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Senate

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

PRAYER

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

Here is a promise to give us hope today: ''If my people, who are called by my name, will humble themselves, and pray and seek my face * * * then I will hear from heaven, and will forgive their sin and heal their land.''—II Chronicles 7:14.

Thank You, Lord, for answering our prayers for a meeting between the President, the majority leader, and the Speaker of the House to deal with the issues of balancing the budget. Now we pray reverently for these men as they meet today. Lord, we need Your healing. Fill these men with Your spirit. Grant them the humility to be open to Your guidance for a solution. Invade their minds with an acute awareness of their accountability to You to break the present deadlock, move toward creative compromises, and achieve an agreement. We claim Jesus' diagnosis and prognosis for seemingly impossible impasses like this: ''With man it is impossible, but with God all things are possible.''—Luke 18:27. We really believe that. We cast aside our pride, and throw our negative cautious doubt to the wind. Today is a day to expect great things from You, and the greatness You will inspire in our leaders. Thank You that it shall be so. Amen.

RECOGNITION OF THE ACTING MAJORITY LEADER

The PRESIDENT pro tempore. The able Senator from Indiana is recognized.

SCHEDULE

Mr. COATS. Mr. President, on behalf of the leader, let me announce that we will immediately begin consideration of the conference report to accompany the Department of Defense authorization bill, and that under the unanimous-consent agreement reached last night, if all time is used, a vote will occur on the conference report at approximately 5:25 p.m.

The Senate will recess today between the hours of 12:30 p.m. and 2:15 p.m. for weekly policy conferences, and a cloture vote is still possible today on the motion to proceed to the Labor-HHS appropriations bill, unless an agreement can be reached on that bill today.

Also, if a continuing resolution would become available from the House, we will take action on that today.

VITIATION OF ACTION—S. 1228

Mr. COATS. Mr. President, I ask unanimous consent that the action taken on Calendar No. 280, S. 1228, be vitiated and the bill be placed back on the calendar.

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

Mr. COATS. Mr. President, this bill is now back on the calendar but it is still hoped this important matter can be cleared for action, soon.

Mr. President, I yield the floor.

RESERVATION OF LEADER TIME

The PRESIDING OFFICER. Under the previous order the leadership time is reserved.

NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 1996—CONFERENCE REPORT

The PRESIDING OFFICER. Under the previous order the Senate will now resume consideration of the conference report accompanying H.R. 1530, on which there shall be 3 hours debate, equally divided.

The assistant legislative clerk read as follows:

A conference report to accompany H.R. 1530, an act to authorize appropriations for fiscal year 1996 for military activities of the Department of Defense, to prescribe military personnel strengths for fiscal year 1996, and for other purposes.

The Senate resumed consideration of the conference report.

Mr. COATS. Mr. President, I know there are speakers who will be here this morning, but at the moment let me suggest the absence of a quorum; the time will be equally divided under the previous agreement.

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

The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. NUNN. 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. NUNN. Mr. President, what is the current order of the Senate?

The PRESIDING OFFICER. The pending business is the conference report on H.R. 1530, the Defense authorization.

Mr. NUNN. Mr. President, as we debate the conference report on the National Defense Authorization Act for fiscal year 1996, I again want to express my admiration for the hard work, determination, and commitment of Senator THURMOND, the chairman of the committee. Regardless of our individual and differing views on the specifics of this conference report, I believe everyone knows that Senator THURMOND worked with diligence and dedication to reach an agreement with the House.

I also want to express my appreciation for the hard work of the majority staff director, Dick Reynard; deputy staff director, George Lauffer, who is

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

here on the floor; general counsel, Don Deline; and all the majority staff. They put in many late nights and 7-day weeks over the course of this conference, which has provided them with far too little time to spend with their own families.

The same applies to Arnold Punaro, Andy Effron, and many others on my staff who have worked with equal diligence and dedication.

This bill was in conference for over 3 months. The chairman, Senator THURMOND, has shown great patience and endurance through long and difficult negotiations with the House. Out of respect for Senator THURMOND, particularly in his first year as chairman—although he has been on the committee for many years—I signed the conference report, and I voted for the motion to proceed, thereby providing the Senate with the opportunity to consider this report.

I do not support the legislation, for reasons I will explain. I feel it is essential that the Senate at least make a determination and vote on this conference report.

The conference report contains important legislative authorities, which I strongly support. I want to point out the important military pay and allowances provisions, including a 2.4-percent pay raise for the troops and a 5.2-percent increase in the basic allowance for quarters. Without this bill, the pay raise under permanent law will be 2 percent, or 0.4 percent less. The basic allowance for quarters increase would be 2 percent, instead of the current 5.2 percent, if this bill passes.

If we do not have this bill enacted into law, I intend to join others in doing everything possible to see that this key legislation for pay raises and for basic allowance for quarters be inserted in another bill before we leave this session.

Second, approval of Secretary Perry's family and troop housing initiative, which would provide new authorities—including shared public and private sector funding—to finance needed construction and improvements in military housing.

Third, detailed acquisition reform legislation that complements last year's landmark Federal Acquisition Streamlining Act. Key provisions would:

Use simplified procedures to streamline the process of procuring commercial products and services while preserving the requirement for full and open competition.

Reduce the barriers that inhibit acquisition of commercial products by eliminating the requirement for certified cost and pricing data for commercial products.

Streamline the bid protest process by eliminating the separate bid protest authority of the General Services Board of Contract Appeals and providing for all bid protests to be determined by the General Accounting Office.

Consolidate and clarify the standards of conduct for Federal officials in the acquisition process to ensure consistent treatment of such personnel on a governmentwide basis.

Fourth, establishment of a defense modernization account. This provision will encourage the Department of Defense and give them a strong incentive to achieve savings in procurement, research and development, and operations and maintenance by allowing the Department to place the savings in a new account, the defense modernization account. Funds in the account would be available for the services to spend on the most pressing long-term needs of our military—that is modernization of our military forces and equipment and procurement. The Department could use amounts in the account to address funding shortfalls in the modernization of vital weapons systems.

Mr. President, I would like to see these provisions enacted into law, but I cannot support the conference report in its present form. This will be the first time, in my 23 years in the Senate, that I will vote against a Defense authorization conference report. I have supported every previous Defense authorization conference report during my Senate career, including 6 years in which I served in the minority under two Republican chairmen.

In the past, when we had a Democratic Congress and a Republican President, we routinely faced a House bill that was unacceptable and a Senate bill that was acceptable to the Republican President. In those years most of the compromising had to come from the House if we were going to get a bill signed into law. We knew that when we saw the shape of the two bills coming out of the House and Senate.

We faced the same situation in reverse this year with a Republican Congress in the House and Senate and with a Democratic President. This year, we have a generally acceptable Senate bill and a generally unacceptable House bill in terms of Presidential signature. This is just the opposite of what we have had year after year with Republican Presidents and Democratic Congresses. Unfortunately, this year, the House was unwilling to make the compromises necessary to get a bill that is likely to be approved by the Clinton administration. Instead of compromising more toward the Senate bill, which could have received Clinton administration support, most important compromises strongly titled toward the House position.

The conference report before us contains fundamental flaws that I believe are contrary to the best interests of the taxpayers and sound management of our national defense activities. On balance, I have concluded that this bill's bad policy outweighs its good policies in its current form.

Mr. President, I will discuss again, as I did last week, the missile defense part of this conference report at a later point in my presentation. I would like to turn to other elements of the conference that give me great concern.

REPEAL OF THE REQUIREMENT FOR AN INDEPENDENT DIRECTOR OF OPERATIONAL TEST AND EVALUATION

When the House drafted its version of this year's bill, they developed a DOD reorganization proposal which included a provision abolishing the position of the Director of Operational Test and Evaluation. That position was created in 1983 at the initiative of Senators ROTH, GRASSLEY, and PRYOR, to ensure that testing of major weapons systems would be evaluated by an office independent of the responsibility for program and contract management.

During the Senate debate on this bill, we adopted without dissent a bipartisan amendment—sponsored by Senators ROTH and PRYOR—reaffirming congressional support for the Office of the Director of Test and Evaluation [OTE]. That was the Senate position.

In that amendment, we noted that the OTE position was ''created by Congress to provide an independent validation and verification on the suitability and effectiveness of new weapons, and to ensure that the * * * military departments acquire weapons that are proven in a operational environment before they are produced and used in combat.''

In summary, Mr. President, Operational Test and Evaluation has as its main purpose objective—evaluation of weapons systems before they are purchased. There has been a whole history to indicate the need for this kind of office because program managers inevitably get wedded to programs. If they are responsible not only to develop the programs, present them, sell them, and market them on Capitol Hill but also to test them, there is an inherent inability for the kind of objectivity that is needed in making sure the weapons work before we buy them.

The conference agreement is contrary to the Senate position—in fact, just the opposite of the Senate provision—and would repeal the legislation requiring that there be an independent Director of Operational Test and Evaluation.

Mr. President, it is important to differentiate the provisions affecting the Director of Operational Test and Evaluation from other aspects of the DOD reorganization provisions proposed by the House and adopted in conference which reduce the number of positions in DOD requiring Presidential appointment and Senate confirmation.

With the exception of the language affecting the Director of Operational Test and Evaluation and the language affecting the Assistant Secretary of Defense for Special Operations—which I shall address later in my remarks—I have no objection to some of the other DOD reorganization provisions proposed in the conference agreement which largely came from the House. The unobjectionable elements of the conference agreement merely repeal

the statutory designation of certain positions and the requirement for Senate confirmation.

The Operational Test and Evaluation proposal goes further. It would repeal section 139 of title 10, which contains a number of key protections for the Director of OTE. Under current law:

The Director can only be removed by the President, and the President must report his reasons to Congress.

The Director is guaranteed statutory independence from the Under Secretary for Acquisition.

The Director may communicate directly with the Secretary without obtaining the concurrence or approval of any other official.

The Director has specific authority over all test and evaluation activities of DOD.

Mr. President, those are key provisions. That is the only way you can have an objective official in terms of ensuring that he is not subject to the normal bureaucratic pressures of the Pentagon.

Under the conference agreement, effective January 31, 1997, there would no longer be an independent Director of Operational Test and Evaluation. The Secretary of Defense would be free to subordinate the operational test and evaluation function under any Under or Assistant Secretary—including those with direct responsibility for the management of major weapons systems programs—or even relegate it to the military departments.

Congress specifically created this position in light of major acquisition problems of the late seventies and early eighties so that realistic and independent operational test and evaluation functions would be conducted without direct interference by acquisition officials. Congress wanted to make sure that those who were being tested were not also grading their own tests. DOD has never fully embraced this position and its independence. Under the House approach, now incorporated in this conference, the key concept of ''Fly before you buy'' will be significantly weakened because this office is in effect terminated.

This is an ill-considered proposal with no foundation or justification. Congress should not be put in the position of having to refight and reinstate this legislation next year. This is an example of ''Ready, fire, aim'' that I think is destructive to the overall furtherance of our national security. We should not support legislation that cripples this vital organization.

REPEAL OF THE STATUTORY REQUIREMENT FOR THE ASSISTANT SECRETARY FOR SPECIAL OPERATIONS AND LOW-INTENSITY CONFLICT

There is another aspect of the House's DOD reorganization language which was adopted in conference to which I have similar objections. My concerns relate to the provision that would abolish the requirement to designate one of the Assistant Secretaries of Defense to be responsible for special operations and low-intensity conflict.

Mr. President, in 1986, Congress created the statutory position of Assistant Secretary, Special Operations and low-Intensity Conflict as part of comprehensive legislation concerning the organization and management of special operations forces.

The 1986 legislation also established a unified combatant command for special operations.

The CINC was given unique authorities—possessed by no other CINC—for administration, acquisition, and budgeting—authorities that are more akin to the powers of a civilian Service Secretary than a military CINC.

We specified in law that there be an Assistant Secretary of Defense for Special Operations in order to ensure adequate civilian control over the CINC.

The statute specifically makes the Assistant Secretary responsible for ''the overall supervision (including oversight of policy and resources) of special operations * * * and low-intensity conflict activities of the Department of Defense.''

Senator COHEN, a Republican from Maine, a member of our committee and leader for many years, is an expert on this subject of special operations. He and I drafted this legislation which was based on the determination that the subject of special operations was receiving inadequate attention by the Office of Secretary of Defense and the military departments.

Mr. President, this is one of the least expensive parts of our overall military forces, but the one that is most likely to be used, whether it is on the cutting edge of a major operation. The special operations forces are the best trained military forces we have. They are required to operate with great secrecy and great care, and they need civilian supervision. This conference report eliminates that civilian supervision as we had envisioned.

The conference report would repeal this requirement to have an Assistant Secretary of Defense for Special Operations and Low-Intensity Conflict, effective January 31, 1997. The Office of the Assistant Secretary has provided valuable oversight and supervision of an activity that still receives to little attention within the Pentagon. The circumstances that required creation of the position are largely unchanged. The Department, again, has not fully embraced the special operations reforms and this repeal will energize the enemies of special operations.

When Congress created this position, we were not simply trying to give visibility to an Assistant Secretary. There are significant substantive differences between the Assistant Secretary of Defense for Special Operations and each of the other Assistant Secretaries. The position of Assistant Secretary for Special Operations is tied directly to a unique combatant command that exercises management powers similar to those of a civilian Service Secretary. The conference report would repeal that statute, effective January 31, 1997, and remove that direct civilian oversight of the CINC. This, again, was done without foundation and without substantive consideration.

REQUIREMENT TO SELL THE NAVAL PETROLEUM RESERVE WITHIN 1 YEAR

Mr. President, earlier this year, the Budget Committee provided reconciliation instructions to the Armed Services Committee to achieve savings through sale of the Naval Petroleum Reserve at Elk Hills within 1 year. That was because they wanted to raise money for the deficit. Faced with that requirement, the committee developed legislation with a number of safeguards, including provisions that would enable the Secretary of Energy to suspend the sale, and to require a subsequent vote by the Congress upon a determination that the sale was not proceeding in the taxpayer's best interest.

The Congressional Budget Office, however, refused to score the provision in the DOD authorization bill as achieving any savings because CBO believed there was a significant chance that the sale would be suspended and that subsequent legislation would be required. As a result, when the Armed Services Committee submitted its reconciliation legislation to the Budget Committee, the Armed Services Committee, on an 11-to-10 vote, recommended to the Budget Committee that the reconciliation bill include a different version of the provision without a number of key safeguards. Those of us who opposed this recommendation expressed great concern about the potential for a huge loss to the taxpayers by a rushed sale without sufficient safeguards.

Subsequently, CBO estimated that the up-front proceeds from the sale would be $1.5 billion, but the net revenue foregone would be $2.5 billion over the next 7 years—leading to a $1 billion loss. As a result, the requirement to sell the naval petroleum reserve was dropped from the Senate reconciliation legislation and was not included in the reconciliation conference report.

We are no longer under a mandate from the Budget Committees on the reconciliation process to raise this $1.5 billion. They wisely dropped the provision when the Congressional Budget Office said it could cost us money. It could cost us $1 billion. What do we do? The conference report before us today continues to mandate the sale with a year with the option for the Secretary to suspend the sale. It is now out of step with reconciliation and out of step with common sense.

Mr. President, because of the budget pressure, there will be tremendous incentive for this administration or a subsequent administration at the end of next year, if we have a change of administrations, to sell Elk Hills quickly to meet the deadlines of the overall budget and fiscal picture. A 1-year timeframe, I believe, is unwise. Right now, there is one company with the potential inside track. Chevron is a part owner and manager of Elk Hills. There

is concern, I think legitimate concern, that a requirement to sell Elk Hills within 1 year will give that company a tremendous advantage, an advantage that could be reduced by giving other potential bidders sufficient time and information to develop competitive bids.

Mr. President, since the leadership of the Budget Committee has already decided to drop the sale of Elk Hills from the reconciliation bill there is absolutely no need to present with the Secretary of Energy with the choice of either making the sale or losing the authority to sell the NPR. Contrary to the assertions we have heard on the floor, the administration has not recommended a forced sale within 1 year. The President's budget for fiscal year 1996 clearly states, on page 148 that ''The administration proposes to privatize the Elk Hills, CA oil and gas fields in 1997 * * *.'' Mr. President, that date is 1997, not 1996. Likewise, the administration's balanced budget proposal, submitted on December 7, 1995, provides for disposition of Elk Hills ''not later than September 30, 1997.'' Again, an extra year so we ensure that we taxpayers get their money's worth out of this sale.

Mr. President, because the current contractor and co-owner, Chevron, has a potential advantage in terms of the information needed to submit a realistic bid, it will not be easy to establish a competitive bidding and evaluation process that will get the best deal for the taxpayers. There are serious questions about whether the 1-year period is sufficient to ensure that the taxpayers get the maximum value through knowledgeable competitive bidding. This provision is a loser—potentially a $1 billion loser.

I find it strange that the same Congressional Budget Office, which our Republican majority is insisting we use for its numbers for the budget deal we are talking about, basically says we are possibly or even probably going to lose about $1.5 billion on this, but we have it in the conference report anyway. I think it is a mistake.

BUY AMERICAN PROVISIONS

Mr. President, one of the strongest elements of our export economy is the sale of overseas military equipment. This is an area in which the value of our sales overseas far exceeds the amount we buy from other countries. This is one of the areas where we have a favorable trade balance. The overall trade balance is unfavorable, but the trade balance in military equipment is favorable. The conference report before us would expand and impose Buy American restrictions that are not justified by industrial based or arms control considerations. This says that you have to buy these items in America, even if the sales from our allies abroad or from others are substantially cheaper.

This means that when foreign companies cannot bid on American contracts, foreign countries are likely to retaliate by imposing their own restrictions on American products, thereby damaging the export sector of the United States that currently has a very strong trade surplus and advantage.

Section 806 of the conference report contains a buy American provision for components of naval vessels which is, derived from the House passed bill. The Senate bill, under Senator THURMOND's leadership, did not have these buy American provisions. The conference report comes back, and it is absolutely loaded with them.

Mr. President, there is ample existing authority for DOD to exclude foreign companies from competing on a contract when there is a valid industrial base requirement for domestic producers. That is already the law. The Department of Defense has not requested any additional legislative authority to impose specific buy American requirements on the components listed in the conference report.

There has been no showing of a critical industrial base need that would justify singling out these vessel components, among the hundreds of thousands of items procured by the Department of Defense, as warranting protection from competition.

The existing buy-American list in title X covers only five items. This is after years and years of struggling. Every year we have had buy-American provisions in the House bill under a Democratic House. This year, nothing has changed under a Republican House as they loaded up the report with buy-American provisions. Every year we have held firm. We have said, ''No, it's bad government, it's bad for the taxpayers, and it's a bad deal for the military.''

We are going to spend more money, get less national security, and hurt our exporters. This is particularly true with the aerospace industry, because they are indeed the best in the world.

We have five items in title X: buses; a chemical weapons antidote; air circuit breakers for vessels; specified valves and machine tools; and ball bearings and roller bearings, which may be affected.

I am not here to debate those items. They are in there. They were put in the report at one time or another.

The conference agreement, without any justification that I can see and in contradiction to bipartisan opposition to similar positions in past conferences, would add the following items:

First, ''welded shipboard anchor and mooring chain with a diameter of 4 inches or less.''

Second, ''vessel propellers with a diameter of 6 feet or more.''

You cannot buy those anywhere except in America and, in some cases, there is only one contractor in America. Only one. What you are doing, in some cases—not all—is locking in sole-source procurement by law and eliminating competition.

Third, the following vessel components having unique marine applications: gyrocompasses; electronic navigation chart systems; steering controls; pumps; propulsion and machinery control systems; and totally enclosed life boats.

All of those are going to have no competition from abroad.

In addition, the proposal would not only extend the expiring buy-American requirements for ball bearings and roller bearings, but would expand it to cover all purchases, even those below the $100,000 simplified acquisition threshold. That directly undermines one of the key goals of last year's Federal Acquisition Streamlining Act: removal of special interest protection and paperwork for all purchases of $100,000 or less.

Mr. President, I find it a supreme irony that a Republican majority in the House and Senate, which committed at least rhetorically to free trade and market competition, would inject the most sweeping buy-American provisions we have ever placed in a defense authorization bill since I have been in the Senate. This will damage the U.S. defense industry, it will damage our trade position, and it will damage the American taxpayers.

Sure, it will benefit a few companies. They will do well because they will not have any competition. Some people in the House, I suppose, will be able to go back and say in their districts, ''Look what we've done for you. You're going to get these Government contracts.'' Our responsibility is beyond one company in one district. It is the overall good of America and our national security. In this case, this conference report flunks that test.

I recognize the Secretary currently has authority to waive buy American requirements under a number of conditions, such as when there would be unreasonable costs or delays or there would be an adverse effect on national security. The conference agreement would slightly expand that authority by allowing the Secretary to use it to avoid retaliatory trade actions by a foreign nation. However, the waiver authority is very difficult for the Secretary of Defense to exercise.

I think it is irresponsible to place a Secretary in the position of mediating between political pressures to impose restrictions on the one hand and a combination of foreign and domestic pressures to promote free trade on the other hand. We are the board of directors. We should not put the executive in charge of the Department of Defense in that position. The waiver authority puts the Secretary in an extremely difficult position, because there is substantial pressure not to use the waiver from the very same sources that insisted on putting the provisions in law in the first place.

Moreover, the retaliatory action from a foreign nation may well come after a buy-American provision is imposed rather than beforehand, and the Secretary's waiver authority, in terms of retaliatory trade, would be useless

in this case. That is the way it would normally happen. The waiver authority has to be anticipatory.

For example, we may impose a buy-American provision on a vessel component only to find later that a foreign government has imposed a domestic-source requirement that hurts our aircraft exports. In the absence of a compelling case to impose the costs and burdens of restricting competition, we should avoid adding new items to the buy-American restrictions list.

A more onerous buy-American provision is set forth in the bill's authority to use sealift funds to purchase vessels for the National Defense Reserve Fleet. Unlike the buy-American provision that applies to components which I previously discussed, the position governing National Defense Reserve Fleets has no waiver authority. As a result, DOD will be precluded, under this conference report, from purchasing foreign vessels for the five additional roll-on/roll-off ships called for in the mobility requirement study, despite the fact that there would be major savings to the U.S. taxpayers.

Mr. President, the Maritime Administration has been purchasing foreign-built ships and upgrading them in U.S. shipyards. It is not like we are not getting a good portion of the work. We are.

The cost to purchase and upgrade this type of ship is about $30 million each. This means we could obtain the five additional ships for about $150 million. Building new U.S. ships will cost $200 million to $250 million each, for a total cost of $1 billion to $1.5 billion for five ships. I think the Senate ought to recognize this is basically taking taxpayers' money and simply giving it to certain defense industries in this country. If you want to do that, that is fine, but everybody ought to acknowledge that is what is happening. That means the taxpayers could be paying an additional $1 billion or more without any increase in Navy capability. This provision is, simply put, a sweetheart deal for certain domestic shipbuilders.

Alternatively, the cost could be so high that the Navy may forego purchasing enough ships to meet the mobility requirements. Either we are going to cost the taxpayers about $1 billion here or we are going to buy less ships and not have the mobility requirements for our own military forces. That is bad for the taxpayers and bad for our national defense.

(Mr. FRIST assumed the chair.)

EARMARKING

Mr. NUNN. Mr. President, the next area I am concerned about relates to earmarking. I have been one of the leaders, and the Senator from Arizona, Senator MCCAIN, has also been a real leader, in trying to prevent earmarking. Usually it has been in the appropriations bill. Time after time after time, we have come to the floor and opposed these items in appropriations bills. One time, I even voted against the entire appropriations bill, as the Senator from West Virginia may recall, because it was full of earmarks.

We in the authorization committee have not been perfect, but we have strived not to have earmarks in these bills. That has been a long practice of our Armed Services Committee. We provide appropriate guidance under development and procurement of major weapons systems and leave to the executive branch the process of awarding contracts. We do not get into micromanagement. We try not to micromanage. This bill is crammed full of micromanagement, and I find this supremely ironic, having seen Secretary Cheney, Secretary Carlucci, and Secretary Weinberger, those Secretaries under Republican administrations, complain over and over again about congressional micromanagement of the Defense Department.

This bill goes further in micromanagement than any bill I have seen. We have done this to ensure, in terms of our practices, that the Government achieves the best price and quality based upon bids and proposals reviewed under merit-based criteria. We have endeavored to avoid legislation and conference report language which earmarks specific contracts to specific contractors.

We have avoided earmarking because there is too great a danger that awards under such a system will be based on political and parochial considerations rather than the best interest of national defense and the taxpayers.

I am very concerned about the shipbuilding provisions of the conference report which could lead to substantial unnecessary expenditure for the procurement of naval vessels. The conference report has translated, I think, an innovative Senate concept, which makes sense under very unique circumstances. The concept would provide more ships within the same cost projections that was developed by Senators LOTT, COHEN, and others—into something that was not what they envisioned when they started; that is, a shipbuilding grab bag with something for everyone.

Section 1013 of the bill has the effect of directing the procurement of two additional large, medium-speed roll-on/roll-off ships, known as LMSR vessels, at specific shipyards. Likewise, section 135 has the effect of directing procurement of six destroyers to specific shipyards. In the absence of a clear industrial base requirement—and I have seen no such showing—these sole-source-directed procurement situations undermine the cost-saving potential of competition. Again, I regret to say, these are sweetheart deals for certain shipyards.

Mr. President, at a time when we are striving to get the taxpayers' fiscal budget under control and the national budget under control, I find it very, very paradoxical that we are setting up this competition with earmarks with sole-source-directed procurement going to certain shipyards and making certain these companies are happy at the expense of both taxpayers and national security.

Mr. President, I am also concerned that section 1016 of the bill has the effect of earmarking a ship maintenance contract for a specific shipyard. Once we start down this route, other shipyards, as well as repair and maintenance contractors for aircraft and vehicles, will certainly want their share of these directed, noncompetitive contracts. The Competition in Contracting Act is designed to save money through effective competition. From time to time, there are exceptions which can be justified on the merits, in terms of industrial base considerations. Those decisions should be made on the basis of sound analysis and thorough consideration of executive branch views, not on the basis of a conference with legislated earmarks. This earmark is not meritorious and, again, I can only describe it as a sweetheart deal for a certain shipyard.

Mr. President, I am also concerned about title 31 of the bill, which covers the Department of Energy defense programs. Section 3133, 3135, 3137, 3140, and 3142 and the associated statement of managers language provide funds—many not requested by the administration—for development of technologies and other programs at specify Department of Energy sites instead of allowing the Department to determine which site, on the merits, would be the best location for conduct of the program. Hundreds of millions of dollars are so allocated in the DOE section of this bill.

In summary, Mr. President, the numerous earmarks in this bill far exceed the tolerance level of anything justified in the ''give and take'' of a conference. It sets the authorizing committee on a bad policy path that we have studiously avoided and that we should not start now. We have objected when the Appropriations Committee has done this over and over. I spent literally hours out here at night, late in a session, objecting to earmarks in appropriations bills under Democratic control of the Congress. Now, I find that we do it over and over again in our own authorization bill.

Mr. President, aside from shipbuilding earmarks, I am troubled by the submarine research and development language. Section 132 of the bill requires the Secretary of Defense to design, develop, and procure four nuclear attack submarines using ''new technologies that will result in each successive submarine * * * being a more capable and more affordable submarine than the submarine that preceded it.'' There is no recognition in the language of the costs and risks of transforming the submarine procurement program into a research and development prototype endeavor.

No one argues with the goal of having military equipment that is both

more capable and more affordable. Experience demonstrates that when dealing with complicated systems and advanced technology, it is quite difficult to obtain greater capability at less cost. The Russians, for example, tried to increase the capability while cutting costs of their submarines, and several of the products of that effort, along with their crews, lay at the bottom of the ocean.

New attack submarines are among the most complex and sophisticated systems procured by the Department of Defense. It is one thing to establish a goal—there is no problem with a goal—it is something very different to require the Navy to structure its program to make new submarines both better and cheaper without any concern for the difficulty of trying to achieve greater capability at less cost and without any consideration of the risk involved. I believe it is important that the language of the submarine research provision be reviewed and revised to ensure greater consideration of the tradeoff between cost and risk.

Mr. President, I am also concerned that the conference contains a spending ''floor,'' which mandates that $50 million of the funds in the National Defense Sealift Fund can be used only for advanced submarine technology activities of the Advanced Procurement Projects Agency. Mr. President, for a long time, this authorizing committee has strenuously avoided putting floors in bills. We always felt we were the ceiling; appropriators should not go over our ceiling. Neither should we say they cannot spend less than a certain amount, because that basically undercuts the appropriations process. It says to the appropriators that you cannot spend less than a certain amount. We would object to the appropriators going over our ceiling and have tried to avoid having floors in our bill. In this case, we have a floor of $50 million. In fairness, because of my past work with Senator BYRD, the Senator from West Virginia, and my pledge to him that we would try to avoid these items, I feel I need to point out the floors that is in this conference report.

Mr. President, on National Guard and Reserve procurement, the conference report provides $777 million for Guard and Reserve procurement, allocating all funding to specific line items. This is an unfortunate reversion to the way we added funds for the Guard and Reserve years ago. This is not a breakthrough. It has been done before, and it was a mistake. Now, we are repeating that mistake. In recent years, we have gotten away from specific earmarks, and we have authorized various portions of the Guard and Reserve procurement account in a ''miscellaneous equipment'' category. This served two purposes. First, it provided the Defense Department with the flexibility to allocate the funds to DOD's highest-priority requirements without going through a lengthy reprogramming process. Two, it avoided placing Congress in the position of picking literally hundreds of ''winners and losers'' from a long list of items that have not been subjected to any merit-based review within the Department of Defense. In other words, this is an added package for the National Guard and Reserve. These items have not gone through the procurement process or any review by the Department of Defense, but we are picking the items in this report in great detail. I think that is a mistake.

In this conference report, nothing is provided for the generic ''miscellaneous'' account. As a result, the conference treatment of Guard and Reserve procurement is, I believe, worse than either of the two original bills.

I note again that this earmarking of every dime in the Guard and Reserve procurement fund departs from the policy followed in recent authorizations and appropriations acts. In fact, the fiscal year 1996 Defense Appropriation Act provides $777 million for Guard and Reserve procurement, with $377 million—about half of it—provided for miscellaneous procurement. In this area, the appropriation bill has a far better ''good Government'' approach than does the authorization conference report before us today. I say this as one who has been on the Senate floor many times criticizing the appropriations bill. In fairness, I have to point out that we are doing now what we have accused others of doing in the past.

Although I and a number of other Senators voted for Senator LEVIN's amendment to the Senate bill that would have restored the generic nature of the funding, this amendment failed. I accept the fact that the Senate decided to use a different approach, but I note that even under the Senate-passed bill, $65 million was allocated for miscellaneous procurement. Because there is not a single dollar left in a miscellaneous category in this bill, the Department will have absolutely no flexibility to determine the priorities for purchasing additional equipment for the Guard and Reserve—even though the appropriators provided that flexibility.

Mr. President, in closing my remarks, there are several items of particular concern to the Clinton administration that I think Members would at least like to know about.

The conference report contains permanent restrictions on access of servicewomen and dependents overseas to privately-funded abortions and restrictions on service by HIV-positive service members, both of which are objectionable to the administration. The administration has written letters on these points.

The administration also objects to use of the power of the purse to limit the authority of the President, as Commander-in-Chief, to place U.S. forces under U.N. command and control. In addition, the administration objects to the portion of the contingency funding provision that would require the President to submit a supplemental appropriations request to replenish funds used for contingency operations.

Mr. President, I regret that I cannot support this conference report. I know it means a great deal to Senator THURMOND and the other members of the committee and I understand their feeling. I know firsthand the feeling. There are many provisions in the bill which should be enacted into law. But there are many, many more which should not. If this legislation is vetoed by the President as has been recommended by his senior advisers, we will have an opportunity to correct the many flaws in the bill and produce an authorization bill that can be signed into law. I believe it is important for us to do so. I pledge to continue to work toward passage of a subsequent bill if the legislation in this conference report is not enacted into law.

Mr. President, could I be informed how much time is remaining?

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

Mr. BYRD. I have 15 minutes which will be more than I need and I am happy to yield some to the distinguished Senator.

Mr. NUNN. I thank the Senator from West Virginia but I will wait.

Mr. BYRD. How much time do I have, Mr. President?

The PRESIDING OFFICER. The Senator has 14½ minutes remaining.

Mr. BYRD. I thank the Chair. I yield myself such time as I shall require for the time under my control. It will not be 14½ minutes.

Mr. President, this Fiscal Year 1996 Defense Authorization Conference Report contains many needed and worthwhile provisions. A pay raise and raise in the Basic Allowance for Quarters for our active duty military personnel, and new authorities for more competitive and efficient housing renewal programs to improve the often poor quality of living for military personnel and their families, are among the highlights of this bill.

Like the able Senator from Georgia [Mr. NUNN], I believe that this bill is going to be vetoed. As a matter of fact, it is a virtual certainty. I am concerned that the pay raise and the key time-sensitive authorities for raises and other benefits contained in the bill that must be passed by January 1, 1996, be passed on another vehicle this week such as a continuing resolution. We cannot very well be endorsing the deployment of troops to Bosnia and then follow-up by denying them their pay raise.

I am also glad that the contingency force of SR–71 reconnaissance aircraft is authorized for another year, and is fully appropriated in a bill that the President has already signed. I hope that our military commanders in Bosnia will put the SR–71 to work thus providing intelligence to our forces there as soon as possible. But on balance, I believe, this bill contains more problematical and wasteful provisions than it should.

Most importantly, this bill is almost $7 billion over the President's request. In addition, this bill authorizes almost $500 million for additional spending on the B–2 bomber program. The Senate had stripped out funding for additional spending on B–2 bombers from its version of the Defense authorization bill, but like Dracula, the B–2 bomber shows an uncanny ability to rise night after night from the coffin. This $500 million was not requested by the Department of Defense. If the B–2 production line is to be reopened, as some appear determined to make happen, then many more billions will be needed in future budgets. These funds will have to be carved out of other procurement programs, programs that carry a much higher priority with the officials in the Department of Defense.

This conference report also contains incremental funding for a number of expensive ships that were not requested by the Department of Defense in this bill, and were not scheduled to be constructed until years in the future. So, we will put down payments on ships we do not yet need, and worry about how to complete the payments for the rest of the ship later. The attitude here seems to be taken directly from Scarlett O'Hara: ''I'll worry about that tomorrow.'' Furthermore, the shipbuilding provisions in this bill direct work to specific shipyards without a clear industrial base requirement, which undermines the cost-saving potential of competition.

The ballistic missile defense provisions in the conference report also go well beyond the Senate-passed compromise on this issue. That compromise, which was still farther-reaching that I and other Senators would have preferred, would have moderated the rush to build and field untested ballistic missile defenses on an accelerated schedule that could undermine ongoing efforts to further reduce Russian nuclear weapons reduction efforts. The conference report language again raises concerns that far more cost-effective defensive measures, which reduce the threat by reducing numbers of weapons, have been undermined, thereby increasing the threat by possibly igniting a new arms race. There is no current need that warrants accelerated spending on ballistic missile programs.

This bill also provides $30 million to restart the anti-satellite [ASAT] program, a program that had been terminated even during the cold war. Mr. President, we should not be renewing efforts to restart an arms race in space. The United States, which is so dependent on satellite-transmitted communications for civilian and military operations, should be an arms control leader in the space arena.

Mr. President, because of these and other policy issues contained in the conference report, I cannot support it. I understand that the Secretary of Defense has recommended that the President consider vetoing it, and I concur in that recommendation, although I regret the delay in implementing the many good provisions contained in this bill. I look forward to working with my colleagues on the Armed Services Committee on next year's bill. I hope we can craft a bill next year that enjoys broad support, and that does not continue on a path to greater defense build-ups during a time when all other spending continues to decline.

Like Senator NUNN, I believe this bill is going to be vetoed. It is a virtual certainty. I am concerned that the pay raise and key time sensitive authorities for raises and other benefits contained in this bill, which must be passed by January 1, 1996, be passed on another vehicle this week, such as a continuing resolution. We cannot very well be endorsing the deployment of troops to Bosnia and follow up by denying them their pay raise.

Mr. President, I yield the floor.

Mr. THURMOND. Mr. President, as we consider the conference report to accompany the fiscal year 1996 national defense authorization bill, it is imperative to put aside recent partisan criticism of the bill and remember that this legislation contains a significant number of provisions that will benefit our men and women in uniform, many of whom are being sent to Bosnia by our President. In view of the dangers our forces will meet in Bosnia and the hardships their families will endure during the holiday season, it is incredible to believe that many would put politics above the interest of the Nation.

I point out just a few of the provisions beneficial to the Members of our Armed Forces and their families. This is not all of them, this is just a few I am going to mention.

The full military pay raise, if you kill this bill, they will not get the pay raise; increase in quarters allowance, that is badly needed; authority to pay a family separation allowance to geographically separated families. This is important; authority to pay enlisted airmen hazardous duty incentive pay; authority to pay dislocation allowance to those forced to move as a result of base closure; increase specialty pay for recruiters; automatic maximum coverage under the Servicemen's Group Life Insurance; cost of living COLA equity for military retirees;

Reserve components initiatives: Authorized a reserve component dental insurance program; and established an income insurance program for reservists who are involuntarily mobilized.

Mr. President, all of these are good things. These are things the servicemen want. These are things the soldiers want. You kill this bill, you will destroy all this. During the Senate-House conference that considered the fiscal year 1996 defense authorization bill, we conducted bipartisan negotiations with members of the Senate Armed Services Committee, the House of Representatives Committee on National Security, and included representatives of the Department of Defense and White House staff in an effort to craft a bill that would be acceptable to all.

We conferred with all these people. We did the very best we could to get a bill that would be acceptable to everybody concerned here.

Mr. President, I hope that we can pass this conference report in the same bipartisan manner. I urge Members to come to the floor, debate the issues, and then give this conference report the strong support it deserves.

NAVAL PETROLEUM RESERVES

Mr. President, while I am on the floor, I observe that my good friend, Senator NUNN referred to the naval petroleum reserves and indicated the Government would not be protected properly under this bill. That is incorrect.

I want to say this.

The conference agreement on the sale of Naval Petroleum Reserves contains a number of safeguards to ensure that the Federal Government receives full value. Among these safeguards are the following two clauses which clearly spell out the conferees' intent that the reserves can be sold only if this will result in the highest return to the American taxpayer.

The first is the mandated minimum acceptable price. This price will be established by five independent experts who shall consider: all equipment and facilities to be included in the sale, the estimated quantity of petroleum and natural gas in the reserve, and the net present value of the anticipated revenue stream that the Treasury would receive from the reserve if the reserve were not sold. The Secretary may not set the minimum acceptable price below the higher of the average of the five assessments; and the average of three assessments after excluding the high and low assessments.

This requirement ensures that the minimum acceptable price has to be at least as high as what the Government would receive for these reserves if any other course of action is taken including the establishment of a Government corporation, the leasing of the reserves, or the continuation of the current operation of the field.

The second key clause is the authority to suspend the sale. This clause gives the Secretary the authority to suspend the sale of NPR–1 if the Secretary and the Director of OMB jointly determine that the sale is proceeding in a manner inconsistent with achievement of a sale price that reflects the full value of the reserve; or a course of action other than the immediate sale of the reserve to be in the best interests of the United States.

Mr. President, these two clauses essentially mean that NPR–1 cannot be sold unless the Government gets a price for the field that exceeds the value that would be achieved by any other option, and that the entire sale proceed in a manner that is in the best interests of the United States.

The sale will provide an estimated $1.5 to $2.5 billion to the Federal Treasury. This does not include the several hundred million dollars that the Government will receive in increased tax revenues. What is more, the Government will save about $1 billion in operating costs over the next 7 years.

Mr. President, the sale of these reserves was initiated—and I want to remind my friends on the Democratic side of this—by the administration, and, in fact, the administration has come out in support of this provision. We have worked in a very bipartisan manner to draft this provision so as to incorporate the maximum safeguards possible. I hope that we can continue this bipartisanship and vote to approve the conference agreement which includes this provision.

So, our Government is thoroughly protected under this bill in the matter of the petroleum reserves.

Mr. President, I yield the floor and I reserve the remainder of my time.

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

The PRESIDING OFFICER. The Senator has 30 minutes.

Mr. GLENN. Mr. President, I yield myself such time as I require.

I rise today to offer some remarks concerning the Department of Defense conference report now being considered by the Senate.

I join Senator NUNN in his comments earlier today on the Senate floor here, in complimenting our committee chairman, Senator THURMOND, the staffs, and those who have worked a long time on this bill.

I do not like to see charges of partisanship leaking into this year's debate because I have been a Member of the Senate for some 21 years, a member of the Armed Services Committee since 1985, and I have not always agreed with every line-item spending decision or every word of legislation included in past defense authorization and appropriations bills during my tenure here. Mr. President, I have supported those measures without regard to who controlled the Senate or who controlled the White House. I can say that without any qualms of conscience whatsoever. What I have worked for here is what is best for the United States of America and what is best for the security of the United States of America and our interests all around the world.

I understood in the past that I would not agree with every item, but overall these bills have included, on balance, more positive aspects, so I could go ahead and vote for them.

Much has been made of the fact that this bill does have some very, very good things in it with regard to pay, with regard to housing, with regard to aviation retention pay and some things like that. I support those items fully. I think we can still get those passed, even if this bill were not approved on the floor. I am already a cosponsor of an amendment to the continuing resolution that is being proposed to provide for those things, whether they are in this bill or not. So that will take care of some of those concerns.

But, having said that, it is with much regret—it really is with regret—I find I must oppose this year's authorization conference report. I never before in all the time I have been in the Senate have opposed authorization and appropriations bills for defense and I very much regret that I had to this year. I voted against the Senate version of this bill and gave my reasons here on the floor and had hoped the bill could be improved in conference. Unfortunately, I do not believe that is the case. I believe the bill is not as good as the Senate bill that we sent to conference. So, for the first time in over 2 decades, I will vote against a defense authorization conference report. Let me just enumerate some of the reasons why.

One of the top items in my estimation is that the carefully-crafted ABM language in the Senate bill, which we worked on very hard, and was only marginally supportable for many of us in the first place, has been made unacceptable. That is a very, very important item. This involves our balance of missiles around the world, and the conference report at the very least gives the appearance that the United States intends to unilaterally violate the ABM Treaty.

On August 2, 1995, I discussed at some length my concerns over the version of the fiscal 1996 defense bill that was voted out of the Armed Services Committee. In that statement I described several problems with the bill's language on ballistic missile defense. Because the bill before the Senate today, I very much regret to say, does nothing to alleviate my concerns on this crucial issue—and I do term this a crucial issue—I must rise to speak, once again, against this ill-advised language.

March 5 of this year marked the 25th anniversary of the entry into force of the Treaty on Nonproliferation of Nuclear Weapons, better known as the NPT. Thanks to some good diplomatic work by the Clinton administration, a task made all the easier by the good basic sense of the diplomatic objective, the United States succeeded in achieving its longstanding goal of securing unconditionally the unlimited extension of this treaty. No more of the 5-year things, where the NPT review had to meet every 5 years and decide whether we are going to go ahead with something like a nonproliferation treaty. This year the United States took the lead in pushing for, and was successful in getting unconditionally, the unlimited extension of this treaty. That was a major step.

So, the primary purpose of that treaty is to curb the global spread of nuclear weapons. Article VI of the treaty commits the United States and other parties to make good-faith efforts relating to what the treaty calls the ''cessation of the nuclear arms race,'' something I have fought for ever since I have been in the Senate, some 21 years. It started clear back in 1978, with the Nuclear Nonproliferation Act that I was the author of.

Fortunately, here, too, the administration deserves some credit for its efforts on behalf of the START II treaty which the Senate should vote to ratify very soon. The START II treaty will substantially reduce the nuclear stockpiles of the United States and Russia, and will eliminate altogether not just the last of Russia's heavy nuclear ICBM's, the SS–18, but will also eliminate the most destabilizing weapons, land-based ICBM's with MIRV's, the multiple independently targeted nuclear warheads. These are known as MIRV's.

In achieving these goals, America will take a long step in fulfilling its key arms control obligation under the NPT. Yet, START II does not deserve to be ratified just because it is consistent with America's clear international obligations under the NPT.

The real reason all Americans should support the START II treaty is the most basic one. It serves the national security interests of our country. It serves our interests.

Amid all of this progress on the NPT and START II fronts the new majorities of the Senate Armed Services Committee and the House National Security Committee have inserted language into the current defense bill that will put America on a path, as I view it, out of the Anti-Ballistic Missile Treaty. This treaty prevents both the United States and Russia from deploying a national missile defense against strategic nuclear attack, and in doing so the treaty has helped to lay the foundation for these deep cuts in the nuclear stockpiles. Furthermore, the treaty itself is holding down the enormous costs of maintaining the U.S. nuclear deterrent. The lack of a Russian defense against strategic United States nuclear missiles means that we can accomplish much more with less. If Russia is permitted to deploy a defense against such missiles, as it would if the ABM Treaty should collapse, we will end up having to spend a whole lot more for a whole lot less security.

I have no doubt that Russia's political, military, and parliamentary leadership will view the language in this bill as an assault on the ABM Treaty. It is an action which would only create new incentives for Russia to reassess, or even abandon, its arms reduction obligations under START II. How the Congress could be seriously considering pulling America out of the ABM Treaty given the likely reaction such a step would trigger in Russia is a mystery to me. It is a recipe for rekindling a strategic nuclear arms race. Surely, the gains to U.S. security by retaining a strong U.S. commitment to the ABM Treaty override any gain from the costly and dubious missile defense scheme offered in this bill.

Specifically, the bill requires deployment of a national missile defense system by a fixed date. I repeat that. It requires the deployment of a national missile defense system by a fixed date. Let me tell you how ludicrous that is just on the surface. The system has not been invented yet. Yet, we require that these scientific breakthroughs that would let us even put up a missile defense system that would be halfway capable have not even been invented yet, and, yet, we are requiring a date certain for it to be deployed.

It requires the deployment of ABM systems that are not permissible under the current treaty. It includes a unilateral definition of ABM systems that can be developed in a treaty. The Chairman of the Joint Chiefs of Staff, General John Shalikashvili has warned that such a statutory definition could jeopardize the prospects for early ratification of the START II treaty in Russia and negatively impact our broader security relationships with Russia.

The missile defense language in this bill will lead not only to massive expenditures on missile defense systems that will never prove to be 100 percent effective but will eventually lead to even more massive expenditures—not just of public funds, but also of diplomatic capital, I might add—on offensive nuclear weapon capabilities. We will need to deal with a Russian strategic missile defense system. Whether one looks at the budgetary, or the strategic implications of this language, the results of such an examination I just think can only be termed ''foolishness.''

I would like to work with the new majority on the Armed Services Committee to address missile threats in a way that does not destroy the ABM Treaty. But I see little indication on this bill, or elsewhere, that the majority is interested in investing in prevention of missile proliferation. Instead, they want to pour out pounds or megatons of fallacious cures. What the majority should be proposing are new measures to prevent missile proliferation from occurring in the first place as opposed to shelling out tax dollars on sophisticated hardware and software to deal with—or, more accurately, pretend to deal with—the problem after the fact. As I see it, this is a solution out looking for a problem because we do not have all the threats from abroad that we used to have. I will go into that in just a few moments.

Congress's new majority is proposing nothing, for example, to ensure that U.S. missile proliferation sanctions are strengthened and implemented in a manner that serves as an effective deterrent to proliferation. I see nothing to indicate a new effort to strengthen export controls—for example, something I have long advocated and put in legislation and had passed—or to encourage measures to strengthen the MTCR, the Missile Technology Control Regime.

Meanwhile, in this—what I view as a meat-ax approach to budget reduction—the State Department funds are being chopped back so that even fewer resources will be available for the pursuit of diplomatic measures aimed at halting nuclear and missile proliferation. Many in this new majority continue to seek the elimination of ACDA, the Arms Control and Disarmament Agency, which has worked hard over the years to strengthen U.S. policies in just these areas.

In their zeal to inveigle our country out of the ABM Treaty, the new majority continues to tout an alleged missile threat from what they call rogue nations out there lurking somewhere in anticipation of launching ICBM's against targets in the United States. This whole rogue nation argument is simply an old-fashioned red herring. It a distraction from actions that are really needed to strengthen our national defense. Indeed, rogue nations may pose less of a threat to us than rogue defense bills like some of the provisions in this one that we have here today.

I have noted several times the testimony before the Select Committee on Intelligence, of which I am a member, of the former director of the Defense Intelligence Agency, Lieutenant General James Clapper, on this missile threat. He stated last January that ''We see no interest in or capability of any new country reaching the continental United States with a long-range missile for at least the next decade.''

In correspondence dated December 1, 1995, the CIA informed Senators LEVIN and BUMPERS that the missile threat as identified in this bill was overstated. Though I fully agree with the CIA assessment, the agency could well have gone further by noting that, contrary to a popular belief, missiles are not proliferating in the world today. Indeed, in some important respects there has been a decline in certain types of missile proliferation threats. Over the years, we have seen the elimination of long-range missile programs in Brazil, Argentina, and South Africa. The Iraqi missile program has been destroyed. Egypt's efforts to build a long-range missile program has been terminated, and nobody seriously believes that Libya will have an ICBM capability any time soon. In the INF Treaty, the United States and Russia agreed to eliminate a whole class of missiles, and the START treaties have cut back substantially the numbers of nuclear ICBMs. When looking at missile programs that remain in the Middle East, South Asia, and East Asia, it is obvious that there is a global missile proliferation threat that must be addressed. Indeed, we could soon be witnessing robust missile races in at least two of these theaters, if they are not underway already.

But do these developments justify a U.S. walkout from the ABM Treaty? Of course, not. On the contrary, we should ask the following: Do these developments justify an increased U.S. effort to enhance its intelligence capabilities, both analysis and collection; to strengthen export controls, both licensing and enforcement; to implement sanctions, both to punish and to deter; to ensure that our diplomats have the resources they need to roll back these programs; and, to ensure the readiness of U.S. forces that are deployed abroad to defend themselves against tactical missile attacks? Yes to every one of the above, especially the last.

I want to see our defenses for our frontline troops, and those who may be in a combat's way, protected against the tactical missile attacks.

But, nevertheless, I remain an optimist. I am hopeful that the new majority will someday come around to the view that Star Wars is not the panacea to proliferation. Indeed, a Star Wars we have yet to invent cannot be placed in place by a certain time because we have not invented all of it yet. We know from our star wars experience before that it is a bigger problem than anybody thought it was going to be back in those days.

When they do, I will be ready to work with them to get our nonproliferation and arms control policies back on track. Judging from the content of this bill before us today, that day has clearly not arrived. So I remain firmly and unalterably opposed to this misguided missile defense legislation. I urge all my colleagues to join me in pressing this opposition for as long as it takes to restore some sanity to this program.

Mr. President, I note for my colleagues that in my view this language is reason enough alone to oppose passage of the conference report. There are other reasons as well. This bill had $7 billion added above and beyond what the administration requested—one of the main reasons why I voted against it going in, before it went to conference.

If that money had gone to operation and maintenance accounts where it is needed, if it had gone to pay all of our bills from peacekeeping operations already passed, which is somewhere around $2 billion, if it had gone for programs like that and things that we really need, depot maintenance, things like that where we are behind and did not have adequate budget provided, then I would not have objected. I would have said fine, we needed that and the administration should have requested it to begin with. But that is not where the added $7 billion additional went.

One-half a billion dollars is unrequested and unwelcome B–2 funding that can be used to start new production and was brought back from conference, and another one-half a billion dollars was added to the national missile defense account. These two funding decisions are merely downpayments on huge programs in the outyears. And they make a mockery of the desire to balance the budget and eliminate deficit spending. We have part of the Government shut down here arguing over the budget,

whether we are going to be able to get a balanced budget. Then we have add-ons like this for things that were not needed at all, and they are downpayments on huge programs in the outyears.

If these programs alone go forward, the funding contained in this conference report represents a commitment to many, many more billions out there in the future. I think just the national missile defense program in the outyears requires outlays by one estimate of at least $43 billion, if we carry it out as it has been spoken of. I cannot support wasting precious taxpayer dollars on the B–2, for instance, that is well over half a billion a copy. That is taking out even all of the sunk costs of the past. And we know that every time we have made an estimate in the past on the B–2 it has gone up. One of the estimates was above half a billion per copy. It is around $650 to $700 million right now, if you figure all the costs that have to go into hangars and things like that for each airplane that is produced.

The plane is an aerodynamic wonder. It truly is. I had the pleasure of going out and flying it not long ago. It is one that has cleared the hurdles that we in the Armed Services Committee put in to make sure that this unique airplane would indeed pass all of its aerodynamic tests. It does not have a rudder up there. You never see a vertical surface on that airplane. It meets all the different aerodynamic requirements in how you control it, and it is an aerodynamic marvel, I can guarantee you that. It flies beautifully. But when you put between half a billion and $1 billion per plane, it just is too much.

Once again, I would say what we have provided here is something that is not required, not necessary, and is another solution looking for a problem. We have bombers that the Air Force has said are adequate when we combine what we have with the B–2's already produced or provided for and the B–1's. Those give us enough bomber capability to meet any threat we see right now.

Overall, the funding level in this conference report is too high and the bulk of the funds will be spent in the procurement accounts, not on items requested by the Pentagon, not on requirements of the President's request that he sent to us but on items built in members' home districts.

Now, the conference report authorizes the purchase of items not requested such as purchase of F–15's. Well, who does that benefit? The purchase of F–16's. Who does that benefit? The purchase of extra F/A–18's. Who does that benefit? The purchase of extra C–130's. The purchase of extra C–21's, Lear jets, not requested by the Pentagon. These were add-ons. At a cost of an additional $1.6 billion, the conference report also authorizes the procurement of the LPD–17, the LHD–7 and an additional DDG–51, all three not requested by the Pentagon, not requested by the administration, yet they are add-ons. Who benefits? Whose district? Whose States benefit? How did those get into this conference report when the administration did not want them, at least not in this year's budget plan of how we are going to spend our increasingly scarce defense dollars?

Mr. President, I have supported add-ons where they make sense in the past, and I would have supported some of the add-ons in the conference report, but the magnitude of the add-ons, the magnitude of all of these—just one of them is not enough to sink this bill, but you put them altogether, the add-ons and the solely parochial rationale supporting some of them, it is impossible to support this conference report.

The conference report does not stop at spending too much on programs that we either do not need now or do not need at all. This bill marks the return of widespread earmarking in the authorization process. That is where you have a requirement for a certain aircraft or a certain item being purchased but it also specifically words things in a way that it has to be spent exactly where they want it spent in a certain person's district or a certain person's State.

The unpalatable earmarking of close to $800 million that was included in the Senate for reserve component equipment has been expanded and now the bill contains additional earmarking in the shipbuilding and ship repair accounts.

Earmarking, Mr. President, is a practice that the Armed Services Committee has in the past worked tirelessly to weed out of its bills. And through the years I think we have been reasonably successful in getting some of that earmarking wiped out. In the end, those efforts even impacted the appropriations bills which a few years back stopped earmarking the reserve component equipment accounts. And ironically, the appropriators for the most part chose not to earmark their bill this year, and it is the authorizers now that have loaded up our bill with so much pork that I referred to it one day on the Senate floor as an ''agriculture bill'' because it has so much pork in it.

Mr. President, another remarkable provision in the conference report requires the sale of the Naval Petroleum Reserve. When this issue came up during consideration of the Senate bill, many of us disagreed with requiring the sale of this money-making asset, but we were bound to sell the reserve by reconciliation. In light of that reconciliation mandate, the committee worked to put safeguards in place in the authorization bill to make sure the American taxpayer got the best possible return on the sale of this asset. What is remarkable about the conference report with regard to the petroleum reserve also, it was dropped out of reconciliation. We would no longer be forced to sell the reserve but for the fact the authorization conference report now requires it to be sold. So it is dropped out of one report, the reconciliation bill, but kept in this authorization conference report and requiring that it be sold within 1 year. That is what made this thing really unacceptable: It required that it be sold within 1 year.

The conference report undermines its own so-called safeguard by creating a buyer's market for the reserve, not an environment conducive to obtaining the best deal for the seller, the American taxpayer.

At the same time, the conference report adds earmarked funding for programs of which there is a questionable requirement, the conference report takes a $450 million cut in the account that funds cleanup of our nuclear weapons complex, a requirement which I view as a moral as well as a legal obligation. That is one that I feel very strongly about. The cleanup is required because we started back about 1985 with a report that I got into, or asked the GAO to do on the Fernald part of the nuclear weapons complex, and at Fernald we found out there were lots of problems. I asked for studies of other places around the nuclear weapons complex and now have a stack of GAO reports probably 3½, 4 feet high through the last 10 years that have outlined this problem, going from a nuclear cleanup cost estimate back in those days of $8 to $12 billion for everything to now up to around $200 to $300 billion over a 20-year period, if we can figure out how to do it. Yet, we reduce funding for it in this year's bill.

On what we might term social issues, this conference report, I believe, should be opposed. It prohibits service members and dependents from obtaining abortions paid for with private funds and just using military medical facilities, except in the cases of rape, incest, or where the life of the mother is in danger.

If you are a female member of the armed services or a wife stationed somewhere overseas, you may not have the option of going to outside facilities as good as you would have if you were home in the United States. In the past, we have permitted cases of abortion where it was paid for with private funds but using the military medical facility. That is prohibited now with this legislation.

The conference report also discriminates against HIV-infected service members by requiring their discharge.

These are just some of the issues that have been attributed to my decision to vote against this conference report.

I would like to comment for a moment on the process that led up to the conference report.

Mr. President, this conference lasted for something close to 95 days. Conferees met at the panel level for 2 weeks—the panel level now, the subcommittee level—before being dissolved with outstanding issues still to be considered at the full conference level.

From the time the panels were dissolved, nearly 3 months ago, until the committee members were informed last week that agreement on all issues had been achieved, the conferees met one time—just one time—and that was not for the usual purpose of conferees meeting. The purpose of that one meeting was to give the outside conferees the opportunity to express their views. The other committees that were involved in some way that were permitted the courtesy of coming in and giving their testimony to the conferees, and that was the purpose of the one meeting.

So when the panels dissolved, many, many issues remained unresolved, and the Senate conferees were never convened to discuss strategy for retaining important Senate positions, like the ABM language or funding for the B–2, positions that were strongly supported by the Senate as a whole.

In the case of the ABM language, we had an overwhelming vote on the floor of the Senate, and the Senate position on B–2 funding was the result of a rollcall vote taken in committee. Dialog at the conferee level may have changed the outcome on some of the items that were given up to the House.

Before concluding my remarks, Mr. President, for the record, although I do not support and will not vote for the conference report, I certainly do support the acquisition reform provisions contained in this legislation and hope we can attach those to some other piece of legislation if this bill should fail.

Should this legislation be enacted, at least acquisition reform provisions can help make a better and more effective Government. Should the conference report fail to be enacted, I hope we can find a way to enact these procurement reforms by some other vehicle.

Mr. President, I would like to take a few minutes to speak about some of the better points of the conference report for the fiscal year 1996 DOD authorization, specifically, divisions D and E on acquisition reform and information technology management, respectively.

As you know, Mr. President, last year, the Congress passed the Federal Acquisition Streamlining Act, known as FASA, the first major piece of procurement reform legislation in a decade. Passage of FASA constituted a critical victory in the war against government inefficiency. It is a comprehensive government-wide procurement reform effort aimed at streamlining the acquisition process by reducing paperwork burdens through revision and consolidation of acquisition statutes to eliminate redundancy, provide consistency, and facilitate implementation.

Now, I do not think anyone expected a second comprehensive round of reforms to follow so closely after FASA, especially while we were awaiting the new regulations, but with the dawn of the 104th Congress, we saw a proliferation of new and revitalized procurement proposals. I even introduced a bill myself on behalf of the administration, S. 669, the Federal Acquisition Improvement Act. Although I did not support every item in that bill, I am pleased to say that some of the better concepts have been included in this year's acquisition reform package.

Before I talk about the substance of the bill, I want to say a word about the process that has been used to reach this end product. As with many bills, a vehicle is often sought for expedient passage. This year, the vehicle for government-wide acquisition reform is the DOD authorization bill. I want to be very clear when I say that I do not expect this to set a precedent for future acquisition reform discussions. Though most of these changes will also apply to the Defense Department, it was not my preference to enact government-wide changes on a DOD bill. Expediency in legislating does not always produce the best results.

However, once the decision was made to go this route, we have worked hard to make the best of a less than favorable situation. A staff-level working group in the Senate spent several months scrutinizing each and every proposal to identify the most useful and most needed provisions. Even though the Senate had only two subcommittee hearings, we have done the best we could to consider opinions from interested parties however possible—by phone call, mail or meeting. And even without the formal medium of a hearing, we tried to consider as many viewpoints as possible, and I sincerely hope that no one feels excluded from this process.

With that said, I am pleased to support, with one exception, the end product of what I consider an effort to build upon the acquisition reforms we initiated last year in FASA. The one exception is the proposed changes this bill makes to the recoupment laws which I do not consider to be part of acquisition reform. I cannot support this change.

I would like to take a moment to highlight a few of the more significant changes being made to procurement law and explain my position on recoupment.

In the area of competition, the Senate steadfastly refused to alter the current definition of full and open competition, found in the Competition in Contracting Act of 1984 [CICA], despite a House proposal to the contrary. but to ease the burden on contractors, both large and small, who expend large amounts of money to compete for contracts which may never be awarded to them, we have instead authorized the use of two phase competitive procedures for certain construction contracts and allowed contracting officers to limit the competitive range of offerors to those who are judged to be best qualified.

In the area of commercial items where a lot of work was begun last year with FASA, we have created a 3-year authorization for the use of streamlined procedures for the purchase of unmodified commercial items under $5 million. This should reduce the burden on contractors and shorten the deadlines and time it takes the government to acquire commercial items since less time is needed to prepare an offer. We also authorized the waiver of most statutory requirements for government contractors when we purchase off-the-shelf commercial items, because it is impractical and inappropriate to routinely apply government-unique requirements to ordinary commercial items that may be provided from a commercial assembly line or over the counter. We also define off-the-shelf commercial items and refine the definition of commercial services.

Procurement integrity was an issue which was left unresolved last year by FASA with an agreement to take it up this year. We have streamlined these provisions to prohibit the improper disclosure of inside information, and included a recusal provision which would provide a statutory basis and statutory enforcement for ethics regulations already in place, and a limited revolving door provision, which would prohibit certain agency officials from going to work for a contractor for 1 year after certain involvement with certain contracts.

In the area of protests and dispute resolution, repeal of the infamous Brooks ADP Act consolidates administrative protests in the General Accounting Office [GAO]. I am very pleased with this solution.

I recognize that a protest is intended to be an action brought on behalf of and in the best interest of both the government and the taxpayer, making sure that both get the best deal. However, it seems to have gotten to the point where agencies routinely build time for protests into major procurements from the start, because companies often proceed with a protest if they lose out on a contract, regardless of the government's explanation for their loss of that contract. Because every major procurement or program seems to generate its own flurry of protests, I strongly prefer the GAO as the administrative forum of choice where the process is less formal, less costly, and less judicialized.

I also recognize that GAO does not have the authority to issue binding declaratory judgements and that its decisions are merely recommendatory. There are very few instances where the agency has not followed a GAO recommendation, however, and in those instances, the agency must account to Congress for its actions, preserving the Congressional oversight role.

Among other things, we have also severed the linkages between the successful implementation of a Federal Acquisition Computer Network and the FASA-authorized simplified acquisition threshold and pilot programs; reduced the number of certifications required of contractors; delayed the implementation of FASA's cooperative

purchasing program until after a GAO study has been completed and reviewed; required agencies to conduct cost-effective value engineering programs; established requirements for the civilian acquisition workforce; authorized a demonstration project for personnel management in the DOD acquisition workforce; and amended the OFPP Act to eliminate obsolete and unnecessary provisions.

Division E of the DOD bill, originally Senators COHEN and LEVIN's information technology management reform bill, will reform the way the Government both buys and manages its information technology systems. This section of the bill will not only force agencies to take a more strategic view of their information assets and enhance up-front planning, it will give the Government the tools it needs to keep up with the rapid pace of technological change in the information arena. It will also add to the information resources management reforms of the Paperwork Reduction Act of 1995, of which I am a co-author. Hopefully this will lead to a substantial reduction in the number of horror stories we hear every year about information systems that are late, over budget and do not work.

Finally, as I stated earlier, there is one provision that has been included as acquisition reform, but which I exclude from this category. This provision—which I cannot support—would essentially eliminate the requirement to recoup R&D costs paid by the U.S. on foreign arms sales. Even though the Secretary of Defense will be given authority to waive the recoupment fees only under certain circumstances, I am just not convinced that these changes are necessary, narrow as they may be, even if corresponding reporting requirements were added. The U.S. is already very competitive in world arms markets; new incentives are unnecessary. In the past, I have opposed other initiatives to use government institutions or government funds to underwrite foreign arms sales. Given our current dominance of the market, further encouragement of foreign arms sales is neither necessary nor desirable.

Mr. President, it is easy to see that even after FASA, we have continued to address more difficult and complex issues with this second round of acquisition reform. Although I do not support and will not vote in favor of the DOD conference report, I am glad that, if it passes, at least the acquisition reform provisions can help to make a better and more effective government. And if the conference report does not get enacted, I hope some way can be found to enact these procurement reforms in another context.

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

Mr. GLENN. Mr. President, I ask unanimous consent for an additional 5 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered. The Senator is recognized for an additional 5 minutes.

Mr. GLENN. Mr. President, to summarize some of the President's budget request, there was an additional $5.2 billion added, basically, to the following accounts:

Army aircraft, $336 million added;

Missiles, $189 million added;

Wheeled and tracked combat vehicles, $357 million added;

Other procurement, $506 million added.

In the Navy:

Aircraft, $686 million added;

Weapons, they subtracted $127 million on that one;

Ships, added $1.6 billion in ships that were not requested;

Ammunition, plus $430 million;

Other procurement, $18.6 million.

In the Air Force:

Aircraft, added $1.2 billion;

Missiles, cut $709 million;

Ammunition, added $343 million;

Other procurement, minus $536 million.

National Guard had $777 million added, most of it earmarked.

Specifically an additional $212 million for six more F/A–18's;

An additional $1.4 billion for the LHD–7;

An additional $974 million for the LPD–17;

An authorization for 3 DDG–51's while only providing the money for two;

An additional $493 million for B–2 with no limitation on how those funds can be spent, including new production, which could be the decision later on. That language was fought over in the conference, I understand.

It also had an additional $311 million for F–15E's;

And an additional $159 million for F–16's.

So, Mr. President, I support some of the good things I think were in this legislation, such as the military pay raise, the additional basic allowance for quarters and aviation retention pay. I hope that we can put those on to other legislation. I am the cosponsor of legislation to do that.

For all the above reasons and more, I regret for the first time I will not be able to vote for a conference report on this. I do regret it very much. I know how hard the chairman, Senator THURMOND, has worked on this and how much he wants this. I do wish very much that I could support this, but I find that I just cannot, for all the reasons given above.

I reserve the remainder of my time.

The PRESIDING OFFICER. Who yields time?

Mr. THURMOND addressed the Chair.

The PRESIDING OFFICER. The Senator from South Carolina.

Mr. THURMOND. Mr. President, I yield myself as much time as may be needed.

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

Mr. THURMOND. Incidentally, the distinguished Senator from Ohio asked for 5 additional minutes. I ask unanimous consent that our side have 5 additional minutes.

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

Mr. GLENN. Mr. President, reserving the right to object, and I do not plan to object, I intended that the 5 minutes come out of our allotted time, not 5 minutes added on to the debate.

The PRESIDING OFFICER. Without objection, the additional 5 minutes allocated to the Senator from Ohio will be deducted from the time on the minority side.

Mr. THURMOND. If the additional 5 minutes he received is going to come out of that time, then I will not ask for 5 additional minutes. I just wanted to be sure each side had the same number of minutes.

The PRESIDING OFFICER. The Senator from South Carolina.

Mr. THURMOND. Mr. President, I rise to address the central objection raised by certain Members and the administration against this conference report concerning ballistic missile defense.

The administration has argued that we do not need and cannot afford a national missile defense system. This is a debatable point and everyone is entitled to their own view. But the administration has also claimed that the NMD system called for in this conference report would require the United States to unilaterally abrogate or violate the ABM Treaty. This assertion is simply false.

Over the last several months, the majority conferees engaged the administration and the minority conferees in a detailed negotiation to ensure that all legitimate concerns having to do with the ABM Treaty, the START II Treaty, and the President's prerogatives in the area of arms control were addressed and resolved. This negotiation produced the ballistic missile defense provisions in this conference report.

Unfortunately, once these concerns were addressed, the administration moved the goal line and changed its demands. At the last moment, the White House made it clear that even if we resolved all concerns having to do with the ABM Treaty they would oppose this conference report over a simple commitment to deploy a national missile defense system, even if that system were fully compliant with the ABM Treaty.

Let us be clear about the administration's reasons for opposing this conference report. The administration opposes any National Missile System; they argue that there is no threat and that we cannot afford one anyway. Ironically, the administration is willing to spend hundreds of millions of dollars each year on a National Missile Defense Technology Program that is specifically designed never to lead to deployment. What we are saying is at that level of investment we ought to get something real in return—an actual deployed system.

On the subject of the threat, there is no doubt that there is an existing and expanding threat to the United States from ballistic missiles. With Russian ICBM technology virtually up for sale and with North Korea developing a missile capable of reaching the United States, I do not see how one can argue that there is no threat in sight. This is just another excuse for doing nothing.

To provide some context, I urge Senators to look back at the Missile Defense Act of 1991, which was a bipartisan effort. The 1991 act called on the Secretary of Defense to deploy a National Missile Defense System in 5 years, by 1996. In contrast, the conference report before the Senate today gives the Secretary of Defense 8 years to deploy a similar system.

What has changed since passage of the Missile Defense Act of 1991 is that the administration no longer wants to deal with the problem. I regret this and I urge my colleagues to reject the artificial arguments regarding the ABM Treaty. There are many in the Senate who want to see us abrogate the ABM Treaty. This conference report, however, does not do it.

Mr. President, I would like to respond to a couple of remarks made by the Senator from Ohio. The Senator from Ohio registered his support for administration success in securing the unconditional extension of the Non-Proliferation Treaty. He then went on to articulate his concerns with the ballistic missile defense language in the defense authorization conference and the potential detrimental impact on Russian ratification of START II. He also mentioned his concern about the lack of concern by the new majority with regard to export controls and other measures that would contribute to staunching the proliferation of weapons of mass destruction.

Let me highlight provisions in the Defense authorization conference report which I believe the Senator would agree supports his concerns.

With regard to START II, there are two provisions, one which expresses the Congress' support for ratification and implementation of START II, and another provision expressing the Congress' belief that the United States not take any action to unilaterally retire or dismantle systems until such time as START II is ratified and implemented by both parties. This is consistent with the testimony by the Under Secretary of Policy for the Department of Defense, Walt Slocombe, before the Senate Armed Services Committee during its START II hearing this year. Let me quote Mr. Slocombe's response to a concern that I raised about premature reductions to the U.S. strategic forces, Mr. Slocombe replied,

> . . . we will not begin the reductions necessary to reach the START II levels until the Treaty has been ratified, and we will ensure that the pace of our reductions are reasonably related to the pace of Russian reductions.

It seems ridiculous to me that the administration would oppose the Defense authorization conference report and cite provisions that articulate the administration's stated policy.

With regard to export controls, the Defense authorization conference report includes a provision that expresses the concern of the Congress that it is in our national security interests to maintain effective export controls. Additionally, the conference report expresses its deep concern that the administration has lowered restrictions on a number of dual-use items and technologies with defense capabilities. The conference report would require them to evaluate licenses for the export of militarily critical items that should be controlled for national security reasons; requires the Department to review export licenses for biological pathogens; and requires a report on actions taken by the administration to ensure that it is maintaining an active role in review export licenses in a number of areas, such as space launch vehicles, supercomputers, biological pathogens, and high resolution imagery. The conference report also makes recommendations to strengthen proliferation regimes, such as the Missile Technology Control Regimes. The conference report also contains provisions to strengthen the Iran-Iraq Arms Nonproliferation Act of 1992.

Last, the Senator from Ohio mentioned his concern that the Defense authorization conference report does not contain enough funds to pay our peacekeeping assessments to the United Nations.

Mr. President, the Defense authorization conference report is not the appropriate legislation to pay peacekeeping assessments, the appropriate legislation is the foreign aid and foreign operations appropriations bills.

The Defense conference report before the Senate contains funds to pay for contingency operations in Iraq, which Secretary of Defense Perry asked for, but was not included in the Defense budget request. It also includes $50 million for humanitarian assistance and $20 million for humanitarian demining activities. Items which quite frankly should be funded in the international affairs budget function, but which this committee has supported.

Mr. LOTT addressed the Chair.

The PRESIDING OFFICER. The Senator from Mississippi is recognized.

Mr. LOTT. Mr. President, I would like to inquire about the amount of time that I could have on this. Is the time under the control of the distinguished chairman?

The PRESIDING OFFICER. Yes.

Mr. THURMOND. I yield to the Senator as much time as he may desire.

Mr. LOTT. I think 15 minutes should do it.

The PRESIDING OFFICER. The Senator is recognized for as much time as he desires.

Mr. LOTT. First, Mr. President, I would like to commend and congratulate the distinguished Senator from South Carolina, the chairman of the Armed Services Committee, for his excellent work on this legislation, his dedication, his perseverance. There have been many times during the process of the development of this bill—in the Senate Armed Services Committee, on the floor of the Senate, in conference—when the hurdles looked like they were unachievable, that we just were not going to be able to move forward to the next issue or move the whole bill. But in each instance along the way, the Senator from South Carolina has insisted that we work together, between the members of the Armed Services Committee, across the aisle, between the Senate and the House, and between the Congress and the administration. It has not been easy. This is a big, important bill for the future defense of our country, and we would not be here without the leadership of our great Senator from South Carolina. I commend him and thank him for the opportunity of being involved in the process to move this legislation forward. Of course, I also want to thank the distinguished ranking member on the committee, the Senator from Georgia, Senator NUNN, for his cooperation and his being willing to point out where there were potential problems and to try to find solutions we could live with.

Mr. President, when the Defense Authorization Committee began this conference in early September, Members from the House and Senate worked for swift resolutions to issues of dispute between the two bills. While most conferences include issues which are difficult to negotiate, this conference clearly was especially difficult in trying to work out an agreeable conference report. Once the conference discussions began, it was evident that huge differences existed between the House and Senate conferees and the administration. Chairman THURMOND, Chairman SPENCE, and countless other Members, worked vigorously to try and bridge the differences, and a substantial compromise was required to resolve these issues. In fact, they were achieved. We did reach a compromise, and that is why we have this conference agreement. That is the way all conferences work. You always have differences between Republicans on the Armed Services Committee—between Democrats and between Republicans and Democrats, and between the Congress and the administration. That is what happened here. After a lot of hard work, we were able to achieve this conference agreement.

There were countless issues in this process that I felt strongly about. Several of them were resolved in a way that I do not particularly like. But the greater good is involved here. I think this is a conference report I can support, should support, and I also think the Senate should agree to. I understand that there are feelings in the minority that maybe they were not consulted enough as we went along. I do know that our staffs communicated

and that as negotiations were underway, our staff really worked hard to keep the staff on the other side informed. I do know that Senator THURMOND worked with Chairman SPENCE, and I know he worked with Senator NUNN. I had repeated conferences myself with Senator NUNN. He was very tolerant in talking on the car phone late at night and early in the morning. I talked to Senator EXON about a variety of issues in the conference, and I know that other Senators of both parties talked back and forth.

So while maybe it has not been a perfect process, we have learned from the process and we do have a result that I think we should be able to live with. I have listened carefully to the criticism on this final agreement. Some Members do not believe they were fully involved in the negotiations. Other Members just do not like some of the final results. I can remember, though, year in and year out when Senator NUNN and Chairman Aspin would convene the big four to resolve differences in the absence of the remaining members of the committees. There has been some complaint that there were not enough people involved in the loop. But I do have a memory of how, not very long ago, the big four finally got down to the big issues and met, and if the big four could not resolve the final problems, the chairmen met to make the final call—perhaps Chairman NUNN and Chairman DELLUMS. So there is nothing really different in the way we proceeded this time.

So we need to distinguish between unhappiness over the process and disagreements over what the right answers are on the policy questions involved. I agree that the process can always be improved. But opposition should not be raised against this bill because of objections to the way the conference was conducted.

This bill will serve as a roadmap for meeting America's national security needs in the future. This bill will guide the Department of Defense in its research and development, acquisition of weapons systems, personnel policy and force structure levels.

Friday, some Members began listing items they regarded as unacceptable in this bill to the point of deciding to oppose the conference agreement. Items identified as being questionable or unacceptable include these among others: The missile defense language; removal of statutory requirements for Assistant Secretaries for Special Operations and the Director of the Office of Operational Test and Evaluation; reduction in the time required for sale of the naval petroleum reserve by 1 year. Now there is a reason to oppose this bill. Big deal. You are going to vote against the Defense authorization bill because of a 1-year difference in when we sell the naval petroleum reserve? I do not find that very defensible, frankly. We also had the directed procurement of some ships to specific shipyards. I did not particularly like the agreement reached in some of these areas, but it was a compromise. It was one where we had strong feelings on both sides of the aisle from the Senate that was different from what the House wanted. But we kept pushing and pushing, and we finally got agreement between Senators of both parties and House Members of both parties. I would prefer not to have gone with the agreement that came up on those ships. But that is the art of compromise. You give—sometimes a lot—and you get a little and you come back another day and try again.

There are those who say there are too many certifications and reports required by this bill. Should we not be getting certifications and reports from the Pentagon to the Congress? I thought the Congress in the past has felt very strongly that we need to be kept informed. I think we did not go too far there.

There are some buy American requirements for certain components in this bill. We did not have it in the Senate bill. The House felt exceedingly strongly about it. We got them to make some changes, some modifications. I think that the requirements that are in here are livable. Would it be better if we did not have them? I guess, maybe so, although I think there are a lot of people in this country who wonder why we should not have some requirements that key components be bought in America. After all, these are U.S. tax dollars. Why should we not require some critical systems to be manufactured in America? I think it is dangerous to allow U.S. companies to go under—requiring us to buy critical components from sources outside this country. I also think it involves jobs in America. But, this is a very small requirement in this particular bill.

