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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:

Sovereign God, maximize us by Your spirit for the demanding responsibilities and relationships of this day. We say with the Psalmist, ''God, be merciful to us and bless us, and cause Your face to shine upon us, that Your way may be known on Earth, Your salvation among the nations.''—Psalm 67:1–2.

Father, our day is filled with challenges and decisions. In the quiet of this magnificent moment of conversation with You, we dedicate this day. We want to live it to Your glory.

We praise You that it is Your desire to give Your presence, wisdom, guidance, and blessings to those who ask. You give strength and power to Your people when we seek You above all else. You guide the humble and teach them Your way. Help us to humble ourselves as we begin this day so that no self-serving agenda or self-aggrandizing attitude will block Your blessings to us or to our Nation through us. May we speak with both the tenor of Your truth and the tone of Your grace. In the name of Him who taught us that the greatest among us are those who unselfishly serve. Amen.

RECOGNITION OF THE MAJORITY LEADER

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

Mr. LOTT. Thank you.

SCHEDULE

Mr. LOTT. In a moment the Senate will resume consideration again of S. 1768, the emergency supplemental appropriations bill. I remind my colleagues, this is supposed to be an emergency, urgent supplemental. We began it in the winter. It is now spring, and I hope we can finish it before summer. But the Senate will resume work in its inimitable way, and eventually we will get to a conclusion. I have to wonder if Senators are serious at all about this emergency legislation. I think maybe as majority leader I have learned a lesson. I will not be able to ever plan again on the emergency supplemental taking a day or two. I think I will have to plan on a week or two.

Last night we reached a unanimous consent agreement limiting amendments to the bill. It is my hope—and I know it is the chairman's hope as well—that most amendments will not be offered that are on this list. We want to finish this important legislation early today so we can move on to other issues. Those of you that do have amendments on the list, if you are serious, I urge you to come over and offer those amendments this morning. The chairman is ready to proceed. Looking down the list and thinking about the time that will be needed, if Senators are reasonable, we should be able to complete this legislation sometime in the early afternoon, I hope, at the least.

Under the order, at 10 a.m. the Senate will resume 50 minutes of debate on the Enzi amendment regarding Indian gaming. It is my understanding that amendment may not need a rollcall vote, but we will have to clarify that momentarily. However, there are other pending amendments that will require rollcall votes. Surely there will be votes throughout the morning and the afternoon.

We are still hoping to reach an agreement on the Coverdell education savings account bill today. Senator DASCHLE and I continue to exchange suggestions. Sometimes we get very close, and then it seems to go back the other way. But we very well could have the second cloture vote sometime during the day. In addition, of course, we will consider any executive and legislative items cleared for action, including the Mexico decertification legislation which we will have to do this week. We must do that under the law before the end of the month. Sometime today, I hope under a reasonable time limit—I hope not more than 2 hours—we could complete the Mexico decertification.

I remind Senators, there will be votes on Friday morning, so they need to plan their schedules accordingly, but there will not be votes after 12 noon.

I yield the floor.

RESERVATION OF LEADER TIME

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

SUPPLEMENTAL APPROPRIATIONS FOR NATURAL DISASTERS AND OVERSEAS PEACEKEEPING EFFORTS FOR FISCAL YEAR 1998

The PRESIDING OFFICER. Under the previous order, the clerk will report the supplemental appropriations bill.

The assistant legislative clerk read as follows:

A bill (S. 1768) making emergency supplemental appropriations for recovery from natural disasters, and for overseas peacekeeping efforts, for the fiscal year ending September 30, 1998, and for other purposes.

The Senate resumed consideration of the bill.

Pending:

McConnell modified amendment No. 2100, to provide supplemental appropriations for the International Monetary Fund for the fiscal year ending September 30, 1998.

Stevens (for Nickles) amendment No. 2120, to strike certain funding for the Health Care Financing Administration.

Enzi amendment No. 2133, to prohibit the Secretary of the Interior from promulgating certain regulations relating to Indian gaming activities.

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

Bumpers amendment No. 2134, to express the sense of the Senate that of the rescissions, if any, which Congress makes to offset appropriations made for emergency items in the Fiscal Year 1998 supplemental appropriations bill, defense spending should be rescinded to offset increases in spending for defense programs.

Robb amendment No. 2135, to reform agricultural credit programs of the Department of Agriculture.

AMENDMENT NO. 2133

The PRESIDING OFFICER. Under the previous order, the pending business is amendment 2133, offered by the Senator from Wyoming, Mr. ENZI.

There are 50 minutes remaining for debate on the amendment; 15 minutes is under the control of the Senator from Wyoming, and 35 minutes under the control of the Senator from Hawaii, Mr. INOUYE.

Mr. STEVENS. Mr. President, I ask unanimous consent I be allowed to yield 5 minutes to the Senator from Colorado from the time of Senator INOUYE.

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

The Senator from Colorado.

Mr. CAMPBELL. Mr. President, I rise to speak against the amendment offered by my friend and colleague from Wyoming, Senator ENZI, related to the procedures of the Secretary of the Interior in the Indian gaming statute.

I oppose this amendment first and foremost because it will make permanent changes to the Indian Gaming Regulatory Act without a single hearing on the matter. Later today I intend to introduce a freestanding bill to amend the Indian gaming statute. In fact, I was rather surprised this amendment would come forward on a bill that is designed to be an emergency supplemental for our troops in Bosnia and the gulf and to address natural disasters.

Beginning this Wednesday, our committee will conduct the first of several hearings this year dealing with difficult and complex issues involving Indian gaming tribes and Indian gaming in itself. These issues include: Should there be uniform standards governing Indian gaming? What level of regulation of tribal gaming is needed? Is the Federal Gaming Commission adequately funded? What remedies do tribes have in the wake of the Supreme Court's Seminole decision?

That is the committee of jurisdiction, and that is the forum through which the Senator from Wyoming should have addressed his concerns.

When Congress enacted the Indian Gaming Regulatory Act, the States were invited to play a significant role in the regulation of gaming activities that take place on Indian lands. In fact, the statute required tribes to have a gaming compact before the State commenced any casino-style gaming within tribal lands. Though few have come to understand how significant such a provision is, it was and is a major concession by Indian tribes and one that has worked fairly well for the last 8 years.

Congress also realized that tribes need a mechanism to encourage States to negotiate these compacts and provided for tribal lawsuits against reluctant States. Up until 1996, if a Federal court determined that a State was negotiating in bad faith, or if the State decided not to negotiate at all, the tribe had the option of filing a lawsuit to bring about good-faith negotiations.

In 1996, the Supreme Court handed down the decision in Seminole Tribe of Indians v. The State of Florida. This decision said that a State may assert its 11th amendment immunity from lawsuits and preclude tribes from suing it in order to conclude a gaming agreement. Just as I believe we should respect each State's sovereign right, it seems to me we should recognize those of tribes, too.

Next week at the committee hearing, one of the issues surely to arise again will be the matter of whether, in the absence of a State-tribal compact, the Secretary of the Interior can issue procedures to govern casino gaming on Indian lands. Senator ENZI's amendment would preempt the efforts of the committee to fully and fairly look at the issues regarding Indian gaming.

I ask unanimous consent to have printed in the RECORD a statement from the administration that opposes this amendment.

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

BUREAU: BUREAU OF INDIAN AFFAIRS

ITEM: PROPOSED BILL S. 1572, INTRODUCED BY SENATORS BRYAN, ENZI, REID, AND SESSIONS ON JANUARY 27, 1998

S. 1572 amends the Indian Gaming Regulatory Act (IGRA) and precludes the Secretary of the Interior from promulgating final regulations to deal with Indian gaming compact negotiations between States and Tribes when Tribes have exhausted federal judicial remedies.

Background: The Indian Gaming Regulatory Act (IGRA) was enacted to allow Indian tribes the opportunity to pursue gaming as a means of economic development on Indian lands. Since 1988, Indian gaming, regulated under IGRA, has provided benefits to over 150 tribes and to their surrounding communities in over 24 states. As required by law, Indian gaming revenues have been directed to programs and facilities to improve the health, safety, educational opportunities and quality of life for Indian people.

Under IGRA, Tribes are only authorized to conduct casino-style gaming operations if such gaming is permitted by the state. Further, the gaming is allowed in such states only pursuant to a mutually agreed-upon Tribal-State compact; or in the alternative, pursuant to procedures issued by the Secretary if a state fails to consent to a compact arrived at through the mediation process that follows a determination by a United States District Court that the State has failed to negotiate in good faith (25 U.S.C. Section 2710(d)(7)(B)(vii). IGRA only authorizes the Secretary to issue ''procedures'' after sates have been provided with a full opportunity to negotiate compact terms.

Under IGRA, Congress intended to give tribes the right to file suits directly against states that failed to negotiate in good faith with regard to Class III gaming. The right to sue a state for failure to negotiate in good faith was seen by Congress as the best way to ensure that states deal fairly with tribes as sovereign governments. See Senate Report No. 446, 100th Congress, 2nd Session 14 (1988).

In Seminole Tribe v. State of Florida, the U.S. Supreme Court held that Congress was without authority to waive the States' immunity to suits in Federal courts ensured by the Eleventh Amendment to the Constitution. As a result of this decision, states can avoid entering into good faith negotiations with Indian tribes without concern about being subject to suit by tribes. Under these circumstances, the Secretary's authority to promulgate regulations may be the only avenue for meeting the Congressional policy of promoting tribal economic development and self sufficiency.

Effect of Proposed Legislation: The legislation would prohibit the adoption of a rule setting forth the process and standards pursuant to which Class III procedures would be adopted in specific situations where the state has asserted its Eleventh Amendment immunity. If the legislation is included as an amendment to a 1998 supplemental appropriation, the language would remain in effect through FY 1998.

Departmental Position: The Department strongly objects to any attempt to substantially interfere with its ability to administer the Indian Gaming Regulatory Act or to thwart Congress' declared policy in IGRA of promoting tribal economic development, self sufficiency and strong tribal government. The Secretary would recommend a veto of any legislation extending beyond FY 1998 that prevents the Secretary from attempting to work out a reasonable solution for dealing with Indian gaming compact negotiations between States and Tribes when Tribes have exhausted federal judicial remedies.

The Secretary published proposed regulations on January 22, 1998 which would authorize the Secretary to approve Class III gaming procedures in cases where the state has asserted an Eleventh Amendment defense. The proposed rule is narrow in scope. It will allow the Secretary to move forward only (1) where a Tribe asserts that a State has not acted in good faith in negotiating a Class III gaming compact and (2) when the State asserts immunity from the lawsuit to resolve the dispute. In the 9-year history of IGRA, these situations have been very rare. Over 150 compacts have been successfully negotiated and are being implemented in more than half the states. Even where negotiations have been unsuccessful and litigation has been filed, a number of States have chosen not to assert immunity from suit. Based on experience to date, relatively few situations will arise requiring Secretarial decisions.

The publication of the proposed rule is followed by a 90-day comment period, with formal public access to and review of the proposed rule. The Department will attempt to maximize State participation and comment during the comment period, with final publication of the rule expected in FY 1998, after careful review and analysis of public comments. In particular, the Department will continue to meet with State Governors to discuss the proposed rule and to work out compromises. A provision in the FY 1998 Department of the Interior and Related Agencies Appropriations Act precludes the implementation of a final rule this fiscal year.

State law would continue to be the appropriate reference point for determining the ''scope of gaming'' permitted in any procedures proposed by the Department to resolve Indian gaming compact disputes. This policy is consistent with the Department's position that it does not authorize classes or forms of Indian gaming in any State where they are affirmatively prohibited. See Brief of the

United States as amicus curiae in the Supreme Court in Rumsey Indian Rancher of Wintun Indians v. Wilson, 64F.3d 1250 (9th Cir. 1995), as modified on denial of petition for rehearing, 99F.3d 321 (9th Cir 1996), cert denied, sub nom. Sycuan Band of Mission Indians v. Wilson, No. 96–1059, 65 U.S.L. W. 3855 (June 24, 1997).

The publication of the proposed rule follows an Advanced Notice of Public Rulemaking published in the Federal Register in May, 1996. In developing the proposed rule, the Department carefully considered over 350 comments submitted by States, Tribes, and others.

The Department opposes legislation which would in effect provide States with a veto power over Class III Indian gaming when state law permits the gaming at issue ''for any purpose by an person, organization or entity.''

In addition, the Department of the Interior strongly objects to using the appropriations process for policy amendments to the Indian Gaming Regulatory Act. Including the provision in the FY 1998 supplemental appropriations would circumvent a fair legislative process with hearings involving Indian tribes, state officials and the regulated community. Through the hearing process, all parties involved in Indian gaming are allowed to contribute testimony on how or whether IGRA should be amended.

Mr. STEVENS. I urge Members who have colloquies that they wish to enter into with myself or Senator BYRD to come over now, and we can get those done. We have two significant—maybe three significant colloquies pertaining to amendments that will not be necessary if the colloquies are properly presented.

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. INOUYE. 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. INOUYE. Mr. President, as Chairman CAMPBELL of the Committee on Indian Affairs has observed, I believe it is very important that our colleagues have a clear understanding of the context in which this amendment is being offered. I say this because one might infer that the Secretary of the Interior is pursuing a course of action that is either unwarranted or one which the Congress would never sanction, and I believe it is critically important that we understand that drawing such inferences would be wrong.

As Senator CAMPBELL has indicated, in 1988 the Indian Gaming Regulatory Act was enacted into law. It followed a ruling by the Supreme Court in 1987 in which the Court once again reaffirmed one of the fundamental principles of Federal Indian law; namely, that the civil regulatory laws of the State do not apply in Indian country. In so ruling, the Court concluded that the State of California could not regulate gaming on Indian lands.

As often happens, the Congress responded with the enactment of a law that gave to the States that which they did not have after the Court's decision—an ability to enter into a compact with a tribal government under which State laws might apply if the parties so agreed.

That law has proven to work well.

In fact, twenty-three of the twenty-eight States in which Indian reservations are located, have elected to enter into compacts with the tribal governments in their respective States.

Thus, it is clear that the law is working.

However, in 1996, the Supreme Court ruled again.

The Court found that while the Congress intended to enable the parties to go to a Federal court to resolve any outstanding questions of law relative to gaming activities permitted within each State, or relative to tribal-state compact negotiations, the Congress could not waive the States' eleventh amendment immunity to suit.

The result was that if a State refused to negotiate a tribal-state compact for the conduct of gaming, there is no Federal forum to which the parties can go to secure the assistance of the courts in reaching a resolution.

So the Secretary of the Department of the Interior—as the Federal official to whom authority has been delegated to manage matters of Indian affairs—took the next step and did what many believe was the responsible thing to do.

In the fall of 1996, the Secretary invited comments from the public as to how he should proceed.

He posed a question—''should the remaining tribal governments—those that did not have compacts before the Supreme Court's ruling—be precluded from conducting gaming on their lands if a State elects not to enter into compact negotiations?''

Taken together, the responses, I assume were that the Supreme Court and the Congress have recognized the right of tribal governments, as sovereigns, to conduct gaming activities on their lands—and that if the process set forth in the act was no longer workable, then another process ought to be put in place.

And so the Secretary proceeded to issue an advance notice of proposed rulemaking, once again inviting comments from the public.

Put another way, this whole process that the Secretary has pursued has been conducted in the full light of day, with maximum input from all interested parties. There was ample opportunity provided for everyone to weigh in and have their voices heard. And, because we have yet to enact a legislative remedy to the problem created by the Supreme Court's ruling—it was a necessary and proper action for the Secretary to take.

Nonetheless, my colleagues felt it necessary to propose an amendment to the Interior appropriations bill, last fall, that would prevent the Secretary from proceeding any further. I was opposed to that amendment, because I believe that through our passage of the Indian Gaming Regulatory Act, we have clearly sent a message to Indian country.

That message is that we recognize the right to Indian country to seek a means—other than a reliance on Federal appropriations—to foster economic growth in their communities—communities, which have historically been plagued with poverty, the highest rates of unemployment in the Nation, not to mention the sorry state of housing, health care, and education.

My colleagues' amendment seeks to send a message to those tribes that have yet to secure compacts—that if for one reason or another, you don't have a compact with a State—you will never have any other way to have gaming activities authorized on your lands. That you will be permanently foreclosed from the one activity that has proven to hold any potential for the economic well-being of Indian communities. That if your tribal economy has been devastated—if there are no jobs to be had on your reservation—that is just too bad.

Mr. President, I don't think we can—in all clear conscience—send that message to Indian country.

It isn't as though Indian reservations are located on another planet. The strength of tribal economies is every bit as important to our national economy as those of the States and local governments.

If there are no jobs on the reservations, people will be, as they have been forced to do in the past, become increasingly more dependent on Federal programs. And this just flies in the face of all good sense and sound judgment.

For the past 28 years, our national policy has been to support tribal governments in their quest to become economically self-sufficient.

My friend, the chairman of the Appropriations Committee, could give us chapter and verse as to the scarcity of Federal dollars when it comes to meeting the needs in Indian country.

For 28 years, we have been saying to the tribes—''get on your feet economically—we will do whatever we can to support you. Like you, we want to see the day when you are self-determining people who no longer need to have your lives dominated by the actions or inaction of the Federal Government.''

The adoption of this amendment will send a decidedly different message. That message is that—''we will cut off Your right, as sovereigns, to determine whether gaming is something you want to employ as an economic tool to lift your communities out of the economic devastation and despair that has plagued Indian country for so long.''

Mr. President, my colleagues know that I am not one who supports gaming. Hawaii is one of two States in the Union that criminally prohibits all forms of gaming.

But I have seen what gaming has brought to Indian country and I support gaming for Indian country because

I believe that it is one of their Rights as sovereigns within our system of government to determine how to develop the economic base of tribal communities.

So while I do not question the good intentions of my colleagues, I would suggest to them and to my other colleagues, that this simply is not a matter that has to be or should be addressed in an emergency supplemental appropriations bill.

The better course of action, in my view, would be to address this matter either in the authorizing committee or as part of the regulatory process.

I am advised that the National Governor's Association has already notified the Department that it will be requesting a 30-day extension of the rulemaking procedure—which would take us into the end of May.

Finally, the administration has sent up a statement of administration policy on this amendment which makes abundantly clear that the Department of the Interior will recommend a veto of the emergency supplemental appropriations bills, should this amendment be included in the bill.

I urge my colleagues to oppose this amendment. It does not involve an emergency situation—there are other forums in which this matter is more appropriately addressed. There is more than sufficient time to take action, if it is necessary, before the rulemaking process is complete.

Clearly, we would not be acting today if there were not victims who are desperately in need of the emergency assistance that this bill will make available.

I don't think we can responsibly tell them that the help that is so critical to them will not be forthcoming because this bill was vetoed. And we knew that it would be—simply because of an Indian gaming amendment that so obviously did not need to be treated as if it were an emergency and thereby addressed in this bill.

In conclusion, Mr. President, I would note that each of my colleagues who spoke in support of this amendment yesterday, all made one and the same assumption—the assumption that States have a right to consent to the conduct of gaming on Indian lands. However, under the Supreme Court's ruling in Cabazon, the States do not have such a right.

This is what the Court explicitly held.

It is the Indian Gaming Regulatory Act that carved out a role for the States to play in Indian gaming.

In my view, if a State elects not to avail itself of this role—either by refusing to negotiate for a compact or by asserting it's eleventh amendment immunity to suit—then the State is knowingly opting out of its prerogatives under the act.

In so doing, a State has voluntarily passed the responsibility back to the Federal Government.

All that the Interior Secretary is doing here is fulfilling his role as trustee by assuring that the action on the part of a State does not abrogate the rights of the tribal governments.

When my colleagues suggest that the statute does not envision the Secretary acting without the consent of a State—it is because the statute is premised upon a simple assumption.

In 1988, the States aggressively pursued having a role to play in Indian gaming. It was and is then natural to assume that they would act in conformance with what they said they wanted.

If a State doesn't want this role, then I would suggest that a State would be hard pressed to object to the Federal Government fulfilling its responsibilities in lieu of the State. This is simple equity.

We can always repeal this law. But let us all be clear about what the state of the law would be in the absence of this statute. Tribal governments could conduct gaming on their lands without regard to State law and without the consent of any State.

Mr. President, I don't think that is what my colleagues want.

Mr. MCCAIN. Mr. President, I join with my colleagues, Senator CAMPBELL and Senator INOUYE, in strong opposition to the amendment sponsored by Senators ENZI, REID and BRYAN to S. 1768. I regret that I was not able to participate more fully in the debate on this amendment. However, I want to make it clear that I take strong exception to this amendment, as I did last September when a similar amendment was before the Senate. If I had been able to be on the floor, I would have fought against and voted against this amendment.

The adoption of this amendment in any form disturbs the careful balance of State, Tribal and Federal interests which is embodied in the Indian Gaming law. The amendment was offered and debated without the benefit of any hearings or the consideration of the committee of jurisdiction, the Committee on Indian Affairs.

I recognize the Indian gaming law is not perfect. However, this is not the time nor the proper manner for consideration of amendments to the Act. The Committee on Indian Affairs has before it several proposals to amend the Indian Gaming Regulatory Act. As all of my colleagues know, I have proposed amendments to the Indian Gaming Regulatory Act. My colleagues from Wyoming and Nevada should follow our established procedures and introduce legislation which can be referred to the Committee for hearings and proper consideration. Fairness and a respect for our laws and the views of all concerned parties requires such deliberation.

Mr. President, I am disappointed that this body approved such an ill-advised policy which, in effect, interferes with and side-steps the on-going work of the authorizing Committee. I urge the conferees who will be appointed to finalize this supplemental appropriations bill to eliminate this provision from the final conference agreement.

Mr. JOHNSON. Mr. President, I rise today in opposition to the amendment offered by Senators ENZI and BRYAN with respect to restrictions on the activities of the Secretary of the Interior. While I appreciate the concerns of my colleagues on this issue, I do not believe that this emergency supplemental bill is the appropriate vehicle for this amendment and, I encourage my colleagues on the appropriations conference committee to carefully consider the impact that this amendment will have on the potential for progress between Indian tribes and state governments in this area.

As written, this amendment would prohibit the Secretary of the Interior from proceeding with proposed regulations to create procedures to permit class III gaming, procedures which would basically facilitate state-tribal negotiations when other avenues are exhausted. There has been a stalemate in Indian gaming compact negotiations since the 1996 Supreme Court Seminole decision. In response, the Senate included language in the FY1998 Interior Appropriations bill sending a strong message to the Secretary that gaming compacts should not be entered into without state involvement. I believe the Secretary has heeded that Congressional directive through the rulemaking process, and that states have been encouraged to participate in the comment period required in the formation of federal regulations.

Proponents of this amendment believe they are acting in the best interest of the states. However, eliminating the Secretary's ability to gather commentary and issue procedures to help facilitate dialog on Indian gaming goes against the states' interests.

We are fortunate in South Dakota to have a relatively productive relationship between the state and the tribes on gaming issues. However, this amendment, offered without committee consideration or extensive debate, directly limits the federal role in maintaining the balance of tribal, state and federal interests in the gaming negotiation process and I must oppose this step.

Federal law requires tribal governments to use gaming revenue to fund essential services such as education, law enforcement and economic development. Without due protection of the rights of tribal governments to negotiate gaming compacts, the entire foundation of tribal sovereignty and government-to-government relations is jeopardized. The uncertainty left by the Seminole case demands that the Department of the Interior and the Congress revisit existing gaming regulations and law. I will urge the Senate Indian Affairs Committee to continue moving forward on legislation to revisit the Indian Gaming Regulatory Act (IGRA).

Mr. President, I am opposed to the amendment offered by Senators ENZI

and BRYAN and encourage my colleagues to closely examine any language agreed to by the conferees to ensure that the interests of states, tribes, and the federal government are maintained in the Indian gaming regulatory process.

Mr. KENNEDY. Mr. President, I rise today to express my concern about the continuing efforts of some in Congress to undermine the rights of the first Americans—the American Indian and Alaska Native people of our country, their tribal governments, and their unique and historic government-to-government relationship with the United States. In America today, there are 557 federally recognized tribes. In hundreds of treaties signed by the President and ratified by the Senate over the years, Indian tribes have traded vast amounts of land for the right to live on their reservations and govern themselves. An honorable country keeps its promises, even those made many years ago. We must reaffirm our commitment to self-determination for tribal governments.

In the first session of this Congress, numerous proposals were introduced to limit the sovereign rights of tribal governments. One of the most objectionable of the proposals would have required tribal governments to waive all sovereign immunity against suit as a condition of receiving federal funds. It would have authorized suits against tribal governments to be heard in federal courts rather than tribal courts.

Other legislation similar in scope contains extremely broad waivers of tribal sovereign immunity, and would subject tribal governments to virtually any type of suit in both federal and state courts. Any such measure would make it nearly impossible for tribal governments to carry out basic governmental functions and would jeopardize the resources and the future of tribal governments.

Indian nations are forms of government recognized in the U.S. Constitution and hundreds of treaties, court decisions and federal laws. Tribal governments are analogous to state and local governments. They carry out basic governmental functions such as law enforcement and education on Indian lands throughout the country. Tribal governments are modern, democratic, fair and as deserving of respect by Congress just as Congress respects state and local governments.

Sovereign immunity is not an anachronism It is alive and well as legal doctrine that protects the essential functions of government from unreasonable litigation and damage claims. Like other forms of government, tribal governments are not perfect, but any changes should be based on a careful study of current needs and circumstances, and be guided by the fundamental principle that it is the federal government's role to protect tribal self-government.

In addition to challenges to their sovereign immunity, tribal governments also face constant attempts to undermine their ability to take land into trust, to impose taxes upon their revenues, and to impose ''means testing'' on their federal funding.

As the Senate deals with these issues, I urge the Senate to act responsibly. Broad generalizations and one-size-fits-all solutions may seem tempting, but they will have disastrous effects when applied to the diversity of Indian Nations in this country. A realistic review of the variety of circumstances and specific issues is far more likely to lead to workable solutions.

Many of the issues that are being raised today involve matters of purely local concern that can be resolved at the local level by the tribes and states. The role of the federal government in these cases should be to encourage local cooperation, rather than to create new legislation with broad, unintended consequences.

Above all, any solutions by Congress should be guided by the principle that it is the federal government's role to protect tribal self-government.

Tribal self-government serves the same purpose today that it has always served. It enables Indian tribes to protect their cultures and identities and provide for the needs of their people. By doing so, tribal self-government enriches American life and provides economic opportunities where few would otherwise exist.

A common misperception is the belief that most tribes are growing wealthy from gaming proceeds. Nothing is further from the truth. Indian reservations have a 31% poverty rate—the highest poverty rate in America. Indian unemployment is six times the national average. Indian health, education and income are the worst in the country. Only a very small number of tribes have been fortunate enough to have successful gaming operations.

Instead of undermining them, Congress should be doing more to help tribes create jobs, raise incomes, and develop capital for new businesses. We should also be doing more to invest in the health, the education and the skills of American Indians and Alaska Natives, as we do for all Americans, and I look forward to working with my colleagues in the Senate and House to do so.

Mr. STEVENS. I ask unanimous consent that that time be charged against the Senator's time on the time agreement.

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

Mr. STEVENS. 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. STEVENS. 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. BRYAN addressed the Chair.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. BRYAN. Mr. President, if I may inquire, my understanding is that Senator ENZI controls 15 minutes on the Enzi-Bryan amendment.

The PRESIDING OFFICER. That is correct.

Mr. BRYAN. In the interest of accommodating the time of the distinguished chairman of the Appropriations Committee—I note that Senator ENZI joins us on the floor at this moment. If I might engage him in a colloquy, the chairman of the Appropriations Committee has indicated that it would be permissible for us to move forward. The distinguished Senator from Hawaii has made a statement, all of which is charged on our time. There are 15 minutes remaining. I would be happy to yield to the primary sponsor of the amendment and then take my time, if he prefers to go first.

Mr. ENZI. I will yield time to the Senator from Nevada.

Mr. BRYAN. Will the distinguished author of the amendment yield me 5 minutes?

Mr. ENZI. Yes; I yield 5 minutes.

Mr. BRYAN. It will be charged against the Senator's 15 minutes on this bill.

Mr. ENZI. Yes. I yield 5 minutes to the Senator from Nevada.

Mr. BRYAN. Mr. President, what is at issue here is whether States, through their elected Governors and State legislatures, will determine what the scope of gaming is in a particular State, or whether that decision should be made by the Secretary of the Interior. The Secretary of the Interior has proceeded with regulations that are subject to public comment and are currently being reviewed by the Office of Management and Budget that, in effect, would constitute a preemptive strike. That is, the Secretary of the Interior would determine the scope of Indian gaming. We believe that is inappropriate.

This amendment seeks to reaffirm a policy which the Congress agreed to last year; and that is that the Congress should retain the authority to make any changes in the Indian Gaming Regulatory Act. The chairman of the Committee on Indian Affairs has indicated that he intends to move forward with the piece of legislation. I assured him that we will work cooperatively with him about what the Secretary of the Interior has done. Notwithstanding the actions taken by the Congress last year, which would prevent the implementation of a regulation which would give to him the ability to establish the scope of gambling activity in a State contrary to what I believe is the clear intent of the Congress, this amendment simply says he may not go forward at this point with the processing of those regulations. So completely consistent with what we agreed to last year, no compact that currently exists between any tribe or any Governor is affected.

We in Nevada have five such compacts. Many other States have compacts as well.

What is involved here is not a question of bad faith between a Governor and a tribe. It is that several tribes, particularly in the State of California and in the State of Florida, have been pressing Governors to provide Indian tribes with the ability to conduct gaming activities that are prohibited under State law. In the State of Florida, for example, there have been three public referendums. And the public in Florida has rejected open casino gaming, as my State of Nevada has adopted. The tribes, nevertheless, pressed forward and challenged the Governor of Florida, accusing him of bad faith in not being willing to negotiate such gaming activity.

My view is that it is a province that ought to be left to the State Governors and the elected State legislatures. In California, currently 20 tribes have 14,000 illegal slot machines, contrary to State law. The Governor of California has recently negotiated a compact with the Pala Band of Indian tribes that do not permit, as some tribes want, slot machines in California. California's Governor and its State legislature ought to make the determination.

So what this amendment does is to preempt the Secretary of the Interior from making that decision and retains the authority and jurisdiction in the Congress. If there are to be changes in the Indian Gaming Regulatory Act, if there are perceived shortcomings, let us in a deliberative fashion make those changes —not the Secretary of the Interior.

As I have indicated, I look forward to working with my colleagues who serve on that committee.

I yield the floor. I reserve the remainder of the time to be allocated by the distinguished Senator from Wyoming on our side of the issue.

The PRESIDING OFFICER. Who yields time?

Mr. ENZI addressed the Chair.

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

Mr. ENZI. Madam President, I yield myself 4 minutes. I thank Senator BRYAN for his comments.

I am pleased that we have the opportunity to talk about this. I thought we had talked about it last year. I thought that would give enough direction to the Secretary of the Interior that we would not have a problem.

I want to mention that this amendment is an emergency. That is why we are attaching it to this bill. The comment period for the rules that he has gone ahead and promulgated will run out before we have another opportunity to debate this. I do not want the Department of the Interior to be spending the money to do the process they are doing which bypasses Congress, and it bypasses States rights.

I want to read a portion of a letter that I have from the National Governors' Association.

This letter is to confirm Governors' support for the Indian gaming-related amendment offered by Senators Michael B. Enzi, Richard H. Bryan, and Harry Reid to the Senate supplemental appropriations bill. This amendment prevents the secretary of the U.S. Department of the Interior from promulgating a regulation or implementing a procedure that could result in tribal Class III gaming in the absence of a tribal-state compact, as required by law.

The nation's Governors strongly believe that no statute or court decision provides the secretary of the U.S. Department of the Interior with authority to intervene in dispute over compacts between Indian tribes and states about casino gambling on Indian lands. Such action would constitute an attempt by the Secretary of the Interior to preempt states' authority under existing laws and recent court decisions and would create an incentive for tribes to avoid negotiating gambling compacts with states.

Further, the secretary's inherent authority includes a responsibility to protect the interests of Indian tribes, making it impossible for the secretary to avoid a conflict of interest or exercise objective judgment in disputes between states and tribes.

That is from the National Governors' Association.

I see that Senator REID is on the floor. I yield 5 minutes to Senator REID.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. Madam President, I appreciate very much the leadership of the Senator from Wyoming on this issue. It is an important issue, and it is bipartisan.

We hear a lot in this body about States rights. But where the illustration is clearly defined is this in States rights. I was part of the Indian Affairs Committee when we drew up legislation under the Indian Control Act, and, of course, the purpose of that act was to allow Indians to do anything in a State that non-Indians could do relating to gaming.

For various reasons, the courts have interposed themselves, and now there is controversy as to really what the act stands for. But one thing we do know is that the clear intent of the Gaming Control Act was that Indians could not do more in a State related to gaming than non-Indians, and that is, in effect, what the Secretary is trying to do with the proposed rule—to have him be the arbiter of what goes on regarding gaming, no matter how the State might feel. It certainly would be unfair, and it would be in derogation of the intent of the original law.

It has already been explained here that clearly the Secretary has a conflict of interest in this regard. He is someone who has as one of his main obligations the obligation to look out for Indians in regard to the trust responsibility. How can someone who has this obligation also say that he is going to be the interpreter of whether or not the State is dealing in a fair fashion in good faith? It is clear he cannot, and that is the reason for this amendment.

Last year's Interior appropriations bill included language prohibiting the Secretary from approving Class III gaming compacts through September 30, 1998. This was done to address a problem created as the result of the Supreme Court's decision in *Seminole* v. *Florida*. Our concern was that after Seminole, tribes would immediately seek assistance from the Secretary in those situations where the tribe believed the state was not negotiating in good faith.

It is important to recognize that Indian Gaming Regulatory Act (IGRA) does not permit secretarial intervention without a finding that a State has negotiated with a tribe in bad faith. The Secretary now proposes that he make that finding himself. There is nothing in IGRA that gives the Secretary this broad authority. Indeed, this authority is vested in the Federal courts.

I state clearly and without any qualification that I would be very happy to work as closely and as quickly as possible with the chairman of the Indian Affairs Committee, the senior Senator from Colorado, and the ranking senior Senator from Hawaii, to come up with statutory authority to work out this problem. But, the way the law now stands, it is up to the courts to do this. Certainly, there would never be legislation that would give the Secretary the authority to determine whether or not the State was acting in good faith.

The consequences of permitting an appointed federal official to permit gambling on Indian lands based on tribal allegations of a State's bargaining position raises troubling federalism questions about the sovereign prerogatives of a State.

By announcing a proposed Rulemaking on this issue in January, the Secretary seeks to disregard what this body affirmatively stated last year.

This proposal makes no sense.

By inviting the tribes to seek resolution with Secretary, the states, and the Governors, are placed at a severe disadvantage.

We can not expect the Secretary of Interior to be able to arbitrate these types of contentious disputes over Indian gaming.

I repeat, as I have said earlier. The Secretary has a fiduciary and trust responsibility to the tribe and thus can not fairly arbitrate these types of disagreements.

The Secretary's decision in January to propose regulations on this issue circumvents the intent of what we sought to do on last year's Interior Bill.

Essentially, the Secretary announced his intention to do everything but promulgate a final rule on this issue.

My amendment is very simple.

It prevents the Secretary from promulgating as final regulations the proposed regulations he published on January 22, 1998 (63 Fed. Reg. 3289).

Additionally, he cannot issue a proposed rulemaking, or promulgate, any similar regulations to provide for procedures for gaming activities under IGRA in any case in which a state asserts a defense of sovereign immunity

to a lawsuit brought by an Indian tribe in Federal court to compel the State to participate in compact negotaitions for Class III gaming.

I believe any effort by Interior on this issue would be opposed by the states and the governors.

The Western Governors' Association has already weighed in in opposition to this proposed rule.

This is an issue involving states rights.

The states and the governors should be able to negotiate with the tribes without duress.

They should not be placed on an uneven playing field in these negotiations.

How can they reasonably expect to get an impartial hearing from an arbiter who has a fiduciary and trust obligation to the tribes?

With all of the problems we are now experiencing with Indian Gaming, the Secretary should not be undertaking action that will promote its expansion to the detriment of states rights.

I repeat. I would be very happy to work as a member of the Indian Affairs Committee with the chairman and the ranking member to come up with statutory authority to work up a way out of this so it doesn't have to be determined in the courts. But the courts are a better place to determine what is good or bad faith, and the Secretary is in absolute conflict of interest.

The PRESIDING OFFICER. Who yields time?

Mr. STEVENS. Madam President, how much time remains on this amendment?

The PRESIDING OFFICER. The Senator from Wyoming has 4 minutes 1 second. The Senator from Hawaii has 30 minutes.

Mr. STEVENS. Madam President, I have listened with great interest to the comments on both sides and state to the authors of the bill, as well as those who oppose it, that I would be prepared to accept this amendment without a vote and to take it to conference to see if we can work out something that might be acceptable and not have as much controversy between those who have spoken on the amendment. So, if that would be acceptable to all concerned, I would suggest that we have a yielding back of time and adopt the amendment on a voice vote.

The PRESIDING OFFICER. Do both Senators yield their time?

Mr. ENZI. Madam President, reserving the right to object, I want to comment on that. I hope we could be a part of working that out. We see this as only an extension of the work that was done last year, so we have no problem in agreeing to continue to extend that work and hope that would be done in a very cooperative spirit. I look forward to working with the other people. But we do anticipate that the States rights will be preserved, and that we will be a part of the process in conference.

Mr. REID. Madam President, if the Senator will yield, I will say there is no one in the body who is more concerned about States rights than the Senator from Alaska. He will be the chairman or the cochairman in conference, and I have every hope that we can work something out that would be acceptable to everyone.

Mr. ENZI. I yield the remainder of our time.

The PRESIDING OFFICER. The Senator from Hawaii.

Mr. INOUYE. Madam President, under those circumstances, I am pleased to yield the remainder of my time.

The PRESIDING OFFICER. All time is yielded.

Mr. INOUYE. Madam President, before I do, I ask unanimous consent to have printed in the RECORD the policy of the administration on this matter.

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

BUREAU: BUREAU OF INDIAN AFFAIRS

ITEM: PROPOSED BILL S. 1572, INTRODUCED BY SENATORS BRYAN, ENZI, REID, AND SESSIONS ON JANUARY 27, 1998

S. 1572 amends the Indian Gaming Regulatory Act (IGRA) and precludes the Secretary of the Interior from promulgating final regulations to deal with Indian gaming compact negotiations between States and Tribes when Tribes have exhausted federal judicial remedies.

Background: The Indian Gaming Regulatory Act (IGRA) was enacted to allow Indian tribes the opportunity to pursue gaming as a means of economic development on Indian lands. Since 1988, Indian gaming, regulate under IGRA, has provided benefits to over 150 tribes and to their surrounding communities in over 24 states. As required by law, Indian gaming revenues have been directed to programs and facilities to improve the health, safety, educational opportunities and quality of life for Indian people.

Under IGRA, Tribes are only authorized to conduct casino-style gaming operations if such gaming is permitted by the state. Further, the gaming is allowed in such states only pursuant to a mutually agreed-upon Tribal-State compact; or in the alternative, pursuant to procedures issued by the Secretary if a state fails to consent to a compact arrived at through the medication process that follows a determination by a United States District Court that the State has failed to negotiate in good faith (25 U.S.C. Section 2710(d)(7)(B)(vii). IGRA only authorizes the Secretary to issue ''procedures'' after states have been provided with a full opportunity to negotiate compact terms.

Under IGRA, Congress intended to give tribes the right to file suits directly against states that failed to negotiate in good faith with regard to Class III gaming. The right to sue a state for failure to negotiate in good faith was seen by Congress as the best way to ensure that states deal fairly with tribes as sovereign governments. *See Senate Report No. 446, 100th Congress, 2nd Session 14 (1988).*

In *Seminole Tribe* v. *State of Florida*, the U.S. Supreme Court held that Congress was without authority to waive the States' immunity to suits in Federal courts ensured by the Eleventh Amendment to the Constitution. As a result of this decision, states can avoid entering into good faith negotiations with Indian tribes without concern about being subject to suit by tribes. Under these circumstances, the Secretary's authority to promulgate regulations may be the only avenue for meeting the Congressional policy of promoting tribal economic development and self sufficiency.

Effect of Proposed Legislation: The legislation would prohibit the adoption of a rule setting forth the process and standards pursuant to which Class III procedures would be adopted in specific situations where the state has asserted its Eleventh Amendment immunity. If the legislation is included as an amendment to a 1998 supplemental appropriation, the language would remain in effect through FY 1998.

Departmental Position: The Department strongly objects to any attempt to substantially interfere with its ability to administer the Indian Gaming Regulatory Act or to thwart Congress' declared policy in IGRA of promoting tribal economic development, self sufficiency and strong tribal governments. The Secretary would recommend a veto of any legislation extending beyond FY 1998 that prevents the Secretary from attempting to work out a reasonable solution for dealing with Indian gaming compact negotiations between states and Tribes when Tribes have exhausted federal judicial remedies.

The Secretary published proposed regulation on January 22, 1998 which would authorize the Secretary to approve Class III gaming procedures in cases where the state has asserted an Eleventh Amendment defense. The proposed rule is narrow in scope. It will allow the Secretary to move forward only 1) where a Tribe asserts that a State has not acted in good faith in negotiating a Class III gaming compact and 2) when the State asserts immunity from the lawsuit to resolve the dispute. In the 9-year history of IGRA, these situations have been very rare. Over 150 compacts have been successfully negotiated and are being implemented in more than half the states. Even where negotiations have been unsuccessful and litigation has been filed, a number of States have chosen not to assert immunity from suit. Based on experience to date, relatively few situations will arise requiring Secretarial decisions.

The publication of the proposed rule is followed by a 90-day comment period, with formal public access to and review of the proposed rule. The Department will attempt to maximize State participation and comment during the comment period, with final publication of the rule expected in FY 1998, after careful review and analysis of public comments. In particular, the Department will continue to meet with State Governors to discuss the proposed rule and to work out compromises. A provision in the FY 1998 Department of the Interior and Related Agencies Appropriations Act precludes the implementation of a final rule this fiscal year.

State law would continue to be the appropriate reference point for determining the ''scope of gaming'' permitted in any procedures proposed by the Department to resolve Indian gaming compact disputes. This policy is consistent with the Department's position that it does not authorize classes or forms of Indian gaming in any State where they are affirmatively prohibited. See Brief of the United States as *amicus curiae* in the Supreme Court in *Rumsey Indian Rancheria of Wintun Indians v. Wilson*, 64F.3d 1250 (9th Cir. 1995), *as modified on denial of petition for rehearing*, 99F.3d 321 (9th Cir 1996), *cert. denied, sub nom. Sycuan Band of Mission Indians v. Wilson*, No. 96–1059, 65 U.S.L. W. 3855 (June 24, 1997).

The publication of the proposed rule follows an Advanced Notice of Public Rulemaking, published in the Federal Register in May, 1996. In developing the proposed rule, the Department carefully considered over 350 comments submitted by States, Tribes, and others.

The Department opposes legislation which would in effect provide States with a veto

power over Class III Indian gaming when state law permits the gaming at issue ''for any purpose by any person, organization or entity.''

In addition, the Department of the Interior strongly objects to using the appropriations process for policy amendments to the Indian Gaming Regulatory Act. Including the provision in the FY 1998 supplemental appropriations would circumvent a fair legislative process with hearings involving Indian tribes, state officials and the regulated community. Through the hearing process, all parties involved in Indian gaming are allowed to contribute testimony on how or whether IGRA should be amended.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Wyoming.

The amendment (No. 2133) was agreed to.

Mr. STEVENS. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

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

The motion to lay on the table was agreed to.

Mr. STEVENS. Madam President, there are several amendments that are on what we call the finite list here. My staff and I believe they are amendments that we could accept, maybe with some change to make sure we do not have budget problems. So I request the staffs of Senator BOXER, Senator CLELAND, Senator GRAMM, Senator HUTCHISON, and Senator MURKOWSKI to see us as soon as possible concerning those amendments so we might see what we might be able to work out.

I will state to the Senate that there are a series of amendments that we have already worked out. We will offer them very quickly as the managers' package. We still have pending before the Senate the Nickles and McConnell amendments. In addition to that, 24 other amendments, Madam President. I invite any Senator to come present his or her amendment.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

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

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

AMENDMENTS NOS. 2136 THROUGH 2151, EN BLOC

Mr. STEVENS. Madam President, I am pleased to announce that the first portion of the managers' package has been cleared. I would like to read to the Senate what these are and then send this portion of the package to the Chair so we can consider these amendments en bloc.

