus panel.

In the meantime, I support Senator SNOWE and MIKULSKI's efforts to send a strong, clear signal to women that until we have conclusive evidence to the contrary, we know there is a benefit to regular screening. Along with my colleagues, I encourage all women over 40 to follow the American Cancer Society's recommendation of mammographies every 1 to 2 years. Again, I thank my friends from Maine and Maryland for their work on this issue and their dedication to women's health.

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

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

MEASURE REFERRED

The Committee on Environment and Public Works was discharged from further consideration of the following measure which was referred to the Committee on Governmental Affairs:

S. 203. A bill to amend the Federal Property and Administrative Services Act of 1949 to authorize the transfer to State and local government of certain surplus property for use for law enforcement or public safety 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-996. A communication from the Secretary of the U.S. Securities and Exchange Commission, transmitting, pursuant to law, the report of a rule relative to disclosure requirements, (RIN3235-AG42, AG77) received on February 3, 1997; to the Committee on Banking, Housing, and Urban Affairs.

EC-997. A communication from the National Marine Fisheries Service, National Oceanic and Atmospheric Administration, Department of Commerce, transmitting, pursuant to law, the report of a rule relative to the exclusive economic zone off Florida, received on February 3, 1997; to the Committee on Commerce, Science, and Transportation.

EC-998. A communication from the General Counsel, Department of Transportation, transmitting, pursuant to law, the report of six rules including one rule relative to oil spills, (RIN2133-AB28, 2115-AE01, AF46, AE47, AA97) received on February 3, 1997; to the

Committee on Commerce, Science, and Transportation.

EC-999. A communication from the General Counsel, Department of Transportation, transmitting, pursuant to law, the report of twenty-four rules including one rule relative to class E airspace, (RIN2120-AE64, AE65, AE66) received on February 3, 1997; to the Committee on Commerce, Science, and Transportation.

EC-1000. A communication from the Executive Director of the District of Columbia Financial Responsibility and Management Assistance Authority, transmitting, pursuant to law, the report entitled "District of Columbia's Procurement system, received on February 3, 1997; to the Committee on Governmental Affairs.

EC-1001. A communication from the Chairman Pro Tempore of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 11-505 adopted by the Council on December 3, 1996; to the Committee on Governmental Affairs.

EC-1002. A communication from the Administrator of the U.S. Small Business Administration, transmitting, pursuant to law, the report under the Federal Managers' Financial Integrity Act for fiscal year 1996; to the Committee on Governmental Affairs.

EC-1003. A communication from the Secretary of Transportation, transmitting, pursuant to law, the report under the Federal Managers' Financial Integrity Act for fiscal year 1996; to the Committee on Governmental Affairs.

EC-1004. A communication from the Senior Vice President and Chief Financial Officer of the Potomac Electric Power Company, transmitting, pursuant to law, the report of the balance sheet for calendar year 1996; to the Committee on Governmental Affairs.

EC-1005. A communication from the Assistant Secretary for Land and Minerals Management, Department of the Interior, transmitting, pursuant to law, the report of a rule relative to adoption fees, (RIN1004-AC61) received on February 3, 1997; to the Committee on Energy and Natural Resources.

EC-1006. A communication from the Assistant Secretary for Land and Minerals Management, Department of the Interior, transmitting, pursuant to law, the report of a rule relative to lessee and contractor employees, (RIN1010-AB99) received on January 31, 1997; to the Committee on Energy and Natural Resources.

EC-1007. A communication from the Assistant Secretary for Land and Minerals Management, Department of the Interior, transmitting, pursuant to law, the report of a rule relative to adoption fees, (RIN1010-AC19) received on January 31, 1997; to the Committee on Energy and Natural Resources.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. ROTH, from the Committee on Finance, without amendment:

S. 279. An original bill to amend the Internal Revenue Code of 1986 to reinstate the Airport and Airway Trust Fund excise taxes, and for other purposes (Rept. No. 105-4).

EXECUTIVE REPORTS OF COMMITTEES

The following executive report of committee was submitted on January 30, 1997:

By Mr. ROTH, from the Committee on Finance:

Charlene Barshefsky, of the District of Columbia, to be United States Trade Rep-

resentative, with the rank of Ambassador Extraordinary and Plenipotentiary.

(The above nomination was reported with the recommendation that she be confirmed, subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

The following executive report of committee was submitted on February 5, 1997:

By Mr. McCain, from the Committee on Commerce, Science, and Transportation: Rodney E. Slater, of Arkansas, to be Secretary of Transportation.

(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. McCONNELL (for himself, Mr. SMITH, Mr. COCHRAN, Mr. INHOFE, Mr. WARNER, Mr. D'AMATO, Mr. ALLARD, Mr. KYL, Mr. JEFFORDS, Mr. DEWINE, Mr. LUGAR, Mr. LEAHY, Mr. MOYNIHAN, Mr. CRAIG, Mr. REID, Mr. BUMPERS, Mr. WYDEN, Mr. KENNEDY, Mrs. BOXER, Mrs. FEINSTEIN, Mr. KERRY, and Mr. INOUE):

S. 263. A bill to prohibit the import, export, sale, purchase, possession, transportation, acquisition, and receipt of bear viscera or products that contain or claim to contain bear viscera, and for other purposes; to the Committee on Environment and Public Works.

By Mr. McCain:

S. 264. A bill to amend title XI of the Social Security Act to provide an incentive for the reporting of inaccurate medicare claims for payment, and for other purposes; to the Committee on Finance.

By Mr. Reid:

S. 265. A bill to provide off-budget treatment for the Highway Trust Fund; to the Committee on the Budget and the Committee on Governmental Affairs, jointly, pursuant to the order of August 4, 1977, with instructions that if one committee reports, the other committee have thirty days to report or be discharged.

By Mr. Roth:

S. 266. A bill to establish the Government 2000 Commission to increase the efficiency and effectiveness of the Government, and for other purposes; to the Committee on Governmental Affairs.

By Mr. McCain:

S. 267. A bill to provide for the imposition of administrative fees for medicare overpayment collection, and to require automated prepayment screening of medicare claims, and for other purposes; to the Committee on Finance.

By Mr. McCain (for himself and Mr. FRIST):

S. 268. A bill to regulate flights over national parks, and for other purposes; to the Committee on Commerce, Science, and Transportation.

By Mr. Abraham:

S. 269. A bill to provide that the Secretary of the Senate and the Clerk of the House of Representatives shall include an estimate of Federal retirement benefits for each Member of Congress in their semiannual reports, and for other purposes; to the Committee on Rules and Administration.

By Ms. SNOWE (for herself, Ms. COLLINS, Mr. LEAHY, and Mr. JEFFORDS):

S. 270. A bill to grant the consent of Congress to the Texas Low-Level Radioactive Waste Disposal Compact; to the Committee on the Judiciary.

By Ms. SNOWE:

S. 271. A bill to require the Secretary of Commerce to ensure that at least an equivalent level of service will be supplied to the public and affected agencies before closing National Weather Service field stations; to the Committee on Commerce, Science, and Transportation.

S. 272. A bill to amend the Internal Revenue Code of 1986 to allow defense contractors a credit against income tax for 20 percent of the defense conversion employee retraining expenses paid or incurred by the contractors; to the Committee on Finance.

S. 273. A bill to amend the Internal Revenue Code of 1986 to provide tax incentives relating to the closure, realignment, or downsizing of military installations; to the Committee on Finance.

S. 274. A bill to establish a Northern Border States-Canada Trade Council, and for other purposes; to the Committee on Finance.

By Mr. CHAFEE (for himself, Mr. WARNER, Mr. MOYNIHAN, and Mr. BOND):

S. 275. A bill to amend the Internal Revenue Code of 1986 to provide for tax-exempt financing of private sector highway infrastructure construction; to the Committee on Finance.

By Ms. SNOWE:

S. 276. A bill to amend title 23, United States Code, to conform to State law the vehicle weight limitations on certain portions of the Interstate System, and for other purposes; to the Committee on Environment and Public Works.

By Mr. COCHRAN (for himself, Mr. COVERDELL, and Mr. HELMS):

S. 277. A bill to amend the Agricultural Adjustment Act to restore the effectiveness of certain provisions regulating Federal milk marketing orders; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. GRAMM (for himself, Mrs. HUTCHISON, Mr. SESSIONS, and Mr. COVERDELL):

S. 278. A bill to guarantee the right of all active duty military personnel, merchant mariners, and their dependents to vote in Federal, State, and local elections; to the Committee on Rules and Administration.

By Mr. Roth:

S. 279. An original bill to amend the Internal Revenue Code of 1986 to reinstate the Airport and Airway Trust Fund excise taxes, and for other purposes; from the Committee on Finance; placed on the calendar.

By Mrs. MURRAY (for herself, Mr. DODD, Mr. DASCHLE, Mr. KENNEDY, Mr. HARKIN, Ms. MOSELEY-BRAUN, Mr. INOUE, Mr. LAUTENBERG, Mr. WELLSTONE, Mr. KERRY, and Mr. AKAKA):

S. 280. A bill to amend the Family and Medical Leave Act of 1993 to allow employees to take school involvement leave to participate in the school activities of their children or to participate in literacy training, and for other purposes; to the Committee on Labor and Human Resources.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. ROTH (for himself and Mr. MOYNIHAN):

S. Res. 50. A resolution to express the sense of the Senate regarding the correction of cost-of-living adjustments; to the Committee on Finance.

By Mr. ROTH (for himself, Mr. LIEBERMAN, Mr. LUGAR, Ms. MIKULSKI, Mr. HAGEL, Mr. MCCAIN, Mr. COCHRAN, Mr. ENZI, and Ms. MOSELEY-BRAUN):

S. Con. Res. 5. A concurrent resolution expressing the sense of Congress that the extension of membership in the North Atlantic Treaty of 1949 to certain democracies of Central and Eastern Europe is essential to the consolidation of enduring peace and stability in Europe; to the Committee on Foreign Relations.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. MCCAIN:

S. 264. A bill to amend title XI of the Social Security Act to provide an incentive for the reporting of inaccurate Medicare claims for payment, and for other purposes; to the Committee on Finance.

THE MEDICARE WHISTLEBLOWER ACT

Mr. MCCAIN. Mr. President, I am proud to be introducing legislation today which will significantly reduce fraud and abuse by providers in the Medicare program. The Medicare Whistleblower Act of 1997 will provide strong incentives for Medicare beneficiaries to identify provider fraud in the Medicare system.

As I travel around my home State of Arizona, seniors keep telling me about the fraudulent and negligent billings which are rampant throughout the Medicare Program. Over and over again, they tell me about their personal experiences with fraud and overbillings in the Medicare system. Many of the seniors say that their Medicare bills frequently include charges for medical services which they never received, double billings for a specific treatment, or charges which are disproportionate and severely marked up. Usually, most of these seniors have no idea what Medicare is being billed on their behalf and they have no way to obtain a detailed explanation from the Medicare providers.

These personal stories from senior citizens are confirmed by analyses and detailed studies. According to the General Accounting Office, fraud and abuse in our Nation's health care system costs taxpayers as much as \$100 billion each year. Medicare fraud alone costs about \$17 billion per year which is about 10 percent of the program's costs.

This is quite disconcerting, especially in light of the financial problems facing our Medicare system. Currently, the Medicare system is expected to run out of funds in the year 2001.

A fundamental problem with the Medicare system is that most beneficiaries are not concerned with the costs of the program because the Government is responsible for them. One of my constituents shared with me an experience he had when his provider double-billed Medicare for his treatment

and the provider told him not to be concerned about it because, "Medicare is paying the bill." This is an outrage and we cannot allow this flagrant abuse of taxpayers dollars to continue. Remember, when Medicare overpays, we all overpay, and costs to beneficiaries and the taxpayers spiral while the financial sustainability of the program is violated.

My bill, the Medicare Whistleblower Act addresses this fundamental problem in the Medicare Program. This legislation strengthens the procedures for detecting and identifying fraud and waste in the Medicare system. This bill provides beneficiaries with incentives for carefully scrutinizing their bills and actively pursuing corrections when they believe there has been an inappropriate or unjustified charge made to the Medicare Program. The beneficiaries would be financially rewarded if they detect negligent or fraudulent charges in their Medicare bill.

I recognize that provider fraud is not the sole source of waste and abuse in the Medicare system, and I wholeheartedly support other initiatives which address beneficiary fraud. However, studies indicate that provider fraud is most prevalent and the greatest concern for the system, making initiatives such as this one which specifically target provider fraud very important.

The Medicare Whistleblower Act will give beneficiaries the right to request and receive a written itemized copy of their medical bill from their Medicare health care provider. This itemized bill should be provided to the beneficiary within 30 days of the provider's receipt of their request. Once the beneficiary receives the itemized bill they would have 90 days to report any inappropriate billings to Medicare. The Medicare intermediaries and carriers would then have to review the bills and determine whether an inappropriate payment has been made and what amount should be reimbursed to the Medicare system.

If the Secretary of Health and Human Services confirms that the charges were either negligent or fraudulent, the beneficiary would receive an award equal to 1 percent of the overpayment reimbursed up to \$10,000. The financial awards given to the beneficiaries would not increase costs to the Federal Government since they would be paid directly from the overpayment. In cases of fraud, the rewards would be paid directly by the fraudulent provider as a penalty, and would therefore not even reduce the amount of the overpayment reimbursed to the Federal Treasury.

Several important safeguards have been built into this legislation. First, the Secretary of Health and Human Services would be required to establish appropriate procedures to ensure that the incentive system is not abused by overzealous beneficiaries. Second, an incentive payment would be awarded only to the extent that the Health Care

Financing Administration HCFA is able to recover the overpayment from the provider. Finally, there would be no incentive payment if HCFA can demonstrate that it had identified the overpayment prior to receiving the beneficiary's complaint.

Some may argue that seniors and other beneficiaries should not receive financial rewards for fighting fraud—that it should be their civic responsibility. While I may agree with this contention, I also recognize that these seniors would not be able to detect and report fraud or abuse without having access to the itemized bills that this legislation provides. Besides, I do not see anything wrong with providing beneficiaries with a financial incentive for fighting waste. After all, we currently pay Federal employees for suggestions which result in savings for the taxpayers, and we pay private citizens for identifying fraud by defense contractors.

It is imperative that we put an end to the rampant abuse and fraud in the Medicare system. This bill would contribute significantly to this effort.

Mr. President, I believe that a very effective approach for detecting and fighting fraud is to provide individuals with a personal financial interest in the process. By passing this legislation, Congress would be empowering over 36 million Medicare beneficiaries to protect their program from fraud, waste, and abuse. I ask unanimous consent that the following letters of support from the Seniors Coalition and the National Committee to Preserve Social Security and Medicare be included in the RECORD.

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

NATIONAL COMMITTEE TO PRESERVE
SOCIAL SECURITY AND MEDICARE,
Washington, DC, January 27, 1997.

Hon. JOHN MCCAIN,
U.S. Senate,
Washington, DC.

DEAR SENATOR MCCAIN: On behalf of the 5.5 million members and supporters of the national Committee to Preserve Social Security and Medicare, we offer our endorsement of the Medicare Whistleblower Act of 1997, legislation to strengthen procedures for identifying fraud and waste in the Medicare program.

A major effort to prevent fraud and abuse is essential and appropriate—particularly at a time when Congress is considering ways to ensure the solvency of the Medicare program for current and future beneficiaries. It is essential that we enlist the cooperation of the public, beneficiaries, providers and carriers to curb fraud and waste in the Medicare program and ensure that Medicare funds go toward patient care. As you know, major and increasingly complex patterns of fraud and abuse have infiltrated many health sectors.

Your legislation will strengthen the role of beneficiaries in detecting and reporting fraud and waste. Of particular importance are the provisions ensuring that beneficiaries be provided, upon request, copies of itemized bills submitted on their behalf. Beneficiaries must have accurate information about bills submitted on their behalf in order to meaningfully participate in this

program. It is also important for the Secretary to establish procedures to prevent abuse or over-use of the reporting system.

Seniors thank you for your help in combating this growing problem.

Sincerely,

MARTHA A. MCSTEEN,
President.

—
THE SENIORS COALITION,
Fairfax, VA, January 30, 1997.

Hon. JOHN MCCAIN,
*U.S. Senate,
Washington, DC.*

DEAR SENATOR MCCAIN: The Seniors Coalition, representing 2.4 million senior citizens nationwide, is pleased to support the legislation you have recently introduced to reduce waste and fraud in the Medicare system. Our members report to us the same kinds of experiences as your constituents do to you, and we are certain that your legislation will help.

However, I must note that while these are desirable reforms, they do not correct the basic flaws in the Medicare program, and it is these flaws which make Medicare ultimately unsustainable.

By separating those who receive benefits from those who pay, Medicare encourages overuse, waste, fraud, abuse, and cheating. Passage of legislation such as yours, which creates some incentives to discover fraud and abuse, can never substitute for the self-policing systems of true free markets, where every patient has an incentive to find the least expensive, most cost-effective treatment, and to monitor for double-billing, mistakes, and fraud in a way no artificial system can ever re-create.

The Seniors Coalition is happy to support your efforts, but we urge you to undertake a thorough and long-overdue revamping of the entire program, before its internal contradictions bring it crashing down on the heads of seniors who deserve better treatment.

Please let us know what we can do to help you with your efforts.

Sincerely,

THAIR PHILLIPS,
Chief Executive Officer.

By Mr. REID:

S. 265. A bill to provide off-budget treatment for the highway trust fund; to the Committee on the Budget and the Committee on Government Affairs, jointly, pursuant to the order of August 4, 1977, with instructions that if one committee reports, the other committee have 30 days to report or be discharged.

THE HIGHWAY TRUST FUND PROTECTION ACT OF
1997

Mr. REID. Mr. President, I have just come from my office where I had a number of meetings. I met with a group of lawyers this morning. They were talking about issues that are going to come before the Congress that are important to them. But in the course of the conversation, I talked to them about the days when I was an attorney and practiced law.

One of the things that has been brought to my mind as a result of my meeting with those lawyers today is how important it is to protect your client's assets. If you had a case for a client, any money that came in that was that client's property, you had to put that money in a trust account. None of that money in that trust account could

be used to make a house payment or make a car payment of yours. Those moneys could only be used for the benefit of your client. If a lawyer violated the trust that he or she had with his client, you could lose your license to practice law. You could, in fact, be prosecuted criminally and go to jail.

It seems around here that we handle people's trust accounts, the taxpayers' trust accounts in a very cavalier fashion. Today I want to talk about one of those trust funds. I want to talk about the highway trust fund. It is coincidental that I am here introducing legislation after having met in my office just a short time ago with Nevada's head of the department of transportation, a man by the name of Tom Stephens. He was back here with other Nevadans to tell me the problems that the State of Nevada has. I am a member of the Environment and Public Works Committee and we will have to address the problems of this entire country when we reauthorize the highway transportation bill this year. The people from Nevada were telling me about the problems we have in Nevada. They are significant. We are the most rapidly growing State in the Union. We have traffic jams where we never had them before, especially in the southern part of the State. He proceeded to tell me about five projects that will cost about \$1 billion—extension of Highway 95, I-15 to the California border, in the Reno-Carson City area we have to get the freeway completed between Carson City and Reno, and a number of other very difficult projects that cost a lot of money. He was looking to me for guidance and direction as to how some of these very difficult projects could be directed—how moneys in the bill could be directed toward the State of Nevada.

There is no question, Mr. President, that this is going to be a busy legislative year. As I have indicated, one of the things we will work on is the Intermodal Surface Transportation Efficiency Act, what we call ISTEA, reauthorization of the highway bill. This legislation plays an integral role in the financing of our Nation's transportation infrastructure. It is a bill that will receive bipartisan support, I hope, for a number of reasons. Most recognize the need to invest in our transportation infrastructure. It is that way all over the country.

The Presiding Officer of this body today is from a very sparsely populated State, but it is a big State and covers a lot of area. I have driven much of the State of Wyoming. The State of Wyoming has, like Nevada but in a more exaggerated sense, a very small population base. However, the people of Wyoming travel these long distances and they want to travel these distances on good roads. Not only do the people that live in Wyoming need those good roads, but the State of Wyoming is surrounded by States that people are trying to get to. Wyoming is a bridge State. Thousands and thousands of people come to Wyoming every year to go

to Yellowstone National Park. Should the people of Wyoming alone be responsible for those roads? Well, the answer is no, we have a Federal policy that helps the State of Wyoming in the road construction. You have demand in the State of Wyoming that cannot be met by the State of Wyoming. Your transportation director, I am sure, will come and visit the Presiding Officer, just like my State of Nevada head of transportation came and visited me, to talk about particular specific problems that you have in the State of Wyoming which are compounded by the bad weather that you have there.

I am sure a lot of people do not know that this money we collect in the highway trust fund is not used for highway construction. What is it used for? It is used to mask the Federal deficit to the tune of about \$20 billion. All of us agree that we need to invest in our highway transportation system. We all agree that there is a need to provide a safe, efficient, and modern transportation infrastructure, and most agree that too little is being spent on this important investment. The biggest reason, though, we are spending too little on this investment is we are not spending the money we have in trust to spend. Just like the example I gave earlier where I, as an attorney, would take my client's money, just as we as a Federal Government take our client's money, the taxpayer, every time a gallon of gas is purchased, we take approximately 19 cents. Most of that money is required by law to be spent on the infrastructure of this country and it is not. That is what is wrong. Finances that should go to the highway construction is being used for other purposes. The money collected is not being used, I repeat, for its intended purpose. It is a perversion of the whole notion of how a trust fund should operate.

There have been earlier attempts to end this misspending by taking the transportation trust fund moneys off budget. In the House it has been successful. I am going to initiate an effort here in the Senate too to do likewise. They have not only gotten it out of committee in the House, they passed it on the floor. I support these efforts that they have initiated in the House because I believe we need to protect the integrity of these trust funds. I believe we should attempt to get these funds off budget and we should do it now.

That is why I am introducing this bill, the Highway Trust Fund Protection Act of 1997. It is very straightforward. It is a short bill. By taking the highway trust fund off budget we will be fulfilling our commitment to the taxpayer. We will be spending the revenues on the specific activities identified as the purpose of these trust funds. Mr. President, the trust fund is financed by sales taxes on tires, trucks, buses, trailers, as well as truck usage taxes. But about 90 percent of the trust fund revenue comes from excise taxes

on motor fuels. As I have indicated earlier, the majority of the motor fuel revenue dedicated to the trust fund is derived from 18.4 cents per gallon tax on gasoline. Of this, 14 cents is dedicated directly to the highway trust fund. Of the remaining 4.5 cents, 4.3 cents go to deficit reduction and one-tenth of 1 percent goes to the leaky underground storage fund.

Mr. President, there are many arguments for taking these trust funds off budget. I will talk about a few. First of all, it represents a contract with the people of this country. We pass legislation that tells someone when they buy a gallon of gasoline, part of that money is going to go into a trust fund to improve the roads—the roads in Wyoming, the roads in Nevada, and all over this country. If the highway trust funds are not going to be used for their stated purpose, we should eliminate the tax, or part of it.

According to the Federal Highway Administration there are significant infrastructure needs not being met. We do not need to go to the Highway Administration. We know by our own individual experiences in our individual States that it is important we spend more money on this construction. The trust fund inclusion in the unified budget subjects our outlays to the budget process. As a result, they are liable to legislative spending limitations. These limits are not based on analysis of national transportation spending need. Not once in the 5 years since ISTEA was enacted have Federal highway programs been funded at their authorized levels; this, despite the fact that the Department of Transportation has identified billions of dollars in need.

Remember, Mr. President, we have approximately \$20 billion in excess funds not being spent and going into our infrastructure needs. The balances we run in the transit highway accounts makes no sense. This money should and could be invested in our Nation's highway system. It is estimated that to maintain—not improve, just maintain—our current highway system would cost over \$200 billion. Taking the highway trust funds off budget will have limited effect on the deficit. The highway trust fund is user fee supported. The highway trust fund is deficit proof and has never contributed a single penny to the budget deficit. The highway trust fund supports long-term capital investments that produce economic benefits, which in turn generate increased revenue for the Federal Government.

This bill is about protecting the integrity of the highway trust fund. All taxpayers have an interest in this. We are told when we pay taxes at the pump that this money goes toward maintaining and improving our roads. I wish that were so. It is a myth. It is a myth of the highway trust fund. My legislation provides truth and budgeting and would simply do away with this myth.

It is unfair that we take a trust fund and use it for purposes other than for which the trust fund moneys were dedicated. I ask all of my colleagues to follow the example of the other body, the House of Representatives, and join me in supporting this legislation, which would take these moneys off budget and would allow us to spend the money that is so badly needed for highway construction in the United States.

By Mr. ROTH:

S. 266. A bill to establish the Government 2000 Commission to increase the efficiency and effectiveness of the Government, and for other purposes; to the Committee on Governmental Affairs.

THE GOVERNMENT 2000 COMMISSION ACT

Mr. ROTH. Mr. President, today I am introducing a bill which would establish a bipartisan Government 2000 Commission, charged with developing a comprehensive legislative proposal to reorganize, consolidate, and streamline Federal departments, agencies, and activities.

Mr. President, this Commission is very similar to the one that was included in S. 929 in the 104th Congress which was reported out of the Senate Governmental Affairs Committee under my chairmanship.

To make clear our objectives, this legislation includes specific goals for reducing costs and improving the performance.

These goals include: a 35-percent reduction in the costs of administration, a tenfold increase in the timeliness of service delivery, a compound annual improvement in productivity of 6 percent, and customer service levels comparable to the private sector.

The Commission's reorganization plan must include no more than 10 Cabinet Departments—a reduction from 14—and a substantial reduction in the number of agencies and subdepartmental bureaus, offices, divisions, and other program operating units to eliminate duplication and fragmentation. It is also required to achieve a reduction in the layers of organizational hierarchy and a substantial reduction in the total number of midlevel supervisory, administrative, and political positions.

The Commission is charged with considering the consolidation of program service delivery functions into operating units that are independent of individual executive departments, to maximize service coordination, and whether the heads of such program operating units should be nonpolitical, noncareer appointments hired for a fixed-term under an employment contract with specific, measurable program performance goals, to maximize accountability.

There will be nine Commission members: Two each appointed by the President, the Speaker of the House, and the Senate majority leader, and one each by the House and Senate minority leaders. The Chairman shall be appointed by agreement of the President,

the Speaker, and the Senate majority leader. The Commission is authorized an appropriation of \$5 million for fiscal year 1998.

The Commission shall report its recommendations in a single legislative package by June 1, 1998. The act provides for fast-track consideration of this legislation. In the Senate, there is no time limit on debate, and only germane amendments will be order. In the House, there will be 10 hours of general debate followed by 20 hours of debate on all amendments.

By Mr. MCCAIN:

S. 267. A bill to provide for the imposition of administrative fees for medicare overpayment collection, and to require automated prepayment screening of Medicare claims, and for other purposes; to the Committee on Finance.

THE MEDICARE OVERPAYMENT REDUCTION ACT
OF 1997

Mr. MCCAIN. Mr. President, today I am introducing legislation which addresses a very serious problem in the Medicare system—Medicare overpayments. Medicare overpayments are costing the Medicare trust funds billions of dollars each year.

This bill imposes an administrative fee on providers who submit inaccurate Medicare claims and are overpaid by the Health Care Financing Administration [HCFA]. The purpose of the fee is to discourage overpayments and to offset the costs which HCFA incurs while recovering overpayments.

In addition, this bill requires HCFA to screen claims for accuracy, paying particular attention to procedures and services which have high rates of overbillings and inaccurate billings.

Under Medicare part A, hospitals and providers are prepaid annually by HCFA for expected Medicare expenditures. Currently, many hospitals grossly overestimate their Medicare funding needs and use the overpayment to subsidize services delivered at their facility which are not Medicare related. This is an abuse which must be stopped. This legislation will impose an administrative fee if a hospital overestimates its Medicare needs by more than 30 percent and does not repay the overpayment to HCFA within 30 days.

Unlike hospitals, doctors must submit claims for payment to Medicare part B after they provide services to beneficiaries. However, these claims sometimes are submitted for services that were never provided or that are incorrectly coded. The fee which this bill would impose will discourage physicians from submitting false or misleading claims and will help HCFA cover the costs incurred while recovering overpayments to providers.

Most importantly, prepayment screening will help eliminate overpayments in the first place. The technology for prescreening is available and already used extensively in the private sector. I believe that it is imperative that we start using prescreening

to improve Medicare payment accuracy.

As my colleagues know, the Medicare system is in serious financial condition and will be bankrupt in 2001 if we do not make necessary reforms. We have an obligation to take every possible step to protect the Medicare trust funds and preserve them for current beneficiaries and future generations.

I recognize that overpayments are not the only financial problem with Medicare, but they are a significant problem within the system. GAO reported that over \$4.1 billion was overpaid from the trust funds in 1995. Had this legislation been in place, I believe that we could have prevented a large portion of these overpayments if not prevented we could have at least imposed the administrative fee and recouped a significant amount.