Also, one objection I have heard is that they do not like the language on U.N. command and control. Now, I want the Senate to think about that. Are you really, really, comfortable with an arrangement that would put our troops under U.N. command and control? Would you not rather have some clear directions on how that would happen or if it would happen? If you want to vote down the defense authorization bill because of our command and control language with regard to the United Nations, have at it. I can tell you the American people will not be with you, and I do not think it is smart from a defense standpoint.

Given so much is made of these various items, I want to review some of them so that the Members of the Senate will understand the substance of what is involved.

With regard to the missile defense language, the conference report is balanced. It is moderate—arguably by some on this side of the aisle and in the House, too moderate. But that, again, is the nature of the conference. Nobody gets everything they want. The conferees made every effort to accommodate the legitimate concerns and objections made by the administration, and even some objections that I thought were not so legitimate. But we went the extra mile. The conference report resolves all concerns having to do with the ABM Treaty, the President's prerogatives in the area of arms control negotiations and Russian ratification of START II.

Unfortunately, after all of this, the White House is still threatening a veto, and some of our colleagues are complaining as if we did not address the concerns. Let me mention a few of the more specific things that were, in fact, done to meet these objections that were raised.

First and foremost, the conference report contains a provision that is virtually the same as the Senate-passed language on TMD demarcation, which was specifically identified by the administration as acceptable. Now, we had some problems in this area because I frankly had thought we could go ahead and go with the identical Senate-passed language on demarcation, and along the way it kept being changed to say, well, it is not identical but virtually the same and that the words mean the same. There was concern on the other side about that. The language we wound up with, the administration specifically identified it as acceptable and not a problem. So, I assume, then, there is no problem with the TMD demarcation. The House-passed demarcation language, on the other hand, has been singled out as veto bait. Thus, on the single most controversial BMD issue in conference, the administration got what it asked for.

Equally important, the conference contains language on national missile defense that resolves concerns that we might have about setting up anticipatory breach of the ABM Treaty by requiring deployment of a multiple-site NMD system by a date certain. The conference report does not contain the multiple-site requirement which was even in the Senate-passed bill. After a lot of discussions with Senator NUNN and his communication with the administration, we did not want to leave any doubt. So a major concession was made there and, in fact, we have a couple of Senators on this side of the aisle who are seriously considering voting against the conference report because of that concession.

There was a narrow little slither that we could get through. We tried to find that little, small, unmarked passage that we could pass through. I think we found it if, in fact, you want any missile defense at all. Frankly, I suspect there are some on the other side who do not want any missile defenses at all. That is why even though we keep making concessions and coming to agreements, it never seems to be enough.

To ensure that there could be no misunderstanding regarding an anticipatory breach of the ABM Treaty, we remove not only the specific requirement for a multiple-site system, but

two other pieces of language; first, a congressional finding that the entire United States could not be defended from a single site; and, second, a requirement that the ground-based interceptor be deployed in significant numbers and at a significant number of sites to defend the entire United States, including Alaska and Hawaii. I still think it is indefensible that we say we might have one site, but you folks who live in certain areas along the gulf coast or in Hawaii or in Alaska, gee, we may not be able to cover you. Sorry about that. But, we will get the other 48 or so.

In place of this language, we inserted the exact language from the Senate compromise that the ground-based interceptors would be capable of being deployed at multiple sites. These changes were made at the request of the senior Senator from Georgia to resolve his concerns regarding anticipatory breach of the ABM Treaty.

Let me also point out this conference report urges the President to undertake negotiations with Russia to amend the ABM Treaty to allow for a multiple-site NMD system. I think it is in our best interest to do that. It does not just involve our relationship with Russia, but what other countries may be doing in this area. This provision makes it clear that we have no intention—no intention—of unilaterally violating the ABM Treaty. The language does state, if negotiations fail, we should consider withdrawing from the treaty, but this right is already provided for in article 14 of the treaty.

These provisions and others I have not mentioned make it clear that we intend a cooperative approach with Russia in dealing with the ABM Treaty. Nowhere in the conference report is it suggested or required that we violate or unilaterally walk away from the ABM Treaty. In exchange for resolving this ABM Treaty concern, the conferees agreed to retain a requirement to deploy an NMD system by the end of 2003—but without the multiple-site requirement.

Any remaining arguments about this ''anticipatory breach'' of the ABM Treaty or assertions that Russia may not ratify START II due to our NMD program are not based on fact or logic. Russia may not approve START II, but I think it may be because of the Communists and the nationalists that were just elected to their parliamentary body, not because of this missile defense language. I remind the Senate that the only operational ABM system in the world is, in fact, deployed around Moscow. It would be foolish to allow the Russians to blackmail us without regard to actions permitted by the ABM Treaty, as they have attempted to do on a variety of issues, including expansion of NATO and United States policy in Bosnia.

Let us be clear about the administration's real objections with the ballistic missile defense provisions in this conference report. The administration and some of our colleagues here in the Senate do not want the United States to be defended at all against ballistic missiles. That is my fear, at any rate. The administration's NMD program is designed to perpetuate research and development while indefinitely delaying deployment of the most limited NMD system. How long can you go on with research and development? It is like some of the Corps of Engineer projects that I am familiar with. They study them, study them; they do analysis and study. If they put that money into the construction of the projects that they waste on years of studies, we would get our projects a lot quicker, we would not waste nearly as much money. If we are not actually going to do this, how long are we going to go forward with R&D?

My staff was told directly by a senior White House official that the administration would object to any requirement to deploy an NMD system by a date certain, even if that system fully complied with the ABM Treaty. There you have it. That is the crux of the matter.

In essence, they oppose any commitment to deploy a national defense missile system. By way of comparison, by the way, interestingly, in 1991, a Democratically controlled Congress dramatically restructured the Bush administration's SDI program with the Missile Defense Act of 1991, which was a bipartisan initiative, sponsored by the then chairman of the Armed Services Committee. The 1991 act called for deployment of an NMD system in 5 years, whereas the conference report before the Senate today calls for a similar deployment in 8 years. What is the big concern here?

This 1991 bipartisan agreement, that was led by Senator NUNN, Senator WARNER, Senator COHEN, and others, said it would be done in 5 years, by 1996. Now this one says we will not even get it done until the year 2003. If we get to 2002 and we do not have the capability, if we do not want to do it, we do not have to go forward. We can change it. But should we not have some goal that someday we will quit doing R&D and we actually deploy a defensive system? Should we not have a date in mind so this just does not go on forever?

The 1991 act also mirrored this conference report in urging the President to negotiate amendments to the ABM Treaty to allow for a multiple-site NMD system. Think about that again. The 1991 act—bipartisan—led by Senator NUNN of Georgia, said essentially the same thing we are saying here, that there should be an effort to negotiate amendments to the ABM Treaty to allow for these multiple sites. Many of the same Members who stood on this floor in 1991 speaking in favor of national missile defense deployment are now telling the American people not to worry, that we do not need to defend the United States against ballistic missiles.

This defies, not only logic, but our responsibility to provide for the defense of the American homeland. I cannot help but conclude that on the subject of ballistic missile defense, the administration did not negotiate with us in full faith.

For weeks during the conference we heard nothing about objections concerning the ABM Treaty. But even after addressing each one of these concerns, in most cases accepting specific proposals made by the administration or minority conferees, we still hear the same old arguments and are faced with a veto threat. So I am disappointed, although I must confess I am not too surprised right now.

The next question involves the restructured Assistant Secretaries of Defense. Some Members have objected, on both sides of the aisle, to changes in law which impact two civilian offices within the Office of the Secretary of Defense, the Assistant Secretary for Special Operations and Low Intensity Conflict, and the Director of the Office of Operational Test and Evaluation. These Members allege that these positions are being eliminated by this conference report. Now this is not completely accurate.

The conference report simply removes the statutory requirement which dictates that these positions must be maintained. Why did the conference committee makes these changes? Frankly, primarily because the House felt so strongly about it. But, since the late 1980's the militarily services have shrunk by almost 25 percent. The military services have gone down in size by 25 percent. But, during the same period, the Office of the Secretary of Defense has increased in size by over 20 percent. This is since the late 1980's, so there have been Democrat and Republican administrations. But, while the military numbers are going down, the number of civilians in the Office of the Secretary of Defense have gone up 20 percent. How does this make sense? It does not. If you do not remove the statutory requirement that requires the continuation of this imbalance of personnel, the Secretary of Defense is restricted from realigning his office. This conference report empowers the Secretary of Defense. It does not restrict him in this regard.

Does anyone believe the Members of the House and Senate defense committees would eliminate or want to eliminate operational test and evaluation? Absolutely not. It is very important that we continue to emphasize the importance of operational tests and evaluation of new weapon systems. But maintaining our commitment to this function should not preclude our ability to allow the Office of Secretary of Defense to be restructured in order to reduce overhead and save money. After all, in the final analysis, the Office of the Secretary of Defense cannot fight a single battle. Military personnel have to do that. So we are getting fatter on the civilian side at OSD, while we are

slimming down in the actual fighting people.

The same is true of the Assistant Secretary of Defense for Special Operations. We are not in favor of removing civilian oversight of special operations, absolutely not. But the Secretary of Defense should be unburdened from the countless statutory requirements, one of which is this Assistant Secretary of Defense.

A lot of criticism has been made that this conference report mandates the Navy buy numerous component items in the United States only. While it is true the bill contains the requirement for the Navy to purchase certain components with 51 percent U.S. domestic content, it does not contain an absolute buy-American provision.

The United States is out of step with other countries which get involved in the awarding of defense contracts. If a defense contractor wants to bid on a Dutch weapon system, for instance, they require U.S. firms to meet two different tests. First is the an offset requirement—that is you have to bring some amount of money into the Netherlands to offset the amount of money going to the United States defense contractor. Second, the Netherlands requires a certain percentage of the United States defense contractor's work or product to be done in the Netherlands.

Now, we like to do business with the Dutch. But they have requirements on us that we do not have for ourselves. Are we going to get in the position where all of our—or many of our key defense components are built overseas? There is danger there. Surely we see that.

But that is not all the Dutch require. The Netherlands also leverages foreign defense firms by granting larger offsetting credits to United States contractors who increase the Dutch content of the component supplied by the United States contractor. For example, the Netherlands requires a 100 percent offset on all awards to foreign defense contractors, but they have structured an offset credit valuation system which awards more offset credit to foreign contractors who meet 85 percent domestic levels or higher in their country. So, if a United States contractor wants to win a defense contract with the Dutch Government they have two choices: Either they come up with a 100 percent offset for the total value of the contract award, or they have to manufacture 85 percent of that component or system in the Netherlands.

That is not exactly what you would call an open and fair competition for U.S. defense firms. The United States in almost every area of our defense procurement welcomes all bidders without domestic content requirements or offset requirements. How is this fair? It is the same old deal. America says we want free trade but we do not even require that it be equal or fair, not only in this area but a lot of other areas.

This bill simply identifies a list of specific key components and requires that 51 percent of those components be manufactured in the United States. It does not even come close to leveling the playing field in terms of applying the same set of rules on foreign contractors supplying our Defense Department as foreign countries apply to U.S. firms competing for defense contracts in their countries.

Good old Uncle Sam gets to be Uncle Sap once again. We always seem to bend over backward to deal with the problems of our allies but we do not look after ourselves. We are not talking about only one or two countries applying for these domestic content and offset requirements. There is a long list: Australia, Norway, Canada, South Korea. The domestic content provision in this bill is needed. It makes sense. And it is fully warranted, given the practice of other countries requiring offsets by U.S. contractors.

We probably should have done more in this area, not less. But, again, this was a case where the Senate was willing to say no, we are not going to have anything on this. Our House conferees were just absolutely adamant. And we ground it down and we made them give tremendous concessions. We came up with what is really a very small, and I think a reasonable, proposal.

COLA's for military retirees are in this bill. Members need to understand, without passage of this bill military retirees will, once again, fail to receive a fair and equitable cost-of-living adjustment, equal and timely with civilian retirees.

The Armed Services Committee members feel very strongly about this. Again, it is a question of fundamental fairness. I know there is some thinking going on around here, do not worry, we will put it on some train going through here in the next few days and we will take care of it.

There may not be any trains going through here in the next few days. We may be here Christmas day. But the idea we are going to hitch it on to a continuing resolution is very dubious. In the process, our military retirees could get trapped.

We have it in this bill. That is where it belongs. We need to make sure we understand, if we do not pass this authorization bill our military retirees' COLA could be lost. How are you going to explain to the military retirees in your State that you opposed a bill that would bring their COLA back into parity and alignment with civilian retirees? This bill provides important parity there.

Some say this bill is not perfect. I have never voted on a perfect bill, I do not think. I have never voted on a perfect defense bill. I do not agree with all of the bill's provisions, but overall I think this is a good bill. Concerted efforts were made to address numerous administration concerns. As a result, substantial modifications were made in conference to address these concerns.

In the missile defense area, as I pointed out, the cooperative threat reduction program, the so-called Nunn-Lugar program, we had some reservations about it. We worked hard on that with Senator NUNN and Senator LUGAR. We made agreements. I think all the money was restored, with a certain amount of it fenced, but even that money could be spent in other countries. I think that was the final result. We support this program and we got it worked out.

We made changes but we retained the U.N. command and control restrictions. We had contingency operations funding. I personally do not like that at all. I do not like this contingency operations funding. I do not like giving the Pentagon money and saying, ''by the way, use it because of commitments that had already been made in Haiti or Somalia or wherever they may be''—but giving the money in advance. I think they need to justify all of these continuing operations' funding. We will live up to providing the funds. We always have and we will. But I do not like this funding in advance.

We had acquisition reform provisions. We had improvements in military housing. There is a long list of really good things in this bill.

While the administration may not like all of them, I say again, we made tremendous efforts to work with the administration. I know Senator NUNN helped with that. I know our leader, the chairman of the committee, wanted to work with the administration. In fact, he insisted that we meet with Dr. Perry at breakfast meetings to hear his concerns. I remember Dr. Perry came over and said, ''We do not like the House-passed bill, but we are pretty comfortable with the Senate-passed bill.''

So we worked to try to address his concerns. We met with the Deputy Secretary of Defense, Deputy White. He came in and said—I cannot remember the number—''There are six or seven areas we are really concerned about.'' Look at the bill and you will find in almost every one of those areas we either met their specific requirements, or request, or made substantial movements in that direction. So they have been able to get a lot of modifications.

I think we have a good bill. I urge Members of the Senate to support this conference report. It is good for the men and women in uniform. That should be our principal goal. It improves the readiness of our forces. It begins to correct the modernization problems our military services face and provides policy guidance necessary to operate our defense efforts in a challenging and difficult time.

Did we leave some issues on the table? Yes. But we will be back at work on the next authorization bill in about 6 weeks.

Did we have some areas that we may change our mind on later? Yes. But we have an authorization bill every year. If some language needs to be revisited, we can do that. Let us pass this bill.

Let us do the right thing for our country and for our military men and women.

I yield the floor, Mr. President.

Mr. THURMOND addressed the Chair.

The PRESIDING OFFICER. The Senator from South Carolina.

Mr. THURMOND. Mr. President, I wish to commend the able Senator from Mississippi for the excellent remarks he has made on this bill.

He is the Republican whip in the Senate and does a great job there. He is also a valuable member of the Armed Services Committee and has made a great contribution to our country by sitting on that committee. Again, I want to thank him for all he has done to promote this bill.

Mr. BRYAN addressed the Chair.

The PRESIDING OFFICER. The Senator from Nevada is recognized.

Mr. BRYAN. I thank the Chair.

Mr. President, I rise today to oppose the Department of Defense authorization conference report, and I do so with considerable regret. I, as a member of the committee, voted to support the original authorization bill because I think it did represent a very carefully balanced approach on some of the critical issues which I am going to comment on briefly.

I acknowledge that there are parts of this bill that I think are quite good. The military pay provisions, the acquisition reforms are areas of particular interest to me. In my own State, money is provided for hydronuclear testing, some $30 million. Those and many other provisions I fully support.

But the conference report now before us contains significant changes from the originally approved bill, particularly with respect to providing additional funding for the B–2 bomber, a position which the Senate opposed both in committee and on the floor.

The report contains very dangerous language, in my opinion, with respect to the national missile defense provisions that, if enacted, would violate the U.S. agreement on the Anti-Ballistic Missile Treaty. The report contains a number of troubling ''special arrangements,'' such as a specific ship maintenance contract for a specific shipyard, which in my view would circumvent the competitive bidding process. The report also delineates line by line how the National Guard and Reserve may spend their allocated money for procurement, a position contrary to that taken by the National Guard and Reserve components. Moreover, Mr. President, I regret to say that the conference report does not have the full bipartisan support of the Senate Armed Services Committee. The minority members, the Democrats, were not even minimally notified or consulted with respect to major issues that were changed in the conference report.

Last week, the Democratic conferees were asked to sign the conference report despite the fact that we had not been given the final language on a number of critical issues, most notably the language with respect to the B–2 bomber and the potentially explosive national missile defense language.

I might note with specificity that when my office was notified that the final conference meeting would convene, we were provided about 30 minutes advance notice. I was able to attend, but a good many of my colleagues, not having any prior notice of the conference meeting, were not able to attend. This meeting convened rather late in the afternoon at approximately 6 o'clock, with such late notice many of my colleagues were unable to rearrange their schedules to attend a very important meeting.

So for those reasons, and others, I do not intend to support this conference report today and I would not agree to sign the conference report last week.

It appears that this conference committee has never been terribly serious about conducting bipartisan negotiations. As a matter of fact, the conference committee was disbanded a few weeks after it was convened. Therefore, there could be no meaningful bipartisan discussion of the funding levels, or any of the other outstanding issues in the context of a conference discussion. In point of fact, Mr. President, the conference was disbanded before any real, substantive discussions even began among the conferees.

Due to the early disbanding of the conference, negotiations have taken place primarily between House and Senate Republicans behind closed doors for the past 95 days. Because the conference was officially disbanded, negotiators were not bound to follow the open meeting rule, nor were they required to notify all conferees of negotiation sessions or conference meetings.

I am a relatively new member to the committee, Mr. President. This will be my third authorization bill. But I must say, in my experience it is unprecedented that the committee has operated in this fashion. I am told by my colleagues who have considerably more tenure than I do on the committee that this is without precedent. I must say when I was appointed to this committee in 1993, I was enthusiastic about that appointment, and I continue to be. One aspect that I particularly enjoy—having had the opportunity to serve on, among other committees here in the Senate, the Senate Armed Services Committee—is that it has historically had the reputation, which I found to be the case, that it really was bipartisan. That is not to say that there were not legitimate differences that divided us. There were, and there continue to be. But there was a virtual absence of partisanship as we processed the various policy questions within the jurisdiction of that committee.

I regret to say, and I hope that this is a temporary aberration, if you will, that this is not an auspicious beginning for us if this is the way the Defense authorization conference is going to be conducted in future years.

There are Members on both sides of the political aisle who have served many, many years in the Senate. These individuals have gained considerable expertise in very discrete areas dealing with the funding of our national defense effort, and I think their expertise would have been extremely helpful in the negotiations with our colleagues in the other body.

I note further, Mr. President, that there are major parts of the conference report that were discussed at this meeting which I have described—the one which provided our office with about 30 minutes notice—that were only verbally described to Senators literally minutes before the report was presented to us for signature. With respect to some of these provisions, they are extremely complicated. Language is very important.

Specifically, I note the conference report language change with respect to the national missile defense provision. I must say that engaged colleagues on both sides of the aisle worked on the Senate-passed compromise version of this language. In extraordinarily difficult and, I think, very instructive discussions, the Senate provisions were agreed to overwhelmingly when it was acted upon on the floor of the Senate. Unfortunately, this was not the experience with respect to the conference negotiation.

The resulting conference language, in my view, is deeply flawed. It, indeed, may result in a violation of the ABM Treaty, and it seems to me that we send all the wrong signals to the Russians. In effect, by the deployment schedule specifically established in this bill at 2003, it seems to me, would make the Russians even more reluctant to negotiate any further nuclear arms reductions and give them considerable reason to believe that it is our intent to violate the ABM Treaty itself.

Another of the issues that divided us is the additional funding of the B–2 bomber. It was defeated in the Senate Armed Services Committee this year, in a bipartisan vote, and not included in the Defense authorization bill which was passed in this Chamber. I find it particularly troubling that the provision itself that would increase funding to the B–2 bomber was not available at the time the conference report was presented to us and we were asked to approve. Again, this is one of the most difficult issues that the committee had to deal with, and I would submit that this is not the way in which we ought to be conducting conference negotiations.

Moreover, this conference report imposes new restrictions on the President's ability to obtain contingency funding for military operations. This is in direct contravention of the President's constitutional role as our Commander in Chief. The report contains directed procurement of specific ships at specific shipyards without a clear

requirement, undermining, in my opinion, the efficiency and cost-saving objectives which are of critical importance as we face very, very difficult budgets in the outyears.

The conference report contains spending floors with respect to shipbuilding provisions. These are requirements to spend specified amounts on specified projects. Again, in the real world in which we live, where the budgets are going to be tighter next year and each of the outyears thereafter, I find this provision unfathomable.

The conference report will create a special congressional panel on submarines. I must say that my colleagues on the other side of the aisle have made a number of very constructive comments over the years when they talk about streamlining Government and reducing the number of committees. Adding another committee, it seems to me, is duplicative and creates unnecessary additional staff involvement and the possibility of additional funding that is just not warranted. The existing panel, in which submarines are included in the jurisdictional portfolio, does a proper job in my judgment and a new panel just for submarines is redundant, unnecessary and unwise.

The conference report designates every single line of the National Guard and Reserve procurement funds, rather than providing generic categories of funds. This, Mr. President, is contrary to requests made by the National Guard and Reserve.

The conference report dictates to the Department of Defense what their procurement priorities ought to be. It allows them to spend the money on nothing but those items deemed appropriate by the House and Senate. I recall in a different context a lot of criticism about Congress micromanaging the Pentagon. Let me suggest that I believe this is a case in which micromanagement has become the operative order of the day.

I mentioned previously Pacer Coin, a program of particular interest in my State. The Nevada Air National Guard would receive two of those planes. The conference report contains language on the Air National Guard's Pacer Coin mission that is patently false. The report reads, and I quote, ''The conferees understand that the National Guard Bureau has requested that the Air Force terminate the Pacer Coin program.''

This statement is not true. As a matter of fact, I have a letter dated December 8, 1995, from Maj. Gen. Donald Shepperd, Director of the Air National Guard. His letter states in part, ''The Air National Guard always has supported Pacer Coin and will continue to support the mission.'' General Shepperd's letter then goes on to say, ''It is our understanding that the Pacer Coin mission is a priority of the Commander in Chief, U.S. Southern Command.''

Mr. President, I ask unanimous consent that the full text of General Shepperd's letter of December 8, 1995, be printed in the RECORD.

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

DEPARTMENTS OF THE ARMY AND THE AIR FORCE; NATIONAL GUARD BUREAU,
Washington, DC, December 8, 1995.

Senator RICHARD BRYAN,
Russell Senate Office Building,
Washington, DC.

DEAR SENATOR BRYAN: Thank you for your December 6, 1995 letter concerning the continuation of the Pacer Coin mission. I assure you that the Air National Guard always has supported Pacer Coin and will continue to support the mission as long as there is a military requirement and the necessary resources.

Regarding the military requirement, it is our understanding that the Pacer Coin mission is a priority of the Commander-in-Chief, U.S. Southern Command. In terms of necessary resources, the program transferred to the Air National Guard underfunded in fiscal years 96, 97, and 98. This shortfall spurred budgetary exercises that may have been misconstrued as a lack of support for the Pacer Coin program. My staff is searching for alternatives to fund the shortfall for FY 96.

Again, let me reiterate my support of the Pacer Coin mission and assure you that the Air National Guard will support this mission as long as there is a military requirement and proper funding.

Please don't hesitate to call if I can be of further assistance.

DONALD W. SHEPPERD,
Major General, USAF,
Director, Air National Guard.

Mr. BRYAN. I thank the Chair. I also have a letter from Gen. Barry McCaffrey, commander in chief of U.S. Southern Command dated June 2, 1995. His letter states, ''U.S. Southern Command supports retention of the Pacer Coin reconnaissance program in the Air National Guard and periodic deployments of the system in this theater.''

And again, Mr. President, I ask unanimous consent that the full text of General McCaffrey's letter dated June 26, 1995, be printed in the RECORD.

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

DEPARTMENT OF DEFENSE, U.S. SOUTHERN COMMAND, OFFICE OF THE COMMANDER IN CHIEF,
Washington, DC, June 26, 1995.

Hon. RICHARD H. BRYAN,
Russell Senate Office Building,
Washington, DC.

DEAR SENATOR BRYAN: Appreciate your concern over the potential termination of the U.S. Air Force Pacer Coin reconnaissance program and welcome the opportunity to share the U.S. Southern Command's views on the value of this important asset.

The U.S. Southern Command and its ground, air, and naval component forces rely heavily upon releasable, high quality imagery. This requirement for extensive imagery is to support operational planning, exercise deployments, humanitarian assistance and disaster relief operations. We also provide comprehensive imagery support to U.S. Country Teams and host nations throughout the region that are involved in counterdrug operations.

As you know, however, fiscal constraints and force structure reductions drove the transition of the Pacer Coin program from the active force structure to the Air National Guard. As a consequence, we have asked for periodic Air National Guard deployments of Pacer Coin to satisfy the continuing requirement for timely, high quality, broad area imagery that we can release to our host nation allies in the region. The U.S. Southern Command supports retention of the Pacer Coin reconnaissance program in the Air National Guard and periodic deployments of the system to this theater.

Best wishes,

BARRY R. MCCAFFREY,
General, U.S. Army,
Commander in Chief.

Mr. BRYAN. I thank the Chair.

I must say it has been difficult for me to understand, with two commanding generals who have in one instance a National Guard command authority and in the other instance an operational command of the Southern Command both expressing support for the program, how the conference report could question the viability of this program and conclude that this is a program that is not supported.

I guess by way of general conclusion, Mr. President, I regret to say that this conference has not been conducted in its historical bipartisan manner. Democrats were cut out from any meaningful participation in the conference itself. And I must say the Secretary of Defense has indicated that he will recommend a veto of this conference report to the President. The National Security Council and the Pentagon find the national defense missile language in this report to be wholly unacceptable and quite dangerous.

Finally, the President himself has sent a message to Congress saying that he will veto this bill in its present form. For these and the other reasons that I have referenced in my comments, I urge my colleagues to vote against the report.

Mr. President, I yield the floor and in the absence of any other colleague in the Chamber 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. COATS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

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

Mr. COATS. May I inquire how much time is remaining on our side?

The PRESIDING OFFICER. There are 28 minutes 30 seconds remaining.

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

The PRESIDING OFFICER. The Senator from Indiana.

Mr. COATS. Mr. President, first, I want to begin by commending the chairman of the Senate Armed Services Committee, Senator THURMOND, for the work that he has done this year in leading the effort in putting this defense authorization conference report together.

It has been a tough year, as we all know. It has been a long and difficult

year with many, many complex and difficult questions. Senator THURMOND has provided extraordinary leadership in bringing us to this point. I want to commend him for his efforts in that regard.

At the same time, I want to express my disappointment that, apparently, this conference report is going to be virtually unanimously opposed by our colleagues from across the aisle. I regret that, because we have always, at least in my tenure, moved forward on defense bills in a bipartisan fashion. It appears now that we will not be doing that this year. I think that is disappointing.

Nevertheless, I hope that our colleagues will see fit to support this legislation in such a manner that it can pass the Senate, be sent to the President and then he will, obviously, have to make a choice as to whether or not he wants to accept the bill or veto the bill.

We heard a lot of Members state reasons why they will not vote for the bill on the basis of what is included in the bill. What we have not heard is information relative to what is now in the bill that will be lost if it is not passed.

Anybody can look at a bill this massive, covering this amount of spending, and find reasons why they do not like a particular part of the bill. I have never voted for a bill where I have agreed 100 percent from beginning to end with every provision in that bill. This is the art of political compromise that tries to balance the opinions of one House versus the other, the opinions of one party versus the other, the interests of particular Senators in putting more emphasis on one portion of the bill than the other. In the end, you put a package together. You trust the major thrust of that package is in the direction that you want to go.

So to raise specific concerns about specific items in this bill as a basis for rejecting the whole bill, I think, is something that if we practice it on every bill that came forward, nothing would pass in this body.

But as I said, Members have stated that there are items in the bill that they do not like and, therefore, they will not vote for the bill. I would like to list, as chairman of the Personnel Subcommittee, what will be lost if this bill is not passed. I think Members ought to consider some of this before they make a final determination on how they will vote.

Do Senators understand that the full pay raise, which is only 2.4 percent, but the full pay raise to our troops in uniform, including those on the way to Bosnia and those deployed in areas around the world, will not be granted if this bill is not passed? The authorization for the full pay raise is included in this legislation and that will not go forward unless this bill is passed.

Reserve mobilization insurance will not be established. Several bonus authorities for enlistment and reenlistment will not be authorized. At a time when we have a shrinking defense force and we are trying to find the top quality people, the bonuses for enlistment and reenlistment that are incentives to attract the kind of people we need will not be available.

A whole series of quality of life initiatives will be lost. We keep talking about our No. 1 priority for our troops is quality of life. We need to provide them with the best training and the best equipment and the best leadership, but we also need to provide them with a quality of life that will allow they and their families to make a career commitment to service in our military. A whole series of initiatives on quality of life will be lost.

Let me just mention some of them. There will be no increased quarters allowance to close the gap of housing cost increases. This quarters allowance equals 5.2 percent in the bill. Without it, it will be 2 percent. That means when a soldier and his or her family are stationed in particular areas of the country and sufficient base housing is not available for them, as is the case in most instances, they have to go out into the local market. When they go out into the local market, the allowance that they are given for their quarters does not begin to cover the cost of housing in that particular area. We give quarters allowance to cover that, but it has not kept pace with the increase in housing costs, and so soldiers and sailors and airmen and marines and their families will be put at a continued even greater disadvantage than they have been in the past.

There will be no authority to pay quarters allowance for NCO's on ships or NCO's who currently live in inadequate quarters. These are people who are key to the successful functioning of our military, and they will not receive quarters allowance unless this bill is passed.

There will be no authority to pay family separation allowances to certain single soldiers.

There will be no authority to pay enlisted airmen hazardous duty incentive.

There will be no authority to pay special duty pay to personnel assigned to tenders.

There will be no authority to pay increased special duty pay to recruiters.

There will be no authority to pay dislocation allowances to those forced to move as a result of the BRAC process.

There will be no more automatic increase of servicemen's life insurance. At a time when we are deploying troops to Bosnia to undertake the risks that will be involved in this, there will be no automatic life insurance increase. That was included in our bill.

There will be no COLA equity for military retirees, and I will discuss that in a moment.

There are a number of service academy issues that will not be addressed.

Two Navy P–3 squadrons will not be authorized.

There will be no floor on military technicians, a critical request made by the service chiefs and others as they came before our committee. As the equipment becomes more sophisticated, we need people who have more technological capability to repair and deal with this equipment, and this is a very important part of the authorization bill authority, and that will not be provided.

Dental/medical benefits, CHAMPUS benefits for certain members of the total force will not be included. These, just from the Personnel Subcommittee, are items that we will not have if this bill is defeated or if the President vetoes it.

Let me discuss one other. There is a whole series of initiatives to provide new authorities for the provision of new housing, repaired housing, restored housing for our military personnel.

Why is this important? Because over the last 30 years, while we have made some remarkable strides in providing our troops with training and equipment, we have ignored their living quarters, the repair, maintenance, and the construction of new quarters. Currently, on the military's own estimate on the basis of their own standards—and I suggest their standards are not the standards that are found generally in housing construction throughout this country; they are lower standards. Even by their standards, many of the housing units, most of which are over 30 years old, are in a state of disrepair. In fact, by Department of Defense standards, over 80 percent of the existing military housing is inadequate. Let me repeat that. Over 80 percent of the housing that we ask our military families and ask our single military personnel to live in is inadequate. It is substandard and it needs repair, maintenance, and some of it needs to be torn down. A lot of new units need to be built.

Under the current rate of funding for this repair, maintenance, and construction, it will take 30 years to remedy the problem. Of course, in 30 years, the problem that is remedied this year and in succeeding years will then be inadequate. So we are getting nowhere. Under the direction of the Secretary of Defense, Bill Perry, under the very able leadership of former Secretary of the Army, John Marsh, and an internal as well as external task force, a year's worth of effort has culminated in a plan to very substantially upgrade military housing on an accelerated basis. Because we are faced with a budget crunch that does not provide the immediate funds, new housing authorities are requested by the department, so that we can use methods that are used by the civilian housing authorities, which exist in virtually every one of our States, to leverage funds to begin to dramatically accelerate the rehabilitation and construction of new quarters for our personnel.

We are asking individuals to commit a career, a lifetime, to the service, and that means that we are moving from

single enlisted people that formerly were brought into the service by the draft, as I entered, and now, instead of a 2, 3, or 4-year commitment, people are making a lifetime commitment. Most of those people are bringing their families with them—their spouses and children. For this country to ask individuals to put on the uniform and provide for our defense and not provide for adequate housing, I believe, is a disgrace. It is a disgrace to ask these people to live in the housing and the quarters that they currently live in.

I have personally visited the family quarters and the bachelor quarters on a number of bases throughout this country and some overseas. I would not put my family in some of these living situations, and either would anybody else in this Senate. I would not begin to ask my family to live under some of the conditions that our service personnel live in, without complaint. The least we can do for these people who make this commitment to provide for our security and our freedom is give them adequate living quarters. Roofs are caving in, ceilings are caving in, water is running down the walls, broken plumbing, exterior windows cracked, cold air rushing through. You do not need air conditioning if you live in a cold climate because it comes right through the windows and the walls.

I think one of the things that I will regret the most if this bill fails, either in the Senate vote or if it is vetoed by the President, is the loss of authority to do what Secretary Perry has asked us to provide—to accelerate the reconstruction and the maintenance and repairs of some of our housing that we provide for our military personnel. That is what we lose just from the personnel section of this bill. I do not have the time to go into other sections.

There have been a number of allegations made here about some of the additional problems that exist. I would like to address one of those points, because it seems to be a major sticking point for several Members—that is, the statutory authority that exists providing for the Director of Operational Test and Evaluation. What Members need to understand is that the conference report does not abolish this office. This is an important office, as is the Office for Special Operations and Low Intensity Conflict. But what the committee is attempting to address is a situation where the Department wants the flexibility to review the way it is organized, to make determinations as to how it wants to be structured and then report to us as a committee by March 1 of 1996. The repeal of the statutory authority, first of all, does not even take place until January 1, 1997. It is not prejudicial because we are asking the Secretary of Defense to report to us by March 1 of next year his recommendations as to how the Department can be reorganized so it can operate in the most efficient manner. They are feeling the budget squeeze. They know they need to make decisions relative to how they can better organize to achieve savings.

All we are doing is repealing the requirement for specific positions on a statutory basis. It does not mean the position will be eliminated. We then, as a committee, will have the opportunity to review the report, question the Secretary, and look at and evaluate their reorganization plan, and we can decide that we want to retain these statutory provisions.

There is no doubt that the Director of Operational Test and Evaluation is an important position. Senator NUNN, on this floor, very accurately described the nature of the position and the independence of the incumbent director. I fully expect that Secretary Perry will ask that this position be retained. The key factor is that he will make that recommendation on the merits, not because he was encumbered by a statutory protection. That is the goal of this legislation. Meritorious recommendations by the Secretary of Defense, not abolition of one position or another.

The legislation is intentionally crafted to permit any repeal to be vitiated before it is implemented, if that is the appropriate outcome. There has been a lot of misinformation about this part of the bill, and if Senators will take the time to review the actual language and understand the intent, I am confident that they will see this as a workable solution. So I urge my colleagues who may be thinking of voting against the bill, on this provision alone, to look at the conference report and understand what it is we are attempting to do.

Now, Mr. President, second, I want to take some remaining time here and just put this Defense authorization debate in the broader context of the budget debate, because it has been said on this floor on numerous occasions by numerous Members that if we were really serious about reducing the deficit, we would reduce defense spending. We would take this defense bill, which they say is sacrosanct from spending, and we would begin to take savings out of Defense. I do not know where those Members have been for the last 10 years. But as Senator NUNN said on this floor just about a year ago, ''Those who claim that Defense has not been substantially reduced since the end of the cold war are flat out wrong. The Defense Department, in the past few years, has carried more than its fair share of sacrifice for lowering the deficit. Indeed, the Defense Department seems to be the only part of the Federal Government that has carried its fair share.'' Let me repeat that one statement again. ''Those who claim that Defense has not been substantially reduced since the end of the cold war are flat out wrong.'' They ignore the facts.

To say defense is the area that needs to be reduced so that we could prove our commitment to deficit reduction ignores reality. The fiscal year 1996 budget request for defense is at the 1975 spending level in constant dollars. The 1997 level is at the 1955 level. Since 1985, we have reduced defense procurement 71 percent. Research, development, testing, and evaluation funds have been reduced 57 percent. By 1999, defense spending as a share of the gross national product will have declined to 2.8 percent, the lowest since before World War II.

We are now entering the 11th straight year of declining defense budgets. We have cut active duty personnel by 32 percent. That is the lowest level in 60 years. The Army will have 45 percent fewer divisions, the Navy 37 percent fewer battle force ships, and the Air Force 40 percent fewer attack and fighter aircraft.

Now, defense spending, which has decreased—just in the 10-year decade, the decade of the 1990's, defense spending will decrease 35 percent. What are we doing with the rest of the budget? Domestic discretionary spending, during that same time period, increases 12 percent; welfare and mandatory spending will increase by 38 percent. Those that say defense has not done its share are ignoring the facts.

If some of these other nondefense areas of the budget had done one-tenth of what defense has done, we would not be debating the need for a balanced budget. We would have achieved a balanced budget. Name me one program in the Federal Government, outside of defense, that has even begun to reach the decrease in spending that defense has. Name me one program that has been reduced at all.

The challenge is not to further reduce defense. The challenge is to look at the other programs that are driving our costs out of sight, that are squeezing our ability to provide for an adequate defense.

At the same time that defense spending is reducing dramatically and the number of personnel are reducing dramatically, the requirements for deployments are increasing. We have shrunk our forces in Europe from 314,000 prior to the fall of the Berlin Wall. That number is now rapidly approaching 100,000. Yet those remaining forces have been deployed in more missions in the last 5 years than in the previous 45 years combined. The average soldier now spends approximately 138 days each year away from home on extended short-notice deployments. This is combined with extensive training, away from home, in order to maintain the critical skills necessary. That is a tremendous strain on those personnel and particularly on their families.

Our Navy surface ships are away from home at tempos in excess of 130 days per year—that is away from home. That does not count the short-term deployments to prepare them for the longer term deployment.

The Marines currently have 24,000 people—pre-Bosnia—24,000 people deployed overseas carrying out a whole

number of 911 fast-reaction assignments. The Air Force has had a fourfold increase in the deployment obligations over the last 7 years, while drawing down its overall end strength by a third.

So we have troops deployed all over the world on all kinds of missions and yet we have fewer number of personnel to allocate to these deployments. What does that mean? Longer deployments, longer time away from home, more strain and stress on the force.

We have a serious gap that is opening between our military mission and the level of funding we provide. The Armed Services Committee this year, under the very able leadership of our chairman, has done the very best that we can to take this limited budget and stretch it in a way that begins to meet the needs of our Armed Forces.

To those who say, ''We have added $6.7 billion and the Pentagon didn't request it.'' If the Pentagon were calling the shots their budget requests would have been a lot higher than they were. They are not. They get a number from the President. The President's Office of Management and Budget says, ''Here is your number, now make it work.'' These people are trained to salute and say, ''Yes, sir.'' Ask any one of them, as we have in our hearings, do you need more, could you use more, would you like to have more? Their answers were ''Yes, we would.''

There are a number of things we would like to deal with but we recognize we are constrained by this budget and therefore we have done the best we could. We are on the razor's edge of readiness. We are worried about procurement in the future. We are not updating our equipment. We are sacrificing quality of life, but we have to live within this budget number. We will do the best that we can. They do a terrific job. To say they do not want the additional resources, that this extra money that Republicans have provided, $6.7 billion, is wasted money is simply not the case.

You can argue over how that ought to be allocated. It is not allocated 100 percent the way I would like to allocate. The defense budget has been declining now for 11 straight years. It is certainly not some Government program run amok without control, as so many others have.

Mr. President, balancing our books is one of the most important duties of Government, but it is not the first duty of Government. The first duty of Government is the defense of this country, without needless risk to the men and women who serve. That means more than defending our borders. It means shaping a security environment that will be favorable to America in the future. It means providing our troops with the training they need, the equipment they require, the kind of leadership that provides for success, and the quality of life that gives them a stake in the future of this country, that provides for their families while they are away on deployment.

We are asking fewer people to do more with less. As I speak, we are deploying 20,000 troops, and many more thousands of support troops, in this effort to Bosnia. They are fighting terrible weather, as we can see every day on CNN. They are fighting some of the world's worst terrain. They are engaging in a mission that many of us still are trying to figure out what the mission is. It is a mission that is fraught with risk.

We are asking and have asked and will continue to ask a great deal of the men and women who wear the uniform of this country. The very least we can do with this type of budget constraint is to provide them with the best that we can. To reject this bill now, I believe, sends an absolutely wrong signal.

We talked about sending signals on the floor last week. What kind of signal do we send, with all the authorities, the quality of life initiatives, and other items in this bill. What kind of signal do we send to the troops right now trying to fight fog, the weather, the snow, and the landings on a runway they cannot see, in a mountainous area of Bosnia? Deploying into terrible weather and terrible terrain on a mission they are not sure exactly what it is. What kind of signal do we send, that the Senate rejects the bill that takes care of their families while they are gone? The Senate rejects the bill that provides the authorities we need to have a successful military effort? That is a terrible signal to send.

If Members want to talk about sending a signal; walk down here now and vote. Just because there is a piece of the bill that you do not like or because this is now partisan politics and we did not get in enough of the discussions about what the final bill should look like. Therefor in a fit of pique you register your displeasure with it, I think that is a terrible mistake. It is a terrible time for our troops, as we approach Christmas, as our troops are leaving their families and going into a very uncertain, risky situation in the world's worst terrain and climate—to now reject this bill would be a huge mistake.

I urge my colleagues who may be having reservations, ask us what the facts are, look at what is in the bill, let us work with you to resolve differences next year, but do not tell our troops that we are not going to give them these authorities and we will not provide for their future as included in this bill.

I yield the floor.

Mr. THURMOND. Mr. President, I want to commend the able Senator from Indiana for the excellent remarks he has made on this bill. He is a valuable member of our Armed Services Committee and made a fine contribution throughout this year to the work of that committee. We appreciate it very much, Senator, all that you do for your country.

The PRESIDING OFFICER. The Senator from Virginia.

Mr. WARNER. Mr. President, parliamentary inquiry. Am I not correct that the Senate is due to stand in recess now until the hour of 2:15?

The PRESIDING OFFICER. The Senator is correct.

Mr. WARNER. Mr. President, I ask unanimous consent that I might proceed for 7 minutes.

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

Mr. WARNER. Mr. President, I wish to join the distinguished chairman of the Armed Services Committee in recognizing the valuable contributions consistently made by the Senator from Indiana and his very stirring and moving remarks of a few minutes ago. He is recognized on our committee as an expert in the area of personnel, and I am pleased to hear that, as he addressed our colleagues this morning, he made specific reference to the families of the men and women of the Armed Forces and of course his reference to those now being deployed to Bosnia.

As the Senator well knows, there are some 100 ships on the high seas, all over the world today, and men and women of the Armed Forces stationed in many other countries. So this message not only relates to those that, perhaps, are foremost in our minds on the Bosnia deployment, but, indeed, to men and women on the high seas and in various posts in farflung parts of the world. I compliment my good friend for his remarks.

Mr. President, it has been my great privilege to serve these 17 years on the Senate Armed Services Committee, and I share the concerns of so many that, as we approach the vote on this bill, there remains in the minds of some, doubts about whether or not this bill meets their individual expectations.

I have had those same doubts through these 16 previous years about other defense conference reports and, indeed, the bill itself, as it has left the Armed Services Committee. But each time, I have found a means by which to reconcile my differences and to join the other side of the aisle in support of the bill. This year, under the very able leadership of the distinguished senior Senator from South Carolina, a man who has a career associated with the armed services unparalleled in length to any Member of this Chamber, having joined the Armed Forces in the early stages of World War II, at the time when he was not even subject to the draft—he went out and volunteered. He resigned as a judge, and was proud to wear the uniform of his country, and he did so with great distinction, being the only Member of the U.S. Senate to have participated in the historic Normandy invasion in June 1944.

So, I pay great respect to my chairman. Beginning in the early stages of World War II, he started his preparations to serve in this Chamber and serve as a true representative for the men and women of the Armed Forces. Shortly we will be voting on this conference report, which will be the first

bill of the Senate Armed Services Committee which proudly bears his name as chairman.

Let me address two specifics. I was concerned about references to the submarine panel. This was not an idea that originated in the Senate. Together with Senator LIEBERMAN, Senator ROBB, and Senator COHEN, I worked on the provisions relating to submarines in this bill and we recognize there was no need for this panel. But the House did. The House even wanted stronger measures.

Negotiations related to submarines were perhaps one of the most difficult part of the negotiations with the House of Representatives and the Senate. Out of it came the concept to have a panel to consist of three members from each committee, appointed by their respective chairmen on a bipartisan basis and reporting back to their respective committees. I, therefore, do not believe there is any invasion of the authority of the two committees on the armed services in the two bodies. In fact, I view some positive aspects in this concept. Because, as one looks at the former Soviet Union today, and most particularly Russia, that is where a disproportionate amount of their annual investment in national security goes—right into research and development and production of first-line submarines, submarines that challenge our finest submarines in the seven seas of the world today.

So I think every bit of intellect, every bit of wisdom that we can incorporate on behalf of our Nation into future submarine production is time and effort well spent. That, I think, will be a positive contribution. I hope I will be considered to be a part of this special panel on submarines, since in my State we are proud to have a shipyard which for many years has built some of the finest submarines, not only for our Navy, but anywhere in the world.

Then, Mr. President, turning to a second item, the Guard and Reserve, this has been a debate through the years. The Senator from Michigan tried, I think, to convince our committee—subsequently tried to convince the floor—of his desire to have a different approach to the Guard and Reserve. He is a very valued member of our committee. He understands the subject of the Guard and Reserve. And, like so many of us, we express our best judgment and seek to try to be convincing among our colleagues. He did that on two occasions and the majority of the Senate in the committee and on the floor decided on a different means to address the Guard and Reserve. So the battle was fought. The battle was decided. We go on with our business.

Of course, he has a perfect right to come and express such disappointment as may remain on this subject. But nevertheless, we have a solid provision in this bill for the Guard and Reserve and it reflects the majority views of the Armed Services Committee as well as the Senate as a whole.

These are just two examples of where there are differences between Members on the other side of the aisle and Members on this side, but I plead with my colleagues to think, in the spirit of reconciliation, as we do so frequently in this Chamber, and particularly as it relates to the men and women of the Armed Forces and sending that message. When, from the Chair, that vote is announced, we want to send a positive message all across the world and on the high seas. I urge my colleagues to support this conference report.

I yield the floor.

The PRESIDING OFFICER. The Senator from South Carolina.

Mr. THURMOND. Mr. President, I commend the able Senator from Virginia for the excellent remarks he has made on this bill. The Senator from Virginia was once Secretary of the Navy. He served in the Marines. He is a valuable member of the Armed Services Committee. He has rendered long service here and with great distinction to country and I want to commend him.

Mr. WARNER. Mr. President, I thank my distinguished senior colleague. My career both in the Senate and, indeed, in the uniform of the United States, falls far short of that of the senior Senator from South Carolina.

RECESS

The PRESIDING OFFICER. Under the previous order, the hour of 12:30 having arrived, the Senate will now stand in recess until the hour of 2:15 p.m.

Thereupon, at 12:38 p.m., the Senate recessed until 2:15 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer (Mr. GRAMS).

NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 1996—CONFERENCE REPORT

The Senate continued with the consideration of the conference report.

Mr. EXON addressed the Chair.

The PRESIDING OFFICER. The Senator from Nebraska.

Mr. EXON. Mr. President, I believe 15 minutes of time has been allotted to the Senator from Nebraska under the unanimous-consent request. Is that correct?

The PRESIDING OFFICER. The Senator is correct.

Mr. EXON. I will take that time at this moment.

Mr. President, if the average American was to read the 1996 Defense Authorization Act conference report now before the Senate, he or she might believe that there was a mistake in the printing of the bill's title. The content of the conference agreement, the rhetoric in the report, and the pork add-ons contained in the legislation are more in keeping with the cold war environment of 1986, not the post-cold-war world of 1996.

I voted against the Senate version of the authorization bill earlier this year based on my belief that the $7 billion increase in spending authority contained in the bill was extravagant and that the bill's spending priorities and legislative restrictions were harmful, yes harmful, to our national security interests. I am dismayed to report that the conference report is even more objectionable on these counts than the Senate-passed version. As a result, I will vote against the National Defense authorization conference report for the first time in my 17 years as a U.S. Senator, a decision I do not come to lightly.

With very little participation solicited from the minority, the majority in the Senate and House have finally reached an agreement on a bill that will be greeted with cheers from the multibillion-dollar defense corporations in America. At a time when much of the Federal Government has run out of money and is shut down, at a time when the Congress is cutting domestic programs to the bone and the majority party is trying to push through an unwise $245 billion tax cut, we are considering a bill that adds $7.1 billion to the defense budget that the President did not ask for and our military leaders do not want.

This bill writes checks for unneeded weapons systems that will have defense corporations popping champagne corks around the country. Christmas has indeed come early for these multibillion-dollar corporations, and their gifts are beyond their wildest hopes. I implore every American that is asked to do with less this coming year due to the Republican budget-cutting ax to keep in mind the following glittering, gilded ornaments hung with care by the majority on the defense corporate tree:

$700 million in unrequested funds for an accelerated star wars program, a mere down payment on a system which has already cost the American taxpayers $35 billion and will likely cost another $48 billion to build;

$493 million in unrequested funds to restart the B–2 bomber program beyond the 20 planes already bought, again a mere down payment on a $30 billion procurement plan;

$23 million in unrequested funds for 4 additional medium range army aircraft;

$76 million in unrequested funds for Longbow helicopter modifications;

$140 million in unrequested funds for Kiowa helicopter modifications;

$32 million in unrequested funds for ground support avionics;

$37 million in unrequested funds to buy 750 additional Hellfire missiles;

$36 million in unrequested funds to buy 450 additional Javelin missiles;

$43 million in unrequested funds to buy 1,500 additional MLRS missiles;

$50 million in unrequested funds to buy MLRS launchers;

$18 million in unrequested funds to buy 29 additional Army tactical missiles;

$14 million in unrequested funds to buy Army tracked vehicles;

$82 million in unrequested funds to buy Howitzers;

$34 million in unrequested funds for improved Army recovery vehicles

$110 million in unrequested funds for M–1 modifications;

$44 million in unrequested funds for Army regional maintenance training sites;

$29 million in unrequested funds to buy 10,000 additional machine guns;

$33 million in unrequested funds to buy 2,100 additional grenade launchers;

$14 million in unrequested funds to buy 28,000 additional M–16 rifles;

$50 million in unrequested funds for small caliber ammunition;

$47 million in unrequested funds for mortar ammunition;

$80 million in unrequested funds for tank ammunition;

$33 million in unrequested funds for artillery ammunition;

$30 million in unrequested funds for mines;

$49 million in unrequested funds for ammunition production support;

$327 million in unrequested funds to buy Army trucks;

$136 million in unrequested funds for Army communications;

$81 million in unrequested funds to buy 4 additional AV–8 Harrier planes;

$213 million in unrequested funds to buy 6 additional F–18 planes;

$65 million in unrequested funds to buy 6 additional Sea Cobra helicopters;

$45 million in unrequested funds to buy 17 additional T–39 trainer aircraft;

$165 million in unrequested funds for EA–6 modifications;

$42 million in unrequested funds for F–14 modifications;

$32 million in unrequested funds for P–3 modifications;

$30 million in unrequested funds for ECM modifications;

$40 million in unrequested funds to buy 45 additional Harpoon missiles;

$49 million in unrequested funds for Tomahawk missile modifications;

$30 million in unrequested funds for Navy support equipment;

$1.4 billion in unrequested funds to buy a LHD–1 assault ship;

$974 million in unrequested funds to buy a LPD–17 amphibious ship;

$430 million in unrequested funds for Navy ammunition;

$15 million in unrequested funds for C–3 countermeasures;

$14 million in unrequested funds for Satcom ship terminals;

$17 million in unrequested funds for sonobuoys;

$30 million in unrequested funds for intelligence support equipment;

$34 million in unrequested for Marine Corps training devices;

$361 million in unrequested funds for F–15 Advance procurement and modifications;

$159 million in unrequested funds for F–16 procurement;

$133 million in unrequested funds to buy 3 WC–130 aircraft;

$96 million in unrequested funds for C–135 modifications;

$63 million in unrequested funds for Air Force aircraft modifications;

$40 million in unrequested funds to buy 100 additional GBU–15 missiles;

$38 million in unrequested funds to buy 54 additional Have Nap missiles;

$15 million in unrequested funds to 100 additional cruise missiles;

$344 million in unrequested funds for Air Force ammunition;

$20 million in unrequested funds for *Cyclone* class ships;

$17 million in unrequested funds for 2 additional special operations craft;

$777 million in unrequested National Guard and Reserve equipment specifically ear-marked for weapons systems such as 10 new C–139 aircraft and 2 new C–26 operational aircraft.

The list I have just recited is a lengthy one indeed, but it only scratches the surface; there are dozens of other programs where the majority has increased the administration's request and provided money for programs the Pentagon has said they do not need while cutting programs it says it does need.

The decorations that the majority have hung on the corporate tree are numerous and expensive. Defense lobbyists have had a banner year to be sure. In addition to the $7 billion in unjustified spending, this conference report contains a number of provisions which will make for a profitable 1996 for some of the biggest American corporations, including:

A taxpayer-financed loan program to export weapons to the third world;

An earmarked noncompetitive ship maintenance contract for a specific shipyard;

Numerous earmarked Energy Department projects and programs;

Authorization allowing a waiver of research and development funds owed the Government by defense contractors; and

Costly buy-American requirements which will drive up the cost to taxpayers of future procurements.

As I said at the beginning of my speech, this Defense authorization is not forward looking, it is backward looking. If the Senate had to meet truth-in-advertising requirements, the clerk would be obliged to change the year ''1996''on the cover of this report to ''1986.'' However, the cold war flavor of this bill goes beyond the inflated, parochial spending I have discussed up to this point. The legislative requirements of the conference report are equally extreme. The most troublesome is the missile defense language that commits our Nation to deploying a national missile defense system within the next 8 years at a likely cost of $48 billion against a threat that does not and will not exist. The son of star wars system mandated in this bill would be ineffective against terrorist threats, abrogate the ABM Treaty and likely take with it Russian implementation of START I and START II, not to mention endangering prospects of ratifying next year the chemical weapons convention and a comprehensive nuclear test ban treaty.

With logic right out of Lewis Carroll's ''Alice in Wonderland,'' the majority wants the American taxpayer to spend $48 billion to defend against a threat which does not exist, the very course of action which will prompt the Russians to renege on their commitment to destroy two-thirds of their nuclear weapons, thereby reviving the threat that never would have existed had we not pursued the system in the first place. As that famous cartoon Bayou Alligator might have said: ''We have met the enemy and he is us.''

In closing, Mr. President, I would just like to offer at this time for printing at the conclusion of my remarks an article that appeared in the Sunday Washington Post of December 17.

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

(See exhibit 1.)

Mr. EXON. I would just comment briefly on the fact that this starts out ''Off to a bad Start II. In both the United States and Russia, Hopes for Strategic Arms Pact Are Fading.'' It goes on to describe the delays that we have caused. The concern of the Russians that we are about to break the ABM Treaty was one of the causes I suggest for the return of the Communist Party to a measure of strength in the elections over the last week, because they are feeding on the situation that we do not care and we are going to break out of the ABM Treaty.

In conclusion then, Mr. President, the Clinton administration has said that it would veto this bill if it reaches his desk. I support the President in this decision and believe that the Senate should save him the trouble by defeating this conference report.

The American taxpayer cannot afford this expensive gilded Christmas tree of unneeded weapons and corporate earmarks. Likewise, the American national security interests can ill-afford this self-defeating policy embodied in this bill, forcing us back to the chill of the cold war.

Mr. President, I yield the floor and yield back any time remaining assigned to this Senator.

EXHIBIT 1

[From the Washington Post, Dec. 17, 1995]

OFF TO A BAD START II

(By Rodney W. Jones and Yuri K. Nazarkin)

After months of delay, the Senate Foreign Relations Committee moved last week to bring the START II treaty up for a vote on the Senate floor. The pact would reduce U.S. and Russian strategic nuclear weapons to 70 percent of Cold War levels and also eliminate land-based multiple-warhead missiles, the most threatening of Russia's weapons. Unfortunately, while a favorable Senate vote on the treaty is virtually assured, ratification of the pact by Russia has become increasingly uncertain in recent months. As Russians go to the polls today, many will be voting for politicians who question whether START II is still in Russia's best interest.

The prime cause of Russian second thoughts, according to parliamentarians and

defense experts in Moscow, is the Republican-led effort that began this summer to mandate the deployment of a multi-site strategic anti-ballistic missile, or ABM, system by the year 2003. This system was called for originally in the Senate version of the defense authorization bill and endorsed last week by a House-Senate conference committee. Yet it would violate the 1972 ABM Treaty, which for more than two decades has helped curtail a costly buildup of defensive nuclear weapons and countervailing offensive weapons.

It first became clear that START II was in serious trouble last month when parliamentary leaders in Moscow who had supported START II hearings in July concluded that a ratification vote in the waning months of 1995 would fail. To avoid a foreign policy crisis over a negative vote, they postponed further action on the treaty.

Regrettably, the prospect for unconditional Russian ratification of START II next year is no more promising. Following today's election, the State Duma, Russia's lower house of parliament, is expected to be even more critical of START II and of the United States than its predecessor. Russian political parties and factions opposed to the treaty will probably gain seats at the expense of the reformist and democratic parties that generally support it. President Boris Yeltsin's poor health and the growth of assertive nationalism in Russia further clouds START II's chances.

Even the Russian military leadership, which had steadfastly supported START II, shows signs of cooling toward the treaty in the wake of U.S. congressional action threatening the ABM Treaty. The Russian military fears the United States' real intent is to gain strategic superiority over Russia. The Russian military dismisses as preposterous U.S. assertions that the legislation is aimed at protecting American soil from the threat of a handful of long-range missiles from North Korea and other small countries. In effect, Russian military leaders argue, the United States would be deploying new defense missiles just as Russian was completing the reduction of its offensive missiles under START II's requirements. Russian would be more vulnerable and the United States less so.

Ivan Rybkin, the Duma speaker, expressed the growing disenchantment with START II in the newspaper Nezavissimaya Gazeta on Nov. 5: ''We cannot be bothered any longer, given this situation that propels plans for NATO enlargement and reveals our U.S. congressional colleagues' intentions to begin a process that threatens the ABM Treaty—the cornerstone of the existing arms control regime.''

Russian misgivings about START II haven't come overnight. Initially Yeltsin and the Russian military leadership firmly believed that START II was in Russia's interest. They recognized benefits for Russia—the fact that START II's deep reductions would enhance stability, reduce future defense costs, ensure formal strategic parity with the United States and contribute to long-term cooperation between the two powers. The Clinton administration also worked to alleviate Russian uneasiness over U.S. national missile defense activities. But the ABM developments of late have changed Russian feelings toward START II.

If Clinton vetoes the defense authorization bill as he has promised, a direct conflict over the ABM Treaty will be avoided. Congressional direction of the U.S. military might then be provided exclusively in the defense appropraitons bill. That legislation, which the president approved earlier this month, says nothing about deploying an ABM system.

This silence, however, is unlikely to assuage Russian concerns, since Russian must worry that the ABM issue will return in the next congressional session. Moreover, the appropriations bill mandates completion of the Navy's ''Upper Tier'' system, a defense initiative to produce shorter-range missiles that Russia also finds objectionable because of its potential for use against long-range weapons.

Russian arms control experts are also troubled by the thinking of some U.S. lawmakers who believe that the AMB Treaty is an obsolete Cold War measure. The Russians point out that if the ABM Treaty is to be revised in light of the post-Cold War situation, they see it as equally reasonable to amend and adapt the START treaties. After all, they argue, the cumbersome and intrusive START verification provisions were elaborated in a climate of mutual suspicion and mistrust and were based on worst-case scenarios about the other side's intentions.

These Russian critics suggest that Moscow's obligations under START II are largely irrelevant to current realities. The Russians are required by the treaty to alter the structure of their strategic triad by 2003. This will entail sizable expenditures both to eliminate all multiple-warhead land-based ICBMs (intercontinental ballistic missiles) and to replace them with single warhead missiles. Given the current U.S.-Russian partnership, Russian START II critics argue, such measures are not essential to the strategic security of both nations and should be open to revision.

The Russians are completely uninterested in negotiating amendments to fundamental provisions of the ABM Treaty. This apparently was well understood by those pushing the antiballistic missile initiative in Congress, for they also included the possible alternative of U.S. withdrawal from the ABM Treaty. Russia might consider changes to the ABM Treaty—but only along with parallel changes in START II.

Would this be acceptable to U.S. officials, legislators and 1996 Republican presidential candidates? Renegotiating current nuclear treaties with the purpose of adapting them to new realities—as instruments for regulating the nuclear forces of both nations—would mean embarking on a long and formidable process.

If the United States is not prepared to enter such a process, yet withdraws from the ABM Treaty or takes steps in that direction, if would mean the end of START II—the end of real, dramatic reductions in the numbers of the world's most destructive weapons.

Is it still possible to resuscitate START II in Russia? Right now, it seems unlikely. If Clinton vetoes the defense authorization, with its ABM mandate, the prospects for saving START II would improve, but only slightly.

Russian opponents of START II may now insist on delaying Russian ratification until the results of the 1996 U.S. presidential (and congressional) elections can be evaluated. Repairing the growing damage to U.S.-Russian relations and U.S. interests in nuclear threat reduction will become steadily more difficult unless Congress revives the tradition of bipartisan statesmanship on nuclear weapons issues that has prevailed since the end of the Cold War.

Mr. COHEN addressed the Chair.

The PRESIDING OFFICER. The Senator from Maine.

Mr. LEAHY. Will the Senator from Maine yield for a question?

Mr. COHEN. Certainly.

Mr. LEAHY. Mr. President, I understand under the prior UC that the Senator from Vermont at some appropriate time—not now, the Senator from Maine has the floor—but the Senator from Vermont would be recognized for not to exceed 20 minutes on the landmines issue. I wonder if it would be appropriate—I see the distinguished chairman on the floor—that I ask unanimous consent that upon completion of the comments of the Senator from Maine that I be recognized for my time? If there is somebody else who wants it, I am perfectly willing to do a different time. I wonder if that would be satisfactory.

Mr. THURMOND. Mr. President, we have no objection.

Mr. LEAHY. I so ask unanimous consent.

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

Mr. COHEN. Can I inquire as to whether my 20 minutes starts now?

The PRESIDING OFFICER. Who yields time to the Senator from Maine?

Mr. THURMOND. Mr. President, I yield 20 minutes to the distinguished Senator from Maine.

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

Mr. COHEN. Mr. President, we just heard a standard display of Democratic rhetoric from our colleague from Nebraska. According to my colleague from Nebraska, whatever the Pentagon sends up here, Congress is duty bound to oblige. If they send up a bill requesting certain systems, we either have to accept them or reject them, but no discretion is left for us to exercise, I gather from the statement of my colleague from Nebraska.

Mr. President, I recall when they were in the majority. Whenever the President sent a bill up here, it was standard Democratic rhetoric: ''Whatever the President proposes, forget about it, Congress disposes. It's the congressional responsibility to formulate a budget, not the President's. He submits it, but we dispose of it.''

So now that they are in the minority, they are complaining that this exceeds the President's request. They did not have that particular concern when they were in the majority. So I think it is incumbent to point out, for example, that there was a certain land transfer, called the Corn Husker Army Ammunition Plant. It was not in the President's request. It was added somehow. So it has been historically the case that the Congress has the power and responsibility to decide which land transfers should be included and which should not, which systems should be built and which should not. When the Pentagon makes a request, it does not mean the Congress simply rolls over and either accepts it or eliminates it.

What my colleague failed to point out is that, as I believe Secretary Perry has noted, procurement has been cut back rather significantly, about 72 percent since the height of Ronald Reagan's defense budgets. A 72-percent cut in procurement, and Secretary Perry

said if there was going to be an increase over the President's request, as we provided, it should be put into procurement.

So that whole long litany of systems cited by my friend from Nebraska really ignores the fact that the Defense Department itself said if we had more money, we would spend it on procurement, and that is precisely what we have done.

I want to talk a little bit about the national missile defense system. I was really struck by the statement that the Communists are coming back into power because we are debating whether we are going to have a national missile defense system. I never heard anything so absurd in my life.

Whether the Communists come back into power has little to do with our debate right here. It has everything to do with what is taking place in Russia right now in terms of their troubled efforts in trying to democratize their country, to move to a capitalist system, to a democratic capitalist system.

I think it ironic they come to the floor and suggest that because we want a system to protect the American people, this is going to require the Russians to return to their old Communist ways.

A great deal has been said about the national missile defense system, but not a lot has been said about the immediate threat to our troops overseas as well as our allies, which are theater missiles. This bill makes great strides toward protecting our allies and our servicemen and women who are abroad from these kinds of theater missiles that can be targeted at them.

Did we not learn anything during the Persian Gulf war? Do we want our troops to again be in the situation they faced in Saudi Arabia and that Israel faced? A situation in which we had to depend upon Patriots to take down those Scud missiles?

The TMD programs accelerated by this bill are designed to protect our service men and women abroad and also our allies. It is something the administration also supports, by the way. This bill is a strong endorsement of the TMD systems.

With regard to national missile defense, a number of statements have been made about the conference report, that somehow it endangers the ABM Treaty. And, again, I found this somewhat ironic. It makes very little sense to me. We passed language by a vote of 84 to 15 that had been negotiated by Senator WARNER, myself, Senator NUNN and Senator LEVIN. And this Senate compromise language that was endorsed by an overwhelming vote was actually watered down in conference. That is what strikes me as being so ironic about this.

The Senate compromise we negotiated, for example, called for the development of a national missile defense system with multiple sites. Since the ABM Treaty, as amended, only allows one site, the Senate compromise language that we negotiated actually envisioned either amending the treaty or indicating we would withdraw from it, as the treaty permits.

In fact, the compromise called for negotiations to amend the treaty and stated that if we could not successfully negotiate amendments, we would actually consider withdrawing from it. It seems to me the language we have before us is actually much weaker than that. The Senate compromise language that we passed 84 to 15 called for a system that would actually go beyond the bounds of the ABM Treaty, but the conference report does not. The conference report does not even mention a multiple-site system. There is no mention at all of a multiple-site system. It does not say we cannot develop one, but there is no requirement that we do develop one.

The major change on national missile defense in this language is that under the Senate-passed compromise, we would ''develop for deployment'' in the future, and that language has been changed to ''deploy'' in the future. But we have actually written it in a way that would allow us to deploy a system consistent with the ABM Treaty. That is the irony involved, because you could have one site, theoretically, providing defense for the United States. That would be consistent with the ABM Treaty.

By the way, I want to point out, the Russians already have an ABM system. They have their one site. So we could, in fact, be consistent with the ABM Treaty developing one site that could, theoretically speaking, potentially protect all of the United States.

So I find it ironic that they are now saying this particular language is going to destroy the ABM Treaty; this language is causing the Russians to rethink their role in the world with respect to the United States; this conference report is going to cause them to turn to communism once again. That is clearly the most excessive rhetoric that I have heard to date.

The fact of the matter is that the administration is opposed to the deployment of a system of any kind to defend the American people. And during the conference negotiations, White House officials made it clear they would oppose any legislation that altered in any way the administration's so-called National Missile Defense Technology Readiness Program, what they call a rolling hedge, but I think is more accurately described as simply spinning our wheels. In other words, they threaten to veto any defense authorization bill that did anything other than rubberstamp their National Missile Defense Program.

Mr. President, we are the ones who control the power of the purse. We cannot accept the administration telling us: You cannot change under any circumstances the formulation of a program. They have the right to veto it, but we should not in any manner forego our power to try to define what we believe to be in the best interest of the American people.

So what this debate over missile defense is really all about, it is not about whether the conference report somehow endangers the ABM Treaty, because it clearly does not, but whether we are going to proceed toward the deployment of a national missile defense system as permitted by the ABM Treaty even today.

Frankly, I think it is unfortunate that some of the Members on the other side come forward to declare that this conference report constitutes an ''anticipatory breach'' of the ABM Treaty and warn the Russian Duma might kill the ABM Treaty in response.

There is nothing in this report that would cause the Russians to react in a negative manner, but the Russian Duma might be incited to react by, I think, careless remarks being made by some Members in this Chamber.

I was disturbed last weekend to read an opinion article in the Washington Post, coauthored by a Russian arms negotiator that followed this false line of reasoning.

The quote was, ''The prime cause of Russian second thoughts'' about the START II treaty, according to Yuri Nazarkin, ''is the Republican-led effort that began this summer to mandate the deployment of a multisite strategic antiballistic missile, or ABM, system by the year 2003. This system,'' Nazarkin writes, ''was called for originally in the Senate version of the defense authorization bill and endorsed last week by a House-Senate conference committee. Yet, it would violate the 1972 ABM Treaty,'' Nazarkin concludes.

That is simply not accurate.

The conference report, as written, does not violate the treaty. The fact is that we could deploy an ABM system, if necessary, from a single site, which would be consistent with the treaty. For those Members to come on to the floor and say this is an anticipatory breach is wrong. It sends precisely the wrong signal. If other Members are worried about the Russian Duma reacting negatively, they have their own words to point to in terms of why this is taking place.

We have to ask why is a Russian arms negotiator, who carries weight in Moscow, making erroneous statements? He is repeating the erroneous statements being made right here on the Senate floor. I urge my colleagues to read, very carefully, the language in this report.

Mr. President, I want to spend a few moments in talking about the B–2 bomber. My colleague from Nebraska mentioned that this is a system which the Defense Department did not call for, and I agree. In fact, for many years I led the effort to terminate the B–2 program here on the floor with the Senator from Vermont, Senator LEAHY, and in the committee this year I led the successful effort to strike funding for the B–2. There were some Members

on the other side who support the B–2, and some on our side support it. It is not that I do not support the B–2 bomber; it is a fine aircraft. The fact of the matter is that I do not think we can afford to start building 20 new B–2 bombers, which is what Members of the House would like to do.

The conference report did provide $493 million above the administration's request for the B–2. But, again, contrary to what some have said, it in no way endorsed the production of additional B–2 bombers or bringing back the B–2 bomber production base. All of these funds, I point out, have been fenced until March 31. Hopefully, the administration will send up a rescission bill to take the funds out for the B–2 bomber.

The only statement in the conference report regarding this $493 million is the Senate conferees' statement that the funds can be spent—I want to emphasize these words—''only for procurement of B–2 components, upgrades, and modifications'' for the existing B–2 fleet. The House conferees have remained silent on this issue. They were insisting that they could put language in the manager's statement that would allow for the opening of a brand new production line, and we successfully resisted that. Our language is that it should be used for spare parts, upgrades and modifications of the existing fleet, and not to open a brand new line.

Second, because of our concern over the cost of the B–2, we called on the Secretary of Defense to explore what new technologies might be developed in the coming years for a new type of bomber that, hopefully, would be less expensive than the B–2.

Make this very clear, Mr. President. We are opposed to opening up a brandnew line of the production of B–2 bombers. Now, some of our Members want that. But, frankly, the conferees on the Senate side believe that that was simply not affordable, and the conference report reflects that view.

Mr. President, we asked the Secretary of Defense to make an examination of exactly what he would cut out if Congress were to direct him in the future to buy more B–2's. The Secretary of Defense has to come back and identify for us which programs he would cut because, clearly, it would exceed the President's budget and the 5-year defense plan. Because if any decision were ever made to buy more B–2's, we would have to then, at that time, start picking and choosing which systems would have to be deleted or defunded. That is something every Member ought to understand as to what we were able to achieve.

To recap, Mr. President, there is not a single word in the conference report about buying components for new B–2's or bringing back the B–2 production facilities that were closed. Everything in this conference report is focused on the high cost of the B–2 and the unacceptable trade-offs of other defense programs that would be required by any future decision to buy more B–2's. What the conference does talk about is using the authorized funds for supporting the existing B–2 fleet, not to open up a new B–2 line.

Mr. President, I will conclude by telling you what I think is going on here. The President's political advisers would like the President to veto this bill, so he could score points with certain constituencies by arguing that we are spending too much on defense. They wanted him to veto the DOD appropriations bill for the same reason, but he could not do so because he wanted to win over some of the Members of this body on the Bosnia resolution. Now they are saying that while we lost that particular battle—he signed the bill even though he did not want to and the funds have been appropriated—so let us please certain constituents by urging him to veto this measure.

But the President faces a real dilemma on this. He has deployed American troops to a war zone in Bosnia. Congress has adopted legislation supporting the troops in the field. If the President vetoes this conference report, he is going to be perceived by many soldiers and their families as withholding support for them—at the very time that he has dispatched them on a very dangerous mission.

If he vetoes this, he will be vetoing a pay raise for the troops in Bosnia and all of our troops. He will be vetoing an increase in the housing allowance that supports their families back in Germany, here in the United States, and around the world. He will be vetoing a new program to allow DOD to use the private sector to improve military housing, which is a program DOD desperately wants and our soldiers and their families desperately need.

In short, the President faces a dilemma. If he vetoes this bill, he will score some political points, but it will harm our troops and their families, including those now putting their lives on the line in Bosnia.

So the members of his party in the Senate are trying to save him from this dilemma by defeating this conference report on the Senate floor. That is what this debate is really all about. All this discussion about the ABM Treaty and the various programs and the add-ons is really a cover for this issue.

American troops are in the field. Their worried families are back in Germany and elsewhere, living in woefully substandard housing. We should be thinking about them and not the 1996 election season.

I urge my colleagues to look beyond the litany of excuses offered on the other side for opposing this bill and do the right thing and pass the conference report. If the President chooses to veto it, let that be his choice, not ours.

I yield the floor.

Mr. THURMOND. Mr. President, I want to take this opportunity to commend the able Senator from Maine on the excellent remarks he just made. He is a staunch member of the Armed Services Committee, and we are very proud of what he does for the defense of our Nation.

Mr. President, I yield the floor.

Mr. LEAHY addressed the Chair.

The PRESIDING OFFICER (Mr. GREGG). The Senator from Vermont is recognized.

Mr. LEAHY. Mr. President, I am pleased that the chairman of the Armed Services Committee, Senator THURMOND, and the ranking Democratic member, Senator NUNN, and I have reached an agreement that permits this bill to be voted on today and sent to the President. I intend to vote against the bill for a number of reasons—arms control and others. But I do not want to hold up any further action on it.

I am not going to take the Senate's time to repeat the contents of the agreement. It speaks for itself. It is of critical importance, because the provision that will be deleted from the bill, or reversed in the next Defense authorization bill, would have the effect of undermining an amendment that passed the Senate by a vote of 67–27. It is an amendment that has been agreed to by the House in the fiscal year 1996 foreign operations conference report.

I think this is only the first or second time in my 21 years here when I felt compelled to delay action on a piece of legislation. I did it in this instance because it is an issue I feel very, very strongly about.

For the past 3 years, I have been trying to get the U.S. Government, and other governments, to act to stop the proliferation and use of antipersonnel landmines. There has been remarkable progress. In the past 9 months, several NATO countries took steps far exceeding those called for in the Leahy amendment. Nineteen countries have urged an immediate, total ban on these weapons. This was unheard of, even unthought of, 10 years ago.

The Leahy amendment falls short of that, but it would be a step toward that goal, a goal I support and, in fact, a goal that President Clinton declared at the United Nations 1 year ago.

I want to respond briefly to something the chairman of the Armed Services Committee said yesterday. He said my amendment would ''impose a moratorium on the defensive use of antipersonnel landmines by U.S. Armed Forces,'' and that it would ''require the removal of minefields emplaced in demilitarized zones.'' I know some in the Pentagon who lobbied against my amendment may have said that, but that is not correct.

My amendment would impose a 1-year moratorium on the use of antipersonnel mines except along international borders and except in demilitarized zones, where, I stress, their use is obviously defensive. I included that exception after discussions with officials in the administration, including

the Pentagon, and with foreign governments. I concluded that in these limited instances—in fixed minefields along internationally recognized borders and in demilitarized zones where everyone knows where the mines are and where civilians can be effectively excluded and compliance monitored, an exception was warranted. I am talking about places like the demilitarized zone between North and South Korea, or the border between Finland and Russia. Again, my amendment does not require the removal of these landmines.

I do want to concur with the distinguished chairman of the Armed Services Committee when he said yesterday that the bill contains $20 million for humanitarian demining activities—to remove these mines. I am glad he agrees with me about the compelling need for these funds, something I have urged in the past, in the Appropriations Committee as well as the Armed Services Committee. These are funds used to train and equip foreign personnel to remove landmines, in countries that do not have the expertise or capability to do it themselves.

There are 100 million—100 million—unexploded landmines. They are in over 60 countries. If not one landmine was ever put down in the future, there would still be 100 million in 60 countries, waiting to explode. Bosnia has a small percentage of them, but that is 4 to 6 million landmines. The Defense Department has done an excellent job in getting the humanitarian demining program started. The regional CINCS have all expressed very strong support for it.

Mr. President, I was prepared to speak for as long as necessary if we had not been able to reach an agreement to delete this provision. I am very grateful to Senator THURMOND and Senator NUNN, for their willingness to do this. I also want to thank Senator WARNER, who I know cares a great deal about the landmine problem.