The first amendment is on behalf of Senator MCCAIN to clarify that adult unmarried children of Vietnamese reeducation camp internees are eligible for refugee status under the Orderly Departure Program. I would like to have his statement printed in the RECORD before the adoption of that amendment.

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

Mr. STEVENS. There is an amendment on behalf of Senator MURKOWSKI, which I have cosponsored, to make technical corrections to the Michigan Indian Land Claims Settlement Act to provide certain health care services for Alaska Natives;

an amendment on behalf of Senator MURKOWSKI and myself to make technical corrections to the fiscal year 1998 Department of Interior appropriations bill;

an amendment on behalf of Senator BOND and myself to provide emergency funds available for the purchase of certain F/A–18 aircraft;

an amendment on behalf of Senator CHAFEE to modify the Energy and Water Development section of the bill. I am also sending a statement to the desk on behalf of Senator CHAFEE and ask it be printed in the RECORD.

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

Mr. STEVENS. An amendment on behalf of Senator WYDEN to eliminate secrecy in international financial trade organizations;

an amendment on behalf of Senator BOND to make technical corrections to the Economic Development Grant Program funded in 1992 as part of the Empowerment Zone Act;

an amendment in behalf of Senator CRAIG to make technical corrections to section 405 of the bill regarding the Forest Service transportation system moratorium;

an amendment on behalf of Senators COCHRAN and BUMPERS to make a technical correction to the Livestock Disaster Assistance Program;

an amendment on behalf of Senators WELLSTONE, CONRAD, and DORGAN dealing with Farm Operating and Emergency Loans;

an amendment on behalf of Senators JEFFORDS and LEAHY dealing with the Mackville Dam in Hardwick, VT;

an amendment on behalf of Senator LOTT making a technical correction to the McConnell amendment, which is amendment No. 2100;

an amendment on behalf of Senator DASCHLE to provide funds for humanitarian demining activity in Bosnia and Herzegovina;

an amendment on behalf of Senator GREGG to make a technical correction to the Patent and Trademark section of the bill;

an amendment on behalf of Senator LEVIN to the McConnell amendment numbered 2100 dealing with consultation by the Secretary of Treasury;

an amendment on behalf of Senator GRASSLEY and myself regarding a U.S. Customs Service P–3 aircraft hangar.

Madam President, I send those amendments to the desk and ask for their consideration en bloc.

The PRESIDING OFFICER. The clerk will report the amendments.

The legislative clerk read as follows:

The Senator from Alaska [Mr. STEVENS] proposes amendments numbered 2136 through 2151, en bloc.

The amendments are as follows:

AMENDMENT NO. 2136

(Purpose: To clarify that unmarried adult children of Vietnamese reeducation camp internees are eligible for refugee status under the Orderly Departure Program)

At the appropriate place in Title II, insert the following:

SEC. ___. ELIGIBILITY FOR REFUGEE STATUS.

Section 584 of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1997 (Public Law 104–208; 110 Stat. 3009–171) is amended—

(1) in subsection (a)—

(A) by striking ''For purposes'' and inserting ''Notwithstanding any other provision of law, for purposes''; and

(B) by striking ''fiscal year 1997'' and inserting ''fiscal years 1998 and 1999''; and

(2) by amending subsection (b) to read as follows:

''(b) ALIENS COVERED.—

''(1) IN GENERAL.— An alien described in this subsection is an alien who—

''(A) is the son or daughter of a qualified national;

''(B) is 21 years of age or older; and

''(C) was unmarried as of the date of acceptance of the alien's parent for resettlement under the Orderly Departure Program.

''(2) QUALIFIED NATIONAL.—For purposes of paragraph (1), the term 'qualified national' means a national of Vietnam who—

''(A)(i) was formerly interned in a reeducation camp in Vietnam by the Government of the Socialist Republic of Vietnam; or

''(ii) is the widow or widower of an individual described in clause (i); and

''(B)(i) qualified for refugee processing under the reeducation camp internees subprogram of the Orderly Departure Program; and

''(ii) on or after April 1, 1995, is accepted—

''(I) for resettlement as a refugee; or

''(II) for admission as an immigrant under the Orderly Departure Program.''.

Mr. MCCAIN. Madam President, I offer an amendment that is basically a technical correction to language that I had included in the Fiscal Year 1997 Omnibus Consolidated Appropriations Act. That language, and the amendment I offer today, are designed to make humanitarian exceptions for the unmarried adult children of former reeducation camp detainees seeking to emigrate to the United States under the Orderly Departure Program. Despite what I considered to have been pretty unambiguous legislation in both word and intent, the Immigration and Naturalization Service and Department of State interpreted my amendment to the 1997 bill so as to exclude the very people to whom the provision was targeted. This amendment was accepted as part of the State Department Authorization bill for fiscal year 1998, which has not passed into law. It is, therefore, necessary to include this language in the Emergency Supplemental in order to permit the State Department to begin to process the backlog of cases that accumulated since the program's expiration last year.

Prior to April 1995, the adult unmarried children of former Vietnamese reeducation camp prisoners were granted derivative refugee status and were permitted to accompany their parents to the United States under a sub-program of the Orderly Departure Program (ODP).

This policy changed in April 1995. My amendment to FY1997 Foreign Operations Appropriations Bill, which comprises part of the Omnibus Appropriations Act, was intended to restore the status quo ante regarding the adult unmarried children of former prisoners. My comments in the CONGRESSIONAL RECORD from July 25, 1996, clearly spelled this out.

Unfortunately, certain categories of children who, prior to April 1995 had received derivative refugee status and whom Congress intended to be covered by last year's amendment, are now considered ineligible to benefit from that legislation.

First, prior to April 1995, the widows of prisoners who died in re-education camps were permitted to be resettled in the U.S. under this sub-program of the ODP, and their unmarried adult children were allowed to accompany them. These children are now considered ineligible to benefit from last year's legislation.

To ask these widows to come to the United States without their children is equal to denying them entry under the program. Many of these women are elderly and in poor health, and the presence of their children is essential to providing the semblance of a family unit with the care that includes.

The second problem stemming from INS and the State Department's interpretation of the 1997 language involves the roughly 20% of former Vietnamese re-education camp prisoners resettled in the United States who were processed as immigrants, at the convenience of the U.S. Government.

Their unmarried adult children, prior to April 1995, were still given derivative refugee status, however, the position of INS and State is that these children are now ineligible because the language in the FY1997 bill included the phrase ''processed as refugees for resettlement in the United States.''

That phrase was intended to identify the children of former prisoners being brought to the United States under the sub-program of the ODP and eligible to be processed as a refugee—which all clearly were—as distinct from the children of former prisoners who were not being processed for resettlement in the United States.

The fact that a former prisoner, eligible to be processed as a refugee under the ODP sub-program, was processed as an immigrant had no effect prior to April 1995, and their children were granted refugee status. The intention of the 1996 legislation was to restore the status quo ante, including for the unmarried adult children of former prisoners eligible for and included in this sub-program but resettled as migrants. This amendment will correct the problem once and for all, and I urge its support.

AMENDMENT NO. 2137

(Purpose: To make technical corrections to Sec. 203(a) of the Michigan Indian Land Claims Settlement Act (Public Law 105–143, 111 Stat. 2666))

SEC. . PROVISION OF CERTAIN HEALTH CARE SERVICES FOR ALASKA NATIVES.

Section 203(a) of the Michigan Indian Land Claims Settlement Act (Public Law 105–143, 111 Stat. 2666) is amended—

(1) by inserting ''other than community based alcohol services,'' after ''Ketchikan Gateway Borough,''; and

(2) by inserting at the end the following new sentence: ''Notwithstanding any other provision of law, such contract or compact shall provide services to all Indian Alaska Native beneficiaries of the Indian Health Service in the Ketchikan Gateway Borough without the need for resolutions of support from any Indian tribe as defined in the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450b(e)).''.

AMENDMENT NO. 2138

(Purpose: To make technical corrections to Sec. 326(a) of the Act making Appropriations for the Department of the Interior and related agencies for the fiscal year ending September 30, 1998 and for other purposes (Public Law 105–83, 111 Stat. 1543))

On page 38, following line 18, insert the following new section:

SEC. . Section 326(a) of the Act making Appropriations for the Department of the Interior and related agencies for the fiscal year ending September 30, 1998 and for other purposes (Public Law 105–83, 111 Stat. 1543) is amended by striking ''with any Alaska Native village or Alaska Native village corporation'' and inserting ''to any Indian tribe as defined in the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450b(e))''.

AMENDMENT NO. 2139

(Purpose: To provide contingent emergency funds for the purchase of F/A–18 aircraft)

On page 15, after line 21, add the following:

SEC. 205. In addition to the amounts provided in Public Law 105–56, $272,500,000 is appropriated under the heading ''Aircraft Procurement, Navy'': *Provided*, That the additional amount shall be made available only for the procurement of eight F/A–18 aircraft for the United States Marine Corps: *Provided further*, That the entire amount shall be available only to the extent that an official budget request for $272,500,000, that includes designation of the entire amount of the request as an emergency requirement as defined in the Balanced Budget and Emergency Deficit Control Act of 1985, as amended, is transmitted by the President to the Congress: *Provided further*, That the entire amount is designated by the Congress as an emergency requirement pursuant to section 251(b)(2)(A) of such Act.

AMENDMENT NO. 2140

On page 17, beginning on line 10, strike ''to be conducted at full Federal expense''.

AMENDMENT ON. 2141

(Purpose: To eliminate secrecy in international financial trade organizations)

At the appropriate place in the bill in Title II, insert the following new section:

SEC. . ELIMINATION OF SECRECY IN INTERNATIONAL TRADE ORGANIZATIONS.

The President shall instruct the United States Representatives to the World Trade Organization to seek the adoption of procedures that will ensure broader application of the principles of transparency and openness in the activities of the organization, including by urging the World Trade Organization General Council to—

(1) permit appropriate meetings of the Council, the Ministerial Conference, dispute settlement panels, and the Appellate Body to be made open to the public; and

(2) provide for timely public summaries of the matters discussed and decisions made in any closed meeting of the Conference or Council.

AMENDMENT NO. 2142

(Purpose: Technical Correction to Economic Development Grant funded in 1992 as part of Empowerment Zone)

On page 46, after line 25, Insert:

GENERAL PROVISION

SEC. 1001. Section 206 of the Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 1998 (Pub. L. 105–65; October 27, 1997) is amended by inserting the following before the period: '', and for loans and grants for economic development in and around 18th and Vine''.

AMENDMENT NO. 2143

Beginning on line 10 on page 35, strike all through line 18 on page 38 and insert in lieu thereof the following new section:

''SEC. 405. TRANSPORTATION SYSTEM MORATORIUM.

(a)(1) The Chief of the Forest Service, Department of Agriculture, in his sole discretion, may offer any timber sales that were previously scheduled to be offered in fiscal year 1998 or fiscal year 1999 even if such sales would have been delayed or halted as a result of, any moratorium on construction of roads in roadless areas within the National Forest System adopted as policy or by regulation that would otherwise be applicable to such sales.

(2) Any sales authorized pursuant to subsection (a)(1) shall—

(A) comply with all applicable laws and regulations and be consistent with applicable land and resource management plans. except any regulations or plan amendments which establish or implement the moratorium referred to in subsection (a)(1); and

(B) be subject to administrative appeals pursuant to Part 215 of title 36 of the Code of Federal Regulation and to judicial review.

(b)(1) For any previously scheduled sales that are not offered pursuant to, subsection (a)(1), the Chief may, to the extent practicable, offer substitute sales within the same state in fiscal year 1998 or fiscal year 1999. Such substitute sales shall be subject to the requirements of subsection (a)(2).

(2)(A) The Chief shall pay as soon as practicable after fiscal year 1998 and fiscal year 1999 to any State in which sales previously scheduled to be offered that are referred to in, but not offered pursuant to, subsection (a)(1) would have occurred, 25 percentum of any receipts from such sales that—

(i) were anticipated from fiscal year 1998 or fiscal year 1999 sales in the absence of any moratorium referred to in subsection (b)(1).

(ii) are not offset by revenues received in such fiscal years from substitute projects authorized pursuant to subsection (b)(1).

(B) After reporting the amount of funds required to make any payments required by subsection (b)(2)(A), and the source from which such funds are to be derived, to the Committees on Appropriations of the House of Representatives and the Senate, the Chief shall make any payments required by subsection (b)(2)(A) from—

(i) the $2,000,000 appropriated for the purposes of this section in Chapter 4 of this Act; or

(ii) in the event that the amount referred to in subsection (b)(2)(B)(i) is not sufficient to cover the payments required under subsection (b)(2), from any funds appropriated to the Forest Service in fiscal year 1998 or fiscal year 1999, as the case may be, that are not specifically earmarked for another purpose by the applicable appropriation act or a committee or conference report thereon.

(C) Any State which receives payments required by subsection (b)(2)(A) shall expend such funds only in the manner, and for the purposes, prescribed in section 500 of title 16 of the United States Code.

(c)(1) During the term of the moratorium referred to in subsection (a)(1), the Chief shall prepare, and submit to the Committees on Appropriations of the House of Representatives and the Senate a report on, each of the following:

(A) a study of whether standards and guidelines in existing land and resource management plans compel or encourage entry into roadless areas within the National Forest System for the purpose of constructing roads or undertaking any other ground-disturbing activities;

(B) an inventory of all roads within the National Forest System and the uses which they serve, in a format that will inform and facilitate the development of a long-term Forest Service transportation policy; and

(C) a comprehensive and detailed analysis of the economic and social effects of the moratorium referred to in subsection (a)(1) on county, State, and regional levels.

(2) The Chief shall fund the study, inventory and analysis required by subsection (c)(1) in fiscal year 1998 from funds appropriated for Forest Research in such fiscal year that are not specifically earmarked for another purpose in the applicable appropriation act or a committee or conference report thereon.''

AMENDMENT NO. 2144

(Purpose: To make a technical correction in the language of the Livestock Disaster Assistant program)

On page 5, line 10, strike ''that had been produced but not marketed''.

AMENDMENT NO. 2145

(Purpose: To subsidize the cost of additional farm operating and emergency loans)

On page 3, line 6, beginning with ''emer-'', strike all down through and including ''insured,'' on line 7 and insert ''direct and guaranteed''.

On page 3, line 11, following ''disasters'' insert: ''as follows: operating loans, $8,600,000, of which $5,400,000 shall be for subsidized guaranteed loans; emergency insured loans''.

On page 3, line 14, strike ''$21,000,000'' and insert in lieu thereof the following: ''$29,600,000''.

AMENDMENT NO. 2146

(Purpose: To appropriate funds for emergency construction to repair the Machville Dam in Hardwick, Vermont)

On page 18, between lines 5 and 6, insert the following:

An additional amount for emergency construction to repair the Machville Dam in Hardwick, Vermont: $500,000, to remain available until expended: *Provided,* That the Secretary of the Army may obligate and expend the funds appropriated for repair of the Mackville Dam if the Secretary of the Army certifies that the repair is necessary to provide flood control benefits: *Provided further,* That the Corps of Engineers shall not be responsible for the future costs of operation, repair, replacement, or rehabilitation of the project: *Provided further,* That the entire amount shall be available only to the extent that an official budget request of $500,000 that includes designation of the entire amount of the request as an emergency requirement pursuant to section 251(b)(2)(A) of the Balanced Budget and Emergency Deficit Control Act of 1985 (2 U.S.C. 901(b)(2)(A)) is transmitted by the President to Congress: *Provided further,* That the entire amount is designated by Congress as an emergency requirement pursuant to section 251(b)(2)(A) of that Act.

AMENDMENT NO. 2147 TO AMENDMENT NO. 2100

On page 8 line 14 and 18 of amendment 2100 after the word ''automobile,'' insert the following ''shipbuilding.''.

AMENDMENT NO. 2148

(Purpose: To provide $35,000,000 for humanitarian demining activities in Bosnia and Herzegovina)

At the appropriate place in Title II, insert the following:

SEC. In addition to the amounts provided in Public Law 105–56, $35,000,000 is appropriated and shall be available for deposit in the International Trust Fund of the Republic of Solvenia for Demining, Minc Clearance, and Assistance to Mine Victims in Bosnia and Herzegovina: *Provided,* That such amount may be deposited in that Fund only if the President determines that such amount could be used effectively and for objectives consistent with on-going multilateral efforts to remove landmines in Bosnia and Herzegovina: *Provided further,* That such amount may be deposited in that Fund only to the extent of deposits of matching amounts in that Fund by other government, entities, or persons: *Provided further,* That the amount of such amount deposited by the United States in that Fund may be expended by the Republic of Slovenia only in consultation with the United States Government: *Provided further,* That the entire amount shall be available only to the extent an official budget request, for a specific dollar amount, that includes a designation of the entire amount as an emergency requirement as defined in the Balanced Budget and Emergency Deficit Control Act of 1985 is transmitted to Congress by the President: *Provided further,* That the entire amount is designated by Congress as an emergency requirement pursuant to section 251(b)(2)(A) of such Act.

AMENDMENT NO. 2149

On page 51, line 8, strike the word ''design,'' and on line 13, strike the words ''federal construction,''.

AMENDMENT NO. 2150 TO AMENDMENT 2100

At the appropriate place in the IMF title of the bill, insert the following:

SEC. . The Secretary of the Treasury shall consult with the office of the United States Trade Representative regarding prospective IMF borrower countries, including their status with respect to title III of the Trade Act of 1974 or any executive order issued pursuant to the aforementioned title, and shall take these consultations into account before instructing the United States Executive Director of the IMF on the United States position regarding loans or credits to such borrowing countries.

In the section of the bill entitled ''SEC. .REPORTS.'' after the first word ''account,'' insert the following:

''(i) of outcomes related to the requirements of section (described above); and (ii).''

AMENDMENT NO. 2151

On page 46, after line 16, insert:

UNITED STATES CUSTOMS SERVICE

CUSTOMS FACILITIES, CONSTRUCTION, IMPROVEMENTS

In addition to the amounts made available for the United States Customs Service in Public Law 105–61, $5,512,000, to remain available until September 30, 2000: *Provided,* That this amount may be made available for construction of a P3–AEW hangar in Corpus Christi, Texas: *Provided further,* That the funds appropriated under this heading may only be obligated 30 days after the Commissioner of the Customs Service certifies to the House and Senate Committees on Appropriations that the construction of this facility is necessary for the operation of the P–3 aircraft for the counternarcotics mission.

On page 50, after line 14, insert:

CUSTOMS FACILITIES, CONSTRUCTION, IMPROVEMENTS

(RESCISSION)

Of the funds made available under this heading in Public Law 102–393, $4,470,000 and Public Law 103–123, $1,041,754 are rescinded.

Mr. STEVENS. I ask for the adoption of the amendments en bloc.

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

The amendments (Nos. 2136 through 2151) were agreed to.

Mr. STEVENS. I ask unanimous consent to reconsider that action and to lay my motion on the table, en bloc.

The motion to lay on the table was agreed to.

AMENDMENT NO. 2140

Mr. CHAFEE. Madam President, I want to comment very briefly on an amendment of mine that has been accepted by the managers. My amendment deals with cost-sharing for a levee and waterway project included in the Supplemental Appropriations bill for Elba and Geneva, Alabama. Specifically, the amendment strikes the phrase, ''to be conducted at full Federal expense'' as found on page 17, lines 10 and 11 of the bill.

By striking this phrase, the appropriate, lawful cost-sharing ratio would be applied. It would be my strong preference, Mr. President, that we not include any authorization for this or other water projects in the Supplemental bill. These are matters more appropriately dealt with in the Water Resources Development Act, which we plan to take up this summer.

However, recognizing the urgency of the situation in these Alabama communities, I am willing to go forward with the expedited process provided here; as long as the cost-sharing is consistent with current water resources law. My amendment ensures that the levee repair and associated work in Elba and Geneva will be cost-shared. I want to thank Senator SHELBY and the bill's managers for working with me today to favorably resolve this matter.

AMENDMENT NO. 2145

Mr. WELLSTONE. Madam President, I thank the managers of the bill, as well as the Chairman and Ranking Member of the Agriculture Appropriations Subcommittee, for accepting my amendment. I offered it on behalf of

myself and Senators CONRAD, DORGAN and DASCHLE to address a shortfall in funding during the current fiscal year of USDA farm credit programs in our states and across the country as a result of disastrous weather and economic conditions.

The amendment is simple. It adds $8.6 million in appropriation to this emergency supplemental spending bill for Farm Service Agency operating loans, both guaranteed and direct. The amendment adds $3.2 million in appropriation for direct farm operating loans, which allows lending authority of $52 million nationwide. This is in addition to the $3.1 million of appropriation and approximately $48 million in lending authority that already was in the bill, bringing the total amount of lending authority for FSA direct operating loans in the bill to approximately $100 million. The amendment also adds $5.4 million in appropriation for guaranteed subsidized interest loans, allowing lending authority of approximately $56 million for that existing FSA program. Previously there was no money in the bill for this type of credit.

I will include in the RECORD a letter from my state's Farm Service Agency office, signed by the state director and FSA state committee members from Minnesota. The letter not only documents the dire need for additional funding in this bill for these two important programs, but explains what has become a farm crisis in parts of Minnesota. I don't use the word crisis lightly. It causes me some pain to observe that it is an accurate word. I attended a meeting in Crookston, Minnesota a number of weekends ago, called for the purpose of addressing the increasingly disturbing economic conditions, especially in the Northwestern part of the state, as well as in North Dakota. There was a sign on the building that announced, ''Farm crisis meeting.'' I attended far too many farm crisis meetings in Minnesota during the 1980s, and it was with some dismay that I read that sign as I entered the meeting in Crookston. But I must note that from what farmers and bankers in these communities are telling me, from what I saw and heard in Crookston, we have a grave situation.

I will also include in the RECORD an article from the Star Tribune, Minnesota's largest-circulation newspaper, titled, ''Red River Valley farmers tell of sorrow that is fallout of 5 hard years.'' I am sure that colleagues will recall pictures and descriptions of hardship and travail in the Red River Valley following last year's calamitous floods. But I am hearing disturbing news that farmers elsewhere in the state also are struggling, in many cases due to low prices.

Madam President, my Dakota colleagues and I do not imagine that the additional farm credit that we are including in this emergency bill will solve the very difficult economic problems in portions of our states' farm economy. It will, however, allow a number of farmers to stay in business this year, to keep operating and, hopefully, to get past immediate difficulty in a way that allows them to maintain an operation that is viable into the future. Each of us also supports legislative proposals aimed at improving federal farm policy. I believe current policy is on a wrong track, that the so-called Freedom to Farm legislation enacted in 1996 was a mistake, and that we should act to raise loan rates for a targeted amount of production on each farm. I also believe that the repayment period for marketing loans should be extended and that crop insurance should be repaired so that affordable coverage can do a better job of covering losses. Further, I intend to push very hard this year for an increase in research to find a means to eradicate a very damaging disease known as scab which is affecting wheat in our region.

Still, without the additional loan money we are including, serious need for credit would go unmet in our states. In the letter I have included in the RECORD, Minnesota FSA officials note that the shortfall this year in funds for these two types of operating loans will be $24 million.

The letter from the state FSA officials points out that some experts believe that as many as one in five farm families in Northwestern Minnesota may be on the brink of failure. It correctly observes that for much of Minnesota agriculture 1997 was a year ''wrought with disaster.'' I appreciate the help of my colleagues in including this urgently needed assistance. I am very pleased that if we can hold this amount in the bill's conference, we will be coming through for farm families in Minnesota and around the country.

Madam President, I ask unanimous consent that the letter and article be printed in the RECORD.

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

USDA FARM SERVICE AGENCY,
MINNESOTA STATE OFFICE,
St. Paul, MN, March 18, 1998.

Hon. PAUL D. WELLSTONE,
Hart Senate Office Building,
Washington, DC.

DEAR SENATOR WELLSTONE: The purpose of this letter is to provide an update to concerns previously expressed to you in regard to the utilization of Farm Service Agency Loan Programs to meet the needs of Minnesota farmers this coming year. An update on additional funding needs is also included.

As you are aware, the 1997 year in Minnesota was wrought with disaster. The winter brought record snows and livestock deaths. The spring brought record flooding, property damage and slow drying fields. The summer brought late planting and prime conditions for scab in the wheat as well as midge in the sunflowers. The fall brought a harvest of diminished yields and low prices.

The severest economic problems are being experienced in a nine county area in northwestern Minnesota. While financial/economic problems plague all parts of Minnesota, the northwest part of the State has experienced the most severe devastation due to the disasters noted above.

Contacts with producers, lenders and employees (including County Committee members) leads us to believe that the financial/economic conditions has deteriorated to the lowest levels since the mid-1980's. Some experts believe that as many as one in five farmers are on the brink of failure in northwest Minnesota and will be unable to continue their framing operations.

Two public forums were held on Saturday, March 7, 1998 in Crookston, MN and Hallock, MN to discuss the economic plight of rural businesses and farms. Approximately 400 people attended each of these forums including members of the Minnesota congressional delegation and State legislators.

During FY 97 Minnesota Farm Service Agency extended $126,000,000 in loan funds to approximately 1350 farm families. The supplemental appropriations bill passed last spring enabled us to meet the needs of many farm families. Minnesota received approximately $26,000,000 from this supplemental appropriation.

We cannot stress enough the importance of the federal government providing sufficient assistance in a timely manner to avoid an economic collapse. We believe the government has a responsibility to do everything possible to help these farm families that so desperately need assistance due to events that are beyond their control.

We have estimated the shortfall in State loan allocations for Farm Loan Programs as follows:

DIRECT OPERATING

During FY 97, Minnesota obligated approximately $30,000,000 in loan funds. Our FY 98 allocation is $26,400,000. We will likely exhaust our State allocation by mid-April.

An additional $12,000,000 would assist in meeting anticipated demand to meet the needs of Minnesota farm families.

GUARANTEED OPERATING LOANS WITH INTEREST ASSISTANCE

During FY 97, Minnesota obligated approximately $27,200,000 in loan funds. Our FY 98 allocation is $17,300,000. We will likely exhaust our State allocation by the first part of April.

An additional $12,000,000 would assist in meeting anticipated demand to meet the needs of Minnesota farm families.

GUARANTEED FARM OWNERSHIP

During FY 97, Minnesota obligated approximately $22,700,000 in loan funds. Our FY 98 allocation is $15,400,000. We will likely exhaust our allocation by the middle of May. (Usage of guaranteed farm ownership funds usually trails other programs by a couple of months as lenders focus on farm operating needs ahead of real estate needs.)

An additional $10,000,000 would assist in meeting anticipated demand to meet the needs of Minnesota farm families.

Any additional loan funding assistance that can be obtained would be greatly appreciated.

The attached news articles portray the severity of the problems people are facing and accurately provide insight into the human side of the dire straits that families are experiencing.

Please do no hesitate to contract us if you have any questions or suggestions on what more we can do to provide additional help or games support for additional assistance.

Your continued support and interest in the Farm Service Agency Farm Loan Programs is greatly appreciated.

Sincerely,

WALLY SPARBY,
State Executive Director.
KENT KANTEN,
State Committee Member.
HARLAN BEAULIEU,

State Committee Member, Minority Advisory.
CLARENCE BERTRAM,
State Committee Members.
DAVID HAUGO,
Chairman, State Committee.
MARY DONKERS,
State Committee Member.
CARL JOHNSON,
State Committee Member.

[From the Star Tribune, Mar. 8, 1998]

RED RIVER VALLEY FARMERS TELL OF SORROW THAT IS FALLOUT OF 5 HARD YEARS

(By Chuck Haga)

CROOKSTON, MINN.—After meeting Saturday with hundreds of northwestern Minnesota farmers humbled by five years of adverse weather, crop diseases and low crop prices, legislative leaders promised they'd get right to work on a relief program.

But there's a limit to what the state can do, they warned the farmers, many of whom indicated they're close to failing.

''We'll have a bill in Monday morning to make a difference,'' said Rep. Steve Wenzel, DFL-Little Falls, chairman of the Minnesota House Agriculture Committee.

Wenzel said he'll seek to have some of the state's current budget surplus earmarked for special tax relief. The state also could shore up federal crop insurance programs, which many farmers said don't come close to covering their losses.

''We've got some other things we can reach back and dust off from the old farm crisis [of the 1980s],'' Wenzel said.

Sen. Paul Wellstone, D-Minn., who helped organize farm protests in the 1980s, winced when he saw a sign that read ''Farm crisis meeting'' outside the auditorium at the University of Minnesota at Crookston.

''I didn't want to see another sign like that,'' he said. ''But you can see it in people's faces here: This is not good.''

Saturday's meetings in Crookston and Hallock, Minn., were organized by U.S. Rep. Collin Peterson, D-Minn., and state Rep. Jim Tunheim, DFL-Kennedy, to call attention to ''a silent crisis'' that threatens family farming in the upper Red River Valley.

''We are a little pocket of the country,'' Peterson said. ''The rest of the country doesn't notice, because the rest of the country is doing pretty well.''

Others attending included state Attorney General Hubert Humphrey III; Senate Majority Leader Roger Moe, DFL-Erskine; House Speaker Phil Carruthers, DFL-Brooklyn Center, and Senate Tax Chairman Doug Johnson, DFL-Tower.

''Some of the ideas the farmers shared are kind of interesting,'' Moe said, such as a state funding pool for credit backup and supplements for crop insurance.

''We'll look at some changes in the property tax,'' he said. ''We'll probably put some additional money into research, but that's a longer-term solution.''

Bob Bergland, a retired farmer from Roseau, Minn., who represented northwestern Minnesota in Congress and was President Jimmy Carter's secretary of agriculture, said state researchers are working to find wheat and barley varieties resistant to scab, a fungus that thrives in wet years and cuts grain yields and quality.

''So far, we've found no miracle solution,'' he said.

A SILENT SORROW

Larry Smith, superintendent of the Northwest Experiment Station at Crookston, held up a regional farm publication with seven pages of farm auctions.

''These are farmers I grew up with in northwestern Minnesota,'' he said. ''The most prosperous business in northwestern Minnesota now is the auction business.''

Tim Dufault, president of the Minnesota Wheat Growers Association, said scab has cost Minnesota farmers $1.5 billion and North Dakota farmers $1 billion since the current wet cycle started five years ago. And those losses are sending farmers packing.

Rod Nelson, president of First American Bank in Crookston, said that 20 of the farmers financed by his bank are quitting or significantly downsizing this year, ''and many more are thinking about next year or the year after.''

And the bank has main-street business customers drowning in accounts receivable that can't be collected, he said.

''That's just our bank,'' Nelson said, ''and that's just the start of what's going to happen if we don't get relief.''

The Rev. Greg Isaacson, pastor at Grace Lutheran Church in Ada, Minn., noted similarities between last spring's flood disaster and the regional farm crisis. In both cases, people felt that they had lost control, he said.

''But in this silent crisis, there are no groups coming in to help like during the flood,'' he said. ''There isn't the media coverage. Our people have not felt the compassion and understanding coming their way.

''They have a sense of failure, and that changes the way a community lives and operates. It changes not only the economy, but also the character of the community.''

ONE FARMER'S STORY

When the politicians and other featured speakers finished, people from the audience spoke.

Don Fredrickson started telling his story slowly, softly, as if he were talking with a few friends at a coffee shop, not addressing 350 fellow farmers, a dozen legislators, two members of Congress and the attorney general.

By the time he finished, he had gone through many emotions and seemed close to tears. So did more than a few of the people listening.

''I started farming when I was 4, milking cows,'' said the 79-year-old potato farmer from Bagley, Minn. ''At 5, I remember my dad putting me on the binder with four horses.''

When he was 10, his grandfather lost the family farm. It was the Depression. A few years later, with Franklin Roosevelt's help, ''we got it back,'' he said.

He was married at 21; his wife was 17. After their honeymoon, they returned to the farm. They had $5 and a dream, he said, and through the next decades, the dream came true as they built a large, profitable farming operation.

''It's been a great life,'' Fredrickson said. ''But now, after working hard all my life, I daresay that if I sold out today, I wouldn't have $5 in my pocket.''

''Our 1996 crop was the best crop we've ever had,'' he said. ''But there was no price. We gave it away.''

Last year, he lost his crop when 15 inches of rain fell from late June to mid-July. ''We are not going to be able to farm this year because we lost that crop,'' he said.

''I've got two sons who should be farming. How am I going to tell them, 'You take over this debt'? I can't sleep nights thinking about it.

''I'm tired. I'm depressed. I'm crabby. You spend all your life raising food that's essential, and . . .''

His voice trailed off. He smiled at the politicians and thanked them for listening, and he sat down.

Everybody else stood, and sent him to his seat with a thundering ovation because he had said what they were feeling.

MODIFICATION TO AMENDMENT NO. 2062

Mr. STEVENS. Madam President, I ask unanimous consent, on behalf of Senator BYRD, to make technical modifications to amendment 2062, which was agreed to yesterday. That has been cleared by both sides.

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

The modification is as follows:

On page 15, line 11 shall read as follows:
''The Administrator of the General Services Administration shall''.

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

The amendment (No. 2062), as modified, was agreed to.

Mr. STEVENS. I ask unanimous consent to reconsider that action and to lay my motion on the table.

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

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

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

AMENDMENTS NOS. 2152, 2153, AND 2154 EN BLOC

Mr. STEVENS. Madam President, I do report success on some of the matters I earlier mentioned. I send to the desk an amendment offered by Senator HUTCHISON which deals with damage repairs, an amendment offered by Senator BOXER which deals with issues in the Department of the Interior section of the bill, and an amendment offered by Senator DORGAN which pertains to Indian reservations. They have been cleared on both sides. I ask unanimous consent that they be considered en bloc.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Alaska [Mr. STEVENS] proposes amendments numbered 2152, 2153 and 2154 en bloc.

The amendments are as follows:

AMENDMENT NO. 2152

On page 26, after line 11, insert the following:

For an additional amount for ''Wildland and Fire Management'' for wildland and fire management operations to be carried out to rectify damages caused by the windstorms in Texas on February 10, 1998, $2,000,000, to remain available until expended: *Provided*, that the entire amount shall be available only at the discretion of the Chief of the National Forest: *Provided further*, That the entire amount shall be available only to the extent that an official budget request for $2,000,000 that includes designation of the entire amount of the request as an emergency requirement as defined in the Balanced Budget and Emergency Deficit Control Act of 1985,

as amended, is transmitted by the President to the Congress: *Provided further*, That the entire amount is designated by the Congress as an emergency requirement pursuant to section 251(b)(2)(A) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended.

AMENDMENT NO. 2153

On page 21, line 20, delete the number ''$28,938,000'' and insert in lieu thereof ''32,818,000''.

On page 21, line 23, delete the number ''$28,938,000'' and insert in lieu thereof ''32,818,000''.

On page 22, line 11, delete the number ''$8,500,000'' and insert in lieu thereof ''9,506,000''.

On page 22, line 13, delete the number ''$8,500,000'' and insert in lieu thereof ''9,506,000''.

On page 22, line 25, delete the number ''$1,000,000'' and insert in lieu thereof ''1,198,000''.

On page 23, line 3, delete the number ''$1,000,000'' and insert in lieu thereof ''1,198,000''.

On page 24, insert a new section:

BUREAU OF LAND MANAGEMENT

CONSTRUCTION

For an additional amount for 'Construction', $1,837,000, to remain available until expended, to repair damage caused by floods and other natural disasters: *Provided*, That the entire amount shall be available only to the extent that an official budget request for $1,837,000, that includes designation of the entire amount of the request as an emergency requirement as defined in the Balanced Budget And Emergency Deficit Control Act of 1985 as amended, is transmitted by the President to the Congress: *Provided further*, That the entire amount is designated by the Congress as an emergency requirement pursuant to section 251(b)(2)(A) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended.

On page 24, insert a new section:

BUREAU OF INDIAN AFFAIRS

CONSTRUCTION

For an additional amount for 'Construction', $700,000, to remain available until expended, to repair damage caused by floods and other natural disasters: *Provided*, That the entire amount shall be available only to the extent that an official budget request for $700,000, that includes designation of the entire amount of the request as an emergency requirement as defined in the Balanced Budget and Emergency Deficit Control Act of 1985, as amended, is transmitted by the President to the Congress: *Provided further*, That the entire amount is designated by the Congress as an emergency requirement pursuant to section 251(b)(2)(A) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended.

AMENDMENT NO. 2154

(Purpose: To fund emergency PCB remediation in schools and other facilities at the Standing Rock Sioux Reservation)

On page 24, after line 17, insert the following:

CONSTRUCTION

For an additional amount for ''Construction, Bureau of Indian Affairs,'' $365,000 to remain available until expended, for replacement of fixtures and testing for and remediation of Polylchlorinated biphenyls (PCBs) in BIA schools and administrative facilities, *Provided* that the entire amount shall be available only to the extent that an official budget request for $365,000 that includes designation of the entire amount of the request as an emergency requirement as defined in the Balanced Budget and Emergency Deficit Control Act of 1985, as amended, is transmitted by the President to the Congress: *Provided further*, That the entire amount is designated by the Congress as an emergency requirement pursuant to section 251(b)(2)(A) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended.

Mr. STEVENS. Madam President, I ask for their adoption en bloc.

The PRESIDING OFFICER. Without objection, the amendments are agreed to en bloc.

The amendments (Nos. 2152, 2153, and 2154) were agreed to en bloc.

Mr. STEVENS. I move to reconsider the vote by which the amendments were agreed to, and I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 2154

Mr. DORGAN. Madam President, I am pleased that the committee included my amendment, numbered 2154, to provide $365,000 for replacement of electrical fixtures and testing for and remediation of Polychlorinated biphenyls (PCBs) at schools and Bureau of Indian Affairs facilities located at the Standing Rock Sioux Reservation in North Dakota. These funds will remain available until expended.

The amendment provides direct funding to the Bureau of Indian Affairs so that the agency may replenish funds depleted by past activities related to the PCB emergency and provides for future remediation and testing activities and replacement of electric fixtures.

Students at two Standing Rock Sioux schools and employees at a Bureau of Indian Affairs administrative building in my State have been exposed to leaking fixtures containing dangerous PCBs. In an effort to protect students and Federal employees from contamination, parts of three buildings have been evacuated, disrupting classes and vital agency functions. While testing, remediation activities and fixture replacement are already underway, further work by the Bureau of Indian Affairs and its contractors remains unfinished. I commend the committee for providing the funds to insure the safety of those who work and study on the Standing Rock Reservation.

Mr. STEVENS. Madam President, if the Chair will address the list we prepared last evening, I will indicate that the Boxer amendment is now off the list, the Daschle amendment is now off the list—the first Daschle amendment—the Dorgan amendment is now off the list, the Feingold amendment is off the list, the Hatch amendment is off the list, the Hutchison amendment is off the list, the Levin IMF amendment is off the list, a portion of the managers' package is off the list, and the Wyden amendment is off the list.

I urge Senators, again, to come work with me and my staff to determine if we can handle some of these matters.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

AMENDMENT NO. 2150

Mr. LEVIN. Madam President, I thank the managers of the bill for accepting my amendment which requires the Secretary of the Treasury to consult with the Office of the Trade Representative regarding prospective IMF borrowing countries, including their status with respect to our trade laws, and to take these consultations with our Trade Representative into account before the U.S. Executive Director of the IMF is given instructions on the U.S. position regarding approving loans to those countries.

I have had some difficulty supporting IMF reauthorization in the absence of requiring countries who are benefiting from an IMF funding bailout to remove restrictive trade practices and barriers that discriminate against American goods and American services. This amendment would put our trading partners on notice that the United States is going to take into consideration a country's discriminatory trade barriers to American goods and services as part of the process of determining American support for IMF loans.

Title III of the Trade Act of 1974 includes both section 301 and super 301 trade laws. These are some of our strongest trade tools in the arsenal to fight unfair and discriminatory trade practices.

If a foreign country is identified under these trade laws, it means that some of the most egregious discriminatory trade barriers are being kept in place to keep out American goods and services, and we have to use our trade laws to try to knock down barriers to our goods. We face discriminatory trade barriers too often. Trade is too often a one-way street, and where that is true with countries that are being considered for IMF loans, we should have the U.S. Executive Director of the IMF take into account those barriers and try to negotiate them away before approving the loan.

That is the point of this amendment—to make sure that those discussions and considerations take place before IMF loans are approved. Countries that discriminate against our goods and our services should not benefit from these loans until they have taken steps to remove the barriers. I hope that this provision will send a strong message to any country in question that has these barriers and is seeking IMF loans; that it must take significant steps to remove trade barriers if it wants to be assured of U.S. approval of those IMF loans.

Again, I thank the managers for accepting this amendment. I very much appreciate it. Those of us representing States that have industries and services that face these barriers in countries that are being considered for IMF

loans very much want this kind of action to be taken. They want our trade laws to be enforced, and want any discriminatory barriers that continue to exist that are maintained by these countries to be removed, to be negotiated away before we decide what to do on the request for the IMF loan.

I thank the Chair. I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

UNANIMOUS-CONSENT AGREEMENT—AMENDMENT NO. 2100

Mr. STEVENS. Madam President, this has been cleared on both sides. I ask unanimous consent that amendment No. 2100, which has been held at the desk, be placed before the Senate for a vote at 11:45 a.m.

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

Mr. STEVENS. I ask unanimous consent that it be in order for me to order the yeas and nays.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered. The yeas and nays were already ordered.

Mr. STEVENS. I ask unanimous consent that no further amendments to amendment 2100 be in order.

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

Mr. STEVENS. I am authorized to state to the Chair that Senator HOLLINGS has agreed to remove his proposed amendment from the list. I do not think it is at the desk. I state that it has been removed from the list.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

Mr. STEVENS. Madam President, I wish to make a statement to the Senate. We have a finite list now, and we are going to go through it today until we finish. I think it is very advisable for Senators to come over here and raise their amendments or work them out with us. It will be a lot better than doing it tonight at midnight.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

The PRESIDING OFFICER (Mrs. HUTCHISON). Without objection, it is so ordered.

Mr. BUMPERS. What is the parliamentary situation? Let me rephrase that. Is an amendment pending?

The PRESIDING OFFICER. There is no amendment pending.

AMENDMENT NO. 2134

Mr. BUMPERS. Madam President, I have an amendment at the desk, but I think the chairman of the Appropriations Committee and I have a pretty good understanding about the amendment and its intent. And I am not saying that he agrees with every jot and tittle of it, but I think that he feels pretty much the way I do about it.

Let me just say for the Record that here is what I am trying to accomplish with the amendment. As you know, an emergency appropriation does not require an offset. An appropriation in this bill which is not an emergency does require an offset. And under the Budget Act, spending that is not an emergency and nondefense discretionary spending must be offset with nondefense discretionary spending and defense spending that is not an emergency must be offset by defense spending cuts—offsets.

And the House has done something—the thing that really sort of got me interested in this—the House has done something which is really very strange and, frankly, I consider to be a violation of the Budget Act. What they have said is, we are declaring these items—for example, assistance to Bosnia and the Iraqi operation—as emergencies. And, as I said, under the law they do not require offsets if they are emergencies, but the House has chosen to offset them anyway. And they have offset them totally from nondefense discretionary spending, such as housing, AmeriCorps, and other things that may not be popular to some people but they are fairly popular with me.

So what I want to do is emphasize that the Senate is proceeding exactly the way we should and in accordance with the Budget Act. We have declared these things emergencies. The ones that have not been declared emergencies we have offsets for. And when we go to conference with the House, we are going to be in a strange position. They are going to be saying this is an emergency, but we are going to offset it anyway.

I think that the chairman agrees with me that if the conference does, in fact, have any offsets—and particularly offsets of emergency matters—that we will comply with the requirement of the Budget Act; and that is, defense spending increases for emergency purposes will be offset by defense funds, and the same way with nondefense discretionary spending.

And I would like, if I could, to get the chairman of the committee to comment on what I have just said.

Mr. STEVENS. Madam President, as the Senator from Arkansas is aware, the bill now before the Senate does contain emergency appropriations for both defense and domestic emergencies. As such, those appropriations have not been offset. I agree with the Senator's understanding that when offsets are required, the defense accounts must pay for defense appropriations, the nondefense must pay for nondefense appropriations. And that would comply with the so-called walls that exist between defense and nondefense spending.

As I understand the situation, should we bring back a bill that has defense appropriations which are offset with reductions in nondefense accounts, the Budget Act would treat the defense funds to be over the cap that exists for 1998 and would not allow the treatment of the nondefense offsets to reduce that amount down below the cap.

I call attention to the fact that our committee is the only committee that is subject to the point of order under the Budget Act. The House can propose whatever it wants to propose, but should we bring such a bill back to the Senate floor, it would be subject to a point of order, and it would certainly not be my intention to do that.