This bill is not the cure for what ails our Medicare system, but it is a step in the right direction. Overpayments are costly and contribute to the Medicare solvency problem. This legislation will help stop them.

I ask unanimous consent a letter of support from the National Committee to Preserve Social Security and Medicare be included in the RECORD.

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

NATIONAL COMMITTEE TO PRESERVE
SOCIAL SECURITY AND MEDICARE,
Washington, DC; January 23, 1997.

Hon. JOHN MCCAIN,
U.S. Senate, Russell Senate Office Building,
Washington, DC.

DEAR SENATOR MCCAIN: The national Committee to Preserve Social Security and Medicare, on behalf of our 5.5 million members and supporters, endorses the "Medicare Overpayment Reduction Act." This important legislation will improve the Medicare program by encouraging greater care in claim submission and reducing the incentive to overbill the Medicare program.

The "Medicare Overpayment Reduction Act" addresses the significant problem of waste and abuse in the Medicare program by restoring to the Medicare program expenditures that were the result of overpayments to providers. The bill imposes a one percent administration fee on overpayments not returned within 30 days by Medicare providers. By encouraging a careful review of Medicare claims submissions by providers, this legislation is an important step toward preserving the Medicare program for current and future beneficiaries.

Thank you, Senator McCain, for your outstanding work on behalf of older Americans.
Sincerely,

MARTHA A. MCSTEEN,
President.

By Mr. MCCAIN (for himself and Mr. FRIST):

S. 268. A bill to regulate flights over national parks, and for other purposes; to the Committee on Commerce, Science, and Transportation.

THE NATIONAL PARKS OVERFLIGHTS ACT OF 1997

Mr. MCCAIN. Mr. President, I rise today to introduce legislation to promote safety and quiet in our national parks. I want to thank Senator FRIST for joining me as an original cosponsor of this bill.

Under this legislation, the Secretary of the Interior would develop recommendations which may include flight-free zones, curfews, and other flight restrictions for aircraft operating over certain national parks. The Federal Aviation Administrator would then develop a plan, based upon these recommendations, to promote quiet and safety in our parks. Under the bill, the entire process would be completed within months after enactment of this legislation.

To ensure that we take immediate action in those parks experiencing the greatest threats to their natural resources from aircraft noise, this bill requires the Secretary of the Interior to recommend a proposal for prioritizing the implementation of appropriate flight restrictions at certain parks. The bill also requires the Secretary and the Administrator to work together on recommendations that propose methods to encourage the use of quiet aircraft in our parks, unless such proposals are not needed to meet the goals of protecting quiet and promoting safety.

This bill promotes safety in our national parks by allowing the FAA Administrator, in consultation with the Secretary, to set minimum altitudes for overflights in certain parks and to prohibit flights below those minimum altitudes where necessary to meet safety goals. The bill makes safety the paramount concern for the Administrator in developing an overflight plan for a national park. Under the bill, the Administrator may revise the Secretary of the Interior's recommendations to ensure public health and safety goals are met.

Mr. President, this bill is intended to begin a dialog on how we can best promote safety and quiet in our national parks. I am sure that this legislation can be refined to better meet its essential goals and I am eager to start that process.

I also want to make clear that I fully appreciate that air tourism provides a legitimate way for visitors to see national parks and also provides an important opportunity for disabled persons to view certain parks. I want to ensure that this legislation provides a balanced and fair approach to solving safety and noise problems in our national parks.

I believe this bill takes a crucial first step toward restoring and preserving a vital resource within many national parks—natural quiet. The natural ambient sound conditions found in a park, or natural quiet, as it is commonly called, is precisely what many Americans seek to experience when they visit some of our most treasured national parks. Natural quiet is as crucial an element of the natural beauty and splendor of certain parks as those resources that we visually observe and appreciate.

I also believe that this bill provides important safety protections. As the air tour industry in many parks con-

tinues to grow, safety concerns also increase. By addressing safety now, before tragic accidents occur, we can assure the public that we have taken every precaution to protect visitors in our parks.

Ten years ago, legislation I authored to promote safety and provide for the substantial restoration of natural quiet in the Grand Canyon was signed into law. This year, the Federal Aviation Administration [FAA] issued a final rule which modifies and expands flight-free zones in the canyon. The final rule is scheduled to go into effect on May 1, 1997. But lawsuits threaten to further delay implementation of additional measures to meet the goals of the 1987 law.

Moreover, the final rule does not contain incentives for operators to convert to quiet aircraft, although the FAA recognizes that moving to quiet aircraft technology offers the most promising approach to providing for the substantial restoration of natural quiet in the Canyon. Rather, a notice of proposed rulemaking was issued outlining a proposal for mandating conversion to quiet aircraft. This proposed rulemaking must now undergo public comment and agency review of those comments before it becomes final. In the meantime, natural quiet still has not been restored at the Grand Canyon.

There are many lessons to be learned from our efforts to restore natural quiet in the Grand Canyon. The Grand Canyon experience teaches us that we cannot afford to wait until natural quiet has been lost before we take steps to protect and preserve that resource. Simply put, we have found that it is very difficult to undo what has already been done. Thus, wherever possible, we must strive to prevent the impairment of natural resources in our national parks. To that end, this bill sets up a process for achieving balanced and fair approach to resolving noise concerns in other national parks before any problems get out of hand in those parks, too.

In addition, as a result of the Grand Canyon experience, we have learned some very valuable lessons about what we can and must do to ensure safety in the air above our national parks. Providing for public health and safety in our national parks must always be a foremost concern in our minds when developing any park overflight plan.

Finally, I expect the administration, in exercising its authority under this bill, to meet with interested groups and affected communities, including local chambers of commerce. These groups should be involved in the process before implementing any flight restrictions in order to ensure that proposed actions are appropriate and necessary and that all important issues have been thoroughly considered and addressed.

Again, Mr. President, this bill is intended to begin an open dialog on how we can best achieve our safety and natural quiet goals. Many parks throughout America are now being threatened

by the same kind of air pollution problems and noise pollution problems that we had over the Grand Canyon. I believe we can begin to work on ways in which we can protect and preserve one of the most precious natural resources within many of our national parks—natural quiet. At the same time, the bill seeks to ensure that public health and safety is not compromised as a result of increasing park overflights. I urge my colleagues to join me in this effort to reach an important balance and preserve our natural heritage while we provide for the safe and continued enjoyment of our parks.

By Mr. ABRAHAM:

S. 269. A bill to provide that the Secretary of the Senate and the Clerk of the House of Representatives shall include an estimate of Federal retirement benefits for each Member of Congress in their semiannual reports, and for other purposes; to the Committee on Rules and Administration.

THE CONGRESSIONAL PENSION DISCLOSURE ACT

• Mr. ABRAHAM. Mr. President, I rise today to introduce S. 269 which would require the Secretary of the Senate and the Clerk of the House of Representatives to disclose information relating to the pensions of Members of Congress. This legislation would require these officers to include in their semiannual reports to Congress detailed information relating to the Members pensions. The semiannual reports would then be available to the public for inspection.

The reports would include the individual pension contributions of Members; an estimate of annuities which they would receive based on the earliest possible date they would be eligible to receive annuity payments by reason of retirement; and any other information necessary to enable the public to accurately compute the Federal retirement benefits of each Member based on various assumptions of years of service and age of separation from service by reason of retirement.

The purpose of this legislation is to afford citizens their rightful opportunity to learn how public funds are being utilized. The taxpayers are not only entitled to know the various forms of compensation their elected officials are being paid, they are also entitled to make decisions about the reasonableness of such compensation.

My bill, S. 269, would make this information conveniently available to the public. I believe that this bill would eliminate the present shroud of secrecy which has surrounded the congressional pension system and give the public better access to information regarding their representatives in Congress.●

By Ms. SNOWE:

S. 271. A bill to require the Secretary of Commerce to ensure that at least an equivalent level of service will be supplied to the public and affected agencies before closing National Weather

Service field stations; to the Committee on Commerce, Science, and Transportation.

THE NATIONAL WEATHER SERVICE OFFICE
CLOSURE CRITERIA ACT OF 1997

• Ms. SNOWE. Mr. President, today I am introducing legislation to create additional office closure certification criteria for National Weather Service offices located in geographical areas of concern designated by the National Research Council. The amendment is designed to guarantee that weather services will be fully maintained in these areas after the National Weather Service completes its modernization plan.

My bill adds a new paragraph to section 706(e) of the Weather Service Modernization Act of 1992. This section deals with "special circumstances" under which the Secretary may not close or relocate a NWS field office unless he meets certain specified certification criteria in addition to the standard certification criteria that apply to all field offices.

This legislation would create another special circumstance category for offices that serve parts of the country identified as "areas of geographic concern" in the National Research Council's June 1995, report on the modernization program. The NRC identified 32 such areas of concern across the country, including Caribou, ME, Williston, ND, Baton Rouge, LA, and Kalispell, MT, in which a National Weather Service field office has been proposed for closure under the modernization plan and the people who live in the area have expressed serious concerns about the impacts of it.

My bill would prohibit the Secretary from closing or relocating these offices unless he first evaluates the effect of a closing or relocation on all weather information and services provided to local users; and, second, he includes in the standard certification required under section 706(b), a determination that at least an equivalent level of weather services will be provided in the future.

This amendment provides an additional but very important layer of scrutiny to NWS plans to close field offices in areas of the country—a number of which are sparsely populated and rural—specified in the NRC report. It provides an extra safeguard for these communities to ensure that they will continue to receive at least the same level of weather information and services that they currently receive. Without adequate safeguards, the rural communities described in the amendment will face greater threats to public safety, infrastructure, private property, agricultural production, and the economy generally when a local weather office closes.

As experience shows, the rural field offices, in particular, play a special role in gathering weather information from diverse and disparate locales across a large region, and in disseminating this information, along with standard NWS forecasts and flood

warnings, to all citizens of the region. Field offices located outside these service areas may not be able to devote the same level of comprehensive, real-time attention to weather events affecting these areas. Given the importance of accurate and timely weather information to rural areas subject to severe weather conditions, we cannot let the quality of weather services for these areas diminish. My legislation will help to prevent that from happening.

Mr. President, this is good-government legislation. It helps to ensure that an essential Federal agency makes very well-informed and prudent decisions, and it enhances the protection of our citizens' lives and property.

I introduced this legislation as an amendment to the NOAA reauthorization bill in the Commerce Committee last year. The amendment was adopted unanimously, but unfortunately the full Senate did not have an opportunity to consider the bill before adjournment. I intend to resume my efforts on this issue at the earliest opportunity in the new Congress. I hope other Senators will join me in cosponsoring this bill and in working toward its enactment.●

By Ms. SNOWE:

S. 272. A bill to amend the Internal Revenue Code of 1986 to allow defense contractors a credit against income tax for 20 percent of the defense conversion employee retraining expenses paid or incurred by the contractors; to the Committee on Finance.

By Ms. SNOWE:

S. 273. A bill to amend the Internal Revenue Code of 1986 to provide tax incentives relating to the closure, realignment, or downsizing of military installations; to the Committee on Finance.

DEFENSE CONVERSION TAX CREDIT LEGISLATION

• Ms. SNOWE. Mr. President, I am introducing two bills today to assist workers who have lost their jobs as a result of closure or cutbacks at defense installations or the loss of defense contracts by private industry. The first bill extends the existing targeted jobs tax credit to employers who hire individuals who have lost their jobs at a Federal military installation through a closing, realignment or reduction in force. The credit equals 40 percent of the first \$6,000 in wages paid to each newly hired worker. The second bill I am introducing provides defense contractors with an income tax credit for 20 percent of costs incurred in retraining employees for nondefense-related jobs.

Since 1988, the Department of Defense has undertaken four base realignment and closure [BRAC] rounds—in 1988, 1991, 1993, and 1995. In total the BRAC process has authorized the closing of 261 military facilities, including 98 major defense installations where 300 or more civilian and/or military jobs were eliminated. Many base closings and realignments under the BRAC

process are still in progress and their full impact has not yet been felt. In addition, reductions in force continue to be the order of the day at the Pentagon. In December, the Navy announced plans to reduce civilian employment by 11,000 positions at 240 facilities.

The economic impact of defense downsizing on the affected individuals and surrounding communities can be devastating. In my own State of Maine, the closure of Loring Air Force Base in 1994 resulted in the loss of nearly 20 percent of the jobs in Aroostook County, affecting 3,000 military personnel, 900 civilians and an additional 6,000 private sector jobs which were dependent on the air base. The annual loss of income to Maine's economy from the Loring closure totaled more than \$370 million.

At the other end of the State, Kittery-Portsmouth Naval Shipyard has seen its workforce cut from 8,600 employees in 1989, when the Berlin wall fell, to 3,600 today with another reduction of 454 Navy civilian jobs planned for 1997. And Bath Iron Works, Maine's largest defense contractor, has seen its employment level drop from a high of 12,000 in 1990 to 7,500 today. Smaller defense contractors in Maine have experienced similar job losses.

Mr. President, defense downsizing and economic conversion can be an excruciatingly slow and painful process for those households and communities in Maine and across the country who are going through it. I feel strongly that our obligation to the military and civilian workers who, after all, helped win the cold war, does not end with adoption of the BRAC recommendations. Successful defense conversion is a long-term process requiring a multi-pronged strategy that must include coordinated Government assistance to affected communities, workers, and businesses.

The two tax credit proposals I am introducing today form an essential part of that strategy. They will encourage the private sector to hire workers whose jobs have been lost from Federal defense facilities and will encourage defense contractors to retrain workers for employment in nondefense areas. I urge my Senate colleagues to join me in supporting these important legislative initiatives.●

By Ms. SNOWE:

S. 274. A bill to establish a Northern Border States-Canada Trade Council, and for other purposes; to the Committee on Finance.

THE NORTHERN BORDER STATES COUNCIL ACT

● Ms. SNOWE. Mr. President, today I am introducing legislation that would establish a Northern Border States Council on United States-Canada Trade.

The purpose of this Council is to oversee cross-border trade with our Nation's largest trading partner—an action that I believe is long overdue. The Council will serve as an early warning

system to alert State and Federal trade officials to problems in cross-border traffic and trade. The Council will enable the United States to more effectively administer trade policy with Canada by applying the wealth of insight, knowledge and expertise that resides in our northern border States on this critical policy issue.

Within the U.S. Government we already have the Department of Commerce and a U.S. Trade Representative. But the fact is that both are Federal entities, responsible for our larger, national U.S. trade interests. Too often, such entities fail to give full consideration to the interests of the 12 northern States that share a border with Canada, the longest demilitarized border between 2 nations anywhere in the world. The Northern Border States Council will provide State trade officials a mechanism to share information about cross-border traffic and trade. The Council will then advise the Congress, the President, the U.S. Trade Representative, the Secretary of Commerce, and other Federal and State trade officials on United States-Canada trade policies, practices, and problems.

Canada is America's largest and most important trading partner. Canada is by far the top purchaser of U.S. export goods and services, as it is the largest source of U.S. imports. With an economy one-tenth the size of our own, Canada's economic health depends on maintaining close trade ties with the United States. While Canada accounts for about one-fifth of U.S. exports and imports, the United States is the source of two-thirds of Canada's imports and provides the market for fully three-quarters of all of Canada's exports.

The United States and Canada have the largest bilateral trade relationship in the world, a relationship that is remarkable not only for its strength and general health, but also for the intensity of the trade and border problems that do frequently develop. Over the last decade, Canada and the United States have signed two major trade agreements—the United States-Canada Free Trade Agreement in 1989, and the North American Free Trade Agreement in 1993. Notwithstanding these trade accords, numerous disagreements have caused trade negotiators to shuttle back and forth between Washington and Ottawa. Most of the more well-known trade disputes with Canada have involved agricultural commodities such as durum wheat, peanut butter, dairy products, and poultry products, and these disputes have impacted more than just the 12 northern border States.

Each and every day, however, an enormous quantity of trade and traffic crosses the United States-Canada border. There are literally thousands of businesses, large and small, that rely on this cross-border traffic and trade for their livelihood.

My own State of Maine has had a long-running dispute with Canada over

that nation's unfair policies in support of its potato industry. Specifically, Canada protects its domestic potato growers from United States competition through a system of nontariff trade barriers, such as setting container size limitations and a prohibition on bulk imports from the United States. This bulk import prohibition effectively blocks United States potato imports into Canada. At the same time, Canada artificially enhances the competitiveness of its product through domestic subsidies for potato growers.

Another trade dispute with Canada, specifically with the province of New Brunswick, served as the inspiration for this legislation. In July 1993, Canadian federal customs officials began stopping Canadians returning from Maine and collecting from them the 11-percent New Brunswick Provincial Sales Tax [PST] on goods purchased in Maine. Canadian Customs Officers had already been collecting the Canadian federal sales tax all across the United States-Canada border. The collection of the New Brunswick PST was specifically targeted against goods purchased in Maine—not on goods purchased in any of the other provinces bordering New Brunswick.

After months of imploring the U.S. Trade Representative to do something about the imposition of the unfairly administered tax, Ambassador Kantor agreed that the New Brunswick PST was a violation of NAFTA, and that the United States would include the PST issue in the NAFTA dispute settlement process. But despite this explicit assurance, the issue was not, in fact, brought before NAFTA's dispute settlement process, prompting Congress last year to include an amendment I offered to immigration reform legislation calling for the U.S. Trade Representative to take this action without further delay.

Throughout the early months of the PST dispute, we in the State of Maine had enormous difficulty convincing our Federal trade officials that the PST was in fact an international trade dispute that warranted their attention and action. We had no way of knowing whether problems similar to the PST dispute existed elsewhere along the United States-Canada border, or whether it was a more localized problem. If a body like the Northern Border State Trade Council had existed when the collection of the PST began, it could have immediately started investigating the issue to determine its impact and make recommendations on how to deal with it.

In short, the Northern Border States Council will serve as the eyes and ears of our States that share a border with Canada, and are most vulnerable to fluctuations in cross-border trade and traffic. The Council will be a tool for Federal and State trade officials to use in monitoring their cross-border trade. It will help ensure that national trade policy regarding America's largest trading partner will be developed and

implemented with an eye towards the unique opportunities and burdens present to the northern border States.

The Northern Border States Council will be an advisory body, not a regulatory one. Its fundamental purpose will be to determine the nature and cause of cross-border trade issues or disputes, and to recommend how to resolve them.

The duties and responsibilities of the Council will include, but not be limited to, providing advice and policy recommendations on such matters as taxation and the regulation of cross-border wholesale and retail trade in goods and services; taxation, regulation and subsidization of food, agricultural, energy, and forest-products commodities; and the potential for Federal and State/provincial laws and regulations, including customs and immigration regulations, to act as nontariff barriers to trade.

As an advisory body, the Council will review and comment on all Federal and/or State reports, studies, and practices concerning United States-Canada trade, with particular emphasis on all reports from the dispute settlement panels established under NAFTA. These Council reviews will be conducted upon the request of the United States Trade Representative, the Secretary of Commerce, a Member of Congress from any Council State, or the Governor of a Council State.

If the Council determines that the origin of a cross-border trade dispute resides with Canada, the Council would determine, to the best of its ability, if the source of the dispute is the Canadian Federal Government or a Canadian provincial government.

The goal of this legislation is not to create another Federal trade bureaucracy. The Council will be made up of individuals nominated by the Governors and approved by the Secretary of Commerce. Each northern border State will have two members on the Council. The Council members will be unpaid, and serve a 2-year term.

The Northern Border States Council on United States-Canada Trade will not solve all of our trade problems with Canada. But it will ensure that the voices and views of our northern border States are heard in Washington by our Federal trade officials. For too long their voices were ignored, and the northern border States have had to suffer severe economic consequences at times because of it. This legislation will bring our States into their rightful position as full partners in issues that affect cross-border trade and traffic with our country's largest trading partner.

I urge my colleagues to join me in supporting this important legislation. 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. 274

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 "Northern Border States Council Act".

SEC. 2. ESTABLISHMENT OF COUNCIL.

(a) ESTABLISHMENT.—There is established a council to be known as the Northern Border States-Canada Trade Council (hereafter in this Act referred to as the "Council").

(b) MEMBERSHIP.—

(1) COMPOSITION.—The Council shall be composed of 24 members consisting of 2 members from each of the following States:

- (A) Maine.
- (B) New Hampshire.
- (C) Vermont.
- (D) New York.
- (E) Michigan.
- (F) Minnesota.
- (G) Wisconsin.
- (H) North Dakota.
- (I) Montana.
- (J) Idaho.
- (K) Washington.
- (L) Alaska.

(2) APPOINTMENT BY STATE GOVERNORS.—

Not later than 6 months after the date of the enactment of this Act, the Secretary of Commerce (hereafter in this Act referred to as the "Secretary") shall appoint 2 members from each of the States described in paragraph (1) to serve on the Council. The appointments shall be made from the list of nominees submitted by the Governor of each such State.

(c) PERIOD OF APPOINTMENT; VACANCIES.—Members shall be appointed for terms that are coterminous with the term of the Governor of the State who nominated the member. Any vacancy in the Council shall not affect its powers, but shall be filled in the same manner as the original appointment.

(d) INITIAL MEETING.—Not later than 30 days after the date on which all members of the Council have been appointed, the Council shall hold its first meeting.

(e) MEETINGS.—The Council shall meet at the call of the Chairperson.

(f) QUORUM.—A majority of the members of the Council shall constitute a quorum, but a lesser number of members may hold hearings.

(g) CHAIRPERSON AND VICE CHAIRPERSON.—The Council shall select a Chairperson and Vice Chairperson from among its members. The Chairperson and Vice Chairperson shall each serve in their respective positions for a period of 2 years, unless such member's term is terminated before the end of the 2-year period.

SEC. 3. DUTIES OF THE COUNCIL.

(a) IN GENERAL.—The duties and responsibilities of the Council shall include—

(1) advising the President, the Congress, the United States Trade Representative, the Secretary, and other appropriate Federal and State officials, with respect to—

(A) the development and administration of United States-Canada trade policies, practices, and relations,

(B) taxation and regulation of cross-border wholesale and retail trade in goods and services between the United States and Canada,

(C) taxation, regulation, and subsidization of agricultural products, energy products, and forest products, and

(D) the potential for any United States or Canadian customs or immigration law or policy to result in a barrier to trade between the United States and Canada,

(2) monitoring the nature and cause of trade issues and disputes that involve one of the Council-member States and either the Canadian Government or one of the provincial governments of Canada; and

(3) if the Council determines that a Council-member State is involved in a trade issue or dispute with the Government of Canada or one of the provincial governments of Canada, making recommendations to the President, the Congress, the United States Trade Representative, and the Secretary concerning how to resolve the issue or dispute.

(b) RESPONSE TO REQUESTS BY CERTAIN PEOPLE.—

(1) IN GENERAL.—Upon the request of the United States Trade Representative, the Secretary, a Member of Congress who represents a Council-member State, or the Governor of a Council-member State, the Council shall review and comment on—

(A) reports of the Federal Government and reports of a Council-member State government concerning United States-Canada trade,

(B) reports of a binational panel or review established pursuant to chapter 19 of the North American Free Trade Agreement concerning the settlement of a dispute between the United States and Canada,

(C) reports of an arbitral panel established pursuant to chapter 20 of the North American Free Trade Agreement concerning the settlement of a dispute between the United States and Canada, and

(D) reports of a panel or Appellate Body established pursuant to the General Agreement on Tariffs and Trade concerning the settlement of a dispute between the United States and Canada.

(2) DETERMINATION OF SCOPE.—Among other issues, the Council shall determine whether a trade dispute between the United States and Canada is the result of action or inaction on the part of the Federal Government of Canada or a provincial government of Canada.

(c) COUNCIL-MEMBER STATE.—For purposes of this section, the term "Council-member State" means a State described in section 2(b)(1) which is represented on the Council established under section 2(a).

SEC. 4. REPORT TO CONGRESS.

Not later than 2 years after the date of the enactment of this Act and at the end of each 2-year period thereafter, the Council shall submit a report to the President and the Congress which contains a detailed statement of the findings, conclusions, and recommendations of the Council.

SEC. 5. POWERS OF THE COUNCIL.

(a) HEARINGS.—The Council may hold such hearings, sit and act at such times and places, take such testimony, and receive such evidence as the Council considers advisable to carry out the provisions of this Act. Notice of Council hearings shall be published in the Federal Register in a timely manner.

(b) INFORMATION FROM FEDERAL AGENCIES.—The Council may secure directly from any Federal department or agency such information as the Council considers necessary to carry out the provisions of this Act. Upon the request of the Chairperson of the Council, the head of such department or agency shall furnish such information to the Council.

(c) POSTAL SERVICES.—The Council may use the United States mails in the same manner and under the same conditions as other departments and agencies of the Federal Government.

(d) GIFTS.—The Council may accept, use, and dispose of gifts or donations of services or property.

SEC. 6. COUNCIL PERSONNEL MATTERS.

(a) MEMBERS TO SERVE WITHOUT COMPENSATION.—Except as provided in subsection (b), members of the Council shall receive no compensation, allowances, or benefits by reason of service to the Council.

(b) TRAVEL EXPENSES.—The members of the Council shall be allowed travel expenses,

including per diem in lieu of subsistence, at rates authorized for employees of agencies under subchapter I of chapter 57 of title 5, United States Code, while away from their homes or regular places of business in the performance of services for the Council.

(c) STAFF.—

(1) IN GENERAL.—The Chairperson of the Council may, without regard to the civil service laws, appoint and terminate an executive director and such other additional personnel as may be necessary to enable the Council to perform its duties. The employment of an executive director shall be subject to confirmation by the Council and the Secretary.

(2) COMPENSATION.—The Chairperson of the Council may fix the compensation of the executive director and other personnel without regard to the provisions of chapter 51 and subchapter III of chapter 53 of title 5, United States Code, relating to classification of positions and General Schedule pay rates, except that the rate of pay for the executive director and other personnel may not exceed the rate payable for level V of the Executive Schedule under section 5316 of such title.

(d) DETAIL OF GOVERNMENT EMPLOYEES.—Any Federal Government employee may be detailed to the Council without reimbursement, and such detail shall be without interruption or loss of civil service status or privilege.

(e) PROCUREMENT OF TEMPORARY AND INTERMITTENT SERVICES.—The Chairperson of the Council may procure temporary and intermittent services under section 3109(b) of title 5, United States Code, at rates for individuals which do not exceed the daily equivalent of the annual rate of basic pay prescribed for level V of the Executive Schedule under section 5316 of such title.

(f) OFFICE SPACE.—The Secretary shall provide office space for Council activities and for Council personnel.

SEC. 7. TERMINATION OF THE COUNCIL.

The Council shall terminate on the date that is 54 months after the date of the enactment of this Act and shall submit a final report to the President and the Congress under section 4 at least 90 days before such termination.

SEC. 8. AUTHORIZATION OF APPROPRIATIONS.

(a) IN GENERAL.—There are authorized to be appropriated from amounts made available by appropriations to the Department of Commerce an amount not to exceed \$250,000 for fiscal year 1996 and for each fiscal year thereafter to the Council to carry out the provisions of this Act.

(b) AVAILABILITY.—Any sums appropriated under the authorization contained in this section shall remain available, without fiscal year limitation, until expended.●

By Mr. CHAFEE (for himself, Mr. WARNER, Mr. MOYNIHAN, and Mr. BOND):

S. 275. A bill to amend the Internal Revenue Code of 1986 to provide for tax-exempt financing of private sector highway infrastructure construction; to the Committee on Finance.

THE HIGHWAY INFRASTRUCTURE PRIVATIZATION ACT

Mr. CHAFEE. Mr. President, today, I am introducing legislation which will allow the private sector to take a more active role in building and operating our Nation's highway infrastructure. The Highway Infrastructure Privatization Act will allow the private sector to gain access to tax-exempt bond financing for a limited number of highway projects. I am pleased that my dis-

tinguished colleagues, Senators WARNER, MOYNIHAN, and BOND, have agreed to join me in this effort.

One needs only to venture a few blocks from here to see the terrible condition of many of the Nation's roads and bridges. Regrettably, the United States faces a significant shortfall in funding for our highway and bridge infrastructure needs.

The investment need comes at a time when we in Congress are desperately looking for ways to reduce spending to balance the budget. State governments face similar budget pressures. It is incumbent upon us to look at new and innovative ways to make the most of limited resources to address significant needs.

In the United States, highway and bridge infrastructure is the responsibility of the Government. Governments build, own, and operate public highways, roads, and bridges. In many other countries, however, the private sector, and private capital, construct and operate important facilities. These countries have found that increasing the private sector's role in major highway transportation projects offers opportunities for construction cost savings and more efficient operation. They also open the door for new construction techniques and technologies.

To help meet the Nation's infrastructure needs, we must take advantage of private sector resources by opening up avenues for the private sector to take the lead in designing, constructing, financing, and operating highway facilities.

A substantial barrier to private sector participation in the provision of highway infrastructure is the cost of capital. Under current Federal tax law, highways built by Government can be financed using tax-exempt debt, but those built by the private sector, or those with substantial private sector participation, cannot. As a result, public/private partnerships in the provision of highway facilities are unlikely to materialize, despite the potential efficiencies in design, construction, and operation offered by such arrangements.