As we watch our troops land in Bosnia, the horror of landmines, and the serious impediment they pose to our forces, have become obvious to everyone. Look at this map. I ask my colleagues to take a moment to look at this map. Half of the former Yugoslavia is a minefield.

In many areas, our troops will have to crawl on their knees, probing every single inch of the ground, to be sure it is free of mines before they move on. Any step could be their last. It could be a landmine that was put there randomly, weeks, months or even years ago, and now lying hidden beneath mud or snow.

This is not an isolated problem. It is a plague that has infested almost every continent—Somalia, Rwanda, Bosnia, Central America—everywhere our troops are sent, either in combat or as peacekeepers, they will face landmines, millions and millions of them.

But the overwhelming majority of the victims are innocent civilians. In Bosnia, like so many countries, many of the mines are plastic. They are impossible to detect with metal detectors. They are the size of a can of shoe polish. Most are strewn randomly. What maps exist are unreliable.

In Bosnia already, 24 United Nations soldiers have been killed by mines, and 204 have been injured. Thousands of civilians have suffered similar fates. Mr. President, it is such a common occurrence that in Tuzla there is a place where you can buy one shoe—not a pair of shoes—but one shoe. Because so many people have lost a leg or a foot from the landmines.

I mention this not to add to the anxiety of the families of our troops. They will be as prepared as any can be to avoid the threat of landmines. But there is no way to totally eliminate that threat.

Last week, a United States sergeant in Bosnia was quoted as saying he wanted to be sure all the mines are gone before he led his men into an area. If my son was there I would want him under the command of a sergeant like that. The fact of the matter is that nobody can guarantee it. Even after our soldiers leave, the civilians and the refugees will go back to their land. When that time comes, the landmines will be there. Most countries that are littered with landmines, Bosnia included, cannot begin to afford the cost of clearing them. As one person told me from one of those countries, ''We clear the landmines an arm and a leg at a time.''

Last week, UNICEF called for a ban on these weapons because of the carnage they are causing among children, and they called for an international boycott of any company that manufactures them. The American Red Cross has called for a ban. The U.S. State Department estimates that every 22 minutes someone is killed or maimed by a landmine. In the time I am speaking here now at least one person somewhere will be killed or horribly crippled for life by a landmine.

We can debate all day about whether landmines have a military use. Of course they do. What weapon does not have some military use? But do they save lives? I challenge anyone in the Pentagon to prove that landmines save lives. One-third of our casualties—one-third—in Vietnam were from mines, including American mines. Our troops were casualties of their own minefields. That is up from 10 percent of what they were in World War II. A quarter of the Americans killed in the gulf war were from mines. Twenty-six percent of American casualties in Somalia were from mines. These are the Army's own statistics. It will be a miracle if Americans do not lose their limbs or lives from mines in Bosnia.

In October, an American nurse lost both legs and part of her face from a mine in Rwanda. In June, two Americans died from a mine while they were on their honeymoon in the Red Sea area. Another lost a leg and part of another foot on a humanitarian mission in Somalia. He considers himself lucky because he survived, unlike so many mine victims in that country.

These are the Saturday night specials of civil wars. We have a lot more to gain if we declare their use a war crime.

Since August 4 when my amendment passed the Senate, over 10,000 people have been killed or horribly maimed by these tiny explosives that are triggered by the pressure of a footstep. Think of that. In just the past 5 months.

My amendment is modeled after our 1992 law to halt U.S. exports of antipersonnel mines. Since we passed that law, 29 governments have stopped all or most of the exports, and others, including France, Belgium, Austria, and the Philippines have taken steps to ban their production or use of antipersonnel mines and even to destroy their stockpiles.

It is also totally consistent with what the President called for at the United Nations a year ago, when he declared the goal of the eventual elimination of antipersonnel landmines. Every day, 72 more people die or are mutilated by landmines. We need to stop talking about what we are going to do ''eventually,'' and start doing it today.

My amendment is a step toward that goal. I thank the 67 Senators, Republicans and Democrats alike, who voted for it.

The Pentagon says it did not create this problem and that halting our use of these weapons would not solve it. That kind of defeatist attitude does not belong in the Pentagon or anywhere else. Lest anyone forget, the moratorium in my amendment does not cover antitank mines or command detonated claymore mines that are used to guard a perimeter. It would not take effect for 3 years.

The purpose of delaying its implementation is to give us time to go to other governments and say ''we are prepared to stop this, and we want you to join us.'' It gives us the moral authority, and it shifts the responsibility to them. If the United States shows leadership, strong leadership, if we halt our use of these indiscriminate weapons even temporarily, it will give a tremendous boost to the global effort to ban them.

The certification in this bill, which was never debated or approved by either body, sounded innocent enough. But its effect would have been to prevent the moratorium from ever taking effect. It would have given the Pentagon a veto. Some have asked why wouldn't I want to know if the moratorium would endanger the lives of United States Armed Forces. Of course I am interested in the Pentagon's opinion. The conference report already asks for it. Even after the certification provision is deleted, per our agreement, the conference report will still contain a requirement that the Chairman of the Joint Chiefs of Staff submit a report to the congressional defense committees

containing his responses to seven questions concerning a moratorium on the use of landmines. I have discussed this with Senator THURMOND, and he agrees that he will join with me in submitting some additional questions I have to the Chairman of the Joint Chiefs, for inclusion in that same report.

Mr. President, the Pentagon wants an exception for mines that automatically self-deactivate. I wish that were the solution, but it is not. Those mines are just as indiscriminate. There is no way to limit how many can be used. There is no way to get governments or rebel groups that have millions of the $2 variety, which do not self-deactivate, to destroy them so they can replace them with more expensive, modern mines. The only way is to ban all indiscriminate, antipersonnel landmines.

Mr. President, we have seen photographs of our soldiers crawling on their stomachs, with sticks in their hands, trying to find where the landmines are, never knowing when they put their hand out just to brace themselves whether their arm will be blown off. That is terrible enough. But this picture is what you see in most countries. That is not a combatant. This is the typical landmine victim, a young girl with one leg gone. Her life changed forever.

Mr. President, during the Civil War, General Sherman—no great humanitarian, called landmines ''a violation of civilized warfare.'' If President Clinton can restrain the Pentagon and my amendment becomes law, the United States will be able to show strong, moral leadership to rally others to put an end to this hideous, global curse. It will not be in time to prevent casualties of Americans or others in Bosnia, but it will save countless lives in the future.

Mr. President, I know of no Member of the Senate, Republican or Democrat, who feels any affection for landmines. Certainly those who served in combat know how terrifying it is to know that there may be landmines under foot. Where we diverge, some of us, is how to get rid of them.

I believe that as the greatest military power, we must set an example. There were negotiations in Vienna in September on proposals to deal with the landmine problem. It ended without agreement, partly because the United States did not exercise as strong leadership as it should have, and could have, on this issue, but also because of resistance by the armed forces of other countries. We did not push for what the President of the United States called for at the United Nations, the eventual elimination of landmines.

I have been to Vienna. It is a beautiful city with luxurious accommodations. I could not help but think, if those same diplomats were to meet in a field in Cambodia and were pointed to a table several hundred yards out in the field, and told to walk out to that table—''Work your way out. We will give you a probe to search for mines. Work your way out through that mine-infested field and negotiate an agreement on these perfidious weapons. And when you are done, work your way back.

''If you have not reached agreement on the first day, the table will be in a different field on the second day. And in a different one on the third day.''

Mr. President, I think we probably would have an international ban on the use of indiscriminate antipersonnel landmines very, very quickly.

I am not so naive to think that there would not be some pariahs who would continue to use them. But, like chemical weapons and nerve gas and anthrax and dum dum bullets and so on, those who use them are so much the exception to the rule that they would be branded international pariahs and war criminals.

Maybe then a child like this can walk in a field without losing her leg. Maybe people could put their country back together after a war. Maybe American men and women who go on humanitarian or peacekeeping missions would go with one less danger.

Mr. President, I ask unanimous consent that a copy of a letter to me from Senator THURMOND, describing our agreement, be printed in the RECORD, along with a newspaper article from the Washington Post, dated December 17, 1995.

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

U.S. SENATE,
COMMITTEE ON ARMED SERVICES,
Washington, DC, December 18, 1995.

Senator PATRICK J. LEAHY,
U.S. Senate,
Washington, DC.

DEAR SENATOR LEAHY: Pursuant to our discussion on the floor this morning concerning consideration of the National Defense Authorization Act for Fiscal Year 1996, I would like to recap our agreement.

We have agreed that:

1. You will control 20 minutes of debate on the landmine provision and I will control the same mount of time;

2. You will not filibuster the defense authorization conference report and will not object to a unanimous consent for a time certain to vote on the defense authorization conference report and;

3. If the current version of the FY 96 Defense Authorization bill does not become law, I will do everything in my power to ensure that section 1402(b) (concerning a certification in relation to the moratorium on landmine use) is deleted from any subsequent version of the bill. If the current version of the FY 96 Defense Authorization bill is signed into law, I will do everything in my power to ensure that section 1402(b) is reversed in the next Defense Authorization bill.

Sincerely,

STROM THURMOND,
Chairman.

[From the Washington Post, Dec. 17, 1995]

THE PENTAGON'S MINE GAMES

(By Mary McGrory)

It's ''PEACE on earth'' time. But peace in earth is of more concern. The Pentagon is worried sick about the death buried under the mud and snow of Bosnia, where thousands of U.S. troops will be spending Christmas.

Every day, we hear about the hidden threat that is more dreaded than the weather, more feared than the snipers and the hatred that infect the area. The number of land mines is estimated at between 4 and 6 million. Sen. Patrick Leahy (D-Vt.) calls these $2 weapons ''the Saturday Night special of civil wars.'' There are an appalling 100 million of them scattered around the world, many of them planted in countries to which our troops may be sent. The prospects make the heart sink. One-third of our Vietnam casualties were caused by land mines, although the majority of land mine victims are civilians.

The Pentagon, while wringing its hands and beefing up anti-mine training, is pressing its campaign against the anti-land mine legislation introduced by Leahy. The chief lobbyist for keeping the world safe for land mines is none other than the chairman of the Joint Chiefs of Staff, Gen. John Shalikashvili. He says we need land mines to ''protect our troops,'' an ironic formulation in view of the clear and present danger they present in Bosnia.

''While I wholeheartedly support U.S. leadership in the long-term goal of anti-personnel land mine elimination,'' he wrote in a letter to one congressman, ''unilateral actions which needlessly place our forces at risk now will not induce good behavior from irresponsible combatants.''

The Pentagon is pushing a high-tech solution: a land mine that expires within a given period of time. The hope would be that the 60 countries that have planted the cheap mines will dig them up and replace them with the more expensive version. Translation, according to Leahy: The Pentagon will decide what weapons to get rid of—no civilian on Capitol Hill is going to tell them.

The commander-in-chief generally makes such decisions. Bill Clinton is an instinctive opponent of an indiscriminate killer like the land mine. A year ago, he told the United Nations General Assembly that the U.S. goal is the ''eventual elimination of anti-personnel land mines.'' Since then, however, he has fallen silent. He seems to have retreated in the face of pentagon opposition. Lately, he has been somewhat more assertive in his role of chief of the armed forces, but he still tends to defer to the chairman of the joint Chiefs. The rest of the administration is deeply divided.

Leahy has been the leader of the opposition to land mines since 1989. He was haunted by the sight of a handsome 10-year old boy at the Nicaraguan-Honduran border who was limping around on a home-made crutch. A land mine had taken one leg and had ''ruined his life.'' Leahy established a $5 million annual fund to help victims. Three years later he got a one-year moratorium on the U.S. export of land mines. Legislation banning land mine use passed the Senate by a two-thirds vote this fall and the House by a voice vote. It is currently stuck in conference.

Leahy knows his colleagues sigh and roll their eyes when he gets up for yet another land mine speech and shows photographs of the hideous consequences to the causalities, who, incidentally, are often children. On the coffee table of his office, he keeps a small round green object made of plastic and rubber that looks like a shoe-polish container. It is the mine of choice for most of the countries whose land is sown with them. He says that if U.N. negotiators were required to sit around a table in the middle of a field in Cambodia—now ''a land of amputees,'' in Leahy's words—they would agree on a ban in a matter of two days at the most.

The cheap plastic mines of Bosnia are difficult to detect, Leahy notes. An aide gets

down on his knees to show how soldiers must pass a hand-held detector inch by inch over a suspect area. The Leahy ban would do nothing in Bosnia. But the Army's dilemma has spotlighted the issue, which Leahy says stirs the same powerful reaction in audiences of all persuasions—the VFW, NRA and the League of Women Voters. Nineteen countries are for the ban.

But in the Senate Armed Services Committee, men like Strom Thurmond, Sam Nunn and John Warner, inveterate defenders of the Defense Department, support the Pentagon's attempts to gut Leahy's bill, even though it wouldn't take effect for three years and permits mining of border and demilitarized areas.

Only the president can lead the way out of the world's mine fields.

Mr. LEAHY. I yield the floor.

The PRESIDING OFFICER. The Senator from South Carolina.

Mr. THURMOND. Mr. President, I do not believe that I will use the 20 minutes allotted for me to respond to Senator LEAHY, as I spoke about my concerns with his landmine provision yesterday. I will, however, reiterate a number of concerns expressed by myself, and other members of the committee, as well as the Department of Defense, the Chairman of the Joint Chiefs of Staff, and the Department of Justice, with regard to the landmine provision which is no longer in the defense authorization bill, and the reporting and certification provision.

The Senator from Vermont has been a strong proponent of legislation that would eliminate anti-personnel landmines. I applaud the Senator for his efforts to make the world safer for innocent women and children who fall victim to these weapons of war used in many civil wars in the Third World.

I cannot, however, support legislative efforts that would needlessly place U.S. Armed Forces at risk. In my view, and the view of a number of my colleagues on the committee, that would be the effect of the provision that was incorporated in Senator LEAHY's landmine moratorium—which I emphasize is not in the Defense authorization conference report, pursuant to Senator LEAHY's request, but is in fact in the Fiscal Year 1996 Foreign Appropriations Conference Report.

Mr. President, the provision currently in the Defense authorization conference report would require the Chairman of the Joint Chiefs of Staff to submit a report to the congressional defense committees each April 30 for 3 years, that would include the following information:

The extent to which the defensive use of anti-personnel landmines by U.S. Armed Forces adheres to international law;

The effects that a landmine moratorium on the defensive use of the current U.S. inventory of remotely delivered, self-destructing antitank systems, antipersonnel landmines, and antitank mines;

The reliability of self-destructing antipersonnel and antitank mines in the U.S. inventory;

The cost of clearing the antipersonnel currently protecting our naval station in Guantanamo Bay, Cuba and other United States installations;

The cost of replacing those antipersonnel mines with substitutes and the level of protection provided by the substitutes;

The extent to which the defensive use of antipersonnel and antitank landmines are a source of civilian casualties around the world and the extent to which the United States and the Department of Defense have contributed to alleviating the illegal and indiscriminate use of these munitions;

The impact or effect of the moratorium on U.S. Armed Forces during operations other than war.

Last, the provision would require the Secretary of Defense to certify that a legislated moratorium would not adversely affect U.S. Armed Forces defensive capabilities and that they have adequate substitutes.

The Department of Defense, the Joint Chiefs of Staff, and the Department of Justice have raised objections to the Senator's provision, and particularly to the implementation of a moratorium on the use of antipersonnel landmines by the U.S. Armed Forces for defensive purposes because of its detrimental impact on the ability of the military forces to protect themselves. The Department of Justice also believes that the provision would seriously infringe on the President's constitutional authority as Commander in Chief on how weapons are to be used in military operations.

Mr. President, as I stated yesterday, I do not understand why the Senator from Vermont would not want this information.

Certainly, he would want to know that the moratorium would not seriously risk or endanger the lives the U.S. Armed Forces who are to be sent out in to situations where their very lives are at stake, with the necessary munitions and weapons to defend themselves.

Mr. President, I yield 10 minutes to the able Senator from Alaska, Senator STEVENS.

The PRESIDING OFFICER. The Senator from Alaska.

Mr. STEVENS. Mr. President, earlier this year I joined a bipartisan majority that voted in favor of the Senate version of the 1996 National Defense Authorization Act. I had hoped to be able to provide unqualified support for this conference report. I want the Senate to know I will vote for this bill, but I do have some serious reservations that I have voiced to my good friend from South Carolina, the chairman of the committee. I really have the expectation that we may have the opportunity to reconsider some of the elements of this legislation in the future.

But I do want to say the bill sets the right course on the development of key national and theater missile defense systems. These projects were fully funded earlier this year in the Defense appropriations bill, which became the Defense Appropriations Act when signed by the President.

Under the leadership of Senator THURMOND, this bill provides many critically needed increases for the quality of life for the military. Military pay, benefits, and allowances were again fully funded in the Defense appropriations bill. These initiatives reflect not only the Appropriations Committee's priorities but also those of Senator THURMOND and the Armed Services Committee members, their longstanding efforts. We have joined together to provide for the needs of the men and women who served in the Armed Forces and their families.

I want to, once again, commend Senator THURMOND for sustaining these quality of life items in the bill he has now presented to the Senate as a conference report. These priorities enable me to support the bill generally while, as I said, I do find it flawed in instances compared to the same bill as it passed the Senate in September.

There are initiatives that are not supported by the Department of Defense, not funded in the defense appropriations bill, and in some instances they directly conflict with provisions of legislation that has already been enacted by this Congress and approved by the President after bipartisan support in the House and the Senate.

I do regret this dispute. We do have disputes from time to time between the Armed Services Committee and the Appropriations Committee. I hope we can once again try, next year, and the years to come, to work together to better reconcile these two bills. The problem is, having given the Department a bill in September that—the Senate passed a bill in September—we funded that bill primarily in the Appropriations Committee bill that was brought to the floor and approved by the President. Now this bill takes a different approach, in many instances. It is that new approach that comes out of conference, which I know we all have problems in conference—but it is my feeling that we should express—at least on behalf of the Appropriations Committee I should express these reservations, with no lack of respect for my good friend from South Carolina, or the committee that he serves with. But I do so out of the belief that Congress should give the Department of Defense consistent guidance. They have literally been spending from this 1995 decision, from the 1996 decision. I want to point out how this bill, now, changes the pattern that has already been put down in terms of our defense effort.

We should seek to minimize the interference and micromanagement of the military by the conference. This conference report is nearly 1,000 pages in length and poses significant and, in some instances, I think unfortunate restrictions on funds already made available for vital military programs.

Let me say, for instance, that sections 224 and 225 of this bill restrict all spending for the $9.7 billion defense-

wide research and development account, the RDT&E account. That includes all missile defense funds until 14 days after a series of reports are provided to Congress. These two sections will result in massive disruption to hundreds of programs.

These funds have already been appropriated, and based on the December 1 approval and enactment of our appropriations bill, it makes no sense to suspend literally hundreds of contracts that are already now in existence based upon the December 1 approval until a series of reports are presented to Congress next year.

Another section, 131 of the bill, mandates spending on four different submarines, with contracts and dollar levels allocated to specific contractors, notwithstanding the views of the Navy or the performance of those contractors on the boats. The provision further requires the President to include these submarines in future year budgets, whether the Navy wants them or not.

I have to ask the question: Why should submarines now take priority over all Army, Air Force, and Marine requirements in the future? This provision I think is wrong. We should not tie the hands of future Presidents or those who make the budgets, or denigrate the needs of other services because of a commitment to one portion of one service.

Even more difficult for me than that is the next section, 132, which takes $50 million out of funds we appropriated to redress the documented shortcomings of our military sealift and spends that $50 million on even another new submarine development.

I think there is a strong consensus in the Congress and the Department on the need for improved global lift. This is the transfer that I mentioned, this $50 million. It is not an authorization. It literally shifts the money already appropriated for sealift to another nonexistent, future, previously unauthorized development program. It was a new program to me.

Additionally troubling to me are the provisions of the bill on readiness and the needs of the National Guard and Reserve. These provisions are in direct conflict with the provisions that were adopted, as I said, by Congress earlier this year when we brought forth the defense appropriations bill.

This bill, this conference report, will reduce full-time military technician support for the Army and Air Guard. It phases out the National Guard Youth Challenge Program and does not authorize $100 million in readiness and training funds appropriated for the National Guard and Reserve on December 1.

At a time now, Mr. President, when thousands of Reserve and Guard personnel are being called to active duty and actually deployed to Bosnia, this bill I think sends the wrong message. The Guard and Reserve deserve our support right now, too, and I believe they should have our support, and I am troubled by those sections that decrease the support for the Guard and Reserve.

The President's decision to commit United States troops to Bosnia, along with ongoing contingency operations in Haiti, Cuba, the Middle East, and Korea, puts enormous strain on the defense budget. To accommodate those requirements, the appropriations bill increased the DOD transfer authority to $2.4 billion. This bill reduces that limit to $2 billion. It will constrain the Department's ability to meet emergency requirements, and I think instead Congress still has to review and approve all such transfers. There is really no reason to lower the limit on reprograms at a time when we have myriad overseas operations ongoing.

Another section, section 1006, prohibits the obligation of funds for specific programs appropriated not for the next year, 1996, the year we are in now, but for the last year, fiscal year 1995. I know of no basis for this conference report to restrict the availability of funds already obligated and committed to ongoing programs from the last fiscal year.

A vital safety and lifesaving service in the United States, for instance, is the Civil Air Patrol. In my State, the Civil Air Patrol is fully integrated into the Department's search and rescue system, and the Civil Air Patrol makes a tremendous contribution across the Nation. Despite their record of achievement, this bill fails to fully authorize the appropriated levels of the Civil Air Patrol for 1996.

Mr. President, I hope this is just an oversight because I know that the Armed Services Committee has in the past supported the Civil Air Patrol. I hope it is in error and not a statement of opposition because I think we need the Civil Air Patrol. The Civil Air Patrol is one of the ongoing functions to feed new pilots into the whole military system. It should not be denigrated at this time.

Section 912 of the bill creates a new mechanism that funnels savings from operation and procurement programs into a new fund that is used for additional procurement. It, in effect, is a way to have an ongoing rolling appropriations, which bothers me. I believe modernization of the Department is underfunded, and I think the range of contingency operations we face for 1996 and 1997 will bring some changes. All savings will be channeled to meet these liabilities. The cost of Bosnia will be paid from within the current levels available for defense. Any savings must be utilized to preserve readiness and the quality of life before any additional allocation for procurement programs.

This bill goes further than past bills to limit obligations of appropriated funds, rather than authorize programs.

These ex post facto limitations create conflicts the Department of Defense must seek to resolve between two bills passed by Congress.

The failure of the Armed Services Committee to complete this legislation before enactment of the appropriations bill is no reason for this bill to impose numerous restrictions on programs adopted by Congress just last month. I hope that in future consideration of this bill or other legislation we can resolve these differences.

Mr. President, I hope that the committee will work with us on these matters. I now have to, however, go into another function as chairman of the Governmental Affairs Committee.

On October 31, I wrote to the chairman to express our comments on the proposed changes in the retirement credit for employees of nonappropriated funds activities. Regretfully, the conference report includes section 1043, which establishes a new, complex, and unfunded liability for retirement funds of Federal employees.

According to the Office of Personnel Management, this proposal creates new gaps in coverage, treats similar service differently, and creates new inequities. I do hope that the chairman of the committee will work with me, the Governmental Affairs Committee, and the Director of OPM to understand and clarify these new guidelines and protect the retirement benefits. I see no reason to give nonappropriated funds employees greater benefits than those who work fully for the taxpayers.

I also have a comment about section 567. We have initiated a control over the HIV virus. This bill requires that the military expel from the military any person who contracts HIV. With our military people deployed to high-HIV-incident areas—Southeast Asia, Africa, and part of the Caribbean—I believe that we have to have a policy to handle those deployments.

We started a program in the Department to deal with an effort to develop a vaccine to protect men and women in the military from the risk of infection from HIV. Unfortunately, that program is canceled, and the new concept of expelling from the military those who get HIV is in the bill.

Despite including section 567, the conference report fails to authorize the funds provided in the appropriations bill to assist the Department to develop a vaccine—to protect the men and women of the military from the risk of infection. If the Armed Services Committee wants to expel victims of AIDS from the military, they should support efforts to combat this terrible disease.

I want the Senator to know that I am not critical of what he is trying to do. I just do not believe this is the way to do it. I think that we ought to have some way to develop a policy that is consistent. We did have prophylactics dealing with venereal diseases. I do not know why we cannot press on and develop the vaccine that will prevent the transfer of HIV.

Mr. President, I understand and appreciate the difficult circumstances a

conference can impose, and the compromises necessary to achieve a bill. I have made this statement on the floor on my own behalf in previous years. But these provisions cannot be viewed as setting any precedents for future bills.

At a time when personnel are en route to Bosnia, and deployed across the globe, we must do our job, and protect their pay and benefits. I hope all Members will support this effort.

I hope again now that Senators will join with this committee to support our people who are en route to Bosnia, who are deployed around the globe. I think we must do our job and protect the pay and benefits of all these people who put their lives in harm's way to support our Nation.

I wish to join the chairman and support this bill. I urge him and the members of the committee, however, to rethink some of these provisions. They take us off in the wrong direction as we are trying to conserve defense dollars, and I do believe that all Members of the Senate should join in to make certain that the dollars we put in for defense are spent for defense needed in the coming fiscal year and no more.

I thank my friend. I know that he may be a little bit disturbed at my criticism. It is meant in good faith and with great respect for him and his service to the Nation and to the military people by his devotion to their needs. But I do think this bill is not the same bill that the Senator crafted in our Armed Services Committee. It is the changes that have come out of the conference that really disturb me and to which I directed my attention here on the floor. I thank him for his time.

Mr. THURMOND. Mr. President, I wish to commend the Senator for his remarks, and it will be a pleasure to work with him and the Governmental Affairs Committee in trying to correct anything here that should be corrected.

Mr. STEVENS. I thank the Senator.

Mr. THURMOND. Mr. President, I now yield 10 minutes to the able Senator from Virginia.

The PRESIDING OFFICER. The Senator from Virginia is recognized.

Mr. ROBB. I thank the Chair. And I thank the distinguished chairman of the Senate Armed Services Committee.

Mr. President, notwithstanding my opposition to several specific provisions included in the conference report on Defense authorization, and concerns about how the conference itself was conducted, I will vote to approve the report on final passage. I do so reluctantly, knowing that the President has indicated he will veto the bill if it passes, and knowing that most Democrats—including the respected former chairman of the Senate Armed Services Committee and now ranking member, Senator NUNN—and some Republicans, will vote against it.

In truth, I agree with most of the reservations expressed by the President, Secretary Perry, Senator NUNN, and many of my Democratic colleagues on the committee. But if we do not approve this conference report, I believe we run the very real risk of not getting a Defense authorization bill this year and I believe this bill even in its current form is better than no bill at all.

Were it absolutely clear that the deficiencies in this legislation could be corrected and a new report passed very quickly, I might join my Democratic colleagues in opposing it. But because I am not as sanguine as others about that result, I want to show my support for the majority of the measures as they exist in the report and to ensure that it not be viewed in strictly partisan terms.

Mr. President, we have learned repeatedly in this century that new enemies can arise on distant shores within a matter of years, and that the price of inadequate preparation—in places like Bataan or the Kasserine Pass in World War II, or Osan during the Korean War—can be very high.

We now live in an era where the complexity of military systems mandates decades of development before those systems are fielded, meaning that we have to prepare now for the unexpected conflicts of tomorrow.

Our national strategy calls for being prepared to fight two major regional conflicts simultaneously. My colleagues on the Armed Services Committee know that unless our major procurement accounts are strengthened we simply won't have enough airlift, ships, and smart munitions to fight and win decisively in two major regional conflicts.

Yet despite the steady drone of critics attacking this strategy, no one has offered a more attractive alternative. Until a broadly supported alternative is adopted, I intend to provide more than just lip service in advocating a procurement program that supports our national strategy. The conference report attempts to address some of the major shortfalls in the procurement accounts.

My Armed Services colleagues are also aware that funding for readiness cannot tolerate further reductions without serious erosion of troop morale and effectiveness. The conference report adequately funds readiness.

And of course, we all know that we must maintain decisive U.S. superiority on the battlefield of the 21st century.

This report authorizes adequate funding for the research and development that will provide our troops the communications, the intelligence, and the weaponry to defeat any enemy, anywhere, anytime.

But there are areas of significant disagreement, as well. I have carefully reviewed the issues that concern the President and others, and I share many of their criticisms. In the case of ballistic missile defenses, while the conference report is much less onerous than the House version of the bill, it would nonetheless send a message to the Russians that our commitment to the ABM Treaty is tenuous.

In committee, I offered an amendment to strike a measure from the Senate version of the bill that would restrict a servicewoman's access to privately funded abortions overseas. It was supported by a majority of committee members, including two Republicans. And I was very disappointed when the measure was restored in the conference report.

The report includes provisions discharging HIV-positive service members on the pretext that they are nonworldwide deployable, when in reality no others who are permanently nonworldwide deployable are forced out under current law.

Mr. President, the report includes roughly half a billion dollars to continue funding the B–2 bomber. This funding was removed by the Senate Armed Services Committee—with the support of four Republicans—but again restored in conference. This despite a detailed analysis by the Department of Defense which showed that the contribution of additional B–2's would be marginal in a theater campaign when compared to more cost-effective means of weapons delivery, such as precision-guided munitions. If we did not have such pressing fiscal constraints, more B–2's would make sense—indeed I've supported those to date—but not when we are shutting down the Government because we can't agree on the really tough spending choices necessary to balance the budget in 7 years.

There are far too many earmarks in the report that will prove costly to the taxpayer. There are earmarks for unrequested Department of Energy weapons programs, Buy America designations, and National Guard and Reserve equipment. And there are earmarks for ships, including submarines which are vitally important to two shipbuilders, one of which is in my own State.

Rather than designate particular submarines for particular shipbuilders, I had hoped that we would be able to authorize a winner-take-all competition to save the taxpayers billions in procurement dollars.

In the end, my senior Virginia colleague helped devise a compromise to designate the builders of the first two subs to minimize development risks, followed by competition on the third and subsequent subs. The conferees accepted this compromise, but also allowed for the option of building some additional prototype submarines, if the Navy concludes it can achieve a more affordable and more effective submarine by doing so. This is not a perfect solution, but it is better and less expensive than the alternative of eliminating any hope of eventual competition by designating a single submarine builder as was originally planned by the Navy.

My biggest problem with the conference report is that it reflects too few tough choices. Too often the conferees resolved differences in procurement priorities between the Senate and

House not by compromising but by agreeing to the requests of both. That's not cost-effective, but politics is defined as the art of the possible and the most cost-efficient approach would not have enjoyed majority support.

Mr. President, some of my Democratic colleagues on the Armed Services Committee will vote against this report—at least in part—to protest their exclusion from the conference process. After a few pro forma panel meetings, the panels were dissolved with no full committee meetings called to reconcile differences. But while I share the frustrations of my colleagues about the congressional conference committee, chaired this year by the House—I believe the final report moves in the right direction in enough areas to justify my support.

By passing this legislation, we make it clear that we are committed to ending the defense budget free fall. We send a firm and unambiguous message of support to our troops in Bosnia. We preserve the many provisions agreed upon through delicate compromises that could be very difficult to rebuild if the report is returned to conference. We may have to do that, if we cannot resolve the differences, quickly, but it would be a bad precedent, and would reduce incentives for the Armed Services Committees—or any committees for that matter—to work out the tough issues within a single coherent bill.

Finally, we ensure the prompt implementation of the many fiscal year 1996 defense programs, acquisitions, and operations that have been put on hold for weeks now by our delay.

It has been suggested that particular provisions in the conference report, such as the pay raise and BAQ increase, be attached to other legislation if this report is vetoed to ensure their prompt enactment.

If the conference report is defeated here on the floor or vetoed at the White House, I will work with the conferees and the President to resolve the veto issues as quickly as possible and I will urge my fellow conferees to stay focused on the specific concerns of the President to avoid unraveling the many fragile compromises contained in this report.

With that, Mr. President, I yield the floor, and I yield back any time that I may have been allocated. And I thank the distinguished chairman of the committee.

Mr. THURMOND. Mr. President, I wish to commend the able Senator from Virginia for the outstanding remarks that he has made on this bill.

Mr. ROTH. Mr. President, the Office of Operational Test and Evaluation [OT & E] in the Office of the Secretary of Defense was established and strengthened by Congress in the early 1980's to ensure that weapons we provide our troops have been vigorously tested in an independent and realistic manner. The statutes behind this Office were one of the most important achievements of Congress' effort to reform the defense acquisition process. It is legislation that continues to save the taxpayers billions of dollars. Most importantly, these statutes continue to protect the lives of our men and women in uniform.

It is, thus, surprising that the Defense authorization conference report would repeal these public laws that Congress passed with strong bipartisan support. Provisions in H.R. 1530 will repeal section 139 of title 10 that established and provides independent authority to the Director of Operational Test and Evaluation. Two weeks ago I, along with Senator DAVID PRYOR and Senator CHARLES GRASSLEY, urged the conferees to remove these damaging provisions.

We reminded our colleagues that last August this very chamber unanimously passed a resolution stating that the authorities and office of OT&E must be preserved. I am disappointed that the conferees appear to have disregarded our advice and, more importantly, the unanimous opinion of the Senate.

What is at stake in the Defense authorization bill are the lives of our men and women in uniform. And, there is no one more concerned than I about the well-being of our troops.

The Office of Operational Test and Evaluation was created specifically to ensure the safety of our troops. Section 139, the statute that the conference bill repeals, gives our troops confidence that the weapons they bring to the battlefield have been tested vigorously in an independent manner and in an operationally realistic environment. Over more than a decade of service, OT&E has ensured that the new weapons with which we equip our soldiers can be relied upon in combat.

That is how OT&E saves lives.

OT&E also saves the taxpayer billions of dollars. Its establishment institutionalized a very simple premise: That we should not spend billions of dollars on a new weapon unless we are sure that it works and will be effective on the battlefield. OT&E is the institutional core of the Pentagon's fly before you buy approach to new weapons and equipment.

OT&E saves both lives and money because section 139 requires that the testing and evaluation of new weapons are directed by an official whose authorities are independent from the services and whose authorities are not vulnerable to pressures of the Pentagon's procurement bureaucracy.

Some of us may recall the cancellation of the Sergeant York—DIVAD—antiaircraft system. The problems of this faulty program were identified and highlighted by OT&E. The DIVAD was a billion dollar boondoggle which was terminated by OT&E's independent tests and evaluations despite protests from within the Pentagon. One can imagine what the risks would have been to our soldiers had this system been deployed.

Another example of OT&E saving lives is the performance of the Bradley infantry fighting vehicle during the war against Iraq. The Bradley had never seen combat until Operation Desert Storm.

The mission of the Bradley is to deliver troops safety to combat. Independent operational testing conducted by OT&E demonstrated that the Bradley's original design seriously jeopardized the lives of the troops it was meant to protect. Over the Army's objections, the Bradley's production schedule was extended so that design flaws were remedied.

In one of the many studies conducted after Operation Desert Storm, Army Maj. Gen. Peter McVey testified on the performance of the Bradley. He stated that ''more lives of soldiers than we can count'' were saved by the combat-like testing to which the Bradley was subjected prior to its full production and deployment to the gulf.

Former Secretary of Defense Dick Cheney reiterated this conclusion when he stated that the vigorous independent testing oversight put into place by Congress saved more lives than perhaps any other single initiative.

In addition to the Bradley and the Sergeant York, OT&E has contributed significantly to performance, capability and reliability of the equipment and weapons systems our Defense authorization and appropriations bill purchase for our taxpayers and, above all, of our soldiers. These include improvements to the C–17 cargo plane, the Aegis Cruiser, and there are numerous other examples.

In each case OT&E ensured that each of these systems were subjected to vigorous independent testing. Their evaluations contributed to design changes that improved their capabilities and reliability. In other cases, wasteful programs were terminated.

In this way, the legislation that established the office and authorities of the Director of OT&E simultaneously improved the safety of our soldiers and saved the taxpayer money. That alone makes section 139 of title 10 one of the most important achievements in acquisition reform of the last decade. We should be protecting, if not strengthening, such statutes.

What would be the bottom line if we repeal section 139? In the name of reducing the size of the Pentagon, we will have eliminated a tiny office whose work has proven essential to the very objectives of H.R. 1530, providing a rational, accountable, and efficient system of management in the Pentagon.

To eliminate this office as we are sending our troops to Bosnia seems to be all the more incredulous. These troops, many of whom are embarking through Dover Air Force Base in my State of Delaware, will be deploying with an array of new equipment that has never been tested in combat. Can we imagine sending our troops to battle with equipment we have not made the fullest effort to subject to operationally realistic testing?

If we are really concerned about our troops, we should be vehemently opposed to the provisions that would eliminate the independence and authorities of the Office of Operational Test and Evaluation. We cannot accept these provisions and claim that we are doing our utmost to ensure the safety and welfare of our men and women in uniform.

Mr. BINGAMAN. Mr. President, I rise to oppose the conference report on the defense authorization bill and to urge my colleagues to vote against it.

Earlier this year I voted against the authorization bill in committee and on the Senate floor. In each case I was doing so for the first time in my 13 years in the Senate during all of which I have served on the Armed Services Committee. On September 6 when the Senate passed this bill I warned my colleagues that we were going to conference with a bad Senate bill and an even worse House bill and that it was hard to imagine a conference result many of us could support. My only hope was that having seen thirty-four Senators vote against the bill on September 6, including the ranking Democrat on every Armed Services Subcommittee, the majority would reach out to try to deal with the concerns of these members. Many of those who voted against the bill on September 6 were, like me, casting the first vote in their Senate careers against a Defense authorization bill.

Unfortunately, there was no reaching out in conference. With the sole exception of the ballistic missile defense provisions there was not a Member level meeting of the conference to which Democrats were invited in two months. We were simply informed through our staffs as to how issues had been resolved, in some cases after that information had already reached the press. Indeed, I found the press a very enlightening source over the past two months about Member level meetings occurring between House and Senate Republicans.

This is not how conferences have previously worked in my 13 years on the committee under Chairmen Tower, Goldwater, and NUNN. Never were the views of the minority disregarded on so many items. Never was there no opportunity given the minority to at least have their views heard during the conference and to test the sentiment of members, not staff, by putting issues to votes.

There has always been a big four process where the full committee chairmen and ranking members would meet to try to resolve the truly difficult issues the solution to which had eluded the subcommittee chairmen and ranking members. But never before did that process start 2½ months before the end of the conference when almost no issues had been resolved at the panel level and never before were the results of that process, especially controversial results, not briefed to members for their discussion and approval at member-level meetings of Senate conferees.

Mr. President, I believe that, unless corrected, what has happened this year on this bill in terms of process alone portends a very bleak future for the Armed Services Committee and the Defense authorization process. The majority may be dooming a committee that has always strived for bipartisanship, and therefore relevance, to becoming a highly partisan debating society with all the real decisions being left to the Appropriations Committee. When the Armed Services Committee works on a bipartisan basis, as Senator SMITH and Senator COHEN did on the good acquisition reform provisions in this bill, it can make real contributions to providing this Nation an effective defense at the lowest cost to the taxpayers. But that was not the norm in this conference.

I have spoken thus far about a broken process. Let me now, Mr. President, list some of the problems I see in this bill. I will use two baselines for comparison purposes, the defense authorization bill passed by the Senate on September 6 by a 64 to 34 margin and the Defense appropriations conference report which passed the Senate on November 16 by a 59 to 39 margin.

This bill is significantly worse than both those measures. It not only authorizes a net $7 billion in additional spending for unrequested, often unneeded and unsustainable projects which were included in the appropriations conference report, it breaks new ground in making bad public policy in a whole series of areas not previously put before the Senate.

I will not go through them all in any detail for that would take too much of the Senate's time on a doomed conference report. But let me cite some of the examples: provisions on ballistic missile defense which would clearly undermine the ABM Treaty and revive the cold war, a mandate to discharge people who are HIV-positive from the military even if they can carry out their responsibilities, a mandate to terminate the independent Office of Operational Test and Evaluation, an office that previously enjoyed strong bipartisan support, a series of shipbuilding provisions that represent the sum of all parochial interests, but fail to meet the national interest, a series of protectionist special-interest buy America provisions that go beyond anything I have previously seen in a Defense authorization conference report, provisions on funding of contingency operations and on command and control of U.S. Forces that raise constitutional issues, the total undermining of the land mine moratorium provision which this body passed 67 to 27 on August 4 and which we passed again as part of the foreign operations appropriations bill, and on and on.

I am only going to go into detail on one relatively minor issue, the sale of the Federal interest in Naval Petroleum Reserve No. 1 at Elk Hills, CA, a field that is currently jointly owned with Chevron Corp. This field is one of the 10 largest oil fields in the United States with some estimates of recoverable reserves running well over a billion barrels of oil equivalent. The taxpayers own approximately 78 percent of the field and Chevron owns the rest.

This issue of the sale of Elk Hills was the subject of some considerable discussion last Friday. The point was made by the senior Senator from Virginia that the administration had proposed the sale of Elk Hills. That is true. But it is also true that the administration, as recently as 2 weeks ago, continued to ask for 2 years to complete the transaction—through September 30, 1997—and it is also true that the administration asked for the fallback option of authority to create a government-owned corporation to manage the reserves if it could not get an adequate price for its interest in Elk Hills. If the administration proposal were in this bill, particularly with regard to timing, this Senator would not be raising any concern about this provision. Unfortunately, it is not what is in the bill.

Let me review the history as I understand it. Democrats on the Armed Services Committee have been concerned about insuring against a fire sale of this valuable asset since this issue was thrust upon us by the budget resolution in June. That resolution effectively mandated the sale of all the naval petroleum reserves in 1 year. We had held no hearings on this subject this year, and in the one hearing where this issue had been brought up in 1994, there had been criticism from the Republican side of DOE s plans to sell Elk Hills.

Nevertheless, since the majority felt that it must respond to the budget resolution mandate, I and other Democrats sought as best we could without the benefit of hearings to add safeguards against a fire sale during committee deliberations in June and in a floor amendment in July. The most important safeguard was one cited by the senior Senator from Virginia on Friday; namely, that the Secretary of Energy and the Director of OMB could bring the sales process to a halt if they felt they were not going to get an adequate price or if they felt another course of action was more in the national interest. This safeguard is similar in effect to the administration safeguard that they be allowed to form a government-owned corporation as a fallback if they are not getting an adequate price. This is the course recommended by the National Academy of Public Administration.

Unfortunately, all safeguards, both those in the Senate-passed authorization bill provision and those in the administration proposal, ran afoul of Congressional Budget Office [CBO] scoring. It was the view of CBO that the safeguards were likely to be utilized and that therefore a second bill would be needed to sell the Elk Hills

reserve. So for purposes of the reconciliation bill, the committee, over Democratic opposition, recommended dropping the safeguard provision.

As many Members know, thanks to the same CBO scoring, this provision became subject to the Byrd rule in the reconciliation process and was dropped from that legislation on a point of order. CBO effectively found that sale of the Elk Hills would not contribute to deficit reduction in fiscal years 1996 to 2002, and most importantly from the point of view of the Byrd rule, would make deficits worse for decades after that.

CBO projected that the sale of Elk Hills would only generate $1.5 billion for the taxpayers. In my view, and luckily in the view of senior administration officials, if that's all the taxpayers are offered, this sale should not happen. CBO got this low number through the combination of a very conservative estimate of recoverable reserves and the use of a very high discount rate for future revenues, far above Government discount rates.

Once this issue was taken out of the budget process, where it never should have been in the first place, I and other Democrats thought the best thing to do was put it off to next year so we could really understand it. That was the initial decision in the staff discussions in conference. But then the issue was reopened. To give the majority staff credit, they insisted on the key safeguard which the Senate had passed, namely, that the Secretary of Energy could stop the sale if the Government was not getting an adequate price or if another course of action better served our national interest. But when our minority staff recommended that we allow 2 years for the sale as the administration had proposed, my understanding is that the House majority staff refused. We regret that and regret that Democratic Members on our side were not given the chance to address the issue with Members from the other body.

A rushed sale does not work in the taxpayers' interest, although it may well work to the advantage of private parties. Members on both sides know from experience that it often takes the executive branch in general, and the Department of Energy in particular, longer to do things than they predict. So the 2 years which the administration has requested may well be optimistic in terms of completing a one-of-a-kind transaction which the Department has never attempted before. The indications which my staff have heard are that the Department of Energy has been withholding information on the potential value of this field from interested private sector parties. At least one private sector entity seeking information in Government files about the field has been told it must use the Freedom of Information Act to get that information. That is obviously not the way to generate interest for potential buyers of this valuable asset which has produced a net $13 billion in federal revenues over the past 20 years.

My view is that the controversy over this relatively minor provision in this huge bill is an example of where bipartisan member meetings might well have resulted in a different and better outcome. As I said earlier, there are far more important and numerous reasons to oppose this bill. But this provision is an example of the breakdown in the conference process which I referred to at the outset of my remarks and which I very much regret.

Mr. President, it is not with any pleasure that I am going to cast my first vote against a Defense authorization conference report in my thirteen years in the Senate. I am sure that is true for the many Members who will be casting such a vote for the first time in their careers, some of which are far longer than mine. But I am absolutely sure that it is the right vote. I urge my colleagues to join me in opposing the bill and sending it back to conference for more work. If it is passed, I will urge the President to carry out his threat to veto it. I hope the majority will then respond to the President's request to provide for the January 1 military pay raise on separate legislation prior to adjourning this year and that next year we can work on a bipartisan basis on a Defense authorization bill that can become law.

COMPETITION PROVISIONS

Mr. COHEN. Mr. President, Senator LEVIN and I, along with other Members, spent a great deal of time on the competition provisions of the conference report. We have prepared a joint statement on these provisions that I ask be printed in the RECORD.

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

JOINT STATEMENT OF SENATORS COHEN AND LEVIN ON THE COMPETITION PROVISIONS IN THE FISCAL YEAR 1996 DOD AUTHORIZATION ACT

Several contractor organizations have expressed concern that the acquisition provisions in the conference report on H.R. 1530, the DOD Authorization Act, could undermine the principle of full and open competition, which assures all responsible sources the right to bid on government contracts. As the Senate authors of the Competition in Contracting Act (CICA), which establishes the requirement of full and open competition, we are confident that this is not the case. The conference report does not contain any provision that would undermine full and open competition and we would not agree to any provision that would do so.

Unlike the free-standing acquisition bill passed by the House (H.R. 1670), the conference report on H.R. 1530 would not change either the definition of full and open competition or the existing exceptions from the requirement to use full and open competition. Consequently, all responsible sources must be offered an opportunity to bid on government contracts (except where a specific exception to that requirement is already available under CICA). We intend to monitor the implementation of the bill closely to ensure that the executive branch does not misinterpret its language to undermine full and open competition or deny responsible offerors an opportunity to compete for government contracts.

A. TITLE XLI OF THE CONFERENCE REPORT

Title XLI of the conference report contains provisions which would address competition requirements as follows:

Section 4101 would require that the Federal Acquisition Regulation implement the unchanged CICA provisions in a manner that is consistent with the need to efficiently fulfill the government's requirements;

Section 4102 would raise the dollar thresholds for approval of sole-source purchases to streamline procedures for smaller procurements; and

Section 4103 would authorize contracting officers to use so-called ''competitive range'' determinations more effectively to narrow the initial field of offerors under consideration to those who are best qualified.

None of these provisions may be used to exclude responsible offerors from participating in a procurement.

1. Regulatory Implementation of CICA. The policy stated in Section 4101 would require the regulation writers to consider more efficient procedures for implementing the requirement for full and open competition. Such procedures could include, for example: the authority to submit proposals in electronic form; the use of electronic bulletin boards to quickly disseminate procurement information (such as solicitation amendments and offeror questions and answers); the establishment of matrices of evaluation criteria to which offerors may respond directly to ease the comparison of proposals; and the simplification of specifications.

This provision does not change either the CICA provisions requiring full and open competition or the existing definition of full and open competition. These unchanged provisions would, by their terms, require agencies to permit ''all responsible sources'' to participate in a procurement. Consequently, the requirement that CICA be implemented in a manner that is consistent with the need to efficiently fulfill the government's requirements could not be used to exclude responsible sources from bidding on a contract.

2. Thresholds for Justification and Approval. Section 4102 would raise the threshold for high-level sign-off on sole-source procedures from $100,000 to $500,000 to reduce paperwork on smaller procurements. This is the first adjustment to this threshold since the enactment of the Competition in Contracting Act in 1984, and would bring the competition threshold back into conformity with the threshold in the Truth in Negotiations Act (which was raised from $100,000 to $500,000 last year). The provision would not create any new exceptions to the requirement for full and open competition and would not affect the requirement that contracting officers justify in writing the decision to use non-competitive procedures in any procurement, regardless of dollar value.

3. Competitive Range Determinations. Section 4103 would expressly authorize the use of competitive range determinations to narrow the field of offerors and exclude those who do not have a realistic chance of winning the procurement. Competitive range determinations have always been permitted under CICA, but some agencies have been reluctant to use this tool out of a fear of bid protests.

Section 4103 specifies that the competitive range should include the greatest number of offerors consistent with conducting an efficient procurement. This provision does not permit agencies to deny offerors the opportunity to bid on government contracts. It does not authorize agencies to narrow the field of competitors on any basis other than the evaluation criteria specified in the solicitation and it is not intended to authorize

the exclusion from the competitive range any offeror whose proposal is not significantly inferior to the proposals that will be considered.

B. OTHER COMPETITION ISSUES

In addition to the provisions described above, Division D contains provisions authorizing the use of simplified procedures for the acquisition of certain commercial items and authorizing the waiver of certain laws in procurements of commercially-available off-the-shelf items. Neither of these provisions would undermine full and open competition or deny responsible offerors an opportunity to compete for government contracts.

1. Simplified Procedures. Section 4202 would authorize the use of simplified procedures for the acquisition of commercial items in contracts with a value of $5 million or less. Special simplified procedures could include, for example: shortened notice time frames; streamlined solicitations; expanded use of electronic commerce; and the use of alternative evaluation procedures. This provision would expire after three years, unless reauthorized by the Congress.

The simplified procedures authorized by this section would be available to agencies in addition to streamlined acquisition techniques already available to agencies and widely used for the purchase of commercial items under existing law. These techniques include the use of GSA's multiple award schedules; multiple award task order contracts; ''prime vendor'' contracts; indefinite delivery indefinite quantity (IDIQ) contracts; and requirements contracts.

While Section 4202 authorizes the use of simplified procedures, it would not permit limitations on competition or the exclusion of responsible sources from bidding on contracts. In fact, the provision expressly requires the publication of a notice inviting all potential sources to submit offers and committing the agency to consider such offers. In other words, agencies must evaluate all offers received, in accordance with the simplified procedures, and select the best one for contract award.

Agencies would be permitted to conduct sole-source procurements only if justified in writing pursuant to the existing CICA exceptions.

2. Waiver of Laws. Section 4203 would authorize the waiver of certain laws in purchases of commercially-available off-the-shelf items. This provision would alleviate burdens on contractors, not on the government. It is intended to enable commercial companies to sell off-the-shelf items to the government on the same terms and conditions they use in the private sector sales.

The laws that are authorized to be waived under section include only government-unique policies, procedures, requirements and restrictions that are imposed ''on persons who have been awarded contracts'' by the Federal government. This provision does not authorize the waiver of laws—such as CICA and the Procurement Integrity statute—which apply in the period prior to the award of a contract. And it does not authorize the waiver of laws—such as CICA, the Prompt Payment Act, and the Contract Disputes Act—which impose policies, procedures, requirements and restrictions on federal agencies and federal officials, rather than on contractors. For these reasons, Section 4203 would neither authorize the waiver of CICA nor permit any limitation on competition for federal contracts.

3. ''Two-Step'' Procurements. Earlier this year, the Administration requested authority for a ''two-step'' procurement process—similar to a provision passed by the Senate as a part of last year's Federal Acquisition Streamlining Act—under which an agency may narrow the field of offerors to those who are best qualified and offer the best overall technical approach to a problem, and only then require the submission of detailed price and technical proposals.

Two-step authority is not included in the conference report, due to concerns raised by both the Administration and the business community about the proposed language. The conference report does, however, contain a pilot program for ''solutions based contracting'', in which contractor selection would be based on contractors' qualifications, past performance, and proposed conceptual approach to the procurement.

We remain open to the possibility of granting broader two-step authority at some time in the future, assuming that the problems can be worked out in a manner that is consistent with full and open competition and the principle that all responsible offerors must be provided a fair opportunity to compete for government contracts.

PROCUREMENT AND INFORMATION TECHNOLOGY MANAGEMENT REFORM

Mr. COHEN. Mr. President, the procurement and information technology management reforms in the DOD Authorization Conference Report will result in billions of dollars in savings to the taxpayer. Some observers have suggested that perhaps as much as $60 billion is wasted each year from inefficiencies in the Federal contracting process. The rewards to the taxpayer from the Government finding more efficient ways to purchase goods and services are indeed great—potentially equivalent to a third of the budget deficit and more than what we will spend on new weapons this year.

The reforms contained in this bill are needed if we are to seriously address the inefficiencies in the procurement process. Although last year's Federal Acquisition Streamlining Act was a good first step, many problems continue to exist which result in great inefficiencies, cumbersome and unnecessary delays, and an overly bureaucratic process. The provisions in this legislation complement our past streamlining efforts and will allow the government to pay less of a bureaucratic premium on the price of goods and services it buys.

The need to continue procurement reform is widely recognized. Both Houses of Congress and the Administration have worked together on a bipartisan basis to develop these provisions. The procurement reform package that the conferees agreed to includes two major provisions: the Federal Acquisition Reform Act and the Information Technology Management Reform Act. These two Acts will go a long way to putting an end to many of the inefficiencies of the current system.

The savings that can be achieved from procurement reform are significant. By passing the Federal Acquisition Streamlining Act last year, we will realize $12 billion in savings over the next 5 years. The Federal Acquisition Reform Act in the DOD conference report can be expected to save additional billions through eliminating unnecessary paperwork burdens, streamlining the process for buying commercial items, clarifying procurement ethics laws, and improving the process for contracting for large construction projects.

Billions more will be saved in this bill as a result of the Information Technology Management Reform Act, legislation which Senator LEVIN and I introduced earlier this year, which emphasizes the use of technology to achieve more efficient and cost-effective government. Agencies will be required to conduct a systematic re-examination of how they do business before investing in information technology. This review will identify areas for improvement and result in significant savings through the re-design or ''re-engineering'' of existing government business activity. According to the Administration, efforts to re-engineer government through information technology as mandated in this legislation will save at least $4.3 billion over the next 5 years.

The systematic use of information technology to re-engineer government will be a lasting contribution of this bill. Not only will we save billions of dollars through these efforts, but we will improve the delivery of services to the taxpayer by effectively applying modern information technology to government processes.

The need to reform how the Federal Government approaches and purchases information technology is well documented. My report of October 1994 entitled ''Computer Chaos,'' outlined the problems affecting the $27 billion we spend each year on information technology.

Much of this money is wasted buying new systems that agencies have not adequately planned for or managed. In other words, government has not done a very good job deciding what it needs before spending millions, or in some cases, billions of dollars on information systems. Consequently new systems, especially high dollars systems, rarely work as intended and do little to improve agency performance.

In addition, a large portion of the $200 billion spent on information technology over the last decade has been spent maintaining old technology that no longer performs as needed. Agencies thus spend billions of dollars each year to keep old, inefficient computer systems running, and continue to buy new computer systems that are poorly planned and, once operational, do not meet their needs.

Agencies trying to replace these old ''legacy'' systems have also been plagued by the constraints of the current procurement system. Over the last three decades, the process for buying federal computers has become too bureaucratic and cumbersome. It has spawned thousands of pages of regulations and caused agencies to be primarily concerned with conformity to a paperwork process. What the process fails to address are the results—more efficient and less expensive government and, most importantly, fairness to the taxpayers.

In addition, an adversarial culture has developed between government and business. Many companies believe government contracting officers and bureaucrats won't give them a fair shake. Federal employees are suspicious of companies because of a fear of being second guessed and having the procurement protested.

In short, it is a culture of little trust, less communication and no incentives to use information technology to improve the way government does business and achieve the savings that we so desperately need.

The Information Technology Management Reform Act is designed to create positive management incentives, increase communication and get business and government working together to meet the technology needs of the federal government. In addition to helping agencies buy technology faster and cheaper, the bill would ensure that a responsible management approach is taken to maximize the taxpayer's return on the government's investment in information technology.

Among other provisions, this legislation will repeal the Brooks Automatic Data Processing Equipment Act, authorize commercial-like buying procedures, and emphasize achieving results rather than conformity to the process. While we cannot legislate good management we can establish a framework for effective management to take place. This is what this legislation sets out to do.

Once enacted, agencies will be required to emphasize up-front planning and establish clear performance goals designed to improve agency operations. Once the up-front planning is complete and performance goals are established, other reforms would make it simpler and faster for agencies to purchase the technology to help them achieve their goals.

The Information Technology Management Reform Act will also discourage the so-called ''megasystem'' buys. Following the private sector model, agencies will be encouraged to take an incremental approach to buying information technology that is more manageable and less risky. Agencies now combine or ''bundle'' many of their information technology requirements into large ''systems'' buys primarily because the existing procurement process takes so long to complete. Reducing the amount of time it takes to conduct a procurement and simplifying the process will take away the incentive to bundle requirements and will result in smaller contracts.

Encouraging the use of smaller contracts will enhance competition. Many of the most dynamic technology companies in the nation, most of which would be classified as small businesses, choose not to even bid on federal contracts because of the size and red-tape involved. Meanwhile, some of those who benefit from the complexities of the existing federal contracting process continue to promote a more complicated, legalistic system in order to discourage new entrants into the federal marketplace.

By replacing the current system with one that is less bureaucratic and process driven, agencies will be able to buy technology faster and for less money by taking advantage of the dynamic marketplace in information technology. More importantly, a system will be in place to ensure that before investing a dollar in technology, government agencies will have carefully planned and justified their expenditures in terms of benefits accrued to the taxpayer.

We stand at the culmination of years of effort in acquisition and management reform that started with the Hoover Commission and continued with the Ash Council, the Grace Commission, the Packard Commission and, most recently, the Section 800 panel. Failure to act now will cost taxpayers billions of dollars in continued inefficiency and waste. By passing this conference report, we can take a significant step toward transforming the way the government does business and eventually regain the confidence of taxpayers in their government.

In concluding I want to both commend and express my appreciation to Senator STEVENS, Chairman of the Governmental Affairs Committee, and Senator GLENN, the Ranking member as well as Senator ROTH who served as Chairman earlier this year and Senators SMITH and THURMOND. It is through these Senators leadership that we have been able to craft legislation that will save billions of taxpayer dollars. I also want to thank Representatives Clinger and Spence. Without their foresight and perseverance we would not be voting on procurement reform legislation this year.

I would also like to thank my friend and colleague Senator LEVIN who I have worked closely with for over 15 years on the Oversight Subcommittee. I very much appreciate his counsel and support on efforts to reform the procurement system and improve government through the effective use of information technology.

MANUFACTURING TECHNOLOGY PROGRAM

Mr. ABRAHAM. Mr. President, I would like to engage the distinguished chairman of the Armed Services Committee in a brief discussion regarding the impact of the Conference Report to H.R. 1530 regarding the Manufacturing Technology Program.

The bill requires a two-to-one cost share from private sources for at least 25 percent of the MANTECH Program expenditures. Specifically, I am concerned that the statement that awards be made on a case-by-case basis may result in overall inefficiencies. Would the chairman wish to comment on that concern and offer an interpretation that would not preclude the incorporation of a range of projects in a given program area that may involve a number of participants, but still gains at least a two-for-one total cost sharing from non-Federal sources?

Mr. THURMOND. I understand my colleague's concerns regarding the project distribution under the MANTECH Program, but it is the Conferees' intention this program be administered on a project-by-project basis, especially with regards to the cost-sharing provisions. However, in implementing this provision, the committee would be willing to look at alternative methods of accounting that the Department of Defense may propose, such as bundling similar projects for fulfilling the cost-sharing requirements, on a case-by-case basis.

Mr. ABRAHAM. I thank the Senator for that clarification, and wish to follow-up as to what constitutes a non-Federal funding source. Given that non-Federal expenses are often reimbursed by the Federal Government through other programs or accounts, would the chairman wish to comment on what exactly constitutes the cost-sharing funds?

Mr. THURMOND. Mr. President, please let me make it clear we did not intend for Government funds to fulfill the non-Federal cost-sharing requirements of this provision. I believe this interpretation will maximize our leverage of federal resources. This issue is already addressed in the regulations implementing cost-sharing in dual-use technology programs.

Mr. ABRAHAM. Mr. President, if the Senator would be so kind, I would just like to wrap up with one more question. Section 276 of the bill provides a waiver authority for the Under Secretary of Defense for Acquisition and Technology to obligate any remaining funds that could not be obligated under the cost-sharing requirements by July 15 of a fiscal year. In my opinion, to waive this requirement without making every effort to find suitable projects that meet the cost-sharing requirement would be contrary to the intent of this legislation. If he would like to comment, what safeguards did the chairman envision in drafting this waiver authority against this waiver being the rule instead of the exception?

Mr. THURMOND. Mr. President, I wish to assure my colleague from Michigan that this waiver is only expected to be implemented after every good faith effort is made to find suitable and sufficient projects to obligate all these funds. This waiver authority is intended as a last alternative, and every other conceivable effort should be made to follow these requirements, including bringing new and current potential participants into the competitive process. Finally, I will assure my colleague that the Armed Services Committee will scrutinize DOD reports prior to their implementing such a waiver.

Mr. ABRAHAM. Mr. President, I wish to thank the chairman of the committee for that explanation and for the kind assistance he has provided me and my staff in resolving this issue.

Mr. President, I yield the floor.

Mr. MCCAIN. Mr. President, I want to take a moment to commend Chairman THURMOND for his success, at long last, in achieving a conference agreement on the fiscal year 1996 national defense authorization bill. I have the utmost respect and admiration for Chairman THURMOND, whose tireless efforts over the past 4 months have resulted in agreement on a number of very difficult issues. I commend the long hours and hard work of the chairman and the committee staff that went into resolving the many difficult disagreements with the House.

Mr. President, as many of my colleagues know, I do not support many of the provisions in this bill. I think my past statements, letters, and votes on the bill have made my position quite clear.

Prior to our committee markup, I wrote to Chairman THURMOND and the five subcommittee chairmen to advise them of my views on a number of specific defense programs and policies and to enlist their support for reflecting those views in the authorization bill. I greatly appreciate the consideration given to my views by all of my colleagues on the committee, although many of my greatest concerns were not adequately addressed in the bill. My additional views filed with the bill reflect those concerns.

I voted with Chairman THURMOND to report the bill from the committee, to allow the Senate the opportunity to consider the legislation. But when the debate ended, I voted against its passage in the Senate. After casting my vote against the bill in the Senate, I wrote to Chairman THURMOND to advise him of the specific reasons for my opposition to the bill and to clearly state that I would have difficulty supporting a conference agreement which did not rectify some of these problems.

Unfortunately, the conference agreement has not removed the problems in the Senate-passed legislation. Instead, many objectionable provisions remain in the bill, and indeed, some of the problems in the Senate bill have even been exacerbated. In addition, a number of other objectionable provisions have been added in this conference report.

I have served as a member of the Senate Armed Services Committee since I came to the Senate in 1987. This committee has always been at the forefront of the debate on national security policy and defense programs. I believe very strongly that the authorization committee is an essential element of the Congress' role in the formulation of our national security policies and programs.

Because of my respect for the chairman, as well as my strong belief in the importance of the authorization process, I signed the conference report. However, I want to make it very clear that I do not support many of the provisions in this legislation.

Mr. President, I would be remiss if I did not note that there are many very worthy and important legislative initiatives in this bill.

The bill authorizes an additional $7 billion in defense funding, as provided in the congressional budget resolution.

The bill adds funding for high-priority readiness requirements while eliminating or reducing defense funding for nondefense programs, such as peacekeeping assessments, humanitarian assistance, international disaster relief, and homeless assistance.

Much of the added funding is authorized for modernization of our forces, including additional tactical aircraft and tank upgrades, and strategic lift programs.

The bill establishes a new missile defense policy and provides funding for programs which will ensure the deployment of effective theater and national systems in an efficient and effective manner.

The bill authorizes a military pay raise and restores equity for retired pay cost-of-living adjustments.

The bill establishes a new process of public/private cost-sharing for construction of new military housing, which will reduce the burden on the taxpayer and hasten the process of replacing aging military housing.

The bill provides funding for ongoing operations in Iraq, and establishes a mechanism to ensure that military readiness is not adversely affected by the conduct of peacekeeping and other unexpected contingency operations.

Let me take just a moment to comment on this last provision, which the ranking member on the committee has stated the administration believes is unconstitutional.

I think it is important for my colleagues to understand what this particular provision, included as section 1003 of the conference agreement, actually does. It requires the Secretary of Defense to report to Congress outlining, among other things, the objectives of the operation and the exit strategy—similar to the requirements in the Dole-McCain resolution on deployment of troops to Bosnia. The provision restricts the availability of certain training and operations funding as sources for funding these operations. It then requires the President to submit a supplemental appropriations request—either emergency or offset with rescissions—for these operations in a timely fashion.

The genesis of this provision was a desire to ensure that military readiness is not adversely impacted by the costs of conducting peacekeeping and other contingency operations. In the past few years, the military services have expressed concerns about the impact of diverted funding on their ability to conduct necessary training in the third and fourth quarters of the fiscal year. The administration has submitted emergency supplemental appropriations requests, late in the fiscal year, forcing the Congress to act hastily and with little oversight in accepting the supplemental, faced with no other option but to shut down military training. The provision in this conference agreement will allow Congress to have the facts, during the early stages of any commitment to a peacekeeping or contingency operation, about the cost and justification for these operations.

During negotiations on this provision, the minority staff did not object to the need for a provision to protect readiness and properly fund ongoing and future operations. The only concern they raised was with respect to the constitutionality of requiring the President to submit a supplemental appropriations request to Congress.

Because of these concerns, my staff checked with experts at the American Law Division of the Congressional Research Service. According to a memorandum dated October 18, 1995, the provision ''appear[s] to be within Congress' constitutional authority.'' The memorandum cited article I, section 9, of the Constitution as the basis for this judgment. This section states that ''No Money shall be drawn from the Treasury, but in Consequence of Appropriations made by Law. * * *''—which gives Congress broad authority to place conditions on the use of taxpayer funds.

Mr. President, I ask unanimous consent that this CRS memorandum be printed in the RECORD in its entirety.

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

CONGRESSIONAL RESEARCH SERVICE,
THE LIBRARY OF CONGRESS,
Washington, DC, October 18, 1995.

To: Senate Committee on Armed Services, Attention: Cord Sterling.

From: American Law Division.

Subject: Constitutionality of §§1003 and 1201 of the House-passed version of H.R. 1530, the defense authorization bill for fiscal 1996.

This is in response to your request for a brief summary of our phone conversation regarding the constitutionality of §§1003 and 1201 of H.R. 1530, as passed by the House.

As we discussed, both sections appear to be within Congress' constitutional authority. Section 1003 provides authority to transfer funds from designated accounts to support armed forces operations for which funds have not been provided in advance and requires the President to seek a supplemental appropriation to replenish any fund or account from which funds have been so transferred. Section 1201, in turn, would bar the use of any funds appropriated to the Department of Defense for the participation of U.S. armed forces in a United Nations operation unless (1) the President certifies to Congress that the command and control arrangements meet certain requirements and reports to Congress about the nature of the venture and the U.S. role, (2) Congress specifically authorizes U.S. participation, or (3) the operation is conducted by NATO.

Both sections can find constitutional justification in Article I, §9, of the Constitution, which provides that ''No Money shall be drawn from the Treasury, but in Consequence of Appropriations made by Law * * *'' Pursuant to that provision Congress has broad authority over appropriations, including the authority to place conditions on the use of funds. In addition, §1201 can find constitutional support in the various provisions of Article I, §8, of the Constitution

that authorize Congress ''To * * * provide for the common Defence * * *''; ''To declare War, grant Letters of Marque and Reprisal, and make Rules concerning Captures on Land and Water''; ''To raise and support Armies * * *''; ''To provide and maintain a Navy''; ''To Make Rules for the Government and Regulation of the land and naval Forces''; and ''To make all Laws which shall be necessary and proper for carrying into Execution the foregoing Powers * * *.'' Those powers give Congress ample authority to specify some of the conditions under which U.S. armed forces may participate in UN operations.

I hope the foregoing is responsive to your request. Enclosed, in addition, are a number of CRS reports pertinent to your request. If we may be of additional assistance, please call on us.

DAVID M. ACKERMAN,
Legislative Attorney.

Mr. MCCAIN. It seems to me that requiring the President to submit a supplemental budget request is akin to requiring the President to submit a Federal budget request each year. This provision simply requires the President to submit a budget for an operation which was not included in his annual budget request.

In addition, the provision retains the flexibility of the President to submit either an emergency supplemental appropriations request or a request that is offset by rescissions of other appropriations for defense or other agencies. It simply requires that the President get congressional approval to use funds for a purpose which has not previously been approved by Congress.

Mr. President, I believe the military services sorely need to have such a provision in place. I do not accept the administration's position that there is anything unconstitutional about requiring the President to submit for congressional approval a budget for an operation requiring the deployment of U.S. military personnel. As my colleague from Arkansas, Senator BUMPERS, stated on the floor last week, ''[T]he President has a right to be wrong just like everyone else.''

Mr. President, as I stated earlier, there are many laudable provisions in this bill. In the event this bill fails to pass the Senate or is vetoed by the President, I would support separate legislation which would include these provisions. However, in my view, the good in this bill does not offset the bad.

Let me take a moment to discuss just a few of the problems in this bill on the funding side.

I am very distressed that the 4 months required to complete this conference, extending well beyond the beginning of the fiscal year, made it necessary to enact the fiscal year 1996 defense appropriations bill prior to the defense authorization bill. As a result, many of my objections to this authorization bill are the same as the objections I raised to the defense appropriations bill, because the authorizers in many cases simply accepted the decisions reached earlier by the appropriators.

This conference bill contains an authorization for the third *Seawolf* submarine, as well as language which sets out a plan to earmark two future submarine contracts for each of our submarine-building shipyards. I have stated many times my opposition to wasting any more of our scarce defense resources on more *Seawolf* submarines—a program costing $12.9 billion for three submarines. And I will vehemently oppose any proposal in future years to earmark future submarine building programs for a particular shipyard without the benefits to the taxpayer of open and honest competition for the best program at the lowest price.

The bill also authorizes $493 million for the B–2 bomber program—which was not included in the Senate-passed bill. I must say that it puzzles me somewhat that the conference agreement essentially leaves unresolved exactly how these funds will be used within the B–2 program. The purported agreement allows the Senate to insist that these funds only be used for spares and support for the existing fleet of 20 bombers, but it also leaves unrefuted the House's position in its report that the funds should be used for long-lead acquisition for additional bombers. This is a classic political compromise, which leaves a very important issue unresolved and abdicates our responsibility on the issue of the future of the B–2 program.

Mr. President, I know of no identified military requirement to spend an additional half-billion dollars to support our existing fleet, and the Secretary of Defense and the Chairman of the Joint Chiefs have made it clear that here is no military requirement for additional B–2 bombers. Like the *Seawolf*, the B–2 has now become a jobs program for defense contractors and their supplies and subcontractors, which are conveniently spread all over the United States.

Both the *Seawolf* and the B–2 are relics of the cold war, and neither weapons system is needed today to meet the likely national security threats of the future. In my view, the 1.2 billion authorized for these two programs could have been better used for programs which would help ensure our forces' readiness in this post-cold war world.

The bill also contains authorizations for $700 million in low-priority military construction projects which were not requested by the military services. In my view, this funding could be better used to ensure that the readiness of our forces can be maintained in light of the deployment of troops to Bosnia, or to provide for the future modernization of our forces.

Again this year, the bill authorizes more funding for Guard and Reserve equipment which was not requested by the services. The amount—$777 million—is identical to that provided in the appropriations bill. But unlike the appropriators, the authorizers chose to earmark every dollar for specific items, including 6 more C–130H aircraft. By doing so, this bill eliminates the ability of the National Guard and Reserve components to ensure that these extra dollars are used to procures the highest priority items needed to carry out their missions.

Finally, Mr. President, I am disappointed and discouraged that the statement of managers language accompanying this conference agreement contains earmarks for a number of programs which were not included in either bill. Not surprisingly, many of these earmarks are identical to language included in the Defense appropriations bill which was enacted last month.

There is $1 million for TCM testing—in which I should note there is apparently an Arizona constituent interest; $6 million for precision guided mortar munitions; $1 million for electro rheological fluid recoil research; $15 million for curved plate technology; $5 million for Instrumented Factor for Gears; $1 million for blood storage research; $3 million for Naval Biodynamics Laboratory infrastructure transfer activities; $2 million for advanced bulk manufacturing of mercury cadmium telluride [MCT]; $1.25 million for firefighting clothing; $950,000 for Navy/Air Force flight demonstration of a weapons impact assessment system using video sensor transmitters with precision guided munitions; $1 million for SAR detection of MRBMs in boost phase; $5 million for a program called Crown Royal; $2.5 million for deep ocean relocation research; $7.5 million for seamless high off-chip connectivity research.

It amazes me, Mr. President, that the authorization conference agreement would contain this type of earmarking language. Maybe this is some sort of gratuitous bow to the appropriators' long-standing practice of earmarking funds for special interest items. Certainly, the earmarks in the appropriations bill should be sufficient to ensure that these millions of taxpayer dollars go to the institutions or individuals to which they had been promised; an authorization earmark is no even necessary. Unfortunately, the inclusion of these earmarks puts the Senate Armed Service Committee imprimatur on a practice that ensures defense dollars flow to hometown projects, rather than military priorities.

Mr. President, I don't know which members of the conference agreed to earmark these programs, or which members even discussed these earmarks or were aware that they had been added to the authorization bill. I certainly hope that this is not the beginning of a dangerous trend in the authorization process.

On the policy side, I will cite just two objectionable provisions.

First, the bill adds several new buy-America limitations. The list of new domestic source limitations is significantly whittled down from the lengthy list contained in the House bill, but these types of set-asides are, in my view, overly protectionist and potentially harmful to favorable trade relationships with our long-time allies.

Second, and most egregious, is the inclusion of unworkable, unnecessary, and counter-productive provisions related to missing service personnel.

When the Armed Services Committee completed work on this bill in midsummer, I stated my belief that the committee had gone as far as Congress should in reforming procedures for accounting for missing servicemen. I continue to believe that the language passed by the House in this regard was unwise and unworkable. I regret to say that the Senate receded in principle on the worst of these provisions.

The language in the conference report prohibits the review boards it establishes from making a finding that a serviceman has been killed in action if there is ''credible evidence that suggests that the person is alive.'' It defines logic that, even if so much time has passed that it is physically impossible for a particular unaccounted-for servicemen to be alive, the board still cannot declare him dead if ''credible evidence'' is offered that he is still alive.

In my view, this is a very broad and undefined standard. It would effectively prevent, in many cases, a determination of death, leading the families of missing persons with unfounded hopes that their loved ones are alive and unwarranted fears for their safety and health. This is something that we clearly rejected in the original Senate bill and should not have agreed to in conference.

I would point out to my colleagues that there are roughly 78,000 servicemen missing from World War II. And this is an example of a war where we walked the battlefield. It might be of interest to note as well that at the conclusion of the battle of Lexington and Concord, there were five missing minutemen. Missing servicemen are unfortunately—and very tragically—a fact of war—as much as death is a fact of war.

For an idea of the sort of problems this restriction on a finding of death will create in the future, I commend to my colleagues an article which appeared in the Washington Post on December 10, 1995, entitled, ''Mystery of the Last Flight of Baron 52 Solved.'' In this case, the POW/MIA lobby insisted for 20 years that there was ''credible evidence'' that a B–52 crew survived their shootdown over Laos in 1973. Despite credible evidence to the contrary, absurdly enough, they claimed four of the crew were transported to the Soviet Union. Finally, with the discovery and identification of the remains of the crew members, the so-called evidence of their survival and imprisonment has been irrefutably disproved, and they have been declared dead and their cases have been closed.

Because of the provisions in this bill, these sorts of claims will no longer be the bizarre ratings of MIA hobbyists; they will be a part of the official government process. As long as a shred of evidence is offered—and believe me, the evidence will be abundant—the families of future Baron 52 crews will languish in uncertainty.

The bill contains several other similarly unworkable and unnecessary provisions. Among these are: a requirement that the Secretary appoint a board of review for every serviceman determined to be missing in action and subsequent review boards every 3 years for 30 years; a requirement that counsel be appointed for the missing; a requirement to subject final determinations of the Services to judicial review; the establishment of reporting requirements on commanders in the field at the very time their principal responsibility should be fighting and winning a war; and the reopening of cases from previous conflicts.

Let me be very clear that I fully support any productive efforts to fully account for each and every missing service person. The POW/MIA Select Committee exhaustively reviewed all aspects of this issue, and I believe the resources and procedures currently utilized by the Defense POW/MIA Office are fully adequate to accomplish the objective of determining the fate of all of our missing people. In my view, the provisions in this bill would require the creation of a costly and burdensome bureaucracy, with no added value to the process and perhaps a significant degradation in the ability of the POW/MIA Office to carry out its responsibilities.

The provisions in this conference bill related to missing servicemen were strongly opposed by the Department of Defense, the CINCs, and the Chairman of the Joint Chiefs of Staff. When we revisit this issue—and we will have to revisit it in order to avoid the creation of a massively burdensome bureaucracy—I hope we will pay due attention to their concerns. They are, after all, the people who will have to implement the new procedures.

In closing, Mr. President, I am troubled by the vote facing me on this bill. My respect and admiration for Chairman THURMOND, and my concern for the future of the authorization process, make it very difficult for me to vote against this legislation. I am concerned, too, about the potential effect on the moral of our troops deploying to Bosnia if the pay and other personnel provisions in this bill are not enacted in a timely fashion. If this bill does not become law, I commit to doing everything in my power to ensure that the Congress and the administration agree to separate legislation containing these important personnel provisions.