Furthermore, as the Senator knows, it has already been indicated that the budget, the account for defense, has already been rescored and is $22 million over the cap now, which we will have to deal with later. But this bill is not over the cap. The defense account is over the cap before this bill. And we have a real problem with dealing with any funds that might attempt to be appropriated for defense on a nonemergency basis because they would automatically be subject to a point of order.

So the Senator's amendment No. 2134, as I stated to him yesterday, in this Senator's opinion—and I checked with Senator BYRD yesterday—we believe that the Senator's amendment states the interpretation of the Budget Act as it applies to the Senate now and therefore is unnecessary.

Mr. BUMPERS. Madam President, I just want to thank the chairman for his remarks. And with that understanding, my amendment was a sense-of-the-Senate resolution, and, quite frankly, I would rather have the chairman's word.

Mr. STEVENS. I stand corrected by the staff director. It is the total spending that is over the caps. The defense right now is under the cap, although before the year is over it will be right up to the cap.

Mr. BUMPERS. Fine. As I was saying, Madam President, the Senator from Alaska will be presiding as chairman on the Senate side in the conference committee. He and I have a deep reverence for the law as we understand it. And, as I say, I think I would rather have his word on this than to have my amendment adopted. So with that, I withdraw the amendment.

The PRESIDING OFFICER. The amendment is withdrawn.

The amendment (No. 2134) was withdrawn.

Mr. BUMPERS addressed the Chair.

The PRESIDING OFFICER. The Senator from Arkansas is recognized.

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

Mr. STEVENS. Will the Senator withhold that request?

Mr. BUMPERS. Yes.

Mr. STEVENS. There is some question as to amendment 2100, Madam President. It is the IMF amendment. It is Senator MCCONNELL's amendment, which now has been amended by two amendments which were adopted this morning. No further amendments are in order. But I was informed that some Senators do wish to speak on the McConnell amendment before it is voted on. And it will be voted on at 11:45.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

Mr. STEVENS. Madam President, I announce that Senator GRAHAM will not offer his amendment.

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

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

Mr. BUMPERS. Madam President, I ask unanimous consent that I be permitted to speak for 2 minutes as if in morning business.

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

THE JONESBORO SHOOTINGS

Mr. BUMPERS. Madam President, I simply want to call to the body's attention—indeed, to the American people's attention—an editorial in the Washington Post this morning called ''Trigger Happy.''

As you know, my home State is Arkansas, and we have just experienced one of the gravest tragedies in the history of our State. People all over the State—not just those in Jonesboro—are grieving over the loss of four children 11 years old, and one 32-year-old pregnant schoolteacher, a catastrophic happening that no one can even begin to explain.

But the Post this morning certainly points out one of the serious problems facing this country, and one with which we have never even come close to coming to grips with, and I don't in the foreseeable future see us coming to grips with it. But here it is: In 1992, handguns killed 33 people in Great Britain; 36 in Sweden; 97 in Switzerland; 60 in Japan; 13 in Australia; 128 in Canada; and, 13,200 in the United States.

There was a study completed by the Violence Policy Center. And as the Post points out—they can't put it all in here. But listen to this:

For every case in which an individual used a firearm kept in the home in a self-defense homicide, there were 1.3 unintentional deaths, 4.6 criminal homicides, and 26 suicides involving firearms.

The overall firearm-related death rate among U.S. children aged less than 15 was nearly 12 times higher than among children in the other 25 industrialized countries combined.

From 1968 to 1991, moter-vehicle-related deaths declined by 21 percent, while firearm-related deaths increased by 60 percent. It is estimated that by the year 2003, firearm-related deaths will surpass deaths from motor-vehicle-related injuries. In 1991 this was already the case in seven States.

Madam President, those figures are so shocking to me. I have studied this issue for some time and have lamented the increasing violence from the Postal Service. And now it seems that it is becoming endemic in the schoolyards in America.

When in the name of God is this country going to wake up to what is going on in the country and the easy accessibility to guns?

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

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

SUPPLEMENTAL APPROPRIATIONS FOR NATURAL DISASTERS AND OVERSEAS PEACEKEEPING EFFORTS FOR FISCAL YEAR 1998

The Senate continued with the consideration of the bill.

AMENDMENT NO. 2100

Mr. STEVENS. Madam President, there are now 20 minutes left for further debate.

I ask unanimous consent that time be divided between the majority and minority.

Does the Senator wish any time?

Mr. HAGEL. Two minutes.

Mr. STEVENS. I yield on the majority side 2 minutes to the Senator from Nebraska.

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

Mr. HAGEL. Madam President, I rise with about 20 minutes remaining before the vote on the IMF package.

I wish to first thank the distinguished chairman of the Senate Appropriations Committee, Senator STEVENS, for his leadership in this area. This is a tough issue. It is an important issue. It is an issue that has come to the floor with much heated debate and exchange. But I wish in just a minute to try to put some perspective on what we are doing here.

First, our economy is connected to all economies of the world. When Asian markets go down and currencies are devalued, that means very simply that we in the United States cannot sell our products in Asia. Asia has represented over the last few years the most important new export opportunity for all of the United States—not just commodities and agriculture, but all exports. What we are doing today is connected to all parts of the world. We understand something very fundamental about markets and that is that markets respond to confidence. We in the United States—because it is, in fact, in our best interests to participate and lead, not to bail people out, not the IMF bailing anybody out, but what we are doing through a very deliberate businesslike approach, an approach through the IMF established 50 years ago—are participating in a loan process where this country has never lost $1. We ourselves have used this.

So today all those colleagues of mine who have been so helpful, so involved, I wish to thank and wish also, in these final minutes, to encourage all my colleagues to take a look at this, understand the perspective, ramifications, the consequences, and the importance of what we doing here with this IMF support.

Madam President, I yield the floor.

Mr. LEAHY. Madam President, we are about to complete action on the supplemental appropriation for the International Monetary Fund. I want to thank the chairman of the Foreign Operations Subcommittee, Senator MCCONNELL, and Senator HAGEL, who have worked hard to reach agreement on compromise IMF language that the Treasury Department can support.

The amendment we are about to vote on provides the full amount requested by the President for the IMF, including $3.4 billion for the New Arrangements to Borrow, and $14.5 billion for the quota increase. None of this money costs the U.S. Treasury. It is repaid with interest. In the event of a default, it is backed up by IMF gold reserves.

This amendment is not perfect. Few are. It does not directly address certain issues I am concerned about, including workers' rights, military spending, and the environment. Neither the IMF nor the Treasury Department have worked aggressively enough to ensure that IMF loans do not promote exploitation of workers, subsidize excessive military spending, or result in environmental harm. I would have strongly preferred conditional language on those issues similar to the economic and trade conditions that are in the bill. However, that was explicitly rejected by the Republican side. I am encouraged, however, that language on these issues is included in the House bill, and will be discussed in the conference. I also want to credit Senator WELLSTONE, whose amendment addresses these concerns.

I should also mention that the McConnell-Hagel amendment does require further progress on information disclosure by the IMF, an area that I have worked on for many years as it relates to all the international financial institutions. The World Bank has

made considerable progress on this, but the IMF has lagged behind. In some instances there are legitimate reasons for protecting the confidentiality of IMF documents. But the presumption should favor disclosure. Secretary Rubin has indicated that he intends to press the IMF harder to expand public access to IMF documents. That should be a priority, because that is how we will ultimately deal most effectively with the other types of concerns I have mentioned. A process that is open to public scrutiny tends to result in better decisions.

Mr. President, the IMF has a reputation for being an arrogant, secretive organization that has too often bailed out corrupt governments. There is some truth to that. But I am also convinced that as the world's leading economic power the United States has a multitude of interests in a strong IMF. Millions of American jobs depend on exports. The IMF plays an important role in limiting the adverse impact of major financial crises. This amendment, for the first time that I am aware of, seeks to address some of the concerns that the IMF has been too eager to bail out corrupt governments, or governments whose trade policies have discriminated against American companies. Given the difficulty the Treasury Department encountered in getting this IMF funding passed in a form that Treasury could accept, it is clear that unless the IMF follows through on the reforms the Congress is insisting on US support for the IMF will soon evaporate.

Finally, I want to mention one other issue that has concerned me for some time, and which has also been a problem at the World Bank and the other international financial institutions. That is the lack of significant numbers of women in IMF managerial positions, and the lack of adequate grievance procedures to effectively respond to cases of harassment, retaliation, and gender discrimination. The IMF is particularly at fault in these areas. The statistics show that women have been systematically denied advancement at the IMF. The grievance process, while perhaps measuring up to a standard of years gone by, today fails to afford the due process that is necessary to deter abuse of power, particularly at an institution that is immune from the court system. This is an urgent problem which affects morale and the quality of IMF operations, and should be treated as a priority by IMF management as well as the Treasury Department. The Appropriations Committee first called attention to the problem of gender discrimination at the IMF in 1992, and there has been far too little progress since then.

Having said that, I will support this compromise and want to again thank Chairman MCCONNELL and Senator HAGEL for the considerable time and effort they gave to finding an agreement that a majority of senators could accept.

Madam President, the IMF funding has been attached to S. 1768, the Bosnia, Iraq and Domestic Disaster Relief supplemental bill, because a majority of senators believe, as Senator STEVENS, the Chairman of the Appropriations Committee has urged, that the IMF funding should be sent to the President on whichever supplemental bill the Congress completes action on first. We have agreed that if the House sends us a separate IMF supplemental bill we can choose to go to conference on that. But there is no requirement that we do so. Our primary concern is that the Congress complete action on the IMF as soon as possible and send it to the President for signature.

Mr. ABRAHAM. Madam President, I rise to discuss the recent vote the Senate conducted on the provision of U.S. funding to the International Monetary Fund. With that vote, this chamber approved the appropriation of over $18 billion with a single vote. Given the size of this appropriation, I believe it is critical to spell out exactly why Senators voted as they did.

I opposed this amendment for several reasons. First and foremost, the IMF has a very poor track record in its promotion of economic growth. According to Johns Hopkins University economist Steve Hanke, Few nations graduate from IMF emergency loans. Most stay on the IMF dole for years on end.'' Indeed, one study of IMF lending practices in 137 mostly developing countries from 1965 to 1995 found less than one-third have graduated from IMF loan programs. In fact, the IMF often encourages loan recipient nations to implement policies that further reduce economic growth. These policy recommendations have included raising tax rates, devaluing currencies, delaying regulatory reforms, and a host of additional austerity measures that compound nations' economic distress. Unless the IMF changes these counterproductive policies, I see no reason to put more American taxpayer dollars at risk.

Second, this IMF bailout for Asia is entirely unprecedented. All previous IMF bailouts, including that of Mexico, have been of the governments and central banks to stabilize their macroeconomic conditions. This bailout, in contrast, is a microeconomic bailout to restore the solvency of clearly insolvent financial institutions. Furthermore, the next largest bailout the IMF ever conducted was of Mexico at $17 billion. The Indonesian bailout package currently being negotiated tops $30 billion, while the Korean package comes in at over $57 billion.

Third, the IMF bailout is simply not needed. The Asian financial crisis is essentially over. As usual, markets have responded more quickly than any government. The fact of the matter is, the South Koreans had a current account surplus last year, and will continue to do so for the foreseeable future. Investors are starting to differentiate among Asian countries for degree of risk, and stock prices are rising, in Korea by over 30%. Further, the potential impact of the Asian economic situation on U.S. economic growth must be put in perspective: the 5 most afflicted Asian nations—Korea, Indonesia, Malaysia, Thailand, and Singapore—account for only 8 percent of U.S. exports and imports.

And it is clearly not the case that the IMF will go bankrupt without these replenishment funds from the American taxpayer. The IMF has plenty of funds to cover these loans and many to come. Even after the distribution of the current bailout packages, the IMF will hold $30 billion in gold reserves, and have access to $25 billion in unused General Agreement to Borrow credits. By providing these replenishment funds, we are simply empowering the IMF to impose its counterproductive economic policies on yet more desperate countries.

Fourth, this bailout will be counterproductive because it will perpetuate a ''moral hazard'' problem within the banking industry, a problem it will take years to overcome. Without doubt, this bailout package is being pushed in order to restore confidence in the Asian banking system (and the bad loans made by Western banks at unsound rates), a system that probably shouldn't be restored in the first place because of its inherent flaws—flaws that the IMF bailout does not address at all.

The provision of these funds will therefore perpetuate and intensify the moral hazard for private banking started by the Mexican bailout. Arguing that the Mexicans repaid their debt misses the point—if credit card companies and finance houses had been forced to eat their losses in Mexico, they would have exercised better elementary judgment regarding the over-investment policies of Asia that led to this crisis.

The IMF is essentially a huge bureaucracy populated by the last remaining socialists in the world. The reforms to IMF lending practices that are needed to address economic problems in Asia and elsewhere would require the IMF to support economic policies that are anathema to its Directors and to its fundamental philosophy—cutting tax rates, promoting sound monetary policies, cutting government regulation, allowing banks and firms to fail, and requiring private investors to eat their losses. Unless we reform the IMF as we know it, increasing funds to IMF will do little to help the distressed economies of the world.

Mr. STEVENS. Madam President, I state to the Senators there is 10 minutes available on their side. As far as I know they can allocate it as they wish.

Mr. ROBB. Madam President, I request about 2 minutes from the time allocated to the minority side to talk about an amendment pending that I hope to have cleared in just a few moments.

The PRESIDING OFFICER. The Senator from Virginia is recognized.

AMENDMENT NO. 2135

Mr. ROBB. Madam President, a couple of days ago I introduced formally the Agriculture Credit Restoration Act of 1998. This has now been presented in the form of an amendment to the emergency supplemental, amendment 2135. The purpose is very simple. In the 1996 farm bill a provision was added in conference that was not considered by the full Senate or by the House but was added in the conference that, in effect, precluded anybody who had a write-down or loan forgiveness from ever being eligible for a loan that was made available by the U.S. Department of Agriculture.

The U.S. Department of Agriculture is the lender of last resort. They don't lend under any circumstances where at least three private lenders have not already denied credit and they do not lend to noncreditworthy applicants. In this particular bill we have $48 million that is set aside to increase the direct operating loan fund, which is presumably being made available to those who are most in need. But the provision that is currently in the law that this particular amendment would change precludes anyone who has had a write-down or had credit forgiveness or whatever the case may be.

In a number of instances, that occurred precisely because the U.S. Department of Agriculture discriminated against those individuals. So it is a Catch-22. The Agriculture Department acknowledges that there was past discrimination. The current Secretary of Agriculture has acknowledged this. They are very much supportive of this bill—this amendment. It would, in effect, correct the inequity of precluding those who, by virtue of a natural disaster, a major family illness, or discrimination, from being eligible—not necessarily getting a loan but simply being eligible—for a loan of last resort under the Direct Operating Loan Fund.

It has created problems for many of those who had previously sought loans when they thought the money was available. We put money in last year, and most of the people who then sought the money ran into this particular roadblock. It has been approved by all Senators on the majority side, and only one Senator has yet to see the particular legislation. I hope to have that approval very shortly.

But I wanted to explain that this does not create any requirement that the U.S. Department of Agriculture grant credit to any noncreditworthy applicant. Indeed, they have to have already attempted to get credit from three private insurers. But it does correct the inequity where they were previously denied credit because of specific discrimination. We certainly do not want to be perpetuating that.

With that, Madam President, I will await the affirmation that it has been cleared on both sides. I thank the chairman of the full committee for his time. I yield the floor.

The PRESIDING OFFICER. The Senator from Minnesota is recognized.

AMENDMENT NO. 2100

Mr. WELLSTONE. Madam President, I quote from Joseph Stiglitz, World Bank chief economist and senior vice president, in which he called for an end to ''misguided policies imposed from Washington.''

The World Bank senior vice president and chief economist is scathing in what he calls the ''Washington Consensus'' of U.S. economic officials, the International Monetary Fund and the World Bank.

He talks about a Washington consensus that seeks to increase measured GDP, whereas we should seek increases of living standards, including improved health and education.

We seek equitable development which ensures that all groups in society enjoy the fruits of development, not just the few at the top. And we seek democratic development.

That is what he proposes as an alternative to the Washington consensus.

I ask unanimous consent to have this piece, ''World Bank Chief Economist Stiglitz: IMF Policies Are Fundamentally Wrong,'' printed in the RECORD.

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

[From Debt Update, March 1998]

WORLD BANK CHIEF ECONOMIST STIGLITZ: IMF POLICIES ARE FUNDAMENTALLY WRONG

BANK ADMITS HIPC CONDITIONS WRONG

'Greater humility' is needed, admitted the World Bank's chief economist and senior vice president Joseph Stiglitz, in a speech in which he called for an end to 'misguided' policies imposed from Washington.

Joseph Stiglitz's wide-ranging condemnation of the 'Washington Consensus' and the conditions imposed on poor countries must raise fundamental questions about the entire debt relief process now being coordinated by the IMF and World Bank. Debt relief under the HIPC (Heavily Indebted Poor Countries) initiative is conditional on six years of faithfully obeying demands from the Fund and Bank which Stiglitz now calls 'misguided'.

The World Bank's senior vice president and chief economist is scathing about what he calls the '''Washington Consensus'' of U.S. economic officials, the International Monetary Fund (IMF), and the World Bank'. He says that 'the set of policies which underlay the Washington Consensus are neither necessary nor sufficient, either for macro-stability or longer-term development.' They are 'sometimes misguided', 'neglect . . . fundamental issues', are 'sometimes even misleading, and do 'not even address . . . vital questions'.

'Had this advice been followed [in the United States], the remarkable expansion of the U.S. economy . . . would have been thwarted.' Russia followed the Washington Consensus line while China did not, Stiglitz notes, and 'real incomes and consumption have fallen in the former Soviet empire, and real incomes and consumption have risen remarkably rapidly in China.'

The Washington Consensus only sought to achieve increases in measured GDP, whereas 'we seek increases in living standards including improved health and education. . . . We seek equitable development which ensures that all groups in society enjoy the fruits of development, not just the few at the top. And we seek democratic development.'

Joseph Stiglitz made his speech in Helsinki, Finland, on 7 January 1998, and so far it has been little reported. Perhaps he needed to be as far away from Washington as possible, because he undermined virtually every pillar of the structural adjustment and stabilization policies that serve as necessary conditions under HIPC. He asserts:

Moderate inflation is not harmful. Hyperinflation is costly, but below 40% inflation per year, 'there is no evidence that inflation is costly'. Furthermore, there is no evidence of a 'slippery slope' there is no evidence that one increase in inflation causes further increases. Thus 'the focus on inflation . . . has led to macroeconomic policies which may not be the most conducive for long-term economic growth.'

Budget deficits can be OK, 'given the high returns to government investment in such crucial areas as primary education and physical infrastructure (especially roads and energy).' Thus 'it may make sense for the government to treat foreign aid as a legitimate source of revenue, just like taxes, and balance the budget inclusive of foreign aid.'

Macro-economic stability is the wrong target. 'Ironically, macroeconomic stability, as seen by the Washington Consensus, typically down-plays the most fundamental sense of stability: stabilizing output or unemployment. Minimizing or avoiding major economic contractions should be one of the most important goals of policy. In the short run, large-scale involuntary unemployment is clearly inefficient in purely economic terms it represents idle resources that could be used more productively.'

The advocates of privatization overestimated the benefits of privatization and underestimated the costs.' And the gains occur prior to privatization, through a process of 'corporation' which involves creating proper incentives. China 'eschewed a strategy of outright privatization'.

Competition, not ownership, is key. Private monopolies can lead to excess profits and inefficiency. Government must intervene to create competition.

Markets are not automatically better. 'The unspoken premise [of the Washington Consensus] is that governments are presumed to be worse than markets. . . . I do not believe [that]'. Stiglitz notes, in particular, that 'left to itself, the market will tend to under provide human capital' and technology. 'Without government action there will be too little investment in the production and adoption of new technology.'

The dogma of liberalization has become an end in itself and not a means to a better financial system. Financial markets do not do a good job of selecting the most productive recipients of funds or of monitoring the use of funds, and must be controlled. Deregulation led to the crisis in Thailand the 'notorious Savings and Loan debacle in the United States.'

Perhaps the key problem is that Washington Consensus 'political recommendations could be administered by economists using little more than simple accounting frameworks.' This led to 'cases where economists would fly into a country, look at and attempt to verify these data, and make macroeconomic recommendations for policy reforms, all in the space of a couple of weeks.'

Stiglitz calls for a new 'post-Washington Consensus' which, he says, 'cannot be based on Washington'. And, he adds, one 'one principle of the emerging consensus is a greater degree of humility, the frank acknowledgment that we do not have all the answers.'

Mr. WELLSTONE. ''United Auto Workers International Executive Board Resolution on U.S. Contributions to the International Monetary Fund.'' I will quote one section:

To achieve [an] increase in exports, the IMF insists on austerity measures that include slashing public spending, jacking up

interest rates to exorbitant levels, deregulating markets, devaluing currencies, and reducing existing labor protections. The impact on workers and their families is devastating. Workers face massive layoffs and wage cuts, while the prices of basics such as food, housing, energy and transportation skyrocket.

I ask unanimous consent this be printed in the RECORD, as well as a ''Dear Colleague'' letter from Representative KUCINICH.

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

UNITED AUTO WORKERS INTERNATIONAL EXECUTIVE BOARD RESOLUTION ON U.S. CONTRIBUTIONS TO THE INTERNATIONAL MONETARY FUND

International Monetary Fund (IMF) involvement in the recent financial crisis in Asia, and the 1994–95 crisis in Mexico, dramatizes the tremendous burden that Imposed austerity measures place on working people around the world. The purpose of IMF involvement has been to bail out international banks and Investors whose pursuit of excessive profits led them to make questionable, high-risk loans.

IMF-dictated austerity measures worsen U.S. trade deficits, leading to the loss of solid family-supporting manufacturing jobs in auto and other industries, while driving down the already abysmally low wages of workers living in developing nations.

Governmens in South Korea, Thailand, Indonesia and Mexico and other developing nations are being told that an infusion of capital from the IMP requires them to pay down foreign loans by lowering the living standard of their citizens. The IMF's prescription calls for a increase in low-wage exports from these countries. The dollars so raised are then used to pay down loans owed to international banks and inventors. As a result, our trade deficit is expected to climb by approximately $100 billion this year alone, causing the loss of an estimated 1 million U.S. jobs.

To achieve this increase in exports, the IMF insists on austerity measures that include slashing public spending, Jacking up interest rates to exorbitant lovely, deregulating markets, devaluing currencies, and reducing existing labor protections. The impact on workers and their families is devastating. Workers face massive layoffs and wage cuts, while prices of basics such as food, housing, energy and transportation skyrocket.

Many of the governments receiving IMF funds fail to respect Internationally recognized workers, rights, and the IMF has not required them to do otherwise, despite the high price that workers are forced to pay. In Indonesia, independent union leader Muchtar Pakpahan remains on trial for his life for his union activity. Yet the IMF has made no effort to use of its leverage to free him.

The UAW believes that the International Monetary Fund is fully aware of the impact that its austerity measures have on working people. Yet the IMF has failed to move toward reforms of its own policies that would ensure equitable solutions to crises in financial markets. The UAW therefore opposes providing the additional funding of $18 billion that the IMF has requested from U.S. citizens. We believe that international organizations can and must play necessary and useful roles in world affairs. Our vision of their role, however, is one that places the interests of working people at least equal to those of finance and capital.

U.S. CONGRESS,
HOUSE OF REPRESENTATIVES,
Washington, DC.

REASONS TO REJECT THE IMF SUPPLEMENTAL APPROPRIATION

DEAR COLLEAGUE: As you formulate your position, I ask that you consider the following reasons to say No to the IMF supplemental appropriation.

(1) The supplemental appropriation is not needed for the Asian bailout. The bailout of Asian borrowers has already taken place. The funds for the bailout came from existing IMF funds.

(2) The IMF has ample funds right now at its disposal. Even after the loans to Thailand, Indonesia and South Korea, the IMF has $45 billion in liquid resources. It also has a credit line of $25 billion through the General Arrangements to Borrow. Furthermore, it has about $37 billion in gold reserves. And lastly, it can borrow funds from the private capital market.

(3) The IMF often makes matters worse. The IMF has a record of making matters worse even as it carries out a bailout. According to the New York Times, ''[The] I.M.F. now admits tactics in Indonesia deepened the crisis . . . political paralysis in Indonesia was compounded by misjudgment at the I.M.F.'s Washington headquarters. The Wall Street Journal's assessment was more damning. ''Far from stopping the damage, IMF rescue attempts have become part of the problem. Along with handing out funds, the IMF keeps peddling bad advice and sending the markets warped signals that set the stage for—guess what?—more bailouts.

(4) The IMF imposes impoverishing conditions of foreign workers. In exchange for a bailout, the governments of developing countries must submit to a harsh regimen that impoverishes workers. In Haiti, for example, the IMF has pressured the Haitian government to abolish its minimum wage, which is only about $0.20 per hour.

(5) The IMF imposes environment-destroying prescriptions. In exchange for a bailout, the government of Guyana was forced to defund its environmental law enforcement, and accelerate deforestation. Why? To export more logs and earn foreign exchange, with which to pay back the IMF.

(6) The IMF only listens to a tough Congress. If you want to change the way the IMF does business, this supplemental appropriation would be a setback. The IMF is resistant to change. In both 1989 and 1992, the IMF ignored the comprehensive reforms passed by Congress because the appropriation was not conditioned on IMF reform. Only when Congress made an appropriation payable only on certain reforms did the IMF make changes. This supplemental appropriation projects a weak Congress and will not produce any meaningful reform at the trouble-ridden IMF.

Sincerely,

DENNIS KUCINICH,
Member of Congress.

Mr. WELLSTONE. Madam President, I say to colleagues, I rise to speak against this Washington consensus. This IMF provision may pass with an overwhelming vote, but I want to just be crystal clear. We are, I think most of us, internationalists. I believe that what happens in these countries, in Asia, Indonesia, Thailand and other countries, will dramatically affect our country. I have no disagreement with that. But the IMF over and over and over again has imposed austerity measures, has depressed the wages and living conditions of people in these countries, has been in violation of statutes that are supposed to govern the IMF in relation to human rights, labor, in relation to respect for indigenous peoples, in relation to environmental protection.

What is going to happen is that these IMF measures are not going to help these countries or help our country. Countries following these IMF prescriptions are going to be forced either to import even less from our country because they do not have consumers because the people are poor—and the people become poor because of IMF austerity measures imposed on these countries. Or these countries—and this is another effect of IMF programs—are going to be forced into devaluing currencies and trying to buy their way out of trouble through cheap exports, which will again end up competing against, and hurting, working families in our country.

I understand my colleague, Senator SARBANES, is on the floor. I ask him, is he on the floor to speak against this amendment on IMF or on a different subject?

Mr. SARBANES. No, I am here to speak in support of the amendment, very strongly in support.

Mr. WELLSTONE. Then I wanted to use my full time.

Mr. STEVENS. We divide the time between the majority and minority. I have one person who wishes to speak in opposition and one to speak for the amendment. If the Senator wants any time he will have to get it from your time.

Mr. WELLSTONE. Madam President, yesterday I asked unanimous consent that I would have 10 minutes to speak before the final vote. I do not think it has anything to do with this other time. That, I think, is part of the RECORD. I had asked unanimous consent, and it was granted, that I would have 10 minutes to speak. I do not want

to take time away from my other colleagues. That was the only reason I asked my colleague from Maryland.

The PRESIDING OFFICER. The Parliamentarian advises me there is an agreement to vote at 11:45. It would take unanimous consent to amend that agreement.

Mr. STEVENS. Madam President, I understand what the Chair is saying, but I do remember the Senator did withhold his comments. We did agree before there was a vote on IMF he would have 10 minutes. How much time has the Senator used?

The PRESIDING OFFICER. The Senator has used 5 minutes.

Mr. STEVENS. Then I ask unanimous consent the vote take place at 11:50 and the Senator have the remainder of his 5 minutes.

Mr. SARBANES. I will respect the time limit. I think we should go to the vote. I do not want to be constantly delaying the votes.

Mr. STEVENS. The Senator will have 10 minutes, the Senator from Kansas would have 2 minutes, the Senator from Florida would have 2 minutes, and I would have 1 minute to close, and that would make it 11:50.

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

Mr. WELLSTONE. I thank the Senator from Alaska.

Madam President, yesterday we did adopt an amendment I offered which I think will be helpful. It essentially says that the Secretary of the Treasury will set up an advisory committee with members from labor, the human rights community, the social justice community and the environmental community. I think eight members will meet with him—or her—twice a year in the future, twice a year, to monitor whether or not the IMF is living up to its own statutory mandates. Let me just simply say that Muchtar Pakpahan is a labor leader in Indonesia. He is imprisoned; he is in jail.

He is in jail because he was organizing workers for a higher minimum wage. I went through all the statutes yesterday that apply to the IMF, that are a part of the law. There is supposed to be full respect for human rights; there is supposed to be respect for internationally recognized labor rights; there is supposed to be respect for basic environmental protection provisions, and the IMF is not in compliance.

Over and over and over again, the IMF turns its gaze away from these conditions in these countries. Over and over and over again, apparently our country, this administration, turns its gaze away. I simply want to say one more time, to quote Joe Stiglitz, World Bank chief economist—I think he is right that this Washington consensus is profoundly mistaken. I think he is right when he says the IMF goes in the opposite direction of raising wage levels, focusing on education, focusing on making sure that citizens in these countries are able to benefit from the infusion of capital, that it ought not to be just about the investors and the bankers. It ought to be about improving the living standards of people in these countries.

I think he is right to suggest that what is going to happen as a result of austerity measures imposed on these countries, as has been done in the past, there will be fewer people in these countries to consume our products. And these countries will be exporting cheaper and cheaper products into our country, again, hurting working families.

We have missed a tremendous opportunity. The United States of America and the U.S. Senate, on this vote, which I think will be an overwhelming vote in favor of this, will have missed a tremendous opportunity to be on the side of internationally recognized labor standards, to be on the side of human rights, to be on the side of environmental protection, to be on the side of improving the living standards of people in these countries. We have missed this opportunity. And I believe that this infusion of capital into the IMF, if the IMF's flawed programs are imposed on these countries, will, in fact, end up not only hurting these countries, but also hurt severely the people in our own country as well.

I think it is a tragic mistake on our part not to have used this moment, not to have used our leverage to change the flawed policies of the International Monetary Fund.

I yield back the remainder of my time.

The PRESIDING OFFICER. Who seeks recognition?

Mr. ROBB addressed the Chair.

The PRESIDING OFFICER. The Senator from Virginia.

AMENDMENT NO. 2135

Mr. ROBB. Madam President, I request that amendment No. 2135 be called up for immediate consideration.

Mr. STEVENS. We have no objection as to its immediate consideration. We are willing to accept it.

Mr. ROBB. I urge adoption of the amendment.

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

The amendment (No. 2135) was agreed to.

Mr. STEVENS. Madam President, I move to reconsider the vote by which the amendment was agreed to.

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

The motion to lay on the table was agreed to.

Mr. ROBB. I thank the Chair, and I yield the floor.

Mr. SARBANES addressed the Chair.

The PRESIDING OFFICER. The Senator from Maryland.

AMENDMENT NO. 2100, AS MODIFIED

Mr. SARBANES. Madam President, I yield briefly to the Senator from Delaware.

The PRESIDING OFFICER. The Senator has 2 minutes.

Mr. BIDEN. Madam President, I rise this morning to support the addition of urgently needed funds for the IMF to this supplemental appropriations bill.

Despite the clear need, despite the strong statements of concern by Federal Reserve Chairman Greenspan, and by Treasury Secretary Rubin, some of our colleagues continue to miss the point. As the biggest, most open economy in the world, as the leader of the world economy and the only global superpower, the United States has a special role to play in, and a special need for, international institutions to maintain the stability and openness of the world's financial system.

The problems now brought to light in Asia—the increasing billions in international investments that flow around the globe with the stroke of a computer key, the uneven development of banking systems in newly industrializing nations—are very real challenges to our own well-being that require serious analysis and a truly international response. They are not an annoyance that we can blissfully ignore. And they are not to be dismissed with a few ideological platitudes.

As the distinguished chairman of the Appropriations Committee stated so clearly and forcefully just yesterday, the Asian financial crisis is an ''economic El Nino'' that directly affects American sales overseas and jobs here at home. Our contributions to the IMF are made to protect us from the shock waves of that crisis in the Pacific, Madam President, and by denying or delaying those contributions we would only hurt ourselves.

Certainly, the IMF could well use a breath of fresh air—more openness to develop more public understanding and trust. And it is clear that we have a long way to go to establish a sound international financial system, with the clear reporting standards and accurate data that will allow markets to operate efficiently.

Those of us who share those concerns understand the need to provide the IMF with the resources it needs right now to maintain its role as lender of last resort in the kinds of currency crises that can have truly global consequences. If we do not, weaknesses in the world's financial system will only deepen and persist. And, I must add, so will the burdens carried by those people in the affected countries that are least able to deal with them, who too often pay the price for the financial follies of others.

So congratulations are due to those who worked so hard to make sure that the funding becomes part of this bill today. I know that Senator HAGEL, my colleague from the Foreign Relations and Chairman of our International Economic Affairs Subcommittee, has played a key role. And a great deal of credit must go to Senator STEVENS, Chairman of the Appropriations Committee, for his indispensable leadership.

I know that there are more hurdles to clear in this process, Madam President, but I am pleased to see that this

amendment has become part of the emergency appropriations bill. Just last week, when our IMF contributions seemed in real trouble, I expressed my confidence that the Senate would work quickly and responsibly to make this funding available. Today, the Senate has rewarded that confidence.

I pay special tribute to Senator HAGEL for his hard work on this and Senator STEVENS for promoting and providing the means to do this and my friend from Maryland for being such a strong voice. I yield the floor.

The PRESIDING OFFICER. The Senator from Maryland.

Mr. SARBANES. Madam President, I just want to say, I don't really have a basic quarrel with my good friend from Minnesota. I want to be on the side of environmental protection and on the side of workers' rights and on the side of human rights. The Secretary of the Treasury has committed himself to undertake a serious review of the international financial architecture. I have a lot of confidence in the Secretary of the Treasury. In fact, I think we have the best finance minister in the world in Secretary Rubin. I place great credibility in his proposals.

But you cannot remodel the emergency room at the very time the patients are being brought in to be dealt with. That is the issue that is involved in this IMF replenishment. The distinguished chairman of the committee said on yesterday that the Asian flu is the El Nino of economics, and he warned that unless we understand that, we are liable to make a big mistake. I think the distinguished Senator from Alaska was absolutely right on that point.

These countries got into trouble because of, in many respects, mismanagement of their economy. The IMF wasn't there to begin with. The IMF came in in order to try to help them out.

Now, we can argue about its programs, and I have been critical of them in the past and, indeed, even critical of them in the current context. But nevertheless, we have to do this replenishment because, if the IMF is perceived as having inadequate resources to deal with any crisis that might now emerge, it makes it more likely that the crisis will happen. If the IMF is perceived as having adequate resources, it makes it less likely that a crisis will happen because there will be an increase in confidence.

So I urge my colleagues to support the McConnell amendment; otherwise, we may be headed for very big trouble, as the distinguished chairman of the committee said on yesterday.

Mr. STEVENS. I yield to the Senator from Kansas 3 minutes and the Senator from Florida 2 minutes.

Mr. ROBERTS addressed the Chair.

The PRESIDING OFFICER. The Senator from Kansas.

Mr. ROBERTS. Madam President, I rise today to applaud and thank my colleagues for finally taking decisive action that will provide full funding for the International Monetary Fund while requiring strict conditions on receiving IMF assistance.

In particular, I am pleased that this agreement insists that efforts to remove illegal trade barriers to American products be a required item in any IMF program. It is entirely appropriate that we are doing that.

I am especially pleased that this body has rejected efforts to include requirements and conditions that would have gone too far. While the recipient countries should be required to comply with tough, fundamental changes in their economies in order to receive the assistance, the bar must not be raised so high that any hope for reaching the conditions is lost. If excessive conditions had been included—and some Members in this body had been promoting those conditions—why, the United States would have no leverage to insist on reforms that would lower trade barriers to American goods and end unfair subsidies for foreign businesses. That would hurt both the country in trouble and the United States as well.

In this regard, Mr. President, I wish to thank the distinguished Chairman of the Appropriations Committee, Senator STEVENS, for his outstanding leadership in assuring a common-sense and bipartisan approach to this challenge.

I also wish to pay special thanks to Senator HAGEL and to Senator GRAMS for their efforts in helping to craft language that I believe will certainly enable us to achieve both funding and the needed reforms. In particular, I wish to thank my good friend from Nebraska, who has worked tirelessly on this issue and deserves much, if not most, of the credit for enabling us to achieve real progress on this bill. Our neighboring States are particularly dependent on this country's implementing a consistent export policy and for the United States to provide continued leadership in stabilizing the world economy. In this regard, our farmers and ranchers and the many segments of our economy who depend on exports owe Senator HAGEL a debt of gratitude.

Mr. MACK addressed the Chair.

The PRESIDING OFFICER. The Senator from Florida is recognized for 2 minutes.

Mr. MACK. Thank you, Madam President. I want to begin my comments by also recognizing those individuals who have worked so hard on trying to come up with language that can be accepted by all of us. But, frankly, I am one of those individuals who believes that we have not gone far enough.

With all due respect to my colleague from Maryland, I think this is exactly the time we should be requiring change in the IMF. We were told back during the Mexico crisis that once we got that problem solved, we would do what was necessary to address the problems in international financial institutions. We have not done that, and I make the case again. As my colleague said, he has been critical of the IMF in the past. My conclusion is the only time we can ever get action is, in fact, when there is a crisis at hand, and that is why I have felt so strongly that we needed to put conditions on that could be carried out and would be carried out.

What we are being told now, in essence, is, ''We will make our best effort.'' The implication also is that the United States and those of us who want to put conditions on the IMF, that the United States is the only one that is interested in doing that. I disagree with that. I think there are other nations and members of the G–7 that want to see changes made.

I think we ought to insist on this. I think the first $3.5 billion was sufficient to take care of the problems; the other $14.5 billion could be made available later after changes have been made. But I am convinced now that, frankly, we didn't have the votes to go as far as I would like to go. I understand that.

I appreciate the efforts that have been made on both sides of this issue, but I feel compelled, Madam President, to cast a vote against this proposal. I thank you and yield the floor.

Mr. STEVENS addressed the Chair.

The PRESIDING OFFICER. The Senator from Alaska.

Mr. STEVENS. Madam President, I saw the report that the Dow is about ready to hit 9,000. If we do not act, as has been proposed in the IMF, the country better get ready for a slide. This is a very serious matter where I come from, and I urge the Senate to approve this amendment.

The yeas and nays have been ordered, Madam President.

The PRESIDING OFFICER (Mr. DEWINE). The question is on agreeing to the McConnell amendment No. 2100, as modified. The yeas and nays have been ordered. The clerk will call the roll.

The assistant legislative clerk called the roll.

The result was announced—yeas 84, nays 16, as follows:

[Rollcall Vote No. 44 Leg.]

YEAS—84

Akaka	Durbin	Landrieu
Baucus	Enzi	Lautenberg
Bennett	Feinstein	Leahy
Biden	Ford	Levin
Bingaman	Frist	Lieberman
Bond	Glenn	Lott
Boxer	Gorton	Lugar
Breaux	Graham	McCain
Brownback	Gramm	McConnell
Bryan	Grams	Mikulski
Bumpers	Grassley	Moseley-Braun
Burns	Gregg	Moynihan
Byrd	Hagel	Murkowski
Chafee	Harkin	Murray
Cleland	Hatch	Reed
Coats	Hollings	Reid
Cochran	Hutchinson	Robb
Collins	Hutchison	Roberts
Conrad	Inouye	Rockefeller
Craig	Jeffords	Roth
D'Amato	Johnson	Santorum
Daschle	Kempthorne	Sarbanes
DeWine	Kennedy	Shelby
Dodd	Kerrey	Smith (OR)
Domenici	Kerry	Snowe
Dorgan	Kohl	Specter

Stevens	Thurmond	Warner
Thomas	Torricelli	Wyden

NAYS—16

Abraham	Feingold	Sessions
Allard	Helms	Smith (NH)
Ashcroft	Inhofe	Thompson
Campbell	Kyl	Wellstone
Coverdell	Mack	
Faircloth	Nickles	

The amendment (No. 2100), as modified, was agreed to.

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

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

The motion to lay on the table was agreed to.

UNANIMOUS CONSENT AGREEMENT

Mr. STEVENS. Mr. President, we have seven to eight amendments to deal with, and there is a very serious matter that needs to come up. Let me make a series of unanimous consent requests. On the BAUCUS amendment, I ask unanimous consent that there be 30 minutes equally divided, with no second-degree amendments.

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

Mr. STEVENS. I ask unanimous consent for 20 minutes equally divided on the Murkowski amendment, with no second-degree amendments.

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

Mr. STEVENS. I ask unanimous consent for 20 minutes on the Torricelli amendment, equally divided, with no second-degree amendments.

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

AMENDMENT NO. 2155

(Purpose: To express the sense of the Senate that the Attorney General should not accept a settlement in proceedings to recover costs incurred in the cleanup of the Wayne Interim Storage Site, Wayne, New Jersey, unless the settlement recaptures a substantial portion of the costs incurred by the taxpayer)

Mr. TORRICELLI. I have an amendment at the desk.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from New Jersey [Mr. TORRICELLI], for himself and Mr. LAUTENBERG, proposes an amendment numbered 2155.

The amendment is as follows:

On page 59, between lines 7 and 8, insert the following:

SEC. . SENSE OF THE SENATE REGARDING SETTLEMENT OF PROCEEDINGS TO RECOVER COSTS.

It is the sense of the Senate that the Attorney General should not accept a settlement in proceedings to recover costs incurred in the cleanup of the Wayne Interim Storage Site, Wayne, New Jersey, unless the settlement recaptures a substantial portion of the costs incurred by the taxpayer.

Mr. TORRICELLI. Mr. President, I asked that this amendment be read in its entirety so that its simplicity is clear to the Senate. The totality of what is being asked is that the Justice Department, in negotiating with the W.R. Grace Corporation about a contaminated Superfund site in Wayne, NJ, seek fair reimbursement. We make no demands. We change no law. We cite no number. We ask that there be a fair reimbursement.

I have done this because the story of W.R. Grace and its contamination in Wayne, NJ, is a story of everything that has been wrong about environmental cleanups in our country. Since 1995 the Federal Government, has been in negotiations with W.R. Grace for reimbursements. This is a site that a private company operated for 23 years. They operated it at a profit. The Government owned no share of the land or the company. When the land was no longer useful because it was contaminated, they abandoned it and left. In the ensuing years, they have given the U.S. Government $800,000, although the U.S. taxpayers have already spent $50 million cleaning the site. It is estimated by the Army Corps of Engineers it could cost another $55 million.

Members of the Senate need to know the American taxpayers are being held accountable for $100 million in cleaning this contaminated site by the W.R. Grace Corporation and that corporation has paid only $800,000. The American taxpayers are paying this freight although they have absolutely no liability whatever as a matter of law.

For 24 months, there have been negotiations. There had been reports that there would be $50 million in reimbursements from W.R. Grace. Then it was $40 million. Last week it was $20 million. There was going to be an agreement by December. And then it was January. And then it was March.

There is no agreement. There is no reimbursement. But the people of this country are going to subsidize the environmental abuses of the W.R. Grace Corporation to the tune of $100 million. It is a disgrace.

For 18 months, the Attorney General of the United States does not have time to reach an agreement. A Member of Congress from the district, Mr. PASCRELL, Senator LAUTENBERG, and I have urged the Attorney General to proceed to litigation. She has not done so. She did not have time to litigate or to protect the taxpayers. But within 5 minutes of the filing of this amendment, she can send a letter to Senator GREGG that this is an interference with her prerogatives.

Mr. President, if the Attorney General were protecting her prerogatives and protecting the liability of the U.S. Government and the taxpayers of this country, this amendment would not be necessary. I have a great admiration for Attorney General Reno. I like to believe and assume she has no knowledge of this affair, that members of her staff have done an enormous disservice to her, to the Justice Department, and to the taxpayers of this country. As it stands, if suit is not filed, if negotiators are not emboldened, the taxpayers of this country will subsidize a private corporation for $100 million of unnecessary expenditures.

I understand that, ironically, members of the majority party will rise to the defense of the Attorney General and her prerogatives, which in this Congress is indeed a historic turn of events, to defend the Attorney General in this instance, that she should be allowed to pursue this without our interference or oversight.

Mr. President, the Attorney General has her responsibility and we have ours. It is her judgment whether to file a suit and to conduct the negotiations. But when those negotiations are concluded, it is this Congress that must appropriate the money to meet the settlement.