To increase the amount of private sector participation in the provision of highway infrastructure, the Tax Code's bias against private sector participation must be addressed.

The Highway Infrastructure Privatization Act creates a pilot program aimed at encouraging the private sector to help meet the transportation infrastructure needs for the 21st century. It makes tax-exempt financing available for a total of 15 highway privatization projects. The total face value of bonds that can be issued under this program is limited to \$25 billion.

The 15 projects authorized under the program will be selected by the Secretary of Transportation, in consultation with the Secretary of the Treasury. To qualify under this program, projects selected must: serve the general public; be on publicly owned

rights-of-way; revert to public ownership; and, come from a State's 20-year transportation plan. These criteria ensure that the projects selected meet a State or locality's broad transportation goals.

A revenue estimate for this legislation has not yet been completed, however we anticipate that the bill will not result in a revenue loss for the Federal Government. The projects that are candidates to participate in this pilot program are ones that are likely to be funded by tax-exempt bonds issued by State and local governments. Therefore, the bill should not result in an increase in the amount of tax-exempt bonds that will be issued. Furthermore, it is possible, depending on the efficiencies resulting from substantial private sector participation, that the bill actually would result in fewer bonds being issued and therefore would provide a revenue increase for the Federal Government.

The bonds issued under this pilot program will be subject to the rules and regulations governing private activity bonds. Moreover, the bonds issued under the program will not count against a State's tax-exempt volume cap.

This legislation has been endorsed by Project America, a coalition dedicated to improving our Nation's infrastructure, and the Public Securities Association.

I hope that this bill can be one in a series of new approaches to meeting our substantial transportation infrastructure needs and will be one of the approaches that will help us find more efficient methods to design and to build the Nation's transportation infrastructure.

I encourage my colleagues to join me as cosponsors of this important initiative.

By Mr. COCHRAN (for himself, Mr. COVERDELL, and Mr. HELMS):

S. 277. A bill to amend the Agricultural Adjustment Act to restore the effectiveness of certain provisions regulating Federal milk marketing orders; to the Committee on Agriculture, Nutrition, and Forestry.

**FEDERAL MILK MARKETING ORDERS
LEGISLATION**

● Mr. COCHRAN. Mr. President, today I am introducing legislation to reauthorize seasonal base plans for Federal milk marketing orders.

This program encourages dairy farmers to stabilize their milk production seasonally. This results in more stable production in the fall and winter, when there is an economic disincentive for dairy farmers to produce milk, and thereby ensures stable milk prices to consumers.

Mr. President, this is a matter of fairness. Seasonal base plans were instituted under the Agricultural Act of 1933. Currently, seasonal base plans are included in five Federal milk marketing orders that affect producers in 25 States. Without extension of this authority expeditiously, dairy producers

in those five orders who adjusted their production last fall will receive lower average prices while those who made no adjustments will receive higher average prices.

This is not a new issue to my colleagues. In fact, during consideration of the fiscal year 1997 Agriculture Appropriations Act, the Senate approved the extension of seasonal base plan authority until the year 2002. The 1996 farm bill requires the Secretary of Agriculture to submit a reform plan for Federal milk marketing orders by 1999 and this bill reauthorizes the base excess plans until 1999. This will ensure that the market environment the Secretary was directed to reform exists until he has a chance to submit his plan.

I hope my colleagues will support this legislation.●

By Mr. GRAMM (for himself, Mrs. HUTCHISON, Mr. SESSIONS, and Mr. COVERDELL):

S. 278. A bill to guarantee the right of all active military personnel, merchant mariners, and their dependents to vote in Federal, State, and local elections; to the Committee on Rules and Administration.

THE MILITARY VOTING RIGHTS ACT OF 1997

● Mr. GRAMM. Mr. President, this bill would guarantee that active duty military personnel and their dependents have the right to vote in Federal, State, and local elections.

On December 19, 1996, Texas Rural Legal Aid [TLRA] filed suit against Val Verde County, TX, alleging that 800 military absentee ballots were improperly counted in local races. The challenge argues that the Uniformed and Overseas Absentee Voting Act was not intended to allow voting in State and local elections.

The Military Voting Rights Act of 1997 amends the Uniformed and Overseas Absentee Voting Act to make explicit the right of active duty military personnel and their dependents to vote in all Federal, State, and local elections. This change is consistent with the way the law has historically been interpreted by State election officials.

In addition, the Military Voting Rights Act of 1997 amends the Soldiers' and Sailors' Civil Relief Act of 1940 to extend additional voting rights protections to our Nation's military forces. This section guarantees that extended absences incurred as a result of service to the Nation do not result in the loss of residency for voting purposes.

The assertion of TLRA that our soldiers can lose the right to vote in State and local elections by virtue of service-connected absences is absurd and must not be allowed to go unanswered. The Military Voting Rights Act of 1997 makes it clear that those who protect our freedom should not be denied the right to exercise freedoms they protect.

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. 278

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

SECTION 1. SHORT TITLE.

This Act may be cited as the "Military Voting Rights Act of 1997".

SEC. 2. GUARANTEE OF RESIDENCY.

Article VII of the Soldiers' and Sailors' Civil Relief Act of 1940 (50 U.S.C. 700 et seq.) is amended by adding at the end the following:

"SEC. 704. (a) For purposes of voting for an office of the United States or of a State, a person who is absent from a State in compliance with military or naval orders shall not, solely by reason of that absence—

"(1) be deemed to have lost a residence or domicile in that State;

"(2) be deemed to have acquired a residence or domicile in any other State; or

"(3) be deemed to have become a resident in or a resident of any other State.

"(b) In this section, the term 'State' includes a territory or possession of the United States, a political subdivision of a State, territory, or possession, and the District of Columbia."

SEC. 3. STATE RESPONSIBILITY TO GUARANTEE MILITARY VOTING RIGHTS.

(a) REGISTRATION AND BALLOTING.—Section 102 of the Uniformed and Overseas Absentee Voting Act (42 U.S.C. 1973ff-1) is amended—

(1) by inserting "(a) ELECTIONS FOR FEDERAL OFFICES—" before "Each State shall—" and

(2) by adding at the end the following:

"(b) ELECTIONS FOR STATE AND LOCAL OFFICES.—Each State shall—

"(1) permit absent uniformed services voters to use absentee registration procedures and to vote by absentee ballot in general, special, primary, and run-off elections for State and local offices; and

"(2) accept and process, with respect to any election described in paragraph (1), any otherwise valid voter registration application from an absent uniformed services voter if the application is received by the appropriate State election official not less than 30 days before the election."

(b) CONFORMING AMENDMENT.—The heading for title I of such Act is amended by striking out "FOR FEDERAL OFFICE".

THE RETIRED
OFFICERS ASSOCIATION,
Alexandria, VA, February 5, 1997.

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

DEAR SENATOR GRAMM: On behalf of the nearly 400,000 members of the Retired Officers Association, of which 33,000 members plus their families reside in Texas, I want to express our strong support for the "Military Voting Rights Act of 1997." It's a travesty that a taxpayer-funded group like the Texas Rural Legal Aid (TRLA) would represent individuals in an action to deny military members the right to vote by absentee ballot in Val Verde County, Texas.

Although TRLA has now withdrawn from the suit and deferred to a private attorney, the case remains a threat to the voting rights of active duty personnel and their families. Should the view enunciated by TRLA prevail, military personnel who were absent because of exigencies of the service would be denied a fundamental right to vote. Many of these individuals, who are daily placed in "harms way" in areas like Bosnia, would rightfully question why they should be treated like second class citizens and be subjected to different registration procedures than individuals who register to vote by any other means under state law.

The current practice that enables an absentee voter to submit a Federal Post Card Application has long-standing roots and

should not be altered to require supplementary information and to specifically discriminate against servicemembers. Therefore, we strongly support your effort to preclude unfair sanctions from being imposed on members of the uniformed services and will do our utmost to generate strong grassroots support for the enactment of the "Military Voting Rights Act of 1997."

Sincerely,

PAUL W. ARCARI,
Colonel, USAF (Ret),
Director, Government Relations.

THE AMERICAN LEGION,
NATIONAL HEADQUARTERS,
Indianapolis, IN, February 5, 1997.

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

DEAR SENATOR GRAMM: On behalf of The American Legion, I want to note our appreciation and express our support for The Military Voting Rights Act of 1997 which, I understand, will soon go to the floor of the United States Senate.

One of the most important responsibilities for the people of a free nation is exercising their franchise. One of the most precious rights we have as Americans is access to the ballot box. That right and that responsibility is as important to our nation's active duty military as it is to the rest of the population.

Anyone who has served the nation in its military knows that every right enjoyed and exercised by the average American is, of necessity, not inherent in military service. The human body is a remarkable thing. When one of the senses is diminished, others increase to compensate. The loss of sight may well lead to an acute sense of hearing. This concept could be applied to military service. Forfeiting the comforts of home and family, of occupational pursuits and the protection of our borders, the opportunity to vote becomes a more cherished right, a more heightened responsibility.

Those whose lives are on the line daily will someday return to their homes. They will return to a government that shapes their community and effects the lives of all those within. It follows then that those on active duty in a foreign country should be accorded every opportunity help structure that government locally, across the state, and at the federal level.

To you and other supporters of The Military Voting Rights Act of 1997 goes the gratitude of our Organization. I believe it accurate to say that the young men and women who protect our nation and its interests through military service have the full support of our nation's people and its government. And they should have every chance to exercise their franchise in support of it.

Sincerely,

JOSEPH E. CAOUCETTE, Jr.,
Chairman, National
Americanism Commission.

NATIONAL ASSOCIATION FOR
UNIFORMED SERVICES,
Springfield, VA, February 5, 1997.

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

DEAR SENATOR GRAMM: The National Association for Uniformed Services thanks you for your action to ensure active duty personnel and their family members have the right to vote in federal, state, and local elections.

We support strongly your "Military Voting Rights Act of 1997" which amends the "Unformed and Overseas Absentee Voting Act". Your bill will make more explicit the right of active duty personnel and their family members to vote in federal, state, and local elections with absentee ballots as the "Soldier's and Sailors' Civil Relief Act of 1940" has historically been interpreted by state election officials.

Any assertion that military personnel, who are serving their country, can lose their right to vote in state and local elections because of their service-connected absences is outrageous! All the brave men and women of the armed forces serving throughout the world are grateful for your prompt, decisive action to preserve their Constitutional right to vote.

Sincerely,

J.C. PENNINGTON,
Major General, U.S. Army (Ret.),
President.

AIR FORCE ASSOCIATION
Arlington, VA, February 5, 1997.

Hon. PHIL GRAMM,
Senate Russell Building,
Washington, DC.

DEAR SENATOR GRAMM: The Air Force Association strongly endorses your sponsorship of "The Military Voting Rights Act of 1997." The right of active duty military personnel and their dependents to vote in all federal, state and local elections needs to again be reemphasized to state and local election officials. Recent problems in Texas have again reminded us that the right to vote must be fought for time and time again. Your legislation, once enacted, will help to correct this inequity.

We pledge our support to assist you by seeking additional cosponsors, to inform our members nationwide of your effort and to help in any appropriate way.

Sincerely,

DOYLE E. LARSON.●

By Mrs. MURRAY (for herself, Mr. DODD, Mr. DASCHLE, Mr. KENNEDY, Mr. HARKIN, Ms. MOSELEY-BRAUN, Mr. INOUE, Mr. LAUTENBERG, Mr. WELLSTONE, Mr. KERRY, and Mr. AKAKA):

S. 280. A bill to amend the Family and Medical Leave Act of 1993 to allow employees to take school involvement leave to participate in the school activities of their children or to participate in literacy training, and for other purposes; to the Committee on Labor and Human Resources.

THE TIME FOR SCHOOLS ACT OF 1997

Mrs. MURRAY. Mr. President, 4 years ago today, thanks to the hard work of Senator DODD, we passed the Family and Medical Leave Act. It was one of the first things I did as a newly elected Senator. And I am proud of its success. In fact, it is probably the single most effective law passed by Congress this decade.

Now I want to expand the scope of FMLA to apply to participation in our schools. The Time for Schools Act of 1997 will allow parents 24 hours per year to participate in activities in their child's school.

As the mother of two children—one a teenager in high school—I know how difficult and how important it is to participate in their education. I have

been lucky to have had the opportunity to be involved in their lives. But many parents do not have the time it takes to do those little things that will assure their child's success in school.

By expanding the uses of one of the most successful laws in years, I want to give parents something they don't have enough of—time.

When I tour schools in my home State of Washington, I often hear young people say, "Adults don't seem to care about me." We know that's not true, but we need to show them that adults do care. And one of the best places to start is to reaffirm the importance of their education by taking steps to help their families get more involved in schools.

These days we have many dual-income families and single parents struggling to work to make ends meet. All of these families know how important it is to be involved in their children's learning.

However, a recent study, Parents as School Partners research initiative, sponsored by the National Council of Jewish Women's Center for the Child, found that a basic lack of time was one of the main barriers to more parental involvement at schools.

Educational studies have shown that family involvement is more important to student success than family income or education. In fact, things parents control, such as limiting excess television watching and providing a variety of reading materials in the home, account for almost all the differences—nearly 90 percent—in average student achievement across States.

All sectors of our communities want more time for young people. Students, teachers, parents and businesses feel something must be done to improve family involvement. In fact, 89 percent of company executives identified the biggest obstacle to school reform as the lack of parental involvement.

And, a 1996 postelection poll commissioned by the national PTA and other organizations found that 86 percent of people favor legislation that would allow workers unpaid leave to attend parent-teacher conferences, or to take other actions to improve learning for their children.

A commitment to our children is a commitment to the future. I want to make sure all young people receive the attention they need to succeed.

My legislation will allow parents time to: First, attend a parent/teacher conference; second, interview a new school for their child; and third, participate in family literacy training.

Just last week, I talked to a woman from Bellevue who has an 11-year-old special needs daughter in school. Both she and her husband work during the day, but he cannot get away for school activities. She told me my legislation would allow her husband to attend school conferences and participate in their child's education for the first time.

I look at the Family and Medical Leave Act—which has helped one in six

American employees take time to deal with serious family health problems, and which 90 percent of businesses had little or no cost implementing—and I see success. People in my State have been able to deal with urgent family needs, without having to give up their jobs.

My bill expands the uses of Family and Medical Leave to another urgent need families face—the need to help their children learn.

Now we need to grant employees the same peace of mind about preventing problems in school that can lead to bigger problems for their children later on. The time is right for the Time for Schools Act.

ADDITIONAL COSPONSORS

S. 70

At the request of Mrs. BOXER, the name of the Senator from Illinois [Ms. MOSELEY-BRAUN] was added as a cosponsor of S. 70, a bill to apply the same quality and safety standards to domestically manufactured handguns that are currently applied to imported handguns.

S. 183

At the request of Mr. DODD, the names of the Senator from Minnesota [Mr. WELLSTONE], the Senator from Hawaii [Mr. AKAKA], and the Senator from Washington [Mrs. MURRAY] were added as cosponsors of S. 183, a bill to amend the Family and Medical Leave Act of 1993 to apply the Act to a greater percentage of the United States workforce, and for other purposes.

S. 212

At the request of Mr. WELLSTONE, the name of the Senator from Massachusetts [Mr. KERRY] was added as a cosponsor of S. 212, a bill to increase the maximum Federal Pell Grant award in order to allow more American students to afford higher education, and to express the Sense of the Senate.

SENATE CONCURRENT RESOLUTION 5—RELATIVE TO THE NORTH ATLANTIC TREATY OF 1949

Mr. ROTH (for himself, Mr. LIEBERMAN, Mr. LUGAR, Ms. MIKULSKI, Mr. HAGEL, Mr. MCCAIN, Mr. COCHRAN, Mr. ENZI, and Ms. MOSELEY-BRAUN) submitted the following concurrent resolution; which was referred to the Committee on Foreign Relations:

S. CON. RES. 5

Whereas the North Atlantic Treaty Organization (NATO) is a community of democracies that continues to play a critical role in addressing the security challenges of the post-Cold War era and in creating an environment of enduring peace and stability in Europe;

Whereas NATO remains the only security alliance with both real defense capabilities and transatlantic membership;

Whereas the North Atlantic Council held a ministerial meeting on December 10, 1996, at NATO Headquarters in Brussels, Belgium, and—

(1) decided to hold a summit meeting on July 8 and 9, 1997, during which it will extend invitations to accession negotiations to one or more countries that have participated in the process of intensified dialogue with NATO;

(2) established for the North Atlantic Alliance the goal of welcoming one or more new members by the time of the Alliance's fiftieth anniversary in 1999;

(3) announced that the Council seeks to reach agreement with the Russian Federation on arrangements that would widen and deepen the current relationship between the Russian Federation and NATO in order to enhance security and stability in the Euro-Atlantic area; and

(4) announced its commitment to further developing and reinforcing a distinctive and effective relationship with Ukraine;

Whereas Congress has repeatedly endorsed, with bipartisan majorities, the enlargement of NATO through the enactment of legislation that includes the NATO Participation Act of 1994, the NATO Participation Act Amendments of 1995, and the NATO Enlargement Facilitation Act of 1996;

Whereas the North Atlantic Assembly, a multinational body composed of delegations from the 16 signatory nations of the North Atlantic Treaty, has called for the Alliance to welcome new members through the adoption of resolutions, including Resolution 255 (1994) entitled "NATO Partnership for Peace and the Enlargement Process", Resolution 268 (1996) entitled "On a Wider Alliance for Enhanced Stability and Freedom", and Resolution 271 (1996) entitled "Toward the 1997 NATO Summit";

Whereas the enlargement of NATO, a defensive alliance, threatens no nation and reinforces peace and stability in Europe, the enlargement of NATO would provide benefits to all nations;

Whereas NATO has extended its membership to additional nations on three different occasions since its founding in 1949; and

Whereas the new members of the North Atlantic Alliance must assume all the rights and obligations under the North Atlantic Treaty, signed at Washington on April 4, 1949; Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That Congress—

(1) regards the political independence and territorial integrity of the emerging democracies in Central and Eastern Europe as vital to European peace and security and, thus, to the interests of the United States;

(2) endorses the goal established by the North Atlantic Council to welcome one or more new members by the time of the fiftieth anniversary of the North Atlantic Alliance in 1999;

(3) calls upon the Alliance to extend invitations to accession negotiations to those nations who seek membership in NATO and who are ready to make a net contribution to the Alliance's security by 1999, including Poland, the Czech Republic, Hungary and Slovenia;

(4) endorses the commitment of the North Atlantic Council further to develop and reinforce a distinctive and effective relationship between the Alliance and Ukraine;

(5) endorses the pledge of the North Atlantic Council that the Alliance will remain open to the accession of further members in accordance with Article 10 of the Washington Treaty;

(6) endorses the Alliance's decision to seek a charter with Russia that reflects the common interest that Russia and the Alliance have in reinforcing enduring peace and stability in Europe;

(7) calls upon the President to fully use his offices to facilitate the objectives and commitments described in paragraphs (2) through (6); and

(8) reserves the right of advice and consent to the ratification of treaties and pledges seriously and responsibly to review the results of accession negotiations between the North Atlantic Council and prospective NATO members.

SEC. 2. The Secretary of the Senate shall transmit a copy of this concurrent resolution to the President.

Mr. ROTH. Mr. President, one of the greatest foreign policy opportunities and challenges before the 105th Congress is the consolidation of a wider, peaceful, and democratic Europe.

The inclusion of the new democracies of Central and Eastern Europe in the core institutions of the transatlantic community has been a cornerstone of American foreign policy for the last 50 years.

Its attainment remains both a strategic and moral imperative for the United States.

A key step toward this end is the inclusion of democracies from Central and Eastern Europe as full members in the North Atlantic Treaty Organization [NATO].

This is a step that has been endorsed by the U.S. Congress. It is a step that has been endorsed by the American people.

It's a step that must be taken.

I was glad to hear the President emphasize last night in his State of the Union Address that the first task of our foreign policy is to build an undivided, democratic Europe.

He is right to emphasize that a wider NATO and stable partnership between the alliance and Russia are cornerstones to this vision.

As we look to the 21st century, and the uncertainties that still threaten our vital interests and those of our allies—as we see the need to maintain an organization that is dedicated to safeguarding freedoms, promoting democracy, and supporting the rule of law—we realize that NATO is critical to our future.

It is not enough to win the cold war; we must now ensure the peace. This is NATO's commission * * * a commission the alliance must continue to carry out.

Now more than ever, NATO has the opportunity to fulfill the role for which it was originally intended.

Those who know the history of the alliance understand the historic significance of this moment. With the cold war behind us, NATO is now in the position to consolidate a wider democratic Europe—the very reason for which the alliance was born.

We must welcome this.

Enlarging and strengthening the alliance is a catalyst for increased security, productive communication, enhanced cooperation, and common objectives.

An alliance that is outward-looking and inclusive provides a framework for peace that possesses infinite capabilities.

For these reasons, the North Atlantic Council recently issued an historic communique that offers a long-awaited

blueprint for building the alliance's relationship with the new democracies of Central and Eastern Europe.

The communique calls for the alliance to advance its original objectives by moving toward the integration of these nations. It articulates the North Atlantic Council's intention at its July summit meeting in Madrid, to extend invitations to accession negotiations to one or more countries which have participated in NATO's intensified dialog process.

The communique establishes for the alliance the goal of welcoming new members by the time of NATO's 50th anniversary in 1999.

It also announces the North Atlantic Council's objective to reach agreement with the Russian Federation on arrangements that will widen and deepen their current relationship in order to enhance security and stability in the Euro-Atlantic area.

Mr. President, NATO enlargement is not a new issue before the Congress, but it is among the most important foreign policy issues the 105th Congress will face.

The timeline established by the North Atlantic Council is both worthy and challenging.

NATO's 50th anniversary will be in April of 1999. To ensure the accession of new members into the alliance by that date, 16 parliaments or legislatures will have to ratify accession treaties.

Considering the important role the United States will have to play in ensuring success in this process, it is incumbent upon the 105th Congress to lead the ratification process.

Toward this end, I call upon my colleagues to endorse the goals and timetable established by the North Atlantic Council through a resolution sponsored by Senators LIEBERMAN, LUGAR, MIKULSKI, HAGEL, MCCAIN, COCHRAN, and myself.

I encourage my colleagues to approach this resolution with an eye toward the July summit in Madrid.

The principal theme of this summit will be enlargement, and this resolution expresses the "sense of Congress that the extension of membership in NATO to the democracies of Central and Eastern Europe is essential to the consolidation of enduring peace and stability in Europe."

The resolution we introduce today also reviews congressional support for NATO enlargement—as well as the support of the North Atlantic Assembly which represents over 200 legislators from more than 40 political parties around the world.

Most importantly, this resolution declares that Congress regards the political independence and territorial integrity of emerging democracies in Central and Eastern Europe as vital to European peace and security and, thus, to the interests of the United States.

Our resolution calls upon the alliance, during the Madrid summit, to extend invitations to accession negotiations to Poland, the Czech Republic, Hungary, and Slovenia.

It endorses the pledge of the North Atlantic Council that the alliance will remain open to the accession of further members in accordance with article 10 of the Washington Treaty.

It also endorses the alliance's decision to seek a charter with Russia that reflects the common interest that Russia and the alliance have in reinforcing enduring peace and stability in Europe.

Finally, this resolution reserves the Senate's right of advise and consent over international treaties. It pledges that the Senate will seriously and responsibly review the outcomes of accession negotiations between the North Atlantic Council and prospective NATO members.

Passage of this resolution prior to the Madrid summit meeting in July would reiterate and reaffirm both at home and abroad the strong bipartisan support behind NATO enlargement in the United States.

This would strengthen the President's position within the alliance on the issue of enlargement as he prepares for the July summit in Madrid.

And, it would further reinforce the groundwork that has been laid for NATO enlargement, demonstrating that the 105th Congress is ready and willing to aggressively address this important issue.

I urge my colleagues to support this resolution, to send a strong and unmistakable message to our friends and allies, and to ensure that the NATO's half century of success carries well into the future.

I would also like to submit for the RECORD some important documents concerning the support for NATO enlargement I am finding in my home State of Delaware.

On 19 December 1996, the Wilmington Town Council passed a resolution introduced by Council Member Bartowski endorsing Poland's membership in NATO. I ask unanimous consent that this resolution be printed in the RECORD.

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

RESOLUTION

Whereas, the Republic of Poland is a free, democratic and independent nation with a long and proud history, whose sons and daughters have played significant roles in the history of Wilmington; and

Whereas, the North Atlantic Treaty Organization is dedicated to the preservation of the freedom and security of its member nations and there is now a plan for enlargement of NATO to proceed in 1997 and 1998; and

Whereas, the Republic of Poland has expressed its desire to share in both the benefits and obligations of NATO in pursuing the development, growth and promotion of democratic institutions and ensuring free market economic development and Poland may be invited to NATO membership, if criteria are met, as early as Spring, 1997; and

Whereas, Poland recognizes its responsibilities as a democratic nation and wishes to exercise such responsibilities in concert with members of NATO; and

Whereas, the Republic of Poland desires to become part of NATO's efforts to prevent the extremes of nationalism; and

Whereas, it has been observed that "when-ever Europe and the United States go separate ways, they pay a terrible price" and the security of the United States is dependent upon the stability of Central Europe, of which Poland is a vital part.

Now, therefore, be it

Resolved by the Council of the City of Wilmington, Delaware, That:

1. This Council respectfully urges the President of the United States and the Congress of the United States to continue their support of the Republic of Poland's entry into the North Atlantic Treaty Organization and to support the establishment during 1997 and 1998 of a timetable for such entry, partly in order that NATO may be cohesive, effective, credible and display a sense of co-responsibility for the security and stability of the whole of Europe.

2. The City Clerk is hereby directed to forward duly authenticated copies of this resolution to the President of the United States; the Presiding Officer of both branches of the United States Congress; the members thereof from the State of Delaware, including Senator Joseph R. Biden, Jr. of the Senate Foreign Relations Committee; Robert Hunter, the U.S. Permanent Representative to NATO; Marek Lesniewski-Laas, the Honorary Consul of the Republic of Poland; and former Wilmington Mayor John E. Babiarez.

Mr. ROTH. Mr. President, this resolution, as well as the one that we are introducing in the Senate today, reflect the recognition, that by any measure, the North Atlantic Treaty Organization has been a resounding success.

It has kept the peace, reinforced geopolitical relationships, and provided the foundation upon which we were able to bring the cold war to a peaceful end.

Mr. President, I ask unanimous consent that the North Atlantic Council Communique be printed in the RECORD.

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

MINISTERIAL MEETING OF THE NORTH ATLANTIC COUNCIL, DECEMBER 10, 1996—FINAL COMMUNIQUE

1. As we look ahead, the new NATO is taking shape, reflecting the fundamental changes in the security environment in Europe and the enduring vitality of the transatlantic partnership which underpins our endeavours. The broad vision of this new NATO and its role in the development of a new European security architecture was set out at the 1994 Brussels Summit and further defined at our last meeting in Berlin. The Alliance's adaptation and reform is well underway. We will take this process forward today.

The Alliance is resolved to preserve its political and military strength, ensuring its ability to carry out the full range of its missions—as IFOR and its planned successor SFOR in Bosnia and Herzegovina clearly show. We have issued a separate statement in this regard. The Alliance will continue to strengthen European security by maintaining its capability for collective defence, admitting new members, expanding and strengthening cooperative relationships with all Partners, including building a strong security partnership with Russia and a distinctive relationship with Ukraine, and realising the European Security and Defence Identity within the Alliance.

The evolution of the Alliance takes place in the context of our aim to help build a truly cooperative European security struc-

ture. We welcome as a contribution the important decisions taken at the recent OSCE Summit in Lisbon and the decision by the States Parties to the CFE Treaty to begin negotiations in early 1997 with a view towards adapting the Treaty to the changing security environment in Europe.

2. Against this background, we have decided to recommend to our Heads of State and Government to convene a Summit meeting in Madrid on 8/9 July 1997 to set the course for the Alliance as it moves towards the 21st century, consolidating Euro-Atlantic security. To achieve this aim, major decisions will have to be taken by the time of the Summit concerning NATO's internal adaptation, the opening of the Alliance and its ability to carry out all its new roles and missions. The agenda for our Summit will include:

Agreeing a new command structure, which enables all Allies to participate fully, and further advancing the implementation of the Combined Joint Task Force (CJTF) concept, in order to enhance the Alliance's ability to carry out the full range of its missions, while preserving the capability for collective defence, based on a strong transatlantic partnership;

Finalizing, to the satisfaction of all Allies, all the necessary arrangements for the European Security and Defence Identity (ESDI) within NATO, which will allow for the preparation and conduct of WEU-led operations with the participation of all European Allies if they were so to choose;

Inviting one or more of the countries which have expressed interest in joining the Alliance to begin accession negotiations;

Pledging that the Alliance will remain open to the accession of further members and will remain ready to pursue consultations with nations seeking NATO membership, as it has done in the past;

Strengthening cooperative relations with all our Partners including through an enhanced Partnership for Peace (PfP) and the initiative to establish an Atlantic Partnership Council;

Intensifying and consolidating relations with Russia beyond the Partnership for Peace by aiming at reaching an agreement at the earliest possible date on the development of a strong, stable and enduring security partnership;

Further developing an enhanced relationship with Ukraine;

Enhancing our Mediterranean dialogue; Further developing our ability to carry out new roles and missions relating to conflict prevention and crisis management; and

Further enhancing our political and defence efforts against the proliferation of nuclear, biological and chemical weapons and their delivery means.