However, as I have said, I have serious concerns about several provisions in the bill. I will continue to listen to the comments of my colleagues and to evaluate the bill in its entirety, and therefore, I will withhold, for now, making a final judgment on this bill.

I ask unanimous consent that the Washington Post article to which I referred earlier and a letter from General Shalikashvili, be printed in the RECORD.

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

[From the Washington Post, Dec. 10, 1995]

MYSTERY OF THE LAST FLIGHT OF BARON 52 SOLVED

(By Thomas W. Lippman)

A terse announcement from the Pentagon late last month finally ended the unhappy story of the fatal last flight of a Air Force plane known as ''Baron 52'' and resolved one of the last mysteries about the fate of servicemen missing from the Vietnam War.

The remains of the seven men killed when the reconnaissance aircraft was shot down over Laos in 1973 have been identified and will be interred in a group burial on Jan. 8, the Pentagon said.

If all seven crew members died when the plane went down, then four of them could not have survived and been taken as captives to the Soviet Union. The belief that four of the men were ''Moscow bound'' has long been held by some prisoner of war activists and members of the MIA lobby, who cited the fate of Baron 52's crew as evidence that Vietnam and its communist allies have still not revealed the truth about Americans who vanished in the war.

The belief was based largely on testimony by former Air Force intelligence sergeant Jerry Mooney that intercepted North Vietnamese radio communications indicated four Americans captured in the region were being transported to the Soviet Union.

The Pentagon has insisted that no one could have survived the shootdown of the plane and that the intercepted conversations were not about the Baron 52 crew. But in the absence of seven sets of remains, Mooney's version of events could not be entirely refuted.

Some members of the victims' families quarreled with the Pentagon for years, arguing that military authorities told them some crew members might have been able to parachute safely from the aircraft. They said the Defense Department was reluctant to tell what it knew because of the sensitive nature of the flight.

Baron 52 was the code name for an EC–47Q plane that was flying a night spying mission over Laos when it was shot down on Feb. 4, 1973.

That was shortly after the Paris Peace Agreement supposedly ended U.S. participation in the war, at a time when North Vietnam was preparing to release the 591 American captives it acknowledged holding.

According to Mark Sauter and Jim Sanders, authors of ''The Men We Left Behind,'' a 1993 book alleging a POW-MIA cover-up, ''the men weren't dead'' and the Pentagon knew it.

U.S. officials removed the names of the four presumed survivors from a list of prisoners they expected North Vietnam to hand over because the flight was illegal under the Paris agreement, Sauter and Sanders wrote.

''The names were scratched from the list because they were an inconvenience that would have complicated Henry Kissinger's life,'' their book said. Kissinger, then secretary of state, had negotiated the Paris Agreements and was responsible for fulfilling President Richard M. Nixon's promise that all U.S. prisoners would be coming home.

Mooney, long retired and living in Montana, repeated his story to a U.S. Senate committee that investigated the fate of the missing Americans in 1992.

But the committee also heard from Pentagon officials who had finally viewed the crash site that no one aboard could have survived. The committee concluded that ''there is no firm evidence that links the Baron 52

crew to the single enemy report upon which Mooney apparently based his analysis.''

A joint U.S.-Laotian field excavation team recovered the remains from the crash site in 1993.

It took two years of work at the Army's forensic laboratory in Hawaii to identify the victims, the Pentagon announcement said. All members of the Air Force, they were Sgts, Dale Brandenburg, of Capitol Heights; Peter R. Cressman, of Glen Ridge, N.J.; Joseph A. Matejov, of East Meadow, N.Y., and Todd M. Melton, of Milwaukee; 1st Lt. Severo J. Primm III, of New Orleans; Capt. George R. Spitz, of Asheville, N.C.; and Capt. Arthur Bollinger, of Greenville, Ill.

With their identification, the list of servicemen still officially missing from the war stands at 2,162. The vast majority are known to have died and real doubt remains about only a handful of cases.

The Pentagon announced last month after a year-long review that 567 of the open cases have ''virtually no possibility that they will ever be resolved'' through the finding of remains or other evidence because they were lost at sea or explosions destroyed their remains.

THE CHAIRMAN,
JOINT CHIEFS OF STAFF,
Washington, DC, September 27, 1995.

Senator JOHN MCCAIN,
U.S. Senate,
Washington, DC.

DEAR SENATOR MCCAIN: Thank you for taking time to meet with me last week and sharing your insights on some very important Defense issues we face now and in the coming years.

One of the issues your staff has contacted us on is the POW/MIA legislative initiative contained in the House and Senate versions of the FY96 Defense Authorization Bill now in conference committee. I'm aware that you've already heard from the regional CINCs expressing their concerns about compliance with certain difficult provisions contained in the House version.

No doubt we all agree the POW/MIA issue is of paramount importance to all Service members, and especially to all commanders. Nothing impacts a unit's fighting capability more than uncertainty over whether members will be listed as missing or forgotten if taken prisoner. This country has an unbreakable commitment to our men and women in uniform that such will not be the case. However, language in the House-passed version would create a bureaucracy requiring CINCs to divert precious manpower to this issue. In the middle of a conflict, without relieving the anxiety of our men and women.

The CINCs have addressed the details, but let me add my strong support to the Senate-passed version of the legislation that clearly advanced the POW/MIA issue. Such legislation will go a long way toward addressing the concerns of the Congress, the American people, and our military without unintended impacts we believe would be detrimental to our warfighting capability.

Again, thanks for our meeting and I hope to talk to you again soon.

Sincerely,

JOHN M. SHALIKASHVILI,
Chairman of the Joint Chiefs of Staff.

Mr. COHEN. Mr. President, there have been objections raised to the shipbuilding agreement negotiated during conference. They assert that it directs the procurement of specific ships at specific shipyards without a clear industrial base requirement and will produce increased cost. This is simply not the case.

Let me focus first on one of the principal shipbuilding accounts, the *Arleigh Burke* class destroyers program. The Senate conferees were confronted with diverse factors concerning these ships that we attempted to resolve as cost effectively as possible.

Let me summarize these factors.

The Navy has repeatedly told Congress that the minimum annual procurement of *Arleigh Burke* class destroyers needed to maintain an adequate industrial base is three. Testimony by Department of Defense witnesses has confirmed this assessment, as did a Congressional Research Service study completed last year.

The Navy gave high priority to including three of these ships in its fiscal year 1996 budget and did so.

As a last minute measure to generate additional funds for the Army's fiscal year 1996 budget, the Department of Defense reduced the number of *Arleigh Burke* class destroyers in the President's Budget from three to two.

During the period between submission of the President's Budget and our conference, numerous Navy and DOD officials have emphasized the importance of including the original three destroyers to the budget.

The original appropriations conference funded two destroyers in fiscal year 1996, but also directed the Navy to negotiate for and execute contracts for two more on the first day of fiscal year 1997. This language was subsequently modified in the final DOD appropriations conference report to call for three destroyers in fiscal year 1996. But its original form was a marker that influenced our conference for most of its duration.

In fiscal year 1994, and again in fiscal year 1995, the Navy concluded that cutthroat bidding in the destroyer program was leading to cost growth and the need for additional funding to resolve it.

The *Arleigh Burke* class has been in procurement for some time. Its construction costs at both building yards are well understood.

A Navy industrial base study, completed earlier this year, concluded that the best acquisition strategy for the *Arleigh Burke* class would be to retain two building yards and award contracts based on an allocation method that emphasized cost reduction.

Numerous DOD and industry officials have pointed out that the best way to achieve efficiency and reduce costs in the shipbuilding industry is to provide a stable construction program, something that the President's Budget as submitted would clearly not accomplish.

The Senate defense bill's provision dealing with acquisition of *Arleigh Burke* class destroyers, while a meritorious approach, could not prevail in conference because of opposition to it by the other defense committees.

In distilling these diverse factors into a conference position, the Senate conferees concluded that it was appropriate to explicitly endorse the results of the Navy's industrial base study, which resulted in the Navy's allocation method for awarding *Arleigh Burke* class destroyers.

In short, Mr. President, the conferees endorsed the Navy's industrial base analysis and the Navy's allocation method that resulted from its industrial base study.

Assertions to the contrary are simply erroneous.

There are other conference outcomes that were important to the House, but whose justification in my opinion is less clear. I would remind my colleagues, however, that this was a long and difficult conference with compromise necessary on both sides. We successfully rejected many provisions sought by the House. But, as occurs in every conference, we eventually accepted a few things that were important to House Members. In doing so, however, we worked to ensure that the language adopted is sufficiently permissive that the Department of Defense retains adequate discretion in developing its course of action.

Mr. President, I would also like to address some assertions that have been made today on the nature of the conference agreement on nuclear attack submarines.

In his remarks this morning Senator NUNN implied that the conference agreement would commit the Navy and the Defense Department to a program of advanced technology development for submarines that is too costly and would risk the lives of Navy personnel. In my opinion Senator NUNN did not correctly characterize the actual conference agreement.

Let me summarize the conference outcome on nuclear attack submarines as I see it:

The House and Senate had divergent goals. Believing the Navy's New Attack Submarine inadequate to its mission, the House conferees sought a program for the incorporation of advanced technology into a series of four developmental submarines before beginning series production. The Senate conferees sought authorization for the final *Seawolf* submarine, SSN–23, and competition for series production of the Navy's next class, the New Attack Submarine.

The Senate conferees did not share the House's conclusions about the inadequacy of the New Attack Submarine to deal with future threats.

After a period of lengthy negotiations that included active participation by the Navy and the Department of Defense, a compromise was reached.

In its barest essentials this compromise provides that: the Senate position on authorization of SSN–23 and competition for future submarine procurement would be preserved; and the

House would gain a provision that directs the Department of Defense to prepare a plan that could lead to the insertion of technology through the construction of a series of prototype submarines, each of which would be cheaper and more capable.

I emphasize that the conference agreement accepts a requirement for a DOD plan. It does not commit the Senate to a program.

Do I think this issue will remain contentious? Yes, I do. In press release and interview the House is declaring that the conference accepted the House program.

Assertions to the contrary, the House is not correct. I urge my colleagues to read the Conference Report. Any decision to pursue an advanced submarine technology program that might emerge from the plan that it mandates will be the subject of future debate and legislative action by Congress. This conference report commits no procurement funds to it. Further, the Senate has not endorsed the House's concept as the best course of action to pursue for acquisition of submarines with the necessary mission capabilities.

I agree with Senator NUNN that the twin objectives of lower cost but more capable have proven elusive in the past—often sought but seldom, if ever, achieved.

I also agree with Senator NUNN that the language of the submarine provision in the conference report could have spoken more directly to the costs and risks associated with the House's technology thrust. I have never said the provision could not be improved. What I have said is that it was the best compromise that could be achieved in this conference. Next year will be another matter.

I want to assure my colleagues that I would never, ever, endorse a speculative and unproven program that would put the lives of American sailors needlessly at risk. This conference agreement does not do that, and I will never subscribe to a conference agreement that does.

Mr. President, another question has been raised concerning a conference outcome that would create a bipartisan congressional panel on submarines. I want to address this question.

The House, in its conference position, was focused on ensuring the rapid incorporation of advanced technology into future submarines. The House's objective was ensure that sufficient technology would be inserted into submarine designs before beginning series construction of a new class to ensure the United States retains a comfortable edge of technical superiority over any conceivable threat. Aware of potential opposition from DOD, the House's negotiating posture during conference was based on the premise that extraordinary measures would need to be taken to prevent bureaucratic or passive resistance from overcoming the technical thrust that it considered essential.

The Senate conferees' objective during conference was to preserve the centerpiece of the Senate's submarine provision: competition based on price. Consequently, the goals of the House and Senate were divergent.

After a period of lengthy negotiations, an agreement was reached that was satisfactory to both House and Senate. One aspect of this agreement, an outcome strongly sought by the House conferees, was the creation of a panel that will focus on the incorporation of advanced technology into future submarines. The House believed such a panel necessary because it was not confident that could count on unbiased and objective input by the Department of Defense.

In the original form proposed by the House, this panel would have been at Presidential level. Its membership would have included a cross-section of experts appointed by the President, the House, and the Senate. Its oversight responsibilities and authority would have been quite broad.

The final form of the panel, as defined in the conference agreement, is much different. It will be composed of three members of the Senate Armed Services Committee and three members of the House National Security Committee. The members will be appointed by the chairmen of the two committees. The panel will receive reports annually from the Secretary of the Navy on the status of submarine modernization and research and development. It will in turn report annually to the House National Security Committee and the Senate Armed Services Committee on the Navy's progress in developing a less expensive, more capable submarine.

While this panel will, by its nature, focus greater attention on submarines than other ships, all decisions regarding submarine programs will of course continue to rest with two Armed Services committees.

Mr. President, some Senators also have objected to the inclusion of spending floors in the conference report.

The Senate conferees were opposed to inclusion of this language and resisted it during conference. We reluctantly accepted a version of the House-proposed language after concluding that acceptance was necessary in order to have a conference report. But we did so only after we made sure that both the Armed Services Committee's minority members and the members of the Appropriations Committee were fully informed of its nature and our assessment that this was necessary to reach a conference agreement.

The conference report is part of a larger process that eventually leads to the obligation of funds for various purposes. There will be future opportunities for either the Appropriations Committee or the Department of Defense to register objection and prevent expenditures should they desire to do so.

In summary, Mr. President, the Senate conferees won sufficient latitude in the language so that DOD or the Appropriations Committee would not be forced to spend funds or carry out actions to which they objected.

USUHS PROVISION

Mr. FEINGOLD. Mr. President, buried in the conference report on the Defense authorization bill for fiscal year 1996 is a provision relating to the Uniformed Services University of the Health Sciences, the Pentagon's medical school, that did not appear in either the version of the bill that passed the House or the version that passed the Senate.

Though it has no force of law, the provision clearly was inserted by supporters of the university at this stage of the Defense authorization legislation in order to create the impression of support for the medical school.

Mr. President, no one reading the record of this measure should be misled by the sense-of-the-Congress provision in Section 1071(c) of this bill. This language has been included at a stage of the legislative process when, barring re-referral of the entire bill, the provision effectively is untouchable.

Mr. President, some may wonder why the supporters of the university felt it necessary to engage in this action.

The answer, for those who have followed this issue, is undoubtedly to anticipate reaction to a recent report of the General Accounting Office reviewing the cost-effectiveness of the university and alternative sources of military physicians.

That GAO report reaffirmed what other studies have found, namely that the university is the single most costly source of physicians for the military.

The findings of the GAO, released after the Senate could amend the fiscal year 1996 Defense authorization bill, confirm previous analyses of the Congressional Budget Office, the Office of Management and Budget, and the Department of Defense itself, and are a powerful argument for the Pentagon to close the university, or dramatically change its mission.

Last session, in assessing the 5-year budget impact of a plan to phase down the school, the Office of Management and Budget estimated $286.5 million in savings, including offsetting increases in the military's physician scholarship program—a less costly mechanism for obtaining military physicians. After the university is fully closed, the annual savings would be in excess of $80 million.

Mr. President, as GAO has confirmed, the university is the single most expensive source of physicians for the military.

As a practical matter, though, the military does not rely primarily on the university for its doctors.

The Pentagon's medical school provides only about 1 of every 10 of the physicians for our military, while nearly three-fourths come from the scholarship program.

Nor, evidently, has relying primarily on these other sources compromised

the ability of military physicians to meet the needs of the Pentagon.

According to the Office of Management and Budget, of the approximately 2,000 physicians serving in Desert Storm, only 103, about 5 percent, were USUHS trained.

More generally, testimony by the Department of Defense before the Subcommittee on Force Requirements and Personnel suggested that, based upon a 1989 study, it needed to maintain a 10 percent of retention rate of physicians beyond 12 years, and that alternative sources like the scholarship program may already be meeting the retention needs of the services.

Even if military planners decide this level of retention is insufficient, as the GAO report proposed, changes could be made to the scholarship program to address any perceived need for higher retention rates.

The GAO report specifically cited a possible enrichment component for the scholarship program which would require a longer payback obligation for selected students in return for additional benefits, training, and military career opportunities.

The GAO report also suggested that additional readiness training could be provided through a postgraduate period specifically designed to enhance the physician's preparation for the special needs of military medicine.

Mr. President, this latest GAO report joins work done by the CBO, the Vice President's National Performance Review, the Grace Commission, and the Department of Defense itself in questioning whether the cost of maintaining an entire medical school for the Pentagon is justified.

The sense-of-the-Congress provision slipped into this conference report cannot change these fundamental judgments.

The overall DOD authorization bill is defective in many ways, especially in its failure to shoulder the kind of significant share of deficit reduction necessary to balance the Federal budget in 7 years.

The sense-of-the-Congress provision relating to the Uniformed Services University of the Health Sciences is emblematic of that flaw, and I urge the President to veto this measure when it is presented to him, and push Congress to craft a more fiscally responsible measure.

Mr. WELLSTONE. Mr. President, I oppose the Department of Defense Authorization Conference Report on a number of grounds. There are some positive provisions, such as those concerning pay, family and troop housing, and other issues. But the conference report remains wholly unacceptable, indeed worse in some key ways than the Senate bill. If it passes today, I earnestly hope the President will veto the bill so that we can begin a more genuine effort to pass a bipartisan defense bill.

I am all for a strong national defense, and I too want to ensure that our troops in Bosnia have everything they need to defend themselves. But that operation in its entirety is scheduled to cost about $1.5–2 billion; this bill provides over $260 billion in Defense spending overall—over $7 billion more than the President's request. I had urged the President to veto the DOD appropriations bill, and I also hope he will veto this one.

The conference report moves in exactly the wrong direction concerning America's real priorities during extremely difficult fiscal times. At the very moment that Republicans are forcing a shut-down of parts of the Government over our disagreement about how much to cut from vital programs that benefit the country's working middle class, as well as those which serve the Americans, including the elderly and children, who are most in need of Government services, this bill substantially increases funding for weapons programs which are not needed.

Let me offer just a few examples. The bill adds $493 million for new B–2 bombers, and it adds $925 million for ballistic and cruise missile defense initiatives. A number of weapons program earmarks and other pork projects have been included which do not represent rational defense policy and spending. Many were also included in the Senate bill. The bill also establishes an arms sales loan-guaranty program, further subsidizing militarization in other countries, flying in the face of U.S. arms control efforts around the world.

It includes $50 million for unnecessary, even counterproductive, hydronuclear tests. In fact, the bill adds $7 billion overall to the Defense Department's own request for funding for the fiscal year. Over $7 billion more than the Joint Chiefs of Staff, the Secretary of Defense, and the President requested. That is astonishing, especially in this budget climate. How can we consider cutting food stamps, low-income heating assistance, Medicare and Medicaid before we even begin to tighten the military's belt in areas where the Department itself has said it can save?

The bill would undermine major arms control treaties against nuclear proliferation. Through its requirement of deployment of a national missile defense system, beginning by 2003, many are concerned that the bill signals an intention on the part of this country unilaterally to violate the Anti-Ballistic Missile [ABM] Treaty. I share that concern, as well as the concern that provisions of this bill could negatively affect Russian consideration of the START II Treaty. I have spoken on the floor regarding these topics in the past, and a number of my colleagues have done so today. Undermining these treaties would represent an historic error, and set us back many years in our arms control efforts. They have received bipartisan support in this body and were negotiated and approved by administrations of both parties. They should be strictly observed, not abrogated. And negotiations on the next phase should be pressed ahead quickly.

Mr. President, I also would like to raise an issue about which a number of colleagues and I have communicated to the chairman and the ranking member of the committee. That is the issue of procurement. As a member of the Small Business Committee, I have attempted to follow closely issues that affect small businesses in the area of procurement, and this bill, as many of my colleagues know, has become contentious due to its actions in this area of policy. Provisions were added to the bill in conference in the name of acquisition reform which have generated some alarm in the small business community and among some who have worked carefully on Governmentwide procurement reform in recent years. In the very short time that has been available to study the provisions of the report, it has been difficult to assess all of its likely effects on procurement. But an initial reading indicates to me that there are areas of legitimate concern.

On December 4, along with Senators BUMPERS, KERRY and MOSELEY-BRAUN, I wrote to Chairman THURMOND of the Armed Services Committee and to Senator NUNN, who is the committee's ranking member. We expressed concern that provisions relating to acquisition, not only by the Department of Defense, but Governmentwide, were being included in the conference report: provisions that were not contained in the bill as originally passed by either the Senate or the House. Some of the provisions were derived from H.R. 1670, a House-passed bill, and some were derived from a Senate bill, S. 946. The provisions, as it turns out, underwent some modification before being added to this bill during the conference. But substantial changes to Governmentwide procurement policy are indeed contained here. The concern which my colleagues and I expressed in our letter, that such changes might undercut important procurement reforms undertaken by Congress in recent years, especially by weakening the practice, if not the principle, of full and open competition, remain. I therefore hope that following a veto of this bill by the President, the issue can be reexamined.

I share these concerns not only with my Senate colleagues with whom I have worked on this issue in recent weeks. I also would like to point out the important work done on the House side by Small Business Committee Chair JAN MEYERS of Kansas. Mrs. MEYERS has championed small business interests during this process, and has reached similar judgments to those which I am setting out here. We both question the wisdom of undertaking significant Governmentwide procurement legislation, even in the name of ''streamlining,'' in the very restricted process of passing a Defense authorization conference report. And we both believe that the objections raised by a

number of small business organizations to the provisions themselves have some merit.

Mr. President, I ask unanimous consent that an article from the Washington Post dated November 17, 1995, be printed in the RECORD. And I point out that the Small Business Legislative Council, National Small Business United, the National Association of Women Business Owners, the National Association for the Self-Employed and others all have expressed serious reservations about the procurement provisions. I hope we will have a chance to revisit the issue.

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

[From the Washington Post, Nov. 17, 1995]

UNCLE SAM'S BUYING POWER

(By Kathleen Day)

A quiet storm has erupted in Congress over efforts to reform how the government spends $200 billion a year to by items ranging from paper clips and computers to jet fighters and tanks.

Supporters of the proposal, led by Rep. William F. Clinger Jr. (R-Pa.) and the Clinton administration, say pending legislation would save taxpayers millions of dollars by reducing bureaucracy, giving procurement officers by reducing bureaucracy, giving procurement officers throughout government more flexibility to buy items as they see fit and allowing the government to pay the same competitive prices as private businesses.

''We think on balance it would be a good set of additional reforms,'' said Leroy Haugh of the Aerospace Industries Association, which represents defense giants such as General Dynamics Corp. and Lockheed Martin Corp.

But others, including Rep. Jan Meyers (R-Kan.), AT&T Corp. and the U.S. Chamber of Commerce, say the proposed changes will return the federal government to the days when the Pentagon paid $7,400 for a coffeepot and $640 for a toilet seat. They contend the proposed changes would cut competition by letting the government limit the number of companies making bids and allowing the White House to waive purchasing rules at will.

They say the result would be a system that shuts out many small companies and enables a few large players to dominate federal contracting, making it tougher for others to win government business. Worst of all, they say, the proposals are being crafted behind closed doors, without the benefit of public scrutiny.

''This would fundamentally change public procurement,'' said Edward J. Black, president of the Computer and Communications Industry Association, whose members include Amdahl Corp., AT&T, Bell Atlantic Corp. and Oracle Corp. ''For that to be done in some secret room without everyone being able to see what's going on is a problem.''

''I wouldn't characterize it as a secret, but as a proposal that's followed an unusual legislative path,'' said the Aerospace Industry Association's Haugh.

The changes are being considered by House and Senate conferees who are working on legislation setting the Defense Department's budget for fiscal 1996. That, critics say, is part of the problem: A proposal to change purchasing rules for all federal agencies, not just the Pentagon, should not be considered as an amendment to a military funding bill, but in separate legislation.

Lawmakers in the conference could finish their work on the DOD funding bill as early as today, congressional aides said.

The effort comes just a year after Congress approved legislation changing procurement procedures, and a decade after it passed a law requiring more competition in government contracting. About the only thing that both sides agree on is that the controversy over purchasing rules highlights the difficulty of cutting government red tape while preserving safeguards that ensure taxpayer funds are spent wisely.

Legislation being discussed would:

Give government buyers more leeway in eliminating companies early in the bidding procedure. The goal is to save the time and money the government spends in considering companies that clearly are not qualified to win a contract.

Encourage the government to purchase, whenever possible, off-the-shelf items available to the general public, instead of paying to create goods or services from scratch. (The storied $7,400 ''hot brewing machine,'' better known as a coffee-pot, was so costly because it was built from scratch for the Air Force.)

Simplify how the government makes requests for goods and services, with the goal of curtailing waste of time and money writing needlessly detailed specifications.

Change the system that allows losing companies to challenge contract awards. The goal is to eliminate frivolous protests.

Allow agencies to spell out contracting rules through regulation, rather than laying down those rules by law. One proposal would give the White House appointee in charge of federal procurement policy power to waive rules governing a particular contract—rules specifying, for example, how many companies need to bid or what the bidding deadline is.

''What comes out of this conference could be a very positive approach,'' said Steven Kelman, head of the White House's Office of Federal Procurement Policy. The assertions that changes could bring back high-priced coffeepots ''are scare tactics,'' he said.

Kelman said more companies would compete for government business if there were less red tape. The legislation also would reduce the time it takes the government to award contracts, sending a signal to companies that the government will no longer tolerate sloppy work and delays, supporters say.

Others disagree. ''The decision to bid on a government contract is a business decision that should not be wrested away by faceless government bureaucrats,'' said Jody Olmer of the U.S. Chamber of Commerce, which represents 215,000 companies—96 percent with 100 or fewer employees.

''If the rules regarding who can do business with the government are changed in the manner under consideration,'' she said, ''it could lead to higher prices, less competition. It could eliminate a number of smaller businesses from the process.''

''The government has an obligation to play fair so that all citizens have a chance to bid for contracts involving taxpayers' dollars,'' Black said.

He and others say that last year's reform law, which is supported by both sides in this year's debate, didn't take effect until last month and therefore hasn't had enough time to work before being tampered with.

(At the request of Mr. DASCHLE, the following statement was ordered to be printed in the RECORD.)

● Mrs. BOXER. Mr. President, I have divided feelings about the conference report on the fiscal year 1996 Department of Defense authorization bill. I am very pleased that the conferees have retained my amendment prohibiting members of the Armed Forces convicted of serious crimes from receiving their pay. However, I am strongly opposed to a number of policy provisions and spending requirements in the bill. However, on balance, I believe that this conference agreement would move our national defense strategy into a new and unwise direction.

Early this year, I was shocked to discover that the Pentagon continued to keep violent military criminals on the payroll even after their conviction by courts martial. Each month, about $1 million is paid to incarcerated murders, rapists, child molesters, and other convicted criminals.

When I learned of this outrageous practice, I immediately began working with Pentagon and Armed Services Committee leaders to craft a legislative solution to this outrageous abuse. Working together, we were able to craft a successful fix, which was approved by the Senate by an overwhelming vote. I wish to thank the ranking member of the committee, Senator NUNN, and the Personnel Subcommittee chairman, Senator COATS, for their thoughtful cooperation and helpful suggestions in addressing this problem.

While I am pleased that my military convicts amendment was retained in conference, I believe that on balance, this bill takes our national defense strategy in the wrong direction.

This bill spends $7 billion more than the Pentagon's military planners believe they need to meet our national security needs. Much of this $76 billion bonus is earmarked for special interest pork-barrel programs that our military planners neither need nor want. This kind of wasteful spending should not be permitted.

The bill undermines the Anti-Ballistic Missile Treaty requiring the deployment of a national missile defense system by 2003. It more than doubles the administration's funding request for the National Ballistic Missile Defense Program. This return to the Reagan-era ''star wars'' program is a clear waste of tax dollars.

The conference report virtually eliminates the Office of the Director of Test and Evaluation. This office is the cornerstone of our ''fly before you buy'' policy, which was created as a remedy for the notorious procurement abuses of the late 1970's and early 1980's. I was a member of the House Armed Services Committee when the OT&E office was created in 1983 and played an active role in crafting the legislation establishing the office. In my view, the OT&E has saved billions of taxpayer dollars and has ensured that the weapons our troops in the field receive will function properly. To abandon the OT&E in the name of procurement streamlining will waste billions of dollars and put our troops at needless risk.

This conference report contains a pair of irrational personnel provisions that are unfair to our troops and will

undermine morale and degrade readiness. First, it denies the rights of military personnel and their dependents to terminate pregnancies in military hospitals. I believe it is fundamentally wrong to deny constitutionally protected rights to our troops and their families simply because they are stationed overseas.

Second, the conferees accepted an outrageous House provision requiring the discharge of military personnel who test positive for the HIV virus. There is no rational basis whatsoever for this provision. The current Pentagon policy on this issue is wholly adequate.●

Mr. THURMOND. Mr. President, I suggest the absence of a quorum and ask that it be divided equally, charged to each side.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

Mr. THURMOND. Mr. President, I yield 15 minutes to the able Senator from New Hampshire [Mr. SMITH].

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

Mr. SMITH. Mr. President, I thank the distinguished chairman for yielding, and I rise in support of the Defense authorization conference report.

At the outset, Mr. President, I want to congratulate Senator THURMOND for his strong and determined leadership and tireless efforts on behalf of this legislation. It is a very, very difficult process to get this bill to the floor, but Senator THURMOND never gave up, and he has spent an awful lot of time talking to Members trying to work out agreements to get us here.

It was a difficult conference with the House. While we experienced some growing pains in the process, I think the product, even though we do not all agree with it, is something we can be proud of. We do not agree with everything in it, but it is something we can be proud of.

The Senator from South Carolina deserves a great deal of credit for his leadership and, more importantly, for his commitment to the men and women who wear the uniform of the United States of America.

We are always grateful to the distinguished Senator from South Carolina for that strong leadership.

The legislation before us authorizes approximately $264 billion for national defense. This funding level is about $7 billion more than the President's request, but it is consistent with the concurrent budget resolution adopted by Congress earlier this year.

Some have questioned this level, and I want to emphasize that even with the increased funds, the bill provides 2.3 percent less than last year's defense bill in real terms. The truth is that real defense spending has declined every year since 1985. Of course, you do not hear about that much in the news, but for the last 11 straight years, defense spending, in terms of a percentage of the entire U.S. budget, has gone down.

For the benefit of my colleagues, I want to briefly summarize some of the highlights of the bill before us.

There is a 2.4-percent pay raise for our troops and a 5.2-percent increase in the basic allowance for quarters. I find it somewhat ironic that the President, who sends the troops to Bosnia, now may veto this bill which provides them with a 2.4-percent pay raise. Some of these troops may even be eligible for food stamps, and we are putting them in harm's way in Bosnia. I think it would be immoral for the President to veto this legislation.

It includes an adjustment to equalize the schedule for military retiree COLA's to be sure they are provided the same schedules as Federal civilian COLA's and also includes a variety of acquisition policies urgently needed to maintain the pace of procurement reform begun last year. These are items under my subcommittee, and they are going to significantly increase the ability of Federal agencies to buy state-of-the-art technology from the commercial sector and reduce barriers for companies, both large and small, who want to sell their goods and services to the Government.

All of these provisions are fully consistent with the existing requirements for full and open competition.

In the area of relieving burdens on contractors, we provided a total exemption for the suppliers of commercial items from the requirement to provide certified cost and pricing data under the Truth in Negotiations Act. We also provided extensive relief from requirements for special certification of compliance of laws applicable to Government contractors and eased the requirements governing acquisition of commercially off-the-shelf products.

In addition to these changes, we have included a series of initiatives which are intended to streamline acquisition. For instance, we have included a provision allowing agencies to use streamline solicitations and flexible notice deadlines in the procurement of commercial items under the amount of $5 million.

This is a 3-year test program that does not alter the requirements for notice or the requirements for full and open competition in these procurements.

Finally, under acquisition, we have included a major reform in the manner Federal agencies purchase information technology. This has been spearheaded, for the most part, by my colleague and friend from Maine, Senator COHEN. We have eliminated the jurisdiction of the General Services Administration over Federal agency information technology procurements, including the role of the General Services Board of Contract Appeals in bid protests.

So the acquisition reform provisions were developed in a bipartisan manner, with the involvement and cooperation of the Governmental Affairs Committee and the participation of representatives from the Small Business Committee staff.

These changes have been the subject of hearings, numerous hearings, over the past years. They are issues thoroughly researched and considered prior to inclusion in this bill.

Let me talk about a few other things in the bill, Mr. President. There is a $480 million increase in military construction funding which, although it takes great criticism from some here, it enhances the life of our troops and their families. They have to be able to live in a decent place. In some cases, prisoners who serve in penitentiaries in the United States of America have better quarters than our armed services.

This Senator is not going to stand out here on the floor and watch other Senators demagog the whole issue of military construction when, in fact, it is necessary. It is not all pork. There is some pork, and we tried to get that pork out. Did we get it all? Probably not, but we got a lot of it. But building good housing and having decent places for military to work and live in is not pork.

There is $300 million to continue the so-called Nunn-Lugar cooperative threat reduction program with the states of the former Soviet Union. You can see what is happening now in the Soviet Union. That is taking on more importance. There is an increase of over $1 billion in operation and maintenance accounts to enhance readiness. And most importantly, perhaps, from this Senator's point of view, is the Ballistic Missile Defense Act of 1995, which establishes policies on development and deployment of missile defenses, and this includes an increase of $604 million to accelerate promising theater missile defense programs.

Not everyone is going to like every provision in this bill. I certainly do not. But it is the nature of the legislative process that a good bill reflect the philosophies and priorities of all of us as much as possible.

For this reason, Mr. President, to be very candid, it troubles me very much that the administration has announced its intent to veto, even before we adopt it, this conference report. As the chairman of the Subcommittee on Acquisition and Technology, I worked very hard, frankly, to accommodate the interests and priorities of the administration in my areas, sometimes taking on some of my own party to do it. I am not happy about the fact that one of the veto message items in this bill deals with areas that were under my jurisdiction, specifically the Technology Reinvestment Program.

Frankly, I was specifically assured by Under Secretary Paul Kaminski for

Acquisition that the administration appreciated the support and would accept our funding level, and now I find that it is one of the reasons for being vetoed. I was surprised and offended to see the TRP issue listed as a reason for the President's threat to veto the bill. I have dealt in good faith with the administration on this issue. If this is the reward for being open and accommodating, I can assure my friends in the administration, I may not be so open and accommodating the next time around. I do not appreciate it, and I want everybody to understand that. I deal in good faith with people, and I expect reciprocal treatment.

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

The PRESIDING OFFICER. The Senator has approximately 6 minutes.

Mr. SMITH. Mr. President, I am also troubled by the statements of the distinguished ranking member, whom I respect immensely and he knows that, Senator NUNN, regarding the ballistic missile defense provisions of the bill. We have met a number of times with Senator NUNN, many of us who worked on this negotiation.

The bill before us accommodates virtually every single concern Senator NUNN raised, as far as I am aware. It retains the compromise language on demarcation that was included in the Senate bill, and it eliminates the requirement to deploy a multiple-site national missile defense, much to my consternation. In addition, it retains program guidance from the Senate-passed bill.

These were big concessions to the minority, huge concessions to the administration, and, quite honestly, we had a tough time swallowing them, but we did it to get a bill here that would move us in the right direction, even though it was not as far as we wanted to go on missile defense, and we did it in good faith, and now we find the rug is pulled out from under us.

It is clear that there was not a good-faith negotiation on the part of the administration on this issue. The administration has told us what the veto debate was, and we moved away from that, and still we have that action hanging over us. I do not want to be on that side of one—if the administration wants to be there, that is fine—that takes the position that the administration now has no intention of ever protecting the American people from ballistic missile attack. If they want to be on that side of the issue, that is fine. I do not want to be on that side of the issue. In its statement of policy, the administration specifically calls national missile defense ''unwanted and unnecessary.'' Let me repeat that. The administration calls national missile defense unwanted and unnecessary.

With all due respect, who is it that defines protecting all Americans in all 50 States to be unwanted and unnecessary? I have not heard anybody say that. I find it difficult to believe that there are people out there who would not want to be protected from a missile. That is what has been said.

So it is President Clinton—let us be very clear about it—that is the problem. The United States currently has no defense against ballistic missile attacks. Zero. We are totally vulnerable. If a missile is fired at us, we cannot stop it. Believe that or not. The administration does not intend to correct that. We fought hard to get these provisions in there.

So the administration does not intend to ever deploy national missile defenses. And now, when Congress takes action to correct this vulnerability, as we have done in this bill, we get the veto threat.

The truth is that nothing in this bill violates the ABM Treaty. It only calls for deployment, by 2003, of a ground-based national missile defense. There is no requirement that it be a multiple-site system. I wish it was, but it is not. We went as far as we could go to get the support of the minority, and the minority pulls out the rug. I find it unbelievable that this President, and some here in the Senate, with troops in the field in Bosnia—we heard a lot of speeches about how we have to support the men and women in Bosnia. That is why we should send them there, because we have to support them. The President wants them to go there. I disagreed with all that. I believe in supporting the troops once they are there, and the best way to do that is voting for this bill. If you do not, you are not supporting the troops, you are not giving them a pay raise, better housing, better weapons. If you do not vote for this, you are not. Let us not hear about any of this conversation and discussion out here about how you are supporting the troops in the field because you are not doing it.

The Russians have taken full advantage of this single-site ground-based system and ABM deployment talk, and they have deployed a national missile defense system near Moscow. There is no breach of the ABM Treaty and no anticipatory breach of the treaty in this bill, period. Yet, that is what we are being told on the floor.

How is the President going to explain this to the American people? He is going to veto a bill—to put it another way, he sends troops to Bosnia and will veto the bill that provides a pay raise and improves quality of life for their families, provides ammunition and the spare parts and equipment they need to do their jobs. That is what is happening, and this should be exposed on the floor of the Senate. This is an authorization bill, and it gets a little dry in the discussion. But let us call it what it is. That is what it is.

How is the President going to explain this? I do not know. How is he going to explain it? We have heard a lot of talk about the importance of supporting the troops in the past few days. Well, that is not happening today. If you vote against this bill, you are not supporting the troops. You are not supporting the necessary programs for them and their families.

So we have a Commander in Chief here, who, by vetoing this bill or threatening to veto the bill, is abandoning his troops when they need him the most. He sends them all over the world—to Bosnia, Somalia, Haiti, Cuba, wherever he feels like sending them to do police work—without the support of the American people in most cases. And he cannot sign a defense bill that provides a pay raise and gives them the equipment and facilities, maintenance, and materials they need. And another reason for not signing the bill and vetoing it is because he does not want to protect the United States of America from missile attack. That is the reason the President has given for vetoing this bill.

I urge my colleagues to think very carefully about these comments when you vote. If the President is about to walk off a cliff when he vetoes this bill, do you want to be hanging onto his coattails when he goes? I hope not. If you vote against the defense bill, you are doing that.

The troops and their families are watching, I can tell you. They know what the stakes are. They know what the stakes are. These are the families on food stamps out there, whose parents are headed to Bosnia. If you vote against this bill, you will be voting to deny them that raise, deny them housing upgrades, and deny the very basic subsistence they so badly need.

Who is really abandoning our troops then? It will be very clear to the American public I assure you.

In closing, I urge my colleagues to support the bill before us. The legislative initiatives and funding authorizations contained in the conference report are essential to keep faith with our men and women in uniform and to preserve our national security. Those troops, including the 20,000 who will be deploying to Bosnia, need us now more than ever.

I urge each of you to send the strongest message possible that you support them and their families by supporting this bill.

I yield the floor.

Mr. THURMOND. Mr. President, I wish to commend the able Senator from New Hampshire for the excellent remarks he made on this bill. He is a valuable member of the Senate Armed Services Committee, and he renders this country a great service.

I will yield 10 minutes to the able Senator from Idaho, Senator KEMPTHORNE, and after that, I will yield 10 minutes to the able Senator from Oklahoma, Senator INHOFE, then 10 minutes to the Senator from Virginia, Senator WARNER, and then 10 minutes to myself.

The PRESIDING OFFICER. The Senator from Idaho is recognized for 10 minutes.

Mr. KEMPTHORNE. Mr. President, I would like to pick up on the theme that the Senator from New Hampshire

was referencing—that is, the troops. When I go out and visit the troops, wherever they may be, throughout the world, whether it was in Somalia, or Bosnia, or what have you, and I discuss their thoughts with them and ask them, ''What is on your mind? What are your top concerns?'' they bring up the whole question of the benefits.

Remember, we have volunteer armed services. They want to know what Congress and the President is really doing with regard to the benefits, such as their pay and their living conditions. It is a well-known fact that we can be very effective at recruiting these very, very talented young men and women into the military. But whether or not we retain them is based upon whether we really are serious and whether we deliver when we say that we are going to take care of the best fighting forces in the world.

Now, in this particular legislation that is before us, this Defense authorization bill, if in fact we support the troops, then this is the bill that we must vote for. Only by voting for this bill do we give to the military the full military pay raise. How in the world do you explain to those troops that we have sent to Bosnia for Christmas that, by golly, we support you with everything we have here, with the exception that I did vote against the Department of Defense authorization bill, and I denied you the full pay increase that you are due? I do not think that squares. I think it is pretty easy to stand in the luxury of this facility and say how much we support them, but then cast a negative vote against a pay increase; or how about the increase in the quarters allowance, so that we can retain them, because you are going to have to do things for the families of our military if you are going to retain them. The Secretary of Defense's military housing program—it is estimated that it will take us 30 years to upgrade the housing that we put the best fighting force in the world in as their living quarters. Or the cost-of-living allowance—in order to provide them equity with the civil Federal employees, you have to vote for this bill. If you do not vote for this bill, then you are denying the military of this Nation equity with the other Federal employees.

There are many provisions in this bill, as has been pointed out in the debate that has taken place on the floor of this Senate. There are many provisions that Senators have come to my office and have said: We certainly ask you and urge you to vote with us regarding, for example, The *Seawolf* program, whether or not we ought to build this third *Seawolf*. There were discussions in my office. I support the construction of the third *Seawolf*. I think it is absolutely the right thing to do. I voted for it. Those Senators that came to my office urging me to vote for it, now I am told, are going to be voting against the conference report that does authorize the funds for the *Seawolf*. They are also the ones that, by casting that negative vote, are denying the military the full military pay increase. I do not think it squares. Does that mean that I like everything in this bill? Absolutely not.

I think, for example, Mr. President, that the B–2 bomber is truly one of the most fantastic aircraft that will ever be designed. We are fortunate that we have in our arsenal B–2 bombers. I would love to see us have additional B–2 bombers.

In this particular report, as we did in the Armed Services Committee, I had to ask the question, how is it that we only provide $493 million for the B–2 bomber program? Yes, we can come up with $493 million this year, but no one has been able to adequately tell me after this year how do you come up with $20 billion to provide for the additional B–2 bombers. No one has been able to answer that question. It should be answered. This commits us to going down that road.

I do not agree with that based on the rationale I just mentioned, based upon what I argued in the Armed Services Committee, but that does not mean I will walk away from my responsibility to support this conference report and what it means to the men and women that wear the uniforms of the armed services of the United States of America.

This conference report has real cleanup at the Department of Energy sites throughout the United States. It expedites the environmental restoration at a variety of these sites—the environmental restoration. How is it that so many of our colleagues say they are out front on all the efforts toward environmental sensitivity cleanup, but on some of our own Federal sites they will walk away from that by voting against this conference report?

This conference report also includes a landmark sense-of-the-Congress resolution describing and affirming the recent settlement between the State of Idaho, the Department of Energy, and the Department of Navy regarding the shipment and storage on an interim basis of spent nuclear fuel in the State of Idaho. The settlement between the State and the Federal Government will allow the Navy and Department of Energy to meet their national security requirements to the Nation over the next 40 years. But the settlement also significantly assures the people of the State of Idaho that all spent nuclear fuel will leave the State by the year 2035. The agreement is the result of long and difficult negotiations between the Governor of Idaho, Phil Batt; the attorney general, Al Lance; the Assistant Secretary of Energy, Tom Grumbly; the DOE General Counsel, the Director of Nuclear Naval Propulsion and the Navy General Counsel.

Mr. KEMPTHORNE. Mr. President, I would like give my colleagues some background to explain the importance of the Sense of the Congress Resolution in the fiscal year 1996 Defense authorization conference report concerning the shipment and interim storage of spent nuclear fuel at the Idaho National Engineering Laboratory.

Since the 1950's, the Navy sent its spent nuclear fuel to the Idaho National Engineering Laboratory [INEL] for reprocessing at the Idaho Chemical Processing Plant [ICPP], known as the Chem Plant, in eastern Idaho. At the Chem Plant, the uranium contained in the naval spent fuel was extracted and sent to Oak Ridge for use in the Nation's weapons complex. The resulting liquid waste was stored and later calcined into a dry substance. In 1992, the Nation stopped reprocessing spent nuclear fuel. After 1992, spent nuclear fuel from naval reactors came to INEL for interim storage at the Chem Plant.

In the wake of the decision to end reprocessing, Idaho Governor Cecil Andrus went to court to block the shipment and storage of Department of Energy and Navy spent nuclear fuel to Idaho. On June 28, 1993, Judge Hal Ryan of the District Court of Idaho issued an injunction blocking the shipment of Navy and DOE spent nuclear fuel to Idaho until an environmental impact statement assessed the impact of storing this material in Idaho.

The injunction against shipments to Idaho threatened to delay the Navy's ability to refuel and defuel nuclear powered ships because the Navy possessed limited storage space for this material at the shipyards that did this work. As the threat to the Navy's refueling and defueling schedule increased and the threat of job losses at the nuclear shipyards grew, supporters of the Navy's position sought to include a legislative exemption from the National Environmental Protection Act [NEPA] for the Navy's nuclear shipments to Idaho. In fact, the chairman's mark of the fiscal year 1994 Defense authorization bill considered by the Senate Armed Services Committee included such a waiver.

During the markup of this bill, I argued strenuously against the legislative waiver. As I said at the time, it was inappropriate for the Senate to consider a waiver before we knew the facts about the impact of the court's injunction. At my urging, the legislative waiver was dropped from the bill approved by the Armed Services Committee. In lieu of a legislative waiver, the Armed Services Committee held a hearing on July 28, 1993, to assess the facts about the situation.

At the July 28 hearing, Governor Andrus, Senator CRAIG, Congressman CRAPO, Admiral DeMars, and Tom Grumbly and others outlined the issues facing the Navy, the Department of Energy, and the State of Idaho. In my opening statement, I urged Chairman EXON to lock the doors until the parties at the witness table reached an equitable agreement that protected the interests of the people of Idaho, the Navy, and the DOE. I also urged the witnesses and the members of the committee to establish a new partnership to implement long-term solutions. The

hearing reaffirmed Governor Andrus' willingness to accept additional naval spent nuclear fuel shipments if the shipments were required for national security and work on the EIS continued.

On August 9, 1993, Governor Andrus, the Navy, and the DOE announced agreement on an interim settlement which allowed a minimum number of shipments to Idaho while the Navy and the DOE completed the environmental impact statement. I strongly supported the agreement negotiated by Governor Andrus and the Federal Government because it protected Idaho's rights, it allowed the Navy to meet its national security requirements, and it avoided a legislative waiver of the NEPA law. On December 22, 1993, Judge Ryan accepted the settlement and modified the injunction to allow the shipments required for national security.

On April 28, 1995, the Department of Energy released the final EIS on spent fuel management which recommended consolidating spent nuclear fuel at INEL, the Hanford reservation, and the Savannah River site. At that time, I called the Secretary's recommendation unfair and I urged her to reconsider this recommendation. A few weeks later, Governor Batt and the State of Idaho went to court to block the recommendations of the EIS. On May 19, 1995, Judge Edward Lodge agreed to Governor Batt's request to maintain the injunction on spent nuclear fuel shipments while the court assessed the adequacy of the final EIS.

On June 1, 1995, Secretary O'Leary signed the record of decision which codified the administration's decision to send 1,940 additional shipments of spent nuclear fuel to the INEL. For the next 2 months, the Department of Justice and the Navy tried, but failed, in their appeal efforts to get Judge Lodge's injunction lifted.

As the dispute lingered, Governor Batt announced three conditions for a settlement of this issue. In exchange for a binding commitment to: First, remove all spent nuclear fuel from Idaho by a date certain; second, accelerate clean up at the INEL; and third, provide new missions for the site, Governor Batt announced he would accept some additional shipments of spent nuclear fuel to the INEL for temporary storage and preparation for ultimate disposition. Once the Governor set out the parameters of a fair agreement, I expressed my support for his three conditions and urged the DOE and the Navy to meet his concerns. Throughout the months of negotiations that led to this agreement, I spoke with a variety of DOE, DOD, and Navy officials, including Secretary O'Leary, Deputy Secretary of Defense White, Navy Secretary Dalton, Tom Grumbly, Admiral DeMars, and Steve Honigman, urging a settlement along the terms outlined by Governor Batt. For example, at a July 20 meeting in Senator WARNER's office, I told Admiral DeMars and the Navy general counsel that I would vigorously oppose any effort to seek a legislative waiver for nuclear shipments to Idaho. Instead of seeking a legislative quick fix, I urged the Navy and the DOE to intensify negotiations with Governor Batt.

As the negotiations plodded along, Navy supporters once again sought a legislative waiver to allow Navy spent nuclear fuel shipments to Idaho to continue. In fact, the House passed DOD appropriations bill included a legislative waiver for Navy shipments. When the Senate considered the defense authorization bill, I worked with Senators WARNER, EXON, SMITH, CRAIG, COHEN, THURMOND, and others to include an amendment which urged a continuation of good faith negotiations between Idaho, DOE and the Navy. The defense authorization and appropriations bills considered and passed by the Senate did not include any waiver that prejudiced Idaho's interest during these negotiations.

During the end game of the conference on the defense appropriations bill, Chairman STEVENS called me at home one Friday evening to inform me that the House conferees insisted on their language allowing naval nuclear fuel shipments to Idaho despite the court's injunction. I thanked Senator STEVENS for his heroic efforts on my behalf to delete the House provision. In light of the position of the House conferees', I informed the Senator from Alaska that I would use every option at my disposal to oppose the appropriations conference report if it included a legislative waiver. He said he understood my position.

The final Department of Defense appropriations conference report included the House language exempting Navy shipments from the NEPA law and Senator CRAIG and I prepared to filibuster the bill. When it appeared that the Senate would take up the Defense appropriation conference report, Senator CRAIG and I went to see Senator DOLE, the majority leader, expressing our strong opposition to the bill. Senator CRAIG and I asked the Majority Leader to delay consideration of the bill to give Governor Batt additional time to negotiate with the DOE and the Navy. Senator DOLE agreed to our request and delayed Senate consideration of the bill. In the end, the House defeated the conference report on unrelated issues.

On October 16, 1995, Governor Batt, the Navy, and the DOE reached an agreement to allow around 1,100 nuclear shipments to Idaho over the next 40 years in exchange for a court enforceable commitment to remove all spent nuclear fuel from Idaho by 2035 and expedite the clean up and waste management activities at the INEL. The agreement also included a provision to fund new missions at the INEL. I joined the rest of the Idaho congressional delegation in hailing this settlement as an historic agreement for the people of Idaho and the Nation. A day later, the court accepted this settlement and shipments of Navy nuclear fuel to Idaho safely resumed.

Today, the Senate will consider the fiscal year 1996 defense authorization conference report which includes the sense-of-the-Congress language on this agreement that I requested. The language reads: ''Congress recognizes the need to implement the terms, conditions, rights and obligations contained in the settlement agreement'' and ''funds requested by the President to carry out the settlement agreement and such consent order should be appropriated for that purpose.'' This sense-of-the-Congress resolution brings the legislature into this settlement agreement. Under the U.S. Constitution, the obligation to provide the funds to implement this agreement falls on the Congress and I am pleased by my colleagues' recognition of the importance of this accord.

Today, the Senate will take a big step forward in recognizing that we must address the waste and spent nuclear fuel that has resulted, and will result, from our national security policies. Today, the Senate will state its intention to provide the funds to implement an agreement that allows the Department of Energy and the Navy to meet their national security requirements to the Nation.

In the years ahead, I will work tirelessly with my colleagues to insure the Congress meets its responsibilities to implement this historic accord. I can assure my colleagues I will do everything I can to explain the importance of this agreement to every Senator. I want to thank my colleagues for their support for this sense-of-the-Congress resolution.

Mr. President, in conclusion, let me say I have heard a lot in the last 10 days, the last week we cast some tough votes with regard to Bosnia. Everyone was making the points about supporting the troops. Here is your opportunity to support your troops by saying we will make sure that they have the full pay increase for them. It will assure that we have the acquisition streamlining so they do not have to wait for the moms, dads, husbands or wives to send equipment, as we did in Desert Storm, because it took too long to get it through the Federal program where you could buy things like a GPS system through Radio Shack. That is wrong. If you support the troops you vote for this.

I conclude by saying I want to commend the chairman of the Armed Services Committee, Senator STROM THURMOND. What a remarkable man. He has been leading us on this conference report. He has been leading that committee with the same vigor, the same determination as when he rode a glider behind enemy lines in World War II. Just as at that time he was serving the country, again as the chairman of the Senate Armed Services Committee, he is serving the country. He is doing all that he can to make sure that we provide the necessary support for the men

and women in the uniform of the armed services of this Nation. I am proud to serve on a committee that STROM THURMOND is a chairman of. I urge all of my colleagues to join in voting for this conference report. That is a signal you will send to the troops. It is the right signal. I yield the floor.

Mr. DORGAN. Mr. President, I come to the floor to oppose the conference report, and I regret doing that. I have great respect for the Senators who have worked on this. I have great respect for Senator THURMOND and others.

It is interesting to me that we find ourselves during Christmas week talking about a balanced budget. We find ourselves in meetings all over the Capitol and at the White House trying to figure how do you struggle to cut spending to balance the budget, and we bring a defense authorization bill to the floor that follows an appropriations bill that said, ''By the way, Pentagon, one of the largest areas of public spending, you did not ask for enough money. We insist you spend more.''

That is what this bill says. This bill says to the Army, Navy, Air Force, Marines, ''You do not know what you need. We demand you buy more trucks, more planes, more ships, more submarines because we do not think you ordered enough. We will plug in some more money for you.''

We are debating all of these budget issues and appropriations bills, and we say we cannot quite afford the entire Head Start program so 55,000 kids, all of whom have names, will no longer be in Head Start because we cannot quite afford it; 600,000 low-income inner-city disadvantaged kids will not get summer jobs because we cannot afford that; got to cut the Star Schools Program by 40 percent; we cannot afford energy assistance in the middle of winter for low-income folks who live in Minnesota and North Dakota and elsewhere in this country.

But we say: By the way, there are some things we can afford. We can afford some things the Pentagon said it did not want. We can afford $493 million to start buying new B–2 bombers for a total bill of $31 billion; we can afford $1.3 billion for an LHD–7 amphibious ship; $974 million for a second amphibious ship; we can afford more money for 6 F–15's that were not ordered; 6 F–16's that were not requested; 14 Kiowa Warrior helicopters that were not asked for.

Of course, the hood ornament on all of this extravagance is the National Missile Defense Program. I know there is great disagreement about this, and others will stand up and forcefully defend national missile defense. I respect their views, and I will not in any way be cross about them personally, but only to say I think this is a terrible waste of the taxpayers' money. Maybe we could get some old newspapers to put on the desks to say that the Soviet Union is gone. There is not a Soviet Union any longer. The Republics are today, as I speak, destroying missiles and nuclear warheads per an arms agreement. They are destroying both delivery systems and warheads as a result of an arms agreement in which we reduce the number of weapons.

But we are saying we want to spend $450 million more in this conference report than the administration asked for, for a national missile defense, better known as star wars. ''Star wars'' because this says it ought to be a spaced-based component, ought to be multiple sites and we ought to deploy it immediately.

Let us decide as a country if our priority is to build star wars. Does anybody think this makes sense—a 40 percent cut in Star Schools—a tiny program to make American schools better, we cannot afford it, so we cut it 40 percent—but we decide what is really important is $493 million added on for star wars? Someone somewhere is not thinking very clearly.

It would be interesting to have had this bill brought to the floor at a different time. But it is brought to the floor in the middle of a wrenching debate about what we have money to spend on and what our priorities are, and we now say some of the most conservative Members of this body say, ''By the way, we are deficit hawks. We are for a balanced budget. We are for cutting Federal spending, except today, Tuesday.'' This bill we are going to do our way. And our way is to say to the Secretary of Defense: You do not know what you are talking about; to the Air Force, to the Navy, to the Army and to the Marines: You do not understand what you need. You order trucks? We insist you order more. You want submarines? We insist you buy more. Jet fighters? You did not buy enough.

What on Earth is going on? I just do not understand it.

I know it will be justified in the name of national defense, it is for national defense. If it is for national defense, stuff their pockets with money, the sky is the limit, we have no end, no limit on the American credit card when it comes to national defense. I tell you, there are at least some Americans, this one included, and I think a number of my constituents, who wonder why you would want to put on their credit card $493 million for B–2's or $48 billion to build a star wars program in December of 1995. That seems, in my judgment, completely out of step with the priorities this country ought to be seeking.

They say, ''It is not star wars, it is national missile defense.'' One of the sites may well be in my State. In fact, it is likely one of the sites will be in northeastern North Dakota. Some people up there are sore at me because I will not support a program that may provide some jobs up there. Maybe so. I know what it will provide, a $48 billion deficit to build a star wars program—$48 billion to build a star wars program, building an astrodome over America, as it were.

This makes no sense at all. Again, I will end as I started. I have great respect for Senator Strom THURMOND. I said it before, I think he is one of the legends of this Senate. He has done wonderful work for this country, and I regret not being able to support this conference agreement. There are a number of things in it that are useful and important and make good investments in our armed services.

It gives me heartbreak to see the priorities that are established in this Chamber. When it comes to helping people, helping kids, providing an entitlement for a school lunch for a poor kid in the middle of the day, or providing hope to a 4-year-old that he or she will be able to go to a Head Start program that we know works to improve their life—when it comes to that, we say, ''I am sorry, we just can't afford it. We will just tighten our belts.'' When it comes to this, it is like shopping at Toys-R-Us with a credit card that has no limits.

You want weapons programs? The Pentagon said you do not need amphibious ships, and we have to decide between two, one costs $1.2 billion and the other is $900 billion. The Pentagon wants neither. What do we do? We buy both. Why limit ourselves? The conservative members of the Congress say, ''The sky is the limit. Buy everything. Buy it all.''

I hope the next time we go around on this issue of establishing priorities for this country's spending, we will decide to do two things. We will decide that we want to invest in a strong defense in this country, but we will also decide that we are not going to add megabucks to the budgets that were requested by the people who head the armed services who ought to know what we need to defend our country, megabucks in terms of $7 billion this year, some $30 billion over the next 7 years, added, layered on, despite the fact it was not requested and is not needed.

My hope is that in the coming couple of days, as we sort through these priorities about what we think really strengthens this country and what we think our spending priorities ought to be, we will be able to do far better than this.

Mr. President, 100 years from now we will all be gone. None of us will be here 100 years from now. The only thing they will know about this group of people will be what we stood for, what our values were. They can take a look at how we spent the public's money, how we used the public's resources, what we thought was important, what we invested in.

They can look at the Federal budget and see something about what our values were, and they can see this group, at least, decided its values were to try to get involved once again in another arms race by starting an ABM program. We decide we do not have any big programs started now, let us restart it. Let us figure out how we can create a $48 billion star wars program. Let us figure how we can add 20 B–2 bombers to the tune of $21 billion.

I hope maybe we can change those decisions when we go back around this next year, so those who study history and look at what we stood for, what we thought was important, will understand we promoted a kind of investment strategy in this country that recognized the importance of defense, that recognized a strong defense is important, but also recognized you do not get that by throwing money at defense. You do not get that by building every gold-plated weapons program that comes to mind. And you do not get it by shortchanging education and a whole range of other areas that make this country stronger as well.

Mr. President, I ask how much time remains?

The PRESIDING OFFICER (Mr. THOMPSON). The Senator has 10 seconds remaining.

Mr. DORGAN. Mr. President, let me yield back the 10 seconds. I appreciate the Senator from South Carolina and his work on this legislation. Even though I am not intending to vote for it, let me hope we reach a different result next year.

The PRESIDING OFFICER. The Senator from South Carolina.

Mr. THURMOND. Mr. President, I regret the able Senator is not voting for the bill, but I thank him for his kind comments.

I now yield 10 minutes to the able Senator from Oklahoma, Senator INHOFE. He is a valuable member of the Armed Services Committee, and we are very pleased to have him speak at this time.

The PRESIDING OFFICER. The Senator from Oklahoma.

Mr. INHOFE. Mr. President, I thank the very distinguished Senator from South Carolina, the chairman of the Senate Armed Services Committee, for yielding. I am proud to be serving with such a great American hero as Senator STROM THURMOND. It is such an honor to be in a position to be able to do that.

The speaker just before me from North Dakota commented about our priorities and what has happened to our priorities in this country.

I am very happy to stand here and announce that today—at least it is scheduled for today—should be the birth of a great American by the name of James Edward Rapert, who will be my third grandchild.

When you stop and think about what we are looking for in this country, what we are planning for, and what this administration is trying to do with all of the social programs that were mentioned by the previous speaker from North Dakota, at the expense of building a strong national defense, I wonder what is in line for someone like James Edward Rapert, who is coming into this country with a defense budget that is much lower than it was last year, with a defense budget that has fallen more than 40 percent over the past 11 years.

While I am rising in support of this conference report, I still say that it is inadequate to take care of this country's strategic interests. This bill does add $7 billion to the President's request. Congress is trying to fix what the President has been doing to our defense system. But it is still 2.3 percent less than we spent on defense last year.

I think it is very significant to realize and to understand and to say on the floor of this Senate that the President of the United States does have a defense plan. It is called the Bottom-Up Review. It started in early 1993, when President Clinton became President. He started reviewing what we need to defend this Nation. Mr. President, his defense budgets are still ranging from $50 billion to $150 billion less than his own program requires.

We have had more than 10 years, more than a decade of cuts in our Nation's security. In 1988, the Defense Department bought 438 combat aircraft. This year it will be 34—and the administration only wanted 12.

The citizens of Oklahoma sent me to Washington to try to restore America's defense and not to watch the budget continue to fall, over and over and over again. I intend to support this bill, but I am hoping next year we can do a better job.

Let me cover a couple of things that were mentioned by the previous speaker.

First of all, I am very proud that this bill has a little bit of money in there to sustain a program that was put together some time ago so that we would have a national missile defense system in place by the year 2000. The previous speaker used the term ''star wars.'' That is kind of a fun term to use because that makes people believe that this is kind of a Buck Rogers program—some kind of a science fiction program where you build this dome over the country against some type of attack. But we know that this is not science fiction, but a reality—we are $4 billion away from establishing a credible defense for the American people against ballistic missiles. I remind my friend from North Dakota: former CIA director Jim Woolsey has said: ''We know of between 20 and 25 nations that either have, or are building, weapons of mass destruction, either chemical, biological, or nuclear, and are working on the missile means of delivering these weapons.''

Maybe I am a minority, but I am willing to believe that we can document a case where the threat to this country is greater today than it was during the cold war. During the cold war, we knew who the enemy was. It was the Soviet Union. So we could watch them. Now we know that while there is no longer a Soviet Union, there is a Russia, there is a China, and they have this missile technology. There is every reason to believe that they are selling missile technology to places like Iraq, Libya, Iran, and other places—North Korea is working on the Taepo Dong II missile right now. That missile—our intelligence sources tell us, it is not even classified—should be able to reach both Hawaii and Alaska by the year 2000 and the rest of the continental United States by the year 2002, and we do not have a national missile defense system in place.

The previous Speaker keeps using the figure $48 billion. I have refuted that over and over and over again on the floor of the U.S. Senate because it is not $48 billion. We have a $38 billion investment already in the Aegis system that is already deployed. It is already out there; 22 Aegis ships with missile launch defense capability. With only approximately $4 billion more, we could take that Aegis system and give that the capability of knocking down missiles coming into the United States. It is not $48 billion. We are talking about $4 billion more, and we can do that just by protecting an investment that is already there of $38 billion. That was money well spent, but this bill puts us in the position where we are going to actually do something about protecting ourselves against missile attack.

I wish there were more time to talk about that, but there is not, because this missile has too many other things that we need to talk about.

The B–2 has taken a lot of hits. The very distinguished Senator from Idaho, Senator KEMPTHORNE, characterized the B–2 as the ''most fantastic aircraft built.'' I agree with him. I think it is an incredible aircraft—and it is the only one that can carry out a mission that this country needs to be able to accomplish. This bill adds $493 million for continued B–2 production. The restrictions on the number of aircraft, and the restrictions on purchasing long lead items, have been lifted. That means that, while we are in a position prior to this particular bill, or this conference report, of cutting off production and being terminated at 20 aircraft, we can now go beyond 20, if we determine that is in the best interest of the Nation's security. Right now we are working on the 16th B–2 bomber. When this rolls off, we still have four more that will be produced. But we have $125 million left in the previous program to take care of that. That money will, of course, be most likely used by March 31 when the moneys that we are talking about now would go into production. It will be a lot cheaper to keep a program going than to go through the very expensive restart program for the B–2.

I agree in this case with the Secretary of Defense when he said, ''Because potential regional adversaries may be able to mount military threats against their neighbors with little or no warning, American forces must be postured to project power rapidly to support the U.S. interests and allies.''

The B–2 provides rapid, long-range precision strikes anywhere in the world on short notice and without refueling.

I have often thought to ask those individuals who argue against the B–2—what happens if we cut it off? What

happens if we just discontinue the program, as many would like to do, at 20 aircraft? The Pentagon's long-range bomber study suggested earlier this year that we can rely on the existing B–52 until the year 2030. Mr. President, the B–52 would be 70 years old by that time. I think when you talk about cost effectiveness, two B–2 and four crewmen can do the job of 67 aircraft and 132 crewmen, and we can no longer rely on the B–52 for our future bomber needs.

I am pleased that Congress has had the wisdom to continue to support the B–2 bomber program. And I look forward to providing it further support in the future.

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

Mr. INHOFE. Mr. President, I would like to ask for an additional 2 minutes. I ask unanimous consent for 2 additional minutes without it being charged against our time.

Mr. THURMOND. Mr. President, I ask unanimous consent that 2 additional minutes be allowed to the Senator and that it not be charged to anybody.

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

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

Mr. President, we have heard a lot about supporting the troops. There are those of us who spent hours on this Senate floor trying to get resolutions passed to stop the President from sending American troops into Bosnia. We will not give those arguments again. We lost that battle. The President won by a very narrow margin and, although it was without the full support of Congress, was able to deploy the troops.

Now that the troops are there, we are going to support our troops. Those of us who argued and argued and attempted to pass a resolution of disapproval to stop the President from sending troops into Bosnia are now saying, now that the troops are there, we have to support our troops. For those Senators who really want to do it, this is the first opportunity you have to really support the troops.

If we do not pass the bill, then the troops that we have sent over there would not receive the 2.4 percent pay increase, they would not be able to have the 5.2 percent increase in housing allowance, and all the huge quality-of-life increases that are in this particular conference report. There is $1 billion more for operation and maintenance so that the troops are better trained. There is new technology that is going to allow better equipment to protect their lives while they are over there.

I suggest, Mr. President, that, if you oppose this bill, if you vote against this bill, it is a vote against our troops that are currently on the ground in Bosnia. If the President vetoes this, the President will have sent our troops into Bosnia and will have then turned around and said we are not going to send you the benefits, the technological advantages, and the equipment necessary to survive over there, or in any other conflict in the future.

I would like to make a brief comment about the defense authorization conference action concerning the B–2 bomber program. I am a proponent of the B–2. I believe its capabilities represent a true revolution in military affairs that the DOD is only on the verge of fully integrating into defense planning. I believe long-range quick strike aircraft are an essential element of the U.S. Air Force and the B–2 is the only tool we have to ensure this capability. A force of more than 20 B–2's will be required to achieve this situation. The defense authorization conference provides the funds to continue this necessary B–2 production.

The conference report language, however, states that the Senate conferees believe that the new funds provided may only be spent on items related to the first 20 B–2 aircraft. I was a Senate conferee and I want to go on record that I do not believe this, I did not agree to this language, and I expect these funds to be used for long-lead items to continue the B–2 production. I know other conferees share this view.

This is a vote to support our troops who are already in Bosnia.

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

Mr. THURMOND. Mr. President, I wish to commend the able Senator from Oklahoma for his excellent remarks. He does a fine job as a member of the Armed Services Committee, and we are very pleased to work with him.

Mr. LEVIN addressed the Chair.

The PRESIDING OFFICER. The Senator from Michigan.

Mr. LEVIN. Mr. President, I believe that the UC allocates 10 minutes to the Senator from Michigan.

The PRESIDING OFFICER. That is correct.

Mr. LEVIN. Thank you, Mr. President.

Mr. President, regrettably I will vote against the defense authorization bill. As I said yesterday, I regret being in this position for many reasons, but particularly because of the strong effort that Senator THURMOND has made to get a bill passed this year. I wish that I could be able to vote for this bill for that reason alone. But there are just too many reasons that I am unable to vote for this bill.

First, two brief points on some of the issues in the bill which trouble me. There have been comments that this bill needs to be passed in order to provide for pay and allowances for our service personnel. In light of the fact that the President has said he is going to veto this bill—and we know he is going to veto this bill because that has been made public—we should now be making preparations to attach those must-pass provisions to the next legislative train, which may be, indeed, the continuing resolution.

That way we can provide the pay raise, cost of living allowance and the housing allowance that would otherwise not be available. As the White House statement of policy concludes, the President calls upon the Congress ''to provide for pay raises and cost of living adjustments for military personnel prior to the departure for the Christmas recess.''

So the statement of administration policy makes it very clear the President is going to veto this bill, but the President is asking us, and I think those of us who are voting against this bill concur, to provide for pay raises and cost of living adjustments for military personnel prior to departure for the Christmas recess. We do not have to vote for this bill, which has so many flaws, in order to provide for those cost of living allowances and pay raises for our military personnel. I believe it would be wrong to approve this bill for many reasons which I went into yesterday, which Senator NUNN and others have gone into, but I think it also would be irresponsible for us to not pass the needed pay raise and cost of living adjustments, and we can do both. We can both reject this bill, which we should, and provide for the cost of living allowance which our military personnel, both those in Bosnia and here at home, so rightly deserve.

Mr. President, the bill has many flaws and many of those were outlined yesterday. One of the biggest problems with this bill is that it puts us on a collision course with a treaty which we have lived under, which we negotiated, which we ratified with the then Soviet Union, which Russia as the successor to the Soviet Union has adhered to. And if we undermine that ABM Treaty, as the language in this conference report does, we will be undermining a treaty which has not only provided stability in a very dangerous world of nuclear weapons, but we will be undermining a treaty which has allowed the Soviet Union and now Russia to agree to dismantle thousands of nuclear weapons which otherwise would directly or could directly threaten us.

Now, Russian parliamentarians have told us this. They have told us this directly: the START II treaty is in jeopardy of failing ratification. It is difficult enough in the Russian Duma, but that if we adopt language which says it is our policy to deploy a system which violates the ABM Treaty, it is not going to be possible for the Duma to ratify the START II treaty which provides for reductions in nuclear weapons because those reductions were based on the assumption that the Anti-Ballistic Missile Treaty is going to be in effect. It is the absence of nationwide defenses which has allowed Russia to negotiate the reduction of offensive weapons. And they not only will not ratify START II, if they are threatened with a defensive system in violation of the ABM Treaty, they have also indicated that they would view this as such a major change of circumstance that they are no longer going to comply

with START I because of change of circumstances that our breach, or our intention to breach the ABM Treaty would reflect.

That is why General Shalikashvili, the Chairman of our Joint Chiefs of Staff, has stated so clearly to us from his military security perspective: do not adopt a policy which says that we are going to violate a treaty which then in turn is going to cause the Russians to refuse to ratify another treaty, called START II, which will reduce the number of offensive nuclear weapons that could threaten the United States.

Is there a conflict? I cannot think of any clearer conflict that exists between the ABM Treaty, which says you cannot deploy a nationwide ABM system, and the language in this conference report, which says it is the policy of the United States to deploy a national missile defense system. The ABM Treaty says you cannot deploy it on a nationwide basis; the conference report says it is our policy to deploy it—not only that but to deploy it by the year 2003.

Now, that is a direct conflict in language. We avoided that conflict in the Senate bill. There was a bipartisan group of four who were selected by the majority leader and by the Democratic leader, and four of us spent day after day after day working out a bipartisan approach to this language, and we did work out that approach. The language which was worked over very carefully said that—and this is now the Senate bill—we are committed not to deploy the system but to develop such a system, leaving the deployment decision open for a later date. Now, that is a very critical difference, and I think all of us know it. Do we want to commit ourselves right now to deploy a system which violates a treaty, the treaty which has allowed Russia to agree to another treaty, START II, which is reducing by 4,000 the number of nuclear weapons in the Russian inventory? I do not think we want to do it. Far more important, our military has urged us not to adopt language which directly conflicts with the ABM Treaty.

May we want to change the ABM Treaty through negotiations? Yes. Might we want to deploy a system after it is developed? Yes; if it is cost effective and operationally effective, if the threat is real. But do we now want to unilaterally declare it is the policy of the United States to deploy this system when it runs head on against the prohibition on such deployment in the ABM Treaty? Do we want to do so when General Shalikashvili is telling us something we ought to heed, which is that it would be foolish to trash the treaty unilaterally and thus to undermine the basis which has allowed the Russians to agree in START II to reduce 4,000 nuclear weapons in their inventory—weapons which can threaten this country so directly?

Now, the statement of administration policy on this says that if this bill were presented to the President in its current form, this conference report, the President would veto the bill. And the language relative to this point is in the third paragraph on page 1 which says that:

The bill would require deployment by 2003 of a costly missile defense system to defend the U.S. from a long-range missile threat which the Intelligence Community does not believe will ever materialize in the coming decade. By forcing an unwarranted and unnecessary National Missile Defense (NMD) deployment decision now, the bill would needlessly incur tens of billions of dollars in missile defense costs and force the Department of Defense prematurely to lock into a specific technological option. In addition, by directing that the NMD be ''operationally effective'' in defending all 50 states (including Alaska and Hawaii), the bill would likely require a multiple-site National Missile Defense architecture that cannot be accommodated within the terms of the ABM Treaty as now written. By setting U.S. policy on a collision course with the ABM Treaty, the bill puts at risk continued Russian implementation of the START I Treaty and Russian ratification of START II.

The PRESIDING OFFICER. The Senator's 10 minutes have expired.

Mr. LEVIN. I thank the Chair. I ask unanimous consent that since I understand Senator KENNEDY is not going to be utilizing his 5 minutes, 2 minutes of his 5 minutes be allocated to me.

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

Mr. LEVIN. To conclude, Mr. President, the statement from the administration:

By setting U.S. policy on a collision course with the ABM Treaty, the bill puts at risk continued Russian implementation of the START I Treaty and Russian ratification of START II, two treaties which together will reduce the number of U.S. and Russian strategic nuclear warheads by two-thirds from cold war levels, thus significantly lowering the threat to U.S. national security.

Mr. President, I ask unanimous consent that the statement of administration policy, stating that the President will veto this conference report and the reasons why be printed in the RECORD.

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

OFFICE OF THE PRESIDENT,
OFFICE OF MANAGEMENT AND BUDGET,
Washington, DC., December 15, 1995

STATEMENT OF ADMINISTRATION POLICY

(This statement has been coordinated by OMB with the concerned agencies.)

H.R. 1530—National Defense Authorization Act for Fiscal Year 1996 Conference Report, Senators Thurmond (R) SC and Nunn (D) GA.

If the Conference Report on H.R. 1530 were presented to the President in its current form, the President would veto the bill.

The Conference Report on H.R. 1530, filed on December 15, 1995, would restrict the Administration's ability to carry out our national security objectives and implement key Administration programs. Certain provisions also raise serious constitutional issues by restricting the President's powers as Commander-in-Chief and foreign policy powers.

The bill would require deployment by 2003 of a costly missile defense system to defend the U.S. from a long-range missile threat which the Intelligence Community does not believe will ever materialize in the coming decade. By forcing an unwarranted and unnecessary National Missile Defense (NMD) deployment decision now, the bill would needlessly incur tens of billions of dollars in missile defense costs and force the Department of Defense (DOD) prematurely to lock into a specific technological option. In addition, by directing that the NMD be ''operationally effective'' in defending all 50 states (including Hawaii and Alaska), the bill would likely require a multiple-site NMD architecture that cannot be accommodated within the terms of the ABM Treaty as now written. By setting U.S. policy on a collision course with the ABM Treaty, the bill puts at risk continued Russian implementation of the START I Treaty and Russian ratification of START II, two treaties which together will reduce the number of U.S. and Russian strategic nuclear warheads by two-thirds from Cold War levels, significantly lowering the threat to U.S. national security.

The bill also imposes restrictions on the President's ability to conduct contingency operations that are essential to the national interest. The restrictions on funding to commence a contingency operation and the requirement to submit a supplemental request within a certain time period to continue an operation are unwarranted restrictions on the authority of the President. Moreover, by requiring a Presidential certification to assign U.S. Armed Forces under United Nations (UN) operational of tactical control, the bill infringes on the President's constitutional authority.

In addition, the Administration has serious concerns about the following: onerous certification requirements for the use of Nunn-Lugar Cooperative Threat Reduction funds, as well as subcaps on specified activities and elimination of funding for the Defense Enterprise Fund; restrictions on the Technology Reinvestment Program, restrictions on retirement of U.S. strategic delivery systems; restrictions on DOD's ability to execute disaster relief, demining, and military-to-military contact programs; directed procurement of specific ships at specific shipyards, without a valid industrial base rationale; provisions requiring the discharge of military personnel who are HIV-positive; restrictions on the ability of the Secretary of Defense to manage DOD effectively, including the abolition of the Assistant Secretary of Defense for Special Operations and Low-Intensity Conflict and the Director of Operational Test and Evaluation; and finally the Administration continues to object to the restrictions on the ability of female service members or dependents from obtaining privately funded abortions in U.S. military hospitals abroad.

While the bill is unacceptable to the Administration, there are elements of the authorization bill which are beneficial to the Department, including important changes in acquisition law, new authorities to improve military housing, and essential pay raises for military personnel. The Administration calls on the Congress to correct the unacceptable flaws in H.R. 1530 so that these beneficial provisions may be enacted. The President especially calls on the Congress to provide for pay raises and cost of living adjustments for military personnel prior to departure for the Christmas recess.