All that I have done is offer a sense of the Senate—not a law, a sense of the Senate—that we would like the Attorney General to vigorously pursue these negotiations and protect the interests of the taxpayers. That is all I have asked. I do not know how the request could have been more modest. I intend to reserve the balance of my time, because it is my interest to hear the distinguished chairman respond to this request, but I want simply to say before we hear his comments that I am personally offended at the Attorney General's correspondence and deeply disappointed at its tone, its lack of cooperation, and the failure to meet the responsibilities to defend the interests of this Government in this litigation.

I reserve the remainder of my time.

Mr. LAUTENBERG. Madam President, I rise to join in offering this amendment to address a serious problem in my state.

This amendment is very timely. This week, I have been working with my colleagues on the Environment and Public Works Committee on Superfund reauthorization.

I strongly believe that the Superfund reauthorization bill before the Committee will severely undermine the concept that the polluter should pay for the waste it created, which is what this amendment before us now is all about.

The Federal government is long overdue in reaching an adequate resolution of claims against W.R. Grace & Co., for the cleanup of the Wayne Superfund Site in New Jersey. There seems to be no end to the headaches experienced by the residents of Wayne Township over this site and over the lack of any settlement.

Between 1955 and 1971, the W.R. Grace & Company owned and operated a thorium extraction operation in Wayne Township.

In 1984, because of the threat to the public's health from potential groundwater contamination, the site was placed on the Superfund National Priorities List and is now being managed by the Corps of Engineers under the Formerly Utilized Sites Remedial Action Program (FUSRAP).

That same year, 1984, W.R. Grace provided a payment of $800,000 and signed an agreement with the Federal government. This agreement stated that the

government can still pursue legal action against the company under applicable laws, which would include Superfund. In the meantime, cleanup costs for this site continued to escalate, costing the taxpayers millions of dollars.

As the costs continued to mount, I became convinced that the government had not done all it could to help alleviate this burden on the taxpayers. Since 1995, I have worked to get the government to bring this company to the negotiating table. In September of that year I wrote to then-Secretary of Energy Hazel O'Leary requesting that DOE consider pursuing additional funds for cleanup from private parties. At my urging, in November 1995, the Departments of Energy and Justice finally brought W.R. Grace, the former owner and operator of this site, to the table to discuss a settlement. I ask unanimous consent to have printed in the RECORD a copy of a letter I received from DOE in November 1995 which showed its commitment to get W.R. Grace to come to the table.

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

DEPARTMENT OF ENERGY,
Washington, DC, November 24, 1995.

Hon. FRANK R. LAUTENBERG,
U.S. Senate,
Washington, DC.

DEAR SENATOR LAUTENBERG: In my September 29, 1995, letter, I advised you that the Department of Energy would look into the matter of seeking cost recovery against potentially responsible parties for cleanup of the Wayne, New Jersey, site.

After consulting with the Office of the General Counsel, my office has initiated discussion with W. R. Grace and Company to assess their willingness to contribute to the cleanup of the Wayne site. If these discussions are successful, W. R. Grace's cooperation could enable the Department to expedite the overall cleanup schedule for the site.

If possible, we would prefer to avoid time-consuming and costly litigation so that available resources are focused on cleaning up the site. If discussions with W. R. Grace are unsuccessful, we will consider other options including requesting the Department of Justice to initiate formal cost-recovery actions.

We share your goal of pursuing opportunities to expedite the cleanup activities at Wayne. As one example, the Department began removal of the contaminated material in the Wayne pile through an innovative total service contract with Envirocare of Utah. We want to thank you for the enormous support that you have provided over the years to bring this project to fruition.

If you have further questions, please contact me, or have a member of your staff contact Anita Gonzales, Office of Congressional and Intergovernmental Affairs, at (202) 586–7946.

Sincerely,

THOMAS P. GRUMBLY,
Assistant Secretary for Environmental Management.

Mr. LAUTENBERG. We continually hear from the Administration that they are making progress and that a final resolution of the Wayne settlement is imminent.

Today, I rise to reiterate my strong opposition to a final settlement that would permit W. R. Grace to escape appropriate responsibility for its share of the pollution. This amendment reminds the Attorney General that we not only want to see progress, but that we demand a settlement that adequately reimburses the taxpayers.

The PRESIDING OFFICER. The Senator from Alaska.

Mr. STEVENS. Mr. President, this would be, in our judgment, a very bad precedent. It would allow litigants involved in a case against the United States to come to the Senate, through their Senator, and try to obtain passage of a sense-of-the-Senate resolution that would assist them in their negotiations with the U.S. Government. Although the amendment would not be binding, it could be used in a court of law to argue the merits of the case.

I do not know much about this case other than I have discussed it with the distinguished Senator from New Jersey, but as I informed him, we have a letter from the Attorney General—and it is signed by the Attorney General personally—written to the chairman and ranking member of the State, Justice Commerce Subcommittee. I understand that the distinguished chairman is here. I yield to him for the balance of the time to explain further why we are opposed to the amendment.

Mr. GREGG. Well, I don't rise in opposition to the substance of what the Senator from New Jersey has said. I think he has made the argument for his case very effectively. Certainly, this is a major issue for him and his State—cleaning up of this superfund site.

What we are dealing with here, however, is the fact that we have been contacted by the Attorney General. Obviously, I am not the spokesman for the administration, and I would not put myself in the position of the other party, but I believe we have an obligation when we are contacted by the Attorney General. She has expressed her strong opposition to having this sense of the Senate passed during the pendency of the negotiation and litigation of this case. I think she has a very legitimate procedural position.

Now, again, I am not arguing the equities of this or the substance of the question. I am arguing that it would be inappropriate, as she represents, for the Congress to express the sense of the Senate, which would then put the administration—specifically, the Attorney General—in the difficult position of having the Congress interject itself in the middle of what are ongoing negotiations relative to the settlement in this case.

Let me read briefly from her letter:

The Department of Justice opposes this amendment, which is intended to influence the department in its conduct of the pending litigation.

That is essentially a summary of the letter. It goes on to explain why the Department thinks that this will affect the litigation as it goes forward. So I rise with significant reservation about this because I recognize that the Senator from New Jersey has a very strong feeling and is trying to put forward his constituents' feelings. I believe we would be setting a very difficult, very inappropriate precedent as a Congress if we start interjecting ourselves into issues of negotiation in active litigation, where we have been advised by the Attorney General of the United States that that would negatively or inappropriately impact that litigation.

From that standpoint, I have to rise in opposition to this sense of the Senate, with all due respect to the Senator from New Jersey, who I think clearly has made his case well. In light of the letter from the Attorney General, I believe it would be inappropriate to proceed at this time.

Mr. TORRICELLI. Mr. President, recognizing the views of my friend, the Senator from Alaska, the distinguished chairman of the committee, and the Senator from New Hampshire, I will not insist upon the amendment.

Let me conclude the debate by simply suggesting this: I think it would be regrettable if this Senate ever allows itself to be silenced in simply expressing its intentions or desires because the executive branch may have conflicting views or believe an issue is its prerogative. Ultimately, the expenditures of this Government are our responsibility.

So I want the Attorney General to be clear on this. I will shortly ask that this amendment not proceed. But this should be clear as negotiations proceed with the W.R. Grace Corporation. If it is the intention of the Justice Department to reach a settlement, whereby the taxpayers of the United States are left with this $100 million expenditure and a private corporation, which has profited by these operations, and the resulting environmental abuse, is left without making a significant contribution, I most assuredly will return to the floor of the Senate with an amendment on an appropriations bill that would cover the payment of those expenditures, and I will insist on a vote, and I will fight. I do not believe the taxpayers of this country should be subsidizing polluters. I will not stand for it. Nevertheless, in deference to my friends and colleagues from Alaska and New Hampshire, in recognition of their views, at this time I ask unanimous consent to withdraw the amendment.

The PRESIDING OFFICER. Without objection, the amendment is withdrawn.

Mr. STEVENS. Mr. President, I thank the Senator from New Jersey for his courtesy in withdrawing the amendment. I have to notify other Senators to come. We thought there might be a vote.

AMENDMENT NO. 2156

(Purpose: To make an amendment to housing opportunities for persons with AIDS)

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

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Alaska [Mr. STEVENS], for Mr. LAUTENBERG, proposes an amendment numbered 2156.

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

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

The amendment is as follows:

At the appropriate place, insert the following:

SEC. ___. HOUSING OPPORTUNITIES FOR PERSONS WITH AIDS.

(a) Notwithstanding any other provision of law, with respect to the amount allocated for fiscal year 1998, and the amounts that would otherwise be allocated for fiscal year 1999 or any succeeding fiscal year, to the City of Philadelphia, Pennsylvania on behalf of the Philadelphia, PA-NJ Primary Metropolitan Statistical Area (in this section referred to as the ''metropolitan area''), under section 854(c) of the AIDS Housing Opportunity Act (42 U.S.C. 12903(c)), the Secretary of Housing and Urban Development shall adjust such amounts by allocating to the State of New Jersey the proportion of the metropolitan area's amount that is based on the number of cases of AIDS reported in the portion of the metropolitan area that is located in New Jersey.

(b) The State of New Jersey shall use amounts allocated to the State under this section to carry out eligible activities under section 855 of the AIDS Housing Opportunity Act (42 U.S.C. 12904) in the portion of the metropolitan area that is located in New Jersey.

Mr. LAUTENBERG. Mr. President, I rise to thank the managers of this bill, Chairman STEVENS and Ranking Member BYRD, as well as Senators BOND and MIKULSKI, for agreeing to a provision of critical importance to southern New Jersey's AIDS afflicted community. This provision allows for the administration of Housing for Persons with AIDS (HOPWA) funding for four southern New Jersey counties by the State of New Jersey.

New Jersey's AIDS community has raised concerns about the current administration of HOPWA funding to four southern New Jersey counties: Camden, Gloucester, Salem, and Burlington. In order to better serve the needs of southern New Jersey's AIDS community, this provision gives the Department of Housing and Urban Development (HUD) the statutory authority to delegate the administration of southern New Jersey's HOPWA funding to the State of New Jersey.

This provision will help improve the implementation of housing services for southern New Jersey's AIDS afflicted, and I am pleased that the managers of the fiscal year 1998 supplemental appropriations bill have agreed to include this change. Again, I thank them for their work on this matter.

Mr. STEVENS. Mr. President, this amendment will require the Department of Housing and Urban Development to adjust, in a manner consistent with the need, the allocation of the funding under the Housing Opportunities for Persons with AIDS Program, the problems that occur in certain areas of New Jersey and Pennsylvania under that act.

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

The amendment (No. 2156) was agreed to.

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

The motion to lay on the table was agreed to.

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

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. TORRICELLI. 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. TORRICELLI. Mr. President, I ask that I be able to address the Senate for 5 minutes as in morning business.

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

ADVERTISING IN POLITICAL CAMPAIGNS

Mr. TORRICELLI. Mr. President, as Senators rise to address things that have been added to the supplemental appropriations bill, I, quite the contrary, rise in recognition of something significant that has not been added to the supplemental appropriations bill. It is one of those few instances where there is a genuine achievement by the Senate in failing to act.

It had earlier been suggested that an amendment might be offered to prohibit the FCC from using its powers to order a reduction in the cost of television advertising in political campaigns. This legislation does not contain that provision. In my judgment, it affords the FCC an extraordinary opportunity to take the lead in campaign finance reform.

Mr. President, on 117 occasions in this decade, the U.S. Senate has considered, voted, and failed to implement fundamental campaign finance reform. This Senate has continued that unfortunate tradition. But now the Senate has an opportunity to help the process of political reform in the United States and to renew confidence in the institutions of Government and the political process itself by doing something for which it should be fully capable. They need do nothing.

Yesterday, the new and very able chairman of the FCC, Chairman Kennard, announced that he would commence a notice of inquiry, which is an information-gathering process, to lead to a ruling on free air time. This could be the most significant achievement for campaign finance reform in the United States in 25 years, because fundamental to the problem of campaign fundraising in the United States is the cost of campaign television advertising. President Clinton and Senator Dole, in the last Presidential campaign, spent two-thirds of all the money they raised to purchase television advertising time from the commercial networks. Some U.S. Senate campaigns, including my own, spent over 80 percent of their resources on television advertising.

Mr. President, it makes no sense that candidates for Federal office in the United States spend so much of their time traveling around the country meeting with contributors, raising money, instead of meeting with voters, addressing real concerns in their States, because they need to raise millions of dollars to purchase federally licensed air time that belongs to the people of this country. This air.

Time does not belong to the networks; it belongs to us, the people of this country. It is only licensed and it is given on condition. One of those conditions should be to be responsible in aiding the public debate.

I supported the McCain-Feingold legislation, and I know some of my colleagues, like Senator MCCONNELL, did not. But, rightfully, Senator MCCONNELL did note something with which I strongly agreed—that the United States does not need less political debate; it needs more political debate to address our serious problems, to discuss our differences. This is the one means by which we can reduce the cost of running for political office and this threshold price of inquiry, of entering into the political process, and still enhance and expand political debate.

Mr. President, it is a considerable achievement that this supplemental appropriations bill does not prohibit the FCC from acting in this instance. I hope that continues to be the stance of this Congress and that Chairman Kennard moves beyond this level of inquiry, genuinely adjusting and changing permanently the cost of television advertising. It is not too late for this Congress to move beyond the complaining, the infighting, the inquiries of the last Federal election and institute genuine reform. It is not too late, but it is getting late. And this may be the last opportunity.

I am very pleased, Mr. President, that this legislation has remained silent on this issue and that this last lingering hope of reform remains alive.

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

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. NICKLES. 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. NICKLES. Mr. President, I ask unanimous consent to proceed in morning business for 5 minutes.

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

Mr. NICKLES. I thank the Chair.

(The remarks of Mr. NICKLES pertaining to the introduction of S. 1868 are located in today's RECORD under

''Statements on Introduced Bills and Joint Resolutions.'')

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

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. DEWINE. 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. DEWINE. Mr. President, I ask unanimous consent to proceed in morning business for the next 12 minutes.

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

Mr. DEWINE. I thank the Chair.

(The remarks of Mr. DEWINE pertaining to the introduction of S. 1866 are located in today's RECORD under ''Statements on Introduced Bills and Joint Resolutions.'')

Mr. DEWINE. I yield the floor.

Mr. MURKOWSKI addressed the Chair.

The PRESIDING OFFICER. The Senator from Alaska.

AMENDMENT NO. 2157

(Purpose: To cancel the sale of oil from the Strategic Petroleum Reserve)

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

The PRESIDING OFFICER. Without objection, the pending amendment is set aside.

The clerk will report the amendment.

The bill clerk read as follows:

The Senator from Alaska [Mr. MURKOWSKI] proposes an amendment numbered 2157.

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

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

The amendment is as follows:

On page 26, after line 11, insert the following new section: ''Department of Energy Strategic Petroleum Reserve

''SEC. . STRATEGIC PETROLEUM RESERVE.

''For necessary expenses for Strategic Petroleum Reserve facility development and operations and program management activities pursuant to the Energy Policy and Conservation Act of 1975, as amended (42 U.S.C. 6201 et seq.), $207,500,000, to remain available until expended, and the sale of oil from the Strategic Petroleum Reserve required by Public law 105–83 shall be prohibited: *Provided,* That the entire amount shall be available and the oil sale prohibited only to the extent that an official budget request for $207,500,000, that includes designation of the entire amount of the request as an emergency requirement as defined in the Balanced Budget and Emergency Deficit Control Act of 1985, as amended, is transmitted by the President to the Congress: *Provided further,* That the entire amount is designated by the Congress as an emergency requirement pursuant to section 251(b)(2)(A) of such Act.''.

Mr. MURKOWSKI. I thank the Chair.

Mr. President, the amendment before the body that I have proposed addresses a genuine emergency. Indeed, it belongs on the supplemental appropriations bill, and, as a consequence of its emergency status, no offset is needed.

The amendment allows the President to stop the sale of oil from the Strategic Petroleum Reserve that was ordered in the 1998 Interior appropriations bill.

Perhaps a little history is in order. Some of us in this body and this Nation remember that in 1973–1974 we had an energy crisis. The oil embargo from the Arab world resulted in a shortage. There were lines blocks long in front of gas stations, and the American public was indignant that their oil supply should be interrupted. They had not seen such a curtailment since gas rationing in the Second World War. But it was very real.

I find it rather disquieting that many people today do not remember what I am talking about and the fact that this occurred. But there was great concern in this body in 1973 and 1974 as a consequence of that outcry from the public over the shortage of gasoline. So Congress wisely created the Strategic Petroleum Reserve.

The Strategic Petroleum Reserve is located in Texas and Louisiana in salt caverns, and the idea was that we would never be held in a position where we could be, in effect, a hostage to our increased dependence on imported oil. The important thing to note is that at the time we created the Strategic Petroleum Reserve, we were about 37 percent dependent on imported oil. The idea was to have a 90-day supply at all times. The oil could be lifted in case of national emergency. At one time, we had a 118-day supply.

The irony associated with this amendment today is that we are now selling oil out of the Strategic Petroleum Reserve for the purpose of generating a cash-flow sufficient to manage and run the Strategic Petroleum Reserve, which is estimated to cost $207 million in 1998.

The irony is that, today we are 52 percent dependent on imported oil. So if there was any logic at all to the decision back in 1975 to create the Strategic Petroleum Reserve because we were 37 percent dependent, it is completely illogical that today we are selling it when we are 52 percent dependent on imported oil. This suggests the right hand does not know what the left hand is doing, which is not necessarily uncommon around here.

In the 1998 Interior appropriations bill, the order is for the sale of $207 million worth of oil from the SPR.

I think this is where the bear goes through the buckwheat. We are selling this oil at $9 to $12 a barrel, and we paid $33 a barrel for it when we put it in. We would have to sell 23.1 million barrels of oil, that we paid an average of $33 a barrel for, for somewhere around $9, $10, $11, $12. It is poor-quality oil. That is how we are going to raise the $207 million to pay for the operation of the SPR.

Again, the oil cost $33 a barrel. The American taxpayer is going to lose $550 million on this deal. This is an emergency because we are about to lose a half a billion dollars of taxpayer money. Buying high and selling low certainly never made sense to me, but there is an old joke out there about the guy who is buying high and selling low and claims he is going to make it up in the volume.

Maybe that is the logic here; I don't know. But if this sale from the SPR goes through, these sales will have cost the American taxpayer, over 3 past years, roughly $1 billion, because we have been selling the oil at a price that is substantially lower than what we paid for it.

As we look at where we are on this issue, I think we have to recognize a couple of pertinent points.

The Secretary of Energy indicated in an Associated Press article that this is the worst time to be selling oil out of the Strategic Petroleum Reserve. He says that the Congress has given him no choice. This is unfortunate, because I have fought, and my colleagues on the Energy and Natural Resources Committee have fought, to ensure that we discontinue selling oil out of that Strategic Petroleum Reserve, particularly at a price that is substantially lower than we paid for it.

The Secretary says that Congress has given him no choice. Today, we have a choice. We can choose to pay over a half a billion dollars for the privilege of throwing away some of our energy security, or we can save the taxpayer half a billion dollars and have this valuable resource when we need it the most.

Again, we are 52 percent dependent on imported oil. Some may argue we should require an offset to the amendment. But let me make it clear again, this amendment saves the American taxpayer money. The American taxpayer understands clearly, if you bought it at $33, you don't sell it at $9. Selling $33-a-barrel oil for $9 and calling it income is a budget gimmick, make no mistake about it, and the taxpayer does not understand those kinds of gimmicks.

Further, we are not offsetting funds for Bosnia because of its supposed national security importance. The importance of the SPR is significant to our national security. It could not be more clear. The health of our economy and the ability to defend ourselves is significant.

Furthermore, we should look back at a couple of significant events in the history of this matter. Senator BINGAMAN from New Mexico, my good friend on the committee, and I, cosponsored a successful amendment to stop the sale on the Interior Appropriations bill. It was dropped in conference. Why? Well, a lot of things are dropped in conference.

Selling oil from the SPR is a budget gimmick that, again, costs the taxpayer real money. Stopping the sale will save the taxpayer over half a billion dollars and our Nation's energy insurance policy. This is an emergency, and it should be part of the emergency supplemental.

Let me conclude by saying Webster defines an ''emergency'' as a sudden, unexpected occurrence demanding immediate action. This amendment certainly addresses such an issue, and I think the amendment certainly qualifies for the Emergency Supplemental.

Again, the fiscal year 1998 Interior appropriations bill orders the sale of $207 million worth of oil from the SPR to operate the SPR. As a consequence, that would cost the American taxpayer roughly $500 million, because we are proposing to sell that oil at $9 to $12 a barrel, when we paid in excess of $33 a barrel for the oil. That is the issue, Mr. President.

I hope the managers of the bill will consider this on the merits of what it would save the American taxpayer. If anybody can explain the extraordinary accounting mechanism that would justify this as a good deal for the American taxpayer, the Senator from Alaska would certainly like to hear it.

I thank the Chair and urge the floor managers to consider the merits of this amendment.

Mr. BINGAMAN. Mr. President, I am pleased to be a cosponsor of this amendment. Anyone familiar with New Mexico, which has an economy which is heavily dependent on production of oil from marginal wells, knows that the recent historic lows for the price of oil have posed an economic threat to families and communities as dire as any natural disaster. In this context, the concept of having the Federal government dumping nearly 20 million barrels of oil onto the market, equivalent to selling nearly 100,000 barrels per day for the remainder of the fiscal year, is ludicrous. Senator MURKOWSKI and I worked hard to prevent the Interior Appropriations bill from selling oil from the Strategic Petroleum Reserve in the first place. We found an offset that would have worked, and that the Senate accepted, but which was dropped in conference. Today, we have a second chance to end this unwise and economically devastating sale. I fully support the amendment and urge my colleagues to vote for it.

Mr. STEVENS addressed the Chair.

The PRESIDING OFFICER. The Senator from Alaska.

Mr. STEVENS. Mr. President, my colleague has stated the problem. Actually, if we do not adopt his amendment, the budget is more out of balance than it is if we do, because the sale of this oil at a time when the market is so low, which is the current mandate, would cause revenue to be so low that there would be a loss, as I said, to the overall budget process and it would be greater than this emergency amendment which provides the money for the SPR without selling the oil.

I have had no objection to this amendment. I think we may face a substantial battle in the other body to justify this, but I believe we should accept it. And I know of no problem on the other side of the aisle, either. So I am prepared to yield back the remainder of my time and urge the adoption of the amendment.

The PRESIDING OFFICER. All time is yielded back.

The question is on agreeing to the amendment.

The amendment (No. 2157) was agreed to.

Mr. MURKOWSKI. I move to reconsider the vote.

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

The motion to lay on the table was agreed to.

Mr. MURKOWSKI. I thank my colleague and good friend, the senior Senator from Alaska, for his acknowledgment of the importance of this amendment, with my hopes that it will survive the conference.

I thank the Chair.

Mr. STEVENS. I thank the Senator very much.

Mr. MURKOWSKI. Mr. President, I was derelict in not thanking the senior Senator from West Virginia, my good friend, Senator BYRD, as well, who just came on the floor. I appreciate his understanding. I know we have a great deal in common with regard to energy issues in our States.

Mr. BYRD. Mr. President, I thank the distinguished Senator.

Mr. STEVENS. 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. CLELAND. 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. CLELAND. Thank you very much, Mr. President.

I thank the distinguished Senator from Alaska for this opportunity to speak.

AMENDMENT NO. 2158

(Purpose: To authorize the establishment of a disaster mitigation pilot program in the Small Business Administration)

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

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Georgia [Mr. CLELAND], for himself, Mr. COVERDELL, Mr. HARKIN, Mr. KERRY and Mr. HOLLINGS, proposes an amendment numbered 2158.

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

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

The amendment is as follows:

At the appropriate place, insert the following:

SEC. ___. DISASTER MITIGATION PILOT PROGRAM.

(a) IN GENERAL.—Section 7(b)(1) of the Small Business Act (15 U.S.C. 636(b)(1)) is amended—

(1) in subparagraph (B), by adding ''and'' at the end; and

(2) by adding at the end the following:

''(C) during fiscal years 1999 through 2003, to establish a pre-disaster mitigation program to make such loans (either directly or in cooperation with banks or other lending institutions through agreements to participate on an immediate or deferred (guaranteed) basis), as the Administrator may determine to be necessary or appropriate, to enable small businesses to install mitigation devices or to take preventive measures to protect against disasters, in support of a formal mitigation program established by the Federal Emergency Management Agency, except that no loan or guarantee shall be extended to a small business under this subparagraph unless the Administration finds that the small business is otherwise unable to obtain credit for the purposes described in this subparagraph;''.

(b) AUTHORIZATION OF APPROPRIATIONS.—Section 20 of the Small Business Act (15 U.S.C. 631 note) is amended by adding at the end the following:

''(f) DISASTER MITIGATION PILOT PROGRAM.—The following program levels are authorized for loans under section 7(b)(1)(C):

''(1) $15,000,000 for fiscal year 1999.

''(2) $15,000,000 for fiscal year 2000.

''(3) $15,000,000 for fiscal year 2001.

''(4) $15,000,000 for fiscal year 2002.

''(5) $15,000,000 for fiscal year 2003.''.

Mr. CLELAND. Mr. President, this amendment would permit SBA to use up to $15 million of existing disaster funds to establish a pilot program to provide small businesses with low-interest, long-term disaster loans to finance preventive measures before a disaster hits.

I just got back from Georgia where we had an incredible tornado that came through and killed 14 Georgians. It is obvious to me we need to prevent people from becoming disaster victims, especially small business people. We cannot prevent disasters, but we can prevent, in many ways, disaster victims.

In response to the problem of the increasing costs and personal devastation caused by disasters, the administration has launched an approach to emergency management that moves away from the current reliance on response and recovery to one that emphasizes preparedness and prevention. The Federal Emergency Management Agency has established its Project Impact Program to assist disaster-prone communities in developing strategies to avoid the crippling effects of natural disasters.

This amendment supports this approach by allowing the SBA to begin a pilot program that would be limited to small businesses within those communities that will be eligible to receive disaster loans after a disaster has been declared.

Currently, SBA disaster loans may only be used to repair or replace existing protective devices that are destroyed or damaged by a disaster. This pilot program would allow funds to also be used to install new mitigation devices that will prevent future damage.

New legislation is necessary to authorize the SBA to establish this pilot program. I believe that my legislation

would address two areas of need for small businesses—reducing the costs of recovery from a disaster and reducing the costs of future disasters.

Furthermore, by cutting those future costs, it presents an excellent investment for taxpayers by decreasing the Federal and State funding required to meet future disaster relief costs. The ability of the small business to borrow money through the Disaster Loan Program to help them make their facility disaster resistant could mean the difference as to whether that small business owner is able to reopen or forced to go out of business altogether after a disaster hits.

I urge my colleagues to support this effort to facilitate disaster prevention measures so that when nature strikes in the future, the costs in terms of property and lives, and taxpayer dollars, will be reduced. However, in the interest of time, and with a commitment by the chairman of the Small Business Committee, the distinguished Senator from Missouri, to have our committee expeditiously consider this proposal, I ask unanimous consent to withdraw my amendment.

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

The amendment (No. 2158) was withdrawn.

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

Mr. STEVENS addressed the Chair.

The PRESIDING OFFICER. The Senator from Alaska.

Mr. STEVENS. Mr. President, I thank the Senator from Georgia for his consideration of this situation here today and for the process that he is starting. We welcome that approach to this problem. That was the Cleland amendment that was listed on the list.

We now are ready for two other Senators who, I believe, will come soon to present their amendments. We still believe we will have a vote sometime around 2 o'clock.

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. STEVENS. I ask unanimous consent that the order for the quorum call be rescinded.

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

AMENDMENT NO. 2159

(Purpose: To provide assistance to employees of the Farm Service Agency of the Department of Agriculture)

Mr. STEVENS. I do have an amendment authored by my distinguished colleague, Senator BYRD from West Virginia, which I send this to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. Without objection, the pending amendment is set aside.

The clerk will report.

The legislative clerk read as follows:

The Senator from Alaska [Mr. STEVENS], for Mr. BYRD, proposes an amendment numbered 2159.

Mr. STEVENS. I ask unanimous consent reading of the amendment be dispensed with.

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

The amendment is as follows:

At the end of the bill add the following General Provision:

''SEC. . Notwithstanding any other provision of law, permanent employees of county committees employed during fiscal year 1998 pursuant to 8(b) of the Soil Conservation and Domestic Allotment Act (16 U.S.C. 590h(b)) shall be considered as having Federal Civil Service status only for the purpose of applying for USDA Civil Service vacancies.''

Mr. BYRD. Mr. President, I am offering an amendment to S. 1768, the Emergency Supplemental Appropriations Bill, to address the inequitable treatment of the U.S. Department of Agriculture (USDA) Farm Service Agency's (FSA) federal and non-federal county committee employees when separated from their jobs as a result of a reduction in force (RIF).

FSA RIFs are occurring nationwide and are a result of comprehensive changes in the agency's mission mandated in the USDA Reorganization Act of 1994 and the 1996 Farm Bill. Complicating the impact of the FSA downsizing is the fact that the FSA is currently operating an unusual personnel system that contains two classes of employees, one federal and one non-federal. This was a result of the reorganizing legislation that combined the former Agricultural Stabilization and Conservation Service (ASCS) and the Farmers Home Administration (FmHA) into the FSA. ASCS employees were paid through the FSA budget but were hired by a county committee. Therefore, ASCS employees were non-federal. FmHA staff were regular federal employees. Although now in one agency, this two-class system continues.

My amendment would place RIFed federal and non-federal FSA employees on equal footing when competing for another USDA job. Currently, the RIFed non-federal employees are not on equal footing with their FSA federal employee counterparts for USDA job vacancies due to a preference only available to RIFed federal employees. Current law gives priority to any former federal employee when applying for another federal job. Thus, if all other qualifications remained equal, the former FSA federal employee would automatically get the job over the former FSA non-federal employee. My amendment would grant the RIFed non-federal employees the same priority as currently enjoyed by the RIFed federal employee when applying for another USDA job.

Again, my amendment would simply provide equitable and fair treatment for all FSA employees, and I urge my colleagues to support it.

Mr. STEVENS. This is the Byrd relevant amendment that has been cleared on both sides, dealing with a provision of the Soil Conservation and Domestic Allotment Act. It is approved on both sides.

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

The amendment (No. 2159) was agreed to.

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

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

The motion to lay on the table was agreed to.

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

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

The assistant legislative clerk proceeded to call the roll.

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

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

Mr. BINGAMAN. Mr. President, I ask unanimous consent that the pending amendment be temporarily laid aside.

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

AMENDMENT NO. 2160

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

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from New Mexico [Mr. BINGAMAN], for himself and Mr. HOLLINGS, proposes an amendment numbered 2160.

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

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

The amendment is as follows:

At the appropriate place insert the following:

SECTION 1. SCHOOL SECURITY.

(a) SHORT TITLE.—This section may be cited as the ''Safe Schools Security Act of 1998''.

(b) PURPOSE.—The purpose of this section is to provide for school security training and technology, and for local school security programs.

(c) SCHOOL SECURITY TECHNOLOGY CENTER.—

(1) ESTABLISHMENT.—The Attorney General, the Secretary of Education, and the Secretary of Energy shall enter into an agreement for the establishment at the Sandia National Laboratories in partnership with the National Law Enforcement And Corrections Technology Center—Southeast of a center to be known as the ''School Security Technology Center''. The School Security Technology Center shall be administered by the Attorney General.

(2) FUNCTIONS.—The School Security Technology Center shall be a resource to local educational agencies for school security assessments, security technology development, technology availability and implementation, and technical assistance relating to improving school security.

(3) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this subsection $2,250,000 for each of the fiscal years 1999, 2000, and 2001.

(d) LOCAL SCHOOL SECURITY PROGRAMS.—Subpart 1 of part A of title IV of the Elementary and Secondary Education Act of 1965 (20

U.S.C. 7111 et seq.) Is amended by adding at the end the following:

"SEC. 4119. LOCAL SCHOOL SECURITY PROGRAMS.

''(a) IN GENERAL.—From amounts appropriated under subsection (c), the Secretary of Education shall award grants on a competitive basis to local educational agencies to enable the agencies to acquire security technology, or carry out activities related to improving security at the middle and high schools served by the agencies, including obtaining school security assessments, and technical assistance for the development of a comprehensive school security plan from the School Security Technology Center. The Secretary shall give priority to local educational agencies showing the highest security needs as reported by the agency to the Secretary in application for funding made available under this section.

''(b) APPLICABILITY.—The provisions of this part shall not apply to this section.

''(c) AUTHORIZATION OF APPROPRIATION.—There is authorized to be appropriated to carry out this section $10,000,000 for each of the fiscal years 1999, 2000, and 2001.''.

(d) SAFE AND SECURE SCHOOL ADVISORY PANEL.—

(1) ESTABLISHMENT.—There shall be established a panel comprised of the Secretary of Education, the Attorney General, and the Secretary of Energy, or their designees to develop a proposal to further improve school security. Such proposal shall be submitted to the Congress within 18 months of the date of enactment of this Act.

Mr. BINGAMAN. Mr. President, this amendment tries to deal, at least in part—and clearly it is only in part—with a very serious problem that has been brought to our attention, tragically, in the last few days, and that is the problem of violence in our schools.

The occupant of the chair is painfully aware of this, as we all are, by virtue of the fact that this latest tragedy occurred in his home State of Arkansas. What we have tried to do is take provisions I have been working on in the nature of a ''safe schools security act'' and put those in amendment form to add to this legislation pending here today. I believe it is going to be acceptable to all Senators for us to go ahead in this manner.

Let me explain the problem, as all of us know the problem exists. Obviously, there is no way to teach a student if a student feels threatened or if there is an unsafe condition in the school. Unfortunately, we have unsafe conditions and threatening conditions in too many of our schools today. The Department of Education recently released a study that tried to look at the incidence of school violence and school crime. The study shows that 10 percent of schools surveyed had at least one serious violent crime occur in that school during the 1996–97 school year.

In the case of violent crimes—obviously, I am talking about murder, rape, sexual battery, suicide, physical attacks with a weapon, or robbery of a student or adult—these are the types of crimes that we know are committed throughout our society, but, clearly, we need to provide special attention to see that these crimes are not committed in our schools.

The study went on to point out that approximately 4,000 incidents of rape and other types of sexual battery occurred in our public schools across the country during the 1996–97 school year. There were 11,000 incidents of physical attacks or fights in which weapons were used and approximately 7,000 robberies that occurred in schools in that same year.

These statistics are frightening. They underscore a problem that I think we all know exists. One part of the solution, Mr. President—again, I emphasize that this is only part—is to make better use in our schools of security technology. We have tremendous expertise in this country on the issue of technology to improve security.

In our own National Laboratories in New Mexico, we have spent a great deal of time and resources working on this issue. I know other institutions around the country have as well. They have learned a great deal about how to maintain security, how to reduce the possibility of crime or illegal activity in a facility. And some of those lessons—not all—can be used effectively in our schools. We need to use this expertise to try to improve the way our schools function, to try to make available to our schools the new technology that has been developed.

Already, Sandia National Laboratory in my State has an initiative in this regard. Two years ago, Sandia began a pilot project in the Belen High School in New Mexico whereby the security experts at Sandia implemented a security regimen and installed a variety of security technology in that high school. Sandia is the first to admit that they know very little about how to run a public school, and Belen was ready to admit they lacked expertise in the subject of security. Nevertheless, the two institutions got together. Sandia and Belen High School officials changed the way the school functioned by utilizing a comprehensive security design and technology.

The results have been impressive. Since this pilot project was implemented at the school, on-campus violence is down 75 percent; truancy is down 30 percent; theft of vehicles parked in the school parking lot is down 80 percent; vandalism is down 75 percent. These statistics, I think, make the point that there is information here and there are lessons here that can be learned and can be put to valuable use in our schools.

This technology is not cheap. Our schools are already strapped for adequate resources in a variety of ways. But I believe, with the right kind of technical assistance and technology, we can help the schools to help themselves to provide safer environments for our children.

That is the purpose of the amendment that we are offering today. I hope very much that this is accepted. We need to take advantage of the lessons we have learned in other areas to try to assist our schools as well. Mr. President, I hope that over the remainder of this Congress we can identify other initiatives that we can take to improve security in our schools in addition to this. But this is one concrete step we can take. I hope very much that my colleagues will agree to this amendment and that it can be added to this legislation.

I yield the floor.

Mr. HOLLLINGS. Mr. President, I rise today as the proud cosponsor of the Safe Schools Security Act of 1998. Over the last three days the nation's attention has been riveted by the terrible school shootings in Jonesboro, Arkansas. In this time of sorrow, Americans have extended their hearts to the people of Jonesboro, particularly the families of the murdered and wounded children—once again demonstrating this country's incredible well-spring of sympathy and compassion. As we all struggle to explain how such a tragedy could occur, I have heard people offer different explanations. I have also heard people propose ways to combat the violence that has beset so many of our children's schools.

I am convinced there is no simple solution. There is no easy way to staunch the violence in our schools. But complexity is never a solution for inaction. I am certain we in government must seek new ways to assist local school officials to combat the wave of violent crime in their schools. If we fail to act, school violence will grow to epidemic proportions, claiming more and more lives and injecting constant fear into the very institutions that once were a safe haven for our children.

The legislation Senator BINGAMAN and I propose today, the Safe Schools Security Act, is an important first step in providing federal assistance to local school officials to help them combat violence. Local officials know their schools and communities best; it is crucial that we remember this. But some federal agencies possess unique expertise and practical experience in combating violence and protecting vital assets—and what greater asset is there than our children?—that we can provide to local school officials to help prevent acts of terror and violence such as those in Jonesboro.

The Safe Schools Security Act is uncomplicated. It would create a school security technology center as a joint venture between the Departments of Justice and Energy. This center would be charged with creating a model or blueprint for school security programs and technologies. To realize this goal, the center will enlist the technological expertise of the Department of Energy—expertise gained by protecting our nation's most closely guarded nuclear secrets for over fifty years.

Of course, technology works only if applied in the appropriate and most effective manner. In order to create a comprehensive plan for school security and ensure the most effective use of the Department of Energy's technological resources, we propose to couple them with the expertise found at the

National Law Enforcement and Corrections Technology Center in my hometown of Charleston.

Senator BINGAMAN and I hope this combination of technological expertise and real-world experience will produce a blueprint for a comprehensive security plan which can be used in any school in the nation. The center will be—and here I quote from the amendment—'' resource to local educational agencies for school security assessments, security technology development, technology availability and implementation, and technical assistance relating to improving school security.''

Additionally, our legislation authorizes the Department of Education to begin a competitive grant program to provide funds to local school districts to implement a school security plan, with a preference for schools most at risk of violence.

Again, the Safe Schools Security Act is not a panacea; it will not eradicate all the violence in our schools. But it is an important step in the right direction. The Act will use the expertise the Departments of Justice, Energy, and Education possess to help prevent tragedies like the one that befell Jonesboro. Developing a security model and assisting local schools to implement comprehensive school security plans is the right thing for us to do. I urge my colleagues to adopt this amendment, and I thank my cosponsor from New Mexico, Senator BINGAMAN, for his hard work and great assistance.

Mr. COCHRAN addressed the Chair.

The PRESIDING OFFICER. The Senator from Mississippi.

Mr. COCHRAN. Mr. President, the amendment authorizes grants to be made on a competitive basis to try to establish security technology systems and other devices and programs to help deal with this problem.

The amendment has been reviewed on this side of the aisle, and we have no objection to having a voice vote.

The PRESIDING OFFICER. Is there further debate on the amendment?

The question is on agreeing to the amendment.

The amendment (No. 2160) was agreed to.

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

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

The motion to lay on the table was agreed to.

Mr. COCHRAN. Mr. President, I ask unanimous consent that the pending amendment be temporarily laid aside.

The PRESIDING OFFICER. Without objection, the pending amendment is set aside.

AMENDMENT NO. 2161

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

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Mississippi [Mr. COCHRAN] proposes an amendment numbered 2161.

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

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

The amendment is as follows:

On amendment No. 2118, on page 1 after line 13 insert ''shipbuilding''.

On page 3 line 7 Of amendment No. 2100, change the word ''requirement'' to ''requiring''.

Mr. COCHRAN. Mr. President, this is a technical amendment that corrects language in amendments previously adopted by the Senate on this bill. The amendment has been cleared on both sides of the aisle.

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

The amendment (No. 2161) was agreed to.

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

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

Mr. DORGAN. Mr. President, I ask unanimous consent to speak for 6 minutes as if in morning business.

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

GUN LEGISLATION

Mr. DORGAN. Mr. President, this morning I heard a brief statement by the Senator from Arkansas, Senator BUMPERS, about the tragedy that occurred in his State in the last 48 hours. This tragedy happened apparently when a couple of young children, 11- and 13-year-old children, allegedly stole some weapons and then, on a schoolyard in that small town in Arkansas, murdered five other children and a teacher.

I watched the reports on television and listened on the radio. My children asked me about what they were hearing on those television news reports this morning. It is hard for a parent to explain to a child a news story about children allegedly murdering other children, at a schoolyard. It is hard for me to understand what all of that means or what causes that kind of behavior. I don't think any of us know. We do know that in this country there always needs to be an understanding by everyone—parents, children, and all Americans—that guns and schools don't mix, and that there never ought to be a circumstance in which a child brings a gun to school.

The reason I mention this on the floor today is I want to put this in the context of a piece of legislation that is now law and another piece of legislation that I want to make law. The piece that is now law is a bill I offered a couple of years ago here in the Senate saying that there ought to be a uniform zero tolerance policy in every school district in this country. If a child brings a gun to school, that child will be expelled for a year. No questions, no excuses.

People need to understand that you cannot bring a gun to school. But if you do, you are going to be expelled for a year. I am pleased to say that the Gun Free Schools Act is now law, and every school district in the country is required to have that policy in place in exchange for access to Federal funds.

To those who opposed it—and there were some—I asked the question: ''Why would you oppose that? Do you believe that in any school district in this country it is appropriate for a child to bring a gun to school?'' They didn't think so. ''Do you disagree with the penalty? Should we as a country say to every child and to every adult that they cannot bring a gun to a school?'' That led me to the second question. And that is the piece of legislation that I would like to get passed here in this Congress.

A few years ago, a 16-year-old young man walked down the corridors of a school in New York. He had on a leather jacket, and there was a bulge on the side of his leather jacket. The security guard at the school stopped this young boy because he was suspicious of the bulge, and, in the waistband of that boy's pants underneath that leather jacket, he found a loaded pistol. The kid was kicked out of school for a year, and he was also charged with criminal weapons violations.

A New York court stood common sense on its head when it ruled in this young boy's case that the gun could not be allowed as evidence in his dismissal action from school because the security guard did not have reasonable suspicion to search him.

Fortunately, that court decision was overturned later by another court. But can you imagine a court saying that? A young boy with a loaded pistol at age 16 walks down the corridor of a school. Because a security guard noticed the bulge in the boy's jacket and takes the loaded pistol from him, the court said the kid's rights were violated. You can't go to the airport and get on an airplane without going through a metal detector. If you have a gun, they will take it away from you immediately and you are not going anywhere. Why should you be able to take a gun into a school?

As I said, that decision was overturned by a higher court.

But the legislation I have introduced, the Safer Schools Act, will make it clear that a gun seized from a student in school can and will be used as evidence in a school disciplinary hearing. No court ever ought to make the same mistake as the earlier court by applying the exclusionary rule even to an internal school hearing. A student doesn't have any right under any condition to carry a loaded gun in the hallways in our schools in this country. Under no condition should that be acceptable. That is why I will offer this

piece of legislation as an amendment at an appropriate time. I hope the Congress will agree at that time that we ought not ever again have a court decision that says a student caught with a gun in school cannot be expelled because the student's rights were abridged when the security guard noticed the bulge in his jacket and searched the student. What an outrageous piece of judgment by a judge who apparently didn't have any judgment.

Ending where I began, my heart breaks for those families, those children, that teacher, and for all of those who suffered that tragedy in Arkansas. I don't know what the cause of all of this is. It is the third such tragedy on schoolyards or in our schools in not too long a period of time. I hope as a country we can think through and find ways to prevent other tragedies from occurring.

But I do know this. As a country we ought to have one voice saying in every circumstance all around this country that it is never appropriate to bring a gun to school; that doing so imposes on you a certain sanction in every school district in this country, and that is a 1-year expulsion. That is now law. And I hope the next law will come from the amendment I will offer in this Senate at a later time saying, if you bring a gun to school, the school authorities have a right not only to search you and withdraw the gun but also to expel you without being afraid they have somehow abridged some one's rights. No student has a right to bring a gun to school.