3. We warmly welcome the decision of the Government of Spain, endorsed by the Spanish Parliament on 14 November 1996, to take the necessary steps to participate in the Alliance's new structure. Spain's participation will further strengthen the cohesion and military effectiveness of the Alliance, as it takes on new roles and missions, reinforce the transatlantic link and help develop ESDI within the Alliance.

4. Stability and security in the whole Euro-Atlantic area are our primary goal. We want to help build cooperative European security structures which extend to countries throughout the whole of Europe without excluding anyone or creating dividing lines. Recent decisions at the OSCE Summit meeting in Lisbon on European security cooperation and the decision to adapt the CFE Treaty to the new European security environment establish a cooperative foundation for our common security. The Alliance, for its part, has developed a broad pattern of intensive cooperation with North Atlantic Cooperation Council (NACC) and PfP Partner

countries and with other international organizations and is thereby contributing to security and stability in the Euro-Atlantic area. With the same aim, we are now working towards opening the Alliance to new members; developing ever-closer and deeper cooperative ties with all Partner countries who so wish; building a strong, stable and enduring security partnership with Russia; strengthening our relationship with Ukraine; and enhancing our Mediterranean dialogue.

5. We reaffirm that the nuclear forces of the Allies continue to play a unique and essential role in the Alliance's strategy of war prevention. New members, who will be full members of the Alliance in all respects, will be expected to support the concept of deterrence and the essential role nuclear weapons play in the Alliance's strategy. Enlarging the Alliance will not require a change in NATO's current nuclear posture and therefore, NATO countries have no intention, no plan, and no reason to deploy nuclear weapons on the territory of new members nor any need to change any aspect of NATO's nuclear posture or nuclear policy—and we do not foresee any future need to do so.

6. A number of countries have long-standing aspirations to become full members of our Alliance and have undertaken intensive and wide-ranging preparations and reforms with this aim in mind. We are now in a position to recommend to our Heads of State and Government to invite at next year's Summit meeting one or more countries which have participated in the intensified dialogue process, to start accession negotiations with the Alliance. Our goal is to welcome the new member(s) by the time of NATO's 50th anniversary in 1999. We pledge that the Alliance will remain open to the accession of further members in accordance with Article 10 of the Washington Treaty. We will remain ready to pursue consultations with nations seeking NATO membership, as we have done in the past.

We are satisfied with the intensified, individual dialogue which the Alliance has been conducting throughout this year with interested Partners. This dialogue has improved their understanding of specific and practical details of how the Alliance works. It has provided the Alliance in turn with a better understanding of where these countries stand in their internal development as well as in the resolution of any external issues with neighbouring countries. We have tasked the Council in Permanent Session to prepare comprehensive recommendations for decisions to be taken by the Summit on which country or countries to invite to begin accession negotiations. The process should include:

An intensified dialogue with interested Partner countries including in a "16+1" format, as appropriate;

Analysis, on the basis of further political guidance to be elaborated by the Council in Permanent Session, of the relevant factors associated with the admission of potential new members;

Preparation of recommendations on the adaptation of Alliance structures necessary to integrate new members into the Alliance;

Preparation of a plan for conducting the accession talks with one or more new members.

7. We look forward to tomorrow's meeting of the NACC, which will mark its fifth anniversary. The NACC has provided us over the years with a valued opportunity to consult regularly with our Partners on political and security issues. Through NACC and Partnership for Peace, we have achieved the development of common approaches to European security and brought the NACC countries closer together in a spirit of cooperation and a common commitment to European security.

We are committed to ensuring that the NACC goals of enhancing transparency and confidence in security matters among member states remain central to future cooperation. In order to derive maximum benefit from our NACC meetings, we want to move towards further deepening our political dialogue and giving it more focus.

8. We are pleased with the dynamic development of Partnership for Peace and the role it plays in building European security cooperation. The Partnership for Peace will continue as a permanent element of the Alliance's cooperative effort to contribute to the development of a more stable European security area and, with those Partners seeking to join NATO, will also facilitate their preparations to meet the responsibilities of membership in the Alliance. Substantial progress has been achieved in enhancing the scope and substance of our Partnership cooperation, in particular the growing range of exercises, the broadening and deepening of the PfP Planning and Review Process, the intensification of work on civil-military relations, and civil emergency planning and disaster relief. In the current IFOR operation, in which 13 Partner countries are cooperating with Alliance armed forces, the Partnership for Peace has proved its value with regard both to political commitment to joint crisis management and to military interoperability.

We want to develop on the basis of transparency ever-closer and deeper cooperative ties open to all Partner countries by making the Partnership more operational; strengthening its political consultation element, taking full account of the respective activities of the OSCE and the relevant European institutions such as the WEU and the EU; and involving Partners more in operations planning and Partnership decision-making. To this end, the Alliance has set up a Senior Level Group to develop by the time of the Summit meeting a clearly strengthened and thus more attractive Partnership for Peace. We have received an interim report on the ongoing work and agree that work should begin without delay to implement its recommendations. These include:

Enhancing the political dimension of the Partnership through increasing opportunities for political consultations;

Expanding the agreed fields of military missions within PfP to the full range of the Alliance's new missions, as appropriate, including Peace Support operations over and above previously agreed areas;

Broadening the NATO/PfP exercise programme in accordance with the expanded scope of the Partnership;

Enabling Partner countries to participate in the planning and execution of PfP activities (exercises and operations);

Involving Partners more substantively and actively in PfP-related parts of the regular peacetime work of NATO's Military Authorities;

Affording the appropriate opportunity to Partners who join future NATO-led PfP operations to contribute to the provision of political guidance for oversight over such operations, drawing on the experience gained in Operation Joint Endeavour;

Examining, together with Partners, the possible modalities for the elaboration of a political-military framework for PfP operations, building on the current work of the Political-Military Steering Committee;

Enhancing Partner participation in decision-making for PfP programmes issues;

Increasing regional cooperation within the Partnership provided it remains open to all Partners and remains an integral part of the overall PfP;

Expanding the Planning and Review Process; and

As soon as the Brussels Agreement on the Status of Missions and Representatives of Third States to NATO comes into force, offering Partners the opportunity to establish diplomatic missions with NATO.

We have asked the Council in Permanent Session to ensure implementation of these recommendations without delay and to continue the work on the enhancement of Partnership for Peace and also to review its common funding and resource implications, with a view to providing a further report by the SLG with recommendations for decisions at the time of the Spring Ministerial meeting.

9. With the rapid growth of our activities under both NACC and PfP, we have identified a need for greater coherence in our cooperation in a framework which will establish with Partners a more meaningful and productive cooperative and consultative process, building on the elements of NACC and PfP which we and our Partners deem most valuable. To this end, we have agreed to work with Partners on the initiative to establish an Atlantic Partnership Council (APC) as a single new cooperative mechanism, which would form a framework for enhanced efforts in both practical cooperation under PfP and an expanded political dimension of Partnership. We have accordingly tasked the Council in Permanent Session to draw up the modalities for such a council, in close coordination with Partners, by the time of our next meeting.

10. We affirm our support for the political and economic reform process in the Russian Federation. We welcome the landmark Presidential elections in Russia. * * *

A broad process of integration and cooperation is underway in Europe; Russia is a part of it through its membership in the OSCE and the Council of Europe and its relationship with NATO as well as the European Union and the WEU. The pattern of consultations anchored by our regular "16+1" discussions, provide a firm foundation on which to build. We welcome Russia's participation in Partnership for Peace and encourage it to take full advantage of the opportunities which the Partnership offers.

We value the close and effective cooperation between Russia and NATO in IFOR. This cooperation demonstrates that NATO and Russia can collaborate effectively in the construction of cooperative security structures in Europe. We appreciate and welcome Russia's readiness to contribute to a follow-on operation to consolidate peace in Bosnia and Herzegovina. We look forward to continuing the experience of working closely together, which we believe will have a lasting, positive impact on our relationship.

Today, we reiterate our commitment to a strong, stable, and enduring security partnership between NATO and Russia. This partnership demonstrates that European security has entered a fundamentally new, more promising era. It constitutes an important element of the developing European cooperative security architecture to which Russia has an essential contribution to make. It will further enhance stability and security in the Euro-Atlantic area. By the time of the Summit, we aim to reach agreement with the Russian Federation on arrangements that can deepen and widen the scope of our current relationship and provide a framework for its future development. We want to ensure that NATO and Russia have a strong, flexible means to consult and cooperate as part of our evolving relationship. Agreement might be expressed in a document or could take the form of a Charter, which could encompass:

The shared principles that will form the basis of our relationship;

A broad set of areas of practical cooperation in particular in the political, military,

economic, environmental, scientific, peace-keeping, armaments, non-proliferation, arms control and civil emergency planning fields; Mechanisms for regular and ad hoc consultations; and

Mechanisms for military liaison and co-operation.

We therefore task the Council in Permanent Session to develop further guidance on these matters on the basis of which the Secretary General could explore with Russia the possibility of such agreement.

11. We continue to support Ukraine as it develops as a democratic nation and a market economy. The maintenance of Ukraine's independence, territorial integrity and sovereignty is a crucial factor for stability and security in Europe.

Ukraine's development of a strong, enduring relationship with NATO is an important aspect of the emerging European security architecture. We greatly value the active participation of Ukraine in the Partnership for Peace and look forward to next year's exercise near Lviv. We also value Ukraine's co-operation with European institutions such as the EU and the WEU. Ukraine has made an important contribution to IFOR and UNTAES, and we welcome its commitment to contribute to a follow-on operation to consolidate peace in Bosnia and Herzegovina.

We welcome the continued development of our broad cooperation beyond PfP. We note with satisfaction the recent meeting between the Alliance and Ukraine on issues related to the proliferation of weapons of mass destruction. We welcome the progress made towards establishing a NATO information office in Kyiv, and look forward to its opening in the near future. We welcome Ukraine's active interest in further enhancing its relations with the Alliance. We are committed to the development in coming months, through high level and other consultations, of a distinctive and effective NATO-Ukraine relationship, which could be formalised, possibly by the time of the Summit, building on the document on enhanced NATO-Ukraine relations agreed in September 1995, and taking into account recent Ukrainian proposals.

12. We support the Middle East peace process, and urge all participants to remain firmly committed to it.

We reaffirm our conviction that security in Europe is closely linked with security and stability in the Mediterranean, and that the Mediterranean dimension is consequently one of the various components of the European security architecture. In this regard, as part of the adaptation of the Alliance, we will work towards enhancing our relations with non-NATO Mediterranean countries through our dialogue.

The dialogue complements other international efforts, such as those undertaken by the Barcelona process, the OSCE and the WEU without creating any division of labour. We welcome the report of the Council in Permanent Session on the progress of and recommendations for future steps to develop the dialogue with Mediterranean countries through political dialogue and other activities agreed by the Alliance. Egypt, Israel, Jordan, Mauritania, Morocco and Tunisia have reiterated their interest in the development of our relations. We have decided to enhance our Mediterranean dialogue in a progressive way and have tasked the Council in Permanent Session to report at our next meeting on the implementation of the activities foreseen in the report as well as on the scope for further development.

13. We are carrying forward the process of the Alliance's internal adaptation, with the fundamental objectives of ensuring the Alliance's military effectiveness, maintaining the transatlantic link, and developing the ESDI within NATO. In keeping with the de-

cisions taken by NATO Heads of State and Government at the 1994 Summit Meeting and by the Ministerial meetings in June this year in Berlin and Brussels and with a view to preparing for the Summit next year, our primary focus has been on three closely linked issues: the development of a new command structure for the Alliance; the implementation of the CJTF concept; and the development of the ESDI within NATO.

14. We welcome the progress made in the development of the future command structure, noting that two structural alternatives have been selected by the Military Committee for future assessment and subsequent political consideration and agree the proposed way ahead. We urge the Council in Permanent Session and the Military Committee to complete the work as quickly as possible. Once approved, this new command structure will help ensure the Alliance's military effectiveness so that it is able, in the changing security environment facing Europe, to perform its traditional mission of collective defense and through flexible and agreed procedures to undertake new roles in changing circumstances and to provide for increased participation by Partner countries. It will constitute a renovated, single multinational command structure, reflecting the strategic situation in Europe and enabling all Allies to participate fully.

15. We welcome the progress made towards realizing the CJTF concept, on the basis of the Overall Politico-Military Framework approved by us last June. We direct the Council in Permanent Session and the NATO Military Authorities to pursue vigorously their work on this concept, bearing in mind its importance for future Alliance operations, including the possible involvement of development of ESDI.

16. We are pleased with the progress made in developing the appropriate arrangements for ESDI within NATO, as decided at the Brussels Summit and at our meeting last June in Berlin. The newly created Policy Coordination Group has contributed significantly to this process.

17. We note in particular the steps taken towards implementing the concept of separable but not separate capabilities:

The decisions of the Council in Permanent Session on political guidance concerning the elaboration of European command arrangements within NATO able to prepare and conduct WEU-led operations;

The decisions of the Council in Permanent Session regarding the arrangements for identifying NATO capabilities and assets which might be made available to the WEU for a WEU-led operation;

The progress to date on arrangements for the release, monitoring and return or recall of Alliance assets and capabilities;

The decision of the Council in Permanent Session with respect to modalities of co-operation with the WEU;

The progress on work regarding planning and conducting exercising for WEU-led operations, following receipt of illustrative profiles for WEU missions.

18. We have directed the Council in Permanent Session to submit to the Spring 1997 Ministerial meetings a report on the adaptation of Alliance structures and procedures related to the future command structure, on the implementation of the CJTF concept, and on further progress with recommendations for decisions in the development of ESDI within the Alliance.

19. We welcome the close and intensifying cooperation between NATO and the WEU. At their meeting in Ostend on 19 November 1996, WEU Ministers agreed that it would be valuable for WEU to become actively involved in the Alliance's defense planning process and expressed their readiness to participate.

Early agreement is now being sought in the WEU on the participation of all European Allies in WEU-led operations using NATO assets and capabilities, as well as in planning and preparing for such operations. This would be a key contribution to the development of ESDI within the Alliance. We have tasked the Council in Permanent Session to develop the NATO-WEU relationship further in order to ensure effective cooperation in preparing for possible WEU-led operations.

20. We are pleased with the successful outcome of the OSCE Summit in Lisbon and, in particular, the adoption of a declaration on security as a result of work on a Common and Comprehensive Security Model for the 21st Century. The Lisbon Summit has created a security framework in which all European states can participate on an equal footing. The Security Model adopted in Lisbon is a comprehensive expression of the endeavour to strengthen security and stability. It complements the mutually reinforcing efforts of NATO and other European and transatlantic institutions and organisations. We attach great importance to the role of the OSCE as a primary instrument in preventive diplomacy, conflict prevention, post-conflict rehabilitation and regional security cooperation, as well as to the enhancement of its operational capabilities to carry out these tasks. We believe the OSCE, as the only pan-European security organisation, has an essential role to play in European peace and stability. We are committed to supporting its comprehensive approach to security. The principles and commitments on which the OSCE is built provide the standards for the development of a comprehensive and cooperative European security structure.

We commend the OSCE for its essential contribution to the implementation of civil aspects of the Peace Agreement for Bosnia and Herzegovina, particularly in supervising the preparation and conduct of the elections, in promoting and monitoring human rights and in overseeing the implementation of agreed confidence—and security—building measures and sub-regional arms control agreements. The OSCE thereby demonstrates its central role in contributing to regional stability and security.

We are pleased with the support given by IFOR to the OSCE in carrying out its tasks. The cooperation between OSCE and IFOR is a good example of our concept of mutually reinforcing organisations. The practical assistance given by NATO to the OSCE in helping to establish measures to verify the confidence-building and arms control agreements of the Dayton Accords testifies to a growing cooperation between NATO and the OSCE. We reiterate our readiness to further develop the cooperation between the two organizations.

The democratic and economic development, independence, sovereignty and territorial integrity of all states are essential factors for stability and security in the Euro-Atlantic area. We commend the OSCE for its mediation efforts in a number of regional conflicts through its various missions, and recognize the valuable work of the High Commissioner on National Minorities. We support the efforts of the Minsk Group to achieve a political settlement of the conflict in and around Nagorno-Karabakh.

The OSCE acquires in the field of disarmament, arms control, and confidence- and security-building measures continues to contribute significantly to political and military stability. We consider the full implementation, the further development, and if necessary, the adaptation of these measures to be indispensable elements in our effort to further enhance the European security architecture. We welcome the recent adoption by the Forum for Security Cooperation of the

Framework for Arms Control and its Future Agenda.

21. The CFE Treaty is a fundamental cornerstone of security and stability for all in the Euro-Atlantic area. We are committed to maintain and strengthen it. Consistent with our broader goal of enhancing political cooperation and military stability in a Europe without dividing lines, we welcome the decision of the 30 States Parties to the CFE Treaty on 1 December 1996 in Lisbon to launch negotiations to adapt the Treaty to the changing security environment in Europe. We look forward to beginning negotiations in the Joint Consultative Group in Vienna in January 1997 on the basis of the scope and parameters (Terms of Reference) document agreed on Lisbon.

Our common goal is to enhance security for all States Parties, irrespective of whether they belong to an alliance, and preserve their right to choose and change their security arrangements. Within the broader political context of enhanced security for all, this process should strengthen the cooperative pattern of relationships between States Parties, based on mutual confidence, transparency, stability and predictability. Committed, like the other States Parties, to adapting the Treaty by developing mechanisms which will enhance the Treaty's viability and effectiveness, we will pursue steps to review the Treaty's group structure, to adapt the Treaty system of limitations and to enhance its verification and information provisions. To that end, the members of the Alliance will develop and table proposals for the negotiations in Vienna.

We reaffirm our support for the CFR Flank Agreement, reached at this year's Review Conference in Vienna. We urge all States Parties who have not yet done so to approve this Agreement before the end of the extended provisions application period efforts directed at resolving outstanding implementation issues.

The members of the Alliance reaffirm the commitment made at Lisbon to exercise restraint during the period of negotiations as foreseen in the document in relation to the current postures and capabilities of their conventional armed forces—in particular, with respect to their levels of forces and deployments—in the Treaty's area of application. As decided in Lisbon, this commitment is without prejudice to the outcome of the negotiations, or to voluntary decisions by the individual States Parties to reduce their force levels or deployments, or to their legitimate security interests. We believe that the CFE Treaty must continue to play a key role in ensuring military stability into the 21st century, and are committed to adapting it expeditiously in order to take account of new security challenges.

22. We emphasize the importance of the START Treaties for international stability and security. We note with satisfaction the progress made by the United States and the Russian Federation in the implementation of START I. We urge the Russian Federation to follow the United States in ratifying the START II Treaty.

We welcome the successful conclusion and signing by the great majority of UN members of the Comprehensive Test Ban Treaty, and we urge all other nations to sign this important international arms control agreement. We look forward to the early start of negotiations on a Fissile Material Cut-Off Treaty.

We are pleased that the Chemical Weapons Convention will soon enter into force and we look forward to its early implementation. We welcome the fact that States Parties to the Biological and Toxin Weapons Convention have at the Fourth Review Conference in Geneva in December 1996 again solemnly

declared their recognition that effective verification could reinforce the Convention.

Recognizing the heightened concern of the international community of the suffering and casualties caused by anti-personnel mines, we support the vigorous pursuit of an effective, legally binding international agreement to ban the use, stockpiling, production and transfer of antipersonnel mines and, as an important step to this end, support the early ratification of the Treaty on Open Skies by those states which have not already ratified.

23. Proliferation of nuclear, biological and chemical weapons and their delivery means continue to be a matter of serious concern to us. Progress in expanding and intensifying NATO's political and defense efforts against proliferation, as directed by NATO Heads of State and Government in January 1994, is an integral part of NATO's adaptation to the new security environment. These efforts also contribute to NATO's ability to conduct new roles and missions. We remain committed to preventing proliferation in the first place, or, if it occurs, to reversing it through diplomatic means. The Alliance is improving its capabilities to address the risks posed by proliferation. We welcome further consultations and cooperation with Partner countries to address the common security risks posed by proliferation. We note with satisfaction the report of the Alliance's Joint Committee on Proliferation on the activities of the Senior Political-Military Group on Proliferation and the Senior Defence Group on Proliferation and direct them to continue their vital efforts.

We attach particular importance to a solid preparation of the first preparatory committee of the strengthened review process of the Nuclear Non-Proliferation Treaty (NPT), scheduled for April 1997. This process will significantly contribute to the further strengthening of the NPT, which is the cornerstone of the global non-proliferation system.

24. We reaffirm our commitment to the Alliance's common-funded programmes.

We note with appreciation the progress made in moving existing resources to the highest priority programmes, such as Partnership for Peace and the support of enhanced information activities in Moscow and Kyiv. We have directed the Council in Permanent Session to keep under review the allocation of resources in order to ensure their optimal use. We have also directed the Council in Permanent Session to identify the implications of adaptation for NATO's common-funded budgets and to make appropriate recommendations for dealing with these.

25. We continue to support all efforts to combat terrorism, which constitutes a serious threat to peace, security and stability.

26. The Spring 1997 meeting of the North Atlantic Council in Ministerial Session will be held in Sintra, Portugal, on 29 May.

Mr. LIEBERMAN. Mr. President, I thank my friend and colleague from Delaware, not, of course, simply for yielding, but for his continuing leadership on this vital question of whether or not NATO will be enlarged.

Mr. President, this is one of those moments in history when we are presented with an extraordinary opportunity to do something that will shape the course of the coming decades. So often so much happens in our professional lives, our personal lives, that it is hard to distinguish between the important and the very important. This, in my opinion, is a very important resolution, beginning as it does the con-

sideration by the 105th session of Congress of the critical question of whether the North Atlantic Treaty Organization will extend memberships beyond its current role.

This resolution reaffirms the shared commitment expressed repeatedly by strong bipartisan majorities in the Congress to the continued viability of our transatlantic alliance and to its irreplaceable contribution to peace and stability in Europe, and therefore to the vital strategic and economic and moral interests of our own country.

Mr. President, we are at a moment which, while the details may differ, is not unlike the time after the Second World War when enlightened leaders of both parties in this country, learning the lessons of their departure from the field of international relations after the First World War, came together and supported the reconstruction of post-World War II Europe, building not just the strength of those countries, the economic might that followed, but building therein great democracies that have become once again our best friends and allies.

We are at such a moment after another war, the cold war, has ended. The question is whether we will see forward boldly and honorably to understand that whether or not we will accept the nations that lived under Soviet domination into the community now of free nations will have a substantial effect on our security and our economic strength and our moral vitality for decades to come.

For unless we close our eyes to history, we must recognize that we are vitally interested in what goes on in Europe. We are connected. Our pasts and our futures are linked economically, politically, culturally, and militarily. Those ties did not break away with the fall of the Berlin Wall. Indeed, they will become more complex and more compelling and more productive over time. Over time, NATO has proved itself the most enduring guarantee that we and our allies in Europe are brought together in peace and freedom, not in tyranny and war.

NATO remains today the world's single most effective partnership of like-minded countries, sharing the burdens of international security and preserving the conditions in which open societies and free markets flourish.

Enlarging NATO means enlarging the transatlantic sphere of peace and stability, of peace and prosperity. It means honoring our promise made repeatedly throughout the cold war that we would be there when that cherished moment arrived to support the new independent nations of Central and Eastern Europe in their struggle for democracy and a better life. It means helping to ensure that those countries will continue their democratic development and take their place peacefully in the expanding community of freedom. And it means expanding the family of

nations that will share with us Americans the burden of protecting the stability and peace of the world and expanding the family of free peoples of the world.

Mr. President, this resolution expresses, in very strong and very clear language, our conviction across party lines that NATO enlargement is the best way to ensure a peaceful, stable, free future in Europe. It also makes clear that we must work with Russia, which is inherently and, of course, part of the European community and critical to the future stability of Europe. We must work with Russia to reach common ground on European security.

Proceeding steadfastly with our plans to enlarge NATO, I think, will make that task easier. For where we leave doubt, there will be further doubts created. Where we are uncertain, there are those who will take advantage of our uncertainty.

The fact is that NATO is today and has always been a defensive alliance. It poses no threat to its neighbors. Instead, it offers the confidence of secure borders and stable relationships. And by making it clear that the NATO enlargement process is ongoing and open to other countries as they qualify, it alleviates the threat of future conflict between competing blocs. NATO does not seek to target nations for exclusion. It seeks to engage nations on the high ground of democracy and free market economics and to become partners with them.

Mr. President, this week there is a remarkable statement of opinion in *Newsweek* magazine, the February 10, 1997, issue, written by Andre Kozyrev, former Foreign Minister of Russia. The title is "NATO Is Not Our Enemy." I will read briefly from the article.

The Russian people [former foreign minister Kozyrev says] must be told the truth. And the truth is, NATO is not the enemy. Indeed, fighting the West's proposal to admit Central European countries to NATO is self-defeating [for Russia], because Russia has no means of stopping it. The vital Commonwealth of Independent States alliance would surely fall on hard times if it is burdened with opposition to NATO. What member-nation [of the CIS] would remain part of such a group, when the NATO seal of approval often brings investment, advancement and economic enhancement? As foreign minister, [Kozyrev writes] I found that every Eastern European leader who wanted NATO membership saw it primarily as an economic move, not a military one. Opposing that will weaken our [that is to say the Russian] economic position in Central Europe.

The West must recognize this as a domestic-policy crisis, [which is to say a domestic policy crisis in Russia] resist capitulation to the old guard and deal with it in a balanced fashion. An entirely new generation of leaders in our country [Russia] is waiting for this policy shift. To accomplish it, NATO's member-nations must take very difficult and challenging steps. The practical way for Russia to transform NATO is to cooperate with the alliance—and vice versa.

End of quote from Mr. Kozyrev's remarkable and, I think, very powerful statement.

Mr. President, NATO enlargement is moving forward thanks to the leader-

ship of President Clinton, the support of a strong bipartisan group here in Congress, the very effective advocacy of NATO Secretary Solana, and so many others around the world.

We in Congress can play a very important part in this remarkable historical achievement. This resolution which Senator ROTH has brought before the Senate today, and which I am proud to cosponsor with him, will provide the President with the support to work with our allies to create the mechanisms by which new members will be welcomed into the alliance and the broad-based bipartisan support with which to go forward to develop a strong NATO-Russia security relationship.

As its 50th anniversary approaches, the Atlantic alliance remains at the core of America's global strength and at the core of global peace and security. The reach of this alliance should now be extended to those whose histories and policies justify it, just as America's own strategic interests and moral imperatives require it.

I yield the floor.

Mr. HAGEL. Mr. President, I rise today in strong support of expanding the North Atlantic Treaty Organization to help ensure stability in Central and Eastern Europe. I am proud to be an original cosponsor of this resolution to encourage the NATO expansion process and to put the 105th Congress on record in support of bringing Poland, Hungary, the Czech Republic, and Slovenia into the alliance.

I believe restructuring Europe's post-cold-war security architecture and securing lasting peace and stability throughout the continent constitute one of the great foreign policy challenges of our time. From two world wars to the former Yugoslavia, history has shown that Europe's security problems eventually become America's. Time and again, we have found ourselves confronted with only two options: Choosing to lead and help shape events in Europe, or waiting for events to overtake us as they certainly will.

Americans are well-served when America chooses to lead.

For half a century, the NATO alliance has been the foundation of European security. It has been the most meaningful multinational security framework in history. NATO will continue to be that foundation for the next half century—but only if America helps lead the alliance to adapt to the new reality in Europe after the end of the cold war.

The new reality is that the nations of Central and Eastern Europe are free from oppression and many yearn to align themselves with the West.

The new reality is that instability in the lands one author called "Between East and West" has replaced invasion from the East as the most likely threat to our allies and to our own interests in Europe.

The new reality is that America, Russia, and Europe will all benefit if

the nations of Central and Eastern Europe are anchored in the peaceful security that NATO can offer.

I am convinced that we must move swiftly to expand the NATO alliance and to rethink our commitment to European security. More than 7 years after the Berlin Wall fell, NATO has yet to take in new members.

Congress has consistently supported NATO expansion and has enacted legislation to prepare the nations of Central and Eastern Europe for membership in the alliance. The resolution we are introducing today is designed to push ahead once again. It encourages the President to move quickly. It endorses the idea of embracing new members by the alliance's 50-year anniversary in 1999. It makes plain our belief that our alliance must reach out to work with Russia as friends rather than antagonists. And it names Poland, the Czech Republic, Hungary, and Slovenia as nations whose membership would contribute to the alliance's security.