Mr. LEVIN. Mr. President, there is a finding concerning the ballistic missile threat to the United States, which is cited in the bill as justification for deploying an NMD system, and doing so quickly. Section 232, paragraph (3) of the Senate-passed bill is the following finding:

The intelligence community of the United States has estimated that (A) the missile

proliferation trend is toward longer range and more sophisticated missiles, (B) North Korea may deploy an intercontinental ballistic missile capable of reaching Alaska or beyond within five years, and (C) although a new indigenously developed ballistic missile threat to the United States is not forecast within the next 10 years there is a danger that determined countries will acquire intercontinental ballistic missiles in the near future and with little warning by means other than indigenous development.

Mr. President, this statement of threat sounded too dire to me and to Senator BUMPERS, so we wrote to the Director of Central Intelligence to ask whether it was an accurate statement of the intelligence community's assessment. It is not.

The CIA response to our letter said that ''the bill language overstates what we currently believe to be the future threat.'' Here is what the intelligence community believes, which is rather different from the bill language I just read:

> Several countries are seeking longer range missiles to meet regional security goals; however, most of these missiles cannot reach as far as 1,000 kilometers. A North Korean missile potentially capable of reaching portions of Alaska—but not beyond—may be in development, but the likelihood of it being operational within 5 years is very low.
>
> The Intelligence Community believes it extremely unlikely any nation with ICBM's will be willing to sell them, and we are confident that our warning capability is sufficient to provide notice many years in advance of indigenous development.

I bring this to the Senate's attention because it is clear evidence that the rationale given for moving ahead so rapidly with a deployment of a national missile defense system, what we used to call ABM, is significantly overstated. There is no imminent threat from ballistic missiles to the United States, and there isn't likely to be one anytime soon. I ask unanimous consent that the full text of the letters to and from the CIA be printed in the record at the conclusion of my remarks.

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

(See exhibit 1.)

Mr. LEVIN. Mr. President, the U.S. currently has a policy of developing ballistic missile technologies to find which ones are most likely to work, and to have a capability to deploy a national missile defense system within about 4 years if necessary—well within the window of warning that the intelligence community estimates it will have for indigenous development of missiles that could threaten the United States. That is a rational, reasonable and prudent policy, and there is no need to replace it with a policy that would likely increase the threat to our Nation by committing up to breach the ABM Treaty and pushing the Russians to abandon START II, and possibly even cease implementing the START I reductions which are well ahead of schedule.

Mr. President, I think our colleagues should be aware that the actions the Senate has already taken in considering proposals to abandon the ABM Treaty have already taken a toll on Russian confidence in our commitment to abide by our treaty obligations, as was clearly explained in an article in yesterday's Washington Post, and I ask unanimous consent that the article by Rodney Jones and Yuri Nazarkin be printed in the RECORD at the conclusion of my remarks.

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

(See exhibit 2.)

Mr. LEVIN. Even though we have not decided to commit to deploy a treaty-busting ABM system, some Russian policy makers and parliamentarians have already concluded that we don't care much for the ABM Treaty, and that we wish to free ourselves of its constraints. This is putting in doubt the Russian ratification of the START II Treaty.

It is important that we help make clear that the Senate, which gave its advice and consent to the ABM Treaty, and which has a unique constitutional responsibility to consider treaties for ratification, is firmly committed to the proposition that the United States will meet its obligations under the ABM Treaty and all treaties into which we solemnly enter. Let us leave no doubt that we understand our security is intertwined with Russia's security. We cannot simply act unilaterally and expect to be more secure.

Mr. President, I urge my colleagues to reject this Conference Report because of its missile defense provisions, if for no other reason. But there are many other reasons, and I know my colleagues will discuss some of them in detail. I might mention a few briefly now.

CIVIL-MILITARY AND STARBASE

Mr. President, This conference report effectively would terminate the Pentagon's civil-military cooperation programs, including the drug demand reduction programs. These were deemed to be non-defense defense spending. While I acknowledge the need to carefully examine the defense budget for unneeded spending, I question the conclusion that these programs are not supportable. There are clearly many truly egregious examples of spending in the conference report, but some of these civil-military programs are a defense and national security bargain.

One program I know well is the Starbase program, a National Guard youth program that targets at risk youth and provides them with a very cost-effective program in math, science and technology and teaches them drug demand reduction, all with hands on activities on Guard bases. The conference report seeks to terminate this program after 18 months.

Considering the high priority placed on recruiting, and considering that the military spends over $650 million each year on drug interdiction and counter-drug missions, one would think the Starbase program would be a winner at just $5 million per year. If an ounce of prevention is worth a pound of cure, we seem more than happy to pay for more than half a billion dollars of cure, while cutting off the prevention: drug demand reduction. I would also point out that the conference rejected a Senate-passed amendment by Senator NUNN to extend a pilot program on drug demand reduction. This is totally inconsistent with the emphasis and resources devoted to drug interdiction and counter-drug activities of the Department, which the conference supported.

Besides providing a pool of potential recruits who have the requisite math and science skills, plus strong admiration for the military because of Starbase, the program is a great recruiting tool. The head of National Guard recruiting in Kansas, who was chosen as the top recruiter of the year, says that Starbase is his best recruiting tool because the community learns good things about the Guard Bureau through it. He told my office that he would gladly use his recruiting budget to pay for the Starbase program if he could, because it's such an effective tool.

ONGOING OPERATIONS

This conference report does not fully authorize funds for continuing operations involving U.S. forces around the world, and it places onerous restrictions on funding future operations. Defense Secretary Perry told the committee in June that ''funding these ongoing operations is a high priority'' and he stressed ''the importance of avoiding any negative effect on readiness of U.S. forces'' by putting funds in this budget. The gap in this bill threatens the very readiness and training accounts that members of the Armed Services Committee have raised alarms about, because that is where funds will have to be borrowed to pay these costs we know we are incurring.

Those who protested the most about shortfalls in readiness and training are now, by failing to fund ongoing operations in this bill, insuring that the Pentagon will have to cannibalize those readiness and training activities to pay for missions that U.S. combat forces are actually performing.

ABORTION AND HIV

This conference report also contains two provisions affecting military personnel which I oppose. The Senate Armed Services Committee explicitly rejected a provision that would have prohibited women in the military stationed overseas from obtaining abortions in military hospitals, even with their own money. This conference report would establish such a restriction, which is contrary to the situation faced by servicewomen stationed stateside, not to mention the right of women outside the military to pay for abortions.

And the Senate bill contained no provision regarding service personnel who test positive for the HIV virus, but this conference report would require those individuals to be separated from the

service. That provision could actually hinder efforts to protect service personnel from HIV by creating an incentive for secrecy, and it presumes that those who test positive could not serve effectively and safely in some capacity within the armed forces.

OPERATIONAL TEST & EVALUATION

The conference report also makes a very unwise change in the DOD's Office of the Director of Operational Test and Evaluation [OT&E] at the Pentagon, which would render this important office useless or eliminate it altogether. We created the office of OT&E 12 years ago in a bipartisan effort. It has saved lives, saved the taxpayers billions of dollars and prevented our soldiers from receiving poor or unsafe equipment. The Senate did not vote to undermine this crucial office, and the conferees should have rejected the House's proposal. Instead, the House prevailed and we will no longer have independent operational tests and evaluations of our critical combat equipment.

Mr. President, section 903(g) of the bill would repeal section 139 of title 10—the provision that establishes an independent Director of Operational Test and Evaluation [OT&E] in the Department of Defense. This repeal would not only undermine the confidence of taxpayers that they will get their money's worth for the billions of dollars that they spend on defense procurement, but could also place in question the safety of our troops in the field.

The Director of OT&E is the DOD official who is responsible for ensuring that our servicemen personnel receive weapons that are tested in an independent manner and in an operationally realistic environment. Without strong and effective operational testing, we cannot be sure that the weapons our soldiers take into the field will be ready for combat, and without independent oversight we cannot be sure that we will have strong and effective operational testing.

This is precisely why we established the independent Director of OT&E position 12 years ago. Because the Director is required ''to safeguard the integrity of operational testing and evaluation,'' the conference report on the FY 1984 DOD bill explained:

> The conferees also intend the Director to be independent of other Department of Defense officials below the Secretary of Defense. The Director should not be circumscribed in any way by other officials in carrying out his duties.

Above all, the independent Director of OT&E position was established to remove operational testing and evaluation from the influence of the DOD officials who are responsible for the acquisition of weapons systems. These DOD acquisition officials have already given a green light to a weapons purchase long before it reaches the operational test and evaluation stage and have too strong a stake in continuing the procurement, to serve as independent evaluators.

Over the last decade, the actions of the independent Director of OT&E have caused the cancellation of some weapons programs and significant modifications to others, often over the objections of the military services. The result has been the purchase of weapons systems that have been safer and more reliable than ever before. Indeed, after the Persian Gulf war, Secretary Cheney credited the independent operational testing of the BRADLEY fighting vehicle with ''sav[ing] more lives'' in that war than perhaps any other single initiative.

For these reasons, Secretary Perry has called the independent Director of OT&E ''the conscience of the acquisition process'' and declared his support for a strong and independent OT&E organization. For this reason, too, the Senate-passed version of this authorization bill contained a provision which expressly reaffirmed the importance of an independent Director of OT&E ''to provide an independent validation and verification of the suitability and effectiveness of new weapons, and to ensure that the United States military departments acquire weapons that are proven in an operational environment before they are produced or used in combat.''

Yet the conference report would eliminate the independent Director of OT&E, allowing DOD to once again place operational testing in the hands of acquisition officials. This change would not eliminate the office or reduce its budget requirements—operational testing would still be performed and it would still cost just as much—but it would eliminate one key independent check that we have to ensure that weapons systems perform as they are supposed to.

DOD's Deputy Inspector General, Derek Vander Schaaf, has criticized this provision in the strongest possible terms. In a December 14, 1995, letter, Mr. Vander Schaaf stated:

> I strongly disagree with the proposal to eliminate the independence of the DOT&E and replace him with a designated official within the Office of the Secretary of Defense. The Office of the Director was created by Congress to provide independent validation and verification on the suitability and effectiveness of new weapon systems and to ensure that the Military Departments acquire weapons that are proven in an operational environment. I am strongly for acquisition reform in the Department of Defense and have offered many suggestions to improve the acquisition process. However, this is not reform but a step backward in the direction of deploying weapons and equipment that are later proven to be ineffective or inefficient to operate and maintain.
>
> This proposal eliminates one of the independent checks in our weapon systems acquisition process. An independent Director is the conscience for contractors and project managers and ensures they deliver usable weapon systems to the military members. I have testified in the past against proposals to weaken the authority of the Office of the Director, and steadfastly believe the Director saves the Department funds while ensuring Service members receive operationally effective weapons.

Mr. President, this provision is misguided, it is shortsighted, it could needlessly endanger our troops in the field, and it does not deserve the support of the Senate.

Mr. President, I ask unanimous consent that the letter from Mr. Vander Schaaf be printed in the RECORD at the conclusion of my statement.

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

(See exhibit 3.)

ACQUISITION REFORM

Mr. LEVIN. Mr. President, this bill represents a significant departure from the bipartisan tradition of the Senate Armed Services Committee and from the way that we have handled DOD Authorization bills in the past.

There was only one area of which I am aware in which the conferees were permitted to work to a bipartisan consensus in the way we have tried to do in the past—and this issue was not even a defense-specific issue. The bipartisan, cooperative way in which the conference handled government-wide acquisition provisions in the bill stands in stark contrast to the way in which the bulk of the bill was handled, and clearly shows the constructive results that can still be achieved when we work together across the aisle.

This does not mean that I am completely satisfied with every element of these acquisition provisions. It is in the nature of a conference agreement—even one that is worked out on a bipartisan basis—that it represents a compromise, and a true compromise is completely satisfactory to no one.

The acquisition provisions that trouble me include the following:

Section 4301 establishes a congressional policy against the imposition of nonstatutory certification requirements on contractors. While some certifications may be burdensome and unnecessary, many have been imposed as a substitute for even more burdensome government audit and review requirements. If we now drop the certification requirements as well, we may in some cases be left with no means at all for enforcing important Federal policies.

Section 4303 would give the Department of Defense broad authority to waive statutory recoupment requirements in foreign military sales, subject to the approval of legislation offsetting the costs of the waiver. I am concerned that this provision amounts to a giveaway to international arms merchants, which cannot be paid for without making substantial cuts elsewhere in an already extraordinarily tight budget.

Section 4205 would make the cost accounting standards inapplicable to all contracts for the purchase of commercial items—even contracts in which cost reimbursement or progress payment provisions make clear accounting for contractor costs a vital priority. I am concerned that this provision could lead to a dangerous erosion in the accountability of contractors for costs incurred on cost-type contracts.

Section 822 would establish a pilot program to test the use of commercial

practices including the waiver of procurement laws for particular contractor facilities to be designated by the Department of Defense—subject to the approval of Congress. I have been told that candidates for inclusion in this program could include facilities in which military aircraft are built. I know of no military aircraft that qualify as commercial items under the law as we have written it, or under any plausible definition of the term, and I continue to believe that tough quality, audit and oversight provisions are needed to protect the taxpayers' interest in the production of military-unique items.

Despite these concerns, I believe that, on balance, we got the best agreement that was possible in a conference which the Senate and the House entered with diametrically opposing positions. I am particularly pleased that on the acquisition reform provisions of the bill, unlikely many other issues, the Senate was able to retain a constructive, bipartisan working relationship between members and staff of the Armed Services Committee, the Governmental Affairs Committee, and the Small Business Committee.

That constructive, bipartisan cooperation, which led to the enactment of the Federal Acquisition Streamlining Act in the last Congress, has yielded substantial dividends in this bill as well. For example:

Division E of the bill contains the Cohen-Levin Information Technology Management Reform Act, which would substantially streamline the management and procurement of computer and communications systems by the Federal Government. These provisions would eliminate the process of delegations of procurement authority by the General Services Administration and consolidate bid protests in a single administrative forum, eliminating unneeded paperwork from our information technology purchasing systems.

Section 5401 of the bill contains my proposal to reduce paperwork in the acquisition of off-the-shelf products by providing Government-wide, on-line computer access to GSA's multiple award schedules. The implementation of these provisions should bring effective competition to the multiple award schedules and make it possible to reduce or even eliminate the need for lengthy negotiations and burdensome paperwork requirements placed on vendors to ensure fair pricing.

Section 4304 of the bill would clarify and substantially streamline the procurement ethics laws. While I would have preferred a broader revolving door provision than the conferees ultimately agreed to, I have been working for years to simplify these overly complex, inconsistent, and overlapping statutes. I believe that this change is long overdue.

Finally, I would like to respond to the concerns that have been raised about the competition provisions in the bill. As one of the Senate authors, with Senator COHEN, of the Competition in Contracting Act, I am a strong believer in the importance of full and open competition. I was as astonished as were many others to see some of the proposals that were made on the House side to undermine this cornerstone of the Federal procurement system. I believe that these proposals would not only have been unfair to small businesses and other vendors, but could have cost the taxpayers billions of dollars in lost competition for Federal agency contracts.

I want to assure my colleagues, however, that this conference agreement does not contain any of those changes. We did not and we would not agree to change the standard of full and open competition through the front door, through the back door, or in any other way. This was a fundamental issue in the conference not only for me, but for other Senate conferees as well. Senator COHEN and I have put together a joint statement explaining the competition provisions in the bill, which I believe Senator COHEN will be placing in the RECORD.

Mr. President, I may not be pleased with every aspect of the acquisition reform package before us, but I am satisfied that on this matter, at least, we have continued to work on a bipartisan, consensus basis. I wish I could say the same for other provisions in the bill, but I cannot.

CONCLUSION

Mr. President, on no set of issues is bipartisan cooperation more important than in the area of national security. We need not all agree on every issue, but we must strive to work together in a bipartisan spirit. We have a broad spectrum of views on the House and Senate Armed Services Committees, but we have a long history of working together, across party lines to try to put together the best bill we can. Regrettably, the conference this year fell short of that objective both in process and in spirit. Too many of these contentious issues were left to only the majority staff of the two committees to hash out, and months passed without resolution. By that time, the defense, military construction and energy and water appropriations bills had been passed and enacted. I urge the leadership of both the House and Senate committees to reexamine what transpired and accelerate the learning process so that next year, and I stand ready to work with them to try to restore the tradition of cooperation on the Defense authorization bill.

Mr. President, this conference report, in this regard alone, would have us threaten a very, very significant gain that we have made four our security. That gain is the actual reduction of nuclear weapons and the commitment to reduce thousands more nuclear weapons in the Russian inventory.

We should not do this against the clear advice of our military. And there are many other reasons for rejecting this conference report.

Again, I regret that I have reached this conclusion because of my affection for Senator THURMOND, but I feel, given the flaws in this report, that we should defeat this report, and I will vote against it.

I thank the Chair, and I yield the floor.

EXHIBIT 1

U.S. SENATE,
Washington, DC, November 1, 1995.

Hon. JOHN DEUTCH,
Director of Central Intelligence,
Washington, DC.

DEAR JOHN: When the Senate considers the Conference Report on the FY 1996 Defense Authorization Bill, we will again debate the ballistic missile threat to the United States.

Sec. 232 para. (3) of the Senate version of the FY 1996 Defense Authorization Bill states ''The intelligence community of the United States has estimated that (A) the missile proliferation trend is toward longer range and more sophisticated missiles, (B) North Korea may deploy an intercontinental ballistic missile capable of reaching Alaska or beyond within 5 years, and (C) although a new indigenously developed ballistic missile threat to the United States is not forecast within the next 10 years there is a danger that determined countries will acquire intercontinental ballistic missiles in the near future and with little warning by means other than indigenous production.''

We would appreciate your unclassified comments on whether the above statement accurately reflects the present position of the intelligence community. We would also appreciate your assessment of the likelihood that countries will acquire ''with little warning'' ICBMs either through indigenous production or by other means.

We would also welcome your providing us with any other information that you feel is relevant to this issue. Thank you for your attention.

Sincerely,

DALE BUMPERS,
CARL LEVIN.

CENTRAL INTELLIGENCE AGENCY,
Washington, DC, December 7, 1995.

Hon. CARL LEVIN,
U.S. Senate,
Washington, DC.

DEAR SENATOR LEVIN: The DCI has asked me to respond on his behalf to your letter of November 1, 1995, asking for the Intelligence Community's comments on the Defense Authorization Bill language that discusses the future ballistic missile threat to the United States. In the past, representatives of the Intelligence Community openly portrayed the future ballistic missile threat to the US as reflected in the statement from Sec 232, para (3) of the Defense Authorization Bill. We wish to point out, however, that the Intelligence Community continuously evaluates this issue and the Bill language overstates what we currently believe to be the future threat.

Several countries are seeking longer range missiles to meet regional security goals; however, most of these missiles cannot reach as far as 1,000 kilometers. A North Korean missile potentially capable of reaching portions of Alaska—but not beyond—may be in development, but the likelihood of it being operational within five years is very low.

The Intelligence Community believes it extremely unlikely any nation with ICBMs will be willing to sell them, and we are confident that our warning capability is sufficient to provide notice many years in advance of indigenous development.

An original of this letter is also being provided to Senator Dale Bumpers. Similar letters are being provided to Senator Strom Thurmond and Senator Sam Nunn.

Enclosed herewith is an unclassified publication on The Weapons Proliferation Threat. We hope this information is useful. Please call if I can be of further assistance.

Sincerely,

JOANNE O. ISHAM,
Director of Congressional Affairs.

EXHIBIT 2

[From the Washington Post, Dec. 17, 1995]

OFF TO A BAD START II—IN BOTH THE UNITED STATES AND RUSSIA, HOPES FOR THE STRATEGIC ARMS PACT ARE FADING

(By Rodney W. Jones and Yuri K. Nazarkin)

After months of delay, the Senate Foreign Relations Committee moved last week to bring the START II treaty up for a vote on the Senate floor. The pact would reduce U.S. and Russian strategic nuclear weapons to 70 percent of Cold War levels and also eliminate land-based multiple-warhead missiles, the most threatening of Russia's weapons. Unfortunately, while a favorable Senate vote on the treaty is virtually assured, ratification of the pact by Russia has become increasingly uncertain in recent months. As Russians go to the polls today, many will be voting for politicians who question whether START II is still in Russia's best interest.

The prime cause of Russian second thoughts, according to parliamentarians and defense experts in Moscow, is the Republican-led effort that began this summer to mandate the deployment of a multi-site strategic anti-ballistic missile, or ABM, system by the year 2003. This system was called for originally in the Senate version of the defense authorization bill and endorsed last week by a House-Senate conference committee. Yet it will violate the 1972 ABM Treaty, which for more than two decades has helped curtail a costly buildup of defensive nuclear weapons and countervailing offensive weapons.

It first became clear that START II was in serious trouble last month when parliamentary leaders in Moscow who had supported START II hearings in July concluded that a ratification vote in the waning months of 1995 would fail. To avoid a foreign policy crisis over a negative vote, they postponed further action on the treaty.

Regrettably, the prospect for unconditional Russian ratification of START II next year is no more promising. Following today's election, the State Duma, Russia's lower house of parliament, is expected to be even more critical of START II and of the United States than its predecessor. Russian political parties and factions opposed to the treaty will probably gain seats at the expense of the reformist and democratic parties that generally support it. President Boris Yeltsin's poor health and the growth of assertive nationalism in Russia further clouds START II's chances.

Even the Russian military leadership, which had steadfastly supported START II, shows signs of cooling toward the treaty in the wake of U.S. congressional action threatening the ABM Treaty. The Russian military fears the United States' real intent is to gain strategic superiority over Russia. The Russian military dismisses as preposterous U.S. assertions that the legislation is aimed at protecting American soil from the threat of a handful of long-range missiles from North Korea and other small countries. In effect, Russian military leaders argue, the United States would be deploying new defensive missiles just as Russia was completing the reduction of its offensive missiles under START II's requirements. Russia would be more vulnerable and the United States less so.

Ivan Rybkin, the Duma speaker, expressed the growing disenchantment with START II in the newspaper Nezavissimaya Gazeta on Nov. 5: ''We cannot be bothered any longer, given this situation that propels plans for NATO enlargement and reveals our U.S. congressional colleagues' intentions to begin a process that threatens the ABM Treaty—the cornerstone of the existing arms control regime.''

Russian misgivings about START II haven't come overnight. Initially Yeltsin and the Russian military leadership firmly believed that START II was in Russia's interest. They recognized benefits for Russia—the fact that START II's deep reductions would enhance stability, reduce future defense costs, ensure formal strategic parity with the United States and contribute to long-term cooperation between the two powers. The Clinton administration also worked to alleviate Russian uneasiness over U.S. national missile defense activities. But the ABM developments of late have changed Russian feelings toward START II.

If Clinton vetoes the defense authorization bill as he has promised, a direct conflict over the ABM Treaty will be avoided. Congressional direction of the U.S. military might then be provided exclusively in the defense appropriations bill. That legislation, which the president approved earlier this month, says nothing about deploying an ABM system.

This silence, however, is unlikely to assuage Russian concerns, since Russia must worry that the ABM issue will return in the next congressional session. Moreover, the appropriations bill mandates completion of the Navy's ''Upper Tier'' system, a defense initiative to produce shorter-range missiles that Russia also finds objectionable because of its potential for use against long-range weapons.

Russian arms control experts are also troubled by the thinking of some U.S. lawmakers who believe that the ABM Treaty is an obsolete Cold War measure. The Russians point out that if the ABM Treaty is to be revised in light of the post-Cold War situation, they see it as equally reasonable to amend and adapt the START treaties. After all, they argue, the cumbersome and intrusive START verification provisions were elaborated in a climate of mutual suspicion and mistrust and were based on worst-case scenarios about the other side's intentions.

These Russian critics suggest that Moscow's obligations under START II are largely irrelevant to current realities. The Russians are required by the treaty to alter the structure of their strategic triad by 2003. This will entail sizable expenditures both to eliminate all multiple-warhead land-based ICBMs (intercontinental ballistic missiles) and to replace them with single warhead missiles. Given the current U.S.-Russian partnership, Russian START II critics argue, such measures are not essential to the strategic security of both nations and should be open to revision.

The Russians are completely uninterested in negotiating amendments to fundamental provisions of the ABM Treaty. This apparently was well understood by those pushing the antiballistic missile initiative in Congress, for they also included the possible alternative of U.S. withdrawal from the ABM Treaty. Russia might consider changes to the ABM Treaty—but only along with parallel changes in START II.

Would this be acceptable to U.S. officials, legislators and 1996 Republican presidential candidates? Renegotiating current nuclear treaties with the purpose of adapting them to new realities—as instruments for regulating the nuclear forces of both nations—would mean embarking on a long and formidable process.

If the United States is not prepared to enter such a process, yet withdraws from the ABM Treaty or takes steps in that direction it would mean the end of START II—the end of real, dramatic reductions in the numbers of the world's most destructive weapons.

Is it still possible to resuscitate START II in Russia? Right now, it seems unlikely. If Clinton vetoes the defense authorization, with its ABM mandate, the prospects for saving START II would improve, but only slightly.

Russian opponents of START II may now insist on delaying Russian ratification until the results of the 1996 U.S. presidential (and congressional) elections can be evaluated. Repairing the growing damage to U.S.-Russian relations and U.S. interests in nuclear threat reduction will become steadily more difficult unless Congress revives the tradition of bipartisan statesmanship on nuclear weapons issues that has prevailed since the end of the Cold War.

EXHIBIT 3

INSPECTOR GENERAL,
DEPARTMENT OF DEFENSE,
Arlington, VA, December 14, 1995.

Hon. CARL LEVIN,
U.S. Senate,
Washington, DC.

DEAR SENATOR LEVIN: This is in response to a request from your staff concerning the position of the Office of the Inspector General on Section 901(j), ''Conforming Amendments Relating to Operational Test and Evaluation Authority,'' of H.R. 1530. This section substantially diminishes the independence, authority and responsibilities of the Director of Operational Test and Evaluation (DOT&E) and may lead to the eventual elimination of the office and its functions. This action is being taken ''under the cover'' of eliminating from statute all of the Assistant Secretaries of Defense. However, in the case of the DOT&E, the impact is significantly different. For example, the importance and input that the office can have in ensuring that weapons are suitably for operational deployment is effectively restricted by deleting the annual reports to Congress summarizing operational test and evaluation activities and deleting the duties of the office contained in Section 139 of title 10.

I strongly disagree with the proposal to eliminate the independence of the DOT&E and replace him with a designated official within the Office of the Secretary of Defense. The Office of the Director was created by Congress to provide independent validation and verification on the suitability and effectiveness of new weapon systems and to ensure that the Military Departments acquire weapons that are proven in an operational environment. I am strongly for acquisition reform in the Department of Defense and have offered many suggestions to improve the acquisition process. However, this is not reform but a step backward in the direction of deploying weapons and equipment that are later proven to be ineffective or inefficient to operate and maintain.

This proposal eliminates one of the independent checks in our weapon systems acquisition process. An independent Director is the conscience for contractors and project managers and ensures they deliver usable weapon systems to the military members. I have testified in the past against proposals to weaken the authority of the Office of the Director, and steadfastly believe the Director saves the Department funds while ensuring service members receive operationally effective weapons.

If we may be of further assistance, please contact me or Mr. John R. Crane, Office of Congressional Liaison, at (703) 604–8324.

Sincerely,

DEREK J. VANDER SCHAAF,
Deputy Inspector General.

Mr. THURMOND. Mr. President, I rise to correct several incorrect statements that have been made over the last several days regarding the ballistic missile defense provisions in this conference report. It has been asserted that this conference report requires the United States to deploy a multiple-site national missile defense system and even a space-based system. Both of these assertions are flat wrong.

The conference report does require the Secretary of Defense to deploy a ground-based national missile defense system by the end of 2003. But nothing in the conference report requires the system to include multiple sites. I continue to believe that the United States should ultimately deploy a multiple-site system, but nothing in this conference report requires such a system. Nor does the conference report advocate, let alone require, a violation of the ABM Treaty. The language in the conference report urges the President to undertake negotiations with Russia to amend the ABM Treaty to allow for deployment of a multiple-site national missile defense system. This and other provisions in this conference report envision a cooperative process, not unilateral abrogation.

It has been asserted that there is no way to defend the territory of the United States from a single site, and therefore this conference report indirectly requires a multiple-site system. While I believe that a multiple-site system should be our goal, I must point out that the Army has concluded that it can defend all 50 States, including Alaska and Hawaii, from a single, ABM, Treaty-compliant, site. I would also point out that the Army's report on this subject was prepared at the request of the ranking minority member of the Armed Services Committee. I ask unanimous consent that the Army report, entitled ''Evolutionary Approach to National Missile Defense,'' be printed in the RECORD.

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

EVOLUTIONARY APPROACH TO NATIONAL MISSILE DEFENSE [NMD]

1. The Army's Program Executive Office for Missile Defense (PEO–MD) has made a proposal that would take advantage of the significant investment that BMDO has made in ground-based missile defense technology. Planning includes an evolutionary deployment for defense against long range ballistic missiles, initially focusing on unsophisticated intercontinental ballistic missiles (ICBMs). The approach is to provide a cost and operationally effective single-site system as the first step in system deployment. This initial system will provide defense of all 50 states against an unsophisticated ICBM attack.

2. The Army PEO's NMD approach is to take advantage of the infrastructure at Grand Forks, North Dakota and deploy an initial NMD system and then grow this system in response to changes in the quantity and quality of the threat and in accordance with the modifications negotiated in the treaty over time. The initial capability can be expanded by adding additional interceptors and by adding more sites. Space-based sensors (Space and Missile Tracking System (SMTS)) could be added to provide increased battle space and dual phenomenology tracking and discrimination to enhance defense effectiveness against more advanced threats.

3. The Army PEO has shown that the initial NMD system can provide effective defense of the 48 continental United States against limited threats (a few RVs with simple penetration aids and/or jammers). Analysis indicates that, with certain enhancements, the initial system can also provide an effective defense for all states. These enhancements include the following:

a. Improved quality of Early Warning Radar (EWR) data including additional advanced radars at Shemya (in the Aleutian Islands of Alaska), in Hawaii, and on the east coast.

b. Increased interceptor booster velocity.

c. Onboard target selection capability of the kill vehicle.

4. Each of these improvements is discussed below:

a. Improved EWR data is necessary to provide tracking information of sufficient quality for the NMD battle management/command, control, and communications (BM/C3) system functions. The concept of using EWR data is not different from the CONUS defense concept; however, to extend this capability to Alaska and Hawaii requires upgrades to the EWRs, adding advanced EWRs at Shemya, in Hawaii, and on the east coast. The upgraded EWRs and additional EWRs would provide early acquisition of the ballistic missile threat and allow the interceptors sufficient time to intercept these targets. The advanced EWRs would be based on the technology the Army has developed with BMDO sponsorship.

b. Another important change is an increase in the interceptor velocity to reduce the fly-out time and increase coverage. For CONUS defense, a velocity of about 6.5 km/sec is sufficient; however, defending Alaska and Hawaii from a single interceptor site at Grand Forks, North Dakota, requires a velocity greater than 7.2 km/sec. The Army NMD Program Office has identified commercial booster motors that will provide a velocity greater than 8 km/sec and plans to utilize this capability in the ground-based interceptor.

c. The third characteristic required is the onboard capability of the kill vehicle to select the lethal object from a cluster of objects. The Exoatmospheric Kill Vehicle (EKV) was specifically designed to achieve this capability. This capability allows the system to commit the interceptor against a cluster of objects, designate, and intercept the lethal object in a target complex.

5. The Army PEO has proposed an accelerated, evolutionary NMD development program which will meet requirements if funded at the appropriate level. The proposed NMD Program will develop a system for deployment that will provide an effective defense of the entire United States against a limited threat. The proposal begins with an initial deployment of an NMD system of ground-based interceptors (GBI), a ground-based radar (GBR), upgraded and advanced EWRs (U/AEWR), and associated BM/C3. The proposal would initially deploy about 20 Developmental or User Operational Evaluation System (UOES) GBIs, an X-band NMD GBR, and associated BM/C3 in the Grand Forks, North Dakota, vicinity. This system would be supported by existing space-based sensors. A/UEWRs, and upgraded command and control (C2) to support USCINCSPACE in the centralized control of the NMD mission. This initial capability would be fully utilized in the continued evolutionary development of the objective system.

6. This proposed system could provide effective protection of the entire United States in the 2000 time frame from a limited ICBM attack of a few RVs for an acquisition cost of about $5B. The initial NMD system could be augmented through negotiations to deploy additional GBIs, additional ground-based sites, a space-based sensor system (SMTS), and/or a space-based weapon system as required and permitted by treaty obligations to address a larger and/or more sophisticated threat.

7. In summary, the initial system, using additional EWRs, can provide costs and operationally effective defense of all 50 states against ballistic missile threats limited to a few RVs and simple penetration aids. The ground-based radar being developed will provide high quality track and discrimination. On threats that require early commit of the interceptor, the kill vehicle will have the capability to receive in-flight updates including target object map data. The kill vehicle will also have onboard target selection and designation capability. By combining these capabilities and allowing for multiple interceptor shots at each threatening object, a very high probability of kill can be achieved. Additional interceptor sites would provide increased defense robustness as threat quantity and quality increase. Space-based sensors would increase defense confidence against larger and more stressing threats.

8. This evolutionary deployment approach is a prudent, affordable, and effective means of providing protection for all 50 states against a limited ballistic missile attack. It must be noted, however, that current budgetary constraints preclude the Army and BMDO from substantially accelerating NMD. This evolutionary program is executable only with strong continued congressional support at the $1B per year level, which must not come at the expense of other critical Army or BMDO programs.

Mr. THURMOND. Mr. President, unfortunately, despite all our efforts in conference to resolve concerns related to the ABM Treaty, we continue to hear the artificial argument that this conference report constitutes an anticipatory breach of the ABM Treaty. Since there is no requirement to deploy a multiple-site national missile defense system in this conference report, there can be no anticipatory breach contained in it.

But even if there were a multiple-site requirement, this would still not constitute an anticipatory breach. Since there are treaty-compliant ways to get to a multiple-site system, just having a policy that points us in that direction cannot constitute an anticipatory breach. To quote the senior Senator from Alabama, who was a distinguished judge prior to coming to the Senate, ''While there are legal methods to deploy multiple sites within the framework of the ABM Treaty, there can be no anticipatory breach.''

It has also been argued that this conference report requires a space-based defense. The conference report does call on the Department of Defense to preserve the option of deploying a layered defense in the future. But there is no requirement to deploy any specific

space-based system or to structure an acquisition program that includes space-based weapons. The conference report does increase funding for the space-based laser program. But this increase is merely to keep a technology program alive. We have asked for a report to illustrate what a deployment program would look like, but this is hardly a mandate to deploy.

We can certainly debate the merits of what this conference report requires. But let's be clear about what it actually contains. If Senators want to debate the need for deployment of a national missile defense system by 2003, that is a legitimate debate. But to argue, as several Senators have, that this conference report requires deployment of space-based weapons and mandates a violation of the ABM Treaty is simply an act of disinformation. Senators are entitled to their views, but they owe the American people an honest statement that distinguishes between fact and fiction.

Mr. BUMPERS addressed the Chair.

The PRESIDING OFFICER. The Senator from Arkansas.

Mr. BUMPERS. Mr. President, I ask unanimous consent that I be permitted to proceed on the remaining time of Senator KENNEDY, 5 minutes from the time allocated to the minority leader, Senator DASCHLE, and 2 minutes to correspond to the 2 minutes given to Senator INHOFE.

Mr. THURMOND. Mr. President, we have no objection.

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

Mr. BUMPERS. I thank the distinguished chairman of the committee.

Mr. President, it is an interesting paradox that I have noted since I have been here that the things that are really the most important and the most serious to our Nation and, indeed, to the world are the ones that seem to draw the least attention and are least understood.

The Anti-Ballistic Missile Treaty is one of those things. It was entered into in 1974 between Brezhnev and President Nixon. The really salient language of that treaty is found in article I. Here it is on this chart. As they say, the mother tongue is English, and this is as clear in English as you can get.

Article I:

Each party shall be limited at any one time to a single area out of the two provided in Article III of the treaty for deployment of antiballistic missile systems or their components.

Single means one. The ABM Treaty limits each party to one strategic antiballistic missile site. It was ratified in 1976, and it is a binding treaty between the United States and the Soviet Union, now Russia.

There is not any question that this bill intends to proceed with the deployment of a strategic antiballistic missile systems at multiple sites. The bill also says that we will decide whether a missile defense system is tactical or strategic; that is, whether it is designed to intercept tactical missiles or strategic missiles. The United States will decide. And if the Russians do not happen to like our decision, that is just tough, and we will abrogate the treaty.

How does the bill justify these new policies? Here on this chart is what the 1995 Ballistic Missile Defense Act says. Here is the threat that is being used by those who want to deploy this National Missile Defense System. Here is what the Missile Defense Act says:

North Korea may deploy an intercontinental ballistic missile capable of reaching Alaska or beyond within 5 years.

Within 5 years, the bill says.

Second:

Determined countries—

I do not know what a determined country is. I guess you have determined countries and undetermined countries.

Determined countries can acquire intercontinental ballistic missiles in the near future and with little warning by means other than indigenous production.

Senator LEVIN and I wondered where this information came from. So we took this language and wrote to John Deutch, the Director of the CIA, and said, ''What does the intelligence community have to say about this threat?''

Here is what he wrote back to us a little over 2 weeks ago; this is what the CIA said:

The bill language overstates what we currently believe to be the future threat.

The CIA goes on to say:

A North Korean missile potentially capable of reaching portions of Alaska—but not beyond—may be in development, but the likelihood of it being operational within 5 years is very low.

Third, the CIA says:

The intelligence community—

On whose information we are supposed to be relying around here when we spend money—

The intelligence community believes it extremely unlikely any nations with ICBM's will be willing to sell them, and we are also confident that our warning capability is sufficient to provide notice many years in advance of indigenous development.

So what is our response to the intelligence community? It is to spend $200 million more for the Navy's upper-tier system and $400 million more for the national missile defense system. So much for the $30 billion or so per year that we spend on intelligence. What is the national missile defense system required to do in this bill? It is required to cover all 50 States, including Hawaii and Alaska. How will it do that? The only way it can be done, by deploying interceptors at multiple sites.

What do you do when you deploy multiple sites? You say to Russia, ''Adios, friend. If you don't like it, we'll pull out of the treaty,'' which we have a right to do.

But the danger of abrogating the ABM Treaty and the Russians and the United States both having antimissile defense systems, strategic and to a lesser extent tactical, is the world becomes a much less safe place. Everyone knows that, if Russia and China think the United States has an ABM system that can shoot down their ICBM's, they will begin to deploy more ICBM's to compensate. Instead of arms cuts, we will have a new arms race.

I do not know of a single person in the world, I do not know anybody who really studies this and keeps up with it who thinks what we are doing here is in our best interest. It is not.

The bill says that the national missile defense system has to be deployed by the year 2003. That is 8 years from now. We may lock ourselves into a technology we do not even want.

Do you know what the Russians have already said? ''We summarily reject this unilateral action you are taking.'' We summarily reject it, and if you do it, Russia will have no choice but to stop implementing the nuclear weapons cuts specified in the START Treaty.

I do not have much time, so let me go on to a couple of other items.

The bill repeals the prohibition on buying more B–2 bombers than the 20 we have already agreed to procure. We put $493 million in there for B–2 procurement. It is not clear whether that $493 million is to correct some of the flaws in the present B–2 or whether it is to buy long-lead items for more B–2's.

If it is the latter, it is terribly misguided. I defy anybody in this body, as I did yesterday, to read the report, read the conference report and tell me how the $493 million is to be spent.

Even Senator NUNN, who favors the B–2, says he cannot decipher it.

What else is in the bill? Yet a new method of financing arms exports. The United States now has between 50 and 55 percent of all the arms exports in the world, and the Defense Department said we are headed for 60 percent of all the arms exports. In other words, we ship more arms in the international arms trafficking business than the rest of the world combined. We have four methods of financing arms right now, and this bill provides yet a fifth. Yes, we are the arms merchants of the world.

What else does it do? I can remember back, I guess, in 1983, when some lobbyist downtown did not have anything better to do, so he came here and convinced the U.S. Congress to start bringing old battleships out of mothballs. I stood here and wailed like a banshee, saying this is an absolute abject, utter mistake. So what did we do? We did not bring one out; we brought four out. What did it cost? About $2 billion. What happened? After we did it, we put them back in mothballs. But some Navy contractors got a couple of billion dollars out of it.

Now the Defense Department has removed the four battleships from the Naval Register. That means the Pentagon has no more use for the ships and it can dispose of them. So what does the bill do? It orders the Navy to return at least two of the battleships to

Naval Register so they can be returned to duty someday. That does not cost anything, Mr. President. I am happy to report that is one thing in the bill that does not cost a thin dime—that is, to put two battleships back on the Naval Register. I only hope and pray that at some point we do not decide to start bringing those suckers out again. Because that will cost a small fortune.

I remember the first one they brought out—I think it was the *Iowa* or the *Missouri*—I forget which—and it started firing those big 16-inch guns and found out that it totally threw all the new electronics on the ship off, and they had to go back through all the electronics and encompass them in rubber so the guns did not throw everything off. God forbid that those old battleships are ever put into service again. The good news is that the Appropriations Committee has already prohibited the Navy from spending any money for bringing out battleships. So while this bill would like to bring the battleships out again, there is no money appropriated for it.

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

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

Mr. THURMOND. Mr. President, I ask that the time for the quorum call not be charged to either side.

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

The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. NUNN. 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. NUNN. Mr. President, how much time do I have at this point?

The PRESIDING OFFICER. The Senator has 20 minutes.

Mr. NUNN. I ask to be notified if I exceed 10 minutes.

This morning during remarks on problems that I see in the conference report, I noted that I would have a separate statement addressing the missile defense provisions in the conference report.

I had adressed this subject at the end of last week.

After I spoke, Senator LOTT made an eloquent, but occasionally inaccurate, statement in defense of the conference report. I want to briefly comment on and correct a few of the Senator's statements about missile defense, particularly regarding my role.

The Senator from Mississippi suggested that, since I supported the deployment by a fixed date—1996—of a limited NMD system in the 1991 Missile Defense Act, I was being inconsistent in opposing the deployment of an NMD system by 2003 in the conference report.

I first observe that I was not a party who injected the 1996 date in that act. I thought it was unrealistic but I did not oppose it in theory, I opposed it in terms of practicality. But it did go into the report and I did not oppose the overall act. I supported the overall act, notwithstanding my feeling at that time that 1996 was not realistic.

There are a couple of very, very significant differences between the 1991 Missile Defense Act and the language in the conference report before us today.

Let me begin by quoting exactly what the 1991 Missile Defense Act says about the NMD system:

(2) INITIAL DEPLOYMENT.—The Secretary shall develop for deployment by the earliest date allowed by the availability of appropriate technology or by fiscal year 1996 a cost-effective, operationally-effective, and ABM Treaty-compliant anti-ballistic missile system at a single site as the initial step toward deployment of an anti-ballistic missile system designed to protect the United States against limited ballistic missile threats, including accidental or unauthorized launches or Third World attacks. The system to be developed should include—

(A) 100 ground-based interceptors . . .

(B) Fixed, ground-based, anti-ballistic missile battle management radars; and

(C) optimum utilization of space-based sensors, including sensors capable of cueing ground-based anti-ballistic missile interceptors and providing initial targeting vectors, and other sensor systems that also are not prohibited by the ABM Treaty, such as a ground-based sub-orbital tracking system.

Mr. President, it is clear from this paragraph that the NMD system specified in the 1991 act was to be developed to be fully compliant with the ABM Treaty as it then existed. A similar paragraph was included in the Senate compromise language passed last September, which stated that it is the policy of the United States to:

(8) carry out the policies, programs, and requirements of (this Act) through processes specified within, or consistent with, the ABM Treaty, which anticipates the need and provides the means for amendment to the Treaty.

This language, which was dropped in conference, stands in sharp contrast to the language in the conference report, which merely states in a completely different section that the programs contained in the conference report, quote, ''can be accomplished'' in ways consistent with the ABM Treaty—it nowhere requires that the NMD Programs shall be carried out in compliant fashion.

As a matter of fact, it implies very strongly just the opposite, which is the reason so many of us oppose it.

The conference report also abandons other safeguards found in the Senate compromise. Gone is a requirement for a congressional review prior to a decision to deploy the system to determine whether the proposed deployment would be affordable and cost effective, whether the threat has developed as anticipated, and whether ABM Treaty considerations should affect the decision to deploy.

In other words, Mr. President, all of these safeguards that we had in the Senate bill are omitted from the new conference report language. There is no requirement to determine prior to a decision to deploy whether the proposed system would be affordable, cost effective, whether the threat has developed as anticipated, and whether the ABM Treaty considerations should affect the decisions to deploy. In my view, all of those are absolutely essential preconditions to making an intelligent decision about whether to deploy a system and when to deploy a system.

So, the conference report language, contrary to the assertion made earlier, does not have the same effect as the language in the 1991 Missile Defense Act—not by a long, long shot. That act clearly calls for a ABM-compliant system—a system compliant with the ABM Treaty. In my view, the administration has rightly found the language in the conference report to be unacceptable because of these considerations.

I repeat what I have said earlier. The last thing we want is to take an effort to mandate now certain language that the administration—and they are the ones negotiating this with the Russians—that the administration believes is likely to have the result of not having a ratification of START II, and perhaps not even a continuation of START I reductions.

We have had two Republican Presidents do a very good job in negotiating both START I and START II. Those treaties, if they are complied with, will require a two-thirds reduction in the number of missiles aimed at the United States, including the missiles we have always felt were more likely to be launched early, perhaps by mistake, perhaps by the other military leaders making a mistake in terms of warning, because these are highly MIRV'd systems with a lot of warheads and the fear would be, by the other side, that they might be knocked out on a preemptive strike.

We have always worried about those MIRV'd missiles. These two treaties are able, after lots of negotiations over more than 10 or 12 years, to get rid of those systems that we have always considered to be highly destabilizing as applied in the cold war period. We finally achieved that. And to take language in this bill and to take a real risk that the results of those two treaties would be obviated is not only unwise but it is totally unnecessary.

I repeat, also, what I have said earlier. The administration and those of us negotiating offered to take on the section of national missile defense language, we offered either the House version or the Senate version, on the national missile defense language. Why in conference you cannot solve the national missile defense language with either the House version, as passed by the House, or the Senate version, as passed by the Senate, when you offer the conferees either version, is beyond me. It is a real puzzle.

Of course, what happened is that we made the compromise on the Senate floor—which Senator LEVIN, Senator

WARNER, Senator COHEN, and I worked out and which every Republican voted for except one, and the people who were opposed to it were mainly on the Democratic side, because they felt it went too far. We had an unusual 4- or 5-day intensive, word-by-word examination and we got, not only the agreement in this body, with every Republican but one voting for it, but we got the administration signing off on it, albeit reluctantly with some concerns. And then we went into conference and we offered either the Senate-passed language or the House language—not the entire language of the House on everything, but on the national missile defense part—and we could not satisfy people because they wanted to go much further than either the House version or the Senate version. To me that is just very puzzling.

It is sad to see a bill jeopardized, in terms of becoming law, because of that.

Mr. President, I will now address the negotiations as I saw them, from my point of view, and the possibilities that still exist in putting this bill together if it is vetoed, and if the veto is not overridden.

BALLISTIC MISSILE DEFENSE

The administration strongly objects to the ballistic missile defense language adopted by the conferees, and I agree with the administration's assessment. Mr. President, the Congress has been dealing with difficult issues related to BMD since the star wars debates of the early 1980's. I have been part of putting together bipartisan agreements on BMD for over a decade, many years facing much more difficult challenges than this year. That is why I am puzzled that the Republican majorities—with two bipartisan paths open to approval by the President—chose a third path to certain opposition.

As Members will recall, the issue of ballistic missile defense was one of the primary subjects of debate and difficulty when the Senate considered the National Defense Authorization bill during the summer. There was strong opposition on the floor to the BMD provision reported by the committee. During the debate, the bipartisan leadership designated a group of Senators to address this subject. Senator DOLE designated Senators WARNER and COHEN to represent the Republicans. Senator DASCHLE designated Senator LEVIN and myself to represent the Democrats.

Mr. President, we dealt with that issue in the old-fashioned way, with Senators closely examining each word of the proposed amendment. Senators WARNER, COHEN, LEVIN, and I worked and reworked the amendment, line-by-line, to address the issues raised by the administration and our respective party caucuses.

It was clear to all concerned that the administration had serious reservations even bout the bipartisan amendment we developed in the Senate. After expressing their concerns and examining every word and every phrase carefully, the administration reluctantly agreed to accept this final Senate compromise language.

On August 11, 1995, Senators WARNER, COHEN, LEVIN, and I each provided detailed explanations of the bipartisan amendment in speeches to the Senate. We also placed extensive information in the CONGRESSIONAL RECORD, including the text of the bipartisan amendment, a detailed comparison to previous language, and related materials. As a result, detailed explanatory information was available to all Senators and the public for a thorough review for nearly a month before we actually voted on the amendment on September 6.

The bipartisan amendment provided extensive guidance to ensure that the United States would develop a more focussed missile defense program than we had previously authorized, particularly in the area of national missile defense.

The bipartisan amendment stated that it—

. . . is the policy of the United States to . . . develop for deployment a multiple-site national missile defense system that: (i) is affordable and operationally effective against limited, accidental, and unauthorized ballistic missile attacks on the territory of the United States, and (ii) can be augmented over time as the threat changes to provide a layered defense against limited, accidental, or unauthorized ballistic missile threats.

The bipartisan amendment required the Secretary of Defense to ''develop an affordable and operationally effective national missile defense system to counter a limited, accidental, or unauthorized ballistic missile attack, and which is capable of attaining initial operational capability [IOC] by the end of 2003.''

The bipartisan amendment also set forth the understanding of the Senate as to the demarcation between theater and ballistic missile defense systems, and established a prohibition against use of funds—

. . . to implement an agreement with any of the independent states of the former Soviet Union entered into after January 1, 1995 that would establish a demarcation between theater missile defense systems and anti-ballistic missile systems for purposes of the ABM Treaty or that would restrict the performance, operation, or deployment of United States theater missile defense systems except: (1) to the extent provided in an Act enacted subsequent to this Act; (2) to implement that portion of any such agreement that implements the criteria in subsection (b)(1); or (3) to implement any such agreement that is entered into pursuant to the treaty making power of the President under the Constitution.

The amendment was approved overwhelmingly by a vote of 85-13, with only one Republican voting against the amendment. Without this bipartisan agreement and approval, it is doubtful the Senate would have passed the authorization bill.

Although the conference on this bill was convened on September 7, there were no Member-level bipartisan House-Senate discussions on this subject by members of the conference for over 2 months. Eventually, we were able to reach agreement on the theater missile defense demarcation language, but could not reach a consensus on the national missile defense provisions. The failure to reach an agreement is puzzling to me, since the administration was prepared to accept either the House-passed or Senate-passed versions of the national missile defense language.

The Senate, as I noted earlier in my remarks, established a requirement to ''develop an affordable and operationally effective national missile defense system to counter a limited, accidental, or unauthorized ballistic missile attack, and which is capable of attaining initial operational capability [IOC] by the end of 2003.'' The House established a requirement to ''develop for deployment at the earliest practical date an affordable, operationally effective national missile defense [NMD] system designed to protect the United States against limited ballistic missile attacks.''

Either version of this language—approved overwhelmingly by each House—would have been acceptable to the administration, but neither was approved in conference. The main stumbling block was the insistence of some of the conferees that Congress go beyond language approved by either the Senate or the House and mandate a specific requirement to deploy a national missile defense system by 2003. This problem was compounded by an insistence that the conferees use a new baseline draft proposal in conference, rather than work off the carefully crafted bipartisan Senate language. As a result, the conference report lacks many of the carefully drafted provisions of Senate-passed bill.

During attempts to forge a conference agreement acceptable to the administration, I emphasized that we could use national missile defense language that had received overwhelming Republican support this year. I believe that it is still possible to do so if this bill is not enacted. There are two primary options, each of which would use language approved by an overwhelming majority in the Senate or the House.

The first option would simply use the bipartisan national missile defense and theater missile defense provisions which were approved by the Senate on September 6, 1995 by a vote of 85 to 13, with only one Republican Senator voting against that amendment.

The second option would substitute the House-passed national missile defense language for the national missile defense portion of the bipartisan Senate-passed bill, using the Senate-passed bill for the remainder of the missile defense language. Either of these provisions would provide the basis for renewed focus in our National Missile Defense Program and an even stronger effort on theater missile defenses.

Mr. President, if the national missile defense language in the Senate bill was strong enough to win virtually unanimous Republican support, it should

have provided an adequate basis for our conference report.

If the national missile defense language in the House bill was strong enough to win overwhelming Republican support in the House, it should have provided an adequate basis for a conference agreement.

Either of these approaches could have represent a solid step forward on the important subject of national missile defense. The alternative ultimately chosen by the conferees was to use language that was in neither bill mandated a specific requirement to deploy a national missile defense system by 2003. That language is unacceptable to the administration, and is a major element of the administration's announced intention that this bill will be vetoed.

The administration is very concerned that the national missile defense language in the conference report goes well beyond the mandates of both the House-passed and Senate-passed bills.

The administration has expressed serious concerns about the impact of the conference report language on Russian consideration of the START II Treaty, which is designed to produce a second major reduction in United States and Russian nuclear weapons. The administration is also concerned that the language could lead the Russians to abandon other arms control agreements if they conclude that it is United States policy to take unilateral action to abandon the ABM Treaty. Russian spokesmen have made plain that Russia has neither the technology nor the defense resources to allow them to match United States missile defense efforts. Therefore, they state that their only available reaction to a large-scale U.S. national missile defense program would be to retain additional strategic missiles and nuclear warheads, which would require them to forego START II and perhaps even abrogate START I limitations. This is what is at risk. These are not small stakes.

In a letter to Senator DASCHLE, dated December 15, Secretary of Defense Bill Perry stated:

> [B]y directing that the NMD [National Missile Defense] be ''operationally effective'' in defending all 50 states including Hawaii and Alaska, the bill would likely require a multiple-site NMD architecture that cannot be accommodated within the terms of the ABM Treaty as now written. By setting U.S. policy on a collision course with the ABM Treaty, the bill puts at risk continued implementation of the START I Treaty and Russian ratification of START II, two treaties which together will reduce the number of U.S. and Russian strategic warheads by two-thirds from cold war levels, significantly lowering the threat to U.S. national security.

In my judgment, the administration's concerns are well-placed. Moreover, this struggle over language is, in my judgment, completely unnecessary. I believe we can achieve both START II ratification and progress toward the deployment of a highly-effective national missile defense system to protect against accidental, unauthorized, or limited third-world attacks. Since the late 1980's I have advocated development of a National missile defense system in the form of an accidental launch protection system [ALPs].

Mr. President, it is important to understand the historical context for this concept. National missile defense proposals began with President Reagan's star wars proposal in 1983, designed to render ballistic missiles ''impotent and obsolete.'' This was followed in the mid-1980s by a slightly more modest proposal, called the ''Phase-I'' system, with the objective of defeating a full Soviet counterforce first-strike. This, in turn, was followed in the early 1990s by G–PALS, or Global Protection Against Limited Strikes, which also turned out to be too ambitious.

This progression was what led to the Missile Defense Act of 1991, which envisioned simply getting on with the development of a treaty-compliant NMD system. And, when I say ''treaty-compliant,'' that means with the treaty as it currently exists, not as it might someday be modified.

In my judgment, even if the ultimate answer to our requirements is a system requiring amendment to the ABM Treaty—such as a multiple-site NMD system with more than 100 interceptor missiles—there is no need to insist on a commitment to that today. Common sense tells us that even if a multi-site system is the end-objective, we will begin by deploying a small number of interceptors at a single site. At this stage, we do not know what the performance or cost of the various NMD system components under development will be, or whether such a system would be ''affordable and cost-effective.''

Also, Mr. President, the strategic environment is different today than it was in 1991. When the Missile Defense Act of 1991 was passed, we faced thousands of Soviet missiles and more than 10,000 warheads, all aimed on hair-trigger alert at the United States or its military forces. The consequences of even a small accidental launch would have been enormous, because of the likelihood of escalation. Today, START I has cut the inventory of weapons, and START II will cut levels further, once it enters into force. Moreover, the Soviet Union is gone, replaced by a less hostile Russia; United States and Russian missiles are now targeted on broad ocean areas, rather than on each others' territory. The policy of targeting broad ocean areas has reduced but not eliminated the consequences of an accidental launch.

Finally, there is a future threat of missile attack on the United States by some rogue Third World power. This was recognized as a possible threat in the 1991 act, and in the Senate compromise. However, no such threat has yet materialized, and the latest from the intelligence community on the likelihood of such an event reads as follows:

> Several countries are seeking longer range missiles to meet regional security goals; however, most of these missiles cannot reach as far as 1,000 kilometers. A North Korean missile potentially capable of reaching portions of Alaska—but not beyond—may be in development, but the likelihood of it being operational within five years is very low.
>
> The Intelligence Community believes it extremely unlikely that any nation with ICBMs will be willing to sell them, and we are also confident that our warning capability is sufficient to provide notice many years in advance of indigenous development.

That information was provided in a December 1, 1995 letter on behalf of CIA Director Deutch by Joanne Lsham, CIA Director of Congressional Affairs. The missile defense language in the conference report is misguided. There is no need for: First, strident language or second, ironclad commitments today to deploy by a date certain an NMD system that is clearly an anticipatory breach of the ABM Treaty. Enactment of this language is likely to prevent the START II Treaty from entering into force, which would compound the problem of developing affordable and cost-effective defenses. Without the START II reductions, missile defenses capable of dealing with potential accidental or unauthorized launches would likely have to be much more extensive. If the 5,000 or so warheads to be retired under START II remain in Russian inventories, this will greatly complicate our missile defense problem. Because of the magnitude of the threat, star wars and its successors were deemed too costly and of too limited effectiveness to be worth pursuing.

In my judgment, we should be pursing first things first. First, the development of all the components of an NMD system, and a limited deployment of a strictly treaty-compliant system, so as to learn more about the cost and effectiveness of NMD systems. Then, depending on cost and effectiveness, depending on the evolution of the threat and the course of negotiations to amend the ABM Treaty, we can make further decisions on further deployments. But, let us not jeopardize the advantages of the START II Treaty by a headlog rush to deploy something.

Mr. President, there are four fundamental aspects to an effective protection against nuclear weapons. The first is to reduce nuclear warheads by two-thirds as envisioned by START I and START II, thereby substantially decreasing the weapons that could be used against us deliberately or accidentally.

The second is to vigorously pursue the Nunn-Lugar program for dismantlement of nuclear weapons in the states of the former Soviet Union.

The third is to develop and deploy effective theater missile defenses. A strong majority in the Senate and the Congress fully support the development and deployment of highly effective theater missile defenses.

The fourth is to develop for deployment an affordable and cost-effective national missile defense program to address the potential for accidental, unauthorized, or limited strikes.

No one of these programs, by itself, is sufficient. Each one can have a significant impact on the other. The national missile defense program, in particular, could have either a positive or negative impact on the pace and likelihood of START I and START II reductions. Moreover, even in combination, these programs are not a guarantee against threats by other means, such as conventional delivery by a terrorist through a smaller aircraft or vessel. That threat will require additional counterproliferation and counterterrorist efforts.

In summary, Mr. President, it is important to pursue the development of a national missile defense system, but we must do so in a manner that preserves and encourages the important reductions we can achieve through START I, START II, and Nunn-Lugar. Because the language in the conference agreement is likely to severely undermine these efforts in Russia, I cannot support the conference agreement in its current form.

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

The PRESIDING OFFICER. Who yields time?

Mr. THURMOND. Mr. President, I now yield to the able Senator from Virginia, Senator WARNER. Senator WARNER has been on the Armed Services Committee a long time. He is a very effective, able member. We are very pleased to have him here to speak for this bill.

The PRESIDING OFFICER. The Senator from Virginia.

Mr. WARNER. Mr. President, I thank my distinguished chairman. It has been a real pleasure to have worked with him all these many, many years that I have been in the U.S. Senate. I can remember when I appeared before his committee, at that time for confirmation as Under Secretary, and then, again, as Secretary of the Navy, that he, frankly, Mr. President, coached me through that procedure—he and that fine Senator from Virginia known as Harry Byrd. I remember those days very well and always am appreciative.

I am always appreciative too, to serve with my former chairman, the distinguished Senator from Georgia. Leadership was his hallmark on the committee through those many years, and I was pleased to serve with him as ranking member for some several years and to work with him on many pieces of legislation.

Mr. President, earlier today I made reference to the portion of our bill which deals with the equipment added for the National Guard and Reserve components. I would like to include in the record a statement from the December 15th Congressional RECORD in which Congressman MONTGOMERY, a senior Democratic Member of the House of Representatives, said the following: ''I have great respect for the gentleman from California—speaking of Mr. DELLUMS—my ranking member, but I strongly support this bill, and I believe that he will oppose it. One area that I have worked very hard in over the years, Mr. Speaker, is working to have a strong National Guard and Reserve.''

And unquestionably he has done that, and indeed our distinguished chairman likewise has been a pillar of strength for the Guard and Reserve through these many years.

Continuing, ''We now have the total force. We are using the Reserves for the first time, and it is paying off.''

An example of that, of course, Mr. President, being the number of flights going into Sarajevo formerly, and now Tuzla and elsewhere. It will be interesting to note how many of those flights are being flown by Reserve units from all over the United States.

Mr. MONTGOMERY continued, ''As we move into Bosnia, the Guard and Reserve will be totally used. In this bill, we have a lot of things that will help the National Guard and Reserve and the different States around the country will benefit by this bill. I certainly hope that this conference report will be adopted. In the area that I have worked over the years, serving 27 years on the Armed Services Committee and Committee of National Security, the Guard and Reserve have the best package they have had in 10 years.''

That is the package, Mr. President, in this report.

Mr. President, I would like to also take an opportunity here to thank the members of the Senate Budget Committee for negotiating a budget resolution under the leadership of Senator DOMENICI, and, indeed, Senator EXON also—a resolution which provided for increases to Defense budgets in fiscal year 1996, and in future years as well.

Notice that there are those who ask why, as we strive to reduce the deficit and move toward the balanced budget, we should increase the level of defense spending, especially when we are making reductions in almost every other area of the budget. Too often those who clamor for further Defense cuts fail—I think it is important, and I do this on each bill—to note that Defense has already paid more than its fair share, that in fact Defense has already been cut in my judgment, very deeply. Fiscal year 1996 represents the 11th consecutive year, Mr. President, of declining Defense budgets, the longest continuous decline since World War II. DOD spending, as a share of the Federal budget, has declined 42 percent—which it was in 1968—to 18 percent in 1994, and continues that decline.

As a percentage of gross domestic product, defense spending has declined to its lowest level since 1940, the year before America ended the war.

We should not lose sight of the fact that the end of the cold war did not usher in a new era of peace and stability in the world.

According to the Defense Intelligence Agency, there are currently 60 areas of conflict throughout the world, and as we are seeing today in Bosnia, the United States can be drawn militarily very quickly into these conflicts.

In addition, the Communist resurgence in the recent elections in Russia should give rise for great concern. Russia remains the only country with the capability to inflict considerable damage on the United States of America. Hopefully, we will not witness a return to past policies with Russia. But we must be vigilant and maintain our defense capabilities in these times of uncertainty.

In earlier remarks today, Mr. President, I singled out the very significant amount of money that Russia is investing in its submarine program and other strategic systems beneath the sea. That should bring to the attention of all Senators the need to keep the strongest research and development capability of this country addressing that area, and this conference report does just that, Mr. President.

Further, as chairman of the Subcommittee or AirLand Forces, I have oversight over the research and development, R&D and procurement programs for the Army, the Air Force, and the tactical fighter aircraft for both the Navy and the Air Force.

I thank at this moment, Col. Les Brownlee, my professional staff member who has been with me for 12 years working on various areas of the national security aspects of our committee, and I want to pay special recognition also to Mrs. Judy Ansley who is also on my staff and works in this area.

The modernization accounts, R&D and procurement, have clearly been underfunded by the Clinton administration. The procurement accounts to provide for the future readiness of our military forces have been reduced by 44 percent since fiscal year 1992, the last defense budget from the Bush administration.

In my subcommittee we address some of these deficiencies. In 1986 we bought over 400 tactical fighter aircraft for the Navy and the Air Force. I will repeat that—400. In the fiscal year 1996 defense budget the Clinton administration requested funds to buy a total of only 12—400 compared to 12 such aircraft. We more than double that number with the additional funding provided by the Budget Committee here in the Senate.

In the Army's truck program—that is always considered the last item in these programs. As our distinguished chairman, a former Army man knows, the Army may travel on its stomach but it cannot move without its trucks. In the Army truck program, the funding has ranged over the past 10 years from a high of $917 million per year to a low of $419 million, with an average of $720 million per year over the last 10-year period. The administration's budget request for the Army's truck programs for the fiscal year 1996 was only $128 million. That is compared, Mr. President, I repeat to the average of $720 million. We recommended an increase of over $300 million to help alleviate this deficiency. The committee

accepted it and it is included in this conference report.

Clearly, without the additional funds provided by the Congress, the administration's shortcoming in the Defense spending would mortgage the future of our military capabilities. This administration has made readiness the keystone of the Defense program, and in fact has funded readiness at the expense of modernizing our military. Not only have the procurement and R&D accounts deteriorated but because the overall Defense budget is so severely underfunded, readiness has suffered as well, despite its high priority.

In the State of the Union Address in 1994, President Clinton implored the Congress not to cut defense further. That defense had been cut enough. That was just in 1994. Then this year, in his budget request for fiscal year 1996, the President recommended $5.7 billion less than he recommended in the previous year. In real terms, this is over $13 billion less than last year. Mr. President, that sounds like a cut to me.

Mr. President, funds which the Budget Committees of this Congress have proposed to add over the next 7 years are in fact quite modest, and may not be enough. By any measure, this is not another Reagan buildup.

I would like to dispell a notion which has appeared recently in various articles in the Washington press and is repeated frequently on the Senate floor—that the uniformed leaders of our military services do not want the weapons and equipment bought with the funds added by the Congress. Our military chiefs testified before our committee regarding the lack of funding were experiencing—specifically for modernization. Of course they want the equipment, and our military services desperately need it. It is difficult for our military to ask for resources that are not in the President's budget request, because they are bound to support the President's budget. But, there is plenty of evidence that these additional funds were very much needed by our military services and very much appreciated.

The Armed Services Committee has used these funds wisely, in my view, to increase the capabilities of our military forces now and in the future. The committee has given priority to increasing the modernization accounts in order to buy the weapons and equipment needed to fight and win decisively with minimal risk to personnel. The committee utilized the following precepts in allocating congressional increases to the defense budget: buy basics; invest to achieve savings; and invest in the future.

Because the procurement of basic weapons and items of equipment has been neglected during the decline in defense spending, the conference report includes increases in such basic items as new ships, trucks, small arms and upgrades to weapon systems and items of equipment already in the inventory.

While the conference report adds a significant amount of the congressional increase for defense to the procurement accounts, we did so without initiating significant numbers of new programs to avoid creating ''bow-waves'' of funding that the military services could not afford in the out years. Instead, we recommend increases for weapons and items of equipment currently in production and the use of multiyear procurement contracts, where savings might be achieved. Buying more weapons and equipment currently in production at more efficient rates lowers overall costs to the Government. It also avoids overlapping procurement sequencing and reduces competition for procurement resources in the future.

Mr. President, this conference agreement authorizes a much-needed $7.1 billion increase in the defense budget over the amount requested by President Clinton. This additional funding was used to improve the quality of life of our troops and their families, to revitalize the readiness of our Armed Forces, to fund a robust modernization program and to accelerate the development and deployment of missile defense systems.

While the ultimate fate of this conference agreement may be in doubt, I urge my colleagues to support this legislation which contains many provisions which are of vital importance to the men and women of the Armed Forces. At the very time that we are deploying troops to Bosnia, all Members of Congress should support this conference agreement which goes a long way toward improving the quality of life of our service personnel and their families. All members who spoke so eloquently during the Bosnia debate about supporting our troops now have a real opportunity to show that support by voting to support this conference agreement.

Mr. President, I yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. THURMOND addressed the Chair.

The PRESIDING OFFICER. The Senator from South Carolina.

Mr. THURMOND. Mr. President, I wish to thank the able Senator from Virginia for his able remarks he made on this bill. He is chairman of the Rules Committee but he is a prominent member of the Armed Services Committee and has rendered great service to his country. We all appreciate that very much.

Mr. WARNER. Mr. President, I thank the distinguished chairman, and I thank the distinguished ranking member.

Mr. LIEBERMAN. Mr. President, a few moments ago I cast my vote in favor of the Defense authorization conference report for fiscal year 1996. I did so with very mixed feelings. There are many provisions in the conference report which I worked hard to attain and I am delighted they are in this report. But there are other provisions that I have opposed for several years and, in fact, voted against during the markup of the bill in the Armed Services Committee—restrictions on abortion and additional B–2 funding to name just two. There is also a provision on how the military must treat HIV positive soldiers which I believe is wrong-headed and discriminatory. I regret that in order to complete this conference the majority felt it necessary to accept these sorts of provisions. My vote today for passage of this conference report does not alter my determination to see that these provisions are changed before they can have the adverse impact on our military men and women which I fear is likely. As I weighed the bad against the good in this conference report, I have concluded that the good is essential for our servicemen and women and their families as they serve our country in Bosnia or wherever they are serving around the world.

Mr. President, one of the many reasons I sought to serve on the Armed Services Committee is that it operated on a bipartisan basis for the good of our national security and our men and women in uniform. The fact that Senator NUNN, the former chairman, during his time on the committee has voted for more than 20 authorization bills regardless of who was in the majority is an indicator of this bipartisan spirit. The fact that Senator NUNN did not vote for this report is an indicator that this spirit was eroded this year. I greatly regret that. This erosion occurred, I believe, in spite of the hard work and best efforts of the distinguished current chairman, Senator THURMOND. I hope that we can take a hard look at ourselves and that we will be able to make whatever changes might help us return to where this great committee used to be.

Mr. PELL. Mr. President, I intend to vote against the defense authorization conference report today with some regret. I did not care for the bill as it left the Senate, and I voted against it then. Now the conferees have contended at length and come back with I believe a more objectionable bill.

I know that a number of the Senate minority conferees tried to return with a workable bill devoid of excesses, but, unfortunately, they did not prevail.

I am particularly concerned by the provisions setting the stage for a national missile defense. This legislation requires that the United States build an ''operationally effective'' defense of all 50 States by the year 2003.

Such a new system almost certainly would require deployments of ballistic missile defenses at multiple sites, since such a defense would likely be well beyond any capabilities we could put into our presently mothballed single ABM site at Grand Forks, ND. The cost could quickly mount into the tens of billions of dollars over the next 7 years.

An immediate problem with all of this is that it could send a message to the Russians that we do not intend to live up to the ABM Treaty. This could well undermine any prospects we might

have that they, in turn, will ratify and abide by the terms of the START II Treaty. That treaty has just been approved by the Committee on Foreign Relations in an 18 to 0 vote and is awaiting Senate action.

Heretofore, both we and the Russians have been comfortable with mutually agreed steps to curb and reduce nuclear armaments secure in the knowledge that the ABM Treaty ensured that our deterrent worked and would work at lower levels. It would be very much against our interests if the train of reductions were to stop now. A renewed strategic arms buildup might even be in prospect.

If all of that happened, the new National Missile Defense System would be woefully outmatched, since it would be designed to deal with accidental launches and new and emerging threats and not with a major continued Russian threat. One might ask why we need new defenses against accidental launches when we did not need them before.

Mr. President, we should pause to think of these new threats. First, it is important to understand that there is no official intelligence analysis to indicate that we are likely to have any new missile threat over the next decade or so. Any nation thinking of moving in that direction would have a very hard time finding a supplier or suppliers. It is extremely difficult to develop missiles indigenously, and any nation doing so would certainly be caught at it.

We should ask ourselves how we would react if some nation were trying to get a small fleet of missiles to attack us with. We and others could apply serious political and economic pressures to make that nation cease and desist. If we and others had to act militarily to end the threat, we could. That fact alone would add strength to our diplomatic efforts.

The least reasonable response would be to spend billions of dollars deploying a last-ditch, Fortress America ballistic missile defense that would, at best, make little or no contribution to our national defenses and would, at worst, start a process under which strategic stability and the very fruitful process of arms control could be dealt a terrible blow.

SHIPMENTS OF SPENT NUCLEAR FUEL APPEAR

Mr. CRAIG. Mr. President, I would like to commend the Senate for including language in the Defense authorization bill that recognizes the need to implement the terms, conditions, right and obligations contained in the recently signed agreement between the Navy, Department of Energy, and the State of Idaho and the consent order of the U.S. District Court for the District of Idaho that effectuates the settlement agreement. I am also pleased that it is the Senate's sense to appropriate funds called for by the President to carry out the agreement.

It has been a pleasure to work with Governor Batt as he crafted a historic agreement between the State of Idaho, the U.S. Navy, and the Department of Energy. Shipments of spent nuclear fuel began accumulating at the Idaho National Engineering Laboratory [INEL] when I was a child growing up in Midvale, ID, in 1949 and continue to this day. However, until Governor Batt signed an agreement in 1995, there was no provision to remove this material from Idaho. I am proud to have worked with him to help to craft the agreement that assures liquid wastes will be put into dry form to protect the Snake River aquifer and approximately 10,800 shipments of spent nuclear fuel and transuranic wastes will begin to be shipped from Idaho in 1999 and be completely removed by 2035.

Mr. President, Idaho has had a long history with the nuclear Navy and nuclear reactor research. We are proud of that involvement with our Nation's defense. We are just as proud that Idaho, for the first time, has an agreement and timeline for the removal of spent fuel from our State. I am glad to have played a role in moving this agreement.

I ask unanimous-consent that a time line that indicates the history of the Navy and DOE's involvement at the Idaho National Engineering Laboratory be printed in the RECORD.

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

IDAHO'S NUCLEAR WASTE TIMELINE

W.W.II, the area that is now the Idaho National Engineering Laboratory is used by the Navy to test ship gun barrels and by the Army Corps to train bombardier crews.

1949, the ''National Testing Station'' is established in Idaho—the forerunner of today's Idaho National Engineering Laboratory.

1950, the Navy begins work on their first nuclear reactor in Idaho—the Submarine Thermal Reactor prototype (S1W prototype).

1951, a reactor at the National Reactor Testing Station (now INEL) called ''Experimental Breeder Reactor-1'' (EBR–1) becomes the first nuclear reactor in the world to produce electricity.

1952, the first shipment of spent nuclear fuel arrives from Hanford, Washington.

1954, the first shipment of transuranic wastes (items like gloves, tools and pipes contaminated with plutonium) arrives from Colorado.

1955, the first nuclear powered U.S. Naval vessel, the U.S.S. *Nautilus* submarine is launched.

1957, the first shipment of spent Navy fuel comes to Idaho.

From 1949 to 1995, there have been 627 Navy spent nuclear fuel shipments and approximately 1,032 Department of Energy shipments. In addition, there have been approximately 3,225 shipments of transuranic materials. All told, about 4,884 shipments have come to Idaho. Additional waste material is also generated at INEL.

From 1957 to 1970—Republicans Robert Smylie and Don Samuelson were Governors of Idaho. During their administrations, there were 140 Navy spent nuclear fuel shipments, 50 foreign fuel shipments and about 1,550 transuranic waste shipments. The total number of shipments that came into Idaho during the Smylie and Samuelson administrations: approximately 1,740.

From 1970 to 1994—Democrats Cecil Andrus and John Evans were Governors of Idaho. During their administrations there were 456 Navy spent nuclear fuel shipments, 532 commercial spent nuclear fuel shipments, about 500 U.S. Department of Energy/federal government shipments and 1,675 transuranic shipments from Rocky Flats, Colorado. The total number of shipments that came into Idaho during the Andrus and Evans administrations: approximately 3,163.

1970, Senator Frank Church received a letter from the head of the U.S. Atomic Energy Commission (forerunner of the current U.S. Department of Energy). The letter says that transuranic nuclear waste would begin to be removed from Idaho ''within the decade.''

1973, Governor Cecil Andrus has said that he received assurances that the nuclear wastes in Idaho would be removed ''within 10 years.''

1974, the National Reactor Testing Station is renamed the Idaho National Engineering Laboratory (INEL) to reflect its changing mission.

1975, the Energy Research and Development Administration (forerunner of the current U.S. Department of Energy) chooses a site in New Mexico for the disposal of transuranic wastes.

1979, the Waste Isolation Pilot Project (later renamed the Waste Isolation Pilot Plant—WIPP) in New Mexico is authorized by Congress.

In 1982, Congress passes the Nuclear Waste Policy Act. Spent nuclear fuel is to be shipped to two repositories—one in the eastern U.S. and the other in west—and to an interim facility for Monitored Retrievable Storage—by 1998.

1987, Congress realizes that site characterization costs have escalated from $100 million per site to $2 billion per site. The law is amended and Yucca Mountain Nevada is designated by Congress as the only spent nuclear fuel site to be considered for characterization.

1987, the office of Nuclear Waste Negotiator is established by Congress. Former Idaho Attorney General Dave Leroy (Republican) is named as the first administrator. He is charged with finding a state, county, reservation or U.S. territory that will accept a Monitored Retrievable Storage facility for spent nuclear fuel.

1988, WIPP does not open as scheduled. Governor Andrus begins legal battles to stop shipments into Idaho.

1993, Governor Andrus reaches an agreement with the federal government that allows in 19 shipments of Navy spent nuclear fuel, with as many as 45 more to come if deemed necessary for national security. The Andrus agreement requires the federal government to do an EIS, but places no limit on the number of shipments into Idaho once the document is completed. The agreement requires that some liquid radioactive wastes be dried up in a process called ''calcination.'' Some spent nuclear fuel will be moved from one wet storage facility to another—newer—on-site wet storage facility. The agreement does not require any nuclear waste to leave the state.

January, 1995, Governor Batt takes office. As he is sworn in there are already 261 metric tons of spent fuel in Idaho, along with approximately 2 million gallons of liquid radioactive wastes and over 120,000 cubic meters of transuranic wastes in Idaho.