Mr. President, I yield the floor and make a point of order that a quorum is not present.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

SUPPLEMENTAL APPROPRIATIONS FOR NATURAL DISASTERS AND OVERSEAS PEACEKEEPING EFFORTS FOR FISCAL YEAR 1998

The Senate continued with the consideration of the bill.

AMENDMENT NO. 2162

(Purpose: To authorize the Secretary of Agriculture to extend the term of marketing assistance loans)

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

The PRESIDING OFFICER. Without objection, the pending amendment is set aside, and the clerk will report.

The legislative clerk read as follows:

The Senator from Montana (Mr. BAUCUS), for himself and Mr. BURNS, proposes an amendment numbered 2162.

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

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

The amendment is as follows:

On page 59, between lines 7 and 8, insert the following:

SEC. . EXTENSION OF MARKETING ASSISTANCE LOANS.

Section 133 of the Agricultural Market Transition Act (7 U.S.C. 7233) is amended by striking subsection (c) and inserting the following:

''(c) EXTENSION.—The Secretary may extend the term of a marketing assistance loan made to producers on a farm for any loan commodity until September 30, 1998.''.

Mr. BAUCUS. Mr. President, might I inquire, is there a time agreement on this amendment?

The PRESIDING OFFICER. There are 30 minutes evenly divided.

Mr. BAUCUS. I thank the Chair.

Mr. President, this amendment is very simple. It is to give the Secretary of Agriculture the authority to extend the marketing assisting loans until September 30 of this year.

Why are we doing this? Why am I offering this amendment? It is very simple. The northern tier U.S. farmers are suffering dire economic consequences for a lot of reasons. No. 1, the price of grain, particularly wheat and barley, is very low. We have had very depressed prices for a lot of years. Second, a lot of grain from Canada is shipped down to northern tier States. More grain trucks are coming, it is anticipated, and I believe, frankly, that Canada is beginning to fudge on an agreement it reached with the United States several years ago. Prior to that time, Canada shipped about 2.5 million metric tons of wheat to the United States. We brought the Canadians to the negotiating table, and Canada agreed to limit its shipment to the United States to 1.5 metric tons. That was several years ago. It is clear to me that Canada is at least fudging that agreement and is increasing shipments of grain to the United States.

After that, with the problems we have in dealing with Canada with respect to trade in agriculture, we lost one of the main levers. We had section 22 to say to Canada, ''You are disrupting our markets.'' That was the purpose of section 22 of the Agriculture Price Stabilization Act, not too many years ago. But we negotiated that away in the last GATT round. In return, all countries promised to reduce their subsidies, particularly their export subsidies. But Canada still retained the Canadian Wheat Board. Not only Canada but other countries—Australia—have their wheat boards, which is a monopolistic control over that country's billing and selling of grain, particularly wheat.

After that, Americans placed limits on exports that other countries don't have. For example, I cite the various countries. The total amount is about 10 percent. Our exports are limited by the sanctions that we imposed preventing exports to certain countries. Canada doesn't have those sanctions, Argentina doesn't, the European Community doesn't. We are limiting our farmers.

A couple of years ago, we passed the Freedom to Farm Act. You recall under that act we basically decoupled agricultural price support payments from production. From that point on, farmers had more freedom in the production of their crops, the crops they could choose.

At that time, too, the price of wheat was very high. As I recall, it was around $6 a bushel, almost as high as $7 a bushel. Now it is down, in many cases, below $3 a bushel. At that time, farmers realized that they had a bit of a Hobson's choice here: On the one hand, support Freedom to Farm—at that time, corn was high and the price support payments were decoupled but were quite high at the time even though they had been coming down gradually—so now it is not much less. Farmers could either vote for that—support Freedom to Farm—or keep the present program. Most farmers decided they would gamble on Freedom to Farm, basically because prices were good at the time.

But in exchange, American farmers expected—in fact, they were promised—that the United States would fight vigorously to open up foreign markets—fight vigorously to open up foreign markets. I might say, I do not think anybody in this Chamber thinks the U.S. has fought very vigorously to open up foreign markets to the sale of wheat and other grains. We have talked about it. There has been a lot of talk about it but not a lot of action.

So all I am saying is, in exchange for the U.S. Government's failure to fight to open up markets for American products, particularly wheat now—exports of wheat—at the very least, we can extend the loan provisions of the current law 5 months, to September 30, 1998.

It just seems to me, because the farmers now are suffering so severely, bankers are starting to call in loans, bankers are not giving farmers additional operating capital—at the very least, we can extend the marketing assistance loan period for 5 more months to the end of 1998, to give farmers a chance, a little longer into 1998, before their loan is called and they have to pay back their loan at the current loan rate.

What you are going to hear is this. You are going to hear: ''Oh, gosh, there we go. We are opening up the Farm Act, Freedom to Farm.'' That is not true. In no way does this amendment open up or revisit the Freedom to Farm Act.

We are also going to hear this sets a bad precedent—here we are, after passing Freedom to Farm, where the Government is coming in.

But I say that, first, our goal here is not to be rigidly consistent and mechanically steel-trap logical and just rigidly sticking to something. Rather, our charge here, our obligation, is to do what is right. I think it is right just merely to extend marketing assistance loans to the end of the year. We are not going back from Freedom to Farm; not any other change.

I might say, too, it has absolutely zero effect on the budget, and that is because it is not scored. It is not scored because the loan is extended only to the end of September of this year. So this has no budget effect. It helps farmers by letting them decide when they want to sell their grain. If they have held it so far, they can sell at a later date.

In addition, we are handcuffing farmers because of the limitations we have placed on the export of a lot of our products; that is, 10 percent of our exports are sanctioned; we cannot go to various countries. And on top of that, our Government has not fought vigorously enough to open up markets in other countries.

One example is China. China does not take any Pacific Northwest wheat—none, not one kernel—because they have come up with this phony argument that it has a fungus. It is a phony argument. Anybody who looks at the question knows it is phony, yet they do not buy any. How hard has our Government worked to say, ''Hey, you have to play fair. President Jiang Zemin came to the United States. The least you can do is open up your markets a little bit.'' Our Government has not worked nearly as hard as I think it should.

Let me just finish by saying it is a very small matter in terms of what we are doing here on the supplemental appropriations bill. We are not opening up Freedom to Farm. It has zero budget effect. We are just saying give farmers, particularly northern tier farmers, a little bit of a break for the next several months. And the break is only a longer period within which they have to decide whether to sell their grain on the market or not. That is all it is.

I think it is a very fair amendment and should be adopted.

The PRESIDING OFFICER. The Senator from Mississippi.

Mr. COCHRAN. Mr. President, we are operating on a time agreement, I think, and it is 30 minutes equally divided.

The PRESIDING OFFICER. The Senator is correct.

Mr. COCHRAN. Mr. President, 15 minutes is under the control of the manager of the bill, is it not?

The PRESIDING OFFICER. The Senator is correct.

Mr. COCHRAN. I am prepared to yield such time as he may consume to the chairman of the Agriculture Committee, who I know is on the floor, and he is here to discuss the amendment—such time as he may wish to the distinguished Senator from Indiana.

Mr. LUGAR. Mr. President, I thank the distinguished manager.

The PRESIDING OFFICER. The Senator from Indiana is recognized.

Mr. LUGAR. Mr. President, I rise today in opposition to the amendment of the Senator from Montana, Senator BAUCUS. I do so because 2 years ago the Freedom to Farm legislation that the Senator mentioned was passed. That bill has offered, in my judgment, a great deal of opportunity to farmers manage their own land, to make their own marketing decisions.

But the Senator is correct: There are rules of the game that were negotiated at that time. This amendment reopens the farm bill and is primarily aimed at helping one crop, wheat, and the various States in the country's northern tier.

The issue before Senators is marketing assistance loans. They allow a farmer to use the year's crop of grain or cotton as collateral for a loan from the Federal Government. The term of the loan is 9 months. At the end of that period, the farmer can either repay the loan or, if the market price of the crop is less than the amount owed on the loan, he can repay the loan at the lower price or forfeit the commodity. Because the loan is a nonrecourse loan, the Government cannot seek any further payment on the loan.

Simply stated, a wheat farmer at the time of harvest could have sold the grain for the market price at that time. He could have priced the grain before the time of harvest, and in this particular case, if the farmer in Montana had done so, he would have done well. The futures price was high. Even the price at the time of harvest was higher than it is presently.

In any event, farmers could place the grain under loan—that is, they store it and they take out a loan. If they have good luck within that 9-month period and the price goes up, they can take the higher price. If the price goes down or does not show any appreciation, they can simply take the loan money and the Government is out that money. That is the nature of this business. The loan is a marketing tool.

I do not want to overemphasize the gravity of this particular instance. The Senator from Montana has pointed out correctly, this is not going to break the bank, and, as a matter of fact, scoring for the amendment shows its effect is estimated at zero. But, in fact, the amendment as I see it does not do a great deal for a wheat farmer in Montana or any other State at this point. Each one of us here can estimate what the price of wheat may be between now and the end of September, but as a new crop comes on, it is unlikely that that price is going to show great appreciation. In short, extending the period of difficulty by a few more months probably does not make a whole lot of difference in the price farmers will ultimately receive.

It does make a difference, I believe, in setting a precedent with regard to the Freedom to Farm Act. The precedent is that, under other circumstances, other Senators from other States with other crops will come in and point out that things have not gone well for them. They may claim it was a foreign country, or the weather, or whatever, but, in any event, they will ask for a change in the loan or some other policy in the farm bill. In essence, they will attempt disaster relief under the guise of technical changes in the farm bill. In my judgment, that is not a good way to proceed.

In fairness to Senators from all States, all crops have come together for some rules of the game that are working well. It seems to me very important we work together to make certain that they work better. In due course, we may discuss other remedies that may be more effective. I would like to suggest, for example, to the distinguished Senator from Montana that it is important to all Senators that wheat exports from this country grow. As a matter of fact, it is important that corn exports and soybean exports and rice and cotton and a number of other crops all increase.

I suggest that we might work with the President on fast-track authority. That would be very, very helpful. I suggest we work with the President to think through our World Trade Organization stance for next year, when multilateral reductions in tariff and nontariff barriers might occur and should occur, and that the emphasis we place on agriculture in negotiations now with the European Union be enhanced substantially, and that the President's pledge in the Miami summit to move toward free trade in the hemisphere be given a boost as the President prepares to travel to the South American continent.

In short, there are a lot of things we must do as a country to boost our exports. But specifically regarding the problem in wheat—and it is a substantial one for the States that have been stressed, as the Senator from Montana has pointed out—we could work with the President in terms of allocations for Public Law 480. That is an act which is on the books. We can work to increase export credit guarantees for overseas purchases of U.S. wheat. We can work together with the President, the Secretary of Agriculture, and Senators who are engaged in this, and I would like to be one of them, because I believe an increase in wheat exports is tremendously important and it is timely that we do it now as opposed to hereafter.

I suggest USDA comply with the FAIR Act's requirements that high-value U.S. products such as wheat flour be a higher proportion of export programs. We could be helpful in that respect.

And, finally, as I have suggested already, we must work now on our export goals with the Trade Representative and the WTO, as well as for each of the bilateral negotiations we must engage in because we do not have fast-track authority. These efforts are likely to be much more powerful in raising the price of wheat without doing violence to the farm bill—as a matter of fact, utilizing the farm bill and all its resources.

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

The PRESIDING OFFICER. Who yields time?

Mr. BAUCUS. Mr. President, how much time do we have remaining on this side?

The PRESIDING OFFICER. The Senator has 6 minutes 44 seconds.

Mr. BAUCUS. Six minutes 44 seconds. I have two strong supporters here. I see my colleague from Montana on the floor. I yield to my colleague, since I have only 6 minutes, 3 minutes.

Mr. BURNS. Mr. President, I thank my colleague. I appreciate the courtesy. It won't take me very long to sum up why we think this is important.

I agree with everything that the chairman of the Ag Committee has said. The problem is, we have not gotten the administration to implement those tools they have at hand to help us out. They have not confronted our Canadian neighbors to live within their quotas. When you start talking about putting together a farm bill—and I think the Senator from Indiana would agree—it is hard to write farm legislation that is not flawed. Because of the diversification in our agriculture, that is tough to do.

Flexibility in crops in Montana has not come, for the simple reason that we have a short growing season and soil that is unlike that in Indiana or Missouri or Iowa or Nebraska or wherever.

A fellow walked up to me a while ago and said, ''The President is in Africa, and he is making a lot of friends.''

If I had his checkbook, I could be making a lot of friends. I think he ought to be offering food—wheat, principally—and those things that help people most in nations where they are suffering from malnutrition and hunger. I hope this doesn't set a precedent, that this stays with us this year.

But I will tell you what it does. It allows a small group of farmers from North Dakota and from Montana to gain financing so they can get a crop in, because we have some who will not be refinanced on their operational loans. That is what it does. That is who we are speaking for today, those people who are caught between a Canadian situation and a total collapse of the financial situation in the Pacific rim, which takes most of our crops. I speak in favor of it. I appreciate the leadership of my colleague, and I yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. LUGAR. I yield time to the distinguished Senator from Kansas.

The PRESIDING OFFICER. The Senator from Kansas is recognized.

Mr. ROBERTS. I thank my chairman and thank you, Mr. President.

Mr. ROBERTS. Mr. President, I rise in reluctant opposition to the amendment offered by my colleague, the distinguished Senator from Montana. In doing so, let me say I appreciate the efforts by those supporting this approach to provide their farmers appropriate risk management tools and to do what we can to encourage improved farm prices.

And, I also appreciate the unique and difficult times that farmers face where there is great risk, great opportunity and productivity, but great risk as well. My colleagues who are privileged to serve the hard working and productive producers in our northern tier states are going through a difficult time—Asian economic problems have already resulted in at least a 3.5 percent reduction in agriculture trade. This is why we just considered and passed the bill funding the International Monetary Fund with appropriate reforms. Prices at the country elevator in Montana and, for that matter in Dodge City, Kansas, have declined as a result. Add in severe weather and unfair trading practices across the border and you can see the relevance of the effort by my colleagues.

But, with all due respect to their intent, I feel compelled to remind colleagues of the law of unintended effects. Under the banner of providing a so called safety net by extending the loan program what will actually happen?

Is the goal to see increased prices? Today, approximately 20 percent of the nation's wheat crop is under loan, about 191 million bushels. The loan program expires this spring. This amendment would extend that loan to September 30.

Extending the loan rate will not create additional marketing opportunity. Rather it will eliminate to some degree, the incentive for farmers to market their wheat. Extending the loan is an incentive for farmers to hold on to the grain they have under loan for an additional six months. Now, this would not create a big problem except for the fact that we will harvest another wheat crop before September 30. And, all indications are we can expect another bumper crop. We will then have farmers holding a portion of last year's crop while adding a new crop to the market—grain from two crops—not one—on the market. We will have excess supply and my judgment is that will drive prices down even further and we will have just the opposite effect of what is intended.

And, at the same time we are holding our grain under loan and off the world market, other countries such as the EU, Australia and Argentina will again return to the business of taking our market share. This is a repeat of the situation the current farm bill tried to correct. Our current share of the world wheat market is just over 30 percent, the EU 15.4 percent, and Australia 14.8 percent. This amendment could well be called the EU and Australia Market Share Recovery Act.

It is also the first step in putting the government back in the grain business in the form of a reserve and I can still hear the advice of the former chairman of the House Agriculture Committee, Boage of Texas who warned repeatedly, grain reserves are nothing more than government price controls.

The Senator's amendment really takes us back to the age old debate in farm program policy as to whether the loan rate should be a market clearing device or income protection. I don't think it can be both. Under the current farm bill, the loan rate is a marketing clearing device and hopefully a price floor. The transition payments now being paid to farmers represent income protection.

What am I talking about? Well, the price of wheat today at the Dodge City elevator is about $3.10. If you add in the transition payment farmers in Kansas, North Dakota, Montana, Texas, North Carolina are now receiving, approximately 65 cents a bushel, that means the farmer is receiving around $3.75 a bushel. Now, I agree with my colleagues that is certainly not the $4.50 price we were getting months back or even higher on the futures market. We hope to see price improvement and soon.

But, let me point out with 20–20 hindsight, that this loan extension is primarily aimed, at least I hope it is aimed at last year's crop, the grain that farmers have not sold and that farmers did have an opportunity to sell at those previous prices.

Let me mention another possible unintended effect. Will not keeping grain under loan work at cross purposes to our goal of stating to the world and all of our customers that we will be a reliable supplier? Does not encouraging longer loan terms and keeping grain in storage tell our customers they should go elsewhere? Should that be the signal we send just hours after this body agreed the United States remain active and competitive in international trade by approving funding for the IMF with appropriate reforms?

Should we not be pushing for lower trade barriers and conducting a full court press to export our grain, our commodities, to sell wheat? My predecessor in the House, the Honorable and respected Keith Sebelius put it in language every farmer understands: ''We need to sell it, not smell it.''

What should we do? We should encourage the President, when he comes back from Africa, not to toss in the towel on fast track trading authority, to immediately sit down with Agriculture Secretary Dan Glickman to explore and aggressively seek bi-lateral trade agreements. There are 370 million hungry people in Latin and Central America alone eager to begin trade negotiations—well sell them bulk commodities, they move to sustainable agriculture and quit tearing up rain forests and its a win, win, win situation.

We should continue the good work of Secretary Glickman and Assistant Secretary Schumacher to fully utilize the GSM export credit program in Asia. Restore the markets that have led to the price decline, don't drive them away. Secretary Glickman has committed $2 billion under the GSM program to assist South Korea and it has resulted in over $600 million in sales of agriculture products. The $2 billion figure is not a ceiling, it is a floor we can

and must use more! We can use the Export Enhancement Program. The Administration recommended severe cuts in the very program that could not be of help.

My colleagues, we need to sell the grain, we have the export tools to accomplish that. What happens when this loan extension results in lower prices, we have a bumper crop, our competitors seize the opportunity to steal our market share, and we are faced with this decision again in September? We may be buying time with this amendment but we are also buying into market distortion and problems down the road.

Let us instead convince and support the Administration to aggressively use the export programs we have in place to answer this problem. Let us work on crop insurance reform. Let us recommit to the promises we made during the farm bill debate in regard to tax policy changes, a farmer IRA, regulatory reform, an aggressive and consistent export program.

Again, I commend my colleagues for their concern, for their long record of support for our farmers and ranchers and I look forward to working with them in the future. But, in terms of this amendment, its just that the trail you are recommending leads right into a box canyon.

With that, I reluctantly oppose the Senator's amendment and hope he can work with us and perhaps even withdraw the amendment. I yield the floor.

Mr. BAUCUS addressed the Chair.

The PRESIDING OFFICER. The Senator from Montana.

Mr. BAUCUS. I yield 2½ minutes to the distinguished Senator from North Dakota.

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. DORGAN. Mr. President, I thank the Senator for the time.

I am a little bit surprised, because I think this is the most modest of proposals. This clearly is a baby step in the right direction. In fact, it does not conflict at all with the Freedom to Farm bill. It complements it. Those who say that the farmers should get their price from the marketplace need to give the farmers the tools to hold that grain and access the marketplace when it is beneficial to farmers. That is what eventually will allow this farm law to succeed if ever it succeeds. So I think this complements the Freedom to Farm bill.

I think this is the smallest, most modest of steps, but it is in the right direction. I wish that it would be accepted. It has no cost to the Treasury. It would be of some help to some producers at a very critical time.

Let me say, we have heard some about trade here. You have heard me speak about this many times. Regrettably, this country is a 98-pound weakling when it comes to trade. We have sand kicked in our face every day on trade. I would like to fix all that.

The Senator from Montana mentioned Canada. If durum wheat were blood, Canada would long ago have bled to death. With all of that grain coming here, we have an avalanche of Canadian grain glutting our markets. That situation, together with problems with Japan, China and Mexico and a range of other trade problems have undercut the market for our agricultural products. The Senator from Montana has proposed the most modest of steps. Let us extend these commodity loans. In my judgment, these loan rates are far too low in any event. Despite that, let us at least extend the term of these commodity loans to give individual farmers a better opportunity to market when it is in their interest to do so. That way they have some say as to when they go into this marketplace.

As you know, this marketplace is full of big shots and little interests. And guess who wins in the marketplace? If the farmer is forced to market at the wrong time, just after harvest, they get the lowest price.

Freedom to Farm can only work if we give farmers the capability of holding that grain with a decent loan for a long enough period so that when farmers go to the marketplace, it is on their time, it is when they find the market has some strength, when they find they can go to the market and get some reward for themselves, not just on the miller's time, not just on the grocery manufacturers' time, not just on the traders' time.

If the Senator insists on a vote on this, I hope we win. I support fully what he is trying to do. If he does not, I hope we come back and try this again, because I think there needs to be a way for all of us, including the chairman of the committee, for whom I have great respect, to work together on this issue.

I yield back the remainder of my time.

Mr. BAUCUS addressed the Chair.

The PRESIDING OFFICER. The Senator from Montana.

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

The PRESIDING OFFICER. The Senator has 1 minute 46 seconds remaining.

Mr. BAUCUS. I thank the Chair.

Mr. President, I can't but be bemused by this debate, because the Senator from North Dakota said this isn't just a trivial step. In fact, the Senator from Indiana, the very distinguished chairman of the committee, quietly admitted that he doesn't think it is going to do much, and if that is the case, I don't know why we don't just do it.

It is also true one of the tenets of Freedom to Farm is more flexibility. I remind my colleagues that we in the North do not have a lot of flexibility, because of our weather and soil conditions, and so forth. There is not near the flexibility in planting different kinds of crops that farmers in other parts of the country might have.

A major answer to this problem, obviously, is a greater effort to knock down trade barriers. That is clear. A greater answer to this problem, too, is much more executive branch and congressional effort to make sure that other countries are not taking unfair advantage of American producers.

Mr. President, I will withdraw the amendment, but in so doing, I would like the assurance of the Senator from Kansas and the Senator from Indiana of efforts that we can undertake on a bipartisan basis to actually do something about this.

We talk a lot about knocking down trade barriers; we talk a lot about GSM programs; we talk a lot about P.L.-480; we talk a lot about NAFTA; we talk a lot about fast track, and so forth. But it is time to do something about this.

I will not press for a vote, but I do urge my friends and colleagues to make the effort, to be sure, again, on a bipartisan basis and with the White House, that we can finally stand up for our producers and work harder and more effectively together than we have thus far. One example is appropriations, whether it is EEP or whatever it is. We can authorize programs, but we also have to have appropriations. I would like to ask my friends if they could respond.

The PRESIDING OFFICER. Time has expired.

The Senator from Mississippi.

Mr. COCHRAN. Mr. President, I am happy to yield such time as he may consume to the chairman of the Agriculture Committee, Senator LUGAR.

The PRESIDING OFFICER. The Senator from Indiana.

Mr. LUGAR. Mr. President, I appreciate the spirit of the distinguished Senator from Montana, a distinguished member of the Agriculture Committee. I pledge for my part the resources of the committee to work with the Senator from this day hence to see if we can increase wheat exports specifically, and exports generally from our country.

I have outlined a number of areas for work, and the distinguished Senator from Kansas has mentioned others, as has the Senator from Montana. There is urgency to our work. That ought to be clear from this debate.

I pledge to work with the Senator. I hope that our committee will be successful, and we will try to establish benchmarks to see if we make headway. I look forward to working with the Senator on a report of how we did.

Mr. ROBERTS. Will the distinguished chairman yield?

Mr. COCHRAN. I am happy——

Mr. LUGAR. Of course.

Mr. ROBERTS. Will either of the distinguished chairmen yield?

I thank the Senator from Indiana for yielding. I would just like to pledge my full cooperation.

The PRESIDING OFFICER. All time has expired.

Mr. BAUCUS. Mr. President, the amendment is withdrawn.

The PRESIDING OFFICER. The amendment has been withdrawn.

The amendment (No. 2162) was withdrawn.

The PRESIDING OFFICER. The Senator from Mississippi.

Mr. COCHRAN. I am not seeking recognition. What is the pending business, Mr. President?

The PRESIDING OFFICER. Amendment No. 2120, the amendment offered by the Senator from Oklahoma, Mr. NICKLES.

Mr. BURNS addressed the Chair.

The PRESIDING OFFICER. The Senator from Montana.

Mr. BURNS. Mr. President, I appreciate the cooperation of the Senator from Indiana, the chairman of the Ag Committee. I remind folks that in the appropriations, and through the leadership of my friend from Mississippi, the EEP is funded.

We have appropriated that money every year to be used as a tool in the market, so it is not that we have not done our work here in this Senate as far as the agriculture producers are concerned. I think the administration, both through the International Trade Representative and the Ag Department, has to start taking a look at the tools or the weapons they have in their arsenal in order to help these folks.

This is not going to help our farmers who need money to get back in the field to plant their spring crops, but I will tell you that we are going to work very, very hard to make sure it is there next year and this administration uses the tools it has at its disposal.

I appreciate the time, and I yield the floor. And noting no other Senator choosing to use time, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. SMITH of Oregon). The clerk will call the roll.

The bill clerk proceeded to call the roll.

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

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

AMENDMENT NO. 2120

Mr. NICKLES. Mr. President, I understand that the so-called amendment that has my name on it, the Nickles amendment, to delete $16 million that is in the bill right now to add an additional 65 HCFA employees, is the pending business.

We debated that significantly yesterday. I am happy to vote on it. I am ready to vote on it. I know Senator KENNEDY had a different idea. I do not know what his intentions are, but this Senator is ready to vote, ready to have a time limit, ready to move forward. I think it is important we do so, and do so rather quickly and move on to other business. I know we have the Mexican certification process. So I just make mention of that.

I see my colleague from Massachusetts is here, so hopefully we will be able to vote on my amendment. If he has an alternative, we are happy to vote on that as well.

I yield the floor.

Mr. KENNEDY addressed the Chair.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KENNEDY. Mr. President, if the Senate votes to deny the administration's request for additional funding to fulfill the responsibilities bestowed by Congress under the Kassebaum-Kennedy legislation, tens of millions of Americans will be denied the protection of a law we passed unanimously, not once but twice. Supporting the Nickles amendment is like saying, ''We'll give you a car, but not the keys.''

What good does it do to pass a law that we are not willing to enforce? This amendment will effectively reduce, in a very important and significant way, the enforcement and the protections that were included in the legislation.

Every Senator in the 104th Congress voted for the Kassebaum-Kennedy legislation—not a single vote against it on passage or on the conference bill. And every Senator went back to his or her State to take credit for the good work that they had done to hail the promise of accessible and portable health insurance.

But now we have this proposal to effectively break the promise by denying the enforcement agency, in this instance HCFA, the staff and the resources they need to make that promise a reality.

So let us be very clear. This really isn't about the budget. This is not about wasteful spending or an ever-expanding government. The HCFA request is fully paid for by a transfer from another HCFA budget, and it is a justified, targeted response to the situation before us, which has been outlined in the GAO report.

Yesterday, questions were raised about whether this request affected more than the five States that have yet to act and whether the request affected HCFA's ability to enforce the legislation that created the mental health parity and the banned so-called drive-by deliveries.

But HCFA Administrator Nancy-Ann Min DeParle answered these questions following our debate yesterday in a letter she sent to clarify the situation. She writes that this money is needed to implement not only Kassebaum-Kennedy, but also the mental health and drive-by delivery bills. The fact is that there are many gaps beyond just the five State references that were included in the GAO report.

I have, Mr. President, in my hand, the National Association of Insurance Commissioners' report as of December 3, 1997, that indicates that 30 states have yet to enact the legislation to implement the law on the mental health parity. Thirty States have not implemented those particular protections on mental health.

We had a strong vote here on the Domenici-Wellstone amendment. And we now see that there are effectively 30 States that have not implemented the mental health parity law. If HCFA is not given the resources to enforce it in those states that fail to act, then the persons with severe mental illness who live in those states will not benefit from the parity provisions we voted to give them.

The Senator from Oklahoma continues to insist that this is a short-term problem and that the only real problem that we are faced with in implementing HIPAA is just in five States. And this, as I mentioned, is wrong. The duration of the problem is not yet known. We have already mentioned that 30 states require federal enforcement for mental health parity. We know on the drive-by delivery issue, which we also passed in a bipartisan way in 1996, was to be implemented with the same kind of enforcement mechanisms—and there are eight States, according to the National Association of Insurance Commissioners—that have not enacted legislation to conform with or implement the federal bill to ban drive-by deliveries.

The request in the bill under consideration today will be used to make sure that women in these eight States are going to have the similar kind of protections as the women in 42 other States. It will be used to ensure that the mental health parity provisions are enforced in the 30 states that have not yet come into compliance. And there are many others. Oklahoma is one of 11 states that have not passed laws to guarantee renewability in the individual market, thereby needing federal enforcement of this key HIPAA provision. These are all in addition to the five States that have been referenced by the Senator from Oklahoma. And there are more.

There are very, very important needs, Mr. President.

Now, the supplemental request will simply allow HCFA to move forward with what Congress asked of them. Some of my colleagues have suggested that HCFA should have asked for this increase last year. But we all know that if they had asked last year, they would have been told that it was premature and to wait for State action. Some have suggested that they wait for the regular budget for next year, but such a delay is unnecessary and an insult to the American public.

Each year, HCFA staffing levels are revisited during the appropriations process. If Congress finds in the future that the States are fully compliant and HCFA no longer needs to fulfill this function, I am confident that the Appropriations Committee will adjust accordingly. They do so.

HCFA's duties have significantly increased in the past two years. Among other things, they have chief responsibility for providing guidance to states to implement the new Children's Health Insurance Program, for cracking down on fraud and abuse, and for implementing of the various and important changes in Medicare and Medicaid resulting from the Balanced Budget Act. All of those are being implemented virtually at the same time as the Kassebaum-Kennedy bill—including the provisions on mental

health and maternity protections—is being implemented. And the proposal that came to the floor of the Senate did not increase the budget but reallocated resources within the agency. They aren't asking for more money, just a transfer to allow them to hire people to do the jobs we asked of them. And the Nickles amendment seeks to gut these efforts by striking this proposal.

Mr. President, it is unconscionable to deny the American public the rights we voted to give them almost 2 years ago. They have waited long enough. The Kassebaum-Kennedy bill bans some of the worst abuses by health insurers, abuses that affect millions of people a year. Prior to its enactment, more than half of all insurance policies imposed unlimited exclusions for preexisting conditions. Prior to its enactment, insurance companies could refuse to insure—redline—entire small businesses because one employee was in poor health. Prior to its enactment, 25 percent of American workers were afraid to change jobs and to start new businesses for fear of losing health insurance coverage. Prior to its enactment, people could be dropped from coverage if they had the misfortune to become sick, even if they had faithfully paid their premiums for years.

The General Accounting Office stated that as many as 25 million people would benefit from these protections. These are the protections that are in the Kassebaum-Kennedy legislation. All we are saying is, let's make sure, now that we have passed them and told families that they will have those protections, let's make sure that we are making good on that promise. We have the personnel to be able to do that, and it has been included in this legislation.

Reference is made: Why don't they shift around personnel? They have a lot of people in that agency; certainly they could shift around personnel. The fact is, in this particular area, as I mentioned, are specialists in a particular area in the insurance industry. This is not something that HCFA has a background and experience in. These are protections because of many of the abuses. Therefore, they need certain types of personnel and individuals that have some very specialized skills in this area to be able to do the job. That is what is being called for. That is the case that is being made. If they do not have it, what we will find is, people will be left confused, things will be uncertain, people who thought they had various rights will not have those rights guaranteed.

Patchwork enforcement and concerted efforts by unscrupulous insurers to violate the law raised serious concerns during the earlier implementation period. While the provisions affecting the group market appear to be going well—that is about 80 percent of the legislation which is going well—the GAO has identified many concerns in the individual market provisions.

Our legislation specifically deferred to the States in recognition of their longstanding and experienced role as regulators of health insurance. We gave States more than a year to design their own legislation based on the Federal law. Federal regulation was only a backup if States failed to act. Most States have passed implementing or conforming legislation. There are significant gaps. In every State that has failed to act in whole or in part, the responsibility for assuring compliance, responding to complaints, and informing the public has fallen on the Health Care Financing Administration. HCFA is just over 20 people working on this issue in its headquarters, and a handful more spread across the regions. Most State insurance departments have hundreds of people. California, for example, has more than 1,000 people on staff to handle these issues; HCFA has 1 person in San Francisco.

GAO explicitly and repeatedly expressed concerns that HCFA's current resources are inadequate to effectively enforce the bill. The NAIC—which is the National Association of Insurance Commissioners, the commissioners in each of the 50 States; this is their national organization—in testimony before the Ways and Means Committee last fall said, ''The Federal Government has new and significant responsibilities to protect consumers in these States. Fulfilling these responsibilities requires significant Federal resources.''

The legislation that passed over 20 months ago was being implemented in January of this year, but the States were taking the steps in the previous 18 months to comply with the legislation, with it being implemented in January of this year. In February, we had the GAO report that pointed out the failure of some of the States to take the steps to provide the protections and said additional kinds of resources were going to be necessary. This is really a response to that particular reality.

The GAO found that many companies were engaging in price gouging, with premiums being charged to consumers exercising their rights to buy individual policies when they lost their job-based coverage as much as 600 percent above standard rates. They found other carriers continue to illegally impose preexisting condition exclusions. We cannot deal with that; nor do we intend to. That ought to be an issue for another time. It ought to be addressed in terms of that kind of abuse. We are not talking about that issue. But we are talking about the implementation of these other protections, to make sure, for example, if you are moving from a group to individual, that there is going to be available insurance in those States that are going to cover the individuals that have preexisting conditions, and also what they call renewability, to make sure that those individuals are going to be able to be renewed if they pay under the terms of their premiums—that it takes that kind of an action to ensure coverage or otherwise people are going to be outside of the coverage. That is an area where a number of States have not taken action.

Some companies or agents illegally fail to disclose to consumers they have a right to buy a policy. Others have refused to pay commissions to agents who refer eligible individuals. Others tell agents not to refer any eligibles for coverage. Some carriers put all the eligibles with health problems in a single insurance product, driving up the rates to unaffordable levels, while selling regular policies to healthy eligibles.

The Senate should not be voting for a free ride for failure to comply with these protections which most States have complied with. It should not be an accomplice to denying families the kind of protections for preexisting conditions that they were promised by unanimous votes just 2 years ago. The need for the additional staff goes beyond enforcement. The GAO found wide gaps in consumer knowledge, gaps that prevented consumers from exercising their rights under the laws. HHS wants to launch a vigorous effort to address this problem, but according to the GAO, because of the resource constraints, the agency is unable to put much effort into consumer education.

Now, the point that has been raised by the Senator from Oklahoma that this is not an emergency situation—for millions of Americans, the failure to enforce the legislation is an emergency. Every family who is illegally denied health insurance faces an emergency. Every child that goes without timely medical care because this bill is not enforced faces an emergency, and every family that is bankrupted by medical costs because this bill is not enforced faces an emergency. This may not be an emergency for abusive insurance companies, but it is an emergency for families all over this country. For some, it is a matter of life and death.

But don't take my word for it. Since our debate yesterday, more than 20 organizations have sent letters, which are at the desk, urging that we defeat the Nickles amendment. Leading organizations representing persons with disabilities, the mental health communities, women with breast cancer, and consumers generally have written asking opposition to this unwarranted attack on the law. More are coming. The Senate should reject this amendment. We need to toughen the Kassebaum bill, not weaken its enforcement. This is a test as to whether the Senate wants to really ensure that those provisions in the bill that will guarantee the protection on the preexisting condition will actually be protected.

I yield the floor.

Mr. NICKLES. Mr. President, I appreciate my colleague's comments. I appreciate his coming to the floor. I think it is important that we have the discussion. We had a significant discussion on this amendment yesterday. I will make a few comments. I understand one other Senator wishes to speak on it, or if the Senator has any additional Senators.

I mentioned yesterday that HCFA, the Health Care Finance Administration, has over 4,000 employees. That is a lot. Now, the Health and Human Services Department has 58,500 employees. Now, if they need to move a few employees around, they can do it if there is an emergency. There is not really an emergency. Frankly, compliance with HCFA, the so-called Kassebaum-Kennedy bill, which deals with portability, also deals with moving from group to individual plans. Most States have complied. The State of Massachusetts has not complied. But I don't think that we should presume the State of Massachusetts doesn't care about their employees or about their people in their State. The State of California hasn't, the State of Missouri hasn't, the State of Michigan hasn't, but every one of those States has pretty advanced policies dealing with health care.

Now, some would presume because they haven't enacted legislation exactly as we told them to do, that we now need to have Federal regulators go in and run their insurance departments. I do not think that is the case. The Senator from Massachusetts says California has over 1,000 regulators. You cannot do this with 65. You could not do this with 650. You would have to hire thousands if we were going to have the Federal Government come in and regulate State insurance. So that is really something we should not be doing, it would be a serious mistake to do.

Some people have a real tendency to say if we have any problem, let's go in and have Federal regulators come in and take over. I think that would be a mistake. As I mentioned before, there are over 4,000. Surely they can borrow a few if this is such a critical need.

A couple people said, ''This is needed to enforce the mental parity issue that was passed also as part of the Kassebaum-Kennedy.'' It is not. I tell my colleagues, this GAO report that was alluded to by my friend from Massachusetts does not mention mental parity once—not once. I might mention, the request for the supplement from the director of HCFA did not mention mental parity. It was not in their request. What their request was: ''Hey, we want to help these five States.'' I am saying they can help those five States. They already have 26 employees. They can use additional employees already in the system. We don't need to give them an additional $16 million or $6 million for these 65 employees that cost $93,000 each. That is a lot to pay for somebody in the State of Mississippi or Oklahoma. Our States are in compliance, I might mention; the State of Massachusetts is not in compliance.

I might also mention two things. The way the Senator pays for this is robbing Medicare. All of us that have been dealing with the appropriations and so on, we know we have discretionary accounts and we have mandatory accounts. Medicare is one of the mandatory accounts. It is paid for. The HI Trust Fund—Hospital Insurance Trust Fund—is paid for by payroll tax; 2.9 percent of all payroll goes into the Hospital Insurance Trust Fund. That ought to be plenty of money. President Clinton had a big increase in 1993, and it is on all income now. It used to be just on the Social Security base up to $68,000. Now it is on all income.

Guess what. It is still going broke. It is paying out more this year than is coming in. The fund is going broke. Does it make real sense for us to be taking money out of that fund that is dedicated for senior citizens—take money out of the fund to hire more bureaucrats at HCFA? They already have over 4,000, and this says let's hire another 65. The President's budget for next year says he wants another 215. Well, we will wrestle with that in next year's annual appropriations process and let the committees review and discuss it.

This is an emergency supplemental. This is supposed to be helping communities that are devastated by floods and bad weather and to pay for our forces that had to be on call in Iraq and in Bosnia. What is urgent about this? This is a law that passed. This is a law that became effective—frankly, we passed the law 20 months ago; it only became effective January 1.

The reason California has not passed a law—California passed a law, but Governor Wilson vetoed it because there are other things in the law he did not think were very good. In Missouri, the Missouri legislature passed a law to be in compliance, but the Governor vetoed it because he had a disagreement. In almost all cases, the five States are not saying, ''Federal Government, we want you to regulate us and take over our insurance.'' It is because they had a disagreement between the legislative bodies. It is not, they don't want to cover it. It is not, they don't want to give the benefits that we have provided. I think these States do. My guess is, the State of Massachusetts wants to. But for some reason legislatively it has not happened. It may be, again, because there is a different party as Governor, as in the legislative body.

Sometimes you get some impasses. The solution is not to send an army of HCFA bureaucrats to go in and try to take over regulation of insurance within those five States. That would be a serious mistake.

So I mention, Mr. President, let's pass this amendment, let's save $16 million, let's not raid the hospital insurance fund. That is the wrong thing to do, a serious mistake. So I urge my colleagues to support the amendment.

I ask for the regular order.

Mr. WELLSTONE addressed the Chair.

The PRESIDING OFFICER. The Senator from Minnesota is recognized.

Mr. WELLSTONE. Mr. President, what is the parliamentary situation? Are we on the Nickles amendment?

The PRESIDING OFFICER. Yes, we are following the regular order.

Mr. WELLSTONE. Mr. President, I wanted to start out by reading from a letter to Senator KENNEDY from Nancy-Ann Min DeParle:

> Dear Senator KENNEDY: I am writing to request your assistance in securing funding for HCFA to implement the insurance reform provisions of HIPAA. The $6 million and 65 FTEs that we have requested for this purpose will allow us to implement the HIPAA provisions, as well as those enacted subsequently in the Newborns' and Mothers' Health Protection Act and the Mental Health Parity Act in those states that have not fully implemented HIPAA.

We had this discussion yesterday. But as we approach a possible vote on this amendment, let me say one more time—and I have a letter here from Laurie Flynn, executive director, which Senator KENNEDY offered during other parts of this debate. I want to focus on the mental health parity. Laurie Flynn, executive director, a very strong advocate for people struggling with mental illness, concludes her letter by saying:

> Consequently, on behalf of NAMI's 172,000 members nationwide, I am writing to express my strong appreciation of your leadership in advocating for adequate funding to support HCFA's enforcement responsibilities under HIPAA.

Mr. President, there are still some 30 States, or thereabouts, that are not yet in compliance. Again, in the last Congress, we passed the Mental Health Parity Act. This was an enormous step forward. We said to a lot of women and men and to their families that we are going to rise above the stigma, we are going to make sure that there is coverage for you, at least when it comes to lifetime and annual caps; we are not going to have any discrimination, and we are going to treat your illness the way a physical illness is treated. We know that much of this is biochemical. We know that pharmacological treatment with family and community support can make all the difference in the world. Hopes were raised, expectations were built up.

Now, what we are talking about is making sure—I say again to my colleague what I said yesterday—that this is enforced, that this is implemented. I am very worried that without this additional womanpower and manpower, we are not going to be able to actually enforce this law of the land; we are not going to be able to have this implemented around the country.

My colleague from Oklahoma keeps talking about bureaucrats. I go back to what I said yesterday. We are always talking about bureaucrats. We can also be talking about men and women in public service who have a job to do. In this particular case, the job is to make sure that the law of the land is implemented. It is to make sure that there isn't discrimination against people struggling with mental illness, that there isn't discrimination against their families, and that we make sure that States or insurance companies or plans

are in compliance. I think that is what this debate is all about.

Now, Senator KENNEDY has letters from all sorts of organizations, consumer groups, people struggling with disabilities, and on and on and on—I am sure he read from them—which are basically saying the same thing.

One more time, I simply want to say that the Kennedy–Kassebaum bill really was important to millions of people around the country, to millions of families. People now had every reason to believe that because they had a bout with cancer or with diabetes or other kinds of illnesses, they weren't going to be denied coverage because of a ''preexisting condition''; they would be able to move from one company to another and not lose their plan. It was now the law of the land that insurance companies could not discriminate against them in that way. This additional request —yes, it is an emergency request because it is an emergency to these families—is to make sure that, in fact, people are able to have the assurance that they won't be able to be discriminated against and to make sure that families that are struggling with mental illness won't have to be faced with that discrimination. This is the right place to make sure that we put the funding into this. I say to colleagues, I think for all colleagues who supported this legislation, it would be a huge mistake and I think it is just wrong to turn around now and deny some of the necessary funding for the actual implementation of these laws.

Either we are serious about ending this discrimination, either we are serious about making sure insurance companies can't deny people this coverage, or we are not. I think this vote on whether or not HCFA will have the resources, which means there will be women and men that will be able to enforce this around the country, is a vote on whether or not we are going to live up to the legislation that we passed. We can't give with one hand and take away with another. So I hope that my colleagues will vote against this Nickles amendment.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from Oklahoma.

Mr. NICKLES. Mr. President, let me make a couple of quick comments. The initial request that came from HCFA for the $16 million supplemental did not include anything dealing with mental parity; not a word, not a letter, nothing. It didn't include it. The GAO report didn't include it.

A couple of reasons. Here are the mental parity regulations. If I may have the attention of my colleague from Minnesota for a second. This is a copy of the regs that came in on mental health. Guess when they were announced. December 16, 1997, which was about 3 months ago. How in the world can somebody know 30 States aren't complying? The regs just came out. I heard comments that some States aren't complying with the newborns regulations, the 48 hours. Guess what. Those regs aren't out. The law became effective January 1, and there are no regulations. Yet they want to hire an army of new federal employees. HCFA didn't ask for an army of people to go out and comply with these regulations.