Those of us who support NATO expansion must be prepared to make the case that it serves America's long-term security interests. This is a debate that must reach far beyond the Halls of Congress. NATO expansion, when it does occur, will require the consent of the Senate. And that will require the support of the American people.

It is time for this debate to begin.

Ms. MIKULSKI. Mr. President, I am proud to join my colleagues in introducing this resolution in support of NATO enlargement.

I support NATO enlargement because it will make Europe more stable and secure. It means that the new democracies of Central and Eastern Europe will share the burden of European security. It will mean that future generations of Americans might not have to fight and die for Europe.

America has fought and won three wars in Europe:

World War I, when an assassination in Yugoslavia led to years of bloodshed

World War II, the bloodiest war in history—when thousands of young Americans left factories and farms to fight on the battlefields of Europe

And the cold war—when Soviet expansionism forced us to prepare to defend Western Europe—and when the captive nations of Eastern Europe were forced behind the Iron Curtain.

If NATO doesn't enlarge—the Iron Curtain returns—and the unnatural division of Europe into two parts will live on longer than the Soviet Empire did.

As a Polish American, I know that the Polish people did not choose to live behind the Iron Curtain. They were forced there by the Yalta Agreement, by Potsdam, and because they and the Baltic States and the other captive nations were sold out by the free world.

But my support for this resolution is based on the future—not the past. I support this resolution because NATO enlargement will mean a future in which the newly free and democratic

countries will take their rightful place as members of Europe.

NATO played an important part in securing this freedom. It has been the most successful defensive alliance in history. It is an alliance that helped us win the cold war. It deterred war between the super powers, and it helped prevent confrontations between member states.

But if NATO is to survive, it must adapt to meet the needs of the post-cold-war-World—or it will become irrelevant.

NATO has evolved since we created it in 1949. We have enlarged NATO on three different occasions. Each new member strengthened NATO and increased security in Europe.

Today, we are facing very different threats to security and stability in Europe. We have hot spots caused by ethnic and regional tensions. We have civil wars—as in Bosnia. And we have international crime, drugs, and terrorism. NATO must change and expand to meet these new threats.

The countries of Central and Eastern Europe want to help us address these new threats. How many times has the Senate discussed burden sharing in Europe? How often have we complained that European countries were not willing to pay their fair share for their own defense?

Now we have countries that are asking to share the burden. They are asking to pledge their troops and equipment for the common defense. They are asking to share the burden of peacekeeping—in fact they are doing it right now in Bosnia where thousands of troops from Poland, Hungary, the Czech Republic, the Baltics, Ukraine, and others are helping to secure the peace.

These countries are not asking for a handout. They are not asking for our protection. They are asking to be full partners in the new Europe. By transforming their countries into free market democracies, they have earned this right.

Mr. President, NATO is moving toward enlargement. In July President Clinton will join the leaders of our NATO partners in naming the first countries to be asked to join NATO.

This resolution states that the U.S. Senate stands with our President as he leads our effort to prepare NATO for the 21st century. I urge my colleagues to join us in supporting this resolution.

SENATE RESOLUTION 50—RELATIVE TO COST-OF-LIVING ADJUSTMENTS

Mr. ROTH (for himself and Mr. MOYNIHAN) submitted the following resolution; which was referred to the Committee on Finance:

S.RES. 50

Whereas the final report of the Senate Finance Committee's Advisory Commission to Study the Consumer Price Index, chaired by Professor Michael Boskin, has concluded that the Consumer Price Index overstates

the cost of living in the United States by 1.1 percentage points;

Whereas Dr. Alan Greenspan, Chairman of the Board of Governors of the Federal Reserve System, has testified before the Senate Finance Committee that "the best available evidence suggests that there is virtually no chance that the CPI as currently published understates" the cost of living and that there is "a very high probability that the upward bias ranges between ½ percentage point per year and 1½ percentage point per year";

Whereas the overstatement of the cost of living by the Consumer Price Index has been recognized by economists since at least 1961, when a report noting the existence of the overstatement was issued by a National Bureau of Economic Research Committee, chaired by Professor George J. Stigler;

Whereas Congress and the President, through the indexing of Federal tax brackets, Social Security benefits, and other Federal program benefits, have undertaken to protect taxpayers and beneficiaries of such programs from the erosion of purchasing power due to inflation;

Whereas Congress and the President intended the indexing of Federal tax brackets, Social Security benefits, and other Federal program benefits to accurately reflect changes in the cost of living; and

Whereas the overstatement of the cost of living increases the deficit and undermines the equitable administration of Federal benefits and tax policies: Now, therefore, be it

Resolved, That it is the sense of the Senate that all cost-of-living adjustments required by statute should accurately reflect the best available estimate of changes in the cost of living.

Mr. ROTH. Mr. President, today, my friend PAT MOYNIHAN and I are submitting a sense-of-the-Senate resolution regarding the accuracy of the Consumer Price Index. Last week the Finance Committee kicked off our first hearings of the 105th Congress with a very distinguished panel of experts in the field of economics and Dr. Alan Greenspan, Chairman of the Board of Governors of the Federal Reserve System.

Mr. President, probably the most significant issue that faces Congress this year is the accuracy of the Consumer Price Index, and I believe that Congress and the President need to seriously address the economic ramifications of an accurate CPI.

One of the roles in government is to protect American families from inflation. In doing so, it is important that we are able to precisely measure inflation.

I cannot emphasize too greatly—that is what these discussions are all about—the accurate measurement of inflation. If the index is too high, it overcompensates retirees and others and undertaxes many taxpayers. If it is too low, it undercompensates retirees and overtaxes the taxpayer. What we want in fairness to all is as accurate an index as possible.

Obviously, this is a very sensitive issue, affecting retirees and taxpayers directly as well as wage earners and others.

In the spring of 1995, the Senate Finance Committee appointed a blue ribbon commission, headed by Dr. Michael Boskin, to study the methodology used

to compute our current measure of inflation, the CPI. The panel also included leading experts in the field of price indexes, they include:

Dr. Dale Jorgenson, Harvard University; Dr. Ellen Dulberger, IBM Personal Computer Company; Dr. Zvi Griliches, Harvard University; and Dr. Robert Gordon, Northwestern University.

In their interim report, released in September 1995, the Boskin Commission concluded that the upward bias using changes in the Consumer Price Index to estimate changes in the true cost of living is about 1 percentage point per year.

Dr. Boskin and the other four commission members have now completed their final report and have concluded that this critical government statistic is not as accurate as possible. Since this report suggests that the Consumer Price Index has an annual upward bias of about 1.1 percent, clearly this is a significant finding and should be taken seriously.

Dr. Boskin and his colleagues have also suggested to the Finance Committee that a new measure of the true cost of living may be needed.

Inaccurate government statistics—particularly one as important as the CPI—are unacceptable. Steps should be taken to change the procedures so that the measure of the CPI is as accurate as possible.

I want to stress that any action we take on this report must be broadly and deeply bipartisan.

We must also have the full cooperation of and leadership by the Clinton administration. I hope the President will not miss an opportunity to address this issue in his fiscal year 1998 budget he submits to the Congress this week. Clearly this reform will not be successful without the President's leadership.

Mr. MOYNIHAN. Mr. President, might I first take the opportunity to congratulate the chairman for this initiative. It is characteristic of his leadership of the Finance Committee, which is bipartisan whenever that is possible, which is factual, which seeks evidence and answers.

This sense-of-the-Senate resolution recognizes the mounting evidence that, contrary to the intent of the Congress and the President, Federal tax provisions, Social Security benefits, and other Federal program benefits are being overadjusted for inflation.

The resolution expresses the sense of the Senate that:

*** all cost-of-living adjustments required by statute should accurately reflect the best available estimate of changes in the cost of living.

In its final report issued on December 4, 1996, the Advisory Commission to Study the Consumer Price Index—the Boskin Commission concluded that:

While the CPI is the best measure currently available it is not a true cost of living index. . . .

The Boskin Commission concluded that the CPI overstates the cost of living in the United States by 1.1 percentage points.

The Commission's findings are very much in line with the prevailing professional judgment of economists as to the size of the upward bias in the CPI. In October 1994, in a memorandum to the President entitled "Big Choices", then-OMB Director Alice Rivlin stated that the "CPI may be overstated by 0.4 percent to 1.5 percent." And in testimony at a joint hearing of the Senate and House Budget Committees in January 1995—and reinforced in testimony last week before the Senate Committee on Finance—Alan Greenspan, Chairman of the Board of Governors of the Federal Reserve System, estimated the range of plausible values at 0.5 to 1.5 percentage points.

The standard objection to correcting the Consumer Price Index has been, to cite one such statement, "The right way to adjust the CPI is to allow the experts at the BLS to continue doing their jobs and keep politics out of it."

We now have the definitive response from Alan Greenspan, Chairman of the Board of Governors of the Federal Reserve System. In testimony last week before the Finance Committee, he reported that the Federal Reserve Board had made its own study of this issue and had come to roughly the same conclusions as those of the Boskin Commission. He recommended a two-track procedure. First, let the BLS improve the CPI by as much as can be done and as quickly as it can be done. And second, establish an independent national commission to correct for the remaining upward bias. He then said:

There has been considerable objection that such a second track procedure would be a political fix. To the contrary, assuming zero for the remaining bias is the political fix. On this issue, we should let evidence, not politics, drive policy.

To say again, to do nothing in the face of overwhelming evidence would be a political decision. Wrong-headed and shortsighted, with large long-term implications

And to do nothing until we have a more precise estimate of the bias—as if estimating changes in the cost of living is equivalent to measuring atomic weights—recalls the wise admonition of Lord John Maynard Keynes who said:

It is better to be approximately right than precisely wrong.

There is some history here.

It happens that this Senator's association with the statistical system in the executive branch began over three decades ago. I was Assistant Secretary of Labor for Policy and Planning in the administration of President John F. Kennedy. This was a new position in which I was nominally responsible for, *inter alia*, the Bureau of Labor Statistics. I say nominally out of respect for the independence of that venerable institution, which as I noted earlier long predated the Department of Labor itself. The then-Commissioner of the BLS, Ewan Clague, could not have been more friendly and supportive. And so were the statisticians, who undertook

to teach me to the extent I was teachable. They even shared professional confidences. And so it was that I came to have some familiarity with the field.

Upon our arrival in Washington with the new administration in 1961, we had waiting for us a report on price indexes from a committee led by George J. Stigler, who later won a Nobel Prize in economics. The committee noted that:

If a poll were taken of professional economists and statisticians, in all probability they would designate (and by a wide majority) the failure of the price indexes to take full account of quality changes as the most important defect in these indexes. And by almost as large a majority, they would believe that this failure introduces a systematic upward bias in the price indexes—that quality changes have on average been quality improvements.

Through indexation of Federal tax brackets, Social Security, and other Federal programs, Congress and the President have undertaken to protect taxpayers and beneficiaries from the erosion of purchasing power due to inflation.

Based on over 35 years of mounting evidence, it is clear that the current formulas for indexation overstate the true cost of living. Over 12 years the upward bias increases outlays and reduces revenues, for programs tied to the CPI, by a cumulative \$1.07 trillion.

The actuaries of the Social Security system estimate that a 1.1 percentage point correction would eliminate about two-thirds of the long-run deficit in the Social Security Program. The trust fund exhaustion date would be extended by more than 20 years, from 2029 to 2052.

Somewhat more than one-half of the 1.1 percentage bias can be eliminated rather quickly if the BLS would develop a cost-of-living index [COLI] and factor into their calculations research on quality improvements. Members of the Boskin Commission think it can be done within a year. Over time, some of the remainder of the bias could be reduced by further research on measuring quality improvements. Any residual can be dealt with by an independent national commission, as suggested by the Boskin Commission and by Federal Reserve Chairman Greenspan.

The computational procedures that would be used by BLS for a new cost of living index [COLI] are now used by the Bureau of Economic Analysis [BEA] in the calculations of GDP and its components—consumption, investment, and so on. BEA uses a Personal Consumption Expenditures [PCE] deflator to estimate changes in real consumption. For the 12 months ended November 1996, the CPI increased by 3.3 percent. Yet over roughly the same period, the PCE deflator increased by only 2.5 percent. BEA's use, in the PCE deflator, of more up-to-date consumption patterns and of adjustments for quality, lowers the reported inflation rate by 0.8 of a percentage point relative to the CPI. And this is consistent with what you would get if BLS developed a COLI

with adjustments for quality improvements; that is, it is close to the 1.1 percentage point estimate of the bias.

I hope we will have broad support for this resolution on both sides of the aisle, and that we will do the Republic some good today. Mr. President, thank you for your courtesy. I yield the floor.

Mr. ROTH. Mr. President, let me thank the Senator from New York for his continuing leadership in this matter. I would like to underscore two things that he said.

One is that all we seek to do is to make the measurement of inflation as accurate as possible. That is just good government.

Second, we are anxious to have the support of our colleagues on both sides of the aisle and we will be sending a letter to our colleagues, signed by the two of us, urging them to join us in this good government venture.

Mr. MOYNIHAN. Good government venture.

Mr. ROTH. I thank very much the distinguished Senator for his able leadership.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON ARMED SERVICES

Mr. HATCH. Mr. President, I ask unanimous consent that the Committee on Armed Services be authorized to meet at 2 p.m. on Wednesday, February 5, 1997, to receive testimony on the nomination of Federico F. Peña to be Secretary of Energy.

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

COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS

Mr. HATCH. 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 Wednesday, February 5, 1997, to conduct a hearing on the following nominee: Janet Louise Yellen, of California, to be Chairman, Council of Economic Advisers.

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

COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION

Mr. HATCH. Mr. President, I ask unanimous consent that the Senate Committee on Commerce, Science, and Transportation be authorized to meet on February 5, 1997, at 10 a.m. on pending committee business.

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

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. HATCH. Mr. President, I ask unanimous consent that the Committee on Energy and Natural Resources be granted permission to meet during the session of the Senate on Wednesday, February 5, 1997, for purposes of conducting a full committee hearing which is scheduled to begin at 9:30 a.m. The purpose of this hearing is to consider S. 104, the Nuclear Waste Policy Act of 1997.

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

COMMITTEE ON FINANCE

Mr. HATCH. Mr. President, I ask unanimous consent that the Committee on Finance be permitted to meet Wednesday, February 5, 1997, beginning at 9:30 a.m. in room SH-215, to conduct a markup to extend the airport and airway trust fund excise taxes.

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

COMMITTEE ON RULES AND ADMINISTRATION

Mr. HATCH. Mr. President, I ask unanimous consent that the Committee on Rules and Administration be authorized to meet during the session of the Senate to receive testimony from committee chairman and ranking members on their committee funding resolutions for 1997 and 1998 on Tuesday, February 4, Wednesday, February 5, and Thursday, February 6, all at 9:30 a.m.

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

SELECT COMMITTEE ON INTELLIGENCE

Mr. HATCH. Mr. President, I ask unanimous consent that the Select Committee on Intelligence be authorized to meet during the session of the Senate on Wednesday, February 5, 1997, at 10 a.m. to hold an open hearing on intelligence matters.

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

SUBCOMMITTEE ON ADMINISTRATIVE OVERSIGHT AND THE COURTS

Mr. HATCH. Mr. President, I ask unanimous consent that the Subcommittee on Administrative Oversight and the courts of the Senate Committee on the Judiciary, be authorized to meet during a session of the Senate on Wednesday, February 5, 1997, at 2 p.m., in Senate Dirksen room 226, on "conserving judicial resources: considering the appropriate allocation of judgeships in the United States Court of Appeals for the Fourth Circuit."

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

SUBCOMMITTEE ON CLEAN AIR, WETLANDS, PRIVATE PROPERTY, AND NUCLEAR SAFETY

Mr. HATCH. Mr. President, I ask unanimous consent that the Subcommittee on Clear Air, Wetlands, Private Property and Nuclear Safety, be granted permission to conduct a hearing Wednesday, February 5, at 9:30 a.m., hearing room SD-406, on ozone and particulate matter standards proposed by the Environmental Protection Agency.

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

ADDITIONAL STATEMENTS

AIRPORT AND AIRWAY TRUST FUND

• Mr. GORTON. Mr. President, last Thursday, I joined my colleague from Arizona, the new Chairman of the Senate Commerce Committee—Senator McCain, the ranking member of the full committee, Senator Hollings, and

the ranking member of the Aviation Subcommittee, Senator Ford, in sponsoring the Airport and Airway Trust Fund Taxes Short Term Reinstatement Act. This legislation will extend the existing system of aviation excise taxes through September 29, 1997, and give the Internal Revenue Service authority to transfer previously collected aviation excise taxes into the airport and airway trust fund.

The airport and airway trust fund is funded by a 10-percent passenger ticket tax; a 6.25-percent cargo waybill tax; a \$6 per person international departure tax; and certain general aviation fuel taxes. In 1997, this fund is expected to provide 62 percent of the Federal Aviation Administration's [FAA] fiscal year 1997 budget. More specifically, the trust fund is expected to provide \$5.3 billion of the FAA's \$8.6 billion total fiscal year 1997 budget. Of this \$5.3 billion, \$3.6 billion will provide 100 percent of the resources necessary to fund the FAA's capital programs, while \$1.7 billion will provide 34 percent of the fiscal year 1997 budget for FAA operations. But this fund, so critical to the operation and improvements of our aviation system, is no longer being funded.

When the authority to collect the aviation excise taxes lapsed on December 31, 1996, officials from both the General Accounting Office [GAO] and the FAA predicted that the \$4.35 billion in uncommitted balances in the fund at that time would be available to fund the FAA's capital programs through June 30, 1997. By July 1, 1997, however, they predicted that the trust fund would become insolvent. Accordingly, if Congress did not reinstate the taxes, it was predicted that the Office of Management and Budget [OMB] would have to reduce the FAA's capital accounts, which are totally funded out of the trust fund—including both the facilities and equipment [F&E] account and Airport Improvement Program, to account for the \$1 billion shortfall between the trust fund's fiscal year 1997 expected contribution of \$5.3 billion and the actual contribution of \$4.35 billion.

According to the FAA, this reduction in the facilities and equipment account could force the FAA to issue stop work orders on all major F&E contracts, which include upgrades of the current air traffic control system throughout the country. The Airport Improvement Program would suffer an even greater impact. Under the original projections, if the aviation taxes were not reinstated, funding for the Airport Improvement Program would have to be reduced by as much as \$300 million in fiscal year 1997. Existing funding agreements under the AIP would be maintained, but no new, discretionary funding would be provided for high-priority safety and security projects, capacity projects, and important noise mitigation programs.

Quite simply, this is unacceptable. If delays in the implementation of safety and security initiatives, as well as construction of capacity enhancement

projects, are caused by lack of funds, then we in Congress will be responsible for weakening the safest aviation system in the world.

From a Washington State perspective, fiscal year 1997 funding for noise mitigation is particularly important. Seattle-Tacoma International Airport has been a national leader in noise mitigation programs and was the first to implement a local housing insulation program to reduce the impact on houses near the airport. The current program, which is partially funded through the AIP's discretionary noise mitigation grants, is scheduled to run through the year 2003.

Under these original projections, it was clear that reinstating the taxes as quickly as possible was the appropriate action for Congress to take to ensure that the U.S. aviation system continues to be the best system in the world.

Last Wednesday afternoon, however, this situation became more dire when the Treasury Department announced that because of an accounting error, the airport and airway trust fund could be insolvent as early as March or April.

Let me explain the events, as I understand them, which led to accounting Error made at by the Treasury Department. Each airline deposits the ticket taxes it collects to the IRS every 2 weeks. Under the look-back provisions of the IRS safe harbor rule, however, an airline can base the amount of that payment on the amount of excise taxes it collected in a 2-week period from the second preceding quarter before the current quarter. In other words, in making a 2-week tax payment in the third quarter of the year, an airline can deposit the amount it collected in a 2-week period during the first quarter of that year. If the taxes it deposits are less than what the airline actually took in during the third quarter, the airline can make up that underpayment when it files its quarterly return. The quarterly return date is approximately 2 months after the close of the quarter.

The 10 percent ticket tax was in place during the fourth quarter of 1996. The airlines' semimonthly tax payments for that quarter, however, were based on the second quarter of 1996, during which time no excise taxes were collected. The airlines, in essence, did not remit any excise taxes during the fourth quarter of 1996, even though they were collecting these taxes from passengers at that time. The airlines will have to make up for these tax underpayments by the time they file their fourth quarter returns, which are due on February 28, 1997. These taxes, however, will not be deposited into the aviation trust fund, since the general-fund-to-trust-fund transfer authority expired along with the aviation excise taxes on December 31, 1996.

It appears that the Treasury Department did not account for the complex

accounting procedures, and assumed that the trust fund would be credited with \$1.5 billion more than it can be unless Congress reinstates the authority for the IRS to transfer the fourth quarter excise taxes to the trust fund. The FAA now expects to run out of money for its capital programs, and possibly its operations, much sooner than originally anticipated.

Mr. President, with Wednesday's Treasury Department announcement that the trust fund could be insolvent by March, I believe it is clear that the Senate's first and overriding priority must be to immediately reinstate the excise tax and transfer authority. While our system continues to be the safest aviation system in the world, Congress owes it to the American people to consider this legislation as quickly as possible to ensure aviation safety, security, and capital investment are not jeopardized in any manner. •

TRIBUTE TO EZE BURTS

Mrs. BOXER. Mr. President, I rise today to pay tribute to Mr. Ezunial "Eze" Burtis, a talented public servant from California, who is retiring this month as the executive director of the Port of Los Angeles after 12 years of outstanding leadership.

Eze Burtis has spent his entire career in public service. Early in his career, he worked for the Fresno County Economic Opportunities Commission where he administered the county's youth employment program. Later he became a top aide to Los Angeles Mayor Tom Bradley, where he handled a number of duties, including serving as the mayor's liaison to the police and fire departments. He also helped plan security for the highly successful 1984 Olympic Games in Los Angeles, before assuming the helm of the port later that same year.

During Mr. Burtis' tenure, the Port of Los Angeles has become one of the Nation's top trade centers, generating billions of dollars in revenue and creating thousands of jobs. During this period of amazing growth, the port's operating revenue has doubled and the total cargo volume has increased by more than one-third. In fact, the Los Angeles Customs District is the largest in the Nation, and the port has become a major gateway for our Nation's Pacific rim trade. Mr. President, to put into perspective Mr. Burtis' responsibility over the years, the Port of Los Angeles accounts for more than 1 million jobs nationwide, including 1 out of every 27 jobs in southern California.

Mr. Burtis has also been at the forefront of the Alameda corridor project, an enterprise which is very important to my State, and indeed to the entire country. When the Alameda corridor is completed, goods will be quickly shipped from the Ports of Los Angeles and Long Beach to rail yards in downtown Los Angeles, and from there to points throughout the country. Eze

Burtis has been a key supporter of the Alameda corridor since its inception.

Mr. President, I am pleased to announce that Mr. Burtis will continue to be a leader in the southern California community, as he prepares to become the new president of the Los Angeles Chamber of Commerce. I wish Mr. Burtis and his family well as he takes on this new challenge.

TRIBUTE TO DR. WILLIAM J. PERRY

• Mr. WARNER. Mr. President, I rise today to recognize and to pay respect to Dr. William Perry for his distinguished service as the 19th Secretary of Defense. From his confirmation by the U.S. Senate on March 5, 1993, until his retirement on January 24, 1997, Dr. Perry has successfully faced many challenges as he has advised the President and the Congress through the difficult and ever-changing post-cold war era. Clearly, he was the right man at the right time.

Bill Perry brought to the Office of the Secretary of Defense a deep intellect, sound judgment, and a patient but effective leadership style. It is no surprise to me, and I am sure to others that know Bill Perry, how quickly he endeared himself to our men and women in uniform. His genuine concern for our service members has been the hallmark of his tenure as Secretary of Defense. Indeed, his initiatives in the area of quality-of-life have truly made a difference, and will serve as a fitting legacy of his exemplary service.

I have known Bill Perry for many years. I have had the opportunity to work with him during his service in both the Government and the private sector. As he returns once again to the private sector, I look forward to continuing our relationship and I wish him and his family all the best.

Mr. President, I ask that the eloquent remarks that Dr. Perry gave during his farewell ceremony be printed in the RECORD.

The remarks follow:

FAREWELL ADDRESS BY WILLIAM J. PERRY,
SECRETARY OF DEFENSE

I shall be telling this with a sigh.

Somewhere ages and ages hence.

Two roads diverged in a wood, and I—

I took the one less traveled by.

And that has made all the difference.

—Robert Frost.

Four years ago, America faced a choice; a choice between two roads that diverged. One road led to isolation and apathy, the other road, to engagement and action. This century has taught us that the road of isolation and apathy leads to instability and war.

President Clinton chose the road of engagement and action. He strove to bridge the Cold War chasms; to reduce its nuclear legacy; to reach out to former adversaries, to prevent the conditions for conflict, and to create the conditions for peace. And that, as Robert Frost has said, has made all the difference.

It has made all the difference in Europe, where, by establishing the Partnership for Peace we have replaced an Iron Curtain which divided the nations of Europe with a

circle of security which brings them together.

It has made all the difference in our own hemisphere, where all nations, save one, have chosen democracy, and by establishing the Defense Ministerial of Americas we have forged new links of trust and cooperation.

It has made all the difference in the Asia Pacific, where by establishing a Framework Agreement we froze the North Korean nuclear program and prevented a nuclear arms race; and where, by strengthening the Security Agreement with Japan, we have ensured America's security presence—the oxygen that fuels the region's prosperity.

Choosing the right road has made all the difference around the world. By executing the Nunn-Lugar program, we have dismantled 4,000 nuclear weapons that once targeted America's cities. Today, the threat of nuclear holocaust no longer hangs like a dark cloud over the heads of our children.

Four years ago, the Department of Defense faced a choice. One road was well-traveled and easy to follow, but it would have allowed our forces to atrophy as we completed the post-Cold War draw down. The other road was less traveled by, twisting and bumpy with hard choices—hard choices to ensure that we had strong capable military forces ready to respond in a world of new dangers.

Twice before in this century when faced with that same choice, we chose the well-traveled road of neglect. And we paid the price—in Korea with Task Force Smith, and after Vietnam with a Hollow Army. This time we chose the road less-traveled by—the road of readiness. We established training as our highest priority. Training designed to make the scrimmage tougher than the game. We established the iron logic that quality of life for our forces meant quality people in our forces. We reformed our acquisition system to give our quality people the most effective technology. Technology that enables them to dominate the battlefield; to win quickly, decisively, and with minimum losses. And that has made all the difference.

It made all the difference wherever we sent our forces to prevent, deter, or defeat aggression. In Haiti, where we restored democracy. In the Arabian Gulf, where we contained a brutal dictator. In the Korean Peninsula, where we stood firm with an ally. In Bosnia, where we have stopped the killing and brought to a war-ravaged people the blessings of peace. The readiness road ensured the success of each of these missions. Readiness made all the difference.

Four years ago, I faced a personal choice between a well-traveled road to a quieter life, centered around family and friends; and a less-traveled road that led to turmoil, tension, and tough decisions. But it also led to an opportunity to serve our nation, to support the troops I cared for, and to achieve the dreams I cherished.

I thought long and hard upon that choice and took counsel from sage friends. I questioned my wisdom, my patience and my ability to endure. But the courage to meet the test came from the advice of a tough sergeant major: "Take care of the troops," he said, "and they will take care of you."

I have followed that advice, and that, for me, has made all the difference.

It made all the difference every time I advised the President on when and how to use military force. It made all the difference when I negotiated with ministerial colleagues, when I met with Presidents and Kings. It made all the difference when I decided on force levels, mission goals and rules of engagement every time we put our troops in harm's way. It made all the difference when I met with soldiers, sailors, airmen and marines, in distant lands, on domestic bases, on training fields, ships at sea, in cargo

planes, or fighter jets. It made all the difference when I shared Thanksgiving meals with them in Haiti, in Macedonia, in Bosnia.

That advice—"Take care of the troops, and they will take care of you"—has made all the difference as I learned from my mistakes, as I took pride in my achievements.

Today I say farewell to the President who honored me by asking me to serve as Secretary. I say farewell to my colleagues in the administration who worked with me to achieve common goals. I say farewell to my friends in the media, and in the Congress, and to the wonderful friends I have made in the embassies.

And I say farewell to our military leaders who have served our country so brilliantly. They have prepared our forces for war, but they are dedicated to peace. Elie Wiesel has said, "Peace is not God's gift to mankind. It is our gift to each other." And for the last four years peace is the gift we have given the American people.

But the hardest farewell to say is to the troops who have served me and whom I have served. Words cannot adequately describe my pride in you. So my farewell to you is a simple benediction:

May the Lord bless you and keep you.