That same month, the U.S. Navy notifies Governor Batt that in accordance with the Andrus agreement, they need to make 8 more shipments of spent fuel. Governor Batt honors the legally binding commitment Andrus made. Batt also learns for the first time that under the Andrus agreement, Idaho is likely to receive thousands of shipments of nuclear waste with no requirement that the material ever leave the state.

Feb. 1995, after finding no location in the United States willing to accept a Monitored Retrivable Storage facility for spent nuclear fuel, the Office of Nuclear Waste Negotiator is abolished. Former Idaho Congressman Richard Stallings (Democrat) is the program's second and last administrator.

In March, Governor Batt establishes points to guide the state on the nuclear issue:

1. We will oppose the shipment of nuclear waste material to Idaho until we receive an absolute assurance that the material will ultimately be moved outside our state.

2. We will insist on a proper clean-up of existing storage problems.

3. We will seek attractive projects that will create new employment opportunities at INEL.

In May, Governor Batt starts legal action to stop the shipments.

June 1, Secretary of Energy Hazel O'Leary announces the Record of Decision on the EIS. It targets 1,940 shipments (165 metric tons) of spent nuclear fuel and 690 to 2,300 shipments (6,000–20,000 cubic meters) of transuranic waste to be shipped to Idaho with no requirement that it ever leave.

October 17, 1995. Governor Batt announces he has reached an historic agreement to get nuclear waste out of the state. U.S. District Judge Edward Lodge Incorporates the settlement into a federal court order. Idaho becomes the only state in the nation with a court order that requires the federal government to remove nearly all nuclear wastes from a specific state. Under the new legally binding agreement, all liquid radioactive wastes will now be dried up and all spent fuel removed from water storage into dry storage, enhancing the protection of the aquifer. Shipments of spent fuel into Idaho are reduced by 42 percent. Transuranic waste will only be allowed in if it is treated and removed from Idaho within six months. The Navy and DOE are limited to, on average, 20 shipments each per year into Idaho providing the state leverage to ensure cleanup takes place. Total value of the agreement is estimated at nearly $800 million over the next ten years. Approximately 10,800 shipments of spent nuclear fuel and transuranic wastes are now required by a federal court order to leave Idaho. First shipments out of Idaho will begin no later than 1999. The last shipments will leave Idaho by 2035.

Mr. BOND. Mr. President, I want to express my support for the hard work of the chairman of the Armed Services Committee. I believe that the bill makes significant strides in correcting glaring shortfalls of the administration's defense policies.

Many of my colleagues on the other side have attacked both the Defense appropriations bill, crafted by my friends and colleagues on the Defense Subcommittee on Appropriations chaired by the senior Senator from Alaska, and this bill on the grounds that they include items not requested by the Nation's military leaders in the President's request. Well, they are correct. But, why didn't they request these items? He wouldn't let them, because he artificially constrained their request by cutting their budget dramatically and some say recklessly, at the same time that he has increased their mission requirements. Left with increased responsibilities and fewer dollars to accomplish them, the military leaders were forced to make deep procurement cuts. They won't complain lest they be viewed as disloyal. They salute and do the best they can. Well, I for one do not believe that those who put their lives on the line must be forced to just make do.

We in the Senate, have done much to insure that or marines, soldiers, sailors, and airmen will be provided the best equipment and in quantities which will provide them more than merely adequate protection. I fully agree with the senior Senator from Hawaii and take the liberty of paraphrasing him when I say, ''I never want our troops to be in a fair fight. They should always be overwhelmingly superior.''

I have reservations about some of the provisions in this bill, and I wish it more closely reflected the Fiscal Year 1996 appropriations bill, but I will support it, for it is in the right direction.

One other concern I have with this bill is a section that was not fully considered by the Senate which makes significant changes in the way the Federal Government procures goods and services. I had the opportunity to work with my colleagues on conference committee, and this new section on Federal acquisition reform has been modified and improved in many areas. In spite of changes, I am concerned about the impact these new provisions will have on small businesses seeking to do business with Federal agencies.

I am pleased the Senate prevailed in its consideration of the House provision to amend the Competition in Contracting Act requirement for ''full and open competition.'' This section was limited, at my urging, to a revision of the FAR to insure that competition is consistent with a need ''to efficiently fulfill the Government's requirements.'' The change in CICA was dropped.

In addition, I supported a delay in the Cooperative Purchasing Program that was included in the Federal Acquisition Streamlining Act [FASA] which we adopted last year. The Cooperative Purchasing Program would allow State and local governments and certain nonprofit groups to purchase items carried on the Federal supply schedule. At the same time we passed FASA, we did not analyze the impact this new provision would have on small businesses. I successfully sought a moratorium of 18 months on implementation of this program to allow GAO the opportunity to review the impact of the program.

As this new law is being implemented, we cannot lose sight of the positive impact that full and open competition has had on our Federal procurement system. I am the first to agree with the premise that the current system is flawed and can be improved. As chairman of the Committee on Small Business I intend to monitor closely the impact this new law will have on the small business community, and make suggestions as to how their interests can be protected in the future.

Mr. DOLE. Mr. President, before making remarks about the pending conference report, I want to commend the chairman, Senator THURMOND, and the members of the Armed Services Committee for their efforts to hammer out this conference agreement. There were over 1,000 items in disagreement, which presented the conferees with a daunting task. Despite the obstacles, Senator THURMOND and our colleagues on the committee have crafted a strong bill.

It is important that everyone understands the issue before us. This bill is a serious effort to ensure that the men and women of our Armed Forces remain the best-trained and best-equipped force in the world. This conference agreement contains a number of provisions which enhance the quality of life of our soldiers, sailors, and airmen. It ensures force readiness. And, to protect the readiness of tomorrow's forces, it begins to restore the procurement and research and development accounts that have suffered from years of cuts.

Let me add, that with the ongoing deployment of U.S. forces to Bosnia, this bill takes on increased importance. The men and women who have been ordered to Bosnia are brave Americans who have volunteered to serve their country. They are answering their Nation's call. The least we can do for them is to support the initiatives in this bill that will directly impact them as they embark on this mission.

There are a number of significant provisions in the bill which will improve the quality of life of the members of our Armed Forces. The legislation authorizes a 2.4-percent pay raise and a 5.2-percent increase in allowance for quarters. In addition, it authorizes an Income Insurance Program for involuntarily mobilized reservists and establishes a reserve component dental insurance program. These provisions will enhance the readiness of our Reserve component forces—forces that also are mobilizing for deployment to Bosnia.

Additionally, the bill authorizes a new military housing privatization initiative. This initiative, which was requested by the administration, will allow the Department of Defense to utilize new approaches to reduce the family housing backlog. To further enhance the quality of life of our troops, the agreement increases military construction funding by $480 million.

In order to ensure the readiness of our forces, the conferees added over $1 billion to the operations and maintenance accounts. To further protect the readiness accounts, the conferees also provided $647 million for ongoing operations in northern and southern Iraq.

The conferees, understanding the importance of preserving long-term readiness, also authorized significant increases in the procurement and R&D accounts. They took steps to ensure that the United States maintains its technological edge over any potential enemy, and that our smaller force becomes a more capable force. The B–2

bomber is just one example. The conferees repealed the previous restrictions on procurement of long-lead items for the B–2 program and the standing cap on the number of bombers produced. They also added $493 million for B–2 procurement. The B–2 represents this Congress' renewed effort to preserve a strong American defense.

Finally, in an effort to assist communities affected by base closures, the conferees attempted to improve the process for disposal of property and included authorization for important projects such as the conversion of Joliet Arsenal to the Midewin National Tallgrass Prairie. Under the plan, this former Army facility will provide the Joliet community with the increased economic opportunity, while allowing for the establishment of a premier conservation and recreation area in the most populous region in the Midwest. I was pleased to assist in including this important provision and look forward to seeing its successful implementation.

With this bill the Republican-led Congress has met its responsibility to provide our forces with the most modern equipment available, ensuring their overwhelming superiority on the battlefield. We have taken steps to ensure that our forces, though smaller, maintain the ability to project power around the world—quickly and decisively. We have taken the lead in protecting both our deployed forces and our home land against ballistic missile attack.

The President and many of our colleagues on the other side of the aisle oppose this bill. But the choice is clear. A vote for this bill is a vote to restore our national defense, and a vote to support the American men and women who serve in our Armed Forces. A vote against it, is a vote to continue down the path to a hollow force.

The PRESIDING OFFICER. Who yields time?

Mr. NUNN. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator has 10 minutes, 36 seconds.

Mr. NUNN. I thank the Chair.

Mr. President, the Senator from Alaska, Senator STEVENS, who is a real defense expert, having been involved in defense appropriations for quite a while, made a point this morning that I had been making about this bill that I think bears repeating, and that is he said there are far too many reports and certifications. And one example he gave was a delay of all defensewide research funds until 14 days after a report is received. That includes even the BMD program which so many people here are concerned about.

Mr. President, this report can be made, but it is a 14-day interruption. This is the kind of thing that drives defense management crazy because this interrupts ongoing defense research contracts. So this is just one example of what I call micromanagement that is all the way through this bill.

Mr. President, as we close this debate, I wish to summarize the reasons why I am voting against the defense authorization conference report for the first time since I have been in the Senate, including 6 years that I have served in the minority. While there are a number of provisions I support, and I enumerated those this morning, the conference report contains many fundamental flaws that are contrary to the best interests of sound management of our national defense activities as well as the U.S. taxpayers.

On balance, Mr. President, this bill's bad policy outweighs its good policy. I am particularly troubled by the bill's numerous provisions which are simply what I would call bad government. These include elimination of the independent oversight position of Director of Operational Test and Evaluation. This position was established in 1983 under an initiative from Senator ROTH, Senator GRASSLEY, and Senator PRYOR to ensure the testing of major weapons systems would be evaluated by an office independent of those developing and managing the weapons programs.

Senator PRYOR has spoken on this subject, and I had expected Senator GRASSLEY and Senator ROTH to speak on the subject, but I am sure this is of some concern to them.

It not only abolishes the position, but it repeals key protections for the Director of the OTE.

Second, elimination of the key civilian oversight position for special operations. This was part of a comprehensive effort in 1986 by Senators such as Senator COHEN and myself to improve our special operations forces. The military commander of those forces was given authority akin to a civilian service secretary, making the Assistant Secretary even more important to civilian control, and this position is eliminated in this bill.

Third, the unseemly and I think unnecessary rush to sell the Naval Petroleum Reserve in 1 year, which the Congressional Budget Office estimates could cost the taxpayers up to $1 billion. Because of the CBO reservations, the reconciliation bill dropped this provision altogether, yet this conference report still mandates the sale within a year, and one company has a potential inside track, according to all the information I have received. This lessens the competitive climate and could cost the taxpayers a lot of money.

Fourth, the inclusion of numerous ''buy American'' protectionism provisions where there is no showing of a critical domestic industrial base need. The conference agreement does not add just one ''buy American'' provision; it adds over eight. It also makes existing ''buy American'' provisions more onerous and undermines some of the key goals of last year's Acquisition Streamlining Act. And I repeat what I said this morning, Mr. President. Our advantage in defense exports is a significant part of our trade picture. We have an advantage here. It is very strange that we would be inserting ''buy American'' provisions in this bill in large number when that is likely, very likely to end up hurting our own export capabilities. I find it strange that the Republican majority of the House and Senate, committed to free trade and market competition, would inject the most sweeping ''buy American'' provisions we have had in a defense bill in many years.

Fifth, a prohibition on purchasing foreign vessels to convert the remaining five sealift ships. All conversion is currently done in U.S. yards but this provision would mean an expenditure of $1 billion to $1.5 billion for new ships versus the $350 million for conversion of existing ships. This provision is a sweetheart deal for certain domestic shipbuilders.

Sixth, nonmerit, noncompetitive earmarkings. Through the bill are numerous legislative and report language earmarkings for specific contracts to specific contractors.

We worked very hard over the years in the authorization committee to avoid this approach because there is too great a danger that awards under such a system could be based on political and parochial considerations rather than the best interests of national defense. These earmarks are costly to the taxpayers because they freeze out competition, and they are bad for defense capabilities because they are not based on merit or quality.

Seventh, the shipbuilding provisions contain numerous provisions that can only be labeled sweetheart deals for specific shipbuilders. A very innovative Senate concept developed by Senator LOTT and Senator COHEN was broadened in conference into a shipbuilding grab bag with something for everyone. This includes directed procurement of roll-on/roll-off ships at specific shipyards, directed procurement of six destroyers at specific shipyards and directed use of a ship maintenance contract at a specific shipyard.

Mr. President, while we are trying to reduce the budget, I find it very ironic and sad that we are restricting competition; we are basically making every effort in this bill to assign certain ships to certain places without competition, which is the most expensive possible way you can build these ships and repair the ships.

Eighth the conference committee includes submarine research and development language that ignores the crucial tradeoff in very high technology, cutting-edge technology, which is what submarines really involve. The tradeoff, the critical tradeoff is between cost and risk. There simply is no accounting for risk in this provision.

Ninth, the Guard and Reserve equipment. The bill that came out of conference in this area is worse than either one that went in. This is because all of the additional funds for Guard and Reserve equipment are designated for specific programs, thus eliminating any kind of real weighing or

prioritization within the Department of Defense. The appropriations bill which took a generic approach and put the money in a broad account for the determination of the Secretary of Defense and others familiar with the procurement system is a much better approach.

Mr. President, I ask unanimous consent that my detailed listing of provisions here as well as information from the Secretary of Defense and the administration with their objections be printed in the RECORD.

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

Senator Sam Nunn (D–Ga), Ranking Member of the Senate Armed Services Committee, today released the following statement:

I congratulate Senator Thurmond upon the completion of the House-Senate conference on the National Defense Authorization Act for Fiscal Year 1996. Senator Thurmond has shown great patience and endurance through a long and difficult negotiation with the House.

Out of respect for Senator Thurmond, particularly in his first year as chairman, I have signed the conference report. This will give the Senate the opportunity to consider the report. I want to make it clear, however, that I have serious reservations about the conference report, and I plan to vote against the report when it is considered by the Senate.

During the conference, the Administration raised a number of important objections to the bill:

The Administration identified constitutional problems with the restrictions on the President's foreign policy and Commander-in-Chief powers imposed by the provisions on contingency funding and UN Command and Control.

The Administration also raised serious objections to the ballistic missile defense legislation, which contains National Missile Defense language that goes well beyond the mandates of both the House-passed and Senate-passed bills.

The Administration has expressed serious concerns about the impact of the proposed conference report language on Russian consideration of the START II Treaty, which is designed to produce a major reduction in Russian nuclear weapons.

The Administration is also concerned that the language could lead the Russians to abandon other arms control agreements if they conclude that it is U.S. policy to take unilateral action to abandon the ABM Treaty.

I have serious reservations about these provisions and numerous other provisions of the conference report, including:

Legislation that would abolish the statutory requirement for an Assistant Secretary of Defense for Special Operations and Low Intensity Conflict, which could undermine civilian oversight of special operations.

Legislation that would abolish the statutory requirement for an independent Director of Operational Test and Evaluation, which could undermine unbiased testing of major weapons systems.

The Naval Petroleum Reserve Sale provision, which unwisely establishes a one-year time frame for the sale, even through the budget reconciliation bill no longer mandates sale within a year. The one year period is insufficient to ensure that the taxpayers get the maximum value though knowledgeable competitive bidding.

Directed procurement of specific ships at specific shipyards without a clear industrial base requirement, which undermines the cost-saving potential of competition.

Buy American provisions for ships and naval equipment which will result in enormous cost increases for naval vessels and which could produce an unfavorable reaction against U.S. military sales abroad—one of the strongest elements of our export economy.

Mandated spending ''floors'' in the shipbuilding language—requirements to spend specified amounts for particular programs—which directly contravene the longstanding agreement between the Armed Services and Appropriations Committees to not place ''floors'' in the Authorization bill.

An earmarked non-competitive ship maintenance contract for a specific shipyard.

Creation of a special congressional panel on submarines, which needlessly duplicates the oversight role of the Armed Services Committee.

Failure to include Senate-passed provisions which should have been non-controversial, such as U.S.-Israeli Strategic Cooperation, the Defense Business Management University, and a North Dakota land conveyance that meets all of the Senate's objective criteria.

Weakening the Senate-passed formula for equity in cost-of-living adjustments for military retirees.

Designating every single line of National Guard and Reserve procurement funds, rather than providing generic categories that can be used by the Department of Defense to meet priority Guard and Reserve requirements.

Earmarking Department of Energy defense funds for numerous unrequested projects and programs at designated sites.

Restrictions on access of servicewomen and dependents overseas to privately-funded abortions, and the imposition of special discharge procedures for HIV-positive servicemembers—a small fraction of our military population—which needlessly inject domestic political issues into military manpower policies.

I recognize that the Senate could not prevail on all issues. There are many other compromises within the conference report which I do not particularly support but which I understand in the context of the give and take of conference. The issues I have raised in this statement, however, represent fundamental flaws in the conference agreement.

If the conference report is not approved by the Senate, or if the legislation is vetoed by the President, we will have an opportunity to correct these flaws. The conference report contains important legislative authorities, such as:

A variety of military pay and allowance provisions.

Approval of Secretary Perry's family and troop housing initiative.

Detailed acquisition reform legislation that complements last year's Federal Acquisition Streamlining Act.

Senator Thurmond and the Committee worked long and hard to develop these important provisions, and I pledge to work towards their enactment in a subsequent bill if the legislation in this conference report is not enacted into law.

THE SECRETARY OF DEFENSE,
Washington, DC, December 15, 1995.

Hon. THOMAS A. DASCHLE,
Democratic Leader,
U.S. Senate, Washington, DC.

DEAR MR. LEADER: I would like to convey my assessment of the conference on the National Defense Authorization Act for Fiscal Year 1996 (H.R. 1530). The bill in its current form continues to contain objectionable provisions that raise serious constitutional issues and unduly restricts our ability to execute our national security and foreign policy responsibilities.

The bill would require deployment by 2003 of a costly missile defense system to defend the U.S. from a long-range missile threat which the Intelligence Community does not believe will ever materialize in the coming decade. By forcing an unwarranted and unnecessary NMD deployment decision now, the bill would needlessly incur tens of billions of dollars in missile defense costs and force the Department of Defense prematurely to lock into a specific technological option. In addition, by directing that the NMD be ''operationally effective'' in defending all 50 states (including Hawaii and Alaska), the bill would likely require a multiple-site NMD architecture that cannot be accommodated within the terms of the ABM Treaty as now written. By setting U.S. policy on a collision course with the ABM Treaty, the bill puts at risk continued Russian implementation of the START I Treaty and Russian ratification of START II, two treaties which together will reduce the number of U.S. and Russian strategic nuclear warheads by two-thirds from Cold War levels, significantly lowering the threat to U.S. national security.

The bill also imposes restrictions on the President's ability to conduct contingency operations that are essential to the national interest. The restrictions on funding to commence a contingency operation and the requirement to submit a supplemental request within a certain time period to continue an operation are unwarranted restrictions on the authority of the President. Moreover, by requiring a Presidential certification to assign U.S. Armed Forces under United Nations (UN) operational or tactical control, the bill infringes on the President's constitutional authority.

In addition, the Administration has serious concerns about the following: onerous certification requirements for the use of Nunn-Lugar Cooperative Threat Reduction funds, as well as subcaps on specified activities and elimination of funding for the Defense Enterprise Fund; restrictions on the Technology Reinvestment Program; restrictions on retirement of U.S. strategic delivery systems; restrictions on the Department of Defense's ability to execute disaster relief, demining, and military-to-military contact programs; directed procurement of specific ships at specific shipyards without a valid industrial base rationale; restrictions on my ability to manage the Department of Defense effectively, including the abolition of the Assistant Secretary of Defense for Special Operations and Low-Intensity Conflict and the Director of Operational Test and Evaluation.

We will weigh heavily the actions of the Congress on these matters in advising the President whether to veto the Defense authorization bill that is ultimately presented to him. This letter outlines many, but not all of the concerns with the legislation. I continue to be willing to work with the Congress to develop an acceptable bill. In its current form, however, I would have no recourse but to recommend a veto.

Sincerely,

WILLIAM J. PERRY.

STATEMENT OF ADMINISTRATION POLICY

If the Conference Report on H.R. 1530 were presented to the President in its current form, the President would veto the bill.

The Conference Report on H.R. 1530, filed on December 15, 1995, would restrict the Administration's ability to carry out our national security objectives and implement key Administration programs. Certain provisions also raise serious constitutional issues

by restricting the President's powers as Commander-in-Chief and foreign policy powers.

The bill would require deployment by 2003 of a costly missile defense system to defend the U.S. from a long-range missile threat which the Intelligence Community does not believe will ever materialize in the coming decade. By forcing an unwarranted and unnecessary National Missile Defense (NMD) deployment decision now, the bill would needlessly incur tens of billions of dollars in missile defense costs and force the Department of Defense (DOD) prematurely to lock into a specific technological option. In addition, by directing that the NMD be ''operationally effective'' in defending all 50 states (including Hawaii and Alaska), the bill would likely require a multiple-site NMD architecture that cannot be accommodated within the terms of the ABM Treaty as now written. By setting U.S. policy on a collision course with the ABM Treaty, the bill puts at risk continued Russian implementation of the START I Treaty and Russian ratification of START II, two treaties which together will reduce the number of U.S. and Russian strategic nuclear warheads by two-thirds from Cold War levels, significantly lowering the threat to U.S. national security.

The bill also imposes restrictions on the President's ability to conduct contingency operations that are essential to the national interest. The restrictions on funding to commence a contingency operation and the requirement to submit a supplemental request within a certain time period to continue an operation are unwarranted restrictions on the authority of the President. Moreover, by requiring a Presidential certification to assign U.S. Armed Forces under United Nations (UN) operational or tactical control, the bill infringes on the President's constitutional authority.

In addition, the Administration has serious concerns about the following: onerous certification requirements for the use of Nunn-Lugar Cooperative Threat Reduction funds, as well as subcaps on specified activities and elimination of funding for the Defense Enterprise Fund; restrictions on the Technology Reinvestment Program, restrictions on retirement of U.S. strategic delivery systems; restrictions on DOD's ability to execute disaster relief, demining, and military-to-military contact programs; directed procurement of specific ships at specific shipyards without a valid industrial base rationale; provisions requiring the discharge of military personnel who are HIV-positive; restrictions on the ability of the Secretary of Defense to manage DOD effectively, including the abolition of the Assistant Secretary of Defense for Special Operations and Low-Intensity Conflict and the Director of Operational Test and Evaluation; and finally the Administration continues to object to the restrictions on the ability of female service members or dependents from obtaining privately funded abortions in U.S. military hospitals abroad.

While the bill is unacceptable to the Administration, there are elements of the authorization bill which are beneficial to the Department, including important changes in acquisition law, new authorities to improve military housing, and essential pay raises for military personnel. The Administration calls on the Congress to correct the unacceptable flaws in H.R. 1530 so that these beneficial provisions may be enacted. The President especially calls on the Congress to provide for pay raises and cost of living adjustments for military personnel prior to departure for the Christmas recess.

Mr. NUNN. Mr. President, in closing, I understand the give and take of a conference and that no bill is perfect. I have never seen a perfect bill on this floor, and I do not have that as my standard. However, this conference report goes far beyond that which can be justified in that give and take context.

I would further point out that a full defense appropriations bill including $7 billion more than the President requested has been signed into law. I supported that bill. I spoke for it. I urged that the President not veto it. I urged that he approve it. So the money is not the issue here with me.

I favored increasing the defense budget. We are not debating the funding bill. We are debating an authorization bill and the issues of matters of policy, very important matters of policy, not matters of the level of appropriations. I cannot vote for the bad policy embedded in this conference report. If the bill is vetoed, as has been recommended by the Secretary of Defense, we will have an opportunity to correct the many flaws and produce a bill that can be signed into law. There are other provisions which I enumerated this morning which I strongly support, and I will work certainly with Senator THURMOND in retaining those and in making whatever corrections are required if this bill is vetoed by the President and if a veto is not overridden.

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

The PRESIDING OFFICER. Who yields time?

Mr. THURMOND addressed the Chair.

The PRESIDING OFFICER. The Senator from South Carolina.

Mr. THURMOND. This defense authorization bill is a sound bill and should be enacted into law. I wish to thank the Senators and the staff members on both sides who helped to prepare and support this bill for the great service they rendered to their country.

Mr. President, I am pleased that Senators will now have the opportunity to express their support for our military men and women by voting to approve the conference agreement on the National Defense Authorization Act for fiscal year 1996.

As my colleagues prepare to vote on this agreement, I would ask them to make absolutely sure that they do so with the full knowledge that this is a period of high risk and exceptional danger for our military. The President has committed more than 30,000 uniformed men and women to a hazardous and lengthy operation in the former Yugoslavia. The Congress must make every effort to ensure that nothing—absolutely nothing—is done to jeopardize or impede them in any way.

I find it impossible to understand how any Senator could vote against a defense authorization bill when the President is ordering troops into harm's way. This bill contains many essential authorities for programs, systems, acquisitions, administration, operations, and quality of life. I do not know how I could face my constituents if I voted against taking care of the troops, who are on their way to Bosnia, for any of the reasons I have heard offered by those who want to defeat this bill.

Mr. President, the fine men and women who now serve in our military are being asked, once again, to put their lives at risk in a foreign land. They do not have the option to refuse to go if they disagree with some aspect of the operation. Many of us in the Senate continue to have serious doubts about this mission, yet, every member of the Senate has gone on record to support the troops unequivocally and to provide them with all the necessary resources and support to carry out their mission and ensure their security. The Senate resolution in support of the troops will ring hollow without the action to back them up. The authority necessary to translate those words into real, tangible support, is contained in the conference agreement now before the Senate.

I am dismayed to see so many of my colleagues picking out some provision in the report, and then stand here on the floor of the Senate to say that they cannot vote for the bill because they disagree with the provision. There are 995 pages in the conference agreement this year. It reconciles two of the most complex bills produced by the Congress. I would suggest to my colleagues that no bill meets everyone's expectations completely. Only gridlock could result from such an approach.

Mr. President, this is not the time to turn a defense bill into a political issue, as some have chosen to do. The only result of politicizing this bill will be to disadvantage the Department of Defense and our troops at a time when they are focused on a major international operation. The House recognized this and approved the conference agreement on a vote of 267 to 149. It is important that my colleagues and the administration clearly understand that every soldier, sailor, airman and Marine will feel the effects if this agreement is not adopted.

We have heard objections from the minority that this bill adds $7 billion that the President did not ask for. However, they have not mentioned that defense is now underfunded by at least $150 billion, according to the General Accounting Office. The Comptroller of the Department of Defense, John Hamre, testified before the Committee on Armed Services that defense is underfunded by at least $50 billion. Now we are engaged in a major deployment when the resources of the Department of Defense will be stretched even more. After having dramatically underfunded defense, reducing the Armed Forces, and at the same time requiring the military to perform at an operations tempo higher than during the Cold War for missions in Somalia and Haiti, the President is again deploying troops. How can there be any objection to additional funds?

One of the most important parts of this agreement is a provision that adjusts the automatic level at which

service members can enroll in the Servicemen's Group Life Insurance program to $200,000. Ironically, we need to make an adjustment to SGLI again as we are deploying U.S. Forces in harm's way; the last time we did this was prior to the Persian Gulf war. I sincerely hope that no family will lose a loved one and therefore need to receive this increased benefit. However, the President has told us to expect casualties in Bosnia, and this protection will not take effect unless this bill is enacted.

The Committee on Armed Services concentrated on improving the quality of life for our military personnel and their families. We did not do this because our forces would deploy to Bosnia, but because there was a need. The list of initiatives in this area reflects a high degree of success. However, none of these improvements will occur unless this agreement is enacted.

We authorized a 2.4-percent pay raise and a 5.2-percent increase in the basic allowance for quarters effective January 1, 1996. We also attempted to repair a breach of faith with our military retirees by restoring the military retirement COLA dates to the same schedule as Federal civilian retirees. If the authorization is not approved, military retirees will continue to be treated unfairly, and military personnel will be denied the full pay raise and increase in the quarters allowance.

We included a provision that permits military families to use CHAMPUS for well-baby care, routine immunizations, and school physicals. The administration talks about doing this, but military families will continue to do without, or pay for these services out of pocket, unless this conference agreement is enacted.

I cannot understand how any Senator or the President could ask our service members to go to Bosnia, leaving their families alone in Germany and other places far from their homes, while at the same time denying them the pay raise, insurance coverage, allowances, and other quality of life improvements they deserve.

The bill contains the authority to reform the acquisition and procurement processes in accordance with the general effort to streamline Government. It also reforms the process for managing the procurement of information technology in order to provide our front-line troops with the latest and best information about their situation. All the acquisition reform provisions contained in sections D and E of the bill will be lost if the conference agreement is not enacted.

Procurement funding has declined by 44 percent since 1992 and procurement is at the lowest level as a percentage of the budget since the years prior to the Second World War. This agreement takes a step toward resolving that deficiency by authorizing items needed to fight and win decisively while minimizing the risk to our troops. It buys basics, invests to achieve savings, and focuses on the future.

The conference agreement would also authorize funds for the counterproliferation support program. The nerve gas attacks in Japan and the bombing in Oklahoma this year show the need to protect not only our military personnel but also our citizens within the United States against the use of weapons of mass destruction. The conference report requires the Department of Defense, the Department of Energy and other appropriate Government agencies to report to Congress on their military and civil defense preparedness to respond to such emergencies. The conference report also authorizes DOD to provide assistance in the form of training facilities, sensors, protective clothing, antidotes, and other materials and expertise to Federal, State, or local law enforcement agencies.

The conference agreement authorizes funds for arms control to enable the United States to meet its treaty obligations to destroy or dismantle chemical and strategic nuclear weapons and material. It also provides $300 million for the Nunn-Lugar Cooperative Threat Reduction Program for the destruction of nuclear and chemical weapons in the former Soviet Union.

On the question of theater missile defense demarcation, the conference outcome is virtually identical to the Senate-passed provision. This should alleviate concerns about constraining the President's prerogatives in negotiations while fulfilling the constitutional responsibility of Congress to review the results of those negotiations. I believe we have addressed all the concerns of the administration and the minority conferees on this issue.

I am very disturbed to hear that some are working to defeat or veto the conference agreement over the ballistic missile defense provisions. These provisions are balanced and fair. If this veto comes to pass, it will become clear that the administration's arguments over the ABM Treaty were merely attempts to block the deployment of any type of national missile defense system, to include one that complies with the ABM Treaty. I find it hard to believe that the President would veto this important bill simply to deny the American people a defense against ballistic missiles.

Many aspects of this bill are important not only to military men and women but to all our citizens. The section on Department of Energy National Security Programs focuses resources on cleaning up the highest priority nuclear waste problems at the former nuclear materials production sites. It also funds the isolation and reduction of spent nuclear fuel rods, some of which are beginning to corrode. These problems cannot be addressed in fiscal year 1996 unless the authorization bill is enacted.

The agreement establishes uniform national discharge standards for vessels of the Armed Forces and directs the clean up of DOD environmental problem sites. These and other environmental initiatives will be lost if the bill is not enacted.

President Clinton has urged our citizens and the Congress to support his Bosnia intervention. I have listened to his arguments about world leadership and our role in the world. Our troops will bear the brunt of his decision and they deserve to be supported, but their support will be compromised without the defense authorization. I am dismayed that any Senator would consider voting against this legislation or attempt to use this bill for political purposes. Politics used to stop at the water's edge, especially when our forces were deployed to a hostile fire area. I urge my colleagues and the administration to work toward the enactment of this conference agreement and not to jeopardize, disadvantage, or impede our Armed Forces.

Mr. President, I yield the floor. How much time do I have left?

The PRESIDING OFFICER. The Senator has 7 minutes and 35 seconds left.

The PRESIDING OFFICER. Who yields time?

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

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. THURMOND. 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. THURMOND. Mr. President, I suggest we take 20 minutes to wait for Senator DASCHLE to get here from the White House.

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

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

Mr. KENNEDY. Mr. President, the Senate is waiting for our leaders to return from an important meeting with the President. I wish to address the Senate on another matter. I will be glad to yield to the managers at the time they want to request the vote on the defense authorization. I appreciate their courtesy.

Mr. President, I ask to be able to proceed as in morning business.

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

ENCOURAGING A BALANCED BUDGET

Mr. KENNEDY. Mr. President, earlier today, I noticed a rather extensive advertisement that was in the Washington Post, and also other newspapers, a full page advertisement. On one side are all the signatories of

major industries. It was run in several of the newspapers. It says, ''Without a Balanced Budget, the Party's Over, No Matter Which Party You Are In.'' These corporate and business leaders urge that the Congress move ahead with the President and pass it at the earliest possible time. I want to read to the Senate a letter I just sent to those who have signed this advertisement and point out the following reaction that I had to the letter itself:

DEAR SIRS: I welcome and agree with the message in your two-page advertisement in the New York Times and the Washington Post this morning that America should live within its means and achieve a balanced budget. The issue is not whether we achieve a balanced budget, but how to do it in a way that assures that the sacrifices as well as the benefits of reaching a balanced budget are fairly shared among all Americans. I hope you agree that equal sacrifice is the heart of a fair balanced budget.

The original Republican budget plan was properly vetoed by President Clinton last week, because it failed to meet this test. It inflicted deep cuts in Medicare, Medicaid, education, the environment, and other important national priorities, and it included large tax breaks for wealthy individuals and corporations. Half of all the spending cuts in the Republican plan came from the bottom 20% of families in America, while only 9% of the cuts came from the top 20% of families in America. Two-thirds of the tax breaks in the Republican plan go to this same top 20% of Americans, while the bottom 20% would face a tax increase. The middle 60% of Americans would also be hit unfairly. They would lose an average of $600 each because of the spending cuts, and get back only a third of that amount in tax reductions. These are conservative distributional estimates, and they plainly demonstrate the unequal sacrifices and unequal benefits contained in the Republican plan.

You say that every form of spending should be on the table, ''including long term entitlement programs.'' I agree. By the year 2002 the largest of all entitlement programs will be the tax entitlements. Between now and the year 2002, the federal government will spend over $4 trillion in tax loopholes and tax preferences which go disproportionately to wealthy individuals and corporations. In 2002, these tax entitlements will represent a large share of the budget than Social Security, Medicare, Medicaid, or any of the other entitlement programs. But so far, out of the $4 trillion of tax entitlements, the Republicans are willing to cut only $16 billion.

Surely, if elderly couples depending on Medicare and having an average income of less than $17,000 a year would be required by the Republican plan to pay an additional $2,500 in Medicare premiums to balance the budget over the next seven years, corporations can be asked to contribute their fair share. If four million children would lose their health care and five million senior citizens and disabled Americans would lose their Medicaid protection to balance the budget, corporations can be asked to bear their fair share. Surely, if education funding would be cut by 30% and millions of college students would have the cost of their student loans increased to a point where they may no longer be able to afford college, corporations can be asked to bear their fair share.

If you are truly interested in balancing the budget, I hope you will agree that corporations should bear their fair share of the cuts, along with working Americans, senior citizens, children, and students.

I make the following proposal. The Republican plan would provide a reduction of 17% in the Federal budget over the next seven years, exclusive of defense spending and Social Security. Reducing the $4 trillion in tax subsidies by 17% would achieve savings of $680 billion. If we applied the 17% reduction to only one-quarter of the tax expenditures, we would save $170 billion—more than enough to provide the additional savings needed in the current impasse to balance the budget fairly in seven years. Surely it makes sense to reduce corporate subsidies by a similar percentage as programs that benefit working Americans and the poor are being cut.

Or, a number of specific corporate loopholes that are contrary to sensible national policy could be eliminated entirely to achieve the needed savings. It would make sense under this approach to focus specifically on tax subsidies that have the direct or indirect affect of encouraging American businesses to move transactions and jobs overseas. It is particularly offensive, at a time when large numbers of American workers are losing their jobs and being dislocated by changes in the economy, that the tax code is subsidizing corporations to move transactions and job overseas.

I urge you to appoint a task force of CEOs to put together a proposal by which tax entitlements would bear their fair share of needed budget reductions. I am ready to meet with this task force at any time to discuss your proposals. If you took this step, the balanced budget which we all support would be within our grasp almost immediately. Most importantly, the balanced budget would be achieved with equal sacrifice from all Americans, without destructive cuts to Medicare, Medicaid, education, and the environment.

I look forward to hearing from you that you are prepared to bear your share of the sacrifice in the name of fairness as we put America on a course of living within its means.

Sincerely yours,

EDWARD M. KENNEDY.

Mr. President, I ask unanimous consent that the two-page advertisement be printed in the RECORD at this point.

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

[From the Washington Post, December 19, 1995]

A BIPARTISAN APPEAL FROM BUSINESS LEADERS TO THE PRESIDENT OF THE UNITED STATES BILL CLINTON, HOUSE SPEAKER NEWT GINGRICH, SENATE MAJORITY LEADER BOB DOLE, SENATE MINORITY LEADER TOM DASCHLE, HOUSE MAJORITY LEADER DICK ARMEY, HOUSE MINORITY LEADER DICK GEPHARDT, AND ALL MEMBERS OF CONGRESS

Without a balanced budget, the party's over. No matter which party you're in.

There are moments in history when a single choice can mean the difference between vastly differing futures—one bright, the other dark. We believe that you, the political leaders of this country, are now confronting such a choice in your deliberations over a plan to balance the federal budget.

We are convinced that the health of our economy rests on your ability to avoid political gridlock and give the American people what leaders of both parties say they favor and, indeed, have agreed to—a credible plan to balance the budget. By ''credible'' we mean that such a plan should:

Use realistic projections that assume the fiscal and economic scenario developed by the Congressional Budget Office and reviewed by objective third parties:

Take no longer than seven years as the maximum time period by which a balanced budget would be achieved;

Ensure that the process of deficit reduction is achieved in roughly equal steps throughout these seven years, rather than ''backloading'' the politically difficult decisions into the next century; and

Have everything on the table, including long-term entitlement programs as well as the size and shape of any tax cuts.

Included among us are Democrats and Republicans, Liberals and Conservatives. What unites us in this appeal is our common concern for America's future.

All of us are leaders of institutions keenly sensitive to interest rates and the short- and long-term outlook for the U.S. economy. We believe that the recent decline in long-term interest rates and much of the boom in the stock market is directly predicated on the financial markets' expectation that a successful bipartisan budget-balancing compromise will be reached quickly, and that a credible long-term plan will be put in place in short order.

Federal Reserve Board Chairman Alan Greenspan recently observed: ''If there is a shattering of expectations that leads to the conclusion that there is indeed an inability to ultimately redress the corrosive forces of deficit, I think the reaction would be quite negative—that is, a sharp increase in long-term interest rates . . . I think we would find that with mortgage rates higher and other related rates moving up, interest-sensitive areas of the economy would begin to run into trouble.''

As you continue your negotiations, we ask you to reflect on the full consequences of success or failure. However Americans ultimately resolve our honest and principled disagreements over the size and scope of government, America must begin to live within its means.

The time for good economics as well as good politics is NOW.

America is waiting.

Respectfully yours,

PAUL ALLAIRE,
Chairman and CEO, Xerox Corporation.
RICHARD H. JENRETTE,
Chairman and CEO, The Equitable Companies, Incorporated.
JON CORZINE,
Chairman and Senior Partner, Goldman, Sachs & Co.
PETER G. PETERSON,
Chairman, The Blackstone Group, President, The Concord Coalition.
M.R. GREENBERG,
Chairman and CEO, American International Group, Inc.
JOHN SNOW,
Chairman and CEO, CSX Corporation, Chairman, The Business Roundtable.

This message has been paid for by the above named individuals and organizations.

[From the Washington Post, December 19, 1995]

COMMITTEE IN FORMATION

Duane L. Burnham, Abbott Laboratories.
Paul H. O'Neill, Alcoa.
H. L. Fuller, Amoco Corporation.
Mitt Romney, Bain Capital, Inc.
Nolan D. Archibald, The Black & Decker Corporated.
Josh S. Weston, Automatic Data Processing, Inc.
Lawrence A. Bossidy, Allied Signal Inc.
Richard de J. Osborne, ASARCO Incorporated.
John B. McCoy, Banc One Corporation.
Stephen A. Schwarzman, The Blackstone Group.
John Whitehead, AEA Investors Inc., Former Deputy Secretary of State.
E. Linn Draper, Jr., American Electric Power.

Robert E. Donovan, ABB Inc.
Vernon R. Loucks, Jr., Baxter International Inc.
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Frederick W. Smith, FedEx.
Alex Trotman, Ford Motor Company.
Lawrence Perlman, Ceridian Corporation.
Joseph L. Rice, III, Clayton, Dubilier & Rice, Inc.
James R. Houghton, Corning, Incorporated.
George M.C. Fisher, Eastman Kodak Co.
Richard L. Thomas, First Chicago NBD Corporation.
Melvyn J. Estrin, FoxMeyer Health Corporation.
K. T. Derr, Chevron Corporation.
M. Thomas Moore, Cleveland-Cliffs Inc.
Philip J. Purcell, Dean Witter, Discover and Co.
William E. Butler, Eaton Corporation.
Paul M. Montrone, Fisher Scientific International Inc.
John B. Yasinsky, GenCorp.
Robert J. Eaton, Chrysler Corporation.
Richard L. Scott, Columbia/HCA Health Care.
John S. Chalsty, Donaldson, Lufkin & Jenrette, Inc.
Lee R. Raymond, Exxon Corp.
Jack B. Critchfield, Florida Progress Corporation.
John F. Smith, Jr., General Motors Corporation.
Stanley C. Gault, The Goodyear Tire & Rubber Company.
Frank A. Olson, The Hertz Corp.
Ralph S. Larsen, Johnson & Johnson.
A.J.C. Smith, Marsh & McLennan Companies, Inc.
Hugh L. McColl, Jr., NationsBank.
Charles R. Lee, GTE Corporation.
David A. Jones, Humana, Inc.
Paul S. Levy, Joseph Littlejohn & Levy.
Joseph L. Dionne, The McGraw-Hill Companies.
J. Roderick Heller, III, NHP Incorporated.
Warren Hellman, Hellman & Friedman.
Louis V. Gerstner, Jr., IBM Corporation.
Floyd Hall, Kmart.
Daniel P. Tully, Merrill Lynch & Co., Inc.
Stephen Berger, Odyssey Partners, L.P.
Thomas L. Gossage, Hercules Incorporated.
Frank E. Baxter, Jeffries & Co., Inc.
Henry R. Kravis, Kohlberg Kravis Roberts & Co.
Roger Milliken, Milliken & Company.
Willis B. Wood, Jr., Pacific Enterprises.
Donald B. Marron, Paine-Webber, Incorporated.
Hardwick Simmons, Prudential Securities, Inc.
Robert E. Denham, Salomon Inc.
Charles Lazarus, Toys 'R' Us.
Tony L. White, The Perkin-Elmer Corporation.
James P. Schadt, The Reader's Digest Association, Inc.
John H. Bryan, Sara Lee Corporation.
Joseph T. Gorman, TRW Inc.
H. William Lichtenberger, Praxair, Inc.
Donald R. Beall, Rockwell International Corporation.
Dana G. Mead, Chairman, National Assn of Manufacturers.
L. Dennis Kozlowski, Tyco International Ltd.
Arthur R. Ryan, The Prudential Insurance Company of America.
Wolfgang R. Schmitt, Rubbermaid, Inc.
A. C. DeCrane, Jr., Texaco Inc.
Dr. William H. Joyce, Union Carbide Corporation.
James A. Unruh, Unisys Corporation.
David R. Whitwam, Whirlpool Corporation.
Keith E. Bailey, The Williams Companies, Inc.
William R. Toller, Witco Corporation.
Al Moschner, Zenith Electronics Corporation.

This message has been paid for by the above named individuals and organizations.

Mr. KENNEDY. Mr. President, I noted, as I mentioned earlier, that this advertisement points out the responsibilities all of us have in reaching a balanced budget as a challenge to all of us here in the Congress, to the administration, and it is really a challenge to all Americans. It is one that we all should be mindful of, and I hope that our friends that were signatories to that proposal would also feel that in a sense of fairness and equity, they, too, would like to do their part. We invite them to be a part of the solution to this challenge that we are all facing at this time so that what is eventually proposed, which hopefully will have bipartisan support, will be able to be looked on as being fair to all Americans. It is in that spirit that these remarks are made.

I thank the chairman and the ranking member of the Armed Services Committee. I suggest the absence of a quorum.

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

The assistant legislative clerk proceeded to call the roll.

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

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

NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 1996—CONFERENCE REPORT

The Senate continued with consideration of the conference report.

Mr. WARNER. Mr. President, I address this to the chairman and ranking member. Given the deteriorating weather and the need to have the vote tonight, the distinguished majority leader is quite amenable to leave the vote open for an extended period to accommodate a member or such Members that might be delayed.

Mr. THURMOND. Mr. President, I ask unanimous consent that we yield back time remaining on both sides and proceed to a vote, and we keep the vote open for 30 minutes after those present have voted.

The PRESIDING OFFICER. Is there objection?

Mr. FORD. Reserving the right to object, I would like to have an opportunity for the Members that are at the White House to have an opportunity to come back. As I understand, the majority leader is willing to leave the vote open until they arrive. If it will just stay open.

Mr. THURMOND. That is all right.

Mr. NUNN. If the Senator would state it in a form that does not have a time limit.

Mr. THURMOND. That would be all right. I ask unanimous consent that the vote remain open until Members now at the White House have an opportunity to return to the Senate and vote.

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

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

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The clerk will call the roll.

Mr. JEFFORDS. Mr. President, on this vote I have a pair with the Senator from Texas, [Mr. GRAMM]. If he were present and voting he would vote ''aye.'' If I were permitted to vote, I would vote ''nay.'' I therefore withhold my vote.

Mr. LOTT. I announce that the Senator from Missouri [Mr. BOND], the Senator from Texas [Mr. GRAMM], and the Senator from Delaware [Mr. ROTH] are necessarily absent.

Mr. FORD. I announce that the Senator from California [Mrs. BOXER] is necessarily absent.

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

The result was announced—yeas 51, nays 43, as follows:

The result was announced—yeas 51, nays 43, as follows:

[Rollcall Vote No. 608 Leg.]

YEAS—51

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

NAYS—43

Akaka	Exon	Kohl
Baucus	Feingold	Lautenberg
Biden	Feinstein	Leahy
Bingaman	Ford	Levin
Bradley	Glenn	McCain
Breaux	Graham	Mikulski
Bryan	Harkin	Moseley-Braun
Bumpers	Hatfield	Moynihan
Byrd	Inouye	Murray
Conrad	Johnston	Nunn
Daschle	Kennedy	Pell
Dodd	Kerrey	
Dorgan	Kerry	

Pryor	Rockefeller	Simon
Reid	Sarbanes	Wellstone

PRESENT AND GIVING A LIVE PAIR

Jeffords, against

NOT VOTING—4

Bond	Gramm	Roth
Boxer		

So the conference report was agreed to.

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

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

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The majority leader is recognized.

Mr. DOLE. Mr. President, let me yield to the distinguished chairman of the Armed Services Committee, who did an outstanding job, and I congratulate him and members of our staff and our colleagues on this side for passing this most important conference report. I yield to the Senator from South Carolina.

The PRESIDING OFFICER. The Senator from South Carolina.

Mr. THURMOND. I would like to express my deep appreciation to all of the Members who worked hard to prepare this bill and who supported it. I also would like to express my deep appreciation to all the staff members who worked so hard to prepare this bill. This is a good bill. It serves the military well. It serves the country well. And I am sure all who support it will be proud that they did support it because it is going to help the soldiers and their families in every way possible.

Thank you very much.

Mr. WARNER. Mr. President, I wish to join other members of the Armed Services Committee in stating our profound appreciation to the distinguished chairman, Senator THURMOND, for his work on this bill. I am trying to recall a quote by the Duke of Wellington in the close of the Battle of Waterloo when he said:

> . . . a damned nice thing—the nearest-run thing you ever saw in your life.

The vote on this conference report was also very close, and I doubt if it would have been passed without the absolute determination and the total dedication of the distinguished chairman of the Senate Armed Services Committee, Mr. THURMOND of South Carolina, and we all render this fine gentleman a hand salute.

UNANIMOUS-CONSENT REQUEST—HOUSE JOINT RESOLUTION 132

Mr. DOLE. Mr. President, let me advise there will be no more votes today because the weather is lousy out there and the roads are going to be difficult if you live in the suburbs. But I would propound a unanimous-consent request. I assume there will be an objection, and there might be someone, a couple on this side who would like to speak briefly.

Yesterday, the House passed by an overwhelming vote House Joint Resolution 132, which relates to balancing the budget, and so forth, over 7 years. So I would ask unanimous consent that the Senate now proceed to the consideration of House Joint Resolution 132, a resolution affirming that budget negotiations be based on the most recent technical and economic assumptions of the Congressional Budget Office, and shall achieve a balanced budget by fiscal 2002 based on those assumptions.

Mr. DASCHLE. Mr. President, reserving the right to object, I would inquire of the majority leader whether the resolution includes all of the priorities that we listed in the continuing resolution which passed about 3 weeks ago?

Mr. President, it is my understanding that the priorities that were listed in the continuing resolution are not included in this specific draft, and because they are not we would be compelled to object at this time. I hope that perhaps we could work out some language that would include those priorities, and then there would be no objection on this side.

Mr. DOLE. I thank the Democratic leader.

The PRESIDING OFFICER. Objection is heard.

Mr. DOLE. I think we can work it out because we have already passed those priorities once, talking about veterans, Medicare, agriculture. There are I think six or seven. So let us see what we can do, or if the minority would like to propose an amendment, we could modify it. I think there are some who would like to speak even though there has been objection, if that is satisfactory.

Mr. DASCHLE. Sure.

Mr. DOLE. Let me indicate to my colleagues who are in the Chamber and those who may be in their offices that we have had, as I have said earlier, a very constructive discussion with the President and Vice President and Chief of Staff with reference to achieving a balanced budget over the next 7 years. There will be a meeting going on tonight with Mr. Panetta, Senator DOMENICI, Congressman KASICH, and others, and then, depending on what happens in that agreement, there may be another agreement of the principals either tomorrow morning or early afternoon, depending on everyone's schedule.

I think it is fair to say that at least I am optimistic about getting something done here that will satisfy a great majority of Americans and probably most people on both sides of the aisle—not everyone but most of my colleagues on each side of the aisle. There are certainly areas of difference, and we will not go into those at this time, but I think there was an agreement that there are at least five or six or seven categories where the leaders are going to have to be directly involved and the President is going to be directly involved, and he has agreed to be directly involved.

We hope to give you more detailed information as soon as it is available and as soon as we have something that we can really say this is it; we are serious; we are going to go to work; we are going to stay here today, tomorrow, whatever. It is our hope—and we have not worked out the schedule because I know some have some difficulties with it, but hopefully if we have, if we put it together tomorrow morning, then there will be a CR passed that would extend at least until December 27 or December 28 and perhaps an adjournment resolution to extend from this Friday until December 27.

We have not worked out those details. But in any event, I think the important point I should make is that I really believe we are going to start the process.

Now, will we finish the process and when will we finish the process? We would like to say we could put together the framework this year, by the end of the year, and then take some days for drafting, come back a couple days in January and finish the product. Some would like to do it all before New Year's Eve. I am not certain that is possible. But in any event, I think there is reason for optimism, bipartisan optimism and I hope it continues.

Mr. DASCHLE addressed the Chair.

The PRESIDING OFFICER. The Democratic leader.

Mr. DASCHLE. I share the views expressed by the majority leader. I think there is reason for optimism tonight. I think the meetings held at the White House have been very productive. The President has committed to become personally involved in these negotiations. With a good-faith effort on both sides, there is renewed hope that we can reach an agreement. As the majority leader said, I do not know that there is any timeframe within which we can realistically reach that agreement tonight. We certainly know that these are difficult issues.

We agreed to reach an agreement in three areas. First, on the continuing resolution; second, on the schedule; and third, on the framework within which these negotiations would take place.

Leon Panetta will be talking with our Budget Committee people on both sides to discuss all three of those and hopefully reach an agreement sometime tomorrow, which then would allow us to go to our caucuses to discuss in detail what that agreement may entail. But there is no agreement tonight. There is simply an agreement to work out in three areas what that agreement might look like. If we can reach that tomorrow morning, I hope our caucuses could be informed and we will begin to go to work. But I again share the optimism expressed by the majority leader, and hopefully it will lead to even more optimistic developments in the days ahead. With that, I yield the floor.

Mr. HARKIN addressed the Chair.

The PRESIDING OFFICER. The Senator from Iowa.

PAYMENT OF FEDERAL EMPLOYEES

Mr. HARKIN. Mr. President, here we are now in the fourth day of another Government shutdown.

I do not know how many more days it is going to go on. I hope there is some reason for optimism. But I want to point out, once again, as I have with the Senator from California, that over 200,000 Federal employees are not at work and, as a matter of fact, no Federal employees are getting paid for these 4 days. Right before the holiday season, right before Christmas, Federal workers all over this country are unsure of just how much money they are going to be paid or when they are going to be paid.

This is grossly unfair, Mr. President, grossly unfair that Congress would act so cavalierly toward decent, hard-working people. I know it is fun to point fingers at bureaucrats and that type of thing, but just keep in mind, many of those Federal workers who are now not being paid are the same Federal workers, or the same type of Federal workers, who were killed in the Oklahoma City bomb blast—our hearts went out to them—people doing their job, working for their country, doing the best they can to make sure our Government operates fairly and justly and in the best interest of our people. And yet now, right before Christmas, they are told, ''We don't know if we can pay you.'' Some are told to go home, not come to work. But what is so grossly unfair about this, Mr. President, is that Members of Congress who caused this whole thing are getting paid. Senators continue to get paid. Members of the House continue to get paid.

Earlier this year, one of the first bills that we passed was the Congressional Accountability Act. As a matter of fact, here is the so-called Contract With America that Members of the House of Representatives put out. The first item in that Contract With America says: ''It requires all laws that apply to the rest of the country also apply equally to Congress.''

That was the first bill we picked up this year, and we passed it. I happen to have supported it. I thought it was long past time when Members of Congress should be covered by the same laws that apply to the people around the country. But the country found out during last month's partial Government shutdown that when it comes to paychecks, Congress gets special treatment. Congress is not covered by the same laws as other Federal workers. They do not get their pay, but Congress continues to get its pay during periods of shutdown.

We have passed three times this year a no-budget/no-pay bill or amendments that say if Congress shuts down, Members of Congress do not get paid or that we get treated exactly like the most adversely affected Federal worker.

It has been passed three times, but what happened? It just sort of got lost when it went to conference. In fact, I am told that the no-budget/no-pay amendment which was attached to the ICC bill was dropped in conference—just dropped in conference. It is still a part of the D.C. appropriations bill that is now languishing in the House. Let us see if the House has the courage to live up to its own Contract With America to make the laws that apply to Federal workers also apply to Congress, so that in periods of shutdown, Members of Congress will be hit in the pocketbook just as well as other Federal workers.

I have heard from my constituents. I know that people around the country have now been alerted to this, and they know we are getting treated differently. What difference does it make to the Speaker of the House if the Government shuts down? He gets his paycheck. What difference does it make to anyone in this body or the House? It does not make any difference. If the Government shuts down, Congressmen and Senators still get their pay.

So for those of us in the Congress, we do not have to worry about making the house payment or the car payment or buying presents for the kids, because we know that paycheck is going to be there. But for over 200,000 Federal workers, many of whom live in Virginia and Maryland, many of whom live in my State of Iowa and across this land, they do not know.

I saw an interview on television last night with some of these Federal workers. One after the other was saying, ''We just don't know what kind of Christmas it is going to be. We don't know whether to buy presents or not because we don't know when and if we are going to get paid, we don't know when and if we are going to go back to work.''

What a terrible thing to do to people. It is unconscionable that we would allow this to happen. I, for one, think we should have gone on a continuing resolution until January or February, keep these people on the job and let us work out this budget arrangement. Let the people go to work, but at least have enough decency and kindness and compassion that Federal workers can at least enjoy their Christmas. That is, unless you just absolutely do not care about them. Maybe there are some who do not care. But I care about them. I care very much about them, because they are doing a good job for our country in carrying out the mandates of Congress and this Government, and it is not right that we treat them differently than we treat ourselves.

So we should have no exemptions for Congress, no special deals. We should say that we are like the most adversely affected Federal worker. If we have a Government shutdown, Members of Congress and the Senate should not get their paycheck.

So, Mr. President, I will speak about it again tomorrow and every day that the Government remains shut down, pointing out the unfairness of it. I just hope that the House of Representatives will finish their work on the District of Columbia appropriations bill. We will see if they have the guts to leave on the no-budget/no-pay amendment that was adopted in the Senate. Send it to conference and let us get it acted on once and for all. I daresay, if Members of the House and the Senate were treated like the most adversely affected Federal worker, I just wonder how many days we would shut down the Government. I bet the number would approach zero.

So, Mr. President, I think it is time Members of the House and Senate be treated just like other Federal workers. With that, I yield the floor.

Mrs. HUTCHISON addressed the Chair.

The PRESIDING OFFICER. The Senator from Texas.

VETERANS' BENEFITS

Mrs. HUTCHISON. Mr. President, I thank the Senator from Virginia for putting together a letter to the President asking the President to do what we believe he has the right to do, and that is pay veterans' benefits.

Obviously, all of us are going to continue to negotiate and work with our leaders and are negotiating to stop the shutdown of Government. But, Mr. President, we do not have a whole lot of time before veterans' benefits are going to be late or will not be there at all, and that is not right. These are earned benefits.

We believe and we have gotten legal opinions that say that the President has the right to declare that veterans' benefits are essential. Who could question that veterans' benefits are an essential part of Government?

But, in fact, the Veterans Affairs bill that was passed by both bodies and sent to the President was vetoed in recent days. Now, once again, we are faced with veterans' benefits not being paid. The President and his administration said during the last Government shutdown that veterans' benefits are not on the list, not on the essential list. We believe that is an erroneous assumption; that is an erroneous look at the regulation and the laws that are in place right now. If anything is essential in this Government, it should be veterans' benefits. In fact, the President has declared that the people who process the veterans' benefits are essential, but the benefits are not. I would leave you to get the logic of that.

Mr. President, we have sent a letter to the President—Senators WARNER, SIMPSON, DOLE, and myself, along with 34 other cosigners of the letter—asking the President merely to do what we believe he has the right to do, and let veterans know just before the holiday season that their benefits will not be late.

But, in fact, if the President does not do this, we are prepared to pass a bill through the Senate that would require

him to do it, or give him the authority to do it. The House is going to take that bill up tomorrow or the next day. We will take it up immediately thereafter. But the President could keep us from having to go through that routine if he is sincere in wanting to do what is right for the veterans of our country.

I want to say thank you to Senator WARNER for starting this process, for bringing it to our attention. I also want to say, because there are people on the floor here, that the authorization bill for the Department of Defense that just passed was obviously tough. It was a close vote. A lot of people are responsible for the authorization going through, making sure that the Defense Department does have the funding that it needs, especially in this time when we have young men and women going to Bosnia and who will be there and will look to us for the stability of funding to make sure that they have what they need.

I thank Senator THURMOND, the chairman of the committee, for his leadership. He did a wonderful job. Without him, this bill would not have gone through. There are two or three other people who were integral to this process, and I want to say that Senator WARNER from Virginia, Senator LOTT from Mississippi, and Senator COHEN from Maine were essential to getting this bill through, to working it and staying with it and not giving up, despite the differences on the two sides of the aisle.

So I thank the Senator from Virginia, and I commend him for getting his letter to the President. I hope the President will respond to the veterans and give them a Christmas present. They should not be put at peril and should not have to worry about it.

Mr. WARNER. Mr. President, I thank my colleague from Texas for her thoughtful remarks. Indeed, she deserves an equal amount of credit for getting this conference report passed. True, our distinguished whip, Mr. LOTT, Mr. COHEN, and others, took active negotiating roles, but she, too, was there. We thank her.

I am delighted that the Senator mentioned the soldiers, sailors, airmen, and marines going to Bosnia because this letter, Mr. President, reflects the sentiment of the Congress of the United States toward veterans. But they will be veterans some day. It is the continuity of the treatment of veterans by the Congress of the United States that enables this country to continue to get the finest and the best qualified to come in and wear the uniforms of our armed services today, tomorrow, and in the future. So each time we deal with a veterans issue, we should think about the current generation serving, for they will some day be veterans, together with their families and loved ones.

I ask unanimous consent that this letter prepared by the Senator from Texas, Senator SIMPSON, Senator DOLE, myself, and others, be printed in the RECORD.

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

U.S. SENATE,
Washington, DC, December 19, 1995.

The PRESIDENT,
The White House,
Washington, DC.

DEAR MR. PRESIDENT: We are disappointed that you chose to veto the 1996 Veterans Affairs, Housing, and Urban Development and Independent Agencies appropriations bill. Your veto threatens hardships for our nation's veterans, unless you exercise your authority to ensure basic entitlements required by law are continued.

We consider it an unresolved issue whether the ''faithful execution of the laws'' clause of Article II of the Constitution permits the President, in the absence of an appropriation, to enter into any obligation to pay benefits that are expressly required by law. It is our view that veterans' benefits have the same status as other earned benefits upon which people depend to live, and should be designated as essential and payments continued.

Assistant Attorney General Walter Dellinger, in his memorandum interpreting earlier Department of Justice opinions on the consequences of a lapse of appropriations, writes that, ''Efforts should be made to interpret a general statute such as the Antideficiency Act to avoid the significant constitutional questions that would arise were the Act read to critically impair the exercise of constitutional functions assigned to the executive.'' Rather than avoiding this question, or ceding authority to Congress, we believe you should act to carry out the laws of the United States for the benefit of veterans.

If you decide not to declare veterans benefits essential, we intend to bring up a funding resolution quickly to provide necessary appropriations. We hope you will act first, making such action unnecessary.

Sincerely,

John Warner; Alan Simpson; Kay Bailey Hutchison; Bob Dole; Lauch Faircloth; Dan Coats; Pete V. Domenici; Rod Grams; Jon Kyl; Bill Frist; Richard Shelby; Craig Thomas; Richard G. Lugar; Alfonse D'Amato; Conrad Burns; Mitch McConnell; Ted Stevens; John H. Chafee; Judd Gregg; Bob Smith; Larry Pressler; Thad Cochran; Chuck Grassley; Jim Jeffords; Connie Mack; John McCain; Nancy Landon Kassebaum; Rick Santorum; Spencer Abraham; Olympia Snowe; Frank H. Murkowski; Dirk Kempthorne; John Ashcroft; Don Nickles; Trent Lott; Strom Thurmond; Larry E. Craig; Slade Gorton.

Mr. LOTT addressed the Chair.

The PRESIDING OFFICER. The Senator from Mississippi.

THE DOD AUTHORIZATION CONFERENCE REPORT

Mr. LOTT. Mr. President, I, too, want to join in saying how pleased I am that we have passed this very important piece of legislation. There was extensive debate today, and I think all the important points have been made. I am proud of the Senate, that we did get it passed and sent it to the President. The defense of our country should be our highest priority. We have lived up to that responsibility in the passage of this legislation.

I want to, again, commend the distinguished chairman of the Armed Services Committee, the Senator from South Carolina, for his dogged persistence in moving this legislation. Without his efforts, without his coming on to the floor of the Senate and in committee and grabbing us by the arm and saying, ''We have to move this issue,'' and, ''Let us get agreement on missile defense and on the B–2. We have to move this legislation,'' it would not have happened, in spite of the efforts of all of us. But he just stayed with it and we got it done. This should be the Thurmond bill because he really made it happen.

I have enjoyed working with all the members of the Armed Services Committee, especially the Senator from Virginia, Senator WARNER, and all of the others. I want to say, also, I think a lot of staff on both sides of the aisle need to be recognized. There are too many to name, but Senator THURMOND's staff, Senator WARNER's fine staff, and my own staff assistant, Sam Adcock, put a lot of time in this bill, and they should be congratulated.

I certainly agree with the Senator from Texas—with the letter she has developed to say that we should make sure that our veterans are paid, and there is no reason why they should not be. I assume they will be taken care of by administrative decision.

A BALANCED BUDGET

Mr. LOTT. Mr. President, I would like to also talk a little bit about the joint resolution. An effort was made to call it up tonight. This joint resolution passed the House of Representatives just yesterday by an overwhelming vote of 351–40; over 130 Democrats voted for it. This joint resolution is pretty simple and direct and to the point. It just says that as we voted a month ago on a similar resolution, which the President signed, that the Congress is reaffirming its commitment to a balanced budget in 7 years with honest numbers, as scored by the Congressional Budget Office. That is all it does.

Now, when the distinguished majority leader attempted to bring this joint resolution up in the Senate that passed the House overwhelmingly yesterday, there was objection to it by the minority leader, but he indicated if we could add the additional language that we had in our earlier resolution, perhaps we could get it worked out and get it passed. I think we should be able to do that. We worked on that language earlier. We are all committed to making sure that Medicare is protected and, in fact, strengthened. We are all committed to a strong national defense and agriculture programs, along with the whole list of issues that we included in that earlier legislation. So I think we can probably work that out and get it agreed to tomorrow. I hope so.

We have had the additional development now that it appears that maybe

the principals of the Congress and the administration—the President, and the distinguished majority leader, the Speaker, and the Vice President—have met now and it appears that they have made some progress. I thought they said they had reached some agreement, among other things, to in fact have scoring by the Congressional Budget Office. I am not quite sure if that was exactly what was agreed to. But there is a supplementary meeting now occurring with the Chief of Staff of the President, along with the chairman of the Budget Committee in the House and Senate, and I am sure there will be some further development of exactly what was discussed and what was agreed to. There will be meetings that will follow on tomorrow. That is good. I wonder why it has taken so long to get this serious meeting. I think it is appropriate, when you are talking about the future of your country, that the President be directly involved and not be speaking through agents. Our leaders are willing to get together to talk about this very important matter.

So it looks like we are finally making some progress right here as we approach this holiday season. I think it is worth staying here a little longer and coming back a little earlier because we are talking about a balanced budget. We are talking about taking actions now that will lift the burdens from the backs of our children and our grandchildren. We are talking about taking an action that will lead to lower interest rates and more jobs and a stronger economy. We are talking about getting some agreements on controlling entitlements.

I have always wondered why we call these programs entitlements because, in America, you should not say that regardless of what money is available or what parameters should be placed on these various programs, people are entitled to automatically get them. They are only entitled to them because Congress said they are.

This reform is long overdue. Reform in welfare—everybody said we need it. The President says we should change it as we have known it. We are on the verge of doing that. We have a welfare conference report that would, in fact, really reform welfare. We should get that done before we leave to go home for Christmas, or certainly before this year is out. Medicare, Medicaid, all of the so-called untouchables must be reformed, not to try to weaken them, but to control the rate of growth so we can guarantee they will be there in the future, not just for this generation, but for the next generation.

I really resent some people saying, my goodness, you have various agencies or park programs that are being temporarily closed down and that is so bad. Yes, we do not want that to happen, but it trivializes what we are trying to do here. This is a major effort we are trying to accomplish with this balanced budget. We should not quit. We will not quit until we get a balanced budget that has some effort to encourage growth in the economy, that reforms these programs. It can be done. It should be done, certainly, within the next week or 10 days.

I am pleased that it looks like we may be able to get an agreement on this Joint Resolution. I am pleased finally, finally, the President of the United States is meeting with the leaders of the Congress to get an understanding about how we will draw this to a conclusion, which would lead to a balanced budget with real and honest numbers before this year is out. I hope it happens. We will all be waiting and watching and hoping to participate as this process goes forward. I yield the floor.

BALANCED BUDGET

Mr. ABRAHAM. I echo the statements made by the floor leader on our side who has very concisely outlined the importance of the issues before us. I agree with him that we should not only pass this resolution but we should stay here as long as we have to to get the bigger job of passing a balanced budget done.

Today I was struck by comments made in the Washington Post business section from various financial market experts who said that people are waking up to the stalemate here in Washington. Yesterday was the wake-up call that we might not get real entitlement reform and bring the deficit under control.

We saw the result with the stock market dropping dramatically. There is a real fear on Wall Street, as was indicated in that article, that Washington might be contemplating a plan that fails to reform our entitlement programs.

Mr. President, that is a prescription for disaster, not just in the short term but for the long term, as well. What we have tried to offer with the Balanced Budget Act adopted earlier was a solution to the entitlement problems that have confronted Congress for a long time. We have understood that while there is a need to act quickly to address the solvency of Medicare part A, this is just the first step in a long series of reforms needed to accommodate the changing population that we will confront as the baby boom generation ages.

Mr. President, I hope that the resolution which the majority leader offered earlier will be available for us to vote on very soon. I strongly support the principles that are enunciated in it. I think the American people and certainly the people in my State support it as well. They are impatient with Congress. They cannot understand why it is taking us so long to get to the finish line. By combining reductions in the growth of Government with an opportunity to allow hard-working Americans to keep more of what they earn, we can dramatically shift the whole equation of government in this country.

For too long we have watched as dollars flow from hard-working Americans to fund Washington-knows-best rules dictating how our Nation's welfare, health, and other domestic programs will be run. We need to change from that approach to one where we let people keep more of what they earn, in which we let the States and the people on the front lines address the problems of our needy citizens more effectively than the Federal bureaucracy could hope, and ultimately in which we reshift the balance in this country from Washington-knows-best to a reliance on initiatives that take place at the States, and the initiatives that come from the people themselves.

Mr. President, that is the solution I think would work best and why I support this resolution as it was pronounced by the majority leader earlier. It is why I hope we will soon enact a balanced budget plan that yields, at least for the people in my State, lower interest rates, a chance to keep more of what they earn, and most importantly for the children in my State, a chance to grow up without spending most of their working lives paying off the bills that their parents left them. Instead, they should be free to spending their incomes on their own priorities. I yield the floor.

REVIEW OF RESOLUTION

Mr. MACK. Mr. President, I thought I would take a few moments to review the resolution that was offered by the distinguished majority leader and objected to by the distinguished minority leader, because I frankly did not think it was all that controversial.

The joint resolution is stated as follows:

Affirming that budget negotiations shall be based on the most recent technical and economic assumptions of the Congressional Budget Office and shall achieve a balanced budget by fiscal year 2002 based on those assumptions.

Whereas on November 20 the President signed legislation (Public Law 104–56) committing Congress and the President to ''enact legislation in the first session of the 104th Congress to achieve a balanced budget not later than fiscal year 2002 as estimated by the Congressional Budget Office;

Whereas Congress has approved legislation that achieves a balanced budget in fiscal year 2002 as estimated by the Congressional Budget Office.

Whereas congressional Democrats have offered alternative budgets in the House and Senate which also achieve balance in fiscal year 2002 as estimated by the Congressional Budget Office;

Whereas the commitment to enact legislation in the first session of Congress requires action now in negotiations;

Whereas the negotiations have no preconditions on levels of spending or taxation, except that the resulting budget must achieve balance by fiscal year 2002 as estimated by the Congressional Budget Office;

Whereas the Congressional Budget Office has updated its technical and economic assumptions following a thorough consultation with government and private experts; and

Whereas the Congressional Budget Office has begun consultation and review with the

Office of Management and Budget: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the current negotiations between Congress and the President shall be based on the most recent technical and economic assumptions of the Congressional Budget Office, and that the Congress is committed to reaching an agreement this year with the President on legislation that will achieve a balanced budget by fiscal year 2002 as estimated by the Congressional Budget Office.

Now, as I understand it, the minority leader objected to this resolution being brought up because it did not include, I guess, the full text of the language that was passed a month ago, and I must say that at this point I do not think I can speak for every Member on our side of the aisle, but I think that we are perfectly willing to put the complete text in the resolution.

Again, I do not want to bore everybody, but let me read what the additional text would be:

And the President and the Congress agree that the balanced budget must protect future generations, ensure Medicare solvency, reform welfare, and provide adequate funding for Medicaid, education, agriculture, national defense, veterans and the environment. Further, the balanced budget shall adopt tax policies to help working families and to stimulate future economic growth.

Now, that is the full text. So again, we are at a point now where we really do not know how this will play out tomorrow. The majority leader indicated that he certainly was willing to accept the full text. I suspect that one of the reasons the full language was not included was because, again, it required us to adopt tax policies to help working families and to stimulate future economic growth. These two requirements may have caused some problems for some people.

We thought that, by offering the single question about endorsing the use of Congressional Budget Office numbers, it would frankly be supported easily by both sides of the aisle. Yesterday in the House, 133 Democrats, in fact, supported this language.

So maybe tomorrow we will be able to work out this apparent disagreement, add the additional language, and be able to come to closure, again and finally. We think these negotiations, which may begin tomorrow in fact, will be done on a basis in which the Congressional Budget Office will be scoring. Everything that will be dealt with will be done so by using the Congressional Budget Office numbers.

So, I would say again, in context with what has happened today, I have a greater sense of hope that maybe we might be moving towards some agreement. Or maybe, without being too hopeful, maybe the way to say it is I am under the impression that serious negotiations will begin tomorrow.

I do not see how this would be harmful in stating, once again, the commitment that both the Congress and the President of the United States made 1 month ago to have a balanced budget, scored by CBO, in 7 years. So I think that is a fairly reasonable position for us to take.

Mr. FORD. Mr. President, will the Senator yield for a question?

Mr. MACK. I will be delighted to yield to my friend.

Mr. FORD. Mr. President, the principles that we agreed to in the beginning are excluded from this resolution that was sent over to us from the House. I think the majority leader readily agreed that they should have been in it, a few moments ago. He even suggested that he would accept whatever the Democratic leader might put together as an amendment and you could then alter this resolution to accommodate that.

So, really, I do not know why we are talking about it tonight. Everybody is agreeable. Unless you are trying to make a point that you made yesterday and the day before and the day before that. And people are trying to work things out.

The principles here, that we had put in there, are the things that are very dear to all of us. The majority leader did not object to it. In fact, he was very gracious in offering the Democratic leader an opportunity to give an amendment which he would modify. So I think we will do that tomorrow. So the only agreement is on principle, I say to my friend from Florida.

Mr. MACK. I would pick up on that. It may be that we are, in fact, moving towards times where there will be more agreement as opposed to disagreement. I think all of us hope that that day will come.

The other comment you made, that we might again hammer a point we have made before, I guess, maybe for the last several days, is a fair. Frankly, yes, we do want to make the point that it has now been 1 month since the Congress passed a continuing resolution which had, in that language, a requirement for CBO to score a budget that balanced in 7 years and which contained the other items I spoke about a moment ago. For 1 month, frankly, the President of the United States has failed to produce a proposal that balances the budget in 7 years. The closest the President has come is a proposal that came out, I believe a week ago—actually this past Friday. Actually, I think it was a week prior to that, which was scored by the Congressional Budget Office, which said—let me just finish—

Mr. FORD. Two weeks with CBO, now.

Mr. MACK. It was scored by CBO as being $116 billion short of balancing the budget in the 7th year. I do not know what the total amount would be over the 7-year period, or what our differences were, but it was $116 billion over the mark. So, yes, I must admit that one of the reasons we do want to have a little discussion about this resolution is to make the point that in 30 days the President has utterly failed to come forward with a plan that balances the budget.

Mr. FORD. If the Senator will yield for another question? I just do not want to leave him out there without our trying to help our side a little bit.

Mr. MACK. I will yield.

Mr. FORD. I do not want him to yield. I just want to ask a question. Was not part of that delay, 2 weeks that it took CBO to score what was offered?

Mr. MACK. If I can respond?

Mr. FORD. Yes. Sure.

Mr. MACK. The President agreed to scoring budgets through CBO. OMB is well aware of CBO's——

Mr. FORD. Senator, that is not what I asked. I asked, did it not take 2 weeks for CBO to score what the President sent in, offered? That was part of the delay.

Mr. MACK. If the Senator will allow me to respond? I have no problem in saying it took 10 days, 12 days, 14 days. But my point is, the administration clearly had the ability to put together a budget based on the economic assumptions it knew CBO would produce. They refused to do that.

Mr. FORD. No, they did not.

Mr. MACK. They offered a plan about which they then could say to the American people, ''according to the OMB it balanced the budget.'' It did not balance according to CBO. And that is the whole point. The last plan presented by the President of the United States is $116 billion short in year number 7.

I think it ought to be pretty obvious that that is the case. So, again, we have been debating this. We will have an opportunity, I believe, tomorrow to deal with this resolution because I am under the impression that there will be an agreement to add the additional language, which is important, I understand from my colleagues on the other side of the aisle.

The additional language in there is very important to us as well, especially the tax cut for America's families and the reduction in the capital gains tax rate to spur economic growth. That language in essence will be included if there is an amendment tomorrow.

It is interesting to note that what seems to be creating some angst here this evening is a resolution that was supported without any amendment by 133—I think 133 Democrats in the other body in yesterday's vote. So it seemed fairly obvious to me that we could push this forward without any major controversy.

What we hope to accomplish, once again, is to get from the President of the United States a budget that is balanced in 7 years, scored by CBO, which is to say using real numbers. I do not think that is unrealistic. I am hopeful, after what has occurred in the meetings at the White House earlier this evening. But I have been hopeful before. So I hope my colleagues will excuse me for some degree of skepticism on my part.

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

The PRESIDING OFFICER (Mr. SANTORUM). The Senator from Washington.

Mr. EXON. Mr. President, you are going to move back and forth, is that right?

Mr. FORD. No.

The PRESIDING OFFICER. The Chair heard the Senator from Washington first.

Mr. GORTON. I will be happy to listen to my friend from Nebraska.

Mr. President, I will be happy to listen to my friend from Nebraska. I am not in that much of a hurry and he always has wise counsel.

The PRESIDING OFFICER. The Senator from Nebraska.

Mr. EXON. Mr. President, I intend to be here until this discussion is over. I was going to ask a question of my colleague from Florida, if I could, before he leaves the floor? Will he yield for a question, with the understanding he is not losing the right to the floor?

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

Mr. EXON. May I ask my friend from Florida, does he have any idea that, if and when we come to a resolution with regard to balancing the budget by the year 2002, as to what the chances are, given the $242 billion tax cut, and if that remains in the final product does the Senator from Florida believe that, if the tax cut remains in the package, that the budget would remain balanced in the year 2003? 2004? And 2005?