My colleague alluded to a letter that Senator KENNEDY worked hard on, which he probably got late last night, from Nancy Ann Min DeParle, the Administrator of HCFA. I want to read what she says, if I can get my colleague's attention for just a second. I want to read the part of the letter he forgot to read. He left out just a little bit. In the second paragraph of the letter she sent to Senator KENNEDY—not to the managers of the bill; she didn't send it to the authorizers of the committee—it might have been written by Senator KENNEDY; I'm not sure. But this part certainly wasn't written by Senator KENNEDY:

> Moreover, we understand that as many as 30 States may not have standards that comply with Mental Health Parity Act and as many of 10 States may not have standards that comply with the Newborns' and Mothers' Health Protection Act.

This is what I want you to pay attention to:

> We don't have precise numbers because States are not required to notify HCFA about their intention to implement these two laws.

HCFA doesn't have control over these two laws. These States aren't told to tell HCFA about compliance with these two laws. Those laws are going to be managed by the Department of Labor. That is not in HCFA's jurisdiction. These 65 people will not spend 1 minute of time on mental parity or the 24 hours or 48 hours for newborns. Some people are trying to create an issue that is not real.

The issue is, very frankly, are we going to spend $16 million to expand the bureaucracy of HCFA? They already have over 4,000 employees and 58,500 at HHS. I have said time and time again, if they need to borrow some of those employees, they can do so. People say, no, we want to expand the base, hire more people, have more intrusion. I have a final comment——

Mr. WELLSTONE. Will the Senator yield for a question?

Mr. NICKLES. Not just yet. I will make a final comment, because this is of interest. Yesterday and today, we have spent several hours debating $16 million. I am trying to save for taxpayers, and basically save it for Medicare, that $16 million that should stay in Medicare. We should not be raiding the Medicare trust funds to pay for an expansion to hire more Federal employees. We are spending several hours on that. I tell my colleague from Texas and my other colleagues, I spent an hour opposing an expansion of $1.9 billion, and I lost. So this Senate expanded the cost of this bill from $3.3 billion to $5.1 billion, and we did it in an hour. Maybe some people are kind of proud of that. I am not proud of it. Yet, to try to cut $16 million, we have spent several hours.

Some people fight very, very hard to expand Government. I think that is a mistake. I think it is a mistake in this bill. It should not be in this bill. When my colleague read the letters, he didn't read all of the letters. It says that HCFA doesn't have enforcement authority over these two bills, and it doesn't have anything to do with the legislation that is before us. I happen to have enough confidence in the State of Massachusetts, the State of California, the State of Michigan, the State of Missouri, and Rhode Island. They care about their people just as much as we do in Washington, DC. Hiring another army of bureaucrats to go in and tell them what to do will not, in my opinion, improve the quality of health care in those States.

Mr. WELLSTONE. Will the Senator yield for a question?

Mr. NICKLES. I am happy to yield for a question.

Mr. WELLSTONE. First of all, does the Senator understand that the National Association of Insurance Commissioners lists the following 30 States: Alabama, California, Colorado, District of Columbia, Florida, Georgia, Hawaii, Idaho, Illinois, Iowa, Maryland, Massachusetts, Michigan, Mississippi, Nebraska, New Hampshire, New Jersey, New Mexico, New York, North Dakota, Ohio, Oklahoma, Oregon, Pennsylvania, South Dakota, Utah, Virginia, Washington, Wisconsin, and Wyoming, as States that are not in compliance and have not yet enacted the Mental Health Parity law? Is the Senator aware of that from the National Association of Insurance Commissioners?

Mr. NICKLES. I will be happy to answer the Senator's question. The regulations I was waving around a moment ago—this thing—came out on December 16, 3 months ago. I doubt that all the States have had time to review these regulations. Maybe some of them have, and maybe some of them haven't. So how would anyone know whether all the States are in compliance with that? On the newborns law my colleague alluded to, which is not enforced by HCFA, the regs aren't out yet. So how could anyone know whether or not there is compliance?

Now, the 65 people that HCFA was requesting in the supplemental were not to enforce either the mental parity or the 48 hours for newborns. It was not in the request, not in their letter, not in the GAO study.

I think my colleague makes an interesting diversion in trying to say that they should be doing this, too. But frankly, that is not their responsibility. It is the responsibility of the Department of Labor. It is not in this bill and it would not be helped by passing this supplemental, even as originally requested.

Mr. GRAMM addressed the Chair.

The PRESIDING OFFICER. The Senator from Texas.

Mr. GRAMM. Mr. President, I think we are having an interesting and enlightening conversation. I agree with the Senator from Oklahoma. But I want to go back one more level below this to talk about the real issue here.

Our dear colleague from Minnesota talks about how much he and the administration care about this program and about how they want to try to see this done, provide this $16 million. But they didn't care enough about it to cut $16 million out of another discretionary program to pay for it. They didn't care enough about it to reduce discretionary spending in the Federal budget by 0.003 percent to pay for it. They cared so much about it that they weren't willing to take 65 bureaucrats from the 4,000 people they already have working in the Health Care Finance Administration to do this work. They didn't do any of those things.

What they did is they cut Medicare and they reduced peer review, which is looking at the practice of doctors who are providing medical care to my mother and to other people's parents. We take money from peer review and the oversight of doctors practicing medicine under Medicare—we take money away from Medicare to fund more bureaucrats at HCFA. That is what this amendment is about. This is robbing Medicare to pay for bureaucrats at HCFA.

Now, first of all, I know the public doesn't care about these things, but I don't understand how the Appropriations Committee is cutting Medicare. The last time I looked, Medicare was under the jurisdiction of the Finance Committee. I am chairman of the subcommittee that has jurisdiction over Medicare. What we have here is an extraordinary shell game, which the President started and which this committee has continued to perpetuate.

Here is the shell game in English that anybody can understand. The President wants to hire 65 more bureaucrats. He already has 4,000 bureaucrats working for HCFA. They want 65 more bureaucrats to do work that has absolutely nothing to do with Medicare in shape, form, or fashion. And they want 65 more bureaucrats. But they are unwilling to cut another discretionary program to pay for it. They want these 65 bureaucrats, but they are unwilling to take them away from the current work that the 4,000 are doing. It is not important enough to move 65 of them to do it. It is not important enough to cut any other discretionary program of the Government to do it. But it is apparently important enough to reduce physician oversight of the practice of medicine on 39 million elderly and disabled Americans who qualify for Medicare.

This is another blatant effort to rob Medicare, a program that is going broke, a program that will be a $1.1 trillion drain on the Federal Treasury over the next 10 years, a program where we are going to have to raise the payroll tax from 2.9 cents for every dollar you make to 13 cents for every dollar you make to pay for it over the next 30 years.

So what they are doing is using Medicare as a piggy bank to hire bureaucrats. Let me say that this is outrageous, and I believe that if the American people knew about this, they would be outraged.

Our colleague from Minnesota said, but we need these 65 bureaucrats for this important function. Look, I am not going to argue whether it is important or not. Our dear colleague here has pointed out that the issues raised wouldn't even be dealt with by those 65 bureaucrats. But that is not the point here. If it is all that important, cut a program to pay for it. If it is all that important, do what every American working family does every day: They decide that buying medicine, or buying a book, or sending their child to special training is important, so they cut spending they would have spent on vacation, or something less important, to pay for it.

My argument is not against the spending of this money. It is not even against these 65 bureaucrats, although I do not believe the world will come to an end if we do not have them. My point is, if they are all that important, cut money from a program, another discretionary account, that is of less importance.

Is there nothing in the $550 billion every year spent by the Federal Government on discretionary spending that is less important than this? If there isn't, we probably ought not to be doing it. If there are programs that are less important, I suggest you find them and cut them. But this is a rotten shell game, to be cutting Medicare and reducing peer review oversight over the treatment of 39 million senior and disabled citizens in order to fund more bureaucrats.

What are we doing, cutting Medicare to fund discretionary programs? Whoever heard of cutting Medicare to fund HCFA bureaucrats? I think it is an absolute outrage. What all this shows is, despite all of our flowery rhetoric—put Social Security first, put Medicare first—we are all for doing that, but when it gets right down to it, this provision that Senator NICKLES is trying to strike is a provision that says, put bureaucrats before Medicare, cut oversight of patient treatment for 39 million senior and disabled citizens in this country so that we can fund the hiring of 65 more bureaucrats.

That is a position that you can take. I happen to say that the answer to it is no—clear-cut, unequivocally, no. We ought not to be cutting Medicare to increase the number of bureaucrats working at HCFA. And that is exactly what this proposal does.

If somebody can make the case that we don't need as much oversight of physicians who are treating my mother and everybody else's mother, then we ought to take the savings and we ought to use it to save Medicare. But there are two problems here: No. 1, nobody has made that case; I am not convinced of it. And, No. 2, if we are going to save the money, it ought to go to Medicare, where the money is coming from; it ought not to be used to hire bureaucrats.

So we are going to vote at some point on the Nickles amendment. I know our colleagues are threatening to hold up this bill. But let me say, this is not my bill. This is a bill that spends $5 billion that we do not have. This is a bill that raises the deficit by $5 billion. This is a bill that puts Social Security last. This is a bill that takes $5 billion away from our efforts to save Social Security. And if we are going to hold this bill up so that we can steal money from Medicare, let it be held up. If this bill never passes under those circumstances, that will suit me just fine. I am not going to have to explain why it does not pass, because I am not holding it up.

But if somebody is going to threaten me that I am not going to raise the deficit by $5 billion unless you let me steal $16 million from Medicare, I am not imperiled by that threat. No. 1, I think it is outrageous that we are not offsetting this $5 billion so that it is not being added to the deficit. I think that is fundamentally wrong.

So I am not hot for this bill, to begin with. But secondly, your ransom is simply too high. It is absolutely unacceptable to say we are not going to spend the $5 billion and raise the deficit by $5 billion and steal the money from Social Security unless you let us steal $16 million from Medicare. That ransom is too high.

And maybe our colleagues can look people in the face and say, ''We had to cut oversight of medical practice for senior citizens in Medicare so that we can hire 65 bureaucrats at HCFA.'' Maybe they feel comfortable doing it. I would like them to try to explain it to my 85-year-old mother. I don't think she would be convinced.

But, in any case, we every once in a while have acts of piracy. People say, ''If you do not give me this money, or you do not do this, I am not going to let you do what you want to do.'' But what our colleagues are saying is, ''We won't raise the deficit by $5 billion unless we can take $16 million away from Medicare.'' A, I am not for raising the deficit by $5 billion; B, I am not for taking the $16 million away from Medicare. So I don't feel threatened.

Finally, let me say to our dear colleague from Oklahoma, who yesterday tried to prevent us from raising the deficit by $1.8 billion—and it was an hour well spent, but I don't think we have to apologize for spending hours trying to save $16 million—there are a lot of people in Oklahoma and Texas who work a lifetime, and their children work a lifetime, and their grandchildren work a lifetime, never to make $16 million.

So I think this is time well spent. Do not take this money out of Medicare.

Do not take this money out of Medicare to hire 65 new bureaucrats. That, I think, is a clear issue. And if our colleagues want to debate forever, I would love for the American people to hear this debate. I don't believe they can sustain that case.

This was a slick idea by the President, to do it when nobody knew it was in here. I didn't know this was in this bill, and I am on the Finance Committee, and I am chairman of the subcommittee that oversees Medicare. I didn't know it was in this bill until we discovered it.

So it was a slick idea until people discovered it. Piracy normally works until somebody discovers it is occurring. And then they send out the sheriff, and the sheriff stops it. We are the sheriff.

So if you want to stop, if you do not want to raise the deficit by $5 billion, if you do not get the $16 million, it doesn't break my heart. Go right ahead.

I yield the floor.

Mr. KENNEDY addressed the Chair.

The PRESIDING OFFICER (Mr. BROWNBACK). The Senator from Massachusetts.

Mr. KENNEDY. Mr. President, I have seen many smokescreens on the Senate floor before. But I just heard one of the largest smokescreens ever from those who just tried to cut Medicare by some $270 billion in order to give tax breaks to the wealthiest individuals and corporations. We defended that position here on the floor of the U.S. Senate not long ago. Now what we are talking about at this time is an administrative cost. This isn't going to affect one single dollar in terms of benefits or in terms of health care costs for senior citizens.

So before we all cry crocodile tears at the suggestions of my good friend from Texas, maybe he would spend an equal amount of time discussing his justification for his proposal to seek major cuts in the Medicare program to fund tax breaks for wealthy individuals. That may be suitable for another time.

I do not suggest that the Republicans who are Members of the Appropriations Committee that supported and reported out the provision that is in the current bill are Republicans that have a distaste for Medicare or want to ignore our nation's senior citizens. This proposal was reported out of the Republican Appropriations Committee. That is how it got here on the floor. And you have not heard the Senator from Massachusetts charging that they have hurt the Medicare system.

Mr. President, fortunately, our good colleagues in the Senate know the facts on this situation. Basically, what you are talking about is transferring $16 million in administrative costs to enforce a law to protect millions of American citizens. We are talking about women with breast cancer or others with preexisting conditions who are turned down for insurance every single day; we are talking about children with disabilities who are locked out of the private health insurance system; we are talking about small businesses who are refused health insurance because one employee is in poor health. And many others. Without enforcement, the stick to ensure compliance by the insurance companies, these protections are simply not there. They are not there.

We have a GAO report that says HCFA needs help, and we have the insurance commissioners of the States that say HCFA needs the help—Republicans and Democrats alike—as do the various organizations that speak for the elderly, and the disabled, and the mentally ill, and the cancer patients, and the consumers. Are they all wrong? Are all 30 of these organizations all wrong? They don't want to throw out the Medicare system, as the Senator from Texas says. Of course, not. They understand what this is all about. These are organizations that have been fighting for Medicare since they were formed. They have unimpeachable credentials in terms of protecting Medicare.

So, Mr. President, we are back to where we were in this debate and discussion. These funds are needed. HCFA asked in their request of the Appropriations Committee, which was approved, and later in the letter that they sent up to the Congress, to me following my inquiry after yesterday's debate, reiterating the request and clarifying that the requested funds were also needed to enforce the mental health parity and drive-by delivery provisions. And this $6 million of appropriated funds that otherwise would be used administratively is going to be used to ensure that the promises made in the Kassebaum-Kennedy bill and in the Mothers Health Protection Act and the Mental Health Parity Act are not merely illusory.

The Senator from Oklahoma says that states have not complied because the regulations came out in December. The irony is not lost on me—blame HCFA for not issuing regulations and then deny them the necessary resources to fulfill their responsibilities. But states have had more than a year to comply with this relatively straightforward law. They didn't need to wait for regulations to act. And many of the States did act prior to the regulations. Nonetheless, 30 States did not.

This request is needed to prevent the kind of discrimination that is being committed against millions of Americans that have preexisting conditions. It is needed to ensure that mothers that live in the eight States that still allow drive-by deliveries, and that those who are afflicted with mental health problems have the same level of protection as those in their neighboring states.

Mr. President, this is really what this debate is all about. We have had a GAO report that made recommendations that we take this action. The States have been, over the period of the last 18 months, getting themselves effectively in shape for the implementation of this legislation, which started in January. But the GAO report said there are a number of very important areas that need attention if this bill is really going to do what the Congress has said is going to be done.

We are responding to that particular need, and that is what the committee responded to, Republicans and Democrats alike. The idea of suggesting that the members of the Appropriations Committee that reported this out are somehow less interested in the protection of Medicare is preposterous. It is preposterous on its face and the Senator knows that.

I am prepared to take some parliamentary action, but I see others here on the floor who want to address this, so therefore I withhold.

The PRESIDING OFFICER. The Senator from Minnesota.

Mr. WELLSTONE. Mr. President, I shall be brief. I appreciate the remarks of my colleague from Texas. I was going to respond in a similar fashion. I will not go over what my colleague from Massachusetts has said. I do not always agree with what the Senator from Texas says, but I like the way he says it. He makes his points in a kind of hard-hitting way, but also with some humor. I think they connect well with people.

But I look at this in a very different way. I would like to thank the appropriators for responding to a very real problem. I do not think the appropriators in any way, shape, or form, Democrats or Republicans, are attempting to raid the Medicare trust fund. I think the appropriators, both Democrats and Republicans, understood that the legislation we passed last year was very important. It was very important in making sure people were not denied coverage because of preexisting conditions—many people. That is why my colleague from Massachusetts could read letters from organizations representing people who have struggled with cancer, senior citizen organizations, people struggling with mental illness, the disabilities community.

People, I say to my colleagues, have to live with this fear. It is horrible. It is bad enough to be ill. It is another thing to have to worry that you are not going to be able to even get any coverage. We have passed legislation to say the insurance companies are not going to be able to discriminate against you, but we have not been able to implement it as fully as we want to.

And on the mental health parity again, I would just say, this is from the National Association of Insurance Commissioners. I heard my colleague from Oklahoma speak about it several times. He heard me speak about it several times. I am sure HCFA wishes they mentioned the Mental Health Parity Act. On the regulations, I wish they got them out earlier. I don't think they

have enough people to get regulations out. They have a huge, mammoth mandate. But the fact of the matter is, one more time, colleagues, the National Association of Insurance Commissioners reports that 30 States have not yet enacted the mental health parity legislation. Minnesota, I am proud to say, is a State that has enacted this legislation.

So ultimately this is about whether or not the U.S. Senate supports the appropriators. The appropriators came up with something that was balanced and reasonable. The appropriators understand, and I think what they have proposed represents this understanding, that we have a contract with people in the country. People believe they are going to have some protection. You know, it is hard going against these insurance companies. Can't we make sure there are a few more women and men—I don't just use the word ''bureaucrats'' with a sneer—who are out there to enforce this law? Can't we make sure there is protection for people? Can't we side with the citizens in this country?

I know the insurance companies would love for HCFA not to be able to have the womanpower and manpower to enforce this legislation. But I think we should be on the side of the vast majority of people in this country and not on the side of large insurance companies. I think that is what this vote is about, and I urge my colleagues to vote against the Nickles amendment.

The PRESIDING OFFICER. The Senator from Texas.

Mr. GRAMM. Mr. President, I will try to be brief. I hope we are getting ready to vote on this. I want to go back, since so much has been said, and review exactly where we are. Here is where we are:

The President wanted $16 million to, in part, hire 65 new bureaucrats at HCFA. Here are the choices the President had: He could have cut another program in HCFA and used it to pay to hire the 65 new bureaucrats. We have $550 billion of discretionary programs in the Federal budget and he could have cut $16 million out of any one or combination of those. Or he could have cut each one of them by 0.003 percent. But the President could not find in a discretionary budget of $550 billion a single program that could be cut. He could not find anything that was less important than hiring these new 65 bureaucrats. So what he did is he cut Medicare and slipped the provision into the supplemental and it is now before us.

Where did he cut Medicare? We have a program where we hire doctors who go in, on a selective sample basis, and look at procedures that are being provided to Medicare patients. Someone goes in and does a procedure on my mother, where they insert a balloon and open her artery and save her life and save a lot of money. And then we have Medicare that goes in to look and see, did they do it well? Did they do it in the most efficient way? Are they practicing good medicine which the Government is paying for?

What the President said is, let's cut the amount of money that we are spending for this oversight of medical practice where 39 million people who qualify for Medicare under the President's provision will have less oversight of their medical treatment they receive. That is what the President proposed to do, cut Medicare by reducing the oversight of the medical practice that we are paying for and take that money from Medicare and hire 65 bureaucrats in HCFA to perform functions that have absolutely nothing to do with Medicare.

There are two debates going on. To some extent the Senator from Oklahoma and the Senator from Minnesota are arguing about whether we need to hire these 65 bureaucrats at all. We already have 4,000 of them in the same agency but not a one of them is doing something less important than this. I am not getting involved in that debate. Maybe the Senator from Minnesota and the Senator from Massachusetts are right. Maybe we just have to have 65 new bureaucrats at HCFA.

But my point is, if you really need them that badly, take money away from another HCFA program. Don't cut Medicare, don't take oversight of medical practice on our senior citizens, don't take that money to spend it on a program that has nothing to do with Medicare.

Our colleague from Massachusetts is still chafing that at one time we actually debated cutting taxes around here. I long to get those days back, myself, and I am not the least bit shy about them. I don't remember anybody ever proposing cutting Medicare to pay for them, but I guess if you are against tax cuts they have to be evil; and wherever, whatever is being done to get them, that in itself must be evil.

But here is my point. We are getting ready to go into a series of issues this year where our Democrat colleagues are going to be taking money away from Medicare. So, if they don't like being criticized for it, they better get used to it. We are going to have a tobacco settlement on the floor of the U.S. Senate, and we are going to have it on the floor of the Senate this spring or summer. There is going to be a debate about what to use that money for.

We are providing money for education. We are going to raise the price of cigarettes, which everybody says is the most effective way to get teenagers not to smoke. But the question is going to come down to where should the money be used? We are going to hear this same debate again. I say the Senate Budget Committee says that 14 percent of the cost of Medicare comes from people smoking; $30 billion a year in costs are imposed on Medicare by people smoking, and the whole logic of the tobacco settlement, the reason that the tobacco companies have agreed to pay the States and to pay the Federal Government, is to compensate the taxpayer for costs imposed on the taxpayer by people smoking.

In the Federal Government, those costs have been imposed on Medicare. So the Budget Committee has said, and I hope the Senate says, take the money from the tobacco settlement and use it to pay for Medicare to save Medicare and, in fact, if people were not smoking we would have $30 billion a year less in costs, and compensating Medicare for that is what the whole settlement is about.

Many of our colleagues on the other side see the settlement as this giant piggy bank which can be used to fund seven or eight different Government programs. So we are going to have this debate again, only then they are going to take the money away from Medicare to fund building schools and hiring teachers—the list goes on and on. I am not saying any of those are bad things, just as I am not saying that hiring 65 new bureaucrats is a bad thing. I suspect it is, but I am not saying that. All I am saying is, don't take the money away from Medicare to do it. This provision should have never been put in this bill. It desperately needs to be taken out, and I believe when we do vote we will take it out. And I appreciate the Senator from Oklahoma offering the amendment, and I enjoyed getting an opportunity to come over and talk about it.

The PRESIDING OFFICER. The Senator from Alaska.

AMENDMENT NO. 2163

Mr. STEVENS. Mr. President, if the Senator will just defer for a moment, I have an amendment that has been cleared on both sides. It has just been cleared as part of the managers' package. I ask unanimous consent it be in order to send it to the desk and have its immediate consideration at this time.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will report.

The legislative clerk read as follows:

The Senator from Alaska [Mr. STEVENS], for Mr. D'AMATO, proposes an amendment numbered 2163.

The amendment follows:

On page 38, after line 18, add the following new section:

''SEC. . The Secretary of Transportation and the Secretary of the Interior shall report to the House and Senate Committees on Appropriations and the Senate Committee on Commerce, Science, and Transportation and the House Committee on Transportation and Infrastructure not later than April 20, 1998, on the proposed use by the New York City Police Department for air and sea rescue and public safety purposes of the facility that is to be vacated by the U.S. Coast Guard at Floyd Bennett Field located in the City of New York.''

Mr. D'AMATO. Mr. President, I would like to thank the Chairman of the Appropriations Committee, Senator STEVENS, for offering this amendment on my behalf.

My amendment is simple. It asks the Secretary of Transportation and the Secretary of Interior to report to the

House and Senate on the proposed use by the New York City Police Department of the U.S. Coast Guard's facility at Floyd Bennett Field.

Between early May and early June, the Coast Guard will be moving its air-sea rescue helicopter operation from Floyd Bennett Field in Brooklyn to Atlantic City. An auxiliary helicopter contingent will be established at Gabreski Airport in Westhampton, New York for the peak summer months to guarantee a maximum Coast Guard coverage for the shores of Long Island and New York City.

The New York City Police Department wants to move their own search and rescue helicopters into the facility that the Coast Guard is leaving. The Police Department currently uses another hangar for its search and rescue operations at Floyd Bennett Field, but that hangar is old and run-down. For the Police Department to stay in that facility would require some $5.7 million worth of upgrades at their own cost.

When the Coast Guard leaves, there is a genuine concern that their hangar will go unused for search and rescue operations. It is a larger, more modern facility, well-suited for the purposes of air-sea rescue and emergency response activities. The Police Department merely wants to adequately fill the gap in coverage when the Coast Guard moves on.

When the Coast Guard leaves, it is likely that the brunt of emergency response calls will fall upon the Police Department. I believe it is a natural fit for the New York City Police Department to take over the Coast Guard's facility so that they may be able to continue and even expand their crucial life-saving and protection role.

Before the City can even utilize this facility, though, plans to allow this to happen will need to be worked out between the parent agency of the Coast Guard—the Department of Transportation—and the Department of Interior, which will likely take over the land once the Coast Guard leaves. However, action must occur quickly; the Coast Guard will be leaving in less than two months.

Protecting people's lives must be paramount. My amendment is a public safety issue that will help address that purpose. I thank my colleagues on both sides for recognizing the timeliness and importance of this matter and for accepting this amendment.

Mr. STEVENS. Mr. President, this amendment of the Senator from New York requires a report on an area that is being vacated by the Coast Guard in New York. The report is coming to relevant committees of Congress. I urge its immediate adoption.

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

The amendment (No. 2163) was agreed to.

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

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

The motion to lay on the table was agreed to.

Mr. STEVENS. I thank the Senator.

AMENDMENT NO. 2120

The PRESIDING OFFICER. The question recurs on the Nickles amendment, No. 2120.

Mr. KENNEDY. Mr. President, we will have a good opportunity to debate. I am glad to hear my friend from Texas indicate his support for effective tobacco legislation. We will have, hopefully, a good opportunity to debate that.

I was listening to the Senator speak so eloquently. I was remembering that in checking my facts, the Republican Contract With America provided a $270 billion cut in Medicare, with a $250 billion tax break for the wealthiest individuals. So we have debated this at other times, if we want to discuss who truly cares about Medicare. That is not what we are about here today. We have explained what the issue is before us.

Mr. President, I want to mention the various groups and organizations that strongly oppose the Nickles amendment. The National Breast Cancer Coalition urges support of funding to implement the Kassebaum-Kennedy law and is opposed to the Nickles proposal; the National Alliance for the Mentally Ill also opposes the Nickles proposal; they are joined by Consortium for Citizens With Disabilities, a group that includes The ARC, the National Association for Protection and Advocacy, Easter Seals, the Paralyzed Veterans of America—and a long list of additional organizations. I will have that printed in the RECORD.

The Disability Rights Education and Defense Fund opposes the Nickles amendment; Families USA Foundation, the voice for health care for consumers; the Consumers Union; the National Mental Health Association; the American Psychological Association; the American Psychiatric Association; and the American Managed Behavioral Healthcare Association. They are very powerful statements about the importance of assuring that the Kassebaum-Kennedy protections are going to be implemented, and they understand that the reallocation of these funds to do so is the way to go.

I ask unanimous consent that all these letters be printed in the RECORD.

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

NATIONAL BREAST CANCER COALITION,
Washington, DC, March 25, 1998.

Hon. EDWARD M. KENNEDY,
U.S. Senate, Washington, DC 20510.

DEAR SENATOR KENNEDY: On behalf of the National Breast Cancer Coalition, I am writing to urge you defeat the Nickles' amendment. The implementation of the Kennedy/Kassenbaum law is critical to members of the breast cancer community who are among the most vulnerable to abuses in the current health insurance system. The Kennedy/Kassenbaum law is meaningless without adequate resources for implementation and enforcement.

The National Breast Cancer Coalition, a grassroots advocacy organization made up of over 400 organizations and hundreds of thousands of individuals, has been working since 1991 toward the eradication of this disease through advocacy and action. In addition to increasing the federal funds available for research into breast cancer, NBCC is dedicated to making certain that all women have access to the quality care and treatment they need, regardless of their economic circumstances. Adequate implementation of the Health Insurance Portability and Accountability Act is critical toward this end.

Sincerely,

FRAN VISCO,
President.

NATIONAL ALLIANCE
FOR THE MENTALLY ILL,
Arlington, VA, March 25, 1998.

Sen. EDWARD M. KENNEDY,
Russell Senate Office Building,
Washington, DC.

DEAR SENATOR KENNEDY: As you know, the National Alliance for the Mentally Ill (NAMI) has been a leading voice in advocating for parity coverage in health insurance policies for people who suffer from schizophrenia, manic-depressive illness or other severe mental illnesses. Enactment of the Domenici-Wellstone Mental Health Parity Act of 1996 was a significant but incomplete step towards ending pervasive discrimination against people with these severe brain disorders in health insurance and other aspects of their lives.

Because of the importance we attach to parity and other protections for vulnerable consumers in health care, we have been concerned that the Health Care Financing Administration (HCFA) may not have sufficient resources to carry out adequately its important role in enforcing mental health parity and other consumer protections embedded in the Health Insurance Portability and Accountability Act (HIPAA). Consequently, on behalf of NAMI's 172,000 members nationwide, I am writing to express my strong appreciation of your leadership in advocating for adequate funding to support HCFA's enforcement responsibilities under HIPAA. We stand ready to work with you and HCFA to ensure that the mental health parity provisions and other consumer protections contained in HIPAA are aggressively and effectively enforced.

Please do not hesitate to call upon us if we can provide further assistance to you on this important effort.

Sincerely,

LAURIE M. FLYNN,
Executive Director.

CONSORTIUM FOR
CITIZENS WITH DISABILITIES
March 25, 1998.

Hon. EDWARD M. KENNEDY,
U.S. Senate, Washington, DC.

DEAR SENATOR KENNEDY: The Consortium for Citizens with Disabilities, which represents almost 100 national disability organizations, strongly opposes the Nickles' Amendment which would deprive the Health Care Financing Administration (HCFA) of sufficient funds to enforce the Health Insurance Portability and Accountability Act (P.L. 104–191). The HIPAA legislation—also known as the Kassebaum-Kennedy Act—is a stellar example of bipartisan legislation that would benefit individuals of all ages, including people with disabilities.

The provisions in HIPAA related to pre-existing condition exclusions and portability of health insurance are working to open the doors to many individuals with disabilities and their families who could not previously access appropriate health insurance or who were imprisoned by ''job lock''.

We urge all Senators to oppose the Nickles' Amendment.

Sincerely,

The Arc, National Association of Protection and Advocacy System, National Easter Seal Society, American Association on Mental Retardation, Association for Persons in Supported Employment, LDA, the Learning Disabilities Association of America, RESNA, the Rehabilitation Engineering and Assistive Technology Society of North America, National Alliance for the Mentally Ill, Bazelon Center for Mental Health Law.

NISH, Paralyzed Veterans of America, Inter-National Association of Business, Industry & Rehabilitation, Council for Exceptional Children, National Association of Developmental Disabilities Councils, United Cerebral Palsy Association, American Congress of Community Supports and Employment Services, American Network of Community Options and Resources, National Association of People with AIDS, Center for Disability and Health.

DISABILITY RIGHTS EDUCATION AND DEFENSE FUND, INC.,
Washington, DC, March 25, 1998.

Sen. EDWARD M. KENNEDY,
Russell Senate Building,
Washington, DC.

DEAR SENATOR KENNEDY: The Disability Rights Education and Defense Fund (DREDF) strongly opposes the Nickles Amendment to S. 1716, the Emergency Supplemental Appropriations Bill.

Passage of the Nickles Amendment would stop the civil rights protections guaranteed by the Health Insurance Portability and Accountability Act (PL 105–191) and the only accountability left would be the fox guarding the chickens.

Without these provisions in HIPAA, the doors to health insurance for millions of people with disabilities will be forever locked.

Please, as you have done so many times before, oppose the Nickles Amendment and open the doors to employment, vote not on the Nickles Amendment.

Sincerely,

PATRISHA WRIGHT,
Director of Governmental Affairs.

FAMILIES USA FOUNDATION,
Washington, DC, March 25, 1998.

Senator KENNEDY,
Russell Senate Building,
Washington, DC 20510–2101.

DEAR SENATOR KENNEDY: Families USA supports the Administration's request for supplemental enforcement money for the ''Health Insurance Portability and Accountability Act of 1996.''

HIPAA provides needed protection to Americans who otherwise could not purchase health insurance when they change or lose jobs. Approximately one in four Americans are caught in ''job lock,'' afraid to change jobs or start their own businesses because of preexisting conditions that could prevent them from obtaining new health insurance coverage. Americans like these who lose their jobs involuntarily often find themselves in an even more serious predicament: They join the growing number of individuals without health insurance coverage.

Implementing HIPAA requires the Health Care Financing Administration to assume new responsibilities. If HCFA lacks the resources to carry out its duties, HIPAA is meaningless. Without the funds to enforce HIPAA, millions of Americans will be deprived of these important protections. Therefore, we urge the defeat of the Nickles Amendment to strike the President's request for HIPAA enforcement funds.

Sincerely yours,

RON POLLACK,
Executive Director.

CONSUMERS UNION,
Washington, DC, March 25, 1998.

Hon. EDWARD KENNEDY,
Committee on Labor & Human Resources,
U.S. Senate, Washington, DC.

DEAR SENATOR KENNEDY: We are writing in opposition to the Nickles' amendment which would strip $16 million allocated to enforcement efforts by the Department of Health and Human Services of the Health Insurance Portability and Accountability Act (HIPAA).

As you know, HIPAA was enacted in 1996 to help make health insurance more accessible to people who lose their employment-based coverage. Implementation is still at its early stages. The legislation spells out important functions for the Department of Health and Human Services. In addition, several states (including California) have opted for federal enforcement instead of state enforcement. This necessitates federal funding level to ensure that consumers in these states are protected by the legislation.

Only through adequate funding, will people with pre-existing health conditions be assured they can change jobs without facing new pre-existing condition exclusions from coverage. Only through adequate funding, will people who leave group coverage for the individual market be assured that health insurance will be accessible to them.

Consumers Union urges the Senate to oppose the Nickles' amendment.

Sincerely,

GAIL SHEARER,
Director, Health Policy Analysis.
ADRIENNE MITCHEM,
Legislative Counsel.

March 26, 1998.

Sen. EDWARD KENNEDY,
Labor & Human Resources Committee,
U.S. Senate, Washington, DC.

DEAR SENATOR KENNEDY: The undersigned organizations are writing to express our support for your effort to defeat the floor amendment offered by Senator Don Nickles that would delete $16 million additional funding for enforcement of the Health Insurance Portability and Accountability Act (HIPAA).

Enforcement of consumer rights and employer responsibilities under HIPAA is vital. Much of the effort expended by the mental health community in 1996 to win passage of insurance reform will be thwarted without effective enforcement. As the Mental Health Parity Act of 1996 was enacted as an amendment to HIPAA, the same personnel at the Health Care Financing Administration are expected to enforce that statute as well.

As the source for the $16 million is from elsewhere in the budget, passage of the Nickles amendment would not save taxpayers any money, and would mean the Senate missed an opportunity to better ensure relief from discriminatory insurance treatment to many thousands of American families. Thank you for your leadership in opposing this amendment.

AMERICAN PSYCHIATRIC ASSOCIATION.
AMERICAN PSYCHOLOGICAL ASSOCIATION.
AMERICAN MANAGED BEHAVIORAL HEALTHCARE ASSOCIATION.
NATIONAL MENTAL HEALTH ASSOCIATION.

AMENDMENT NO. 2164 TO AMENDMENT NO. 2120

(Purpose: To provide amounts for HIPAA enforcement.)

Mr. KENNEDY. Mr. President, on behalf of myself, Senator BOND and Senator WELLSTONE, I send an amendment to the desk and ask for its immediate consideration.

Mr. NICKLES. Reserving the right to object, parliamentary inquiry. I think it requires unanimous consent to set the pending amendment aside, is that correct?

The PRESIDING OFFICER. The pending question is the Nickles amendment.

Mr. KENNEDY. It is an amendment to the bill.

Mr. STEVENS. I did not hear the Senator.

Mr. KENNEDY. This is an amendment to the language proposed to be stricken.

The PRESIDING OFFICER. The clerk will report the amendment.

The legislative clerk read as follows:

The Senator from Massachusetts [Mr. KENNEDY], for himself, Mr. BOND and Mr. WELLSTONE, proposes an amendment numbered 2164 to amendment No. 2120.

The amendment follows:

On page 39, in lieu of the matter proposed to be striken, insert the following:

HEALTH CARE FINANCING ADMINISTRATION

PROGRAM MANAGEMENT

For an additional amount for Health Care Financing Administration, ''Program Management'', $8,000,000.

On page 50, in lieu of the matter proposed to be striken, insert the following:

GENERAL PROVISION, CHAPTER 11

SEC. 1101. Not to exceed $75,400,000 may be obligated in fiscal year 1998 for contracts with Utilization and Quality Control Peer Review Organizations pursuant to part B of title XI of the Social Security Act.

Mr. STEVENS. Mr. President, I wonder if the Senators are now ready to enter into a time agreement so we might vote, if we have to, on both. I have just been informed by the majority leader that he will come to the floor and move to go to cloture on the education bill at 5:10.

Mr. KENNEDY. I will be glad to vote. I would like to make 4 or 5 minutes of comments, and then I will be prepared to move ahead with the vote. I would like to get the yeas and nays on the amendment.

Mr. STEVENS. Before the Senator does that, can I get an understanding that the Senator also includes voting on the Nickles amendment following the Kennedy amendment?

Mr. KENNEDY. As amended, hopefully.

Mr. STEVENS. Hopefully.

Mr. KENNEDY. Yes.

Mr. STEVENS. We can have a vote on the Nickles amendment following a vote on the Kennedy amendment to the Nickles amendment.

Mr. KENNEDY. Yes.

Mr. STEVENS. Can we divide the time and tell the membership that there will be a vote at 4:30?

Mr. KENNEDY. That is fine. The Senator understands, if we are successful, then there is not a Nickles amendment, obviously.

Mr. STEVENS. I understand that. The Nickles amendment, as amended, which we would adopt by voice vote. If the amendment is not adopted, we will then vote on the Nickles amendment immediately, is that correct? Can we divide the time somehow so we have some fairness in the time—equally divided and vote at 4:30? I ask unanimous consent that be the case. Is that acceptable?

Mr. KENNEDY. That is acceptable. Can we get the yeas and nays?

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

Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. KENNEDY addressed the Chair.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KENNEDY. There are 6 minutes to a side, is that correct?

The PRESIDING OFFICER. The Senator is correct, 12 minutes divided equally—6 minutes per side.

Mr. STEVENS. Will the Senator give me some time? Senator SMITH has told me that he is not going to call up his amendment. So these two are the last amendments I know of offered to this bill, and we will then proceed to a unanimous consent request following the final vote here.

The PRESIDING OFFICER. The Senator from Massachusetts has 6 minutes.

Mr. KENNEDY. Mr. President, I appreciate my colleague's concern about the excessive spending. I am offering a compromise to his amendment. The Senator from Oklahoma proposes an amendment to eliminate the HCFA request by striking the entire $16 million. We have cut that amount in half to $8 million as a way of trying to find common ground on this issue. It cuts the amount given to HCFA in half. This is less than I want, but it will still make a substantial contribution to enforcing the insurance reform.

The issue is clear: Will the Senate stand with families, with children, with persons suffering severe mental illness, with persons with disabilities, and with expectant mothers to make sure that the protections that were included in the Kassebaum-Kennedy legislation will actually be implemented?

Did we really mean it when we passed those important reforms about 2 years ago? I believe that we did mean it. I think those reforms are enormously important protections for millions of our fellow citizens. The States have done a good job. But there are still some areas where those protections are not there.

With these resources, we can guarantee that the law fulfills its promise of protecting our fellow citizens. It will allow us to nip in the bud some of the egregious situations that have been outlined in the GAO report.

This bipartisan amendment provides $8 million, half of the Administration's request—$3 million for implementation and enforcement of Kassebaum-Kennedy and $5 million for the other purposes outlined in the Administration's original $16 million proposal that was advanced by Senator BOND and others in the Appropriations Committee. I hope that our colleagues will feel that this is a good-faith effort to try to find common ground.

I reserve the remainder of my time.

The PRESIDING OFFICER. Who seeks recognition?

Mr. NICKLES addressed the Chair.

The PRESIDING OFFICER. The Senator from Oklahoma.

Mr. NICKLES. Mr. President, I would ask my colleague from Massachusetts, if I can have the attention of the sponsor of the amendment for a second. Will Senator KENNEDY answer my question: Did you cut both halves? The amendment had two pieces to it, $10 million and $6 million. You cut both in half?

Mr. KENNEDY. The Senator is correct.

Mr. NICKLES. I thank my colleague.

I urge my colleagues to vote no on this amendment because we are still raiding Medicare, we are still taking money out of Medicare. I will take a little issue.

My colleagues said, ''Oh, those Republicans, just a couple years ago, they were trying to cut $276 billion out of Medicare to pay for the tax cuts.'' In the budget deal that passed that the President signed, we had exactly—exactly—the same savings in Medicare over the same number of years that the President signed that he vetoed 2 years before.

One year, last year, he said, ''Oh, yes, we saved Medicare for 10 years''—we didn't, in my opinion—but it is the exact same savings in dollars that he vetoed 2 years before. I just make that comment.

What we are doing now is raiding Medicare, raiding the HI fund, taking money from the peer review organizations that are supposed to make the fund work better, make sure it is not abused, get some of the fraud out of the system. We are taking that out so we can hire more bureaucrats.

Now we are only going to hire half as many. Instead of hiring 65, I guess we are going to hire maybe 32 or 33 for an agency that already has over 4,000.

Senator GRAMM mentioned, hey, if they want to, they can borrow some of those 4,000. This administration has been pretty good about borrowing attorneys. They have attorneys from every agency coming in to help with the President's legal defense fund. They do that a lot.

The previous administration had six people in legal counsel. Now they have 24, and one report is 48. So, surely, they could borrow a few people from HCFA with 4,000 employees to help meet this so-called ''urgent need.''

So, whether we are talking about $16 million or whether we are talking about $8 million, I think it is a mistake to expand this bureaucracy, and that is exactly what we would be doing, intruding and basically telling the State of Massachusetts—the State of Massachusetts has not complied yet. I don't know why they have not. There may be a good reason.

The State of California has not because the Governor vetoed the bill. I don't know how many armies of bureaucrats we need from the Federal Government to go in and tell the Governor of California he should sign this bill or veto the bill, or the Governor in Missouri or the Governor in Massachusetts. I just don't think that is really what we need.

I will tell my colleagues, if it is ready to regulate these plans, you don't need 65; you need hundreds—you need hundreds—and that wasn't what we passed in Kassebaum-Kennedy. We said we were going to keep State jurisdiction and State control and regulation of health care.

I urge my colleagues to vote against this second-degree amendment that will add, basically, to my amendment $8 million for a new bureaucracy of HCFA. I don't think we need it, I don't think we can afford it, and I don't think we should be raiding Medicare to pay for it.

I reserve the remainder of my time.

Mr. KENNEDY addressed the Chair.

The PRESIDING OFFICER. The Senator from Massachusetts.

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

The PRESIDING OFFICER. Three minutes 40 seconds.

Mr. KENNEDY. Mr. President, first of all, this is not an add-on. This is an administrative judgment made by HCFA that there was a greater need and priority to use additional resources to implement the Kassebaum bill. We are not adding on the funds. The Senator is right in recognizing that we are trying to accommodate the concerns raised about the number of people and trying to move this process forward, so we have cut out half of the request.

Mr. President, I want to reserve the last 45 seconds.

I want to read a few words of a letter from the National Breast Cancer Coalition:

> The Kassebaum-Kennedy bill is meaningless without adequate resources for implementation and enforcement. The National Breast Cancer Coalition is a grassroots advocacy organization made up of over 400 organizations and hundreds of thousands of individuals. Adequate implementation of the Health Insurance Portability and Accountability Act is critical to this end.

Critical to this end. Those are the words of the National Cancer Breast Coalition, which represents some 400 different grassroots organizations. We have the same kind of statements made by all of the various groups affecting the disability community, all supporting the position which we have taken and which we have advocated.

Mr. President, I believe that it is important to make sure that those protections for individuals who have preexisting conditions or disabilities should be protected.

This amendment, which pares down the original request, goes halfway on this issue, but is still able to provide some of the necessary protections we have debated today. I hope that the Kennedy-Bond-Wellstone amendment will be accepted.

Mr. GRAMM. Mr. President, how much time do we have left?

The PRESIDING OFFICER. The Senator from Oklahoma controls 3 minutes 48 seconds.

Mr. GRAMM. Mr. President, let me first say that what we have before us is an effort to take $8 million out of Medicare, money that is now being spent to monitor the quality of health care provided to 39 million Medicare beneficiaries.

This amendment will cut Medicare in order to hire, it was initially 65 bureaucrats, now I guess it is 32½ at $92,000 a year to implement programs that have absolutely nothing to do with Medicare.

My argument is not with the program that the Senator is for. I don't have any doubt that all those groups who wrote those letters are for this program, but I don't believe they want to cut Medicare to pay for it.