May the Lord cause His face to shine upon you,

and give you peace.●

THE 4TH ANNIVERSARY OF THE FAMILY AND MEDICAL LEAVE ACT

Mr. SARBANES. Mr. President, I rise today to join my colleagues in recognition of the 4-year anniversary of the Family and Medical Leave Act. Approved by the Senate on January 29, 1993, this important legislation was the first bill of the 103d Congress signed into law by newly elected President Clinton.

Prior to the enactment of the family medical leave law, families already confronting the hardships caused by a seriously ill relative had an additional burden to bear: a fear of losing their jobs should they choose to stay home to care for a loved one. For workers striving to meet the competing demands of home and office, there was no consistent standard of protection.

The Family Medical Leave Act provides that basic standard of job security to more than 67 million American workers; guaranteeing employees up to 12 weeks of unpaid leave to care for a newborn child or newly adopted child or to care for an immediate family member with a serious health condition. In addition, the law enables workers to take medical leave when they themselves are unable to work because of a serious health condition—without fear of being fired or losing their health insurance.

After 4 years of successfully helping American families strike a balance between work and family, it is difficult to believe that it was necessary to struggle for many years and overcome two vetoes by President Bush in order to enact this fundamental protection for working Americans. Since its enactment, this law has enabled approximately 12 million men and women to take time off from work to meet the care-giving needs of their families.

While opponents of the Family Medical Leave Act raised concerns about the law's effect on business, their fears have been proven ungrounded by the congressionally charged Bipartisan Commission on Leave. The Commission on Leave, made up of business and labor leaders, representatives of women and families, and members of Congress, provided an initial assessment of the family medical leave law in April 1996. The Commission found that while the law has had a significant impact on employers' leave policies and practices, increasing the reasons for which employees can take leave, this impact has come with minimal administrative activities and almost no costs. In fact, a number of employers have reported a positive impact on business performance because of Family Medical Leave Act policies.

Mr. President, as a strong supporter and original cosponsor of this significant measure, I am especially pleased with the success of the family medical leave law. Because of this law, millions of Americans, who otherwise may have been forced to choose between the demands of home and workplace, have been able to meet both their personal and professional obligations. As fundamental as the Fair Labor Standards Act, the Social Security Act and the Occupational Safety and Health Act, this law reaffirms the Democratic commitment to ensuring a measure of job protection to all hard-working Americans.

TRIBUTE TO W. PROCTOR JONES

● Mr. REID. Mr. President, I rise today to pay tribute to a Senate institution, Proctor Jones. His hard work and exceptional service have left a lasting mark on the Senate, and he will be sorely missed.

I have known and worked with Proctor Jones since I began my service in the Senate. After having served with one of the giants of the Senate—Senator Richard Russell—Proctor Jones has gone on to become a giant in his own right. His vast knowledge of appropriations has made him an invaluable asset to the committee. Since he began in 1960, his only time away from the Senate came in 1966, when he left Senator Russell's staff to serve in the Marine Corps. Apart from this brief hiatus, Proctor has been a part of the day-to-day operations of the Senate, and it will not be the same without him.

A native of Twin City, GA, Proctor came to work as Senator Russell's right-hand-man immediately after graduation from the University of Georgia. As he rose through the ranks on the Hill, Proctor found time to further his education at the George Washington University. In essence, he never stopped being a student, particularly of the Senate and its appropriations process.

In 1971, when he joined the Committee on Appropriations, Proctor

quickly became a part of the staff leadership. Under every Democratic chairman since 1973, he has been the staff director for the Subcommittee on Energy and Water Development and, under Chairmen McClellan and Stennis, Proctor was deputy staff director of the full committee. Serving under some of the most distinguished chairmen of this venerable committee—Senators Russell, Ellender, McClellan, Magnuson, Stennis, BYRD, and Hatfield—Proctor distinguished himself as a genius of compromise and an expert on the budget.

While the Senate has changed and evolved during Proctor's long tenure, he never lost his fervor for his job. Tireless is an adjective often used to describe public servants, but Proctor epitomizes this description. His seemingly endless supply of energy and love for the Senate made him a constant presence even at the latest of the late-night sessions. This veteran of the Senate has been intimately involved with the annual appropriations bills, as well as handling innumerable continuing resolutions, supplemental appropriations, and rescissions bills, and other measures relating to the appropriations process. Those of us who devote time to the task of appropriation know how grueling it can be. Through it all, Proctor Jones devoted himself completely, using his vast expertise in the service of his country.

In addition to his Senate work, Proctor is an active member of his church and community. He is also the proud father of two daughters, Heather and Lisa. It is my pleasure to speak today in tribute to Proctor Jones, and I wish him every happiness in his retirement.●

SENATE QUARTERLY MAIL COSTS

● Mr. WARNER. Mr. President, in accordance with section 318 of Public Law 101-520 as amended by Public Law 103-283, I am submitting the frank mail allocations made to each Senator from the appropriation for official mail expenses and a summary tabulation of Senate mass mail costs for the fourth quarter of fiscal year 1996 to be printed in the RECORD. The fourth quarter of fiscal year 1996 covers the period of July 1, 1996, through September 30, 1996. The official mail allocations are available for frank mail costs, as stipulated in Public Law 104-53, the Legislative Branch Appropriations act for fiscal year 1996.

The material follows:

SENATE QUARTERLY MASS MAIL VOLUMES AND COSTS FOR THE QUARTER ENDING 09/30/96

Senators	Total pieces	Pieces per capita	Total cost	Cost per capita	Fiscal year 1996 official mail allocation
Abraham	815	0.00009	\$209.83	\$0.00002	\$160.875
Akaka	0	0.00000	0.00	0.00000	48.447
Ashcroft	0	0.00000	0.00	0.00000	109.629
Baucus	0	0.00000	0.00	0.00000	46.822
Bennett	0	0.00000	0.00	0.00000	56.493
Biden	0	0.00000	0.00	0.00000	44.754

SENATE QUARTERLY MASS MAIL VOLUMES AND COSTS
FOR THE QUARTER ENDING 09/30/96—Continued

Senators	Total pieces	Pieces per cap- ita	Total cost	Cost per capita	Fiscal year 1996 official mail allo- cation
Bingaman	0	0.00000	0.00	0.00000	56,404
Bond	0	0.00000	0.00	0.00000	109,629
Boxer	0	0.00000	0.00	0.00000	433,718
Bradley	0	0.00000	0.00	0.00000	139,706
Breaux	2,811	0.00066	1,989.59	0.00046	92,701
Brown	0	0.00000	0.00	0.00000	86,750
Bryan	73,120	0.05510	9,595.11	0.00723	56,208
Bumpers	0	0.00000	0.00	0.00000	69,809
Burns	0	0.00000	0.00	0.00000	46,822
Byrd	0	0.00000	0.00	0.00000	59,003
Campbell	0	0.00000	0.00	0.00000	86,750
Chafee	0	0.00000	0.00	0.00000	48,698
Coats	0	0.00000	0.00	0.00000	112,682
Cochran	0	0.00000	0.00	0.00000	69,473
Cohen	0	0.00000	0.00	0.00000	52,134
Conrad	0	0.00000	0.00	0.00000	43,403
Coverdell	0	0.00000	0.00	0.00000	131,465
Craig	23,560	0.02208	6,401.43	0.00600	49,706
D'Amato	282,800	0.01561	54,566.49	0.00301	262,927
Daschle	0	0.00000	0.00	0.00000	44,228
DeWine	20,700	0.00188	28,538.77	0.00259	186,314
Dodd	0	0.00000	0.00	0.00000	80,388
Domenici	0	0.00000	0.00	0.00000	56,404
Dorgan	0	0.00000	0.00	0.00000	43,403
Exon	0	0.00000	0.00	0.00000	57,167
Faircloth	0	0.00000	0.00	0.00000	134,344
Feingold	0	0.00000	0.00	0.00000	102,412
Feinstein	0	0.00000	0.00	0.00000	433,718
Ford	0	0.00000	0.00	0.00000	86,009
Frahm	0	0.00000	0.00	0.00000	70,459
Frist	0	0.00000	0.00	0.00000	106,658
Glenn	0	0.00000	0.00	0.00000	186,314
Gorton	147,150	0.02865	28,207.01	0.00549	109,059
Graham	0	0.00000	0.00	0.00000	259,426
Gramm	0	0.00000	0.00	0.00000	281,361
Grams	48,301	0.01078	12,793.51	0.00286	96,024
Grassley	282,700	0.10053	52,804.31	0.01878	73,403
Gregg	0	0.00000	0.00	0.00000	50,569
Harkin	0	0.00000	0.00	0.00000	73,403
Hatch	0	0.00000	0.00	0.00000	56,493
Hatfield	0	0.00000	0.00	0.00000	78,163
Heflin	0	0.00000	0.00	0.00000	89,144
Helms	0	0.00000	0.00	0.00000	134,344
Hollings	0	0.00000	0.00	0.00000	85,277
Hutchison	0	0.00000	0.00	0.00000	281,361
Inhofe	0	0.00000	0.00	0.00000	82,695
Inouye	0	0.00000	0.00	0.00000	48,447
Jeffords	22,250	0.03904	4,757.18	0.00835	42,858
Johnston	2,811	0.00066	1,984.85	0.00046	92,701
Kassebaum	0	0.00000	0.00	0.00000	70,459
Kempthorne	0	0.00000	0.00	0.00000	49,706
Kennedy	0	0.00000	0.00	0.00000	117,964
Kerrey	0	0.00000	0.00	0.00000	57,167
Kerry	0	0.00000	0.00	0.00000	117,964
Kohl	0	0.00000	0.00	0.00000	102,412
Kyl	0	0.00000	0.00	0.00000	93,047
Lautenberg	0	0.00000	0.00	0.00000	139,706
Leahy	5,911	0.01037	3,675.39	0.00645	42,858
Levin	0	0.00000	0.00	0.00000	160,875
Lieberman	0	0.00000	0.00	0.00000	80,388
Lott	0	0.00000	0.00	0.00000	69,473
Lugar	0	0.00000	0.00	0.00000	112,682
Mack	0	0.00000	0.00	0.00000	259,426
McCain	0	0.00000	0.00	0.00000	93,047
McConnell	284,000	0.07563	55,155.85	0.01469	86,009
Mikulski	0	0.00000	0.00	0.00000	101,272
Moseley-Braun	0	0.00000	0.00	0.00000	184,773
Moynihan	0	0.00000	0.00	0.00000	262,927
Murkowski	287,000	0.48893	55,636.53	0.09478	42,565
Murray	37,835	0.00737	9,404.97	0.00183	109,059
Nickles	0	0.00000	0.00	0.00000	82,695
Nunn	0	0.00000	0.00	0.00000	131,465
Pell	0	0.00000	0.00	0.00000	48,698
Pressler	0	0.00000	0.00	0.00000	44,228
Pryor	0	0.00000	0.00	0.00000	69,809
Reid	73,120	0.05510	9,593.56	0.00723	56,208
Robb	0	0.00000	0.00	0.00000	121,897
Rockefeller	131,000	0.07230	29,347.28	0.01620	59,003
Roth	0	0.00000	0.00	0.00000	44,754
Santorum	0	0.00000	0.00	0.00000	199,085
Sarbanes	0	0.00000	0.00	0.00000	101,272
Shelby	0	0.00000	0.00	0.00000	89,144
Simon	0	0.00000	0.00	0.00000	184,773
Simpson	0	0.00000	0.00	0.00000	41,633
Smith	0	0.00000	0.00	0.00000	50,569
Snowe	0	0.00000	0.00	0.00000	52,134
Specter	0	0.00000	0.00	0.00000	199,084
Stevens	0	0.00000	0.00	0.00000	42,565
Thomas	0	0.00000	0.00	0.00000	41,633
Thompson	0	0.00000	0.00	0.00000	106,658
Thurmond	0	0.00000	0.00	0.00000	85,277
Warner	0	0.00000	0.00	0.00000	121,897
Wellstone	0	0.00000	0.00	0.00000	96,024
Wyden	0	0.00000	0.00	0.00000	52,135

AMY NICOLLE JOHNSON, AUGUST
20, 1978–DECEMBER 14, 1995

• Mr. WELLSTONE. Mr. President, I rise to pay tribute to the memory of a fine young person from Minnesota, Amy Nicolle Johnson.

Amy Johnson grew up at her family's home on Lake Sarah and attended the Rockford public schools from kindergarten through her senior year of high school. At age 17, Amy died in a car accident early one morning on her way to the school she loved.

An excellent student, talented athlete, and student leader, Amy was extensively involved in diverse activities throughout the year. A typical school year began for Amy with a class schedule that included band and choir in addition to the traditional academic subjects.

Her 6-year commitment to band was most demanding in the autumn with extra practices for the flag corps of the marching band and many evenings devoted to playing the trumpet with the pep band. She also played volleyball for 5 years, 3 of which were spent on the varsity team.

Gymnastics marked the beginning of the winter season for her. Competing on all four events for all of her 5 years and a varsity team member for 4, Amy's involvement in this sport exemplified the pride, perseverance, and commitment that she applied to every facet of her life.

She enjoyed singing with the choir and participated in choral duets and the stage—jazz—band for several years in district and State competitions. Her musical talent and enjoyment of the dramatic arts led Amy to participate in musicals and plays.

The spring brought Amy outdoors, where she played second base with the varsity softball team for 4 years. Even though the school year would come to an end each spring, the softball season continued into the summer. From the tee ball leagues in second grade to the State softball fast pitch tournament in 1995, Amy spent many hours of her summer vacation on the field.

The past two summers she began saving money for college working at Len Busch Roses and the Hennepin County Baker Park Reserve on Lake Independence.

Throughout all of the season's activities, Amy was a leader inside and outside of the classroom. She was an honors student and a member of the National Honor Society, as well as the secretary of her senior, junior, and freshman class. She was the cocaptain of the gymnastic and softball teams and was recognized in all three sports as an all-conference athlete. In her senior year she was chosen Homecoming Queen.

Most of Amy's friends and teachers will remember her shining smile that simply defined her presence. It is her family's hope that this remarkable young woman's spirit will be perpetuated through a scholarship that was established in her memory.

Amy valued respect, compassion, honesty, integrity, and responsibility. She made a sincere effort to live up to those values daily and she made a positive difference in the lives of all those she encountered.

Mr. President, it is an honor for me to pay tribute to the memory of this remarkable young woman, Amy Johnson, who touched the lives of so many during her brief life. •

TRIP REPORT—THE PEOPLE'S REPUBLIC OF CHINA, HONG KONG, TAIWAN, AND NEPAL

• Mrs. FEINSTEIN. Mr. President, from November 11 through November 26, 1996, I traveled to the People's Republic of China, Taiwan, Hong Kong, and Nepal for discussions with senior leaders in each of these places. I have today transmitted my report on this trip to the chairman and ranking minority member of the Committee on Foreign Relations. I hope my colleagues find it of interest.

I ask that the report be printed in the RECORD.

The report follows:

U.S. SENATE,
Washington, DC, February 5, 1997.

Hon. JESSE HELMS,
Chairman.

Hon. JOSEPH R. BIDEN, Jr.,
Ranking Minority Member, Committee on Foreign Relations, U.S. Senate, Washington, DC.

DEAR SENATOR HELMS and Senator BIDEN:

Attached please find a report on my travel to China, Hong Kong, Taiwan, and Nepal from November 11 through 26, 1996. During the China portion of the trip and parts of the Hong Kong and Taiwan portions, I joined Senators Daschle, Dorgan, Glenn, Kempthorne, and Leahy. Travel costs were at my personal expense.

In China, I discussed with the Chinese leadership the need to develop a long-term strategic framework for our relationship based on our many mutual interests, tensions in the triangular U.S.-China-Taiwan relationship, a variety of U.S.-China trade issues, nonproliferation and other security concerns, and human rights and legal development in China.

In Hong Kong, the itinerary included meetings with British, Chinese, and Hong Kong officials and members of the business community to assess the prospects for Hong Kong's reversion to Chinese rule in July 1997.

In meetings with the Taiwanese leadership in Taipei, I discussed Taiwan's role in the U.S.-China relationship and how to get dialogue across the Taiwan Strait back on track.

In Nepal, I examined the progress made by this fledgling democracy in consolidating its democratic institutions, and looked at ways the United States can be most effective in helping promote Nepal's economic development. I met with His Majesty King Birendra Bir Bikram Shah, Prime Minister Sher Bahadur Deuba, and Foreign Minister Prakash Chandra Lohani, as well as members of the various parties in the parliament.

I am grateful to Ambassador James Sasser and his staff in Beijing, Consul General Richard Boucher and his staff in Hong Kong, American Institute in Taiwan Director Darryl Johnson and his staff in Taipei, and Ambassador Sandy Vogelgesang and her staff in Kathmandu. Their cooperation and assistance helped make this trip as productive as it was. I would particularly like to thank Foreign Service Officers Darcy Zotter, Robert Forden, Michael Meserve, Gina Sullivan, Paul Daley, and Peter Bodde, and AIT staffer Andrew Wilson, for their assistance. I am also grateful to the staff of the Committee on Foreign Relations for their help.

I hope you find this report useful.

Sincerely,

DIANNE FEINSTEIN,
United States Senator.

SENATOR DIANNE FEINSTEIN: TRIP REPORT—THE PEOPLE'S REPUBLIC OF CHINA, HONG KONG, TAIWAN, AND NEPAL, NOVEMBER 11-26, 1996

Following my visit to China in August 1995, I was encouraged by Ambassador Liu Shuqing, President of the Chinese People's Institute for Foreign Affairs, to organize additional delegations of Senators to travel to China to meet with senior leaders and discuss a range of issues affecting the U.S.-China relationship. The first of these delegations, consisting of Senator Sam Nunn, Senator John Glenn, and myself traveled to China in January 1996.

From November 11-17, 1996, I joined Senator Tom Daschle's delegation traveling to Beijing, Hong Kong, and Taiwan. I subsequently returned to Hong Kong for additional meetings from November 17-20, and then traveled to Nepal from November 20-26. My husband, Mr. Richard C. Blum, and I traveled at personal expense. We were accompanied throughout by a member of my staff, Mr. Daniel Shapiro, whose expenses were underwritten by the Committee on Foreign Relations.

CHINA

The issues we discussed with the Chinese leadership included:

The prospects for a more stable and productive U.S.-China relationship in the wake of Secretary of State Christopher's visit to China and the meeting between Presidents Clinton and Jiang in Manila;

The prospects for reduced tensions between Taiwan and China, and the role of Taiwan in the U.S.-China relationship;

The July 1997 reversion of Hong Kong to Chinese sovereignty, and the U.S. interests at stake in a stable transition for Hong Kong;

The lack of progress in resolving a number of outstanding trade disputes between the United States and China;

The human rights situation in China, with emphasis on Tibet and the status of leading dissidents who have been detained or imprisoned;

Regional security issues, including North Korea and South Asia, and the prospects for enhanced military-to-military dialogue and cooperation between the United States and China; and

The recent progress made on U.S. non-proliferation concerns, and the need for continued progress in this area.

On the evening of Thursday, November 14, I met with President Jiang Zemin privately at the Great Hall of the People. We were then joined by Senators Tom Daschle, Byron Dorgan, John Glenn, Dirk Kempthorne, and Patrick Leahy for a one hour meeting, followed by a two and a half hour dinner, also in the Great Hall of the People.

During the rest of our visit, we conducted meetings and working meals with:

Vice Chairman of the Central Military Committee and Minister of National Defense Chi Haotian;

Vice Minister of Foreign Affairs Li Zhaoxing; and

President of the Chinese People's Institute of Foreign Affairs Liu Shuqing.

Because I arrived before the Daschle delegation and remained in Beijing after their departure, I conducted separate meetings with:

Director of the Office of Hong Kong and Macao Affairs of the State Council Lu Ping;

Executive Director of the Association of Relations Across the Taiwan Straits Tang Shubei; and

Executive Vice Premier Zhu Rongji.

In addition to the above meetings, we received briefings from the staff of the United States Embassy in Beijing, including Ambassador James Sasser. We also conducted meetings with representatives of American companies doing business in China to learn about the current climate for U.S. firms in China and how it is affected by developments in the political and trade relationship between the United States and China.

Overview of the U.S.-China Relationship

Our discussions with Chinese leaders indicated a fair degree of optimism about prospects for an improved environment in the U.S.-China relationship in 1997, tempered by caution with respect to a number of issues of concern to China. The Chinese seem to view the reelection of President Clinton as an opportunity for the U.S.-China relationship to progress without being hampered by the vagaries of American politics to the degree it was in 1996. In November, they were optimistic about Secretary's Christopher's upcoming visit and the Jiang-Clinton meeting in Manila. They are also encouraged by the planned visit of Vice President Gore in early 1997 and the subsequent exchange of Presidential visits. The Chinese see these developments as important steps toward establishing the consistent high-level dialogue that the U.S.-China relationship needs to make progress on issues of common interest and areas of disagreement. In the words of President Jiang, "the sky is clearer now."

At the same time, there are several reasons to believe that progress in the relationship in 1997 will be incremental, rather than dramatic. First, the 15th Communist Party Congress, when Chinese leadership positions will be decided for the next five years is scheduled for September 1997. In the run-up to this Congress, many Chinese leaders will feel pressure to display their nationalist credentials, and this may take the form of challenging the United States, or at least demonstrating minimum flexibility, on any number of issues. Second, the transition of Hong Kong, which takes place on July 1, 1997, will be watched closely by the United States and the world. If it leads to confrontations between the Chinese authorities and Hong Kong democracy activists, or if U.S. interests are put at risk, it could be the source of considerable tension in U.S.-China relations. Finally, a significant number of bilateral issues can continue to plague efforts to normalize U.S.-China relations, including trade disputes, nonproliferation concerns, human rights, and, most importantly, Taiwan.

Taiwan

Taiwan remains the issue with the greatest potential to seriously disrupt and inflame efforts to stabilize the U.S.-China relationship. The Chinese blame Lee Teng-hui for the absence of cross-strait dialogue. They believe he is actively casting doubt on the one-China policy, and doing so because he believes he has U.S. and Japanese support. They insist that for an atmosphere conducive to dialogue to resume, Lee must take concrete actions: recognize the indivisibility of China's territory and sovereignty; and stop seeking to expand Taiwan's diplomatic presence, especially with countries who have relations with China and at the United Nations. They do not insist that Taiwan recognize the sovereignty of the PRC government.

China is eager to develop the so-called "three links" with Taiwan: direct air travel, shipping, and postal service. They believe Taiwan's reluctance to open them on China's terms (such as not flying a Taiwanese flag in Chinese ports) is a sign that Lee Teng-hui is trying to widen the divisions between the mainland and Taiwan. They also cite Lee's

recent efforts to discourage and restrict Taiwanese investment in China. On the other hand, Hong Kong's reversion to Chinese rule may begin to initiate the three links, as Taiwan will continue to interact with Hong Kong much as it has in the past. There is some sense that if the Hong Kong transition goes smoothly, it could ease the way for eventual reunification between Taiwan and China on the "one country, two systems" model.

It is impossible to overstate the depth of Chinese feelings on Taiwan's role in the U.S.-China relationship. President Jiang told me clearly and directly, that the main thing he needs in order to pursue improved U.S.-China relations is for the Taiwan issue to remain quiet. If it is handled well, everything is possible. If it is not handled well, it could cause a shock to U.S.-China relations. Tang Shubei, Executive Director of the Association for Relations Across the Taiwan Straits, specifically mentioned two potential pitfalls: if Lee Teng-hui is granted a transit visa to the United States on his way to Panama in September, and uses the Panama Canal hand-over ceremony to meet with President Clinton; and if U.S. arms sales to Taiwan are not seen to be declining over time, and avoiding offensive weapons systems, such as landing craft. During my lengthy discussion with Tang Shubei, he gave a comprehensive and precise presentation of China's views on Taiwan, expressing a resolute firmness that I had not seen before.

Trade Issues

Perhaps in a manifestation of pre-Party Congress stiffening of views, the Chinese seemed particularly stubborn on a number of the trade issues affecting U.S.-China relations. I had a long discussion with Executive Vice Premier on the subject of TCK wheat. China refuses to import virtually any U.S. wheat at the moment, on the grounds that all U.S. wheat is potentially infected with TCK by the rail cars used to transport wheat around the United States. While the Chinese view on TCK is, according to U.S. specialists, not backed up by sound science, they maintain that China will not resume U.S. wheat imports unless Chinese inspectors are allowed to examine the wheat when it is loaded onto ships. This wheat dispute is responsible for a significant decline in U.S. agricultural exports to China.

China's position on its application to join the WTO has changed little in recent months. Beijing continues to believe that it should be admitted to the WTO as a developing country, and that it should try to make the necessary changes to its economy over time. There has been little or no response to the "road-map" provided by USTR to the Chinese in early 1996.

It seems clear to me that if there is not progress on these trade issues, and on the expanding U.S.-China trade imbalance, trade will become a major political problem in the relationship, and could lead us down the road toward a serious confrontation. While the Chinese seem to recognize this potential, they continue to insist that they can do nothing about the trade imbalance because it is caused primarily by foreign-owned ventures that export out of China, and by goods exported via Hong Kong. They say that neither category should be counted against Chinese export totals, resulting in a huge disparity between the trade figures cited by the two sides (the U.S. figure: \$35 billion imbalance; China's figure: \$8.6 billion).

Most importantly, the one area of flexibility I saw was in Zhu Rongji's willingness to set up a joint working group between U.S. and Chinese trade specialists, to come up with a common method of calculating the trade balance, especially after Hong Kong reverts to Chinese sovereignty. This working

group could offer a course of action that would be positive and move both sides toward a resolution of this impasse.

Hong Kong

China seems to genuinely want to see a smooth transition take place in Hong Kong, and they repeatedly voice their commitment to allowing the "one country, two systems" approach to take hold. They stress their intention to let the government of Hong Kong be the final arbiter of Hong Kong affairs. This standard, freely volunteered by Beijing, seems to be the appropriate way to judge how the transition goes.

The decision to appoint a provisional Legco and the method of appointment of the first chief executive have led to some concern over China's true intentions. Again, the measure by which to judge these events is the degree to which China allows the Hong Kong government to make decisions on such issues as allowing a commemoration of the June 4 incidents in Tiananmen Square, press freedoms, and so on. In addition, it will be important to observe whether China keeps its commitment to move the selection of future Hong Kong governments in the direction of universal elections over the next ten years.

In my meeting with Lu Ping, Director of the Office of Hong Kong and Macao Affairs for the State Council, who is overseeing the transition, I asked specifically if China would allow peaceful dissent, such as commemorations of the June 4 incidents, after July 1, 1997. Mr. Lu, who was made aware of the questions I would be asking prior to the meeting, was unequivocal in his response: such protests would certainly be permitted as long as they are consistent with Hong Kong law. The test will be whether China tries to impose changes on Hong Kong law that would limit freedoms.

U.S. interests in Hong Kong, such as continued ship visits and the operation of the U.S. Consulate General do appear to be on the Chinese radar screen and resolvable through negotiations. (Later Chinese Ambassador to the United State Li Daoyu reported to me that military ship visits for R&R will be permitted to continue.)

Military and Security Issues

Interestingly, the greatest degree of cooperation appeared to be in the areas of the relationship relating to military cooperation and security issues. For example, while the Chinese are critical of U.S. arms sales to Taiwan as a proliferation matter, they do seem receptive to further dialogue about nuclear proliferation. In recent months, China has committed not to provide equipment to unsafeguarded nuclear facilities, and it has decided against selling nuclear reactors to Iran. Currently, China is considering the sale of a uranium enrichment facility to Iran, but the prospect of implementing the 1985 U.S.-China peaceful nuclear energy agreement is a strong incentive for them to cancel the Iran sale.

On North Korea, the Chinese believe Kim Jong-Il is in charge and that the food shortages are not as severe as have been stated in the West. China believes the United States' efforts to denuclearize the Korean Peninsula are useful, and they sound like they are willing to be supportive of the advancement of this process. On South Asia, there appears to be a slowly growing recognition that China's own security interests are at stake in preserving stability between India and Pakistan, and reducing the likelihood of a nuclear confrontation.

The one area of major concern to China is the revised U.S. security agreement with Japan. Defense Minister Chi Haotian and Vice Foreign Minister Li Zhaoxing both raised this issue, citing the history of Japa-

nese aggression against China as the source of China's nervousness. They seemed to accept our assurances that the U.S. presence in Japan and throughout Asia is intended to reduce tensions, ensure stability, and make unlikely the military adventurism that China seems to fear from Japan. Their basic trust was evident in the Defense Minister's expressed desire to broaden and deepen military exchanges and dialogue—including ship visits—between the United States and China. Nevertheless, they are suspicious of Japanese intentions. In my view, this could become an area for serious concern if not handled carefully.

HUMAN RIGHTS

Our discussions on human rights did not bear a great deal of fruit. China continues to see U.S. criticism of its human rights record, and particularly the six-year-old effort to pass a resolution condemning China at the U.N. Human Rights Convention, as interference in its internal affairs. We raised the case of Nawang Choepel, a Tibetan who was arrested for recording Tibetan music under a Fulbright scholarship. However, we got little response, and subsequent to our visit, he was sentenced to 18 years in prison for spying, with the goal of splitting Tibet from China. His case is one of a number of indicators that China has significantly ratcheted up the pressure in Tibet, and that human rights abuses there have increased.