Mr. MACK. I will say to my distinguished colleague, it is my understanding that what we are dealing with here is a budget resolution that covers the 7-year period. It is my understanding, according to CBO's estimate of that, that it would be in balance in the year 2002, which is the timeframe that we have established. Yes, you can make the reductions in spending, reduce the rate of growth in entitlement programs, balance the budget, produce a bonus as a result of balancing the budget that will pay for the tax proposals.

So, I am of the opinion that, in the year 2002, that is correct.

Mr. FORD. But he is asking about 2004 and 2005.

Mr. MACK. I understand what he is talking about.

Mr. EXON. Even if it comes to that, you have not looked beyond that to see whether or not it would remain balanced in the year following, or the year following that, or the year following that? After 7 years?

Mr. MACK. Mr. President, if I may respond, it is the opinion of this Senator that, again, if we can keep a very significant component of the tax proposal intact—that is, the lowering of the capital gains tax rate—that when we hit the years numbered 8, 9, and 10, that we are going to see that the revenues that are going to be projected in fact will increase beyond that because having freed up capital that is now locked into old investments, old technologies, it will create the jobs and the opportunity in the years ahead to, in fact, create the balanced budget in year 8, year 9, and year 10.

Mr. EXON. I simply say to my friend from Florida, I hope that works out that way. But all of the figures I have seen indicate just the opposite, and we may have some more information on that in detail form in the near future.

I simply point out to all that this magnificent exercise that we are going through should be better understood by all for what it is right now. The reason that I am worried about the outyears is that the present Republican plan is so heavily loaded with regard to the cuts in spending that are necessary to balance the budget in the 6th and 7th years—and that happens to be a situation where, under the Republican plan, 60 percent of the cuts, 60 percent of the reduction in spending that will have to be made to meet that 7-year balanced budget, is done in year 6 and year 7. That is a pretty heavy load in years 6 and 7. That is called back loading.

Backloading is one of the concerns that I have about the whole proposition. But while we are backloading, where we are going, if this deal materializes, we are going to have 60 percent of the cuts made in the year 6 and in the year 7. So the first 5 years are not so bad. Katie bar the door when you come to those last 2 years. Then on top of that, Mr. President, at the same time is when the cost of the $242 billion tax cut kicks in. That is also backloaded into this program, and there the major portion of the money necessary to pay for that $242 billion tax cut comes in the 7th year and then really escalates in year 8 and year 9 and year 10.

What I am saying is that, while I hope this works out, there are lots of problems ahead as we move forward. And we have to be realistic.

I would simply say that I will be here while the rest of this discussion is going on. I was very pleased with the report from the majority leader and the Democratic leader that things now seem to be moving. But, unfortunately, I thought things were moving when we were starting detailed specific negotiations for tomorrow afternoon. It might be wise if we would all be quiet, you know, tone down our rhetoric at a time when we hope our leaders can come to some kind of an agreement and not be here on the floor making pontifical statements, that we have every right to do, but that I do not believe is going to contribute very much to the bipartisan effort that is going to have to be made to come up with a balanced budget in 7 years using the Congressional Budget Office scoring. There is going to have to be a lot of give and take. And certainly the leadership, which is undertaking those negotiations at the White House, is going to be under enough stress and strain without us on the floor of the Senate trying to take partisan shots one against the other.

I yield the floor.

Mr. GORTON addressed the Chair.

The PRESIDING OFFICER. The Senator from Washington.

A BALANCED BUDGET

Mr. GORTON. Mr. President, earlier this year the House of Representatives passed by substantially more than a two-thirds majority a constitutional amendment which would have mandated a balanced budget in the year 2002 and in every year thereafter. Later in the Senate of the United States that constitutional amendment was defeated by a single vote. The reason, of course, that the constitutional amendment had that kind of prospective application was that to undo the disparity between spending and revenue which has built up over the years, contributed to by administrations both Republican and Democratic, would in all probability require that amount of time.

Since many of the Members in both Houses who voted against that balanced budget in the year 2002 did so on the stated ground, at least, that Congress should take responsibility into its own hands and balance the budget without what they called the crutch of the constitutional amendment, Members primarily on this side of the aisle took that counsel seriously. That was the origin of the drive toward a budget resolution and a series of changes in our laws which would bring the budget into balance by that year.

Mr. President, I do not know what Members of this body will think in the year 2003 or 2004 and 2005, and it was for exactly that reason that I voted in favor of that constitutional amendment, so that the kind of games of backloading, about which my distinguished friend from Nebraska complained, simply could not take place in the future. In fact, Mr. President, I am quite optimistic that a Congress will soon be elected wiser in that respect than this one, a Congress that does in fact submit such a constitutional amendment to the people.

In the meantime, however, Mr. President, I believe that it would be an accomplishment beyond anything dreamed of by more than a handful of Members of our predecessor Congresses actually to pass a series of laws that would create that balance in the year 2002. And it is to that end that we have been driving over the course of the last 6 months and more. It was that goal which we finally thought, believed, hoped that the President of the United States had joined when he signed a law creating a continuing resolution before Thanksgiving Day which included the statement that there would be a balanced budget using honest numbers derived by the nonpartisan Congressional Budget Office this year, a year that is almost over.

The disappointment, the bitterness, here and elsewhere, the shaking of faith, the faith that has caused interest rates to drop by a full 2 percent over the last year, the faith that has sustained our economy, the shaking of

that faith in recent days has been derived, Mr. President, solely, I am convinced, from the failure of the administration to meet the obligation which it entered into jointly with those of us here in Congress.

This Congress passed a balanced budget, a set of proposals that would balance the budget by the year 2002. Every Member who voted for that budget believed not only that obligation, but every one of the other priorities set forth in our continuing resolution just before Thanksgiving with respect to the protection of Medicare, the more favorable tax treatment of working Americans, education, the environment, the entire list. It was perfectly appropriate, I suppose, for the President to disagree with that proposition. That is what makes up political debate. It is perfectly appropriate for Members of the other party to disagree with that proposition. What was inappropriate was the absolute, total, complete, abject failure to come up with an alternative that met their priorities, and met the legal requirement for balance using these honest figures.

It is for that reason, and one other that I will mention in a moment, that we have this second crisis, this second partial shutdown of the executive branch.

Now we are given hope once again that in a relatively short period of time between this evening and the end of the year in fact we will be able to work out a truly balanced budget using the honest figures, the conservative figures supplied by the Congressional Budget Office. Perhaps—perhaps—tomorrow we will see for the first time, for the first time a submission by the President of the United States that meets those requirements, and then we can join in a discussion of how significant the tax reductions for working Americans should be, how dramatically we should reform and strengthen Medicare, what we should do about education and the environment. But to this point we have only budgets which say we ought to spend money in these various areas but not pay for those services, send the bills to our children and to our grandchildren. And that is the cause of the situation in which we find ourselves today.

Even so, Mr. President, we could be discussing this issue more objectively perhaps if there were not the constant interference of the shutdowns of the Department of Veterans Affairs, the Department of Housing and Urban Development, the Department of Interior, our museums, our national parks, and the like.

Well, Mr. President, in that connection, this Congress passed and sent to the President appropriations bills for the whole next year pursuant to which none of those departments would have been shut down whatsoever and bills that were consistent with reaching a balanced budget in the year 2002. And yesterday, the President vetoed those bills. He vetoed those bills and closed down the national parks, closed down the Department of Veterans Affairs, closed down our museums and tourist attractions here in this city. Why? At least in part because we did not appropriate enough money for them, appropriations inconsistent with ever reaching a balanced budget, and often on rationales which contradicted what he has done earlier during the course of this year.

And so now we have a bit of static in public opinion. We have departments shuttered, closed down, parks shuttered and closed down because of Presidential vetoes on particular appropriations bills passed by this Congress and sent to him but interfering with the far more important long-range goal of seeing to it that we finally give up the habit of determining that today we cannot do without various services, however important they sound, whatever the interest groups are that support them, but that we are not willing to pay for them ourselves. And so we sent the bills to those who cannot vote today, those who are already born, who are children in school but who are under the age of 18 and those who are not yet born. They can pay for what we want for ourselves today.

Mr. President, that is fundamentally wrong. It is wrong from the perspective of our economy. We know that if we honestly balance the budget, we will retain and strengthen lower interest rates. We will strengthen our economy, or new job opportunities that we have. We will give people hope. It is morally wrong to demand services today that we are unwilling to pay for. And the one thing we have not heard in this debate at any time from either the President or the Members of the other party, we ought to spend what the President asked us to spend and we ought to increase taxes. By what, Mr. President, half, two-thirds, three quarters of $1 trillion over the next 7 years? So that we can have these services but pay for them ourselves. They have not suggested that. Their suggestion remains let us have these goodies now and let us send the bill to someone else, someone without a voice in this Congress.

Now, my friend from Nebraska, who has stayed in the Chamber, has made what I think is an excellent suggestion, and I know that he does share our goals with us. He has said that he is troubled by the fact that so much in the way of these spending reductions are deferred to the end of this 7-year period. And can we continue beyond the year 2002? Well, Mr. President, even if the Medicare reforms that we have proposed were passed lock, stock, and barrel, without any change, we would not have solved the problem of the burden that creates for the American people in perpetuity by any stretch of the imagination.

Oh, yes, Mr. President, I say in response to my friend from Nebraska, there would still be more to do in the year 2003 and 2004 and 2005 and probably before then. But most of the objections to what we are doing from his party have not come from the proposition that many of these spending cuts take place in the last 2 years. They come because the spending cuts are there at all. They simply do not want to do them at all. And I believe, Mr. President, that if we will look a little bit beyond ourselves, look across the Atlantic Ocean, we will see the ultimate result of a refusal to deal with the social and financial burdens imposed on a society by unrestrained entitlements. We simply have to look at what is going on in France today, a much worse situation than we have here: Strikes and disruptions in services all across the territory of a free country caused by a set of social policies which have choked its economy, which have created unemployment more than twice that in the United States and with no hope for any change whatsoever.

This task that we are taking on now would have been easier had our predecessors taken it on 5 years ago or 2 years ago. It will be more difficult if we defer it until next year or into the next century and the longer we defer it, the more we will look like France.

The time is now. If the Senator from Nebraska has a suggestion that will cause more of these spending cuts to take place earlier rather than later, and to be more permanent, I think he will find many who will support him on this side. Nor does this Senator nor most others say that any one of the numbers within this budget is sacrosanct, whether it is particular spending numbers, particular tax numbers or the like. What we do regard as the bottom line is that we really get to balance; that we provide that dividend to the American people of half a trillion dollars or more which we are told will come from a truly balanced budget using honest figures.

Perhaps we will look back and say today was a major day in the course of reaching that goal. Perhaps this is the day on which the President truly joined in the search for that balanced budget and those dividends. I sincerely hope that that is true. I am certain that if it is true, this will no longer be a partisan exercise but will be one in which the Senator from Nebraska enters into enthusiastically and successfully.

Mr. REID addressed the Chair.

Mr. WARNER addressed the Chair.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. I yield to my friend from Virginia.

DETERIORATING WEATHER CONDITIONS

Mr. WARNER. I thank my distinguished colleague. I rise for the purpose of advising the Senate, in my capacity as chairman of the Rules Committee, that there are many employees quite anxious to go home in view of the

seriousness of the deteriorating weather. I recognize the subject being discussed is of paramount interest, but I hope we can strike a balance.

I thank the indulgence of my colleague.

Mr. REID. Mr. President, I understand that my friend from the State of Oklahoma wishes to make a statement regarding one of his children. I will be happy to yield without losing my right to the floor.

The PRESIDING OFFICER. The Senator from Oklahoma.

Mr. INHOFE. I appreciate very much the Senator from Nevada yielding to me. I would like to inquire of the Chair, what is the regular order?

The PRESIDING OFFICER. The regular order is the Senator from Nevada has the floor.

BALANCING THE BUDGET

Mr. INHOFE. All right. Mr. President, I was interested in the statement that was made by the very distinguished Senator from Washington State a few minutes ago when he was talking about those who are not represented here and the moral issue of the conduct in which we have been conducting our country over the past 30 years.

I was reminded of an experience the other day of back when we had our prayer breakfast. This was the international prayer breakfast where we had people here from all over the world, and I was in charge of international visitors, when one of the visitors who was here from Moldavia, which was a former Soviet republic that had gained its freedom, came in and he asked me a question during one of our visits that we had.

He said, ''Senator INHOFE, I have a question to ask you. In the United States, how much can you keep?'' And I said, ''I am sorry, I do not understand what you mean.'' He said, ''How much money do you have to give the government?'' Then I got a little better idea of what he was asking.

So I asked the question—in fact, I would be a little embarrassed to tell you the answer that I gave the gentleman that was here from Moldavia. He was so proud. And he said, ''In Moldavia, we have a new democracy. We have new freedoms. And when we''—they have some type of a tax collection system where every 3 months or so they collect the taxes. And he said, ''Every time we make a dollar, we get to keep 20 cents.'' In other words, they have to pay 80 cents out of every dollar to support the government there. And he was rejoicing because this was the new freedom that he had discovered.

I got to thinking and looking at the facts, that I do not think anyone will refute, and that is that if we do not do something now about changing this pattern that we established back in the Great Society days of the middle 1960's, that someone who is born today will have to pay not 80 cents out of every dollar but 82 cents out of every dollar just to support government.

I bring that up today because today is a day that a very important person is to be born, and that person has the name or will have the name—and maybe as we speak has the name—of James Edward Rapert. This will be my third grandchild. So it becomes a much more personal thing when you think of someone coming into this world—such as the Presiding Officer who recently had a young child named Daniel born in his family—all of a sudden it becomes personal. It comes out of the realm of the normal discussion as to the various social programs that the various Senators have stood on the floor of this Senate today talking about—the education programs, the social programs, the poverty programs, the nutrition programs, and all of these—and it becomes an issue of, what are we willing to do to those who cannot be heard, those for whom there is no lobby, such as James Edward Rapert?

I understand that yesterday the House, by a very decisive margin, with many, many of the Democrats, voted to reaffirm the commitment we have to a balanced budget by the year 2002 using real figures, not smoke and mirrors, but using real figures and using the CBO figures. In fact, I cannot imagine when I go back to Oklahoma, such as I was this weekend, everybody saying, well, what is there to debate? I mean, we have the Democrats who ran for office on a balanced budget. We have a President of the United States who ran for office on a balanced budget to the Constitution. And everyone is for it. Who is against it? And I tried to explain the reality up here is not always what it seems to be at home because this, in fact, is Washington.

So we are in a situation—I know there are several who want to be heard tonight. I just want to make a comment about a statement that was made by a very distinguished Member of the other body, John Kasich. The other day he said, ''We're in a frustrating situation where we have a balanced budget amendment or Balanced Budget Act that we passed in both the House and Senate, and it was vetoed by the President, and yet we don't have anything from him.'' And he said, ''It is like going Christmas shopping and going up and saying, 'I want to buy this tie. How much is it?' And they will not tell you.

So he said, 'I will give you $100.' They said, 'No, that's not enough.' 'How much more?' Well, they will not tell you.''

That is the situation we find ourselves in right now. So we have probably the second most significant issue facing us that we will face for maybe the last 10 years, and that is doing something about a balanced budget. We have an opportunity that is coming up any hour now, any day, certainly I hope it is going to happen prior to Christmas. When that time comes, I hope we will all remember not ourselves, not all the nutritional programs, not all the things we talk about and how we can wisely spend the people's money that we are borrowing from future generations, but I hope we think of James Edward Rapert who will be paying for all this fun that we are having.

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

THE BUDGET

Mr. REID. Mr. President, my friend from Washington said a number of things that I want to respond to. I have a great deal of respect for the senior Senator from Washington, and he and I serve together as chairman and ranking member of an appropriations subcommittee. I have found him to be an extremely easy person to work with, and I have developed during that process great respect for his legislative abilities. But I think it is important to mention a number of things that I think need to be responded to in regard to his statement.

He talks about the second crisis. The first crisis and the second crisis were caused not by the minority, which is the Democrats. The fact of the matter is that by October 1 of each year, it is the responsibility of the Congress to pass appropriations bills. The record is very clear. By October 1 of this year, the majority in the House and in the Senate had not passed bills that could be sent to the President.

The second crisis referred to by the Senator from Washington again was not created by virtue of something that the Democrats did that was wrong, the minority did that was wrong. The fact of the matter is that the majority did not pass appropriations bills. This crisis that we have is not something caused by the minority. The fact of the matter is, on October 1 the bills were not passed.

I also think it is important to acknowledge again on this floor, we hear constant talk about the fact that the majority is now pushing for a balanced budget. I think that is good. I think that is important. But the fact of the matter is that the 1993 budget plan that was passed in this body and the other body—it was the so-called Clinton plan—was the largest deficit-reduction plan in the history of this country. It reduced the deficit over $500 billion over a 5-year period of time, the largest deficit-reduction program in the history of this country.

Yesterday it was an unusual day in the last couple years in this country. It was unusual because the stock market went down. It was an extremely unusual day that the market went down. Today it went back up. But the stock market is over 5,000, Dow Jones. The stock market has been hot. Why? Because the economy has been doing extremely well.

We have had the lowest unemployment, lowest inflation in 40 or 50 years;

highest economic growth since the days of John Kennedy; corporate profits have never been higher. There has been a time or two in the past 200 years when they have been as high, but never higher than they are today.

The Federal work force has been reduced by 175,000 people in the last 2½ years, excluding the military; civilian reduction by 175,000. No wonder the economy is doing fine.

That does not mean that we should not do some very important things regarding the annual deficits. They are too high, even though it is the largest deficit reduction plan in the history of this country. The deficits are too high and we should do better.

There has been talk by a number of Senators from the other side about why did we not just approve this resolution that came from the House that calls for a balanced budget? The reason it was not approved, as indicated in the dialog between the majority and minority leader, is that the resolution needs an amendment. Why? Because it needs to protect priorities that we on this side feel are important: Medicare, Medicaid, veterans' benefits, education, the environment.

Maybe it was an oversight. Whatever it is, if you are going to have a sense-of-the-Senate resolution, a sense-of-this-Congress resolution, as to what we want, then you have to include the fact that we are willing to go for a 7-year balanced budget, but in the process of doing that, we want Medicare protected, we want Medicaid protected, veterans' benefits, environment, and education.

So the resolution will pass tomorrow. We will stick those things in it and it will pass, as indicated by the majority leader and the minority leader.

The reason we hang out and talk about certain things being important is because they are important. My friend, the minority whip, who has left the floor, has long been a supporter of a balanced budget, as has been many people in this Chamber, including the ranking member of the Budget Committee. I would put the balanced budget credentials of the senior Senator from Nebraska up against anybody in this Congress. It is not something that my friend from Nebraska suddenly said this year, ''I'm retiring from Congress in a couple years. I think I'll come out for a balanced budget amendment.'' From the day he stepped in here, after his service as Governor of Nebraska, he started talking about a balanced budget.

He has voted for balanced budgets. A constitutional amendment to balance the budget would have passed by probably 80 votes this year if—if—we had excluded Social Security trust funds. As a result of the majority not being willing to exclude the Social Security trust funds, the constitutional amendment failed, as well it should have failed.

We are very concerned about Medicare. Why? Because today Medicare provides coverage for over 37 million Americans. Medicare has been successful in fulfilling its mission to provide health insurance coverage to America's senior citizens.

Today, 99 percent of senior citizens have health care coverage. Why? Because of Medicare. That is not the way it was 30-odd years ago. Around 40 percent of the people who were senior citizens then had health insurance.

It has been good. It has been good not only giving people peace of mind but it has extended their lives. For those 65 and older in the United States, life expectancy is now higher than in any country in the world, with the simple exception of Japan. And why? Most people who understand what has happened in this country in the last 30 years say it is because of Medicare.

Medicare has been one of the primary reasons that poverty has been reduced among the elderly. When Medicare came into being, almost 30 percent of senior citizens were below the poverty level. Now, Mr. President, it is about 12.5 percent—a dramatic reduction. One of the main reasons is because of Medicare.

Medicare is a very efficient program. We bash Government programs. I have done a little of it myself, but do not bash Medicare, because it is a very good and it is a very efficient program. Medicare administrative costs average 2 percent of program outlays, compared with 5 percent for large group plans and as much as 25 percent for small group plans in the private sector. Medicare works and it works well, and it benefits all Americans regardless of income status.

Mr. President, 83 percent of outlays go to beneficiaries with incomes of $25,000 or less. Only 3 percent goes to elderly individuals or couples with income in excess of $50,000. The No. 1 priority, Mr. President, for the minority is that any budget plan must continue Medicare's guarantee of high-quality medical care for senior citizens and people with disabilities by ensuring trust fund solvency and protecting beneficiaries.

I have heard numerous statements on this floor of people coming and saying, ''The reason we're making all these punitive changes is because the Medicare trustees have said we have to do something or Medicare is going to go broke.''

For 27 years, we have had Medicare in existence. Twenty-five of the twenty-seven years the trustees have reported the program is going to go broke and, as a result of that—it is a pay-as-you-go system—we have had to change the way that we fund Medicare, and we need to do it now.

Any plan that we come up with must ensure the viability of the Medicare trust fund for at least 10 years, must protect Medicare beneficiaries from premium increases beyond current law, and promote changes that would not drive up overall costs.

We must keep Medicare a first-class program, something we are all proud of and especially something senior citizens are proud of. In doing that, we must ensure the viability of hospitals and other critical care health care providers in rural and urban areas.

I think it is important that we understand that we, the minority, have been fighting to protect Medicare. Why? Because some of the leaders, Mr. President, on the other side are talking about Medicare withering on the vine, and the GOP plan threatens to have Medicare wither on the vine by encouraging doctors to leave the current Medicare program and penalizing seniors who choose to stay. They are extreme cuts—$270 billion. They may have been dropped, with the latest CBO numbers, but they are large cuts and budget gimmicks.

One of the things that is suggested in the plan by the majority is that there be group health care plans that allow managed care. That is fine, but the fine print says that the $50 billion that the majority says will be saved with that program, if they are not saved, if those savings do not come, there will be across-the-board cuts in Medicare.

So we have to watch very closely that these plans do not use budget gimmickry. We talk about more choice. We have to make sure there are not bad choices.

Mr. President, I want to just mention a couple things, and I do this because we have people coming on the floor and saying, ''Democrats don't want to balance the budget. The minority doesn't want to balance the budget.'' We want to balance the budget. We have voted for a 7-year balanced budget plan, but we want to protect Medicare, we want to protect Medicaid, and the program the majority has put out repeals the current Medicaid program which serves 36 million needy and vulnerable Americans and replaces it with an underfunded and inflexible block grant.

The majority proposal ends a guarantee for 18 million children and 8 million women who receive preventive and primary care, 4 million elderly Americans who get help with Medicare payments—it would end that—6 million disabled Americans, who receive coverage for physician and hospital and specialized services. The cuts there are as much as $420 billion because, remember, any money that goes to the States from the Federal Government is matched by the States. So it is a double loss for recipients.

Mr. President, I know the hour is late. I know the streets are icy, but I have been waiting to get the floor. I want the RECORD to make sure that it reflects that the minority believes in certain standards. We believe in not devastating Medicare, and we want to maintain Medicaid so that it is a system that does not—as the report says by the Consumers' Union and the National Senior Citizens Law Center, some 395,000 nursing home patients could lose their Medicaid coverage under the proposal the majority has put out. Without these payments, nursing homes could force patients to leave

unless the families pay for care. This was not just dreamed up. If you read the Washington Post and other major newspapers, that came out yesterday, and that is what the story says. Families are going to have to start paying.

Mr. President, I have a lot more to say. I am only going to say that we have a lot of problems with the deficit that comes every year. We have a bigger problem with the debt that is accumulating. That was not done with the Democratic administrations. We have $5 trillion in debt. I hope that we will not only talk about balancing the budget on a yearly basis but we talk about doing something with the underlying debt. I hope that is something that is addressed in the immediate future. Not only should we be concerned about the annual deficits, but the underlying $5 trillion in debt is something we must address.

MORNING BUSINESS

Mr. LOTT. Mr. President, I ask unanimous consent that there now be a period for the transaction of routine morning business with Senators permitted to speak therein for up to 5 minutes each.

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

1995 YEAR END REPORT

The mailing and filing date of the 1995 year end report required by the Federal Election Campaign Act, as amended, is Wednesday, January 31, 1996. Principal campaign committees supporting Senate candidates file their reports with the Senate Office of Public Records, 232 Hart Building, Washington, DC 20510–7116.

The Public Records office will be open from 8 a.m. to 7 p.m. on the filing date to accept these filings. In general, reports will be available the day after receipt. For further information, please contact the Public Records Office on (202) 224–0322.

REGISTRATION OF MASS MAILINGS

The filing date for 1995 fourth quarter mass mailings is January 25, 1996. If your office did no mass mailings during this period, please submit a form that states ''none.''

Mass mailing registrations, or negative reports, should be submitted to the Senate Office of Public Records, 232 Hart Building, Washington, DC 20510–7116.

The Public Records office will be open from 8 a.m. to 6 p.m. on the filing date to accept these filings. For further information, please contact the Public Records Office on (202) 224–0322.

TRIBUTE TO REV. RICHARD C. HALVERSON

Mr. MACK. I rise today to extend my heartfelt condolences to the family of Rev. Richard Halverson. In his position as the U.S. Senate Chaplain for the past 14 years, Reverend Halverson acted as spiritual leader to me personally, as well as to the entire Senate. His unwavering devotion, knowledge, and guidance have been a powerful example of living by one's convictions. It is an example from which we should derive inspiration as we search for the true meaning in our lives. I will keep the family of Reverend Halverson in my thoughts and prayers during their time of grief.

THE IMMIGRATION REFORM DEBATE

Mr. ABRAHAM. Mr. President, I would like to set forth my general concerns about S. 1394, a bill passed out of the Judiciary Subcommittee on Immigration a few weeks ago. In general, this bill would combine measures aimed at reducing illegal immigration with dramatic reductions in legal immigration. In my view, illegal and legal immigration are very different issues. Illegal immigration is a significant national problem, one that we should address by discussing ways to deal with people who cross our borders unlawfully. In contrast, legal immigrants are overwhelmingly law-abiding and hardworking people who contribute to our economy and our society. We should deal with the real problem of illegal immigration without retreating from America's historic commitment to legal immigration.

Mr. President, I would like to make an obvious point: America is a land of immigrants. For most of our history we have welcomed anyone with the desire and fortitude necessary to come here in search of a better life.

Lady Liberty has held our door open to the teeming masses of the world, not out of pity, but out of respect for our Nation's immigrant roots, and in the knowledge that immigrants made this country strong and prosperous, and will continue to do so, so long as we let them.

We as a people will remain a vibrant, shining example to the world, so long as we continue to look out to that world, welcoming those who would join us in building a free and open society.

We have every right and even responsibility to expect those who come to our land to live up to our standards of decency and responsibility. We can and should expect able-bodied immigrants to work. We can and should expect them to forego the often debilitating effects of welfare.

But we should not slam the door shut to people yearning to be free, and to build a better life for themselves and their families.

My grandparents were all immigrants. They came to this country from Lebanon about a century ago in search of freedom. None of the four could speak English. And they had few material resources to speak of. But they came to America because they wanted to live in a country that was free and they wanted their children and their grandchildren to live in a nation that was free. My grandparents did not come here pursuing government benefits. They believed in their own capacity to do things, and they wanted a place where they would have a chance to enjoy the freedom to do the things they wanted.

My parents did better in America than their parents. My parents were very hard-working folks. Neither of them had a college education. My dad worked almost 20 years as a UAW member on an assembly line in an Oldsmobile factory in Lansing, MI. After that, he and my mom started a small business. They worked hard; 6 sometimes 7 days a week in order to give me and my sisters a chance to share in the American Dream—to have more freedom and opportunity than they did. Their hard work has allowed me to succeed in turn; I was the first child in our family to go to college.

Unfortunately, I believe that this bill will make it more difficult for people like my grandparents to come to America.

Specifically, S. 1394 would significantly reduce the quotas for legal immigration, restrict immigration as a means to re-unite separated families, and eliminate whole categories of legal immigration.

I believe these measures will cause real harm to our economy and to our Nation as a whole. Most damaging, they will keep us from benefiting from the hard work, experience and expertise of legal immigrants.

Immigrants are the ultimate entrepreneurs. They are people willing to risk it all in a new and different land. They are self-selected and seek to make a better life for themselves and their families.

As economist Thomas Sowell writes in his Ethnic America: A History:

> The fact that immigrants not only equal, but eventually surpass, their native-born counterparts suggests that they brought some advantage in terms of human capital, that migration is a selective process, bringing the more ambitious or venturesome or able elements of a population.

Mr. President, these are the kind of people we want to become Americans. These are the kind of people who sacrifice so their children can rise to the top of their class.

Immigrants also create a brain gain for the United States. One in three people who have graduated from college in engineering in this country is an immigrant, according to the National Research Center.

Immigrant expertise is widespread and impressive. In the 20th century between 20 and 50 percent of all Nobel Prize winners, depending on the discipline involved, have been immigrants to the United States. As of 1988 there were more Russian Nobel Prize winners living in the United States than living in Russia.

These highly educated, highly skilled immigrants are essential to the competitiveness of America's high-technology industries. Consider Intel, one of the most prolific and expanding companies in the United States, employing tens of thousands of American workers.

Intel constantly develops cutting edge technologies that will define the computer industry in the 21st century. And it is doing all of this with a great deal of help from America's newest immigrants.

At one point not long ago three members of Intel's top management, including chief executive officer Andrew S. Grove, from Hungary, were immigrants.

Intel and other high-technology firms must seek out and hire immigrants because the demand for highly skilled workers exceeds the supply. After recruiting on American campuses, these companies still do not have enough highly skilled engineers, scientists, and computer specialists they need to remain competitive. Only because their need is real do companies go through the trouble, expense and government paperwork necessary to hire foreign workers.

But productive immigrants are not just computer programmers in Silicon Valley. Arab-Americans in Dearborn and Detroit, Vietnamese in Arlington, Cubans in Miami, and a number of other immigrant groups in a number of cities have revitalized America's urban areas.

Whether it is the Korean grocer or the Chinese restaurateur, our urban areas in particular owe a great deal to entrepreneurial, hard-working immigrants willing to take chances, to start small businesses in areas others have ignored.

Mr. President, immigration is not a zero-sum game in which every job that goes to a foreign-born worker means one less job for an American worker. Immigration is a positive-sum gain for Americans in terms of jobs, living standards, and economic growth. When a business adds a new resource—whether it is a labor or capital resource—it generates more jobs, more income, and more opportunities for Americans, not less. This is especially true when the resource is a talented, creative, and inventive worker. As George Gilder points out, the beneficial impact of immigrants on the U.S. economy ''is overwhelming and undeniable: it is all around us, in a spate of inventions and technical advances, from microwaves and air bags to digital cable and satellite television, from home computers and air conditioners to cellular phones and lifesaving pharmaceutical and medical devices.'' Mr. Gilder estimates that without immigration over the last 50 years, U.S. real living standards would be at least 40 percent lower. Mr. President, I ask unanimous consent that an article by George Gilder on the economic benefits of immigration in yesterday's Wall Street Journal be placed in the RECORD immediately following my remarks.

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

(See exhibit 1.)

Mr. ABRAHAM. Mr. President, lowering the legal immigrant quota will lower the benefit we can gain from hard-working and highly-skilled immigrants. Tightening restrictions on family unification also will cost us a great deal. It will cost us our principles because we know well that U.S. citizens should be able to bring their elderly parents to this country after he has established himself here. And we know well that others, adult sisters and brothers and other relatives, particularly those living under the many repressive regimes in this world, should be allowed to join their relatives in the land of freedom.

And keeping families separated also will be bad for our economy. Skilled workers will be less likely to come to America if they know that they will not be allowed to reunite their families. Most people are reluctant to move out of town if they cannot see their families. In my view, America will not be able to attract the ''best and the brightest'' from around the world if we impose barriers that prevent people from re-uniting with their parents and siblings.

Mr. President, in my view S. 1394's provisions restricting legal immigration are misconceived; they are misconceived because they are based on misconceptions: first, that immigrants take jobs away from Americans who need them, second, that immigrants are a drain on our governments and third, that immigrants are a danger to our culture.

Contrary to popular myth, immigrants do not increase the rate of unemployment among American workers.

There is a great deal of empirical evidence to support this position.

First, the Alexis de Tocqueville Institution studied immigration patterns over the long term in America. They found that, historically, periods of heavy immigration have not been associated with subsequent higher than normal unemployment.

Second, the Manhattan Institute compared the ten states with the highest immigrant presence with the ten states with the lowest immigrant presence and found that the high-immigrant states actually had lower unemployment rates, in the aggregate, than did the low-immigrant states.

The median unemployment rate in States with large immigrant populations was 5.1 percent while that for the 10 States with low immigrant populations was 6.6 percent—a full 1.5 percent difference.

I could go on, Mr. President, but there is no need. Let me instead quote Julian Simon. This University of Maryland professor and author of the seminal work on ''The Economic Consequences of Immigration'' recently finished an immigration report for the Cato Institute. In that report he states unequivocally: ''The studies uniformly show that immigrants do not increase the rate of native unemployment.''

It's as simple as that. Immigrants do not increase unemployment. In fact, Mr. President, immigrants do not take jobs, they crate jobs. By advancing our technology, by developing better products, by starting new businesses and by themselves consuming goods, immigrants expand and create whole new areas of production employing thousands of native-born Americans.

This brings us to the second mistaken assumption underlying attempts to restrict immigration: that legal immigrants are a drain on the public coffers.

Mr. President, when total government expenditures per capita are considered, the government spends about one third less per immigrant than it does per native. This is because immigrants are more likely than natives to be of working age. They pay into the tax system without taking out, for example, Social Security payments. Further, refugees fleeing persecution automatically qualify for government benefits when they are admitted into the United States. If we factor out the use of welfare among refugees, immigrants or working age are less likely to use welfare than are the native born.

As Julian Simon of the University of Maryland reported recently in the Wall Street Journal, ''the immigrant family contributes yearly about $2,500 more in taxes to public coffers than it obtains in services.'' And those who still fear the costs of immigration should remember a policy option which we already have substantially put in place: ''immigration yes, welfare no.''

Current law already forbids almost all immigrants from receiving welfare for their first three years in this country. We can legitimately toughen these standards. And our welfare reform bill does so by denying noncash benefits such as supplemental security income and food stamps to immigrants.

But we should recognize that the vast majority of immigrants are working hard, in real jobs that add to the well-being of our people and our country.

There is one final misconception underlying S. 1394's provisions restricting immigration. It has been said that America needs a reduction in immigration for the sake of our culture.

Some Americans have expressed concern about a new wave of immigrants, bringing new customs and ways of life to our shores.

Despite the scare tactics we sometimes hear, however, immigrants are not breaking down our culture. First, Mr. President, immigrants are not coming to America in unprecedented numbers. Professor Simon's cautious estimate, based on census data, is that as of 1990, immigrants made up only 8.5 percent of our population. That compares with averages over 13 percent between 1860 and 1920. As a proportion of

the total population, then, immigrant numbers have dropped by more than a third.

What is more, the Manhattan Institute's ''Index of Leading Immigration Indicators'' shows that, compared with the native born, immigrants are more likely to have intact families, more likely to have college degrees, more likely to be working, and no more likely to commit crimes than native born Americans.

We are not being swamped by unmanageable numbers of immigrants. Further, Mr. President, immigrants are like the rest of us in all the ways that matter. They are hard-working, family-oriented people who come here to make a better life for themselves and their children. They are, in fact, the kind of people each and every one of us would and should be happy and proud to have as neighbors.

It seems clear to me, Mr. President, that legal immigration is a boon to our Nation's economy and society. Unfortunately, S. 1394 tends to obscure the benefits of legal immigration because it contains provisions addressing illegal immigration as well. Indeed, much of the driving force behind S. 1394 is directed, not at those who legally come to this country, but at those who come here illegally. We can address the illegal immigration problem through better border policing and better and swifter methods of deportation, particularly in regard to criminal illegal aliens. And as I mentioned earlier, we have addressed the welfare magnet problem in our welfare reform bill.

That's why I think we should split S. 1394 and move on illegal immigration reform separately from legal immigration reform.

But even some of the illegal immigration components of S. 1394 go much farther than is necessary. Illegal immigrants now constitute 1.5 percent of our population. That is too high a percentage, but we need to examine more effective—and less intrusive ways—to control illegal immigration.

This legislation proposes to end illegal immigration by requiring a national Identification system for all employees. In order to get a new job, every American will have to prove his or her citizenship by showing that he or she is listed on a specific, national computer registry.

Before an employer can hire a new worker that employer will have to contact the Federal Government for verification of the would-be employee's citizenship. Thus we will construct a vast new Government bureaucracy, with vast new powers and, Mr. President, with cast new costs.

Current estimates suggest that, with a national I.D. system, each work place would have to spend nearly $800 for equipment alone. And the Immigration and Naturalization Service Telephone Verification Pilot System, often seen as a prototype for the new I.D. System, shows that operating costs could put many companies out of business. It is for this reason that the Nation Federation of Independent Businesses—America's leading small business organization—strongly opposes the I.D. system in S. 1394.

It is clear that the system itself will not work. It will be riddled with errors. Indeed, current Social Security Administration files and error rates show a probable error rate of between 25 and 28 percent for the new system, making it far from effective. Even assuming an error rate of only 3 percent, the system would put in bureaucratic limbo or even deny jobs to 2 million Americans, most of them native-born U.S. citizens.

Advocates of the proposed I.D. system in S. 1394 claim that it is only a ''pilot project'' that would cover workers in just five States. However, these States—Texas, Florida, Illinois, New York and California—have a population greater than that of Mexico, indeed of all but the 10 largest countries in the world. According to Stuart Anderson of the Cato Institute, employers in these States would have to check the legal status of each new hire—an estimated 22 million annually in these five States—through this government I.D. system.

In my judgment, we should reject the national I.D. Cards and other similar schemes designed to control illegal immigration because they will result in more government intrusion in the affairs of U.S. citizens and businesses.

I am also troubled by other aspects of this bill that I will comment upon in more detail in the near future. For example, I am very concerned about the proposed border tax, which would in effect discourage foreign tourists from spending their money in this country.

The debate over immigration reform will be a major issue in this chamber over the next year. I hope that we in this body will, first, reject some of the severe provisions of S. 1394 and second, move separately on bills dealing with legal and illegal immigration. This would constitute a statement of confidence in ourselves, in our nation and in the ability of immigrants, when extended the opportunities of our land to become productive members of our communities.

In closing Mr. President, I believe that our immigration policy both reflects and projects our Nation's character and level of decency. One man above all said it best. In his farewell address to the Nation, President Ronald Reagan declared:

I've spoken of the shinning city all my political life, but I don't know if I ever quite communicated what I saw when I said it. But in my mind it was a tall, proud city built on rocks stronger than oceans, windswept, God-blessed, and teeming with people of all kinds living in harmony and peace, a city with free ports that hummed with commerce and creativity. And if there had to be city walls, the walls had doors and the doors were open to anyone with the will and heart to get here. That's how I saw it and see it still.

The question for America is this: Shall we have a shining city on a hill or will we construct a fortress America? It is my hope that we will choose the shining city.

I yield the floor.

EXHIBIT 1

[From the Wall Street Journal, Dec. 18, 1995]

GENIUSES FROM ABROAD

(By George Gilder)

The current immigration debate founders on ignorance of one huge fact: Without immigration, the U.S. would not exist as a world power. Without immigration, the U.S. could not have produced the computerized weapons that induced the Soviet Union to surrender in the arms race. Without immigration, the U.S. could not have built the atomic bomb during World War II, or the hydrogen bomb in the early 1950s, or intercontinental missiles in the 1960s, or MIRVs in the 1970s, or cruise missiles for the Gulf War in the 1990s.

Today, immigrants are vital not only for targeted military projects but also for the wide range of leading-edge ventures in an information age economy. No less than military superiority in previous eras, U.S. industrial dominance and high standards of living today depend on outsiders.

Every high-technology company, big or small, is like a Manhattan Project. All must mobilize the personnel best trained and most able to perform a specific function, and deliver a product within a window of opportunity as fateful and remorseless as a war deadline. This requires access to the small elite of human beings in the world capable of pioneering these new scientific and engineering frontiers. For many specialized high-technology tasks, the pool of potential talent around the world numbers around 10 people, or even fewer.

THE RIGHT PEOPLE

If you are running such a technology company, you will quickly discover that the majority of this cognitive elite are not citizens of your country. Unless you can find the right people wherever they may be, you will not be able to launch the exotic innovation that changes the world. Unless you can fill the key technology jobs, you will not create any other jobs at all, and your country will forgo the cycle of new products, skills, and businesses that sustain a world-leading standard of living.

Discussing the impact of immigration, economists and their followers are beady-eyed gnatcatchers, expert on the movements of cabbage pickers and au pair girls and the possible impact of Cubans on Miami wage levels. But like hunters in a cartoon, they ignore the tyrannosaurus rex crouching behind them. Thus sophisticated analysts, such as George Borjas of the University of California, San Diego, and artful writers, such as Peter Brimelow, conclude that the impact of immigration on the U.S. economy is slight or negligible.

In fact, the evidence is overwhelming and undeniable; it is all around us, in a spate of inventions and technical advances, from microwaves and air bags to digital cable and satellite television, from home computers and air conditioners to cellular phones and lifesaving pharmaceuticals and medical devices. Without immigration over the last 50 years, I would estimate that U.S. real living standards would be at least 40% lower.

The underplaying of immigration as an economic force stems from a basic flaw in macroeconomic analysis. Economists fail to account for the indispensable qualitative effects of genius. Almost by definition, genius is the ability to generate unique products

and concepts and bring them to fruition. Geniuses are literally thousands of times more productive than the rest of us. We all depend on them for our livelihoods and opportunities.

The feats of genius are necessarily difficult to identify or predict, except in retrospect. But judging from the very rough metric of awards of mathematical doctorates and other rigorous scientific and engineering degrees, prizes, patents, and publications, about a third of the geniuses in the U.S. are foreign born, and another 20% are the offspring of immigrants. A third of all American Nobel Prize winners, for example, were born overseas.

A stellar example of these elites in action is Silicon Valley in California. Silicon Valley companies have reduce the price of computer MIPs and memory bits by a factor of some 10,000 in 2½ decades. Although mainstream economists neglect to measure the qualitative impact of these innovations, most of the new value in the world economy over the last decade has stemmed, directly or indirectly, from the semiconductor and computer industries, both hardware and software.

Consider Intel Corp. Together with its parent, Fairchild Semiconductor, Intel developed the basic processes of microchip manufacture and created dynamic and static random access memory, the microprocessor, and the electrically programmable read-only memory. In other words, Intel laid the foundations for the personal computer revolution and scores of other chip-based industries that employ the vast bulk of U.S. engineers today.

Two American-born geniuses, Robert Noyce and Gordon Moore, were key founders of Fairchild and Intel. But their achievements would have been impossible without the help of Jean Hourni, inventor of planar processing; Dov Frohmann-Benchkowski, inventor of electrically erasable programmable ROMs; Federico Faggin, inventor of silicon gate technology and builder of the first microprocessor; Mayatoshi Shima, layout designer of key 8086 family devices; and of course Andrew Grove, the company's now revered CEO who solved several intractable problems of the metal oxide silicon technology at the heart of Intel's growth. All these Intel engineers—and hundreds of other key contributors—were immigrants.

The pattern at Intel was repeated throughout Silicon Valley, from National Semiconductor and Advanced Micro Devices to Applied Materials, LSI Logic, Actel, Atmel, Integrated Device Technologies, Xicor, Cypress, Sun Microsystems and Hewlett-Packard, all of which from the outset heavily depended on immigrants in the laboratories and on engineering workbenches. LSI, IDT, Actel, Atmel, Xicor, and Sun were all founded or led by immigrants. Today, fully one-third of all the engineers in Silicon Valley are foreign born.

Now, with Silicon Valleys proliferating throughout the U.S. economy, with Silicon Deserts, Prairies, Mountains, and even Alleys being hopefully launched from Manhattan to Oregon, immigration becomes ever more vital to the future of the U.S. economy. And microchips are just the beginning. On the foundation of silicon have arisen world-leading software and medical equipment industries almost equally dependent on immigrants. As spearhead of the fastest growing U.S. industry, software, Microsoft offers some of the most coveted jobs in the U.S. economy. But for vital functions, it still must turn to immigrants for 5% of its domestic work force, despite the difficult and expensive legal procedures required to import an alien.

FREEDOM OF ENTERPRISE

In recent congressional testimony, Ira Rubenstein, a Microsoft attorney, declared that immigration bars could jeopardize the 58 percent of its revenue generated overseas, threaten American dominance of advanced ''client-server'' business applications, and render ''stillborn'' the information superhighway. In particular, Corning and other producers of fiber-optic technology have faced a severe shortage of native engineers equipped to pursue this specialty crucial to both telecommunications and medical instruments.

With U.S. high school students increasingly shunning mathematics and the hard sciences, America is the global technology and economic leader in spite of, not because of, any properties of the American gene pool or dominant culture. America prevails only because it offers the freedom of enterprise and innovation to people from around the world.

A decision to cut back legal immigration today, as Congress is contemplating, is a decision to wreck the key element of the American technological miracle. After botching the issues of telecom deregulation and tax rate reduction, and wasting a year on Hooverian myths about the magic of a balanced budget, the Republican Congress now proposes to issue a deadly body blow to the intellectual heart of U.S. growth. Congress must not cripple the new Manhattan Projects of the U.S. economy in order to pursue some xenophobic and archaic dream of ethnic purity and autarky.

THE BAD DEBT BOXSCORE

Mr. HELMS. Mr. President, the Federal Government is running on borrowed time, not to mention borrowed money—nearly $5 trillion of it. As of the close of business Monday, December 18, the Federal debt stood at $4,989,213,998,043.63. On a per capita basis, every man, woman, and child in America owes $18,939.14 as his or her share of the Federal debt.

More than two centuries ago, the Continental Congress adopted the Declaration of Independence. It's time for Congress to adopt a Declaration of Economic Responsibilities and an amendment requiring the President and Congress to come up with a balanced Federal budget—beginning right now.

MESSAGES FROM THE PRESIDENT

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

EXECUTIVE MESSAGES REFERRED

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

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

MESSAGES FROM THE HOUSE

At 2:15 p.m., a message from the House of Representatives, delivered by one of its reading clerks, announced that the House has passed the following bills, in which it requests the concurrence of the Senate:

H.R. 418. An act for the relief of Arthur J. Carron, Jr.

H.R. 419. An act for the relief of Benchmark Rail Group, Inc.

H.R. 1315. An act for the relief of Kris Murty.

ENROLLED BILL SIGNED

The message also announced that the Speaker has signed the following enrolled bill:

H.R. 660. An act to amend the Fair Housing Act to modify the exemption from certain familial status discrimination prohibitions granted to housing for older persons.

The enrolled bill was signed subsequently by the President pro tempore (Mr. THURMOND).

At 3:59 p.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that the House has passed the following bills, in which it requests the concurrence of the Senate:

H.R. 2203. An act to reauthorize the tied aid credit program of the Export-Import Bank of the United States, and to allow the Export-Import Bank to conduct a demonstration project.

H.R. 2627. An act to require the Secrtary of the Treasury to mint coins in commemoration of the sesquicentennial of the founding of the Smithsonian Institution.

H.R. 2808. An act to extend authorities under the Middle East Facilitation Act of 1994 until March 31, 1996, and for other purposes.

The message also announced that the House has agreed to the following concurrent resolution, without amendment:

S. Con. Res. 22. Concurrent resolution expressing the sense of the Congress that the United States should participate in Expo '98 in Lisbon, Portugal.

At 8:02 p.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that the House has passed the following bills, in which it requests the concurrence of the Senate:

H.R. 1398. An act to designate the United States Post Office building located at 1203 Lemay Ferry Road, St. Louis, Missouri, as the ''Charles J. Coyle Post Office Building.''

H.R. 1880. An act to designate the United States Post Office building located at 102 South McLean, Lincoln, Illinois, as the ''Edward Madigan Post Office Building.''

H.R. 2029. An act to amend the Farm Credit Act of 1971 to provide regulatory relief, and for other purposes.

H.R. 2262. An act to designate the United States Post Office building located at 218 North Alston Street, in Foley, Alabama, as the ''Holk Post Office Building.''

H.R. 2704. An act to provide that the United States Post Office building that is to be located on the 7436 South Exchange Avenue, Chicago, Illinois, shall be known and designated as the ''Charles A. Hayes Post Office Building.''

The message also announced that the House has agreed to the following concurrent resolutions, in which it requests the concurrence of the Senate:

H. Con. Res. 106. Concurrent resolution permitting the use of the rotunda of the Capitol

for a ceremony to commemorate the days of remembrance of victims of the Holocaust.

H. Con. Res. 123. Concurrent resolution to provide for the provisional approval of regulations applicable to certain covered employing offices and covered employees and to be issued by the Office of Compliance before January 23, 1996.

MEASURES REFERRED

The following bills were read the first and second times by unanimous consent and referred as indicated:

H.R. 418. An act for the relief of Arthur J. Carron, Jr., to the Committee on Armed Services.

H.R. 419. An act for the relief of Benchmark Rail Group, Inc; to the Committee on Environment and Public Works.

H.R. 1315. An act for the relief of Kris Murty, to the Committee on Armed Services.

H.R. 1398. An act to designate the United Post Office building located at 1203 Lemay Ferry Road, St. Louis, Missouri, as the ''Charles J. Coyle Post Office Building''; to the Committee on Governmental Affairs.

H.R. 1880. An act to designate the United States Post Office building located at 102 South McLean, Lincoln, Illinois, as the ''Edward Madigan Post Office Building''; to the Committee on Governmental Affairs.

H.R. 2029. An act to amend the Farm Credit Act of 1971 to provide regulatory relief, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

H.R. 2262. An act to designate the United States Post Office building located at 218 North Alston Street in Foley, Alabama, as the ''Holk Post Office Building''; to the Committee on Govenmental Affairs.

H.R. 2704. An act to provide that the United States Post Office building that is to be located on the 7436 South Exchange Avenue, Chicago, Illinois, shall be known and designated as the ''Charles A. Hayes Post Office Buidling''; to the Committee on Governmental Affairs.

The following concurrent resolutions were read and referred as indicated:

H. Con. Res. 106. Concurrent resolution permitting the use of the rotunda of the Capitol for a ceremony to commemorate the days of remembrance of victims of the Holocaust; to the Committee on Rules and Administration.

H. Con. Res. 123. Concurrent resolution to provide for the provisional approval of regulations applicable to certain covered employing offices and covered employees and to be issued by the Office of Compliance before January 23, 1996; to the Committee on Rules and Administration.

MEASURE READ THE FIRST TIME

The following joint resolution was read the first time:

H.J. Res. 132. Joint resolution affirming that budget negotiations shall be based on the most recent technical and economic assumptions of the Congressional Budget Office and shall achieve a balanced budget by fiscal year 2002 based on those assumptions.

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–1737. A communication from the Director of the Office of Management and Budget, Executive Office of the President, transmitting, pursuant to law, the cumulative report on rescissions and deferrals dated December 1, 1995; referred jointly, pursuant to the order of January 30, 1975, as modified by the order of April 11, 1986, to the Committee on Appropriations, Committee on the Budget, Committee on Finance, Committee on Foreign Relations.

EC–1738. A communication from the Chief Justice of the Supreme Court, transmitting, a notice relative to funding of the Judiciary; to the Committee on Appropriations.

EC–1739. A communication from the Comptroller of the Currency, Administrator of National Banks, transmitting, pursuant to law, the annual report on compliance by insured depository institutions with the national flood insurance program; to the Committee on Banking, Housing, and Urban Affairs.

EC–1740. A communication from the Administrator of the Environmental Protection Agency, transmitting, pursuant to law, the National Water Quality Inventory Report for calendar year 1994; to the Committee on Environment and Public Works.

EC–1741. A communication from the Secretary of Labor, transmitting, pursuant to law, the annual report on the trade and employment effects of the Andean Trade Preference Act (ATPA); to the Committee on Finance.

PETITIONS AND MEMORIALS

The following petitions and memorials were laid before the Senate and were referred or ordered to lie on the table as indicated:

POM–483. A resolution adopted by the Legislature of the State of Alaska; to the Committee on Agriculture, Nutrition, and Forestry:

''LEGISLATIVE RESOLVE NO. 18

''Whereas the United States Department of Agriculture, Forest Service, has issued a new strategic plan known as ''Reinvention of the Forest Service''; and

''Whereas this plan has far-reaching implications and was developed without consultation with key elected leaders, including state governors, members of the United States Congress, or community, tribal government, and the Alaska Native Claims Settlement Act (ANCSA) corporate leaders in contradiction of President Clinton's Executive Order No. 12875 ''Enhancing Intergovernmental Partnerships''; and

''Whereas Vice-President Gore's ''Report on Reinventing Government'' was developed with the promised intent of empowering local governments and decentralizing decision-making power; and

''Whereas the ''Reinvention of the Forest Service'' strategic plan approved by Secretary of Agriculture Mike Espy, just before his resignation, eliminates the very foundation of locally based authority that had the responsibility of working with states, local communities, tribal governments, and ANCSA corporations and masks and diffuses decision-making authority and withdraws it to Washington, D.C., making the Forest Service less responsive to local concerns; and

''Whereas moving the Alaska Region Forest Service office to Portland, Oregon, is an example of the flawed science being used to define ecosystems and ecological boundaries; and

''Whereas the newly defined purpose of the Forest Service to promote the sustainability of ecosystems without specifically retaining the traditional Forest Service objective of promoting community stability has already created problems and crises for hundreds of communities dependent upon the national forests and state and private forest ecosystems; and

''Whereas the new strategic plan has seemingly turned away from commitment towards providing a continuous flow of renewable resources to meet the public need, as directed in the Organic Act, Multiple-Use Sustained Yield Act of 1960, the National Forest Management Act, and other Acts of the Congress; and

''Whereas, under the new strategic plan, the Forest Service is more inclined to present a nebulous plan for ecosystem management where resource yields are simply the by-products of management, with no predictable flows or commitments to supply levels to sustain human life: Be it

''*Resolved,* That the Alaska State Legislature calls upon the newly designated Secretary of Agriculture to suspend implementation of the reinvention project's strategic plan approved by Secretary Espy to allow for Congressional review and for consultation with local governments; and be it further

''*Resolved,* That the United States Department of Agriculture, Forest Service, conduct true partnership meetings with states, communities, tribal governments, and ANCSA corporations to develop a new strategic plan; and be it further

''*Resolved,* That the Forest Service acknowledge the United States Department of Agriculture's legal obligations to rebuild, restore, and promote the economic stability of forest dependent communities; and be it further

''*Resolved,* That, in keeping with federal law, timber commodities are a primary not a residual value of forest management; and be it further

''*Resolved,* That the United States Department of Agriculture, Forest Service, through a true partnership with local communities, identify and implement strategies for decentralizing decision making and empowering state and local governments to more effectively manage forest ecosystems to assure community stability, improve service to the public, and reduce government cost.

''Copies of this resolution shall be sent to the Honorable Bill Clinton, President of the United States; the Honorable Al Gore, Jr., Vice-President of the United States and President of the U.S. Senate; the Honorable Dan Glickman, Secretary of Agriculture; the Honorable Bruce Babbitt, Secretary of the Interior; Jack Ward Thomas, Chief of the Forest Service, U.S. Department of Agriculture; and the Honorable Ted Stevens and the Honorable Frank Murkowski, U.S. Senators, and the Honorable Don Young, U.S. Representative, members of the Alaska delegation in Congress.''

POM–484. A resolution adopted by the Legislature of the State of Alaska; to the Committee on Commerce, Science, and Transportation.

''LEGISLATIVE RESOLVE NO. 22

''Whereas 46 U.S.C. Appx. 861–889 (Merchant Marine Act of 1920), commonly known as the Jones Act, requires that seaborne shipping between United States ports be done on vessels that have been constructed in the United States and that are crewed by United States crews; and

''Whereas this requirement has resulted in much higher costs for shipping bulk commodities on United States vessels between domestic ports than for shipping those commodities on foreign carriers between United States and foreign ports; and

''Whereas there are currently no bulk carriers constructed in the United States that are capable of servicing the large-scale movement of Alaska coal and coal derived fuels; and

''Whereas, because the transportation cost for a high-tonnage, low-value bulk commodity is often a significant part of the total delivered cost of that commodity, a higher shipping cost can frequently keep a bulk commodity from being competitive; and

''Whereas Alaska coal and coal derived fuels are a potential fuel source for utilities and industries on the west coast of the United States and in Hawaii; and

''Whereas the current difference between Jones Act shipping rates and foreign shipping rates has made the delivered cost of foreign coal significantly less expensive than domestic coal as evidenced by the current supply agreements between a Hawaiian independent power producer and an Indonesian coal supplier; and

''Whereas greatly increased coal usage figures prominently in the future generation plans for Hawaiian utilities and thus will create prospective markets for Alaska coal; and

''Whereas it is the policy of the State of Alaska under AS 44.19.035 to persuade the Congress to repeal the Jones Act: Be it

Resolved, That the Alaska State Legislature opposes the application of the Jones Act to bulk commodities, such as coal and coal derived fuels, because of the Acts detrimental effect on Alaska commerce; and be it further

Resolved, That the Alaska State Legislature respectfully requests the Congress to pass legislation exempting Alaska bulk commodities, such as coal and coal derived fuels, from provisions of the Jones Act.

''Copies of this resolution shall be sent to the Honorable Bill Clinton, President of the United States; the Honorable Al Gore, Jr., Vice-President of the United States and President of the U.S. Senate; the Honorable Federico Pena, Secretary of the U.S. Department of Transportation; the Honorable Newt Gingrich, Speaker of the U.S. House of Representatives; the Honorable Bob Dole, Majority Leader of the U.S. Senate; and the Honorable Ted Stevens and the Honorable Frank Murkowski, U.S. Senators, and the Honorable Don Young, U.S. Representative, members of the Alaska delegation in Congress.''

POM–485. A resolution adopted by the Legislature of the State of Alaska; to the Committee on Energy and Natural Resources:

''LEGISLATIVE RESOLVE NO. 26

''Whereas the State of Alaska entered into the Union on an equal footing with all other states, and the Statehood Compact specifically granted authority over fish and wildlife to the State of Alaska; and

''Whereas the issue of fisheries management was one of the most prominent justifications for statehood; and

''Whereas the State of Alaska contends that the Statehood Compact cannot be legally modified by either party without the consent of the other party; and

''Whereas the Congress and the President of the United States are presently embarking on a campaign to return rights and authority to the states; and

''Whereas Title VIII of the Alaska National Interest Lands Conservation Act (ANILCA; P.L. 96–487), enacted in 1980, grants a subsistence priority on federal public land in Alaska; and

''Whereas the Secretary of the Interior and the Secretary of Agriculture have threatened unilateral federal preemption of state fish and wildlife management on state and private land and water in Alaska; and

''Whereas the State of Alaska, the federal government, and other parties are attempting to sort out the complexities of the federal law related to jurisdictional issues created by ANILCA; and

''Whereas the legal process for developing a final resolution to the jurisdictional questions is extremely slow, and major social and economic disruption is imminent if the federal government continues on a course to illegally and unconstitutionally preempt state management of fish and wildlife; and

''Whereas the Congress specifically declined to grant preemption authority to the Secretary of the Interior and the Secretary of Agriculture in ANILCA; and

''Whereas the Congress specifically reemphasized that the jurisdiction and authority of the state were to be maintained; and

''Whereas the Alaska State Legislature is confident that the Alaska delegation in the Congress and the people of Alaska would never have agreed to the final compromise ANILCA package had they been advised that ANILCA contained provisions to allow federal preemption of all state fish and wildlife management in Alaska; and

''Whereas the federal agencies and some parties are arguing in recent court cases concerning state/federal jurisdiction that federal reserved water rights and the navigational servitude provide legal basis for a claim of federal title to land and resources; and

''Whereas this interpretation of federal laws related to federal reserved water rights and the navigational servitude is contrary to all existing related laws and policies adopted by the Congress and threatens to undermine existing reserved water rights and navigable waters policies that are critical to all western states: Be it

''*Resolved,* That the Alaska State Legislature respectfully and urgently requests the Congress to amend the Alaska National Interest Lands Conservation Act (ANILCA) to clarify that the original intent of the Congress was not to violate the Statehood Compact or to preempt state management of fish and wildlife in Alaska; and be it further

''*Resolved,* That the Alaska State Legislature respectfully requests that the Congress amend ANILCA to clarify that the definition of ''public lands'' means only federal public land and water; and be it further

''*Resolved,* That, while the federal courts are resolving the federal/state conflicts created by Title VIII of ANILCA, the Alaska State Legislature respectfully requests that the Congress amend ANILCA to expressly prohibit preemption of state jurisdiction on state and private land and water unless specifically authorized by the Congress and the State of Alaska; and be it further

''*Resolved,* That the Alaska State Legislature respectfully requests the Congress to clarify that neither ANILCA nor another federal law provides authority for the federal agencies to claim title to resources or land through federal reserved water rights or through the navigational servitude; and be it further,

''*Resolved,* That the Alaska State Legislature respectfully requests the Alaska delegation in Congress to oppose any other amendments to ANILCA until the Congress takes action to confirm state management and to limit the definition of ''public lands.''

''Copies of this resolution shall be sent to the Honorable Al Gore, Jr., Vice-President of the United States and President of the U.S. Senate; the Honorable Newt Gingrich, Speaker of the U.S. House of Representatives; the Honorable Strom Thurmond, President Pro Tempore of the U.S. Senate; the Honorable Bob Dole, Majority Leader of the U.S. Senate; and to the Honorable Ted Stevens and the Honorable Frank Murkowski, U.S. Senators, and the Honorable Don Young, U.S. Representative, members of the Alaska delegation in Congress.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. MURKOWSKI, from the Committee on Energy and Natural Resources, without amendment:

S. 1196. A bill to transfer certain National Forest System lands adjacent to the townsite of Cuprum, Idaho (Rept. No. 104–189).

By Mr. WARNER, from the Committee on Rules and Administration, without amendment:

S. 426. A bill to authorize the Alpha Phi Alpha Fraternity to establish a memorial to Martin Luther King, Jr., in the District of Columbia, and for other purposes (Rept. No. 104–190).

By Mr. D'AMATO, from the Special Committee To Investigate Whitewater Development Corporation and Related Matters, without amendment and with a preamble:

S. Res. 199. An original resolution directing the Senate Legal Counsel to bring a civil action to enforce a subpoena of the Special Committee to Investigate Whitewater Development Corporation and Related Matters to William H. Kennedy III (Rept. No. 104–191).

By Mr. MURKOWSKI, from the Committee on Energy and Natural Resources, with an amendment in the nature of a substitute:

S. 884. A bill to designate certain public lands in the State of Utah as wilderness, and for other purposes (Rept. No. 104–192).

By Mrs. KASSEBAUM, from the Committee on Labor and Human Resources, with an amendment in the nature of a substitute:

S. 1180. A bill to amend title XIX of the Public Health Service Act to provide for health performance partnerships, and for other purposes (Rept. No. 104–193).

By Mr. CHAFEE, from the Committee on Environment and Public Works, without amendment:

H.R. 965. A bill to designate the Federal building located at 600 Martin Luther King, Jr. Place in Louisville, Kentucky, as the ''Romano L. Mazzoli Federal Building''.

H.R. 1253. A bill to rename the San Francisco Bay National Wildlife Refuge as the Don Edwards San Francisco Bay National Wildlife Refuge.

S. 776. A bill to reauthorize the Atlantic Striped Bass Conservation Act and the Anadromous Fish Conservation Act, and for other purposes.

S. 1315. A bill to designate the Federal Triangle Project under construction at 14th Street and Pennsylvania Avenue, Northwest, in the District of Columbia, as the ''Ronald Reagan Building and International Trade Center''.

S. 1388. A bill to designate the United States courthouse located at 800 Market Street in Knoxville, Tennessee, as the ''Howard H. Baker, Jr. United States Courthouse''.

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. HATCH, from the Committee on the Judiciary:

Tommy Edward Jewell III, of New Mexico, to be a Member of the Board of Directors of the State Justice Institute for a term expiring September 17, 1998. (Reappointment.)

(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. PRESSLER:

S. 1485. A bill to require the Secretary of the Interior to submit a report on Indian tribal school construction funds to certain committees of Congress, and for other purposes; to the Committee on Indian Affairs.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. D'AMATO:

S. Res. 199. An original resolution directing the Senate Legal Counsel to bring a civil action to enforce a subpoena of the Special Committee to Investigate Whitewater Development Corporation and Related Matters to William H. Kennedy III; from the Special Committee To Investigate Whitewater Development Corporation and Related Matters; placed on the calendar.

By Mr. LUGAR:

S. Res. 200. A resolution expressing the sense of the Senate that the Republic of Trinidad and Tobago should be considered for accession to the North American Free Trade Agreement; to the Committee on Finance.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. PRESSLER:

S. 1485. A bill to require the Secretary of the Interior to submit a report on Indian tribal school construction funds to certain committees of Congress, and for other purposes; to the Committee on Indian Affairs.

TRIBAL SCHOOL CONSTRUCTION FUNDS LEGISLATION

Mr. PRESSLER. Mr. President, today, I am introducing legislation that would require the Department of Interior to report to Congress within 30 days on the availability of unobligated tribal school construction funds. These are funds that were appropriated for construction in a previous fiscal year, but never spent.

Tribal schools have a deplorable backlog of needed construction and repairs. Indian children continue to attend school in dilapidated and even condemned buildings despite congressional efforts to correct the problems over the last several decades. Many in Congress are interested in finding ways to finance the cost of these needed improvements in the face of limited Federal resources. However, the first step is to determine and account for funds previously appropriated. This accounting is necessary in order to consider financing options.

I sincerely regret that it takes legislation to request an accounting of these unobligated funds. The distinguished chairman of the Indian Affairs Committee, Senator MCCAIN, and I repeatedly have asked the Bureau of Indian Affairs [BIA] for a report, but the BIA has refused to provide this information. I sincerely hope that this refusal is not due to mismanagement of this particular BIA account. Therefore, in light of the BIA's failure to accurately account for its own budget, legislation is necessary. I look forward to hearing from the BIA on this matter and will work with my colleagues on this important issue. The bottom-line goal is to provide native American children a positive, healthy, and safe environment to learn.

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. 1485

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

SECTION 1. REPORT ON FUNDING OF FACILITY IMPROVEMENT, REPAIR, AND CONSTRUCTION OF SCHOOLS OF THE BUREAU OF INDIAN AFFAIRS.

(a) IN GENERAL.—Not later than 30 days after the date of enactment of this Act, the Secretary of the Interior shall prepare and submit to the Committee on Indian Affairs of the Senate and the Subcommittee on Native American and Insular Affairs of the Committee on Resources of the House of Representatives a report on the amounts made available to the Department of the Interior for facility improvement, repair, and new construction of schools of the Bureau of Indian Affairs under part B of title XI of the Education Amendments of 1978 (25 U.S.C. 2001 et seq.).

(b) CONTENT OF REPORT.—The report prepared under subsection (a) shall—

(1) for each of fiscal years 1992 through 1995, specify—

(A) the amounts made available to the Department of the Interior for facility improvement, repair, and new construction of schools of the Bureau of Indian Affairs under part B of title XI of the Education Amendments of 1978 (25 U.S.C. 2001 et seq.); and

(B) any amount of those amounts that were not obligated during the fiscal year for which the funds were made available; and

(2) include information concerning the availability of funds for facility improvement, repair, and new construction of schools of the Bureau of Indian Affairs prior to fiscal year 1992.

ADDITIONAL COSPONSORS

S. 582

At the request of Mr. HATFIELD, the name of the Senator from Wyoming [Mr. THOMAS] was added as a cosponsor of S. 582, a bill to amend title 28, United States Code, to provide that certain voluntary disclosures of violations of Federal laws made pursuant to an environmental audit shall not be subject to discovery or admitted into evidence during a Federal judicial or administrative proceeding, and for other purposes.

S. 704

At the request of Mr. SIMON, the name of the Senator from Maine [Ms. SNOWE] was added as a cosponsor of S. 704, a bill to establish the Gambling Impact Study Commission.

S. 969

At the request of Mr. BRADLEY, the name of the Senator from New Mexico [Mr. DOMENICI] was added as a cosponsor of S. 969, a bill to require that health plans provide coverage for a minimum hospital stay for a mother and child following the birth of the child, and for other purposes.

S. 1169

At the request of Mr. KEMPTHORNE, the name of the Senator from Idaho [Mr. CRAIG] was added as a cosponsor of S. 1169, a bill to amend the Reclamation Wastewater and Groundwater Study and Facilities Act to authorize construction of facilities for the reclamation and reuse of wastewater at McCall, Idaho, and for other purposes.

S. 1315

At the request of Mr. MOYNIHAN, the name of the Senator from Idaho [Mr. KEMPTHORNE] was added as a cosponsor of S. 1315, a bill to designate the Federal Triangle Project under construction at 14th Street and Pennsylvania Avenue, Northwest, in the District of Columbia, as the ''Ronald Reagan Building and International Trade Center''.

S. 1469

At the request of Mr. BROWN, the names of the Senator from Michigan [Mr. ABRAHAM], the Senator from Arkansas [Mr. BUMPERS], the Senator from Indiana [Mr. LUGAR], and the Senator from Illinois [Mr. SIMON] were added as cosponsors of S. 1469, a bill to extend the United States-Israel free trade agreement to the West Bank and Gaza Strip.

S. 1473

At the request of Ms. SNOWE, the name of the Senator from New York [Mr. D'AMATO] was added as a cosponsor of S. 1473, a bill to authorize the Administrator of General Services to permit the posting in space under the control of the Administrator of notices concerning missing children, and for other purposes.

SENATE RESOLUTION 199—ORIGINAL RESOLUTION REPORTED DIRECTING THE SENATE LEGAL COUNSEL

Mr. D'AMATO, from the Special Committee To Investigate Whitewater Development Corporation and Related Matters, reported the following original resolution:

S. RES. 199

Whereas the Special Committee To Investigate Whitewater Development Corporation and Related Matters (''the Special Committee'') is currently conducting an investigation and public hearing pursuant to Senate Resolution 120, section 5(b)(1) of which authorizes the Special Committee to issue subpoenas for the production of documents;

Whereas on December 8, 1995, the Special Committee authorized the issuance of a subpoena duces tecum to William H. Kennedy, III, directing him to produce certain documents to the Special Committee by 5:00 p.m. on December 12, 1995;

Whereas on December 12, 1995, the Special Counsel to the President, on behalf of the White House, and personal counsel for the President and Mrs. Clinton, submitted to the Special Committee legal objections to the compelled production of documents under the Special Committee's subpoena;

Whereas on December 12, 1995, counsel for Mr. Kennedy notified the Special Committee that, based upon the instructions of the White House Counsel's Office and personal counsel for President and Mrs. Clinton, Mr. Kennedy would not comply with the subpoena;

Whereas, having considered the legal objections that had been submitted by the White House, personal counsel for President and Mrs. Clinton, and Mr. Kennedy, on December 14, 1995, the Special Committee overruled those objections in their entirety and ordered and directed that Mr. Kennedy comply with the Special Committee's subpoena by 9:00 a.m. on December 15, 1995;

Whereas Mr. Kennedy has refused to comply with the Special Committee's subpoena as ordered and directed by the Special Committee;

Whereas, pursuant to the authority of section 5(b) of Senate Resolution 120, including the reporting provisions of section 5(b)(10), the Special Committee is authorized to report to the Senate recommendations for civil enforcement with respect to the willful failure or refusal of any person to produce before the Special Committee any document or other material in compliance with any subpoena or order;

Whereas under sections 703(b) and 705 of the Ethics in Government Act of 1978, title 2, United States Code, sections 288b(b) and 288d, the Senate Legal Counsel shall bring a civil action under title 28, United States Code, section 1365 to enforce a subpoena or order of a Senate committee when directed to do so by a resolution of the Senate: Now, therefore, be it

Resolved, That the Senate Legal Counsel shall bring a civil action in the name of the Special Committee to Investigate Whitewater Development Corporation and Related Matters to enforce the Special Committee's subpoena and order to William H. Kennedy, III, and the Senate Legal Counsel shall conduct all related civil contempt proceedings.

SENATE RESOLUTION 200—RELATIVE TO TRINIDAD AND TOBAGO

Mr. LUGAR submitted the following resolution; which was referred to the Committee on Finance:

S. RES. 200

Whereas the Republic of Trinidad and Tobago meets the requirements for accession to the North American Free Trade Agreement (hereafter referred to as the ''NAFTA'');

Whereas the Republic of Trinidad and Tobago has successfully implemented programs to liberalize the country's economy and trade regime, particularly by lowering tariffs, divesting its holdings in the production sector, and promoting private sector development;

Whereas the Republic of Trinidad and Tobago has entered into a Bilateral Investment Treaty and an Intellectual Property Rights Agreement with the United States;

Whereas the Republic of Trinidad and Tobago has expressed an active interest in entering into negotiations for accession to the NAFTA;

Whereas the Republic of Trinidad and Tobago seeks to ensure that the markets of North America and the markets of Trinidad and Tobago are open to each others; products and services on a reciprocal basis;

Whereas major United States-based multinational companies and successfully operating in the Republic of Trinidad and Tobago and access to the NAFTA would afford these companies enhanced investment security as well as a more comprehensive legal framework for their operations in Trinidad and Tobago;

Whereas the Republic of Trinidad and Tobago is a small but significant non-OPEC producer of oil and gas and has continually and significantly contributed to the energy security of the Western Hemisphere;

Whereas several United States energy companies have substantial investments in the petrochemical and hydrocarbon sectors of the economy of Trinidad and Tobago; and

Whereas many members of the Congress and the Administration have applauded the fiscal discipline which has led to the continued liberalization of the economy of the Republic of Trinidad and Tobago and have expressed interest in including the Republic of Trinidad and Tobago in the NAFTA: Now, therefore, be it.

Resolved, That it is the sense of the Senate that the Republic of Trinidad and Tobago should be deemed ready, willing, and able to undertake all of the general obligations imposed by the North American Free Trade Agreement and that the President should consider favorably the request of the Republic of Trinidad and Tobago to commence negotiations for accession to the NAFTA as soon as comparable negotiations with the Government of Chile are concluded.

Mr. LUGAR. Mr. President, I submit a sense-of-the-Senate resolution urging Trinidad and Tobago's accession to the North American Free Trade Agreement [NAFTA]. Trinidad and Tobago's admission to the NAFTA between the United States, Mexico and Canada is essential to ensuring continued growth and prosperity. Participation in the NAFTA and the contemplated Free Trade Agreement of the Americas will promote sustained economic development and increased commercial activity between Trinidad and Tobago and its hemisphere neighbors. Indeed, free trade in the western hemisphere would be in the common economic interest because it would be wealth-maximizing for all members.

Trinidad and Tobago is well prepared to undertake the obligations of NAFTA. As one of the most advanced economies in the Caribbean, the island nation has successfully implemented economic reforms that have deregulated industry, lowered tariff barriers, and promoted investment. Its achievements are in keeping with criteria for NAFTA eligibility that the Administration has laid out in negotiations with Chile.

Trinidad and Tobago has enjoyed good relations with the United States through the years. The two countries share a fundamental commitment to civil liberties and human rights. In recent years cooperation has included working to curtail illegal drug shipments and money laundering in the hemisphere and sharing information relating to customs modernization and reorganization. Trinidad and Tobago and the United States have long enjoyed cordial diplomatic relations as well as strong economic ties arising from the investment of United States companies in the energy sector of Trinidad and Tobago. Both countries have dedicated significant resources to the full restoration of democracy and free market development in nearby Haiti and Cuba.

The end of the cold war has altered the nature of the U.S. interest in the Caribbean. Apart from geographic proximity, the flow of people, commodities, culture, and a shared interest in combatting drug trafficking, protection of economic interests and fragile ecosystems have bound the hemispheric together as never before. As with United States-Mexico relations, United States-Caribbean relations dramatically demonstrate the inseparability of foreign and domestic issues.

The opportunities for growth and investment for U.S. companies are increasing. The Trinidad and Tobago oil and gas industry is growing steadily, spurring growth in an increasingly diversified economy. This presents excellent opportunities for United States companies interested in conducting operations in the Caribbean as a nexus for trade with South America and the Pacific Rim through the Panama canal.

Sustainable growth can be most readily achieved in Trinidad and Tobago by its integration into the regional trade framework. Trade between Caribbean countries accounts for a mere 4 percent of their exports, and investment between the countries of the region is negligible. Trinidad and Tobago is an economic leader within CARICOM, provides most of the current investment and is major creditor in the region. The economies are small; domestic markets and intra-Caribbean markets cannot absorb production and therefore cannot foster meaningful trade expansion. Future economic prosperity for Trinidad and Tobago lies in its rapid integration into the North American market.

Economic Reform. Over the past several years, Trinidad and Tobago has created a solid macroeconomic climate through a strong governmental commitment to private-sector-led expansion and export growth. Trinidad and Tobago has had an aggressive program of divestment of public holdings in commercial companies. Fifteen companies have been divested over the past 3 years, including the generation division of the national electric company, the national airline and the iron and steel company. Divestment procedures are in progress for another 13 companies.

Trinidad and Tobago's aggressive economic reform policy decisions, rigorously implemented, have yielded positive results and created allies out of many skeptics in the business community. Despite the support for high labor standards and protection of workers' rights and despite actual reductions in unemployment—currently about 18 percent—the macro-economic reforms cannot by themselves reduce unemployment to acceptable levels.

Trinidad and Tobago's Government accounts are now tractable. The fiscal deficit, which averaged 7.2 percent in 1986–88, has been reduced to 1.7 percent over the last 5 years. In 1994, the government closed the year with a small

fiscal surplus and expects a similar result again in 1995.

The balance of payments in Trinidad and Tobago has also begun to demonstrate a new robustness. Following 11 years of continuous deficit, for the past 2 years the external accounts were in surplus. A supportive monetary policy is in place, aimed at restraining exchange reserves. As a result, inflation is moderate and falling. The inflation rate from September 1993 to September 1994 was only 6.4 percent. The government floated the Trinidad dollar in 1993 and has now fully absorbed the devaluation occasioned by that flotation. The exchange rate has held remarkably firm. Consequently, the inflation rate is expected to fall under 5 percent this year.