The problem the Senator has is that HCFA and the Department of Health and Human Services, which has one of the biggest budgets in the Federal Government, cannot come up with $8 million to hire these 32½ bureaucrats, despite the fact that it is so important. So they have said, ''We won't take any one of our 4,000 people doing other things to do this work; it is not that important; we won't cut any program anywhere else to do it; it is not that important; but we will take it out of Medicare and reduce the oversight of physician practice on 39 million senior citizens in America to pay for it.''

I don't think we should take the money away from Medicare to hire 32½ bureaucrats. I think it is wrong, and I think if they don't want it enough to take the money away from other programs in HCFA, it suggests to me they don't want it very much.

So I hope our colleagues will not start raiding Medicare to pay for the ongoing programs of HCFA and to hire bureaucrats at the expense of Medicare. I think it is fundamentally wrong.

I think if you put the question before the American people, that 90 percent of the American people would agree with Senator NICKLES' argument. I am not saying that hiring the bureaucrats is bad or what they would do is bad. I am just simply saying take the money away from something other than Medicare, and in order for us to guarantee that is the case, we have to defeat this amendment, and I am hopeful that we will.

I yield the remainder of my time.

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

The PRESIDING OFFICER. The Senator from Massachusetts controls 1 minute.

Mr. KENNEDY. I yield myself that time.

This does not take one dime out of Medicare—not one dime. The disabled have a greater dependency on Medicare than any other group in our society. They are more dependent upon it than anyone else, and they support our position. That ought to speak to where the priorities are. They understand the importance—the importance—of implementing the Kassebaum-Kennedy bill and providing the protections for families in this country. That is what our amendment will do.

Mr. NICKLES addressed the Chair.

The PRESIDING OFFICER. The Senator from Oklahoma.

Mr. NICKLES. Mr. President, in a moment I am going to move to table the amendment. But let me make a couple comments.

My colleague from Massachusetts is entitled to his own opinion but not entitled to his own facts. And the facts are that to pay for this, it takes money out of the HI Trust Fund that is used to pay for peer review organizations. So it is cutting money out of Medicare to pay for this.

I read the letters by some of the support groups—some of which I consider supporters of mine—that have said, ''Let's oppose this amendment. We want more money for HCFA bureaucrats or HCFA enforcement.'' But they did not know the money was coming out of Medicare. I read almost every one of them. Not one said, ''Let's transfer the money from the HI Trust Fund to pay for more employees at the Health Care Financing Administration.'' And so it is coming from Medicare. It is coming from oversight on peer review organizations. We should not do that.

So, Mr. President, I move to table the Kennedy amendment and ask for the yeas and nays.

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

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion to lay on the table Kennedy amendment No. 2164, which is a substitute amendment to language proposed to be stricken by the Nickles amendment No. 2120. The yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

The result was announced—yeas 51, nays 49, as follows:

[Rollcall Vote No. 45 Leg.]

YEAS—51

Abraham	Enzi	Kempthorne
Allard	Faircloth	Kyl
Ashcroft	Frist	Lott
Bennett	Gorton	Lugar
Brownback	Gramm	Mack
Burns	Grams	McCain
Campbell	Grassley	McConnell
Coats	Gregg	Murkowski
Cochran	Hagel	Nickles
Collins	Hatch	Roberts
Coverdell	Helms	Roth
Craig	Hutchinson	Santorum
DeWine	Hutchison	Sessions
Domenici	Inhofe	Shelby
Smith (NH)	Specter	Thompson
Smith (OR)	Stevens	Thurmond
Snowe	Thomas	Warner

NAYS—49

Akaka	Durbin	Leahy
Baucus	Feingold	Levin
Biden	Feinstein	Lieberman
Bingaman	Ford	Mikulski
Bond	Glenn	Moseley-Braun
Boxer	Graham	Moynihan
Breaux	Harkin	Murray
Bryan	Hollings	Reed
Bumpers	Inouye	Reid
Byrd	Jeffords	Robb
Chafee	Johnson	Rockefeller
Cleland	Kennedy	Sarbanes
Conrad	Kerrey	Torricelli
D'Amato	Kerry	Wellstone
Daschle	Kohl	Wyden
Dodd	Landrieu	
Dorgan	Lautenberg	

The motion to lay on the table the amendment (No. 2164) was agreed to.

Mr. NICKLES. I move to reconsider the vote.

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

The motion to lay on the table was agreed to.

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

Mr. NICKLES. Mr. President, I ask unanimous consent to vitiate the yeas and nays.

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

The question is on agreeing to the Nickles amendment No. 2120.

The amendment (No. 2120) was agreed to.

Mr. GRAMM. I move to reconsider the vote.

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

The motion to lay on the table was agreed to.

CDBG EMERGENCY FUNDS FOR DISASTER AREAS

Mr. BOND. Mr. President, yesterday, the Senate approved an amendment to S. 1768 that would provide $260 million for emergency Community Development Block Grant funding for disaster relief, long-term recovery, and mitigation in communities affected by Presidentially-declared disasters in FY 1998.

This funding is designed to complement the funding currently provided through the traditional emergency disaster programs under the Federal Emergency Management Agency, the Small Business Administration and the Army Corps of Engineers. Contrary to the apparent belief or desire of some Members and constituents, CDBG funding is not intended or designed to be the primary source of federal funding for natural disasters.

In particular, the emergency CDBG program has become a catch-all program and a slush fund for natural disasters that is seen by some as an entitlement. This is wrong. We need to change how we view and respond to disasters—we need to develop policies that are based on state/federal partnerships and are designed to prevent and prepare for disasters.

I say this because it is good policy, but also because we cannot keep dipping into the different funds which support the many important programs

under the VA/HUD Appropriations Subcommittee. For example, over the last 3 and one-half years, the Congress has offset the cost of emergencies out of HUD section 8 housing assistance at a cost of some $10 billion. Last year alone, the Congress used $3.6 billion in excess section 8 reserves to pay for disaster relief. Well, the bill has come due. For this year, all available section 8 reserve funds are already committed as part of the FY 1999 Budget to renew expiring section 8 housing contracts. Without these funds, many elderly and disabled persons and families will be without housing.

In addition, natural disasters are not going to go away and the cost of disasters likely will continue to escalate. In the last 5 years, we have appropriated a staggering $18 billion to FEMA for disaster relief, compared to $6.7 billion in the prior 5-year period.

As I have already noted, I have many concerns about using CDBG funds for emergency disaster purposes, especially since the Department of Housing and Urban Development has failed to provide adequate data and accountability concerning the use of these emergency CDBG funds in the past.

Nevertheless, while I continue to have reservations, the emergency CDBG legislation in the emergency supplement is intended to ensure that emergency CDBG funds are used appropriately and where needed. In particular, this legislation is designed to ensure that the funds go to disaster relief activities that are identified by the Director of FEMA as unmet needs that have not or will not be addressed by other federal disaster assistance programs.

In addition, to ensure accountability, states must provide a 25 percent match for these emergency CDBG funds and HUD must publish a notice of program requirements and provide an accounting of the CDBG funds by the type of activity, the amount of funding, an identification of the ultimate recipient, and the use of any waivers. I also want to make it clear that I intend to monitor fully the use of these emergency CDBG funds.

I expect these emergency CDBG funds to be used fairly, equitably and to the benefit of the American taxpayer, especially, as required by the CDBG program, to the benefit of low-and moderate-income Americans.

I also want to make clear that these emergency CDBG funds are not intended as a substitute for the state/local cost-share for dams and levees. The purposes of a state/local cost-share are to ensure accountability, local investment and to underline the importance of the federal/state partnership. Using CDBG funds as a state/local cost share in levee and dam projects defeats these purposes and undermines state and local responsibility. As a result, the VA/HUD FY 1998 appropriations bill limited the amount of CDBG funds to $100,000 for the state/local cost-share of the Corps of Engineers projects, including levees. That standard still applies.

Mr. JEFFORDS. Mr. President, 2 months ago I informed the Senate about an ice storm that hit sections of the northeast in early January with such force and destruction it was named the ice storm of the century. I am pleased to support S.1768, the Emergency Supplemental Appropriations of 1998, to help bring much needed relief to citizens in not only the Northeast, but other areas of the country who have suffered from natural disaster.

Mr. President, for two days straight, freezing rain, snow and sleet battered the Champlain Valley of Vermont, upstate New York, parts of New Hampshire and Maine and the Province of Quebec. Tens of thousands of trees buckled and shattered under the stress and weight of several inches of ice that coated their branches. Power lines were ripped down by falling branches and the weight of the ice—leaving hundreds of thousands of people without electricity for days and even weeks. Roads were covered with ice and rivers swelled and overflowed from heavy rain. The crippling ice storm brought activity in the area to a grinding halt.

Just a few days after the storm, Senator LEAHY and I visited the hardest hit areas of Vermont. The storm's damage was the worst I have ever seen. In the Burlington area twenty to twenty-five percent of the trees were toppled or must be chopped down. Another twenty-five percent were damaged. The storm also destroyed sugarbushes and dropped trees across hiking trails and snowmobile trails.

Mr. President, local and State emergency officials acted quickly to help their fellow Vermonters and assess the damage. Vermonters rallied, with the help of the National Guard, to help themselves and their neighbors. As the temperatures dropped below zero, days after the storm, with thousands still without power, volunteer firefighters, police officers, national guard troops and every able bodied citizen came together working day and night to help feed, heat, and care for the people in their community. The organized and volunteer responses to this disaster were incredible. Stories of Vermonters helping Vermonters were commonly told throughout the disaster counties and state.

Hardest hit were dairy farmers. Already struggling to make ends meet due to low milk prices, the ice storm left farms without power to milk their cows. During the first few days of the storm the majority of the milk had to be dumped. Milk became non-marketable because it could not be sufficiently cooled or it could not be transported to the processing plants. Farms without generators missed milkings all together or significantly altered the milking schedules. As a result, cows became infected with mastitis and reduced production. In addition, cows became infected with respiratory illnesses due to poor air circulation in the barns. Even farms with generators were affected. Since the power was out for such a long duration the generators could not provide adequate wattage to precisely run the milking systems, resulting in mastitis and loss production.

The major impact on dairy farms as a result of the ice storm was non-marketable milk and production loss. The loss of even one milk check for many of the farms will have an adverse impact on their business. Current milk prices are not sufficient to offset such losses.

Mr. President, I am pleased that my colleagues on the Appropriations Committee have worked with me and others in the disaster areas to recognize and respond to the needs of the affected regions. The 1998 Emergency Supplemental Appropriations will bring much needed relief to Vermont's most severely affected areas. Dairy farmers will be compensated for production loss and loss of livestock. Maple producers will be helped by replacing taps and tubing. Land owners will be aided in clearing debris and replanting trees destroyed by the storm.

Mr. President, the citizens and trees of Vermont, as well as upstate New York, Maine and New Hampshire have suffered from this storm. Local and State assistance will help communities and individuals get back on their feet, but Federal relief will ensure that the disaster areas are not overwhelmed by the recovery.

Ms. SNOWE. Mr. President, I rise today to express my support for the disaster supplemental bill. I want to thank Chairman STEVENS, Ranking Member BYRD and the Committee for their efforts to provide funding to fill the gaps in federal disaster assistance that are essential to ensuring that Maine and the other Northeast states fully recover from the January, 1998 Ice Storm.

Maine is no stranger to the cruelness of winter. But the Ice Storm that swept across the State in early January was like nothing anyone had ever seen before. It left the state covered with three inches of ice, closing schools, businesses and roads and leaving more then 80 percent of the state in darkness.

For the last two months I have worked with my colleague Senator COLLINS, my friends from Vermont, Senators JEFFORDS and LEAHY and the two gentlemen from New York, Senators D'AMATO and MOYNIHAN, in an effort to ensure that the unmet needs of our states are addressed.

Working in conjunction with our states, we identified areas where FEMA was unable to provide the assistance needed, and we have worked with the Administration and the Committee to fill those gaps. I am pleased that the bill before us today provides funding to ensure that Maine, Vermont, New Hampshire and New York will have money available to help ensure a full recovery from the devastation of the Great Ice Storm of 1998.

Our forests were left in shambles as the weight of the ice broke off entire

limbs and felled mature trees, leaving the forest floor in a mass of confusion. This bill will provide $48 million to the US Forest Service in order to help the states and private land owners assess the damage and develop plans for clean up and for ensuring a healthy future for the forests. In addition to general clean up, some of the trees which were felled must be harvested as soon as possible in order to retain any value, others may sit on the forest floor for a while. Maine's forest products industry is vital to the economy, and this supplemental funding will help ensure as quick a recovery as possible from the havoc wrecked by the Ice Storm.

In addition, funding is provided to help Maine's maple syrup producers. Not only did the storm do immense damage to the trees, but it also tore out the tubes which were waiting to catch the flow of sap. There is approximately $4 million, which requires a cost share, to assist this industry in recovery efforts that will be hampered for a number of several years by the severe damage done to the trees.

The supplemental also provides assistance to Maine's dairy farmers. The ice knocked out power to more than 80 percent of the state and thousands of people were without power for up to two weeks. The lack of electricity made it impossible for many dairy farmers to milk their cows—and for those that could, the lack of electricity meant they had to dump their milk because it could not be stored at the proper temperature.

Maine's dairy farmers are family farmers. It is as much a way of life as it is a business, and the storm put a big dent in their finances. This bill provides $4 million to help take care of livestock losses. I also supported an amendment offered by my good friends from New York, Senator D'AMATO and from Vermont, Senator JEFFORDS, that added $10 million for milk production loss. Not only were farmers forced to dump milk, but their inability to milk impacts the production level of milk. It will take several months for these cows to return to their full production level.

I wish to reiterate my appreciation for the support that the Appropriations Committee, lead by Chairman STEVENS, has shown for the needs of the northeast states hit by the Ice Storm. His leadership has been instrumental in ensuring that Maine will be able to make a quick and full recovery from the devastation of the Ice Storm of 1998. I urge my colleagues to join me in supporting this bill.

Mr. STEVENS addressed the Chair.

The PRESIDING OFFICER. The Senator from Alaska.

Mr. STEVENS. Mr. President, I am authorized to state that the minority leader, Mr. DASCHLE, the leader, and I will not call up relevant amendments.

And I announce we have completed the list. There are no more amendments in order on the supplemental appropriations.

The bill is ready for third reading.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading and was read the third time.

Mr. STEVENS. Mr. President, I now have a unanimous consent request. I ask unanimous consent that the bill now be placed back on the calendar until such time as the Senate receives from the House the House companion bill. I further ask unanimous consent that once the Senate receives the House companion bill, the Senate proceed to its immediate consideration, and all after the enacting clause be stricken, the text of S. 1768, as amended, be inserted, and the bill be read for the third time and passed, the motion to reconsider be laid upon the table, and S. 1768 be placed back on the calendar.

I further ask unanimous consent that when the Senate receives the House companion bill to the IMF supplemental appropriations bill, the Senate proceed to its immediate consideration, and all after the enacting clause be stricken, and the text of the IMF title in this bill be inserted, and the bill be advanced to third reading and passed, and the motion to reconsider be laid upon the table, all without further action or debate.

Finally, I ask unanimous consent that in both cases the Senate insist on its amendment, request a conference with the House on the disagreeing votes, and the Chair be authorized to appoint conferees on the part of the Senate, all occurring without further action or debate.

Mr. WELLSTONE. Reserving the right to object.

The PRESIDING OFFICER. The Senator from Minnesota.

Mr. WELLSTONE. We are going to have a final rollcall vote on the bill; is that correct?

Mr. STEVENS. We do not have the bill here. And this enables us to go to conference on either bill immediately. The final vote on this bill will occur in a conference report in each instance.

Mr. WELLSTONE. Well, Mr. President, I shall not object as long as we will have a rollcall vote on——

Mr. STEVENS. A rollcall vote on the conference report. That is the commitment we have made.

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

Mr. STEVENS. Let me thank all Members for their cooperation and assistance in connection with this bill. I, again, say that these are vital subjects to our democracy, and it is imperative that we proceed as rapidly as possible. And I appreciate the Senate giving us the authority to move immediately, when we receive either bill from the House, to go to conference with the House.

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

Mr. STEVENS. I do.

Mr. BYRD. Mr. President, I thank the Senator for the very high degree of leadership that he has demonstrated in managing this bill. It was a difficult bill with a great number of amendments. And he has remained on the floor, worked hard, and demonstrated his characteristic fairness and objectivity throughout the work on the bill.

I thank him on behalf of the Senators and express our collective appreciation and, may I say, our admiration.

Mr. STEVENS. That comment, coming from the distinguished Senator from West Virginia, is an honor. I want to assure the Senate we would not have been able to move on this bill without the cooperation of Senator BYRD and the minority staff.

I will come back later with the thanks to all concerned on this matter, but I am grateful to my good friend.

The PRESIDING OFFICER (Mr. COATS). The Senator from the great State of Mississippi, Senator THURMOND.

Mr. THURMOND. I wish to commend the able Senator from Alaska for the magnificent manner in which he handled this bill. It was a complex bill, and he did a wonderful job. I congratulate him.

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

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

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

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

EDUCATION SAVINGS ACT FOR PUBLIC AND PRIVATE SCHOOLS

Mr. COVERDELL. Mr. President, on behalf of the leader, as most Members have been aware, the two leaders have been working toward an agreement with respect to the Coverdell A+ education bill going on a week now—13 days, to be exact. The leader regrets to inform the Senate that we will not be able to reach an agreement which would have provided for an orderly procedure to consider the bill, education-related amendments only.

Therefore, the leader notifies the Senate that the cloture vote will occur at 5:30 p.m. today and the Senate will now resume the bill for debate for 30 minutes equally divided.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

A bill (H.R. 2646) to amend the Internal Revenue Code of 1986 to allow tax-free expenditures from education individual retirement accounts for elementary and secondary school expenses, to increase the maximum annual amount of contributions to such accounts, and for other purposes.

The Senate resumed consideration of the bill.

The PRESIDING OFFICER. The Senator from Georgia.

Mr. COVERDELL. Mr. President, this is the fourth filibuster on this proposal.

When this measure came before the Senate last year, we were told that it was a pretty good idea but it needed to go through the process. It has now been through the Finance Committee. It now embraces many ideas from the other side of the aisle, and, of course, its principal cosponsor is from the other side of the aisle, Senator TORRICELLI of New Jersey.

It was reported out with a bipartisan vote 12–8 on February 10, 1998. Provisions have been added to the bill from Senators MOYNIHAN of New York, GRAHAM of Florida, BREAUX of Louisiana. Eighty percent of the tax relief embodied in the bill reflects amendments from the other side of the aisle.

Mr. DASCHLE. Will the Senator yield?

Mr. COVERDELL. Absolutely.

Mr. DASCHLE. I was preoccupied when the Senator made the unanimous consent request; I apologize. Was the request made for one-half hour of debate prior to the vote to be taken at 5:30, and was it equally divided?

Mr. COVERDELL. Yes.

Mr. DASCHLE. I thank the Senator for yielding.

Mr. COVERDELL. As I said, we are in our fourth filibuster. The majority leader has now offered five different proposals. I don't think it is necessary to enumerate each of the five different proposals. We have made progress, but every time, there is one more obstacle to getting to the bill and getting to it within the parameters of education debate.

If this filibuster continues, I just want to point out that about 14 million American families will be denied the opportunity to establish savings accounts that will help some 20 million children, that 70 percent of those families will be families that have children in public schools, 30 percent in private.

To hear some of the opponents, you would think this is a private education savings account. It is far from it. These families would save about $5 billion in the first 5 years and another $5-plus billion in the second 5 years. So we are talking about a lot of money coming to the aid of education without the requirement to raise taxes. No new property taxes, no new Federal taxes. These are families stepping forward to help their children. That will be blocked. Those millions of Americans' opportunity will be stunted.

If the filibuster continues, the qualified State tuition provision, which would affect some 1 million students gaining an advantage and more provisions when they get to college, 1 million employees will be denied the opportunity to have their employers help them pay for continuing education or fulfilling their educational needs, and 250,000 graduate students will be denied that opportunity as well; $3 billion will disappear from the financing capacity of local school districts to build some 500 new schools across the Nation.

This is not a very productive filibuster. The American public, particularly those concerned about better education and the need for it, have this roadblock standing in front of them through this filibuster. I compliment both leaders for endeavoring to try to get this accomplished. But I think fairness has been extended. I conclude this statement by saying I think that fairness has been accorded and common sense, as well. I have to conclude we are just still in the midst of a filibuster.

I yield the floor.

Mr. MCCAIN. Mr. President, I rise today to express my support for H.R. 2646, the Parent and Student Savings Account PLUS Act, which will create educational choices and academic opportunities for millions of young Americans. I am proud to be an original cosponsor of this measure for which my colleague, Senator PAUL COVERDELL, has tirelessly fought on behalf of our Nation's students since it was stripped from the 1997 Balanced Budget Act.

The legislation allows up to $2,000 each year to be placed in an educational savings account, or A–PLUS account, for an individual child. This money would earn tax-exempt interest and could be used for the child's elementary and secondary educational expenses, including tuition for private or religious schools, home computers, school uniforms and tutoring for special needs.

According to the Joint Committee on Taxation, about 14 million families with children could take advantage of A–PLUS education savings accounts. About 75 percent of the families who would utilize these accounts would be public school parents. At least 70 percent of this tax benefit would accrue to families with annual incomes less than $75,000.

The most exciting aspect of this bill is the creation of individually controlled accounts that can be used to address the unique needs of the child for whom they are created. Funds in these A–PLUS accounts can be used to hire a tutor for a child who is struggling with math, or foreign language lessons to help a child become bilingual or even multilingual. They are available to purchase a home computer or help a child with dyslexia obtain a special education teacher. In short, the A–PLUS accounts would enhance the educational experience of a child by meeting their unique needs, concerns, or abilities.

It is important to note that A–PLUS accounts would not carry any restrictions regarding who can deposit funds. However, there is a limit on the total amount which can be deposited annually into an individual child's account. Thus, deposits into the account, up to a total of $2,000, could come from a variety of sources, including parents, grandparents, neighbors, community organizations and businesses. This provision enhances the prospect that more children could maximize this educational benefit.

This bill also contains several important initiatives which would positively impact access to higher education and school construction.

First, it would assist qualifying prepaid college tuition plans. Currently, 21 states allow parents to pre-purchase their child's college tuition at today's prices. The A–PLUS bill would make these pre-paid plans tax free, thus encouraging additional States to create similar programs which make college more affordable for more families.

Second, this legislation encourages employer-provided educational assistance by extending the tax exclusion of employer-provided undergraduate school courses to December 31, 2002. Currently, this tax exclusion is set to expire on May 31, 2000. In addition, it would allow graduate-level courses to be included in this tax exemption.

Third, the bill would allow school districts and other local government entities to issue up to $15 million in tax-exempt bonds for full school construction. This is an increase of 50 percent from the current level of $10 million.

Finally, this bill allows students who receive a National Health Corps scholarship to exclude it from their gross income for tax purposes. These individuals help provide vital medical and dental services to our nation's underserved areas.

These components, combined with the A–PLUS created under this bill, will make significant strides toward improving the academic performance of our Nation's students.

Mr. President, if a report card on our Nation's educational system were sent home today, it would be full of unsatisfactory and incomplete marks. In fact, it would be full of ''D's'' and ''F's.'' These abominable grades demonstrate our failure to meet the needs of our Nation's students in kindergarten through twelfth grade.

Currently, the Federal Government spends more than $100 billion on education and about $30 billion of this is spent on educational programs managed by the Department of Education. Still, we are failing to provide many of our children with adequate training and academic preparation for the real world.

Our failure is clearly seen in the results of the Third International Mathematics and Science Study (TIMSS). Over forty countries participated in the study which tested science and mathematical abilities of students in the fourth, eighth and twelfth grades. Our students scored tragically lower than students in other countries. According to this study, our twelfth graders scored near the bottom, far below almost 23 countries including Denmark, France and Lithuania in advanced math and at the absolute bottom in physics.

Meanwhile, students in Russia, a country which is struggling economically, socially and politically, outscored U.S. children in math and

scored far above them in advanced math and physics. Clearly, in order for the United States to remain a viable force in the world economy, our children must be better prepared academically.

We can also see our failure when we look at the Federal Government's efforts to combat illiteracy. We spend over $8 billion a year on programs to eradicate illiteracy across the country. Yet, we have not seen any significant improvement in literacy in any segment of our population. Today, more than 40 million Americans can not read a menu, instructions, medicine labels or a newspaper. And, tragically, four out of ten children in third grade can not read.

Mr. President, this is an outrage. But contrary to popular belief here in Washington, pouring more and more money into the existing educational system is not the magic solution for what ails our schools.

The problem runs much deeper than a lack of funding. And the solution is more complicated.

In fact, according to the most recent studies, there is very little, if any, correlation between the amount of money spent on education and the academic performance of students. A Brookings Institute study reported that, ''The Nation is spending more and more to achieve results that are no better, and perhaps worse.''

Over the past decade the U.S. Department of Education has spent about $200 billion on elementary and secondary education, yet achievement scores continue to stagnate or drop and an increasing proportion of America's students are dropping out of school. Most of our students are not meeting proficient levels in reading, and according to the 1994 ''National Assessment of Education Progress,'' 57 percent of our high school seniors lacked even a basic knowledge of U.S. history.

I am also disturbed by the disproportionate amount of Federal education dollars which actually reach our students and schools. It is deplorable that the vast majority of Federal education funds do not reach our school districts, schools and children. In 1995, the Department of Education spent $33 billion for education and only 13.1 percent of that reached the local education agencies. It is unacceptable that less than 13 percent of the funds directly reached the individual schools and their students.

The lack of a correlation between educational funding and performance can also be seen internationally. Countries which outrank the United States in student academic assessments often spend far less than we do and yet, their students perform much better than our students. The United States spends an average of $1,040 per student in elementary and secondary education costs. By comparison Hungary spends $166, New Zealand spends $415, Australia spends $663, Slovenia spends $300, the Netherlands spend $725, and each of these countries' students performed well above U.S. students in the mathematics portion of the Third International Mathematics and Science Study (TIMSS.) Obviously, these countries are succeeding in providing their children with a high-quality education, and spending less to do so.

Mr. President, clearly, the Federal government has a role in the education of our citizens. I have supported many vitally important Federal programs which enhance the educational opportunities of young Americans, such as financial aid for college students, aid to impoverished school districts, and special education programs for disabled children. However, much of the Federal Government's involvement in education is highly bureaucratic and overly regulatory, and actually impedes our children's learning.

Clearly, we need to be more innovative in our approach to educating our children. We need to focus on providing parents, teachers, and local communities with the flexibility, freedom, and, yes, the financial support to address the unique educational needs of their children and the children in their communities.

For example, I see no reason why most Federal education programs should not be block-granted to States and local school boards. Such a step would provide new flexibility to parents and local school officials, and eliminate Federal intrusion in local and state education policies. Personally, I have the utmost faith and confidence in parents and educators to utilize federal education dollars productively and efficiently, and in the best interests of the children in their communities.

Mr. President, it is absolutely crucial, as we debate this and other proposals to reform our educational system, that we not lose sight of the fact that our paramount goal must be to increase the academic knowledge and skills of our Nation's students. Our children are our future, and if we neglect their educational needs, we threaten that future.

I am gravely concerned that goal is sometimes lost in the very spirited and often emotional debate on education policies and responsibilities. Instead, this should be a debate about how best to ensure that young Americans will be able to compete globally in the future. I believe the key to academic excellence is broadening educational opportunities and providing families and communities both the responsibility and the resources to choose the best course for their students.

The A–PLUS bill is an important step toward returning to parents and communities the means and responsibility to provide for their children's education. This is why I support Senator COVERDELL's legislation and will continue to support innovative, flexible programs which focus on the best interests of our children, our future.

Mr. DASCHLE. Mr. President, I regret that we have not been able to find a final and successful resolution to our discussions which have extended now over the course of several days.

I think it is important to lay out what has happened to date and where we are so everybody knows what the circumstances are. As everyone knows, the legislation came to the floor immediately and a cloture vote was filed on the motion to proceed. I supported that motion to proceed because I felt it was important that we move on to the legislation. There was some concern expressed about other unrelated matters, and so there was a divided vote on the motion to proceed, but it was an overwhelming vote.

We then got to the bill itself, and I expressed the desire on the part of many of our colleagues that we have a right to offer amendments. It was at that point that cloture was filed again, prior to the time we had the chance to offer even the first amendment. Cloture was not invoked, as the record shows. That began a series of negotiations about amendments.

As I discussed the matter with my colleagues, our list included about 32 amendments originally proposed to the bill. While that sounds like a lot of amendments, as I have noted now on several occasions on the Senate floor, it pales by comparison with regard to a similar circumstance that we had in 1992. A narrowly drafted tax bill having to do with a matter that most of us are very interested in, enterprise zones, was offered, and our Republican colleagues proposed at that time that they be granted the right to offer 52 amendments, including amendments on unrelated matters—on tractors and scholarships and the like.

We didn't offer 52 amendments; we originally suggested 32. We were told that that is too many. I went to all of my colleagues and I said, ''Look, we will have to pare this down. I want to be cooperative.'' So we pared it from 32 down to 15. I took that to the leader and I said the one thing we really are determined not to do is to give up our right to have those amendments second degreed, but we will drop it by more than 50 percent. We will go from 32 amendments down to 15 amendments so long as we have the right to have an up-or-down vote.

They said, ''Well, we will probably consider having up-or-down votes, but you have to put time limits on all the amendments.'' Then I went to all my colleagues and I said, ''Well, you aren't going to believe this. I'm going to have to ask you not only to pare your amendments from 32 to 15, but now I'm going to have to ask you to accept time limits, and we are hoping that we can limit it to at least a couple of hours each.'' So it was suggested and my colleagues cooperated.

I presented that, and I reported to the leader that we had agreed to time limits. The leader then came back and said, ''Well, now we have a new request. The request is that not only do we want time limits, but the amendments have to be on education. We are

not going to allow any amendments that are not related to education.'' I went back to my colleagues again and I said, ''You aren't going to believe this, but now we have to agree to limit our amendments to 15, to limit our amendments in terms of time, and now to limit them in terms of issue.'' I went back again to the leader I said, ''Well, I think we can do that.''

He came back again and he said, ''You are going to have to allow second degrees.'' Now they have to be second degreed. I said, ''I don't know if I can do that.'' I went back to my colleagues again and I said, ''You aren't going to believe this, but now we have to allow second degree amendments to all these amendments. Not only do you have to reduce from 32 to 15, not only do you have to allow a limit on the issue, that is education, but now you have to allow second degrees.''

So on four separate occasions, because of demands from our Republican colleagues that be cooperative, I have had to call upon my colleagues to reduce the amendments by more than half, to reduce the amount of time, to allow second degrees, and not to allow any extraneous issues, even though 4 years ago when the roles were reversed they demanded votes on tractors.

So I must say, Mr. President, the record ought to be very clear about who has cooperated here, who has put out the very best effort to ensure that somehow we could bring this bill to the floor. But the bar keeps getting raised higher and higher and higher. So if indeed we are the U.S. Senate, it seems to me there comes a time when you say, what else can we do? What else is there left? We have education amendments. We have agreed to second degrees. We have agreed to even less than an hour on these amendments; now it is down to a half hour on each amendment. We have agreed to that. We have agreed now that they be limited to education. We have even cut down further the number of amendments. Yet, our Republican colleagues say that is not enough. That is not enough. Go back and do more, prove to us more that you are going to be cooperative. Make sure that you ask your colleagues for more.

I think there is a message here. The message is that nothing is good enough. Ultimately, there is no way we can satisfy our colleagues on the other side because I don't think they want an agreement. I must say that I do not fault the author of the bill. I am not suggesting he is behind this. I certainly do not fault the majority leader. I think he has made a concerted, good-faith effort to try to figure out a way to deal with this. But I must say that I hope he would say the same about me. I hope, after what I have just described, that it is clear that we have done everything I know how to do, under these circumstances, to be able to resolve this matter in a way that will accommodate both sides. But for me now to go back and say we have given our all, but now we have to even give up education amendments—the last criticism related to me by the majority leader was that we had too many education amendments. It wasn't the issue any longer. We have given that up. Now they are saying we have too many education amendments on an education bill. So now they are asking the minority to say, OK, majority, you tell us what the issue ought to be, what the circumstances for debate ought to be, and now even whether or not we should be able to offer an education amendment on an education bill and we should accept that because we are the minority.

That is what this cloture vote is about, Mr. President. We are being asked to cave completely, to give it all up. We cannot do that. There comes a time when you have to be able to say, look, we just can't give anymore.

So I hope my colleagues will understand that. We were within, I thought, minutes or inches of reaching an agreement, in part because of the effort made by the majority leader. But we are not there now. I hope the message will be clear; there comes a time when you just cannot give anymore.

A couple of colleagues have asked to speak. I yield 1 minute to the distinguished Senator from Massachusetts.

Mr. KENNEDY. Mr. President, I thank our leader, Senator DASCHLE, for the efforts he has made to try to raise the education issue for debate here on the floor of the U.S. Senate. I think that, historically, there have been great debates on education, when we found common ground, and they were basically bipartisan in nature. It has been rare that we have been unable to at least have a good, full debate on the education issue.

It is regrettable that our Republican friends are so unsure of their position on education policy that they would deny the opportunity for a debate on upgrading and modernizing our schools, providing for smaller classrooms, improving the teachers in our country and the after-school programs.

So I say to our leader that I look forward to the time here on the Senate floor when we can have the kind of debate that I think the country wants. The country recognizes that education is the key issue for the future of our Nation, and we ought to be debating the best ideas of Republicans and Democrats alike.

Mr. DASCHLE. I thank the Senator.

Mr. President, I share that point of view. Obviously, there are a lot of areas of agreement between Republicans and Democrats. There are many things with which there are disagreements. That is really the essence of this whole debate. Shouldn't we have an opportunity to talk about some of those disagreements? But I think the record is pretty clear. After all these days, we have been precluded from offering the first amendment to which there may be some disagreement.

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

The PRESIDING OFFICER. The minority side has 3 minutes 22 seconds.

Mr. DASCHLE. I yield 1 minute to the distinguished Senator from Illinois.

Ms. MOSELEY-BRAUN. I thank the minority leader. I also thank the leader for his unstinting efforts to try to work out a compromise that will allow for a balanced debate about the subject matter of amendments from both sides of the aisle.

The real tragedy here, Mr. President, is that this is one of the most important issues that we will take up this year—the education of our children and how we are going to provide for the development of partnerships between the Federal, State, and local governments, and communities and parents, to provide the best possible education for the children of this country.

It is a vitally important issue going to our national security as a Nation, our future as a country. Yet, here we are in a situation in which the ideas from this side of the aisle are being shut down, are being foreclosed. We are not having an opportunity to talk about those ideas.

The PRESIDING OFFICER. The time allocated to the Senator has expired.

Ms. MOSELEY-BRAUN. I thank the Chair and yield the floor.

Mr. DASCHLE. Mr. President, I see other colleagues seeking recognition. I yield 1 minute to the distinguished Senator from Washington.

Mrs. MURRAY. Mr. President, I thank the Democratic leader for his continued work on this issue to try to allow us the opportunity to come here to the floor to talk about the most critical issue in this country today, which is the education of our young children.

There is a very serious debate that ought to be had. Are we going to go down the road of vouchers and block grants and cutting out the Department of Education, where fewer and fewer children have the opportunity for an education? Or are we going to talk about the proposals that we would like to debate—whether or not our class sizes should be smaller, how we are going to train our teachers for the skills they need with our children in their schools, how we are going to deal with our classrooms that need school construction so badly across this country. There is a debate to be had. We are ready to join it. We want to have that opportunity, and we will stand behind the Democratic leader to be allowed to have that debate on this floor.

Mr. DASCHLE. Mr. President, I may have to use a minute or two of leader time.

I yield 1 minute to the Senator from Rhode Island.

Mr. REED. Mr. President, I, too, commend the Democratic leader for his efforts to ensure that this debate reaches the full spectrum of issues that concern American education.

I believe there is one thing we can all agree upon: The problems of American education are multiple, and to conduct

a debate that would focus exclusively on one remedy and not allow other voices, other approaches, is, to me, relinquishing our responsibility to deal principally and responsibly with education policy in the United States.

There are proposals by my colleagues with respect to class size. Again, we are seeing evidence from States like Tennessee, where it makes a real difference in performance in education. Yet, we are not allowed to talk about those issues in this debate. If we are going to approach this issue with the idea of helping American education rather than the idea of promoting one particular ideological version, we have to allow for open, robust debate that incorporates all of the amendments my colleagues are proposing. And the idea to carry on without the debate, to me, is not worthy of this body.

The PRESIDING OFFICER. All of the time of the minority leader has expired.

Mr. DASCHLE. Mr. President, I yield 1 minute of my leader time to the Senator from Connecticut.

The PRESIDING OFFICER. The Senator from Connecticut.

Mr. DODD. Mr. President, I thank the leader. Let me thank both leaders here. It is not an easy task to try to fashion these agreements. I sympathize in that we have spent I don't know how many days trying to work out an agreement to discuss amendments. In a sense, what the Democratic leader was trying to do was get the bill up and allow the amendment process to flow. I suspect this bill might have been dealt with after having been given a chance to raise these amendments earlier.

It may seem like it is not that large an issue to people. It is one proposal. I suspect this may be one of the few opportunities when we will get a chance to debate education this year, given our calendar. I suggest to my colleagues, Mr. President, that we are talking about $1.6 billion that will go toward education in this case. I think having a healthy debate about where those resources go is something that the country would like to hear. Whether or not we want it to support building up the deteriorating schools that our colleague from Illinois, Senator CAROL MOSELEY-BRAUN, proposes, or deal with classroom size, which Senator MURRAY proposes, or whether or not we want to go into special education, these are legitimate issues about how you allocate scarce resources.

I applaud the efforts of our leader and, hopefully, we can get some accommodation so we can have a good, healthy debate.

Mr. LOTT addressed the Chair.

The PRESIDING OFFICER. The majority leader is recognized.

Mr. LOTT. Mr. President, just a little history. Before I do that, I know that I certainly have tried to work out something that Members on both sides could live with. I believe Senator DASCHLE has, too. But we have Senators on both sides who have very strong feelings about amendments that are suggested on both sides. There are amendments on the Democratic side that other Democrats have problems with, and it is the same thing over here. There are Republican amendments that other Republicans have problems with. So we have made a sincere effort.

I remind you that we started this effort on the 13th. Maybe there is a significance to that. On Friday, March 13, we started working on this. The problem is, if you want a good, healthy debate on education, fine, let's have it. I will not play second fiddle to anybody when it comes to my concern about education.

By the way, I am a product of public education; so is my wife and both of our children. But I am worried about the quality of education and the violence and drugs in schools. But the difference is, I don't think the answers are here in Washington. Some people say, let's have everything paid for and run everything from Washington. We have tried that ever since the 1960s. The scores are going down and violence is going up.

I care about this mightily. Let's have a debate about education. We are going to have a debate about education this year—not one, but probably two or three. But some Senators say, let's open it up and have debate, let's have amendments of all kinds. That is what was going to happen. We were going to wind up debating cows. And I don't want to go off on cows because cattle are important in Mississippi. I love beef. We were going to have welfare debates and debates about everything imaginable.

That is what has happened the whole year so far. On every bill that comes up, every Senator takes advantage of his or her right and says, ''I have my amendment or amendments,'' and they just grow like Topsy on everything.

Supplemental appropriations—a bill we should have done Friday afternoon—is still sitting around here. I am not blaming that on one side or the other. I am saying ''Senators,'' not one side or the other. Both sides don't seem to want to get serious about resolving the supplemental appropriation bills that we have now combined into one.

But the problem has boiled down to the fact that we still have Senators insisting—''We went through this process. We don't want second-degree amendments.'' Some say, on the one hand, ''We want to do the regular order.'' When we say ''second-degree amendments,'' you say, ''but not that regular order.'' You continue to insist on amendments that don't relate to education. Senators object to that. I have been told that we must have Senator KERRY's amendment but we cannot have Senator GORTON's amendment. I don't understand that. Senator GORTON's is education related; Senator KERRY's was not; his was on child care. We will debate that another day.

Talk about fairness. I have bent over backward, until my back is almost broken. Remember, the base bill is three-fourths a Democrat bill. I don't care because those three-fourths that the Democrats came up with are pretty good ideas—prepaid tuition for college, yes, I am for that; deductions for higher education employer-employee arrangements, hey, I am for that. That was promoted by Senator BREAUX from Louisiana, Senator MOYNIHAN from New York, and Senator GRAHAM from Florida. We have the school production bond issue thing in here, plus what we sent back today is our final offer. There were 12 amendments for Democrats, 3 for Republicans. I mean, how far can I go? I was told, yes, only three. But you say, ''We don't want Gorton in there.'' So I tried. I think Senator DASCHLE has tried. It is time that we have a vote on cloture. Maybe I made a mistake by not saying let's do it earlier, and Senator DASCHLE might say the same thing. But I think the record speaks for itself: 3 out of 4 provisions in the bill, Democrats; 12 out of 15 amendments, Democrats. I mean that is in most games—whatever it is—more than fair.

But we tried. Let's have a vote on cloture. This is a vote to get a good debate on the education provisions which Senators on both sides support. And we will see what happens and take it from there.

Mr. President, I believe we have 2 or 3 minutes remaining. I yield the remainder of the time to Senator COVERDELL, who has done a great job working through all of this.

The PRESIDING OFFICER. The Senator has 4 minutes 15 seconds remaining.

Mr. COVERDELL. Mr. President, I appreciate the efforts of both leaders.

But the point is, we are still in a filibuster. When this proposal was in the tax relief bill last year, the President said he would veto the entire tax relief bill if this education savings account was in it. Then we went through one or two filibusters. We tried to deal with it. We had a stand-alone measure last year, and then we had a filibuster attempt. And we tried to proceed to it this year. Now we are trying to bring cloture, which, I might point out, doesn't end the amendments. If you file cloture, it is a Senate rule that says you are going to confine amendments to the subject matter. When I was in the State Senate in Georgia, we had to do that on everything. It was unique that you could amend with nongermane amendments.

But that is what we are trying to bring order to. And after we have been through four filibusters, a veto threat, we become concerned that we are not in a serious effort to get to the actual education components.

It is my understanding that we have said the other side can have its own substitute, an education amendment. There has been severe resistance to non-education-related amendments, and I understand an amendment of the Senator from Nebraska is still at play.

And it is not an education amendment. It is my understanding that an education amendment on our side is being objected to. We are going to have a vote here in a minute.

I want to, in closing, stress that this is a bipartisan proposal and one of the most dogged, persistent attempts to get this legislation passed with both Republican and Democrat components. The good Senator from New Jersey, Mr. TORRICELLI —and there are a number of Senators on the other side of the aisle—a good number—who want this legislation passed; 70 percent of it has now been designed by the other side of the aisle. They want to get to the substance of the education debate—the good Senator from Illinois. If we can get to the debate, it is going to have a chance. That is an education proposal. We handle it our way; they handle it their way. We will debate it. But what we are saying is, there ought to be a debate on education. We have spent an inordinate amount of time avoiding the debate.

Mr. President, I presume my time has expired.

The PRESIDING OFFICER. The Senator presumes incorrectly. He has 1 minute and 15 seconds.

Mr. COVERDELL. In deference to my colleagues, I yield my time.

CLOTURE MOTION

The PRESIDING OFFICER. By unanimous consent, pursuant to rule XXII, the Chair lays before the Senate the pending cloture motion, which the clerk will report.

The assistant legislative clerk read as follows:

CLOTURE MOTION

We, the undersigned Senators, in accordance with the provision of rule XXII of the Standing Rules of the Senate, do hereby move to bring to a close debate on H.R. 2646, the A+ Education Act:

Trent Lott, Paul Coverdell, Jeff Sessions, Connie Mack, Bill Roth, Judd Gregg, Christopher Bond, Tim Hutchinson, Larry E. Craig, Robert F. Bennett, Mike DeWine, Jim Inhofe, Bill Frist, Bob Smith, Wayne Allard, Pat Roberts.

CALL OF THE ROLL

The PRESIDING OFFICER. By unanimous consent, the quorum call under the rule has been waived.

VOTE

The PRESIDING OFFICER. The question is, Is it the sense of the Senate that debate on H.R. 2646, the A+ Education Act, shall be brought to a close?

The yeas and nays are required under the rule. The clerk will call the roll.

The assistant legislative clerk called the roll.

The yeas and nays resulted—yeas 58, nays 42, as follows:

[Rollcall Vote No. 46 Leg.]