And yet, progress toward implementation of the rule of law continues, slowly but surely, including the preparation of a number of new laws limiting police powers and restricting the use of administrative detention. More progress like this remains the best long-term hope for significant improvement of the human rights situation in China.

During my meeting with President Jiang, I proposed to him a joint working group on human rights, whose members would be appointed by the two Presidents. The group would conduct research and fact-finding in order to chart the evolution of human rights in both China and the United States in the last 20 to 30 years. The group would also make recommendations on areas still in need of improvement, presenting their findings in reports to both Presidents. President Jiang said he would consider this proposal, which I believe could help break the deadlock we currently have with the Chinese over human rights and provide a methodology for discussion.

TAIWAN

The issues we discussed with Taiwanese leaders included: the prospects for a resumption of the Cross-Straits Dialogue with China; the U.S.-China relationship and its implications for Taiwan, including Taiwan's security; Taiwan's efforts to expand its international role, or its "pragmatic diplomacy"; Taiwan's democratic progress; and lobbying efforts in Washington on behalf of Taiwan.

I joined with Senators Daschle, Dorgan, Glenn, and Leahy for meetings with:

President Lee Teng-hui; Vice President/Premier Lien Chan; and Foreign Minister John Chang, who also hosted the delegation for dinner.

Separately from Senator Daschle's delegation, I had several additional meetings, including: a visit with Dr. Koo Chen-fu, Chairman of the Straits Exchange Foundation, in his home; a private meeting with Foreign Minister John Chang; a breakfast with Chang King-yuh, Chairman of the Mainland Affairs Council, and Dr. Koo Chen-fu; a meeting with Chiling Tong, Director of the California Office of Trade and Investment; and a luncheon hosted by the American Chamber of Commerce in Taipei.

THE CROSS-STRAITS DIALOGUE

Taiwanese leaders feel that, with respect to prospects for restarting the Cross-Straits Dialogue, the ball is in China's court. They accuse China's leaders of claiming to place no conditions on resumption of a dialogue, while in fact demanding an important concession in advance: Taiwan's agreement to China's interpretation of the One China policy. The PRC's demand that Taiwan acknowledge that the sovereignty and territory of China are indivisible is interpreted by the Taiwanese leaders as denying the existence of the Republic of China on Taiwan.

According to Foreign Minister John Chang, the Taiwanese leadership would rather acknowledge the existence of One China, but say that it is currently divided, and that it has two governments—the People's Republic of China government in Beijing, and the Republic of China government in Taipei. Foreign Minister Chang says that Beijing's version of the One China policy would require Taiwan to accept the communist system of government, which the people of Taiwan would never accept. He said that such a move would actually increase pro-independence sentiment in Taiwan, which his government says it opposes.

But it is sometimes difficult to distinguish Minister Chang's description of Taiwan's version of the One China policy from a Two Chinas policy, which he says his government rejects. He speaks of two co-equal Chinese governments, the PRC and the ROC, each with its own sovereignty and conducting its own international affairs. Reunification is mentioned as a lofty, but currently unrealistic goal, and one that can never happen without the collapse of the PRC government in Beijing. In our meeting with President Lee, he suggested that One China is not the current reality, but rather a future goal. It is certainly possible that such a policy causes confusion in Beijing about Taiwan's true intentions.

The Taiwanese leadership blames the PRC for its breaking off the Cross-Straits Dialogue following the promising talks between Koo Chen-fu of Taiwan's Straits Exchange Foundation and Wang Daohan of China's Association for Relations Across the Taiwan Straits in May 1995. In so doing, Taiwanese leaders draw no explicit connection between Lee Teng-hui's visit to Cornell University and the Chinese decision. Nevertheless, the Taiwanese leadership does seem to have internalized the need to proceed cautiously and avoid provocative actions to which the Chinese leadership will feel forced to respond. President Lee maintains that he is eager to meet with President Jiang Zemin, but expects that any movement will be impossible before the 15th Communist Party Congress takes place in the fall of 1997.

At the same time, there are signs that President Lee is encouraging a loosening of ties with the mainland. Taiwanese interests have \$30 billion worth of foreign investment in China, and two-way trade across the strait stands at \$20 billion annually. In recent months, President Lee has admonished the business community "not to put all its eggs in one basket" and to diversify its markets for exports and investment. There is even talk of more formal restrictions on large investment projects in China. It is not clear whether this trend is a sign of a weakening of Lee Teng-hui's commitment to reunification, or an indication that he feels that the deepening of economic ties across the strait will decrease Taiwan's bargaining power over political issues. Either way, it is a source of concern to the business community and reunification advocates on both sides of the strait.

A similar question could be posed about Lee's reticence to agree to the three direct

links (air, shipping, and postal) that China is eager to establish. The shipping link is ostensibly stalled over which flag the ships will fly in which ports. But these questions will essentially become moot after the transition of Hong Kong to Chinese rule. At that point, Taiwanese ships sailing to Hong Kong will be conducting a direct link with China. There is some debate on this point within the Taiwanese leadership—Minister Chang denied that direct links would be established via Hong Kong, which Dr. Koo suggested that Hong Kong's transition could provide an opening to formalize such links. Whatever reluctance the Taiwanese leadership may have about establishing such links, there seems little doubt that they will need to do so eventually. Taiwan's business community strongly favors the links. But beyond that, considering China's increasingly important role in Asia's economy, the Taiwanese leadership's stated desire to develop Taiwan into an Asian-Pacific Regional Operations Center for business, finance, media, entertainment, and other sectors seems hopelessly unrealistic unless companies that base themselves in Taiwan can interact directly with China.

I was particularly impressed by my discussions with Dr. Koo Chen-fu. He appears to have a keen understanding of the constraints under which the Chinese leadership is operating, and is apparently thinking creatively about ways to break the impasse. In contrast to some of his colleagues, who seem content to restate Taiwan's position and explain why China is to blame for the talks not restarting, Dr. Koo takes a nuanced approach to the problem and is probing for solutions. Taiwan would benefit from his ability to influence their internal policy debates.

TAIWAN'S SECURITY

The Taiwanese leaders we met all expressed their extreme gratitude for the U.S. decision to deploy two aircraft carriers near the Taiwan Strait during the March 1996 Chinese missile tests and military exercises in the Strait. They also expressed appreciation for U.S. arms sales to Taiwan which, according to the Taiwan Relations Act, are supposed to ensure Taiwan's ability to defend itself. The United States, they said, has lived up to its commitments in the Taiwan Relations Act.

Premier Lien Chan and Foreign Minister John Chang, however, emphasized that China's purchase of Russian Su-27s and the presence of Russian military advisers in China underlined the need for Taiwan to begin to take delivery of the 150 F-16s from the United States in 1997. Taiwan has also purchased 70 Mirages from France. These two purchases, they feel, will combine to bolster Taiwan's air defense capabilities.

In addition, Taiwanese leaders clearly understand the impact of diplomatic events on their security. Therefore, Lee Teng-hui himself said plainly that he is very supportive of a healthy U.S.-China relationship, including regular dialogue at the highest levels. While Foreign Minister Chang said that he would not want the U.S.-China relationship to improve at the expense of Taiwan, there is clear recognition among Taiwanese leaders that there security is enhanced, rather than threatened by improved relations between the United States and China.

TAIWAN'S INTERNATIONAL EFFORTS

Although fully aware of Beijing's objections, Taiwanese leaders plan to continue their efforts to forge international ties through what they call "pragmatic diplomacy." In an effort to expand Taiwan's "breathing space," Lee Teng-hui will continue to conduct what he considers to be private visits abroad, and Taiwan will seek to maintain its diplomatic ties with those countries who recognize it and to gain entry

into the United Nations. Taiwan is also placing a high priority on its application to the World Trade Organization, which it wants considered on its own merits, with no connection to China's application. Both of these pursuits could present serious problems should the United States once again become entangled.

In light of South Africa's decision to sever its ties with Taiwan and establish diplomatic relations with Beijing, Taiwanese officials are increasingly concerned that they may be slipping in their competition with Beijing for international recognition. Besides believing that Taiwan, as the world's 14th largest trading nation, is entitled to the aspects of a sovereign nation (such as diplomatic relations), they believe that surrendering this position would only increase sentiment for independence in Taiwan. Lee's ruling Kuomintang Party estimates that the pro-independence Democratic People's Party would win the next elections if Taiwanese voters perceived their government to be abandoning its sovereignty.

Lee and his advisers say they understand Beijing's sensitivities on this issue, but they claim to be surprised by China's reaction to Lee's visit to the United States. He does not see Taiwan's international efforts as posing any threat to China's view of the One China policy. Nevertheless, for the past year and a half, Lee has somewhat moderated his own personal role in Taiwan's international efforts. Whether he continues to eschew an overt challenge to China's concerns will help determine whether or not there is a repeat of the cross-straits crisis of 1995-96.

DEMOCRACY

Taiwan's leaders are justifiably proud of the progress of Taiwanese democracy in the March 1996 elections. Lee pointedly rejects the concept of "Asian values" championed by Singapore's Lee Kwan Yew and others, which suggests that Asian societies are not conducive to democracy. Lee Teng-hui and his colleagues say they have learned from this experience to be responsive to the electorate, and hence, they feel justified in their international efforts. But they also recognize the need to maintain stability: Lee estimates that Taiwan needs 30 years of stability to consolidate its democratic institutions. This realization could inject a note of caution into their relationship with China.

LOBBYING EFFORTS

During our discussion with Premier Lien Chan, he made an unsolicited assertion that the Taiwanese government does not spend any money on lobbying efforts in Washington. He said that some individuals and groups—and when prodded, agreed that such groups could include the ruling KMT Party—might lobby in Washington for causes that coincide with the policies of the Taiwanese government, such as Taiwan's efforts to gain entry into the United Nations. He asserted in no uncertain terms that any firm or individual that claims to be lobbying on behalf of the government of Taiwan is misrepresenting itself. However, he did concede that in the final analysis, the positions adopted by lobbying organizations (and whether or not they coincide with Taiwanese policies) are more important than the actual source of funding of that lobbying activity.

HONG KONG

The issues we discussed with Hong Kong leaders included the appointment of a new Chief Executive; the induction of a Provisional Legislative Council; the prospects for the maintenance of Hong Kong's freedoms and civil liberties after the transition to Chinese rule; Hong Kong's economic outlook after the transition; and what role the United States should play as the transition moves forward.

On the evening of Friday, November 15, I joined Senator Daschle's delegation for a dinner hosted by U.S. Consul General Richard Boucher at his home. In attendance were a cross-section of members of the Hong Kong community, representing a variety of political and other views, including Democratic Party leader Martin Lee and Preparatory Committee Member Nellie Fong. During the rest of our stay, I conducted meetings and working meals with Chief Executive-Designate Tung Chee-hwa (C.H. Tung); Members of the American Chamber of Commerce in Hong Kong (with Senator Daschle's delegation); Governor Chris Patten (with Senator Daschle's delegation); Members of the Better Hong Kong Foundation, including Henry Cheng, Edgar Cheng, and Leonie Kie; U.S. Consul General Richard Boucher; William Overholt, Managing Director of Banker's Trust and a leading Hong Kong watcher and author; Nellie Fong, Member of the Preparatory Committee and Executive Director of the Better Hong Kong Foundation.

I also attended the opening dinner of the World Economic Forum 1996 Europe/Asia Economic Summit, at which Chief Secretary Anson Chan was the keynote speaker. On Tuesday, November 19, I participated in a panel discussion on Hong Kong's future at a session of the World Economic Summit, at which C.H. Tung was the main speaker and I responded to his remarks.

SELECTION OF THE CHIEF EXECUTIVE

We arrived in Hong Kong the day that C.H. Tung won a majority of votes from the Preparatory Committee in the first round of voting for Chief Executive, catapulting him to victory in the final round of voting three weeks later. The general assessment of Mr. Tung is positive: he is considered to be intelligent, fair-minded, and concerned about the best interests of Hong Kong. Gov. Chris Patten, is highly complimentary of Mr. Tung's abilities. But there is obvious concern in some quarters—voiced by Gov. Patten, Martin Lee, and others—about the degree of independence from Beijing he will be able to demonstrate in his governance.

In his public statements, Mr. Tung has been attentive to the concerns expressed by various members of the Hong Kong community. He explains that he intends to consult widely and deeply among Hong Kong's citizenry, and that he intends to be protective of Hong Kong's interests when dealing with Beijing. At the same time, he makes clear that Hong Kong's relationship with China is about to become much closer, and that this change is not something to dread; indeed, it can bring significant mutual benefit.

My own view of Mr. Tung, whom I know reasonably well, is that he is unquestionably qualified for the post of Chief Executive, having shown impressive administrative skills as a shipping magnate, and having been a leading promoter of Hong Kong. I am hopeful that he will display the right instincts about how to maintain a significant degree of autonomy for Hong Kong while managing what will inevitably be a closer relationship with Beijing. His challenge will be to reassure the people of Hong Kong that he can and will stand up for Hong Kong's interests when challenged, and do so in such a way that the Beijing authorities will respect. His excellent reputation in both Hong Kong and Beijing is a crucial asset as he sets out to achieve this challenging balancing act.

The Provisional Legco

Beijing's decision to follow through on its decision to establish a provisional legislature (Legco) and abolish the existing Legco on July 1, 1997 is unfortunate. While the Provisional Legco grows out of China's (accurate) sense that the British changed the rules in Hong Kong after the signing of the

1984 Sino-British Joint Declaration, its ultimate impact will be difficult to judge until we know what comes after it.

Some hold out hope that China may reverse itself and decide not to disband the elected Legco after all, but as the Chinese say, "the rice is cooked" on that decision. Indeed, the Provisional Legco has already begun meeting. However, Beijing, and its supporters in Hong Kong, insist that the Provisional Legco will be replaced by a popularly elected Legco within one year of the handover.

If the Provisional Legco is replaced within a year by a genuinely elected body, and if it restrains itself during its tenure from dismantling many of the basic freedoms enjoyed in Hong Kong, the current battle over the Provisional Legco will in retrospect look excessive. But if the Provisional Legco enacts far-reaching changes in Hong Kong law, or if its tenure is arbitrarily extended, or if the elections for its successor are rigged to produce a pro-Beijing result, the Provisional Legco will have proved to be a harbinger of a serious deterioration of the autonomy of Hong Kong. Above all, neither the Provisional Legco nor its successors can be allowed to be forced to take orders from Beijing.

The appointment of the Provisional Legco poses a significant risk of confrontation during the days surrounding the transition. Martin Lee and other legislators from the Democratic Party and its allies have raised the possibility of refusing to vacate the Legco building on July 1. If they were removed by force, or a conflict erupted, it would cast a pall over the entire transition and set an ominous tone for what would follow. It is imperative that the Democratic Party and the authorities in Beijing engage in a dialogue now to find areas where they can agree to work together amid their broader disagreements, and to avoid a confrontation after July 1.

Overall Freedoms

The mood in Hong Kong is mixed. Few people that we talked to predicted a disaster after July 1, but among some observers, there was undeniable anxiety about certain aspects of the transition.

Among members of the Preparatory Committee, like Nellie Fong, there is considerable optimism. She argues that China will find it very much in its own interests to avoid imposing a harsh new order on Hong Kong. She predicts that after a few fairly minor adjustments, Hong Kong will emerge from the transition with its autonomy very much intact.

Others are less sure. Governor Patten described the anxiety of many at China's threatened revisions of the Hong Kong Bill of Rights; at China's unwillingness to apply international covenants on human rights to Hong Kong; and at the statements of Foreign Minister Qian Qichen that commemorations of the Tiananmen Square tragedy will not be allowed. At a time when virtually all leading dissidents in China are in prison, these indications have caused considerable nervousness in Hong Kong.

Economic Outlook

Notwithstanding the mixed views about Hong Kong's political future, there is significantly more unanimity about its economic future. With few exceptions, our interlocutors expect Hong Kong's flourishing economy to continue its solid performance after the transition.

As Governor Patten points out, Hong Kong continues to post solid economic growth figures of 6-8 percent year after year, while unemployment is at 2.5 percent and inflation is under 5 percent. There have been no tidal waves of emigration, and none are expected.

Since 1992, the Hang Seng index has more than tripled in value.

Surveys conducted by the American Chamber of Commerce and others consistently show that business confidence remains well in excess of 90 percent. A negligible number of businesses have left Hong Kong, while new ones arrive every month. For many, the knowledge that Hong Kong will remain after the transition the gateway to the vast Chinese market that it has always been is all the encouragement they need. But there is also a fairly relaxed attitude about the approach to business that China will take. While there are concerns about attempts by the Chinese authorities to restrict the free flow of economic information or stifle the press, for the short term at least, Hong Kong's economic prospects appear very positive.

The U.S. Role

The United States has clear interests in the continuation of Hong Kong's prosperity and autonomy. We need to regularly make clear to the Chinese authorities that we would oppose any attempt to significantly roll back the freedoms enjoyed by the people of Hong Kong, whether through the repeal of the Bill of Rights, or a crackdown on free expression in the press. We should express these views forcefully but carefully. A combination of public statements and private communications with both Chinese and Hong Kong officials is most likely to be effective. At all times, we should highlight China's own commitments to allow Hong Kong to govern itself with a "high degree of autonomy" and use that as the standard by which to judge Chinese actions.

Besides our commitment to Hong Kong's autonomy, we must also be vigilant about protecting our economic and strategic interests in Hong Kong. But vigilant need not mean confrontational. Through dialogue and negotiations, we can remind China about our need to maintain a fully functioning Consulate General in Hong Kong; the importance of being able to base our regional law enforcement operations in Hong Kong; the significance of allowing continued ship visits; and the importance to U.S. businesses of Hong Kong continuing to allow business to be conducted on a level playing field, without corruption and with a free flow of information. If we are firm about these interests without causing a confrontation before it is necessary, we are likely to be successful in protecting them.

Nepal

The issues I discussed with Nepalese officials included: the stability of Nepal's government and its still fledgling democracy; prospects for Nepal's economic development and role of foreign aid in that development; Nepal's contribution to international problems such as peacekeeping, arms control, narcotics, terrorism, and refugees; regional issues, including Nepal's relationships with its key neighbors, India and China; and the need and prospects for the development of Nepal's hydropower industry.

I had the opportunity to meet with virtually all the leading figures in Nepal, including His Majesty King Birendra Bir Bikram Shah; Prime Minister Sher Bahadur Deuba; Foreign Minister Prakash Chandra Lohani; Members of the Nepali Congress Party, the ruling party in the parliament; Members of the United Marxist/Leninist, or Communist party, the largest party in the parliament; Members of the Federation of Nepali Chambers of Commerce and Industry; and Minister of Water Resources Pashupati Rana.

I met many additional leading Nepali citizens at dinners hosted by U.S. Ambassador Sandy Vogelgesang and our host, Mr.

Prabhakar Rana, a leading industrialist. I also traveled extensively through the country, getting a sense of living conditions, and observing aid projects run by the U.S. government and others. In particular, I focused on projects financed by my husband's American Himalayan Foundation, including a Tibetan refugee center. At the conclusion of the trip, I had the opportunity to discuss with Ambassador Vogelgesang and the Prime Minister's wife, Ms. Arzu Deuba, plans for establishing a public-private partnership to fund a women-to-women nutrition program for Nepali pre-school children.

In addition, Dan Shapiro of my staff conducted separate meetings with the U.N. High Commission for Refugees representative in Nepal, Erkki Heinonen, and Anil Chitrakar of the International Union for the Conservation of Nature for a discussion of the environmental impact of new large hydropower dams. He also attended several sessions of a conference on export and investment opportunities for U.S. firms in the renewable energy sector in Nepal. The conference was sponsored in part by the U.S.-Nepal Chamber of Commerce.

Political Stability and Democracy

Nepal has only been a democracy since 1991, but already it has developed a lively political culture. Nepalis are engaged in the political process and conduct an active dialogue with their political leaders. In meetings with leaders of the two largest parties in the parliament, the Nepali Congress Party and the United Marxist-Leninist Party, it became clear that there is widespread support for maintaining the multiparty democracy that has been established.

There is a surprising degree of consensus across the political spectrum about what the nation's overall priorities and needs are. When asked to identify Nepal's priority economic sectors, both parties came back with an identical list—agriculture, hydro-power, and tourism. The Communists seem to be communist in name only—their economic agenda seems to differ little from that of the Congress party, calling for somewhat slower privatization of state-owned industries and placing greater emphasis on maintaining the social safety net. But the differences are of degree, rather than kind.

Unfortunately, near-consensus on national priorities has not translated into the kind of progress one would have hoped for, on account of particularly bitter political infighting. The Congress party suffers deep divisions based largely on personal rivalries, with former leader G.P. Koirala rumored to be planning a challenge to Prime Minister Sher Bahadur Deuba. Its struggles with its coalition partners has forced it to expand the government to include over 40 ministers just to remain in power.

The Communists, while more united internally, are waiting in the wings for a coalition crisis that they can exploit and possibly regain power. Former Prime Minister and party leader Manmohan Adhikary was quite open on this point. Last fall, the Communist party nearly brought the government down by threatening to oppose a key hydro-power treaty with India—even though it was negotiated when the Communist party was in power—before ultimately deciding to support it. While all sides often talk about consensus and cooperation, it is clear that their actions are often dictated by short-term political calculations.

If both groups were to put aside their political rivalries and emphasize the large degree of agreement in their positions, they would easily be able to work together on a common agenda for the benefit of Nepal. Unfortunately, that does not seem likely at the

present time. Corruption continues to plague the government as well. Nevertheless, Nepalis are rightfully proud of the democracy they have established and, apparently, consolidated.

Aid and Development

Nepal is one of the poorest countries in the world. Especially as one travels outside of Kathmandu, the poverty is visually evident and jarring. In part, the political stalemate caused by inter- and intra-party rivalries has stalled economic liberalization efforts that would begin to alleviate some of the economic difficulties. But Nepal's lack of natural resources, poor infrastructure, and high birth rate will all make raising the standard of living in Nepal extremely difficult.

Nepal does have the benefit of a well-educated and sophisticated private sector, as exemplified by our discussion with members of the Federation of Nepali Chambers of Commerce and Industry (FNCCI). They have actively promoted economic reform, working closely with the government on the privatization of public industries and on efforts to attract foreign investment, particularly in high-value products in Nepal's agricultural sector. In addition, FNCCI has worked hard to advance reform of the administration of Nepal's tax system, which they described as arbitrary and corrupt.

FNCCI has also been deeply involved in Nepal's economic diplomacy. Because of their expertise, FNCCI members participated in negotiations with India on trade and transit agreements, and a new air transport agreement. FNCCI has also reached out to its counterparts in China and in other South Asian countries through the SAARC Business Council.

U.S. assistance is making a significant difference in the lives of many Nepalis, although cuts are beginning to reduce its impact. In Fiscal Year 1997, the USAID program budget is \$26 million. While that number is not expected to drop precipitously in the near future, USAID staff is being reduced, with the current 10 direct hires being reduced to 5 in 1998. The three main areas of USAID's program are promotion of high value-added agricultural production; empowerment of women; and health, population, and family planning programs. Family planning programs are particularly important because the standard of living in families that have spaced their pregnancies is significantly higher than those who have not.

Nepal's International Role

Nepal has emerged as responsible international citizen, making important contributions to a number of transnational problems. Despite pressure from its neighbor, India, Nepal stood by its support of arms control agreements generally when it supported the Comprehensive Test Ban Treaty at the United Nations in September. Nepal has also been very cooperative with U.S. anti-narcotics efforts. As a transit point for heroin from the Golden Triangle and Afghanistan, Nepal has worked with a DEA attache in New Delhi to set up a drug enforcement unit in the local police force. Trained by U.S. and British specialists, this unit has improved Nepal's customs procedures and has increased the number of drug seizures at the Kathmandu airport.

Nepal has been an enthusiastic participant in international peacekeeping missions, sending its troops to Haiti and Africa, among other destinations. U.S. diplomats also report that Nepal has been extremely cooperative in counterterrorism efforts. They attribute much of Nepal's cooperative attitude on these international problems to the consolidation of Nepali democracy. Another manifestation is that Nepal enjoys the best human rights record in South Asia.

Nepal has also handled two difficult refugee situations very sensitively—those from Bhutan and those from Tibet. There are currently 91,000 Bhutanese refugees living in camps administered by UNHCR in eastern Nepal, at a cost of \$4.5 million a year. They first arrived in the early 1990s. After many years of stalemate, the Nepali and Bhutanese governments are hesitantly beginning talks—possibly with European mediation—on possibly resettling some of these refugees back to their homes in Bhutan. But for a solution to this problem to be reached, India will have to commit to helping facilitate it because these refugees would have to transit through India, and some may even choose to settle there.

Approximately 2,000 Tibetan refugees pass through Nepal each year as a way station on the way to Dharamsala, India. Nepal has set up transit centers for these refugees to help them make the journey, even though it causes sensitivity in China. Nepal prefers to do this quietly, precisely to avoid upsetting the Chinese, and the government does not permit anti-Chinese activity on Nepali soil. A U.S. earmark of \$200,000 a year goes to assist this Tibetan refugee community through the Tibetan Welfare Organization. UNHCR also monitors the well-being of these refugees, and tries to keep track of any abuses. The week we were there, a group of refugees had been beaten up by some Nepali youths. UNHCR and the U.S. Embassy were urging the Nepali government to ensure that action was taken against the perpetrators.

Relations with India and China

Foreign Minister Lohani was pleased about the state of Nepali-Indian relations, especially since Indian Prime Minister Deve Gowda came to power. He cited recent breakthroughs in the area of trade, transit and border issues, and the generally less paternalistic attitude adopted by the Deve Gowda government toward India's smaller neighbors.

But probably the most important achievement is the Mahakali Treaty on water resources. The treaty establishes Nepal's right to be treated as India's equal on water resource issues. It also established the framework of for private sales of electric power from Nepal to India at competitive prices. With Nepal's major market being India, this framework agreement was absolutely essential for any large-scale private investments in electric power generation.

Despite Nepal's continued assistance to Tibetan refugees, Foreign Minister Lohani was pleased to report that his recent visit to China had gone very well, and relations with China are as good as they have been in recent memory. He cited the strong positions the Chinese had expressed on Taiwan and Tibet. Nepal is faced with a constant balancing act, situated as it is between two large and powerful neighbors who can exert strong pressures on Nepal if and when they choose. But by adopting essentially a "good neighbor" policy, Nepal is able to keep tensions in these two relationships to a minimum.

Hydro-Power

There is widespread agreement in Nepal that hydro-power is the nation's number one natural resource. With great volumes of water (225 billion cubic meters annually nationwide) flowing down steep slopes in four major river basins (Mahakali, Karnali, Gandaki, and Koshi), if the full potential of Nepal's hydro-power can be harnessed, it could have a dramatic impact on the nation's economy. The numbers are staggering: hydro-power projects in Nepal today generate 250 megawatts, while demand is under 300 megawatts. As Nepal develops, its demand will rise; projections are that demand

will reach 1,640 MW by 2015. But if the over 60 feasible sites for hydro-power projects are developed, Nepal could produce on the order of 44,000 MW, a vast surplus that can be exported to Nepal's energy-hungry neighbors, India and China. Northern India is the brightest (and closest) potential market. Already its energy demand exceeds supply by some 9,000 MW, and that deficit is projected to rise to 20,800 MW by 2010.

The prospect of taking advantage of these conditions was made brighter by the conclusion of the Mahakali treaty with India last October. This treaty will allow the private sales of electric power from Nepal to India. Essentially, both countries would benefit from this arrangement—Nepal could export its primary product to a vast market in northern India that is desperately in need of increased electric power. Foreign Minister Lohani sounded an optimistic note, indicating that there could be substantial progress in construction of the dams in the next year, in hopes that they could come on line fairly soon thereafter. Clearly, American companies should be able to play a leading role in developing this vast resource.

Not surprisingly, politics were responsible for delays on other hydro-power projects. Prime Minister Deuba indicated that he supported signing a letter of intent with Enron for two hydro-electric projects on the Arun and Karnali rivers, now that India had indicated it had no objection to this arrangement, provided that Indian companies were also included in the consortium. However, the final decision rests with the Minister of Water Resources, Pashupati Rana, to whom the Prime Minister felt indebted for supporting his government in a no-confidence vote last spring.

Various American environmental organizations have raised objections to some of the large hydro-power projects that have been proposed, both because of the change in the river's flow and because of the damage done by the construction of a road to facilitate construction of the dam. But Nepali environmentalists tend to take a different view. Their concern is that Nepal's vast forests are being destroyed as most Nepalis rely on wood as their main source of energy. For them, this is the real environmental disaster, and the successful development of hydro-power, which could supply most regions of the country with electricity, would help preserve the forests. For Nepali environmentalists, the focus is on seeing the hydro-power projects done right, so as not to squander this vast resource, while mitigating the environmental impact of the dams as much as possible.