The external debt service payments have been onerous—well over a half a billion U.S. dollars last year. Nevertheless, the government has reduced the debt significantly and it now represents barely 30 percent of GDP—this down from 42 percent in 1992.

Trinidad and Tobago has instituted a major structural adjustment away from import substitution and is vigorously pursuing a policy of export led growth. Almost overnight, the old tariff structure has been dismantled. In 1991, 40 percent of the items were removed from the import negative list. In 1995, the temporary surcharge imposed subsequent to the removal of items from the negative list, was reduced to zero.

In 1994, the majority of agricultural items were removed from the negative list. Nevertheless, total output in this sector increased by almost 12 percent. Consistent with the obligations within CARICOM, the existing maximum tariff of 30 percent will be phased down to 20 percent by 1998. It is important to note, however, that a more accurate reflection of the openness of the trade regime is that average tariff rates are now less than 6 percent for imports from the United States.

Favorable Investment Climate. The best proof of the success in creating a favorable investment climate is evidenced by the surge of direct investment. In 1995, the Government of Trinidad and Tobago reduced the corporate tax rate for foreign investors from 45 to 38 percent. In 1994, investment flows from the U.S. reached almost $700 million and for 1995, the country has commitments for $1.2 billion. Trinidad and Tobago will easily surpass all other countries in the hemisphere in attracting foreign investment.

Trinidad and Tobago will, as a member of the NAFTA, maintain United States environmental, health and safety workplace standards. Trinidad and Tobago's Government procurement provisions guarantee United States firms the ability to compete for government contracts. Tariffs on most U.S. exports have been eliminated in the computer, oil refining equipment, special industrial machinery, pharmaceutical, telecommunications and photographic equipment and sectors. In addition, Trinidad and Tobago has signed both a Bilateral Investment Treaty [BIT] and Agreement on Intellectual Property Rights with the United States.

Hemispheric Energy Security. Trinidad and Tobago is a major oil-producing country. Trinidad's 10.6 trillion cubic feet of natural gas reserves represents a 45-year reserves life index. The economy is based largely on its plentiful reserves of petroleum and natural gas. As a result, Trinidad and Tobago has developed good relationships with United States oil companies involved in oil and gas development and extraction. The strategic geographic location of the islands has favored the establishment of large oil refineries and other facilities designed to promote energy research and to produce natural gas and petroleum byproducts such as methanol and ammonia fertilizer.

Trinidad and Tobago is the world's second largest exporter of nitrogenous ammonia fertilizer, a natural gas byproduct. One-third of the United States 3 million tons of ammonia imports come from Trinidad and Tobago annually, valued at $240 million in 1994, according to U.S. Commerce Department figures. This is equal to about 5 percent of U.S. ammonia fertilizer usage annually.

The United States currently imports 80 MBD of crude oil and petroleum products from Trinidad and Tobago valued at over $500 million a year in 1994, or 1 percent of the Nation's oil imports.

Cooperation on Drug Trafficking. Trinidad and Tobago has modernized its customs operations. It has introduced the automated system for the collection of customs data, which is now operational in most of the country. Officials expect that this critical element in the administrative reform of the Customs department will be extended to Tobago and to the industrial estate at Point Lisas during 1995.

Trinidad and Tobago is not a major producer, consumer or trafficker of illegal drugs, precursor chemicals, or money laundering. The Government and the people of Trinidad and Tobago recognize that illegal drugs are disruptive to public health, safety, and the social fabric. Business people contend that money laundering undermines legitimate economic activities. The effects of illegal drug related activity are likely to increase, particularly if economies suffer and drug related work is seen as one of the few income producing opportunities available.

Passage of the Dangerous Drugs Amendment in November 1994 brought the laws of Trinidad and Tobago into conformity with the requirements of the 1988 United Nations Convention. The new law prohibits activities regarding the manufacture of precursor chemicals, money laundering activities, assets forfeiture, and removal of impediments to effective prosecution.

Since 1992, local Trinidad and Tobago banks have voluntarily reported large deposits to the police department's Office of Strategic Services [OSS], a special unit built to diminish the availability of banking services to traffickers. OSS collects intelligence on financial transactions and in 1994 published a money laundering information pamphlet for local financial institutions.

Conclusion. Mr. President, the Republic of Trinidad and Tobago deserves consideration as the next country to accede to NAFTA, following Chile. It has successfully undertaken economic reforms that have attracted foreign investment, reduced debt, and expanded the private sector. In order to further expand its economy, Trinidad and Tobago needs greater access to the larger markets of the hemisphere. The reality is that Caribbean economies are small. Domestic markets and intra-Caribbean markets alone, cannot absorb production and therefore cannot foster meaningful trade expansion. Future economic prosperity for Trinidad and Tobago—as well as for other eligible countries—lies in its rapid integration into the North American market. In submitting this resolution, I hope Trinidad and Tobago can soon be considered for membership in the NAFTA.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON ENVIRONMENT AND PUBLIC WORKS

Mr. LOTT. Mr. President, I ask unanimous consent that the full Committee on Environment and Public Works be granted permission to meet to consider pending business Tuesday, December 19, 1995, at 2:30 p.m., hearing room SD–406.

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

COMMITTEE ON THE JUDICIARY

Mr. LOTT. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet during the session of the Senate on Tuesday, December 19, 1995, at 10:30 a.m. to hold a hearing on ''Trends in Youthful Drug Use.''

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

SELECT COMMITTEE ON INTELLIGENCE

Mr. LOTT. Mr. President, I ask unanimous consent that the Select Committee on Intelligence be authorized to meet during the session of the Senate on Tuesday, December 19, 1995 at 3:00 p.m to hold a conference with the House Intelligence Committee regarding the fiscal year 1996 intelligence authorization.

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

ADDITIONAL STATEMENTS

THE 40TH ANNIVERSARY OF THE DEDICATION OF THE U.S. AIR FORCE ACADEMY

● Mr. CAMPBELL. Mr. President, I rise today on behalf of myself and my

distinguished colleague, Senator BROWN, the senior Senator from Colorado. I know I speak for him as well, as I address the Senate today.

On April 1, 1954 President Eisenhower signed Public Law 325, the Air Academy Act. On June 24, Secretary of the Air Force Harold Talbott announced that Colorado Springs would be the permanent site of the U.S. Air Force Academy and Denver would serve as the temporary site. Senator Ed Johnson stated, ''This is the greatest thing that has happened to Colorado since Pikes Peak was discovered by Zebulon Pike.'' The U.S. Air Force Academy was officially activated at Lowry Air Force Base, July 27, 1954, and proceeded to build in strength pending the arrival of the first class of cadets—July 11, 1955—which date marks the official dedication and opening of the U.S. Air Force Academy.

Dedication Day began with the arrival of the 307 young men who would comprise the Class of 1959. The morning was spent in processing, uniforms, hair cuts, and so forth, and by 11 a.m. they were lined up for intensive close order drill instruction. That afternoon, with the stands filled with 4,159 military and civilian dignitaries, public officials, the foreign attaché corps, cadets from West Point and Annapolis, the press and parents, with a formation of B–36 bombers flying overhead, and with the U.S. Air Force Band playing, the 307 cadets marched on the field in such perfect formation it brought tears in the eyes of the spectators.

At the end of the ceremonies, the guests were invited by the Denver Chamber of Commerce to attend a real chuck wagon buffalo barbecue at the Red Rocks Park Amphitheater, a fitting climax to a historic day.

We Coloradans are, indeed, proud that Colorado was chosen as the location of the temporary and permanent sites of the U.S. Air Force Academy. The Nation is, indeed, proud of the outstanding leaders who have graduated from the U.S. Air Force Academy—both in the Air Force and civilian life.

We would also like to pay tribute to those officers whose wisdom and foresight in the Academy's inception insured a great measure of the success that has been achieved by the Academy. Among these are Lt. Gen. Hubert R. Harmon, the first Superintendent and Father of the U.S. Air Force Academy; Col. (later Brig. Gen.) Robert M. Stillman, Commandant of Cadets; Col. (later Brig. Gen.) Robert F. McDermott, Dean; Col. William B. Taylor III, Assistant Chief of Staff (Special Projects), and Col. Robert V. Whitlow, Director of Athletics.

LT. GEN. HUBERT R. HARMON, FIRST SUPERINTENDENT AND FATHER OF THE U.S. AIR FORCE ACADEMY

President Eisenhower personally selected his close friend and West Point classmate Lt. Gen. Hubert R. Harmon to be the new Air Force Academy's first Superintendent as he knew ''Doodles'' Harmon would be, by far, the best man for the job. General Harmon was from a prominent military family as his father and two brothers were West Point graduates, as were the husbands of his two sisters. His wife, Rosa May Kendricks' father was U.S. Senator John B. Kendricks (Wyoming). He had a distinguished military career being equally at home at an Academy football game—even though he weighed only 146 pounds, he won his ''A'' in football—piloting a combat airplane—the distinguished flying cross with cluster—on the golf course with President Eisenhower; as Air Attaché at the Court of St. James; and at the United Nations where he was the Senior U.S. Military Representative.

In December 1949, he was given the additional duty of Special Assistant to the Chief of Staff for Air Force Academy Matters charged with all details of developing ideas into an operational Air Force Academy. For the next 5 years, General Harmon and his team conferred endlessly with distinguished educators from all parts of the country; sifted and weighed the curriculum of universities and Service Academies in the United States and abroad, searching out the best features of each so painstaking by examining every suggestion referred to them by Congress or the Defense Department for its merit and workability. Every effort was made to select the finest officers for each segment of the Academy, to prepare the academic and military course material and, as required, to send officers to universities for specific academic training.

During the numerous meetings held in the Pentagon, the Bureau of the Budget and in the House and Senate Armed Services Committee hearings, General Harmon was the star witness, selling the U.S. Air Force Academy concept, which led to the passage of Public Law 325, 83d Congress, the Air Academy Act signed by President Eisenhower April 1, 1954. On June 24, Secretary Talbott announced that the Academy would be located at Colorado Springs and pending the design and construction of the permanent facilities, the Academy would be located at a temporary site at Denver (Lowry). On August 14, General Order No. 1 announced the official establishment of the Academy at Lowry—effective July 27—with General Harmon as its superintendent.

He was a very meticulous person and was involved in all major aspects of the Academy, that is, rehabilitation of Lowry's buildings, the phasing in of all personnel; insuring that all items required to operate all facets of the Academy were procured and in place and, most important, that the new Academy would attract the most outstanding young men who were to be the future leaders of the Air Force.

General Harmon was an outstanding example of the ideal leader, a brilliant, thoughtful, dynamic, respectful, understanding officer whose men would gladly follow him anywhere.

With the arrival of the Academy's first class of cadets at Lowry on July 11, 1955, the U.S. Air Force Academy was born, with Lt. Gen. Hubert R. Harmon overseeing them as the Academy's ''Proud Father!'' As President Eisenhower later wrote ''Hubert was loved and admired by many; to Mamie and me he always seemed the ideal classmate and so we had for him a boundless affection.'' This was shared by Gen. Thomas D. White, Air Force Chief of Staff, who wrote, ''The Air Force has lost one of its most inspiring leaders and the Father of our new Air Force Academy.'' Senator Gordon Allott (Colorado), who served under General Harmon in World War II, wrote, ''Few have had as much courage and set so fine an example as he did. His quiet, fair and, above all, his genuine qualities have been stamped on the entire Academy and I believe will be reflected in every student who graduates.''

BRIG. GEN. ROBERT M. (MOOSE) STILLMAN

Brig. Gen. Robert M. (Moose) Stillman was the ideal officer to be appointed the first Commandant of Cadets. He was a leader's leader having been a star football player and line coach at West Point, 8th Air Force Bomb Group Commander, POW at Stalag Luft III, and, while serving in the Office of the Deputy Chief of Staff for Personnel, was involved in the early planning of the U.S. Air Force Academy. Moose was more mature than most of the other key Academy officers as he was West Point 1933, whereas McDermott, Whitlow and others were West Point 1943. He was a burly, genial man with a great sense of humor and was an avid sportsman. Colorado was his State as he grew up in Pueblo and attended Colorado College in Colorado Springs before entering West Point.

As there were no upper classmen to supervise the ''Doolies'' (plebes), outstanding young officers, many with Korean combat records, were assigned to be the Air Training Officers and Air Officer's Commanding to fill this vital role. As their careers progressed, many of these officers became key U.S. Air Force officials, that is, Chief of Staff, Superintendent of the U.S. Air Force Academy, and so forth.

''Moose'' Stillman used a modified version of the West Point Commandant of Cadets system which proved to be most successful in the installation of command and leadership into the future Air Force leaders. The basic fundamentals of this system are incorporated into today's curriculum.

The training function as envisioned by General Stillman was divided into three main components: Military training, flying training, and physical training, thus the individual cadets would experience a 4-year laboratory exercise in command and leadership. At all stages of the planning for the Academy, the philosophy of a ''sound mind in a sound body'' was recognized as a fundamental principle. To assist him in running the Commandant of Cadets Department, he hand picked outstanding

young Majors, Lieutenant Colonels and Colonels, many of whom were later promoted to General Officer and held major Air Force positions.

When General Stillman turned over the Command of the Cadet Wing on August 1, 1958, the mould had been set which other Commandants were prepared to implement. It is only fitting that the Academy Parade Ground has recently been named the Maj. Gen. Robert M. Stillman Parade Ground in honor of this outstanding officer.

COL. (BRIG. GEN.) ROBERT F. MC DERMOTT

McDermott, as his close friends call him, attended Norwich University for 2 years before entering West Point, graduating in 1943. After service as a fighter pilot in the European theater he served as a personnel staff officer in the Pentagon and then to Harvard for his MBA. From 1950 to 1954 (when he was assigned to the faculty of the new U.S. Air Force Academy) he was an instructor in the West Point Department of Social Studies under the tutelage of two distinguished military educators, Col. Herman Blukema and Col. George Lincoln. From the Academy's inception in 1954 he served as Professor and Head of the Department of Economics with additional duties as Faculty Secretary, Vice Dean, Acting Dean and later Dean (replacing Brig. Gen. Don Zimmerman).

McDermott was a visionary in that he realized that the university educational system was undergoing a drastic change and that the new U.S. Air Force Academy's curriculum must reflect this change in order to meet the educational and technological challenges of the modern world. The first major change was the Academy's Enrichment Program which was designed for the gifted cadets and those who had completed college level courses at other institutions. The Enrichment Program broadens the field of study, challenging the cadet to advance academically as far and fast as the cadet was able to accomplish. The introduction of the curriculum enrichment program was the first major departure from the traditional service academy philosophy—that all students should pursue and be limited to a prescribed course of study—and was an outstanding success.

He also introduced the whole man concept in selecting cadets for appointment, which gave weighted recognition to the physical, athletic, moral and leadership attributes of a candidate as well as his academic potential and registered scholastic achievements. This soon became the standard admission policy of all Service Academies and earned McDermott,the award of the Legion of Merit. During his long tenure as Dean, McDermott established programs and policies which two decades later still influence established programs and policies. He created a tenure associate Professor Program designed to keep the Academy's doctoral level to that in civilian universities. He established a sabbatical leave program for all tenure professors. He started a faculty research program in support of graduate level teaching and related Air Force research programs, etc.

McDermott was an extraordinary individual. His educational background, with its vigorous training and grueling workload, had given him confidence in his ability to achieve his goals. His influence came from hard work, mastery of detail, and from his remarkable ability to express his ideas and express his proposals in a forceful way—as his verbal skills were second to none.

Under his leadership the Academy experienced unprecedented academic achievements. By the time of McDermott's retirement in 1968, graduates had won 9 Rhodes Scholarships, 20 Fulbright Scholarships, and 73 other fellowships and scholarships, which no other institution of higher learning has achieved in such a short time of its inception.

The Academy and the U.S. Air Force was indeed fortunate to have in its formative years a dean with the wisdom and foresight of Robert F. McDermott.

COL. WILLIAM B. TAYLOR III

Col. William B. Taylor III played two major roles. First as the Legislative Officer, representing the Secretary of the Air Force, and, in coordination with Lt. Gen. Harmon, was tasked with the Air Force and interservice coordination; White House approval and, action through the Congress of legislation to establish a U.S. Air Force Academy. To accomplish this, Colonel Taylor absorbed and organized an abundance of information—which had accumulated for more than 6 years—running the gauntlet of wishfulness to projections of an operating Academy with a history of tradition, picking out the essential information, monitoring its organization, and presentation in a manner essential to its passage. Colonel Taylor's efforts in behalf of the Air Academy legislation were of inestimable value to the Air Force and it is difficult to conceive of anyone who could have performed this mission more effectively and in such an outstanding manner.

Second, as Assistant Chief of Staff (Special Projects) from January 1955–July 1958, Colonel Taylor had a major input in almost every major staff action. He was project officer for the dedication of the U.S. Air Force Academy, July 11, 1955, at Lowry which the arrival of the 307 initial cadets, flyovers, speeches, important military and civilian guests, cadets from West Point and Annapolis, parents, receptions, and entertainment signified the Academy's first operational day. As the Liaison Officer, Air Force Academy Foundation, he replaced the foundation's professional fundraiser and played a major role in the planning and implementation of the following projects: the Eisenhower championship golf course, the Farrish Memorial Park Cadet Recreational Center, the Professional Football Exhibition Benefit Game program, the drafting of the initial fundraising plans for the Academy stadium, the Visitors Center, and other projects adopted by the foundation. He organized and was secretary to the Board of Visitors 1956–1958. The board's secretary must show great tact and inspire confidence while representing the Academy during the critical annual inspection period. Representative J. Edgar Chenoweth (CO), Chairman of the Academy's first Board of Visitors, congratulated Colonel Taylor on his performance, stating the Board's Report was the best he had seen. Similar comments were received from Representative Errett Scrivner and Gen. Carl Spaatz, the 1957 and 1958 chairman.

Cecil B. DeMille, at the request of Secretary Talbott, agreed to design the cadet uniforms. Colonel Taylor headed the team that worked with Mr. DeMille, and associates from Paramount and Western Costume to create their successful uniform designs.

Colonel Taylor, due to personal contact with Col. Richard Gimbel and Col. Robert Elbert, played a main role in the Gimbel Collection of Aeronautical Memorabilia—the world's finest—and the Elbert paintings ''The Duke of Wellington (Laurence),'' ''Sir Robert Peele,'' and ''The Duke of Douglas (Romney),'' which are worth many million dollars, being given to the Academy.

In order to achieve nationwide support for the Academy, Colonel Taylor instituted the Candidate Advisory Program utilizing the Air Force Reserve, Air National Guard, Air Force ROTC, Air Force Recruiting Service, Air Force Retired Personnel, and others to appear before the 26,000-plus high schools and public audiences to promote the U.S. Air Force Academy. This program has been an outstanding success.

Colonel Taylor implemented the Civic Leaders Program whereby civic leaders, educators, clergymen, the press, and others from major cities were brought to the Academy for briefings and indoctrination to insure that on their return they would use their influence to assist the Academy in securing the finest type of young men. As an example of the effectiveness of this program, Dr. Edwin D. Harrison, president of Georgia Tech, a U.S. Naval Academy graduate, wrote Superintendent M/G James E. Briggs ''In closing, I feel it imperative to mention that I believe Col. William B. Taylor to be one of the finest officers and the finest gentleman it has ever been my pleasure to meet. I am sure he will leave an indelible mark on the formative period of the Academy.''

On his assignment to Spain in July 1958, Colonel Taylor had been associated with the Air Academy project longer than anyone in the U.S. Air Force.

COL. ROBERT V. WHITLOW

Col. Robert V. Whitlow, the Director of Athletics, played a major role in the

Academy. He was an athlete's athlete. Bob excelled in football in high school and, at UCLA for 3 years before entering West Point, where he won 3 major letters—in football, basketball, and track. After service as a pilot in World War II, he was assigned to the Collegio Militar, Mexico's West Point as an exchange English instructor and football coach. In 2 years, they won Mexico's national football championship. During his next assignment, at the Air Defense Command, Colorado Springs, he played golf with key generals and dignitaries such as Gen. Rosie O'Donnell, General Harmon, and to be Secretary Harold Talbott, thus paving the way for his selection as Director of Athletics.

Whitlow believed that football was the way to get the new Academy the widest publicity and football was the best way to raise money quickly so that an aggressive athletic program could be launched. His initial goal was to get sixty top flight athletes as cadets as soon as possible. Bob was a very determined and intense man, with supreme confidence in his ability to whip the new cadets into a formidable football team. A most astute move on his part was to hire Buck Shaw, former coach of the Philadelphia Eagles, to coach the football team. He then proceeded to schedule games with top ranked colleges to present the team with the utmost challenge, an almost impossible task—which was farther compounded when you realize the entering first class was only 307 cadets, the second 300 cadets, the third 306 cadets, and the fourth 453 for a total of only 1,366 cadets—all representing a brand new college that had just entered the collegiate athletic world.

It is almost inconceivable that at the end of the fourth football season, largely due to the spirit, drive and determination of Bob Whitlow, Coach Buck Shaw and assistants—and Col. George Simler and Coach Ben Martin who followed Whitlow and Shaw—the Air Force Academy football team battled Texas Christian to a scoreless tie in the Cotton Bowl—an unbelievable feat not to be duplicated by any team from a brand new college. This performance immediately paved the way for the successful fund raising effort to build the Falcon Stadium at the Academy.●

WHAT'S WRONG WITH THE SENATE?

● Mr. SIMON. Mr. President, there is a great deal of discussion about Senate retirements, some of it involving this Senator.

I think all of our colleagues would do well to read an editorial about the retirements that appeared in the St. Louis Post Dispatch which I ask to be printed in the RECORD.

The article follows:

WHAT'S WRONG WITH THE SENATE?

With the retirement announcements in recent days of two more veteran GOP senators—Alan Simpson of Wyoming and Mark Hatfield of Oregon—the number of senators stepping down next year has reached a record: 12. It may yet go higher. Not since 1896, when senators were still elected by state legislatures, not directly by the voters, have so many quit. Why?

Some suggest three terms is a magic number, after which fatigue sets in, and, indeed, five of the 12 retirees have served three terms. But the rest have had service ranging from one to five terms, and their ages range from 52 to 77. So there's no pat formula when it comes to fatigue.

Many of the retirees have expressed disgust with the overly partisan tone today, as well as the distracting burden of constant fund raising—though not all did say so in their retirement announcements. Still, one thing is clear: Most of the retirees were senior members of major committees and held substantial power, and nearly all were pragmatists used to working across party lines. Apparently, the prospect of continued influence wasn't enough to keep the 12 in the Senate.

The characteristic all of them have in common was stated by Mr. Simpson. He said, ''The definition of politics is this: There are no right answers, only a continuing flow of compromises . . . resulting in a changing . . . ambiguous series of public decisions, where appetite and ambition compete openly with knowledge and wisdom.'' That is a good description of the legislative process at its best. It is also completely opposed to the philosophy of the newer GOP members who now control Congress and seek to dominate both the party and the country.

Under such circumstances, those of moderate tone, even if their politics vary across the spectrum from right to left, inevitably must feel out of place. Though one, Bob Packwood of Oregon, was forced to resign because of scandal and two more are well into their 70s, the retirement of 12 senators in one year suggests Congress is losing many of its best people for the worst reasons. When will the American people put a stop to this by rejecting the poisonous politics of absolute truth and relentless demonization of those who see things differently?●

RECOGNITION OF THE BRONZE CRAFT FOUNDRY'S 50TH ANNIVERSARY

● Mr. SMITH. Mr. President, I rise today to recognize the owners and employees of the Bronze Craft Co. of Nashua, NH for over 50 years of service and dedication to the community.

Bronze Craft was founded in 1944 by Arthur ''Artie'' Atkinson. This small foundry began its business by making custom architectural hardware. Fifty years later, the company is still owned by the same family, and the traditions of good business and dedication to employees are still the hallmark of Bronze Craft.

Since its inception, the company has delivered for its employees in many ways, not the least of which has been providing long-term dependable employment. It is no surprise that by maintaining a professional run foundry and adhering to the highest health, safety, and environmental standards for its employees, that the foundry can take pride in its many multigenerational employees.

Jack Atkinson, who succeeded his father in 1980 as president and CEO, continues to champion innovative employee participatory programs such as continuous improvement through employee suggestions and strategic action teams. Mr. Atkinson is a credit to the Nashua community, and is to be commended for his innovative thinking. His recent appointment to the executive board of the Non-Ferrous Founders' Society serves as recognition of his leadership in the foundry industry.

It is businesses such as Bronze Craft, which put employees and quality first, that set such a high standard for others in the industry. Their proven success demonstrates the importance of such vision. The American Legion has been a customer since 1944, and recently Bronze Craft was recognized by Steinway & Sons as the Malcolm Baldrige Award Winner for quality and service.

Mr. President, I praise the owners and employees of Bronze Craft for their untiring efforts to provide quality products, which help make America stronger, independent and economically successful. I would also like to recognize the thousands of small foundries, like Bronze Craft, located in urban and rural areas alike in all 50 States. Their outstanding devotion and contributions to making their workplace, community, and country a better place to live ensures a hopeful future.●

IF NOT THERE, WHERE?

● Mr. SIMON. Mr. President, as we continue to discuss the Bosnian situation, and we will continue to discuss it long after the resolution has been adopted, I came across an editorial in the Christian Century by James M. Wall which I ask to be printed in full in the RECORD. It is simple and direct and as powerful a statement as any I have read.

I urge my colleagues to read this thoughtful editorial comment.

The article follows:

[From the Christan Century, Dec. 13, 1995]

IF NOT THERE, WHERE?

(By James M. Wall)

Two questions must be confronted as Americans consider President Clinton's decision to send 20,000 troops to Bosnia: If we don't commit troops there, where do we? And if not now, when? The world's largest military force is equipped and trained to perform missions of peace as well as to fight wars. The president has been patient—some would say too patient—in deciding when to act in Bosnia. He resisted earlier calls for military action, and worked instead for an agreement between combatants which makes it possible for U.S. troops to go to Bosnia not to fight but to prevent others from fighting. Richard Holbrooke's negotiating team in Dayton, Ohio, worked with representatives from Bosnia, Serbia and Croatia to end a war in which at least 250,000 people have died or are missing.

The combatants are scheduled to sign the Dayton agreement this month in Paris. President Slobodan Milosevic of Serbia was persuaded by NATO air strikes, a punishing economic embargo and military successes by Croatia and the Muslim-led Bosnia government that his goal of a greater Serbia was

unattainable. Resistance to the accord has predictably surfaced among Bosnian Serbs because under terms of the agreement Sarajevo will be under Muslim control.

Why intervene in Bosnia, and why now? We must first understand that the U.S. is a nation guided by both humanitarian ideals and practical necessities. Our ideals misled us in Vietnam, where we learned the hard way that civil wars are not resolved by outside military force. From our intervention in Somalia we learned that our humanitarian zeal has to be tempered by practical wisdom. We can feed starving people, but we cannot force a political solution on them.

Since the end of the cold war the U.S. has been the only world power with the ability to secure a peace through whatever means are appropriate. We have the military might to enforce agreements. The question is: Do we have the will to get involved in conflicts far from American shores?

It was clearly the presence of oil in the Persian Gulf that led President Bush to claim that vital American interests were involved when Iraq invaded Kuwait. The former Yugoslavia contains no oil, and trade with the region is not critical to the U.S. economy. Nevertheless, instability in that region could easily spill over into surrounding countries. It was instability in this region that precipitated World War I, a fact which led Pope John Paul II, during his recent visit to the U.S., to plead with Clinton not to let the century conclude, as it started, with a war over Sarajevo.

In making his case to the American people and a skeptical Congress, Clinton argued that without U.S. participation the combatants would not have reached the Dayton accord, nor would the European nations in NATO have agreed to supply an additional 40,000 peacekeeping troops to the region. The more persuasive case for U.S. involvement, however, is the harsh reality of the situation: only the commitment of an outside force can keep the warring parties in Bosnia from continuing their mutual slaughter.

At one level, the U.S. and NATO assignment in Bosnia is to prevent a recurrence of the war that began in 1991. At another level, however, the U.S. and NATO are making themselves available as a peace broker for enemies who must slowly and painfully build a future together. We cannot arrange that future, but we can help stop those who want to determine the future through violence.

Reinhold Niebuhr pointed out that modern technology has increased our capacity for intimacy even as it provides us with the tools to fight wars that avoid intimacy. We need, as Niebuhr argued more than 50 years ago, to develop ''political instruments which will make such new intimacy and interdependence sufferable.'' Our survival depends on finding a way to accept the ''interpenetration of cultures'' rather than turning to mutual destruction.

The peacekeeping force that goes to Bosnia will offer only a partial correction of past errors and blatant wrongdoing on the part of several nations and many individuals. We are sending troops to an area that has witnessed ethnic cleansing, torture, indiscriminate killing of civilians, and rape as an instrument of war. We go to the region not to solve problems but to permit Serbs, Muslims and Croats to struggle toward their own solutions. Sending U.S. forces into a region full of generations-old patterns of hatred and aggression is dangerous. But the alternative is worse. If we do not support the peace process, we invite the return of an unceasing war that breeds further hatred and aggression.

The U.S. is blessed with wealth and resources and the means to act on behalf of others. We may regard this peace mission as we might speak of any effort on behalf of a people in need. We go to Bosnia not to control or dominate others, but to help others to do what they cannot do for themselves.●

COMMENDING CATHY MYERS

● Mr. GREGG. Mr. President, I rise today to commend Cathy Myers, of my staff, who has completed 12 years of dedicated and exemplary service in the U.S. Senate. Since my election to the Senate in 1992, Cathy has worked in my office, unselfishly devoting her time, and effort in making the office run more efficiently and effectively. She is certainly someone you can count on and my staff and I appreciate everything she does for all of us. Cathy has been the consummate example of a devoted employee, and I wish her many more successful years of service.

It is with great joy that I rise today in honoring Cathy Myers on the occasion of her 12th anniversary as an employee in the U.S. Senate.●

WHAT MAKES HONG KONG TICK

● Mr. SIMON. Mr. President, one of the impressive leaders in our world is a legislator little known by most Americans. He is Martin C.M. Lee, who has led the forces for democracy in Hong Kong and has courageously stood up for freedom and democracy and human rights in Hong Kong.

He does that in the face of a Chinese takeover of Hong Kong that is slated in 1½ years from now.

Recently, he had an op-ed piece in the Washington Post that I hope the leaders of China will see.

On the possibility that more Chinese leaders will see it, I ask that it be printed in full in the RECORD. I hope that all the Members of the Senate and House and their staffs will read it also to help prepare them for what may happen come 1997.

The article follows:

WHAT MAKES HONG KONG TICK

(By Martin C.M. Lee)

HONG KONG.—On June 30, 1997, Hong Kong and its 6 million free citizens will become part of the People's Republic of China. As the countdown to 1997 advances, the people of Hong Kong should be hearing reassurances from China that we will be able to keep our freedoms and way of life. Instead, each day brings a new threat.

The latest has thrown Hong Kong into turmoil, both for the harm it will do to human rights and for the message it sends about China's plans for the future. In October China proposed scrapping key sections of Hong Kong's Bill of Rights and reinstating a number of repressive colonial laws that had been removed from the statute books because they violated the Bill of Rights.

On Nov. 15, Hong Kong's legislature fought back. The Legislative Council—elected in September with a surprise majority for democrats—passed, by a decisive 40–15 vote, a historic motion to condemn China's efforts to end human rights protection in Hong Kong.

That motion drew a line in the sand over human rights here—and even had the support of a large number of pro-Beijing legislators. Even before the motion was debated, Chinese officials had declared that Hong Kong's legislature had no right to discuss the topic of the Bill of Rights. By defying Beijing, Hong Kong's people sent the message that our rights and freedoms will not be given up without a fight.

The Bill of Rights was enacted in 1991 as a confidence-building measure to allay fears raised by the Tiananmen Square massacre of 1989. Thus it is not surprising that China's pledge to emasculate the Bill of Rights is having a devastating effect on future confidence in the rule of law.

The Bill of Rights—known in Chinese as *Yan Kyun Faat*, the Human Rights Law—puts into domestic law the International Covenant on Civil and Political Rights, under which countries agree to a minimum standard of behavior toward their citizens. Britain and more than 80 countries worldwide have signed the covenant. China, however, has not. Beijing, in fact, sees the Bill of Rights as part of a conspiracy by ''international anti-Chinese forces and the agents of the British side,'' according to its own New China News Agency.

The core problems is that China does not understand what makes Hong Kong tick. The People's Republic of China is an authoritarian Communist state. Hong Kong has always been a sanctuary from China, where the rule of law held sway and Hong Kong Chinese people were given economic and civil freedoms to make Hong Kong's the most successful economy in Southeast Asia.

In the past decade, the world has witnessed countless examples of authoritarian regimes changing into free societies—from Eastern Europe to Asia. Regionally, South Korea, Taiwan, Thailand and the Philippines have all progressed from authoritarian to representative governments, and other Asian countries are moving steadily in that direction. But the world has no recent experience of a vibrant, cosmopolitan and extremely free society losing basic freedoms.

Hong Kong today has all the attributes of a pluralistic civil society; a robust press, clean and accountable government and a rule of law superior to any legal system in Asia. The proposal to scrap Hong Kong's Bill of Rights is the clearest indication yet that Beijing is trying to remake Hong Kong in China's image. Because China has been successful in luring international investment without improving human rights, Beijing may now believe it can sustain Hong Kong's economic success while clamping down on civil rights and freedoms.

In 1997, China is set to control all three branches of Hong Kong's government. Beijing says elected legislators will be turned out of office and replaced with a rubber-stamp appointed legislature. Hong Kong's top official, the chief executive, and his cabinet will all be appointed by Beijing. And China has ensured control of the Court of Final Appeal, Hong Kong's highest court, which will not be set up until after the transfer of sovereignty in 1997. Thus all three branches of government are slated to be under China's control.

This is why the people of Hong Kong regard saving our Bill of Rights as our last-ditch battle. Just as the Bill of Rights is an important check on abuse of power by the British government today, so will it be an essential check on arbitrary use of power by China after 1997.

At least one senior Chinese leader clearly understands the value and fragility of Hong Kong's system. Last March the chairman of the powerful Chinese People's Political Consultative Committee, Li Ruihuan, admitted errors in China's hard-line policy toward Hong Kong and appealed to his fellow leaders to handle Hong Kong with greater care in the future.

In a public speech, he used the metaphor of an old woman selling a valuable antique

Yixing teapot. Tea drinkers know that the real value of the Chinese teapot lies in the residue of tea leaves that lines the interior of the old pot. Through ignorance however, the old woman scrubbed the teapot free of the stain, thereby destroying its worth entirely.

Mr. Li paraphrased the common-sense adage, ''if it ain't broke, don't fix it,'' pointing out, ''If you don't understand how a valuable item works, you will never be able to keep it intact for a long time.''

If, as it now appears, Chinese leaders do not understand how freedom, human rights and the rule of law have laid the foundation of Hong Kong's success, Beijing may scrub them out—and destroy forever the value of Hong Kong, now and in the future.●

TRIAL AND CONVICTION OF CHINESE HUMAN RIGHTS ACTIVIST WEI JINGSHENG

● Mr. FEINGOLD. Mr. President, the Government of China announced last week that it had ''tried'' and convicted Wei Jingsheng of the crime of subversion and had sentenced him to 14 years in prison. The Chinese regime also stripped Wei Jingsheng of his political rights for 3 years.

I put quotation marks around the word ''tried,'' Mr. President, precisely because the action taken against Wei Jingsheng is a travesty and a mockery of the concept of due process of law. The 6-hour court proceeding clearly had a pre-ordained result: to severely punish Wei Jingsheng for daring to speak out—as he has since 1978—against the Chinese Government's repression of its own people.

Wei Jinsheng is no stranger to harsh, unjust punishments; he has spent most of the past 16 years of his life in Chinese prisons. Yet, when he was released in 1993, he immediately resumed his efforts to shine a light on Chinese Government human rights abuses. Wei Jingsheng's tenacity as leader of China's small, albeit admirably tenacious democracy movement led again to his 20-month detention since April 1994. The abominable sentence handed down today is yet another attempt to muzzle a brave man and to warn any others against dissent.

The administration issued a condemnation of the Chinese Government's action and called on it to exercise clemency. While I join in denouncing the sentence and in urging Wei Jingsheng's immediate release, it is also my view—repeated often and publicly—that administration policies toward China have helped pave the way for such cavalier abuse of basic human rights.

In 1994, over the strenuous objections of those of us concerned over China's atrocious and repeated violations of international standards of human rights, the administration delinked granting of most-favored-nation trade status to China to improvements in its human rights record. The administration argued then that through ''constructive engagement'' on economic matters, as well as dialog on other issues, including human rights, the United States could better influence Chinese behavior.

It was my view then—and it remains so today—that the correct way to influence the Chinese regime is by hitting them in the pocketbook. They want our trade and easy access to our markets. Their economic well-being depends on that access; if we condition our economic relations on their improvement of human rights conditions and movement toward real democratic change, I am convinced they will come around.

Certainly, Mr. President, the callous disregard for human rights exhibited by today's action against Wei Jingsheng demonstrates that, after nearly 2 years, dialog and constructive engagement has made no impact on Chinese behavior. We should make it clear that human rights are of real—as opposed to rhetorical—concern to this country. Until such time as Wei Jingsheng and others committed to reform in China are allowed to speak freely their voice and work for change, American-Chinese relations should not be based on a business-as-usual basis. I hope the administration will take this latest sad episode to heart and modify current policy toward China.●

EXECUTION OF THE INNOCENT

● Mr. SIMON. Mr. President, I would like to draw my colleagues' attention to a December 4 editorial in the Washington Post, ''Execution of the Innocent,'' which profiles the case of Rolando Cruz.

Rolando Cruz was found guilty of raping and killing 10-year-old Jeanie Nicarico of Naperville, IL, in 1983. Even though there was no physical evidence nor motive, and another man confessed to the killing shortly after Mr. Cruz's conviction, two juries voted for the death penalty based on testimony from fellow prisoners and police who claimed he had confessed to them. The prisoners' stories have now all been discredited, the policemen's supervisor recently admitted that he was in Florida at the time he claimed he had been told about Mr. Cruz's confession, and recent DNA tests exonerate Mr. Cruz and point to the man who confessed many years ago.

It took 11 years for the truth in this case to come out. The Senate has passed habeas corpus reform which will severely restrict an inmate's ability to appeal a conviction, and has recently voted to eliminate funding for the post-conviction defender organizations which provide competent counsel to death row inmates. These measures will simply exacerbate the inherent problem with the death penalty: Innocent people are put to death.

Our system is comprised of human beings, and human beings, whether by malice or oversight, have been known to be wrong. Rolando Cruz's case is a stark example of this reality. The death penalty is already reserved for people of modest means who cannot afford the best representation. It is already disproportionately applied to black people. Congress' rush to be tough on crime will simply make it even more difficult, if not impossible, to achieve the high standards of justice which are the foundation of our Nation. And to put it plainly: More innocent people will be put to death.

I ask unanimous consent that the full text of the editorial be printed in the RECORD.

The editorial follows:

[From the Washington Post, Dec. 4, 1995]

EXECUTION OF THE INNOCENT

The death penalty has broad support in this country, and those who argue against it on moral grounds aren't making much headway. But even the most fervid supporters of capital punishment must have their doubts when it is revealed that innocent people have been convicted of murder and sentenced to be executed. This happens more frequently than one might think. And the increasing availability of DNA technology to prove innocence probably means that these last-minute saves will become more common.

The most recent of these cases concerns Rolando Cruz, twice convicted by juries of the 1983 rape and murder of 10-year-old Jeanine Nicarico in Naperville, ILL. Mr. Cruz was arrested with two others—charges against one have been dropped and the other is awaiting his third trial—on extremely thin evidence. He and his codefendants maintained their innocence throughout. There was no physical evidence to tie them to the crime, and no motive was alleged by the prosecution. But successive juries convicted on the basis of testimony from other prisoners that he had confessed to them. These stories were changed, revoked or attacked on grounds of credibility.

More persuasive was testimony from two police officers that Mr. Cruz had revealed to them a dream he had had, which contained details of the crime that only a killer would know. Nothing was said or written about this alleged dream for 18 months, and the story appeared only two weeks before the first trial. Last month, after years of litigation and two death sentences, the policemen's supervisor recanted testimony that they had told him of the dream, and confessed that he had been in Florida at the time and could not have had this conversation.

Even more compelling is the fact that shortly after the first conviction another man was arrested in the same area who confessed to two rape-killings and numerous assaults, and to the killing of the child for which Mr. Cruz had been convicted. The prosecutors stubbornly refused to believe him, but recent DNA tests exonerate Mr. Cruz and point to this other man.

Rolando Cruz spent the years between his 21st and his 32nd birthdays on death row. At his third trial, the judge bitterly criticized the police, the impeached witnesses at the first two trials and the quality of the prosecution's case. He directed a verdict of not guilty even before the defense had presented its case. This prosecution was so egregious that the Justice Department this week directed the FBI to look into possible violations of Mr. Cruz's civil rights. Those who argue that appeals should be curtailed and that executions should become routine should consider Rolando Cruz and the injustice that was visited on him as well as the one he narrowly escaped.●

PRESIDENT CLINTON'S EXTREMISM ON THE BUDGET

● Mr. FAIRCLOTH. Mr. President, I wish to express my opposition to the

extremist scare tactics being used by President Clinton and his administration. Day after day, the American people are subjected to a steady stream of disinformation about the economic realities which confront this country.

The Clinton administration has raised the standard on Washington doublespeak to a new all time high. It is unfortunate that President Clinton refuses to offer our Nation leadership at this decisive moment in our Nation's history. Instead, the only thing he offers is more fear, more taxes, more spending and more debt.

Let's look at the facts. On the balanced budget, what has the Congress done? The Congress has passed a plan for balancing the budget in 7 years using honest and real numbers. What did President Clinton do? He cooked the books and offered four budgets none of which are balanced. Furthermore, he vetoed the only honest balanced budget plan offered this year.

Looking at the facts and not at the harsh rhetoric of the Clinton administration, it should be clear to all Americans that Congress has accepted responsibility for the budget and the President has gone AWOL—absent without leadership. Instead of offering a serious plan, he offers the American people fear and unending deficit spending. The facts speak for themselves and they speak louder than the disinformation spread at White House press conferences.

Let's look at some more facts. We are in the fourth day of a partial Government shutdown. What has the Congress done? Congress sent three spending bills to the President which would have kept open the Departments of Veterans Affairs, HUD, Commerce, Justice, State, and Interior. What did President Clinton do? He vetoed two of these bills and says he intends to veto the third. He had the power to prevent the shutdown of these agencies and to keep Federal workers on the job. Instead, with the stroke of a pen he sent thousands of Federal workers home.

That wasn't enough for this President. He also threw in some fearmongering for good measure. The administration fired-up its disinformation machine and unleashed a tirade of doomsday rhetoric against those spending bills. The facts speak for themselves. The Congress did its job and passed appropriations bills which responsibly reduced government spending and which would have kept most agencies open. But, President Clinton wasn't interested in that. He was looking for a photo opportunity. He vetoed funding bills and closed down parts of the Government. He should be held and will be held accountable for this shutdown.

Let's look at some more facts. The President's Medicare trustees informed the administration earlier this year that Medicare is on the verge of certain bankruptcy. What did Congress do? We passed a plan to rescue Medicare from bankruptcy and preserve it so that it will be there for all Americans when they retire. What did President Clinton do? At first, he turned a blind eye toward the problem—as if by ignoring Medicare the problem would go away. Then he engaged in a well orchestrated campaign to frighten America's senior citizens about congressional efforts to save Medicare.

Since President Clinton has no serious Medicare plan to offer, he instead offers fear instead. This display of self-serving political opportunism has no match in Washington. Such desperate and dishonest tactics should be and will be rejected by all Americans who are serious about integrity in government because the facts simply don't support the President's rhetoric. The Medicare reform plan passed by Congress, in reality, provides for greater spending increases than the socialized health care plan offered by Mrs. Clinton just last year.

The President is knowingly misleading the American people about Medicare. He should stop his campaign to frighten our senior citizens and he should get serious about saving Medicare.

When you look at the budget, the Government shutdown, and Medicare—the facts simply don't support the President's false rhetoric. In reality, this crisis has been engineered by the President to bolster his reelection campaign. After being viewed as irrelevant for so long, the President has now identified himself with something he believes in passionately. He is passionate about deficit spending. He is passionate about the preserving the status quo which heaps trillions of dollars of debt on our children and grandchildren.

I hope that he will abandon his extremist scare tactics and get serious about balancing the budget. So far, he has stone-walled congressional negotiators. He has refused to offer a balanced budget plan using honest numbers. He prefers to cook the books as a way to balance the budget. Such policies will not lead to a balanced budget. They never have and they never will. President Clinton has chosen the path of certain failure. Congress will not follow him down that dead-end road.

I believe that we need another vote on the balanced budget amendment. I can think of no better Christmas present for America. I believe that the American people sent a clear message to Congress in 1994. They demanded that Washington put its financial house in order. Another vote on the balanced budget amendment will show who is serious about achieving this necessary goal for our children and grandchildren.

Sadly, President Clinton worked hard to defeat the balanced budget amendment earlier this year. The Nation is now entirely focused on this all important issue. Let's bring up the constitutional amendment for another vote before the end of the year. Then the American people will know who is committed to a balanced budget. They will also know who to blame if the budget is not balanced. They will know who to blame if our future is mortgaged beyond our ability to comprehend.

I support the balanced budget amendment and I support the legislation passed by Congress to balanced the budget in 7 years using honest numbers. Unfortunately, the President oppose both. And, no amount of extremist rhetoric from the White House can hide that fact.●

THE PRO-SERB MONTENEGRINS

● Mr. SIMON. Mr. President, occasionally as we read magazines and newspapers, we find articles on things in unlikely sources.

Recently in reading the Christian Century, I came across an article by Paul Mojzes titled, ''The pro-Serb Montenegrins'' which I ask to be printed in full in the RECORD.

It describes the situation in Montenegro, a small Province in what was once Yugoslavia but a Province that has produced leaders including Milovan Djilas, Slobodan Milosevic, and Karadzic.

It is not a particularly encouraging article, but it is informative and because I have seen nothing about this anywhere else, I believe it merits placing in the CONGRESSIONAL RECORD so those interested in this area can read it.

The article follows:

TRAVELS IN THE BALKANS: THE PRO-SERB MONTENEGRINS

(By Paul Mojzes)

The Montenegrins are fond of joking that if their rugged mountain terrain were ironed out, the area would be as huge as Russia. Living in the tiniest and least populous republic of the former Yugoslavia, Montenegrins have tried to compensate by identifying with Russia and by propelling themselves into the ruling elites of other Yugoslav republics as fiery communists or fierce nationalists. They have produced such leaders as Milovan Djilas, Slobodan Milosevic and Radovan Karadzic.

During World War II Montenegro spawned the most feared nationalist Chetnik units as well as fierce communist Partizans. Members of both groups slaughtered the opposition even if that meant turning against their own families. Vendettas and a fixation on revenge complicated the conflict by making people cross ideological lines out of tribal loyalty.

During the current Balkan wars no direct fighting has taken place in Montenegro, though Montenegrin ''volunteers'' ravaged nearby Dubrovnik and its vicinity. Consequently, travelers have been able to move about Montenegro unobstructed. The terrain of these ''black mountains'' is rocky, yielding neither timber nor agricultural products. Nor are there many mineral deposits. But fabulous tourist attractions abound, particularly along the Adriatic seashore, one of the most beautiful in the world.

Foreign tourists are now avoiding the area while most Serbs and Montenegrins are too impoverished to travel. For those who venture here this may be a plus. None of the services are overburdened and both food and transportation are readily available. However, travelers flying to Belgrade from one of the two Montenegrin airports have been

forced to share space with wounded evacuees from the Bosnian battlegrounds. They apparently have been transported this way in order to avoid the UN-controlled border-crossings between Serbia and Bosnia. The purpose has been to give credence to Milosevic's claim of no longer supporting the Serb warriors in Bosnia. Not many in Montenegro would take such a claim at face value.

The single most important issue in Montenegro is defining its people's identity. Some claim that Montenegrins are Serbs, that indeed their country is the very heart of Serbdom, as a politician of the Narodna (People's or Folk) Party told me. Others say that Montenegro is a separate nation now endangered by Serb attempts to absorb it.

In Niksic, the ancient capital in which the ecclesiastical head of the Orthodox Church, Metropolitan Amfilohiye Radovic, resides, graffiti declare that he should leave Montenegro, though he is one of the few Serbian Orthodox hierarchs who was born there. Metropolitan Amfilohiye militantly espouses the Serbian cause, and the number of such supporters is growing as the ethnoreligious conflict continues. Both the leftist Democratic Party of Socialists (former communists), which holds a firm grip on power, and the right-wing People's Party are pro-Serb. Only the Liberals, who garner a mere 10 percent of the vote, staunchly proclaim ''Montenegro is Montenegrin,'' though there are others who insist on claiming the sovereignty for Montenegro accorded to it by the 1974 Yugoslav constitution.

If one visits only the Adriatic resorts one gets an impression of economic well-being, despite tourist workers' complaints that these resorts are operating at less than half of their capacity. Food in the hotels and at the markets is plentiful though expensive. Other consumer goods are available, since people have found a way to skirt UN sanctions. That cows graze on the lawn of the state government building in Podgorica (formerly Titograd) may be a better overall economic indicator.

In Podgorica as elsewhere, the socio-economic difference between people is striking. In one section of the city the apartments for the old communist elite and the new entrepreneurial class feature TV radar disks for nearly every dwelling. Here people dress with an ostentatious display of wealth. But Podgorica's slums resemble those in greatly impoverished countries. Incomes, while considerably better than in 1993, range between $50 and $150 a month. Many workers, however, are paid only every third or fourth month, and approximately 60 percent of the work force is on ''forced vacation''—unemployed and with no welfare benefits. Even the casual observer will notice huge numbers of people hanging around the streets or the numerous drinking places. Even those who do eke out a meager living say that there is little hope for a better future. People survive by trading in the black market and by accepting bribes. Nearly everyone is engaged in smuggling, selling or reselling something—from the lucrative smuggling of gasoline and weapons to the pitiful reselling of single cigarettes. Police raid only the ''little fry.'' Bigger business is protected by the mafia, which is said to reach to the very top of government. Armed robberies in the rump Yugoslavia have increased from about 70 in 1991 to over 2,000 in 1992–93. Few robbers are apprehended.

However, the ''new'' Yogoslav dinar is fairly stable. After 1993's great inflation the government pegged the dinar to the German mark at a 1:1 ratio. While on the black market the dinar recently slipped to about a 2.5:1 ratio, it still appears to be economically viable. The locals believe that the hyperinflation of 1993 was approved or even prompted by the government in order to extract foreign-currency reserves from the population.

Montenegrins are traditionally Orthodox Christians with a small minority of Roman Catholics (derogatorily called ''Latins'') and Muslims (called ''Turks,'' though they are Montenegrin converts to Islam). The Albanian minority is predominantly Muslim, with a small number of Roman Catholics. There are virtually no Protestants or Jews.

The Orthodox Church was nearly wiped out during the communist period. During World War II it had sided with the Chetniks rather than the Partizans and the latter showed no pity toward the losers. Directives from Belgrade to eliminate church activities were taken seriously and religious life became nearly extinct. People would pass by a monastery without even looking at it lest they be called in for an unpleasant talk with the secret police.

Only during the last few years under the increasingly liberal Yogoslav regime was church life slowly reactivated. In the postocommunist period Orthodox Church activities are on the rebound. Right-wing nationalistic politicians believe that the church has not only a religious but a political role. Some clergy openly argue that the church should rule over the nation in these difficult times as it did in the distant past.

Adjacent to the former royal palace in Cetinje is a large monastic compound nestled against the mountain. Here the archbishop resides. A visit to the monastery was organized for a group of students and professors of which I was a part. Our guide, a middle-aged monk, spoke English fluently. He appeared to be well traveled but displayed an intense Serbian nationalism and an even greater angry anticommunism. He explained that the monastery had been destroyed twice, first by Muslim Turks and then by Latins. A display on the monastery walls credited both destructions to the Turks. Apparently the monk needed to believe that Serbs had been victimized by both of their current antagonists.

The Montenegrin government is now making amends for the communist period not only by restoring church properties but also by financing their repair. (The Catholics, on the other hand, complain that the return and repair of their properties is being hampered.)

Svetigora, the official publication of the diocese of Montenegro, is disturbing. Even the magazine's title has troublesome implications. Sveta Gora is the Serbian name for the Holy Mount Athos, the monastic republic in Greece. The journal's name suggests that Montenegro is not just a Black Mountain but a ''Mount of Light''—a ''Holy Mount.'' Combined with the ever-increasing claim made by the Serbian Orthodox hierarchs that the Serbs are ''the New Israel,'' the chosen people of God, a ''heavenly kingdom,'' a martyr nation that has suffered more than anyone else on earth except Christ, the name supports the dangerous conviction that all that the Serbs do is somehow of God.

A recent issue features a smiling Radovan Karadzic flanked by the patriarchs of Moscow and Belgrade. In a lengthy interview Karadzic, the leader of the Bosnian Serbs, claims the direct guidance of the Holy Spirit in all his political decisions and urges the political involvement of the Orthodox Church in the life of Serbians everywhere. He repeatedly emphasizes the goal of uniting all Serbs into a single state. In another interview Metropolitan Amfilohiye claims that ''the living God can be experienced in the East while the West is a wasteland.'' Another article explains why God allowed Russia, ''the elite people,'' to experience the apostasy of communism. The Herzegovian hard-line Bishop Atanasiye Jeftic associates NATO with Satan and links Ingmar Bergman's films to Protestantism, in which there is ''neither mercy, nor space for the human being, nor salvation.''

Svetigora's contents make one wonder whether the effort of some German and Dutch churchmen to expel the Serbian Orthodox Church from the World Council of Churches does not have merit. There is a parallel between the Deutsche Christen aberration during Hitler's era and this militant Serbian Orthodoxy. In Germany, however, there was resistance by a Confessing Church led by people like Karl Barth and Dietrich Bonhoeffer; the Serbian Orthodox Church has not yet produced such internal critics, just as Balkans politics has not produced its Václav Havel. The political threat in the Balkans is Nazism; the religious threat is idolatrous nationalism.●

GAMING LOBBY GIVES LAVISHLY TO POLITICIANS

● Mr. SIMON. Mr. President, with monthly profits from single casinos running to millions of dollars, gambling promoters are using their new-found wealth to increase the spread of gambling. Grassroots community groups who raise concerns about new casinos are being outspent 50 to 1 in some areas.

In Congress, high-priced lobbyists are attempting to stop a simple effort to gather information about the impact of the spread of gambling.

A recent New York Times story, ''Gaming Lobby Gives Lavishly to Politicians,'' clearly describes issues that deserve our attention. I ask unanimous consent that it be printed in the RECORD.

The article follows:

[From the New York Times News Service, Dec. 18, 1995]

SPECIAL REPORT: GAMING LOBBY GIVES LAVISHLY TO POLITICIANS

(By Kevin Sack)

In only five years, the gambling industry has bought its way into the ranks of the most formidable interest groups in American politics, spending huge sums to gain the kind of influence long wielded by big business, big labor and organizations of doctors and lawyers.

From the Empress riverboat casino in Joliet, Ill., to the Mashantucket Pequot tribe in Ledyard, Conn., gambling interests, which now run casinos in 24 states, have used vast profits gleaned from their craps tables and slot machines to fatten the campaign coffers of political candidates and wage multi-million-dollar lobbying offensives.

While state officials have been the primary beneficiaries of the industry's largess, there has also been a surge in contributions to federal and local officeholders.

Gambling-financed political action committees gave three times as much to congressional candidates and the national parties in the 1993–94 election cycle as they gave in the previous two years, according to Common Cause and the Center for Responsive Politics, two Washington-based organizations that monitor campaign financing.

The $2 million total for the cycle put the industry in the same league as long-established interest groups like the United Automobile Workers, which gave $2.4 million, and the National Rifle Association, which gave $2.2 million.

At the state level, meanwhile, the rising tide of gambling money has in many places become a flood. In Florida last year, pro-gambling forces spent $16.5 million in an unsuccessful effort to win approval of casinos in a referendum. That sum was almost as much as the state's two gubernatorial candidates spent combined.

In other states, the industry's wealth has allowed it to outspend its opponents by as much as 50 to 1. In the process, that wealth has contributed to major corruption scandals in Louisiana, Missouri, Arizona, Kentucky, South Carolina and West Virginia, all since 1989, when legalized gambling began its cross-country expansion.

Perhaps most significant, the torrent of dollars has rapidly eroded a longstanding stigma against the intermingling of gambling and politics.

''Twenty years ago, if you got support from gambling interests it would have been the kiss of death,'' said Rep. Frank R. Wolf, R–Va., who opposes the continued expansion of gambling. ''If you were running for office in Illinois or Iowa an got money from gambling interests, you wouldn't want to tell your brother or mother.''

Noting that today's casinos are run by Indian tribes and Fortune 500 companies, not mobsters, gambling industry officials assert that it is only natural for a heavily regulated, high-growth business to play an active role in politics, just as public utilities and tobacco companies do.

''The only industry that is more regulated is the nuclear power industry,'' said Mark B. Edwards Jr., a gambling analyst for the State Capital Resource Center, a private group that monitors political developments for casino companies. ''Therefore, it's more important for the gaming industry to flex some political muscle.''

The gaming industry has focused its lobbying campaigns on state capitals, where governors, lawmakers and regulators hold the authority to determine whether to expand gambling, which companies will get gambling licenses and vending contracts, and how extensively gambling will be taxed and controlled.

Gambling opponents say the abundance of lobbying money, and the promise of bountiful tax revenue, has helped the industry move its operations into impoversished communities, with little attention paid to social consequences like the effect on compulsive gamblers or on small businesses there.

A backlash has begun to emerge in which grass-roots anti-gambling drives in some states have managed to neutralize the influence of big money. But that is no easy task.

In the last two years, campaigns to establish or expand legalized gambling in Florida, Missouri, Virginia and Connecticut have spent more money than was ever before spent in those states on any lobbying effort.

During Virginia's legislative session this year, gambling interests hired 48 lobbyists. In Texas, they hired 74, more than two for every state senator and one for every two members of the Texas House.

The lobbyists are often enlisted from the ranks of former public officials. The lobbying payroll in Illinois has included a former governor, a former state attorney general, a former state police director, two former U.S. attorneys, a former mayor of Chicago and dozens of former state legislators, including a Senate president and a House majority leader.

Two years ago a Nevada casino company, Primadonna Resorts, offered two Illinois lobbyists a compensation package of $20 million over 20 years if they could reel in a riverboat license.

For an April 1994 referendum on allowing slot machines in Missouri, committees financed by out-or-state casino companies paid out $4.2 million, outspending the proposal's opponents by 50 to 1, according to a study by Alfred Kahn, a retired professor of planning at Southern Illinois University at Edwardsville.

The measure failed by one-tenth of a percentage point. Seven months later, the gambling companies were back, this time spending $11.5 million. The proposal passed with 54 percent of the vote.

The gambling opponents, Kahn said, ''were just overwhelmed by wall-to-wall television commercials.''

Like lobbying expenditures, campaign contributions have been flowing as freely as complimentary cocktails on a casino floor. Only one state, New Jersey, prohibits political contributions from gambling interests.

In Louisiana, in the heart of the nation's oil patch, gambling interests in 1993 and 1994 gave state legislators more than twice as much as did the petrochemical industry, according to a study by The Times-Picayune of New Orleans.

''I've been told by legislator after legislator that the gambling industry has become the single largest political influence in their states,'' said Robert Goodman, a professor at Hampshire College in Amherst, Mass., who is the author of ''The Luck Business'' (Free Press, 1995), a book critical of legalized gambling's spread. ''It's a sea change in the political landscape in the states where the gambling industry is operating.''

As in many other states that now have casinos, the spending in Illinois has been spurred by competition among gambling concerns whose interests conflict.

Wealthy businessmen who want to obtain casino licenses from the state, which now allows casino gambling only on riverboats, are spending hundreds of thousands of dollars a year in campaign contributions to help persuade legislators to expand gambling to Chicago and any number of suburbs.

Fearful of new competition, the owners of the state's 10 existing casino licenses are contributing hundreds of thousands more to protect their monopolies. In doing so, they have placed themselves in an unusual alliance with those who oppose gambling on moral or social grounds.

In Washington, the rise of the gambling industry has created influential power brokers. In a single afternoon last June, Steve Wynn, chairman of Mirage Resorts, one of the country's largest Casino companies, raised nearly $500,000 for the presidential campaign of Bob Dole, the Senate majority leader.

The fund-raising luncheon, at a posh Las Vegas country club, came one day after Dole had traveled to Los Angeles to level a withering attack on what he described as the mercenary values of the entertainment industry.

Dole opposes new taxes on the gambling industry, said his spokesman, Clarkson Hine, but supports creation of a federal commission to study gambling's effects. The industry opposes such a commission, believing that it could lead to heightened regulation. But Hine said Dole ''feels strongly'' that regulation should be left to the states.

In any event, Mirage Resorts is hardly the only gambling-industry player in the capital. The 370-member Mashantucket Pequot tribe, virtually unknown until it opened the Foxwoods Resort Casino in Ledyard, Conn., in 1992, is one of many others, having given $465,000 to the Democratic National Committee and $100,000 to the Republican National Committee from 1991 to 1994.

Gambling money is so abundant that on occasion it reaches out even to the most vocal of gambling opponents, like Gov. Kirk Fordice of Mississippi, where casino operations have been growing for five years.

In 1993, Fordice accepted $73,500 in contributions from casino interests, almost a third of all the money he raised that year. Then, beginning last Jan. 1, he swore off accepting any more gambling money, although he declined to return the earlier bounty.

The purpose of the new policy, said Andy Taggart, his campaign manager, was to take an issue away from his opponent in the gubernatorial race this year. Fordice won.

It was political money, along with the promise of new tax revenue for recession-racked states, that provided the kindling for the wildfire spread of legalized gambling in the 1990s.

In 1988, only Nevada and New Jersey had casinos. Now, 24 states have casinos on land, water or Indian reservations, and 48 states have legalized gambling of some kind.

In the last four years, annual legal-gambling revenue has grown by 50 percent, to $39.9 billion. That is nearly a quadrupling since 1982, according to an annual survey by Christiansen/Cummings Associates, a consulting firm that specializes in the gaming industry. On average, profit margins are high, ranging from 15 to 20 percent, said Will E. Cummings, managing director of the firm.

''Without the outside influence coming in'' to lobby in this state or that, ''there would be no spread of gaming,'' said William N. Thompson, a professor at the University of Nevada at Las Vegas who is co-author of ''The Last Resort: Success and Failure in Campaigns for Casinos'' (University of Nevada Press, 1990). ''The opponents don't get to make their case.''

In the last year, though, the industry has suffered several financial and political failure, suggesting that the market for betting may finally be saturated. A casino in New Orleans and riverboats in Louisiana and Mississippi have failed, and voters and lawmakers have rejected the expansion of gambling in a number of states.

Industry analysts say some of the backlash can be attributed to growing revulsion with the amount of gambling money in politics, and to concern about corruption among holders of public office.

In the most recent scandal, the FBI said in August that it was investigating whether video poker operators in Louisiana had bribed lawmakers into killing anti-gambling legislation earlier this year. That inquiry is continuing, but many of the legislators who are targets of it either have chosen to retire or failed to win re-election this fall.

In Pennsylvania, state Attorney General Ernie Preate, Jr. pleaded guilty in June to hiding campaign contributions from operators of illegal video poker games. And from 1989 to 1992, lawmakers in Arizona, Kentucky, South Carolina and West Virginia were convicted of accepting bribes from gambling interests.

Frank J. Fahrenkopf Jr., president of the American Gaming Association, the industry's trade group, told a congressional committee last month that singling out legalized betting as a corrupting influence was unfair.

''The problem,'' said Fahrenkopf, a former Republican national chairman, ''is that where there is money, there is the potential for corruption, and that is by no means confined to gaming interests.'' After listing political scandals from Teapot Dome to Abscam, he added, ''To suggest that it is unique to our industry is manipulative, cynical and, frankly, dishonest.''

Even when operating within the law, though, gambling supporters have sometimes lacked subtlety.

In 1994, the president of the Louisiana Senate, Sammy Nunez, handed out envelopes to colleagues on the Senate floor, each containing a $2,500 campaign check from a casino owner. Nunez lost in a bid for re-election in November.

In Illinois in 1993, Al Ronan, a legislator turned casino lobbyist, pulled lawmakers off the floor and handed them white envelopes containing campaign checks of $50 to $300.

''The gambling companies have been like a bull in a china shop,'' said William R. Eadington, director of the Institute for the Study of Gambling and Commercial Gaming, at the University of Nevada at Reno. ''These were companies that did not have the sophistication to understand the nuances of political activity.''

Some exports, noting the intense issue that gambling money has become in some states and localities, believe that the industry has turned into its own worst enemy.

Despite devoting $16.5 million to the referendum on casino legalization in Florida last year, pro-gambling forces were crushed at the polls, 62 percent to 38 percent, at least partly because of voter discomfort with that level of spending.

And given the corruption investigation in Louisiana, candidates for governor there spent much of the race this year trying to trump each other's anti-gambling stands.

Further, after St. Louis County Executive George Westfall accepted more than $150,000 in contributions from companies competing for a riverboat casino license, the County Council this year approved a ban on the industry's political donations.

In recent months, some casino companies have decided to put a stop to their own multimillion-dollar political wagers.

One such company is Mirage Resorts, which spent more than $10 million in a four-year failed campaign to place a casino in Bridgeport, Conn.

''Our company policy right now is that we are not going to go or in any jurisdiction and actively lobby to change any law, to actively try to convince people,'' said Richard D. Bronson, a member of Mirage's board and president of the company's development arm. ''Look what happened in Connecticut.''

Added Alan M. Feldman, Mirage's vice president for public affairs: ''It has told us that this isn't our bag. We're just not political animals.''●

MEASURE READ FOR THE FIRST TIME—HOUSE JOINT RESOLUTION 132

Mr. LOTT. Mr. President, I inquire of the Chair if House Joint Resolution 132 has arrived from the House.

The PRESIDING OFFICER. It has.

Mr. LOTT. I ask for its first reading.

The PRESIDING OFFICER. The clerk will read the joint resolution for the first time.

The assistant legislative clerk read as follows:

A joint resolution (H.J. Res. 132) affirming that budget negotiations shall be based on the most recent technical and economic assumptions of the Congressional Budget Office and shall achieve a balanced budget by fiscal year 2002 based on those assumptions.

Mr. LOTT. Mr. President, I now ask for the second reading of the joint resolution, and I object to my own request on behalf of the Democratic leader.

The PRESIDING OFFICER. Objection is heard.

CLOTURE VOTE ON MOTION TO PROCEED TO THE LABOR-HHS APPROPRIATIONS BILL POSTPONED UNTIL WEDNESDAY

Mr. LOTT. Mr. President, I ask unanimous consent that the cloture vote on the motion to proceed to the Labor-HHS appropriations bill be postponed to occur on Wednesday at a time to be determined by the majority leader after consultation with the minority leader.

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

ORDER OF PROCEDURE

Mr. LOTT. Mr. President, I am prepared now to go to the closing statement so that the staff of the Senate can proceed home in view of the ice and the weather that we are confronting. I wondered if the Senator from Nebraska had any further comments, or could we go ahead and proceed to close the Senate?

Mr. EXON. I thank my friend from Mississippi for his offer. I will take 5 minutes allotted in morning business, and then I will be glad to join others on my trek home, if that is satisfactory with the Senator from Mississippi.

Mr. LOTT. I certainly understand that. Then I will have to reserve the right, depending on what is said, for 5 minutes of my own.

I yield the floor.

The PRESIDING OFFICER. The Senator from Nebraska is recognized.

THE BUDGET

Mr. EXON. Mr. President, I would not be on the floor tonight, and had not intended to be on the floor tonight, until I saw a bevy of Republicans coming on the floor to try and beat up on the President, in particular, and the Democratic Party in general. When I heard that, I have responsibilities as the lead Democrat on the Budget Committee, and I decided to stay here and hear what is going on.

The Senator from Washington made several statements that I would like to take issue with. One thing that the Senator from Washington requested was that if I was concerned about the back-loading on the Republican budget plan, where 60 percent of the savings in the Republican budget plan to balance the budget are put off until the sixth and seventh year, did I have any suggestions as to how we could eliminate that. Well, I sure do.

If we would eliminate the $242 billion tax cut that basically benefits the wealthiest among us, for the most part, that would be one way we could alleviate that.

I would also like to comment briefly on the several statements made on the floor by those on that side of the aisle regarding the President of the United States breaking his agreement with regard to the continuing resolution that we worked out 2 weeks ago, I guess it was. I was there. I was part of that agreement. The President has not broken his word. The President of the United States said that he would accept a 7-year plan to balance the budget. And he has had a pretty good record as President, because under President Clinton, we have had 3 straight years of reduction in the deficit of the budget of the United States of America. That is the first time that has happened since Harry Truman. So this President has had some experience in fiscal responsibility.

The President has said in that agreement that he would agree to balance in 7 years, and that we would accept Congressional Budget Office numbers, with the understanding that CBO would review those numbers with the Office of Management and Budget and outside experts to make sure that their projections were as nearly accurate as possible.

He also said the other condition of making that agreement was the fact that we wish the Republicans to enter into discussions with us to protect programs that the Democratic Party has worked long and hard to protect—Medicare, Medicaid, educational programs, veterans benefits, agriculture, and others. We did not feel that, rushing to judgment, the Republicans had lived up to their part of that agreement. So, therefore, I think that there can be legitimate differences of opinion. And because that was worded in that manner, I think almost anyone could have interpreted that particular agreement as they wanted to.

It has been mentioned by my friend from Nevada that—and we are talking about the appropriations bills—if the President would just sign the appropriations bills, that would alleviate some of the problems. The appropriations bill should have been passed by the Republican-controlled Congress by October 1, 1995, when the new year began. Here we are in December, just passing appropriations bills—it is very late, almost 90 days late— and then we say to the President of the United States that because it is so late, because we are so late getting these to you, of course, you cannot veto them. That would be unfair.

We have also heard said that the President had shut down the Government. He has not. The President of the United States, through the Democratic leader, Senator DASCHLE, made offer after offer, which the Republicans rejected, regarding a continuing resolution that would not have been necessary to have 1 day of shutdown. So I do not think it is fair to blame the President of the United States for that.

I am happy to say that I think, given the circumstances, we are now making some progress, as Senator DOLE and Senator DASCHLE earlier indicated on the floor. I am not sure that we accomplish a great deal with partisan bickering over something that we have placed, for their deliberation, consultation, and hope of resolving, in the hands of the President of the United States, the majority leader, ROBERT DOLE; the Speaker of the House, Mr. GINGRICH; the Democratic leader in the House, Congressman GEPHARDT; and our own TOM DASCHLE, the Democratic

leader in the Senate. Those five individuals have heavy, heavy responsibilities, and they have very serious differences of opinion on a whole series of subjects.

I just hope that we can in good faith work with them and not bicker, at least until after we hear what their results and recommendations are. I yield the floor.

Mr. LOTT. Mr. President, I will be brief. I apologize for the little time that I will take, but there has been so much said here in the last 10 minutes that needs debunking and refuting, it is all I can do to restrain myself.

I would like to take a bipartisan tone and hope that these discussions would be successful, and I wonder why they were not completed a week ago, 2 weeks ago, a month more or even longer. There are so many inconsistencies being put out that I just cannot stand still and not respond to some of then.

With regard to the 60 percent back end question, that there has been a lot of talk how 60 percent of the savings come at the back end, as a matter of fact, that is the result of genuine real reforms in the so-called entitlement programs that we make this year. If we do not make them this year, we will never get them. Even if we make them this year, the impact builds over the years.

That is the exact reason why we need these entitlement reforms, because if we do not have these reforms, these programs will continue to explode out of control, go up at the rate of 10 percent or 11 percent or more. Medicaid, I think, was going up at one point in the high teens. We want to reform these programs to save them.

What really amazes me is my colleagues say, ''Yes, we want a balanced budget. We want to reduce the debt, but we do not want to control spending.'' You cannot have it both ways. You cannot say we are not going to touch the entitlements, we will not touch welfare, we will not touch Medicare or Medicaid, and by the way, we want to spend endless amounts on appropriations bills. You just cannot have it both ways. To get a balanced budget, you have to agree to some controls or, Heaven forbid, some cuts.

Now, this talk about how the Congress majority this year has not sent the appropriations bills to the President. In 1987 and 1988, the Democratic Congress did not send a single—not one—appropriations bill to the President. In 1987, all 13 appropriations bills were lumped into one big wad, with the budget, with the debt ceiling, sent down to the President of the United States, President Reagan. The Congress left town and said, ''Good luck, Mr. President. Goodbye.''

Do not give me alligator tears how we have not passed appropriations bills. When we pass them and send them to the President and he vetoes them and he says the Congress closed down the Government, my goodness, all he had to do was to use the Lyndon Johnson pen that has so much experience spending the people's money, sign the bill, and he would have kept the Government open.

Why did he not sign them? A couple good reasons: No. 1, this President wants business as usual. Spend more money. ''I want more money for Interior Department. I want more money for Housing and Urban Development. I want more money for State and Justice and Commerce. Yes, more money for everything and everybody. And the other thing is, I have these little policy questions. I do not like it because you are allowing too much timber to be cut in Alaska.'' Give me a break. The people in Mississippi think trees are to be harvested. We certainly do not want to see the Government shut down by the President because of the number of feet of timber we are going to cut in Alaska.

I am amazed that the President of the United States can go on TV and say, ''I am vetoing the appropriations bills, and, gee, I wish Congress would not shut down these departments.'' Yesterday, the last 48 hours, if the President signed three appropriations bills, 621,000 Federal employees would have been at work.

But look, that is not the big issue. The big issue is what can we do to get together to legitimately get a balanced budget. It is time we do that.

Now, I believe—I know it is something that a lot of Members do not accept—I believe you let the hard-working taxpayers of the country keep a little bit of their money, as a matter of fact, save it or spend it, it helps the economy. I know we cannot get dynamic scoring, but when you let people keep their money, we wind up getting more money in the Treasury, not less.

I ask the Democrats, do they want to keep the marriage penalty in the Tax Code? I assume the answer is no. The only way to get rid of it is to do it, and it costs a little money. You call that tax cuts for the wealthy? Baloney. That is tax cuts for young people, whom we hope will get married and pay not more taxes but at least the same. Do you object to spousal IRA for the working spouse in the home? The only people in America that cannot have an IRA are working spouses in the home. The only way to get it is to give them an opportunity to save in an individual account. Capital gains tax cut, I am for. A lot of people in Mississippi like that. They have timberlands and do not want 40 percent taken by the Government.

I emphasize this on the floor of the Senate. We really criticize tax cuts. Do you know what tax cuts are? This is letting the people that pay the taxes keep a little of their money. The American people are taxed basically at 50 percent.

My time is expired. I could go on and on about all of this. I will stop at this point. Yes, I would like for us to cool down the rhetoric. It is a two-way street. Every time the President gets on TV and just lowers the boom on us, are we supposed to stand here and say, ''Gee, thank you very much.'' No. We have got to stand up and speak up and make sure the American people hear the other side of the story and then, of course, that begets a response on the other side. It is time we bring this to a conclusion and get a balanced budget. That is all I care about. We can do it. We can do it.

Mr. EXON. Will the Senator yield?

Mr. LOTT. I am happy to yield to the Senator.

Mr. EXON. Did I understand the Senator to say—what year was it—1987?

Mr. LOTT. It was at least a couple years in there, 1987 and 1988, the Democratic Congress did not pass a single appropriations bill. Put it in a big CR.

Mr. EXON. I do not remember the reasons for that, but 1986, of course, we had a Republican-controlled Senate, and I would not want to blame them for that.

Mr. LOTT. I said 1987.

Mr. EXON. In other words, what you are saying, it was a Democratically controlled House and Senate that did that?

Mr. LOTT. I believe it was, yes, sir.

Mr. EXON. It probably was 1987 and 1988 because in that time we did control both Houses, not 1986.

I have no further comments, and if we are ready to close, I am ready to close.

ORDERS FOR WEDNESDAY, DECEMBER 20, 1995

Mr. LOTT. I ask unanimous consent that when the Senate completes its business today, it stand in adjournment until the hour of 10 a.m, Wednesday, December 20; that following the prayer, the Journal of proceedings be deemed approved to date, no resolutions come over under the rule, the call of the calendar be dispensed with, the morning hour be deemed as having expired, and the time of the two leaders be reserved for their use later in the day.

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

Mr. LOTT. I ask unanimous consent that at 10 a.m. the Senate turn to the consideration of Senate Resolution 199.

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

PROGRAM

Mr. LOTT. For the information of all Senators, the Senate will begin consideration of Senate Resolution 199 regarding the Whitewater subpoena at 10 a.m. We are hoping that a time agreement can be reached on that resolution to allow a vote after a reasonable amount of debate. Senators can therefore expect votes to occur throughout the day during Wednesday's session.

ADJOURNMENT UNTIL 10 A.M. TOMORROW

Mr. LOTT. If there is no further business to come before the Senate, I now ask unanimous consent that the Senate stand in adjournment under the previous order.

There being no objection, the Senate, at 8:08 p.m., adjourned until Wednesday, December 20, 1995, at 10 a.m.

NOMINATIONS

Executive nominations received by the Senate December 19, 1995:

NATIONAL FOUNDATION ON THE ARTS AND THE HUMANITIES

SPEIGHT JENKINS, OF WASHINGTON, TO BE A MEMBER OF THE NATIONAL COUNCIL ON THE ARTS FOR A TERM EXPIRING SEPTEMBER 3, 2000, VICE PHILIP BRUNELLE, TERM EXPIRED.

THE JUDICIARY

MARY ANN VIAL LEMMON, OF LOUISIANA, TO BE U.S. DISTRICT JUDGE FOR THE EASTERN DISTRICT OF LOUISIANA, VICE PETER HILL BEER, RETIRED.

MICHAEL D. SCHATTMAN, OF TEXAS, TO BE U.S. DISTRICT JUDGE FOR THE NORTHERN DISTRICT OF TEXAS, VICE HAROLD BAREFOOT SANDERS, JR., RETIRED.