UNANIMOUS-CONSENT AGREEMENT—NOMINATION OF RODNEY SLATER

Mr. DOMENICI. Madam President, as in executive session, I ask unanimous consent that the majority leader, after consultation with the Democratic leader, may proceed to executive session to consider the nomination of Rodney Slater to be Secretary of Transportation. Further, I ask unanimous consent that it be considered under the following limitations: that there be 30 minutes for debate on the nomination, equally divided between the chairman and ranking member of the Commerce Committee, and immediately following the expiration or yielding back of time the Senate proceed to vote on the confirmation of the nomination. I finally ask unanimous consent that following

that vote, the President be immediately notified of the Senate's action, and the Senate then return to legislative session.

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

DISCHARGE AND REFERRAL OF MEASURE—S. 203

Mr. DOMENICI. Madam President, I ask unanimous consent that the Environment and Public Works Committee be discharged from further consideration of S. 203, and that the bill then be referred to the Government Affairs Committee.

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

ORDERS FOR THURSDAY, FEBRUARY 6, 1997

Mr. DOMENICI. Madam President, I ask unanimous consent that when the Senate completes its business today it stand in adjournment until the hour of 11 a.m., Thursday, February 6. I further ask unanimous consent that immediately following the prayer, the routine requests through the morning hour be granted and the Senate then proceed to a period of morning business until the hour of 12 noon with Senators to speak for up to 5 minutes each, except for the following: Senator ROTH, 15 minutes; Senator STEVENS, 10 minutes; Senator DORGAN, 15 minutes; Senator HUTCHISON, 10 minutes.

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

Mr. DOMENICI. Madam President, I further ask unanimous consent that at 12 noon on Thursday the Senate resume consideration of Senate Joint Resolution 1, the constitutional amendment requiring a balanced budget.

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

Mr. DOMENICI. Madam President, I further ask unanimous consent that the Senate stand in recess from 3 p.m. to 4 p.m. on Thursday.

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

PROGRAM

Mr. DOMENICI. Madam President, for the information of all Senators, following morning business tomorrow the Senate will resume consideration of the balanced budget constitutional amendment. The leader wishes to remind Senators that amendments will be in order to Senate Joint Resolution 1 during Thursday's session. Therefore, rollcall votes are expected.

Also the majority leader understands that the nomination of Rodney Slater to be Secretary of Transportation was reported today, and another nomination is possible for tomorrow. Therefore, a vote or votes could occur with respect to nominations during Thursday's session of the Senate.

ORDER FOR ADJOURNMENT

Mr. DOMENICI. Madam President, if there is no further business to come be-

fore the Senate, I now ask unanimous consent the Senate stand in adjournment under the previous order following the remarks of Senator DASCHLE.

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

Mr. DOMENICI. Madam President, I understand the Senator is on his way. I suggest the absence of a quorum.

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

The legislative clerk proceeded to call the roll.

Mrs. HUTCHISON. Madam 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 Texas [Mrs. HUTCHISON] is recognized.

MILITARY VOTING RIGHTS ACT OF 1997

Mrs. HUTCHISON. Madam President, today I introduced legislation, along with Senator PHIL GRAMM, called the Military Voting Rights Act of 1997. The bill that was introduced today makes absolutely clear in the law what is already law, because there is nothing against it in the law, and that is that our military personnel have the right to vote at their home base in Federal, State, and local elections.

The law does not say anything against that, but because it does not, there has been a challenge in my home State of Texas to 800 military votes that were, of course, in State and local elections, which are allowed by Texas law.

It is very clear that a person who serves in our military should have the right to vote and the right to citizenship in the State and the localities that he or she chooses to have as their home base. Yet, that right is being challenged. Some 800 military absentee ballots, 150 of which were from overseas, were challenged saying that these people who are serving our country and who are putting their lives on the line to protect our right to vote nevertheless should not have the full voting rights. In fact, the plaintiff sent questionnaires that were in the form of depositions to all of these 800 people who voted, and one woman in Bosnia got a questionnaire to be filled out to determine if she has the right to vote in the State and local elections. We are trying to put a stop to that. We are trying to say very clearly in the Military Voting Rights Act of 1997 that no person will ever be able to be challenged for their full citizenship rights because they have chosen to serve our country, which job, by its very nature, requires moving around the country and outside of the country wherever they are required to go to fulfill the job.

I want to commend our State representative in Texas, Jerry Madden, who is just as incensed as all of us are, for taking the initiative. He is working on a bill now to make it easier for the

military personnel in our State to vote because he, like I, appreciates the fact that these people who have been at a base in Texas have chosen to call Texas home, and he wants to make sure that they can vote in the very easiest way. Perhaps, in fact, we might learn from some of the things that he is doing. He wants to be able to let them have access to Internet voting. He wants to give them some extra leeway in time to vote so that their ballots will have time to get to the State of their residence from a place like Bosnia, or perhaps in Saudi Arabia, or anywhere else in the world where they might be deployed.

I think that it is very important that the sense of the Senate be known here. In fact, 58 Members of the Senate signed a letter to the Attorney General, Janet Reno, asking her to intervene in this case to make sure that our military rights are being protected. All of us who signed that letter are very concerned about the ramifications of this bill. We are concerned that if these people are able to prevail in this case, to say that the military does not have the right to have full citizenship in a State to be able to vote in a State or local election, that perhaps other rights might be challenged. If a person can't have the full rights of the State in which he or she resides and calls home base, then what other laws might not apply? Marriage laws? Could you not get a divorce if you were in the military and you don't have the right to belong in a State? How far are you going to take this?

The fact is there is no question on the merits that the people who are choosing to serve our country and whose job, by its nature, requires that they move every 2 years, or even more frequently, that they should be able to join the home State of their choosing. Frankly, I am proud when the military personnel who serve on Texas bases love our State enough to want to call it home, and we want them to return because we know that the people who lay their lives on the line to make sure that the United States is free are the kind of citizens we want in our State. We want them to know they are welcome. We want them to know they are welcome anywhere else they choose to call home because we appreciate what they do for our country.

So I am pleased to be a cosponsor of this bill. I know that we will have a number of cosponsors, and I think we will pass this bill quite easily, because, as I said, 58 Members are incensed enough to ask the Attorney General to intervene. In fact, I hope the Attorney General will do her duty to represent the Federal employees that are needing help right now so that their rights will be protected—not only the 800 who are being challenged, but all of those that might be affected if this case is allowed to prevail.

We cannot sit back and let one of our military personnel be robbed of their right of citizenship, especially as they are the ones who are standing there to make sure that every American who is registered to vote has that right to do it free and clear.

I stood here on the first day of our session and talked about the wonderful people of Serbia who were standing in the streets for days on end so that their vote would be counted. And because those people peacefully demonstrated, they eventually prevailed. Those elections that were held, for which their vote had not been counted, have been declared effective, and the local elections are being declared victorious for those who stood in the streets for their right to make their vote counted. How could we as a country, who stood with those wonderful people silently protesting so that their vote would be counted, as the greatest nation on Earth, the democracy that is the beacon for the world, say that our military personnel are going to be second class citizens because, yes, they can vote in Federal elections but, no, they can't have the full rights in the State they choose to call home?

This is a major Federal issue. I hope that it is one that we can dispatch very promptly and say clearly in the law there is no question, and there isn't a question because there is no law against this anyway but we want to set it in the positive. Our military personnel will have the full right to vote in the State in which they choose to call home when they are based there, and forevermore. And I hope they will choose to call Texas home, and I hope they will return to Texas because those are just the kinds of citizens that we want.

So I appreciate very much that we have this bill, that we have so many sponsors for it, and that we have so many that are interested in this issue. We will not let this issue die. We will protect the rights of our military, and we will make sure that they know how much they are appreciated.

Thank you. I yield the floor.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

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

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

THE LIFE OF PAMELA HARRIMAN

Mr. DASCHLE. Mr. President, it is with sadness that I note the passing of a unique public servant, our Ambassador to France, Pamela Harriman. Perhaps President Clinton said it best this morning: Pamela Harriman represented the best of America's immigrant tradition. She was someone who enjoyed the opportunities this country

offered but gave back so much more in return.

Pamela Harriman's legacy will be remembered both in this Capitol Building and in capitals across the world. As a private citizen in the 1970's and 1980's, Pamela Harriman plunged into the rough-and-tumble of American politics.

The early 1980's were a difficult time for the people in my party. An incumbent Democratic President had lost the White House and Democrats had lost control of the Senate. But Pamela Harriman helped breathe life into an ailing Democratic Party when she formed "Democrats for the '80s," helping to bring my party's communications operations into the modern age when she gave crucial support for the Harriman Center at the Democratic National Committee Building.

She also was a host to numerous functions at her elegant Georgetown home, asking nothing but a passionate commitment to public service and Democratic values from those she assisted.

As most of our colleagues know, politics in Washington can be a contact sport. Pamela Harriman played the game well. She played with great dignity, elegance, and style. She did not become involved in politics for personal enrichment or to gain social position; she already had both. She chose to share the fruits of her hard work and good fortune with a generation of Americans who were eager to serve their country in Washington.

Hers will be a lasting legacy for all Americans who believe in the nobility of public service and think that politics today does not have to be mean, petty, or destructive.

Late in her life, Pamela Harriman brought her tremendous skills and ability to the world stage when President Clinton asked her to be Ambassador to France. Some critics suggested she did not have the experience to handle such a sensitive post. She proved them wrong. She began her assignment in Paris in 1993 with the respect of President Clinton and those who knew her well in the United States. She quickly earned the respect of the people of France and other European countries.

Her keen understanding of Washington ways and the experiences of her early life in Europe allowed her to skillfully navigate disputes over trade, CIA activities, Bosnia, the Middle East, and NATO. Her diplomatic acumen protected America's interests without alienating powerful and important allies all through the world.

The French Government's unique recognition of her contributions was all the more evident when they made her a commander of the Legion of Honor's Order of Arts and Letters, their country's highest cultural award. No doubt she will be missed in France and across Europe almost as much as she will be missed in America, her adopted home.

So this is a sad day for me and many others in this country and across the

world whose lives were touched by a very special woman. I am confident that the examples she so graciously established will live on with us and future generations of public servants. For that we should be joyful.

Thank you, Ambassador Pamela Harriman.

I yield the floor.

ADJOURNMENT UNTIL 11 A.M. TOMORROW

The PRESIDING OFFICER. Under the previous order, the Senate stands adjourned until 11 a.m. Thursday, February 6, 1997.

Thereupon, the Senate, at 7:13 p.m., adjourned until Thursday, February 6, 1997, at 11 a.m.

NOMINATIONS

Executive nominations received by the Senate February 5, 1997:

STATE JUSTICE INSTITUTE

SOPHIA H. HALL, OF ILLINOIS, TO BE A MEMBER OF THE BOARD OF DIRECTORS OF THE STATE JUSTICE INSTITUTE FOR A TERM EXPIRING SEPTEMBER 17, 2000. (RE-APPOINTMENT)

DEPARTMENT OF JUSTICE

LYLE WEIR SWENSON, OF SOUTH DAKOTA, TO BE UNITED STATES MARSHAL FOR THE DISTRICT OF SOUTH DAKOTA FOR THE TERM OF 4 YEARS VICE ROBERT DALE ECKOFF, RESIGNED.

NATIONAL FOUNDATION ON THE ARTS AND THE HUMANITIES

MARSHA MASON, OF NEW MEXICO, TO BE A MEMBER OF THE NATIONAL COUNCIL ON THE ARTS FOR A TERM EXPIRING SEPTEMBER 3, 2002, VICE LOUISE M. MCCLURE, TERM EXPIRED.

FEDERAL MINE SAFETY AND HEALTH REVIEW COMMISSION

THEODORE FRANCIS VERHEGGEN, OF THE DISTRICT OF COLUMBIA, TO BE A MEMBER OF THE FEDERAL SAFETY AND HEALTH REVIEW COMMISSION FOR A TERM EXPIRING AUGUST 30, 2002, VICE ARLENE HOLEN, TERM EXPIRE.

IN THE COAST GUARD

THE FOLLOWING INDIVIDUAL FOR APPOINTMENT AS A PERMANENT REGULAR COMMISSIONED OFFICER IN THE U.S. COAST GUARD IN THE GRADE OF LIEUTENANT: BRENDA K. WOLTER

THE FOLLOWING CADETS OF THE U.S. COAST GUARD ACADEMY FOR PROMOTION TO THE GRADE OF ENSIGN:

KELLEY ELIZABETH ABOOD	John Richard Dittmar
Frances Ann Tirad	Tiffany Pamela Drumm
Bacayo	Jerome Edward Dubay
Zachary Justin Bagdon	Damon Christian Edwards
Hilary Ann Baine	Jeffrey Eldridge
Matthew Patrick Barker	Rahshaan Engrum
Ian Adam Bastek	Theodore Joseph Erdman
Michael William Batchelder	Joann Feigofsky
Joshua David Bauman	Sarah Kathleen Felger
Jennifer Lydia Becher	Christine Fern
Sean Cornell Bennett	Kevin Bertram Ferrie
Tracy Oesterheld Berg	Elaine Liza Marie Fitzgerald
Heather Lin Bloomquist	Taina Haydee Fonseca
Kenneth Jeffrey Boda	Nicolas Todd Forst
Scott Gerald Borgerson	John Peter Fox
David Leonard Bradley IV	Michael Edwin Frawley
Jacqueline Marie Brunette	Glen James Galman
Craig Donald Burch	John Withner Garr
Mechelle Elizabeth Burdick	Morgan B. Geiger
Jeffrey Christopher Bustria	David Lee Gibson
Belinda I. Cachuela	Michael J. Goldschmidt
Michael Joseph Capelli	David Vincent Gomez
Willie Lee Carmichael	Michael David Good
Scott Stephen Casad	Hans Christian Govertsen
William Bartley Cassels	Matthew Aaron Green
Robert Carlton Compher	Timothy Aaron Greten
Chad William Cooper	Charles Michael Guerrero
Derek Lane Cromwell	Tim A. Gunter
Cornelius Edward Cummings	Robert Edward Hart
James Dart	Erin Marlene Healey
Michael S. Degon	Wayne Michael Helge
Steven Andrew Deveau	Jonathan Nils Hellberg
John Thomas Dewey	

SCOTT CHARLES HERMAN
SHANNON MARIE HEYE
WESLEY KARL HOUT
JOEL ALEXANDER
HUGGINS
CHRISTOPHER JAMES
HULSER
DAVID FREDERICK HUNTER
THEA LACOMINO
SAMUEL JOHNSON II
DANIEL CHRISTOPHER
JONES
JAMES JARROD JONES
ERIC JAMES KAMPERT
KERRY GEORGIA KARWAN
SEAN R. KATZ
MICHAEL ANDREW KEANE
PETER JOSEPH KEEL
JARED ETHAN KING
BRADLEY JAMES KLIMEK
MICHAEL STEPHEN
KRAUSE
DAMIAN JOSEPH KUCZMA
CHARLES FREDERICK
KUEBLER
TALISHA LAWRENCE
CHRISTIAN ANTHONY LEE
BRIAN JOSEPH LEFEBVRE
DAVID WESLEY LEONE
JOHN B. LINDAHL
LEXIA MONIQUE
LITTLEJOHN
ORLANDO CARLOS LOVELL
KEVIN PAUL LYNN
IAN MITCHELL
MAC GREGOR
KEVIN CHRISTOPHER
MAHONEY
BRIAN WADE MAIER
EDZEL DELA CRUZ
MANGAHAS
ERIC D. MARTENSON
JENNIFER JOY MARTIN
ERIC DAVID MASSON
JOHN FRANCIS MCCARTHY
CHRISTOPHER ALLEN
MCMUNN
CAMILLA BETH MESSING
ANDREW DAVID MEVERDEN
TIMOTHY GEORGE MEYERS
FAY JU YOUN MILLER
PETER JAMES MITCHELL
PETER MICHAEL
MOREHOUSE
COREY RICHARD MORRISON
ANNE MARIE MORRISSEY
JUSTIN THOMAS MOYER
KENNETH TYSON NAGIE,
JR.
KENNETH ERIC NELSON
ALLISON GENEVIEVE
NEMEC
PIERINA MARIE NOCETI
FRANCIS J. O'CONNELL
DAVID JOSEPH OBERMEIER
SEAN JAMES O'BRIEN

JASON WILLIAM OLGUIN
TIFFANY RENAE OLSON
REBECCA ELLEN ORE
TIMOTHY ALEXANDER
PASEK
TANA MARIE PAYNE
SCOTT WILLIAM PEABODY
LUKE ANDREW PERCIAK
ARTURO SALDANA PEREZ
RICHARD GRAHAM
PERKINS
JUSTIN DAVID PETERS
HARPER LEE PHILLIPS
SCOTT SATOSHI PHY
FRANK ALLEN PIERCE
CHRISTOPHER MICHAEL
PISARES
KRYSLA VICTORIA POHL
STEVEN EDWARD
RAMASSINI
JOSHUA TAYLOR RAMEY
JAIME STALIN RAMOS
TRAVIS JEREMY
RASMUSSEN
GREGORY CHARLES RAU
RODRIGO GUNTHER ROJAS
DUSTIN MAIN ROMEY
MATTHEW A. RUDICK
DAVID JAMES SCHELL
CLINT BRIAN SCHLEGEL
DIANA LANE SHARP
DAVID MATTHEW SHERRY
ANNA WON-MIN SLAVEN
AMY LEIGH SLOAN
SHAD SAMMUAL SOLDANO
GABRIEL W. SOLOMON
JAMES WILLIAM SPITTLER
JOHN MICHAEL STONE
RAYMOND L. SWETLAND
ROMUALDUS MATTHIAS
TEN-BERGE, JR.
BRUCE A. THIBAUT
CRAIG STUART TOOMEY
CHRISTOPHER ANDREW
TRIBOLET
CLINTON ALBERT
TROCCHIO
MICHAEL ANTHONY TURDO
BRYAN JAMES ULLMER
CHRIS MARK UPHAM
JAMES ALLEN VALENTINE
EVA JAYOUNG VANCAMP
NATHAN JOHN VEIRS
GREG EDWARD VERSAW
CARLITO RODRIQUEZ
VICENCIO
KEVIN DAVID WALLACE
STEPHEN MATTHEW WARD
TYSON SCOTT WEINERT
TAMARA NICHOLE WILCOX
NATHANIEL REMINGTON
WILLIAMS
NICHOLAS LAURENCE
WONG
ANDREW JAMES WRIGHT

IN THE AIR FORCE

THE FOLLOWING-NAMED OFFICER FOR APPOINTMENT
IN THE U.S. AIR FORCE TO THE GRADE INDICATED UNDER
TITLE 10, U.S.C., SECTION 624:

To be major general

BRIG. GEN. STEVEN R. POLK, 0000.

THE FOLLOWING AIR NATIONAL GUARD OF THE UNITED
STATES OFFICER FOR APPOINTMENT IN THE RESERVE
OF THE AIR FORCE TO THE GRADE INDICATED UNDER
TITLE 10, UNITED STATES CODE, SECTION 12203:

To be brigadier general

COL. THOMAS P. WITTMAN, 0000.

IN THE MARINE CORPS

THE FOLLOWING-NAMED OFFICERS FOR APPOINTMENT
IN THE RESERVE OF THE UNITED STATES MARINE CORPS
TO THE GRADE INDICATED UNDER TITLE 10, UNITED
STATES CODE, SECTION 12203:

To be brigadier general

COL. JACK A. DAVIS, 0000.

COL. FRANCIS E. QUINLAN, 0000.

IN THE AIR FORCE

THE FOLLOWING-NAMED OFFICER FOR APPOINTMENT
TO THE GRADE INDICATED IN THE UNITED STATES AIR
FORCE UNDER TITLE 10, UNITED STATES CODE, SEC-
TIONS 624 AND 628:

To be lieutenant colonel

JAMES J. WALTER, 0000.

IN THE ARMY

THE FOLLOWING-NAMED OFFICERS FOR APPOINTMENT
TO THE GRADE INDICATED IN THE U.S. ARMY AND FOR
REGULAR APPOINTMENT IN THE MEDICAL CORPS OR
DENTAL CORPS (IDENTIFIED BY AN ASTERISK(*)) UNDER
TITLE 10, UNITED STATES CODE, SECTIONS 624, 531 AND
3283:

To be colonel

ROBERT T. ANDERSON, 0000
ROBERT A. ARCIERO, 0000
JOHN V. BARSON, 0000
DAVID L. BATY, 0000
JOHN M. BAUMAN, 0000
GREGORY N. BENDER, 0000
WILLIAM S. BESSER, 0000
HERMAN M. BLANTON, 0000
LARRY D. BLOOM, 0000
MICHAEL P. BRAZAITIS, 0000
LAWRENCE P. BURGESS, 0000
RONALD C. BUTLER, 0000
*DEAN E. CALCAGNI, 0000
WILLIAM E. CALDWELL, 0000
ROBERT S. CARTER, JR., 0000
RUSSEL K. CATTERLIN, JR., 0000
BENJAMIN CHACKO, 0000
CHRISTOPHER P. CHENEY, 0000
DARRELL W. CHILDERS, 0000
JOHN H. CHILES, 0000
MARK S. CLOTH, 0000
RICHARD L. COHEN, 0000
CASS W. CONAWAY, 0000
RICHARD M. CONRAN, 0000
MARK A. CROWE, 0000
BRUCE W. CUSHMAN, 0000
JON C. DAILEY, 0000
HARRY Q. DAVIS III, 0000
LARY W. DEEDS, 0000
ROBERT F. DEFRAITES, 0000
GREGORY J. DENNIS, 0000
MONTE S. DIRKS, 0000
JOEY C. DOBBINS, 0000
CECIL R. DORSETT, JR., 0000
JAMES F. DUNN, JR., 0000
ALAN W. EDMUNDSON, 0000
WALTER E. EGERTON III, 0000
RICHARD L. EMERT, 0000
TED D. EPPERLY, 0000
KEITH H. POSTER, 0000
MARTIN W. FRITZ, 0000
DONALD A. GAGLIANO, 0000
LAWRENCE K. GREEN, 0000
FRANCIS M. GRESS, 0000
*GLENN C. GRIFFITHS, 0000
ROLAND B. GUSTAFSON, 0000
RICHARD J. HAGNER, 0000
ALAN W. HALLIDAY, 0000
STEPHEN M. HANNON, 0000
THOMAS G. HARDAWAY II, 0000
DENNIS L. HAYDEN, 0000
HOWARD S. HEIMAN, 0000
CHARLES S. HORN, 0000
THOMAS G. HORNING, 0000
RODERICK F. HUME, JR., 0000
PIERCE B. IRBY III, 0000
DUANE J. JEFFERS, 0000
BUSHAN S. JOSHI, 0000
KEVIN N. KEENAN, 0000
PATRICK W. KELLEY, 0000
KELLY R. KOPFORD, 0000
MAURICE KRASHIN, 0000
CARL M. KRUGER, 0000
THOMAS J. LEAS, 0000
HOMER J. LEMAR, JR., 0000
ALAN E. LENTZ, 0000
*LESTER F. LIBOW, 0000
PATRICIA LILLISHEARNE, 0000
EDWARD J. LISECKI, 0000
*MILAGROS LOPEZ, 0000
ALBERTO LUGO, 0000
DAVID L. MANESS, 0000
ALICE M. MASCETTE, 0000
*MARIA A. MAYORGA, 0000
HAROLD A. MCADOO, 0000
MARY A. MCAFFEE, 0000
JOHN T. MCCANN, 0000
JUDITH MCCOLLUM, 0000
PETER R. MCNALLY, 0000
EDWARD E. MITCHELL, 0000
HASMUKH A. MITHANI, 0000
DONALD A. MOORE, 0000
MALCOLM B. MUNK, 0000
*JANET A. NEUTZE, 0000
*JAMES M. NOEL, JR., 0000
MICHAEL V. NOVIA, 0000
MARY A. OHARA, 0000
DEBORAH J. OMORI, 0000
DANIEL P. OTCHY, 0000
CRAIG E. PEARCE, 0000
*JERRY L. PLUSS, 0000
*MARK E. POTTER, 0000
*SWARNALATHA PRASANNA, 0000
JOHN C. QUERNA, 0000
DEBORAH B. RAYBUCK, 0000
KENNETH M. RICHARDS, 0000
PHILIP L. ROGERS, 0000
MARK ROGOW, 0000
STEVEN E. SCHELLER, 0000
JIMMIE C. SCHMIDT, 0000
DAVID L. SCHNECK, 0000
STEVEN R. SEVEDGE, 0000
GEORGE D. SHANKS, 0000
*JOSEPH I. SMITH, 0000
*MILTON T. SMITH, 0000
WILEY A. SMITH, 0000
SAMUEL W. SNELSON, 0000
FREDERICK SOBEL, 0000
VIMAL K. SODHI, 0000

ROYCE K. SOLANO, 0000
JAMES L. SPINELLI, 0000
LUKE M. STAPLETON, 0000
HENRY P. STIKES, 0000
*CURTIS D. STOLDT, 0000
JOHN P. STORZ, 0000
DANIEL M. THEBERGE, 0000
ANTHONY R. TRUXAL, 0000
AMY M. TSUCHIDA, 0000
WILLIAM P. TYHAN, 0000
DALE S. VINCENT, 0000
JUDY M. VINCENT, 0000
CHARLES R. WEBER, 0000
*VICTOR W. WEEDN, 0000
*INDIRA WESLEY, 0000
WARREN L. WHITLOCK, 0000
PAUL E. WHITTAKER, 0000
HERBERT L. WILLIAMS II, 0000
WILLIAM R. WILSON, 0000
*WILLIAM G. WORTHAM, 0000
ROBERT J. WYGONSKI, 0000

IN THE NAVY

THE FOLLOWING-NAMED OFFICERS, FOR TEMPORARY
APPOINTMENT TO THE GRADE INDICATED IN THE U.S.
NAVY UNDER TITLE 10, UNITED STATES CODE, SECTION
5721:

To be lieutenant commander

CAL D. ASTRIN, 0000
GEORGE M. BAIN, 0000
MARK B. BENJAMIN, 0000
ROBERT P. BENJAMIN, 0000
BOBBY C. BOLT, 0000
CHRIS J. BUSHNELL, 0000
DANIEL G. CHRISTOFFERSON, 0000
BRYAN L. CLARK, 0000
PATRICK R. DECK, 0000
JOSEPH A. DELEON, 0000
JAMES F. DOODY, 0000
JAMES J. DUKE, 0000
DAVID C. FOSTER, 0000
KENNETH L. FRACK, 0000
WILLIAM D. FRENCH, 0000
PIERRE A. FULLER, 0000
WILLIAM E. GOSSETT, 0000
MICHAEL S. HARRINGTON, 0000
DAVID A. HONABACH, 0000
HARRY L. GANTEAUME, 0000
LANE D. HOWARD, 0000
DANIEL P. HOWE, 0000
ROBERT E. HUDSON, 0000
JAMES F. HUGHES, 0000
RHETT R. JAEHN, 0000
PAUL J. JARRETT, 0000
VERNON P. KEMPER, 0000
JOEL D. KENNEDY, 0000
KENT F. KESTER, 0000
CHRISTOPHER J. KOCZUR, 0000
MARK W. LACY, 0000
DAVID T. LEMLY, 0000
RANDALL L. LOVELL, 0000
ALAN M. LYTLE, 0000
MICHAEL P. MAZZONE, 0000
DAVID S. MCBEE, 0000
DENNIS J. MCKELVEY, 0000
RODNEY A. MILLS, 0000
JAMES M. L. MORGAN, 0000
GREGORY B. NOE, 0000
GEORGE P. NORMAN, 0000
ROBERT E. NOVOTNY, 0000
STEPHEN E. PALMER, 0000
VERNON J. PARKS, JR., 0000
BENJAMIN J. PEARSON, 0000
WILLIAM S. PENDERGRASS, 0000
THOMAS M. PERRON, 0000
JAMES T. PIERCE, 0000
RICKS W. POLK, 0000
DAVID A. ROBERTS, 0000
THOMAS P. SHAW, 0000
MATTHEW T. SMURR, 0000
DAVID R. SNOW, 0000
PAUL D. SPEAKER, 0000
ORLANDO A. SUAREZ, 0000
CHARLES R. WEBB, 0000
ROBERT WEBBER, JR., 0000
STEVEN D. WEBER, 0000
ARTHUR D. WHITTAKER, JR., 0000

WITHDRAWAL

Executive message transmitted by
the President to the Senate on Feb-
ruary 5, 1997, withdrawing from further
Senate consideration the following
nomination:

STATE JUSTICE INSTITUTE

SOPHIA H. HALL, OF ILLINOIS, TO BE A MEMBER OF
THE BOARD OF DIRECTORS OF THE STATE JUSTICE IN-
STITUTE FOR A TERM EXPIRING SEPTEMBER 17, 2002, (RE-
APPOINTMENT), WHICH WAS SENT TO THE SENATE ON
JANUARY 9, 1997.