YEAS—58

Abraham	Brownback	Collins
Allard	Burns	Coverdell
Ashcroft	Campbell	Craig
Bennett	Chafee	D'Amato
Bond	Coats	DeWine
Breaux	Cochran	Domenici
Enzi	Jeffords	Sessions
Faircloth	Kempthorne	Shelby
Frist	Kyl	Smith (NH)
Gorton	Lieberman	Smith (OR)
Gramm	Lott	Snowe
Grams	Lugar	Specter
Grassley	Mack	Stevens
Gregg	McCain	Thomas
Hagel	McConnell	Thompson
Hatch	Murkowski	Thurmond
Helms	Nickles	Torricelli
Hutchinson	Roberts	Warner
Hutchison	Roth	
Inhofe	Santorum	

NAYS—42

Akaka	Feingold	Lautenberg
Baucus	Feinstein	Leahy
Biden	Ford	Levin
Bingaman	Glenn	Mikulski
Boxer	Graham	Moseley-Braun
Bryan	Harkin	Moynihan
Bumpers	Hollings	Murray
Byrd	Inouye	Reed
Cleland	Johnson	Reid
Conrad	Kennedy	Robb
Daschle	Kerrey	Rockefeller
Dodd	Kerry	Sarbanes
Dorgan	Kohl	Wellstone
Durbin	Landrieu	Wyden

The PRESIDING OFFICER. On this vote, the yeas are 58, the nays are 42. Three-fifths of the Senators duly chosen and sworn not having voted in the affirmative, the motion is rejected.

The majority leader.

CLOTURE MOTION

Mr. LOTT. Mr. President, I send a cloture motion to the desk on the pending Coverdell A+ Education Act.

The PRESIDING OFFICER. The cloture motion having been presented under rule XXII, the Chair directs the clerk to read the motion.

The legislative clerk read as follows:

CLOTURE MOTION

We the undersigned Senators, in accordance with the provision of rule XXII of the Standing Rules of the Senate, do hereby move to bring to a close debate on H.R. 2646, the A+Education Act:

Trent Lott, Paul Coverdell, Craig Thomas, Rod Grams, Chuck Hagel, Tim Hutchinson, Kay Bailey Hutchison, Mike DeWine.

Bob Bennett, John McCain, Don Nickles, Chuck Grassley, Mitch McConnell, Wayne Allard, Phil Gramm, John Ashcroft.

The PRESIDING OFFICER. The Senate will be in order. The majority leader.

Mr. LOTT. Mr. President, for the information of all Senators, this cloture vote, then, would occur on Monday of next week, at a time to be determined by the majority leader after notification of the minority leader. I presume that will be around our normal voting time, at 5:30 on Monday.

So I now ask consent that the mandatory quorum under rule XXII be waived.

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

UNANIMOUS CONSENT REQUEST—S.J. RES. 43

Mr. LOTT. Mr. President, I ask unanimous consent the Foreign Relations Committee be discharged from further consideration of S.J. Res. 43 regarding Mexico decertification which includes a waiver provision, and the Senate proceed to its immediate consideration under the following terms: The time between now and 7:25 be equally divided between the two leaders.

The PRESIDING OFFICER. Is there objection?

Mr. DASCHLE. Mr. President, I object.

The PRESIDING OFFICER. Objection is heard.

MEXICO FOREIGN AID DISAPPROVAL RESOLUTION

Mr. LOTT. Mr. President, in light of the objection, I now ask the Foreign Relation Committee be discharged from further consideration of S.J. Res. 42, regarding Mexico decertification, and the Senate proceed to its immediate consideration under the same terms as described above for S.J. Res. 43.

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

Mr. LOTT. Mr. President, having just reached this agreement, I expect this rollcall vote to occur at 7:25 this evening or earlier if time can be yielded back. But the vote on the Mexico decertification issue will occur at 7:25.

I thank the leader for working with us on this, and also Senator FEINSTEIN and Senator COVERDELL. They have been very cooperative. I believe this is enough time to lay the issue before the Senate and have a vote.

I yield the floor.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

A joint resolution (S.J. Res. 42) to disapprove the certification of the President under section 490(b) of the Foreign Assistance Act of 1961 regarding foreign assistance for Mexico during fiscal year 1998.

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That pursuant to subsection (d) of section 490 of the Foreign Assistance Act of 1961 (22 U.S.C. 2291j), Congress disapproves the determination of the President with respect to Mexico for fiscal year 1998 that is contained in the certification (transmittal no. 98–15) submitted to Congress by the President under subsection (b) of that section on February 26, 1998.

The Senate proceeded to consider the joint resolution.

Mr. BIDEN addressed the Chair.

The PRESIDING OFFICER. The Senator from Delaware.

Mr. BIDEN. Mr. President, as the manager of this resolution—parliamentary inquiry, is there a division of time? Is there controlled time?

The PRESIDING OFFICER. Time is equally divided between now and 7:25. So roughly 1 hour——

Mr. BIDEN. Roughly an hour and a half divided equally.

Mr. President, I say to those who support the position that I will be managing, which is that we should support the President's position and not support my good friend from California,

who thinks, along with others, we should decertify, I ask them to come to the floor and let me know if they wish to speak so we can, with some degree of rationality, allocate the time. I know Senator DODD, after the Senator from California makes her case, wants to speak in opposition to her position. I have told him I will recognize him first. But I say to other Senators who wish to speak in opposition to this decertification, please let me know. I yield the floor.

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

Mr. COVERDELL addressed the Chair.

The PRESIDING OFFICER. The Senator from Georgia.

Mr. COVERDELL. Mr. President, what we have before us is a resolution that has special standing on the floor. It is a resolution that will take the certification that the President has called for in the case of Mexico's fully cooperating with the United States on the drug war, and this resolution, if it is adopted, would overturn that and it would decertify. That would be a statement that the cooperation had not been full and complete.

This Senator, the Senator from California and others have been deeply concerned about this matter for well over a year and believe that by saying Mexico should be certified, we are saying to the people of both the United States and Mexico that things are going along OK. It is a message of fulfillment. It is a message that we are making progress, and that is not true. That is not true.

The situation, by virtually any measurement, is less now than it was a year ago when the Senator from California and I began to raise the issue.

I am here reluctantly. I consider myself an ally of the people and the Government of Mexico, but we are losing this war, we are losing this struggle, and it is not appropriate to say otherwise. I wish it were possible for us to be here with a resolution that said certification could occur but there would be a waiver by the President for security reasons. That is not technically possible. The only resolution that has standing is this statement, but it must be made.

Let me say, I commend General McCaffrey for his efforts as our drug czar, and I commend President Zedillo for what appears to be laudable efforts. But we do not do the people of either country, nor the people of this hemisphere, justice by communicating a message of gain or accomplishment or fulfillment when it is the exact reverse.

My concern—although I am sure it will be interpreted to be pointed at Mexico—my concern is mutual, and it is pointed at this administration and Mexico.

On May 2, 1997, I and the Senator from California sent an open letter to the President of the United States. We enumerated 10 areas that should become benchmarks, measurements by which we can determine whether or not we are getting our arms around this thing that has captured, in the last 5 years, 2 million American children aged 12 to 17.

On May 14, 1997, the President responded to me and to the Senator from California, accepting the letter of May 2 and the standards that were in it, and he indicated they would report and that these were, indeed, benchmarks that would be sought.

Mr. President, in this letter, we said:

The Mexican Government should be able to take significant action against the leading drug trafficking organizations, including arrests and prosecution or extradition of their leaders, and seizure of their assets.

Virtually no progress.

Extraditions:

We said:

While Mexico has taken steps to allow the extradition of Mexican nationals, they have yet to extradite any Mexican nationals to the United States on a drug-related charge.

As we stand here tonight, there still has been no extradition of a Mexican national on a drug-related charge.

Law enforcement cooperation: Mexico should undertake to fully fund and deploy the Binational Border Task Forces. . .

Not done.

In addition, U.S. law enforcement officers working drugs in Mexico need to be granted the rights to take appropriate measures to defend themselves.

Not done.

Money laundering: We are anxious to see Mexico fully implement the money laundering laws and regulations. . .

Little progress.

Corruption: The decision to abolish the National Institute for Combating Drugs and replace it with a new agency known as the Special Prosecutor's Office. . .is an admission that the INCD had become hopelessly compromised. . .We need to see evidence that the new agency will not simply be a retread. . .

Not done.

Air and maritime cooperation: This is an area I think both the Senator from California and I concur has made some progress.

Mr. President, the Senator from California will address this, but she often makes the point that no intelligence is flowing from Mexico to the United States. We are not gaining any advice and counsel on this struggle.

I am going to yield momentarily. In the New York Times just today—just today—we have an extensive article, the headline of which reads: ''U.S. Officials say Mexican Military Aids Drug Trafficking. Study Finds Closer Ties.''

Some doubt new report, but many say army corruption makes drug war futile. United States analysts have concluded that the case shows much wider military involvement with drug traffickers than the Mexican authorities have acknowledged.

This report was in the hands of the administration in February of this year, following which the administration decided to certify—following this report.

I will say it again and again—I hope some of my friends in Mexico hear me out—the fault is mutually shared. Mexico owns considerable responsibility for the failure and the lack of improvement on all of these points, but so does the administration. Let's remember the administration just last year was here trying to repeal this system just for the remainder of its term—''Let's let some other President worry about it''—and more recently has given us a plan to fight the drug war that concludes itself in the year 2007 and for which there are no benchmarks during the remainder of this administration.

These are not messages of a serious confrontation with a crisis in our country, a crisis in our hemisphere that has the potential of destabilizing every democracy in the hemisphere and poses enormous threats to our ally to the south, the Republic of Mexico. It is time that the Congress, that Members of the Senate say we must be honest, this war is being lost and the costs are beyond description in human life, in property and the stability of the governments of this hemisphere.

I reluctantly will cast my vote, because of these conditions, for decertification and reality. Mr. President, I yield the floor.

Mrs. FEINSTEIN addressed the Chair.

The PRESIDING OFFICER. The Senator from California.

Mrs. FEINSTEIN. Mr. President, if I may, I would like to continue the arguments that the Senator from Georgia has made and add some of my own. And, Mr. President, I do not make these arguments lightly, nor do I make them with any sense of pleasure.

It is never easy or pleasant to criticize a friend, a neighbor, and an ally. And Mexico is all of these. The United States and Mexico have a deep and complex relationship that spans every conceivable form of interaction across a 2,000-mile border. And we need to work together to solve problems that confront us.

I have heard many arguments—''Oh, this is all a United States problem.'' Well, Mr. President, the United States is trying to address that problem. Let me give you just two facts to corroborate that. One, in 1998, the U.S. Federal Government has spent or will spend nearly $16 billion fighting drugs. Of that, on demand reduction alone, we will spend $5.37 billion; on interdiction, $1.62 billion; on domestic law enforcement, $8.4 billion. And it all goes up next year.

One interesting fact is in 1985 prisoners on drug charges in Federal prisons were 31.4 percent of the total. Today, almost 60 percent of the Federal prison population is in prison on drug charges. So the number of people in Federal prisons for drug crimes in the United States of America has risen by over 30 percent in this decade.

We are trying. We may fail, but we do try. So this country does make a substantial effort—prevention, education, treatment, all of it.

''Full cooperation'' means full cooperation. And there were six benchmarks, as Senator COVERDELL stated, that comprised the basic part of our concerns of last year: enforcement, dismantling the drug cartels, combating corruption, curtailing money laundering, extraditing Mexican nationals on drug-related charges, and law enforcement cooperation.

I would like to discuss each one of these areas in detail. But I want to make the point that I believe Mexico has fallen short of the mark of full cooperation in each of these areas.

On the day the certification decision was announced, the Director of the Office of National Drug Control Policy, Gen. Barry McCaffrey, said, ''I would just like to underscore the absolutely superlative cooperation we have received from Mexico.'' I thought a lot about that. What I finally realized is, you know, now I know what the problem is. Mexico's cooperation with the United States focuses primarily on the political level. Tragically, it does so at the expense of the much more important law enforcement level. The degree to which the administration emphasizes this political level of cooperation is evident by the State Department's statement of explanation on the certification of Mexico. The first two paragraphs focus exclusively on meetings held between senior officials, commitments they have made, documents they have signed, and so on.

In other words, the most compelling rationale for certifying Mexico this year that the administration can offer is based on political-level agreements. But if there is one truth about the war on drugs, it is that it is fought on the streets, not in the conference rooms and banquet halls. Handshakes between men and women in suits do not stop drug trafficking. Good intelligence and good police work can and do stop drug trafficking. Law enforcement cooperation, not political-level agreements, is where the rubber hits the road in counternarcotics. Until this exists in Mexico, the administration's certification of Mexico will have all the weight of an inflated balloon—impressive to look at, but hollow at the core and easily punctured.

So with this background, I would like to offer my response to the administration's rationale for its decision to certify Mexico, in hopes that the Senate will act to overturn this decision. And I will rely on the benchmarks we set last year.

The State Department statement of explanation says: ''Drug seizures in 1997 generally increased over 1996 levels.'' Now, this is true, but it is only part of the picture.

Let us begin with this first chart. Yes; this is 1996, and as you can see, cocaine seizures have gone up from 23.6 metric tons to 34.9 metric tons. But look back at the peak in 1991 when it was 50.3 metric tons, look at the drop; look at 1993 when it was 46.2; and then look at it drop back down into the low 20s. Cocaine seizures today are still over 30 percent below where they were back in 1991 when the supply was not nearly as large as it is today.

Let us take a look at heroin seizures. Again, we are told they are much improved. But look at the heroin seizures by Mexico. Beginning in 1994 at 297 kilograms, they go down in 1995 to 203 kilograms, and they go up in 1996 to 363 kilograms; this year they have gone down all the way to 115 kilograms. I think this is very, very dramatic.

Let us take a look, if we can, at methamphetamine seizures by Mexico. 1994, 265 kilograms; 496 kilograms in 1995. It has gone steadily downhill—to 172 kilograms in 1996 and all the way to 39 kilograms in 1997—as the United States of America has been inundated with methamphetamine labs. I am ashamed to say my State, the largest State in this Union, has become a source country for the dissemination of methamphetamine now throughout the rest of the United States—the great bulk of it coming from one cartel, which I will point out. A great bulk of the labs are operated, regretfully, by Mexican nationals in this country illegally.

Let us take a look at ephedrine seizures. Ephedrine is a key chemical without which methamphetamine cannot be produced. Here were the seizures in 1996—6,697 kilograms. Look how high they were. Here are the seizures in 1997—only 608 kilograms, a drop of over 90 percent. This is clearly a great drop.

Now let us look at narcotics arrests of Mexican nationals by Mexico in Mexico.

In 1992, they arrested 27,369 people. Look at it in 1997—10,572 people. That is a two-thirds drop in arrests when we are putting all this pressure on, saying, ''Go after the cartels. Stop the assassinations. Break it up.'' The arrests have actually dropped.

Take the next chart. Now, one of the major tests—not the only test; it is not 100 percent accurate—of supply is what street prices are. In Main Street, prices for drugs drop when the supply goes up. Every single narcotics officer that works undercover or works the streets of America will tell you that. So we went to the Western States Information Network, which surveys the findings of local police departments on the west coast. Let me share with you what we found.

Cocaine in the Los Angeles region has fallen from $16,500 per kilo in 1994 to $14,000 per kilo in 1997. It has leveled off this past year. But this is the drop over that period of time.

Now, let us talk about black tar heroin. Black tar heroin is Mexican heroin. In the Los Angeles area, look at the street prices in 1991. According to DEA, this is nearly the exclusive province of the Mexican family-operated cartels based in Michoacan. In Los Angeles, the price per ounce has dropped two-thirds, from $1,800 in 1992 to $600 in 1997. The price today is one-third of what it was 5 years ago. This is why we see a tremendous increase in heroin addiction in this country. The supply overwhelms the demand, and the prices drop.

In San Francisco it is the same story. Black tar heroin—an average of $3,500 per ounce in 1991. Today it averages $600 per ounce, a dramatic drop in price.

And we see the same pattern with methamphetamine. In Los Angeles, the price per pound for methamphetamine averaged $9,000 in 1991. Today it has dropped down—gone up and down—but dropped down to $3,500 per pound. It is a two-thirds drop in price. That is enormous in the methamphetamine contraband market.

So these street price statistics tell the story of supply. And supply comes mainly flowing across our southern border.

Just this week, the March 23 edition of the San Diego Union-Tribune had an article entitled ''Brazen Traffickers Want Run of the Border: Drug Flow From Mexico Now More Deadly, Frequent.''

So in my view, low seizure figures, low arrest figures, falling street prices in our cities, and inundated Customs and Border Patrol agents are hardly indications of ''full cooperation'' by Mexico's authorities.

Let me speak about what the great danger is now. What I believe to be the biggest criminal enterprise in the Western Hemisphere is developing in Mexico, and that is the cartels.

There are essentially four major cartels: the Juarez cartel, known as the Carrillo-Fuentes cartel; the Sonora cartel, known as the Caro-Quintero cartel; the Tijuana cartel, known as the Arellano-Felix brothers; and the Amezcua-Contreras brothers.

In testimony about a month ago, DEA Administrator Thomas Constantine left little doubt when he talked to the Foreign Relations Committee about Mexico's efforts to dismantle the cartels. He said:

> Unfortunately, the Government of Mexico has made very little progress in the apprehension of known syndicate leaders who dominate the drug trade in Mexico and control a substantial share of the wholesale cocaine, heroin, and methamphetamine markets in the United States.

To me, this is a very telling statement. The State Department would have us believe all is well in the Mexican effort against the cartels—and they will point out some arrests—but every one of these arrests is second and third level cartel participants, not top level. I believe Mr. Constantine's testimony tells the true story—very little progress. I hope my colleagues will take these words into consideration.

Let me begin with the Juarez cartel. Mr. Constantine stated:

> The scope of the Carrillo-Fuentes cartel is staggering, reportedly forwarding $20-$30 million to Colombia for each major operation and generating tens of millions of dollars in profits per week for itself.

Meanwhile, the Carrillo-Fuentes cartel—that is the Juarez cartel—spreads

its tentacles into U.S. cities, where it recruits U.S. gang members to act as its agents. DEA has identified active Carrillo-Fuentes cells in cities around the United States—Los Angeles, San Diego, San Francisco, Seattle, Phoenix, Houston, Dallas, Denver, Chicago, and most recently New York City.

Now, this is really interesting, because New York City used to be the preserve of the Colombian cartels who marketed their cocaine directly. But a DEA study in August of 1997 revealed that the Mexican distribution networks were rapidly moving into the east coast markets of New York, New Jersey, and Philadelphia, displacing the Colombians.

This trend was illustrated in a major DEA investigation—Operation Limelight—which uncovered a Chicago-based cell of the Carrillo-Fuentes organization that was delivering hundreds of kilograms of cocaine to a distribution network in New York. I believe my colleague from Illinois will, hopefully, speak to that.

Now, some felt that the death of Juarez cartel's leader—Amado Carrillo Fuentes—during attempted plastic surgery last May, could have set the stage for the weakening of the cartel.

One might even concede that Carrillo-Fuentes' death was as a result of his feeling under some pressure from the Mexican authorities, although this is far from proven.

But instead of getting weaker, the Juarez cartel is now stronger. Mexico didn't take any action whatever to capitalize on the opportunity provided by this death. Today the Juarez cartel continues to operate. This is in spite of a power struggle within the cartel that has produced an orgy of violence—50 drug-related murders in and around Juarez, which is clearly well beyond the Mexican authorities' ability to control.

There has been no effort to arrest the new leaders of this cartel, men such as Vincente Carrillo-Fuentes—Amado's brother—or Juan Esparragosa Moreno, a top aide, or Eduardo Gonzalez-Quirarte, a key manager of the organization's distribution networks along the border.

The other major drug trafficking cartel is the most violent and the most vicious. That is the Arellano-Felix cartel, operating right across the border from California in Tijuana. According to the DEA, ''Based in Tijuana, this organization is one of the most powerful, violent, and aggressive trafficking groups in the world.'' They are active today, this year, in Arizona, California, Nevada, Oregon, and Washington. Once again, no effort to arrest their leaders.

On September 11, the most violent of the Arellano-Felix brothers, Ramon Arellano-Felix, was added to the FBI's Ten Most Wanted List. He has been indicted in San Diego on drug trafficking charges. Why has there been no effort taken by the Mexican authorities to rein in the operations of the Arellano-Felix organization or to arrest its senior leaders?

I would like to talk about one other cartel. The first is the Jesus Amezcua cartel. According to the DEA, ''The Amezcua-Contreras brothers, operating out of Guadalajara, Mexico, head a methamphetamine production and trafficking organization with global dimensions.'' This organization has established links to distribution networks in the United States in locations like California, Texas, Oklahoma, Arkansas, Iowa, Georgia, and North Carolina.

The U.S. law enforcement investigation, Operation META, concluded in December with the arrest of 101 defendants and the seizure of 133 pounds of methamphetamine and the precursors to manufacture up to 540 pounds more, along with 1,100 kilos of cocaine and $2.25 million in assets.

I will go to the last three charts and then wrap up. This is very puzzling. This chart shows outstanding United States extradition requests for Mexican nationals wanted on drug charges. Now we have heard a lot about this, and Mexico has moved to be able to extradite some people, many of them on nonrelated drug charges. The two they have surrendered were deported, not extradited, because they were, in effect, dual citizens. They have not, to date, extradited a single Mexican national on drug-related charges, despite the fact that there are 27 extradition requests by this Government pending.

There is some good news. One reason for delay could be overcome if the United States Senate and the Mexican Congress ratify the protocol to the United States-Mexico extradition treaty which was signed just last November. I don't know why the administration has delayed submitting this protocol to the Senate. Once ratified, it will allow for the temporary extradition to take place for the purpose of conducting a trial while a defendant is serving prison time in his own country.

Extradition is clearly the key to stopping drug traffickers. A good place to start would be Ramon Arellano-Felix, who is wanted on narcotics charges in the United States. Another good start would be Miguel Caro-Quintero, who is head of the Sonora cartel, who last year at this time openly granted interviews to the Washington Post in Mexico. The Washington Post could find him. He has four indictments pending against him in the United States for smuggling, RICO statute, and conspiracy charges, but he cannot be found.

We have heard a lot about corruption. This is deeply concerning to me. This chart shows the Mexican Federal Police officials dismissed for corruption—there have been 870. Now, because of certain features of Mexican law, 700 have been rehired pending their appeals, and there have been no successful prosecutions. So if you are going to terminate somebody, they are going to get rehired, and you are not going to prosecute. Not a lot is accomplished.

Mr. President, to reiterate I rise today to urge my colleagues to vote to pass S.J. Res. 42 to disapprove the President's decision to certify Mexico as fully cooperating with the United States in the effort against drug trafficking. And I ask for the yeas and nays on the resolution.

I do not make these arguments lightly, nor do I make them with any sense of pleasure. It is never easy or pleasant to criticize a friend, a neighbor, and an ally—and Mexico is all of these. The United States and Mexico have a deep and complex relationship that spans every conceivable form of interaction across a 2,000 mile border. And we need to work together to solve the problems that confront us.

But we also must be honest with each other and with ourselves. Section 490 of the Foreign Assistance Act, which is the law of the land, requires the President to judge whether drug producing and drug transit countries, like Mexico, have met the standard of ''full cooperation.''

''Full cooperation,'' I suppose, can be viewed subjectively. It probably means different things to different people. But there are probably some areas which everyone can agree are essential parts of full cooperation. Let me suggest a few of these areas.

Last year, when the Senate debated this issue, we established essentially six benchmarks for evaluating Mexico's counternarcotics performance. The Administration used these benchmarks to guide its report to Congress last September, and I believed that it would use them to form the basis of its decision on certification.

These benchmarks each comprise a fairly basic part of any meaningful counternarcotics effort. They are: enforcement (such as seizures and arrests); dismantling the drug cartels and arresting their top leaders; extradition; combating corruption; curtailing money-laundering; and, most importantly, law enforcement cooperation.

I will discuss each of these areas in detail, but I can assure my colleagues that in each of these areas, Mexico has fallen well short of the mark of ''full cooperation'', which is the standard of the law.

There has been insufficient progress—and in some cases, no progress at all—on key elements of a successful counternarcotics program in Mexico. Whether due to inability or lack of political will, these failures badly undermine the urgent effort to keep the scourge of drugs off our streets.

Ignoring these failures, or pretending they are outweighed by very modest advances, does not make them go away. We do Mexico no favors, nor any for our country and our people, by closing our eyes to reality. And the reality is that no serious, objective evaluation of Mexico's efforts could result in a certification for ''full cooperation''. Partial cooperation, perhaps. But that is not what the law calls for. The law calls for ''full cooperation.''

On the day the certification decision was announced, the Director of the Office of National Drug Control Policy, General Barry McCaffrey, said: ''I would just like to underscore the absolutely superlative cooperation we have received from Mexico.''

However, I think I understand his reasoning, and in fact, the reasoning behind the certification decision as a whole. The reason is that the Administration's approach to evaluating Mexico's cooperation focuses primarily, if not exclusively, on the political level. Tragically, it does so at the expense of the much more important law enforcement level. Let me explain what I mean.

There is no question that President Clinton, General McCaffrey, Attorney General Reno, and other senior U.S. officials enjoy positive working relationships with their Mexican counterparts. Presidents Clinton and Zedillo had a cordial exchange of visits. There is a High-Level Contact Group on Narcotics Control that meets two or three times a year. Documents were released, such as the ''Declaration of the U.S.-Mexico Alliance Against Drugs'' and the ''Bi-National Drug Threat Assessment'' and the ''Bi-National Drug Strategy.''

The degree to which the Administration emphasizes this political-level cooperation is evident by the State Department's ''Statement of Explanation'' on the certification of Mexico. The first two paragraphs focus exclusively on meetings held between senior officials, commitments they have made, documents they have signed, and so on.

In other words, the most compelling rationale for certifying Mexico that the Administration can offer is based on political-level agreements.

But if there is one truth about the war on drugs, it is that it is fought on the streets, not in conference rooms and banquet halls. Handshakes between men and women in suits do not stop drug trafficking. But good intelligence and policework can and does stop drug trafficking.

Law enforcement cooperation, not political level agreements, is where the rubber hits the road in counternarcotics. Good intelligence and dedicated and trusting policework is what really makes a difference. Until this exists in Mexico, the Administration's certification of Mexico will have all the weight of an inflated balloon: impressive to look at, but hollow at the core, and easily punctured.

So, with this background, I will offer my response to the Administration's rationale for its decision to certify Mexico, in hopes that the Senate will act to overturn this decision. I will rely on the benchmarks we set last year.

ENFORCEMENT

The State Department's Statement of Explanation says: ''Drug seizures in 1997 generally increased over 1996 levels.'' This is true, but it is just a partial picture.

Well, let's look at the record. It is true that Mexico's marijuana seizures were marginally higher in 1997, and it is also true of cocaine seizures. But the rise in cocaine seizures can only be considered progress as compared with the dismal seizure levels of the previous three years.

The 34.9 metric tons of cocaine seized in 1997 is an improvement over the previous three years, when cocaine seizures had dropped to about half of the 46.2 metric tons seized in 1993 and the 50 metric tons seized in 1991. This is a perfect example of lowering the bar. When we accept a dismal performance, as we did in 1994–1996, any improvement is given undue weight, even if it falls far short of Mexico's own proven capabilities, as the 1991–1993 figures indicate.

In several cases, drug seizures have declined sharply.

Take heroin for example. In 1997, Mexico's heroin seizures declined from 363 kilograms to 115 kilograms. That is a 68 percent drop.

The decline is even more pronounced in seizures of methamphetamine, and its precursor chemical ephedrine. Mexico's methamphetamine seizures fell from 496 kilograms in 1995, to 172 kilograms in 1996, and then to only 39 kilograms in 1997. Over two years, that is a 92 percent drop.

For ephedrine, we see the same pattern. Nearly 6,700 kilograms were seized in 1996. In 1997, that figure, amazingly, drops 91 percent, down to only 608 kilograms.

I am truly at a loss to understand how the State Department can cite increasing drug seizures as a rationale for its decision to certify, when its own statistics show Mexico's drug seizures declining by 60, 70, 80, and even 90 percent!! over the past 6 or so years.

In another important area of enforcement—narcotics-related arrests—we can see that Mexico's performance is getting worse, not better. In 1997, Mexico's narcotics arrests of Mexican nationals declined from 11,038 to 10,572.

This decline in arrests would be disturbing enough on its own. But it is even more so when one sees how far the bar has been lowered. We should be comparing this year's arrest figures not to last year's, which were only slightly less anemic, but to the 1992 level, which was more than double the current number.

While estimates vary, DEA believes that Mexico is the transit station for 50–70 percent of the cocaine, a quarter to a third of the heroin, 80 percent of the marijuana, and 90 percent of the ephedrine used to make methamphetamine entering the United States.

The 1997 seizure and arrest statistics, in my view, offer ample evidence that Mexico's enforcement efforts are simply inadequate. And the result, undeniably, is that more drugs are flowing into our cities, our schools, and our communities.

How do we know this? Just look at the street prices. The street value of cocaine, heroin, and methamphetamine are all dropping. According to the Western States Information Network, which surveys the findings of local police departments on the West Coast, the average street value of cocaine in the Los Angeles region has fallen from $16,500 per kilo in 1994 to $14,000 per kilo in 1997.

The drop is even more dramatic in the case of black tar heroin, which DEA has in the past reported to be nearly the exclusive province of Mexican ''family operated cartels'' based in Michoacan. In Los Angeles, the price per ounce has dropped from $1,800 in 1992 to only $600 in 1997. The price today is one-third of what it was five years ago.

In San Francisco, it is the same story. Black tar heroin averaged $3,500 per ounce in 1991. Today, it averages only $600.

We see the same pattern with methamphetamine. In Los Angeles, the price per pound for meth averaged $9,000 in 1991. Today, it has dropped to $3,500. In San Francisco, the average price per pound for meth has declined from a peak of over $10,000 in 1993 to $3,500 in 1997.

These street price statistics reflect in the main, the simple law of supply and demand. We know that demand remains high, unfortunately, so when the price drops, the obvious conclusion is that you have more supply.

So if we look at the beginning of the decade of the 90s, there's now much more cocaine, more heroin, more methamphetamine flowing across our southern border, while Mexico's enforcement efforts decline. In my mind, this combination makes a mockery of the concept of ''full cooperation''.

The evidence of increased trafficking can also be found by following events at the border. Just this week, in the March 23 edition of the San Diego Union-Tribune, Gregory Gross wrote an article called ''Brazen Traffickers Want Run of the Border: Drug Flow From Mexico Now More Deadly, Frequent.''

So in my view, low seizure figures, low arrest figures, falling street prices in our cities, and inundated customs and Border Patrol agents are hardly indications of ''full cooperation'' by the Mexican authorities in combating drug trafficking.

CARTELS

Let me speak about the cartels in Mexico. As evidence of Mexico's efforts to combat the cartels, the State Department's Statement of Explanation mentions the arrest of eight ''major traffickers'', including Joaquin Guzman Loera, Hector Luis Palma Salazar, Miguel Angel Felix Gallardo, and Raul Vallardes del Angel.

Not only are these examples of mostly second- and third-tier traffickers, not the cartel bosses, but who the Mexican authorities have failed to capture tells a much more important story. The State Department even admits that two legitimately ''major''

traffickers were dealt with lightly: Humberto Garcia Abrego of the Gulf cartel was released from prison—and I would point out this release occurred hours after the President certified Mexico last year—and Rafael Caro-Quintero of the Sonora cartel succeeded in having his sentence reduced.

The simple truth is that after a year of Mexico's so-called full cooperation in combating the cartels, the situation remains completely out of the Mexican authorities' control. Somehow, the State Department construes this effort as sufficient.

But that is not how the United States' drug enforcement officials describe the efforts in Mexico. Let me share with my colleagues what our DEA officials say about it. When DEA Administrator Thomas Constantine testified before the Senate Foreign Relations Committee on February 26, 1998, he described the four major cartels as the most powerful organized crime organizations in the hemisphere—much more powerful than anything the U.S. has ever faced. They are: the Juarez cartel, also known as the Carrillo-Fuentes cartel; the Sonora cartel, also known as the Caro-Quintero cartel; the Tijuana cartel, also known as the Arellano-Felix brothers; and the Amezcua-Contreras brothers.

In his testimony, Mr. Constantine left little doubt about Mexico's efforts to dismantle the cartels. He said: ''Unfortunately, the Government of Mexico has made very little progress in the apprehension of known syndicate leaders who dominate the drug trade in Mexico and control a substantial share of the wholesale cocaine, heroin, and methamphetamine markets in the United States.''

To me, this is a very telling statement. While the State Department would have us believe that all is well in the Mexican effort against the cartels, Mr. Constantine's testimony tells the true story: ''very little progress'' in arresting the key figures, who are well-known, and who run the drug trade. I hope my colleagues will take their words into account.

Even more chilling is Mr. Constantine's contention that the cartels are stronger today than they were one year ago. That's right. After a year of what the Administration calls full cooperation, the cartels have only increased their strength.

The most frightening part of the failure to actively confront these cartels is that they are increasingly penetrating into U.S. cities and marketing their drugs directly on our streets and to our kids.

Perhaps the most powerful of these cartels is the Juarez cartel, also known as the Carrillo-Fuentes organization. While trafficking in marijuana and heroin, the Juarez cartel specializes in cocaine. In particular, it has served as the distribution network for large shipments of cocaine arriving from Colombia. From regional bases in Guadalajara, Hermosillo, and Torreon, the cocaine is moved closer to the border for shipment into the United States.

DEA Administrator Constantine testified that: ''The scope of the Carrillo-Fuentes cartel is staggering, reportedly forwarding $20–30 million to Colombia for each major operation, and generating tens of millions of dollars in profits per week for itself.''

Meanwhile the Carrillo-Fuentes cartel spreads its tentacles into U.S. cities, where it recruits U.S. gang members to act as its agents. DEA has identified active Carrillo-Fuentes cells in cities around the United States: Los Angeles, San Diego, San Francisco, Seattle, Phoenix, Houston, Dallas, Denver, Chicago, and most recently, New York City.

This is new. New York City used to be the preserve of the Colombian cartels, who marketed their cocaine directly. But a DEA study in August 1997 revealed that Mexican distribution networks were rapidly moving into the East Coast markets of New York, New Jersey, and Philadelphia, displacing the Colombians.

This trend was illustrated in a major DEA investigation—Operation Limelight—which uncovered a Chicago-based cell of the Carrillo-Fuentes organization that was delivering hundreds of kilograms of cocaine to a distribution network in New York.

Now some felt that the death of the Juarez cartel's leader—Amado Carrillo Fuentes—during attempted plastic surgery last May, could have set the stage for a weakening of the cartel. One might even concede that Carrillo-Fuentes' death was the result of his feeling under some pressure from the Mexican authorities, although this is far from proven.

But instead of getting weaker, the Juarez cartel, according to the DEA, is now stronger. Mexico clearly did not take any action whatsoever to capitalize on the opportunity presented by Carrillo-Fuentes's death, and today the cartel continues to operate as usual. And this is in spite of a power struggle within the cartel that has produced an orgy of violence—some 50 drug related murders—in and around Juarez, which is clearly well beyond the Mexican authorities' ability to control.

Yet there has been no effort to arrest the new leaders of the cartel, men such as Vincente Carrillo Fuentes—Amado's brother—or Juan Esparragosa Moreno, a top aide, or Eduardo Gonzalez-Quirarte, a key manager of the organization's distribution networks along the border.

The other major drug trafficking cartel is the Arellano-Felix organization. DEA Administrator Constantine described the cartel this way: ''Based in Tijuana, this organization is one of the most powerful, violent, and aggressive trafficking groups in the world.''

Because of its base in Tijuana, the Arellano-Felix organization—the most vicious and violent of the cartels—has dominated the drug distribution networks in the western United States, and—of particular concern to me—is especially strong in southern California. The DEA believes that the cartel uses San Diego street gangs as assassins and enforcers.

In other cities around the country, it is a similar story. The Arellano Felix organization recruits local gang members, who serve as the distributors and protectors of its drug shipments, which include cocaine, marijuana, heroin, and methamphetamine.

Once again, we can point to little effort on the part of the Mexican authorities to curtail this cartel's activity. Indeed, as Mr. Constantine tells us, the cartel is stronger today than it was one year ago.

Although there have been a few arrests of some second- and third-tier Tijuana cartel members, we would expect a country certified for full cooperation to have made some inroads against the top leaders of this cartel, who are well known, especially given the clear U.S. concern for their capture. On September 11, 1997, the most violent of the Arellano-Felix brothers, Ramon Arellano-Felix, was added to the FBI's Ten Most Wanted List. He has been indicted in San Diego on drug trafficking charges.

But has there been any action taken by the Mexican authorities to rein in the operations of the Arellano-Felix organization or to arrest its senior leaders? Despite the claim of full cooperation, I am unaware of any such efforts.

I will touch more briefly on the other two major cartels. The first is the Amezcua-Contreras organization. I will quote Mr. Constantine's testimony: ''The Amezcua-Contreras brothers, operating out of Guadalajara, Mexico, head a methamphetamine production and trafficking organization with global dimensions.''

Like the larger, more established cartels, this organization has established links to distribution networks in the United States in locations as far afield as California, Texas, Oklahoma, Arkansas, Iowa, Georgia, and North Carolina.

A U.S. law enforcement investigation, Operation META, concluded in December 1997 with the arrest of 101 defendants, the seizure of 133 pounds of methamphetamine and the precursors to manufacture up to 540 pounds more, along with 1,100 kilos of cocaine and over $2.25 million in assets.

And despite this active methamphetamine trade, Mexico has done little to pursue this cartel. Recently, one of the brothers, Adan Amezcua, was arrested on gun charges, but the true masterminds of the organization, Jesus and Luis Amezcua, who are under federal indictment in the U.S., remain at large.

The other major cartel is the Caro-Quintero cartel, based in the state of Sonora. This cartel focuses its trafficking on marijuana, but it also trafficks in cocaine. Most of its smuggling takes place across various points on the Arizona border.

Like the other cartels, the Caro-Quintero organization has been successful because of widespread bribes made to federal officials at all levels. These bribes help explain how the head of the cartel, Miguel Caro-Quintero, was able to have his case dismissed when he was arrested in 1992. He has operated freely since. It also helps explain how his brother Rafael Caro-Quintero, who was implicated in the 1985 torture and murder of DEA Agent Kiki Camarena, recently had his sentence reduced.

The totally insufficient effort by the Mexican authorities to confront the cartels has emboldened them. Today, they are not only more powerful than they were a year ago, they are more brazen. A series of violent incidents on both sides of the border illustrates this new brazenness.

In April 1997 two agents assigned to Mexico's new Organized Crime Unit, who had investigated Carrillo Fuentes, were kidnaped and killed. They had been bound, gagged, beaten, shot in the face, and stuffed in the trunk of a car.

On July 17, 1997, Hector Salinas-Guerra, a key witness in a McAllen, Texas drug case, was kidnapped. His tortured body was found on July 22, and on July 25, the jury in the trial acquitted the seven defendants.

On November 14, 1997, two Mexican federal police officers investigating the Arellano-Felix organization were shot and killed while traveling in an official Mexican government vehicle from Tecate to Tijuana.

On November 23, 1997, a shooting incident at the Nogales point of entry into Mexico left one Mexican Customs official dead, and two defendants and another official wounded.

On January 27, 1998, Mexican federal police officer Juan Carlos De La Vega-Reyes and his brother Francisco were shot and killed in Guadalajara.

Only if they believe that they are able to operate with impunity would encourage the Mexican cartel operators to be so openly violent toward law enforcement officers and witnesses. But that is the reality in Mexico today. It is a far cry from the full cooperation that we seek.

There are other examples of brazen acts by the cartels. A May 1997 report by Operation Alliance, a coalition of federal, state, and local law enforcement officers, found that drug traffickers were involved as the controlling parties in some commercial trade-related businesses in order to expedite their drug trafficking.

According to Operation Alliance, drug traffickers, moving to take advantage of the greater flow of trade occurring under NAFTA, are becoming involved in new transportation infrastructure upgrades, to expand their opportunities to get drugs across the border undetected.

And we now have the first documented case of a cartel attempting to buy control of a financial institution. Just this week, on March 24, 1998, the Wall Street Journal reported that money-launderers with links to the Carrillo Fuentes organization, tried to acquire a controlling stake in a Mexico City Bank, Grupo Financiero Anahuac, for about $10 million in 1995 and 1996. I ask unanimous consent that this article be made a part of the record at the conclusion of my remarks.

Clearly, the prospect of cartels moving into control of otherwise legitimate financial and trading entities is now established. And with each passing year, the cartels will grow bolder and bolder.

But, because of the reach of the cartels into our cities, the State Department's utter denial that the problem is getting worse, not better, is so dangerous. As much as these cartels are destroying Mexico, their reach into the United States is expanding. They have agents in many of our large and mid-size cities. Their drugs reach our children. The gangs they hire kill ruthlessly to protect their turf in our cities.

It is no exaggeration to say that the lives of hundreds, if not thousands, of Americans are literally at stake in the war against the cartels.

EXTRADITION

The State Department Statement of Explanation says that ''Mexico made further progress in the return of fugitives.''

While it is true that Mexico has extradited non-Mexican nationals to the United States, and has deported dual citizens such as Juan Garcia Abrego who are wanted on drug charges, and has even deported a few Mexican nationals for non-drug charges (such as murder or child molestation), one fact remains undeniable: To date, Mexico has not extradited and surrendered a single Mexican national to the United States on drug charges. Out of 27 pending requests, not one has been extradited.

Now, it is important to be clear what we mean. In five cases, the Mexican Foreign Minister has signed extradition orders for Mexican nationals wanted in the United States on drug charges. These are: Jaime Gonzalez Castro, Jaime Arturo Ladino, Oscar Malherbe, Tirso Angel Robles, and Juan Angel Salinas.

However, none of these fugitives has been surrendered to the United States. In each case, a delay has taken hold of the case for one reason or another. In some cases, appeals are pending. In others, amparos, or judicial writs, are holding things up. In others, the Mexican national is serving a sentence in a Mexican jail.

There is some good news. This last reason for delay could be overcome if the United States Senate and the Mexican Congress ratify the protocol to the U.S.-Mexico Extradition Treaty signed last November. I do not know why the Administration has delayed submitting this protocol to the Senate. Once ratified, it will allow for temporary extradition to take place, for the purpose of conducting a trial, while a defendant is already serving prison time in his own country.

But for now, all of these delays add up to the same end: no extraditions of Mexican nationals on drug charges. With judicial corruption still a major problem, appeals and other judicial mechanisms are highly suspect.

For whatever reason, either Mexico cannot overcome its reluctance, or simply refuses to extradite Mexican nationals to the United States on drug charges. I will be the first to acknowledge the first such extradition when it actually occurs, and the fugitive is surrendered. But to call the half-steps that have been taken ''full cooperation'' is to lower the bar to an unacceptable level.

Extradition is a key to stopping the drug traffickers, because they only fear conviction and incarceration in the United States. To have any deterrent value, it must be shown that it can actually happen.

A good place to start would be Ramon Arellano-Felix, who is wanted on narcotics charges in the United States, and has been named to the FBI's Ten Most Wanted List. Another good start would be Miguel Caro-Quintero, head of the Sonora cartel, who last year at this time was openly granting an interviews to the Washington Post. He has four indictments pending against him in the United States for smuggling, RICO statute, and conspiracy charges.

CORRUPTION

The State Department's Statement of Explanation describes—again tepidly—Mexico's approach to combating corruption this way: ''The Government of Mexico wrestled with very serious corruption issues in 1997. . .'' Wrestled with them. It is not enough to wrestle with them. Mexico has to show a sustained commitment to rooting out corruption in the government, police, military, and judiciary. This is one tall order that will take decades to accomplish.

Again, it is important to acknowledge the progress that has occurred. Mexico did expose, arrest, and convict their former drug czar, General Gutierrez Rebollo, when it was shown that he was on the take from the Carrillo Fuentes organization. This was a painful move, and President Zedillo is to be commended for taking it forthrightly.

But the problems run so much deeper than a bad apple at the top of the heap. According to the DEA, in addition to the Gutierrez-Rebollo incident, which involve the arrest of 40 other officers, the following cases are indicative of the reach of cartel-funded corruption into the Mexican government:

On March 17, General Alfredo Navarra-Lara was arrested by Mexican authorities for making bribes on behalf of the Arellano-Felix organization. He offered a Tijuana official $1.5 million per month—or $18 million per year.

In September, the entire 18-person staff of a special Mexican military unit

set up to intercept air shipments of drugs was arrested for using one of its own planes to smuggle cocaine from the Guatemalan border to a hideout.

Bribery and corruption is believed to have been behind the withdrawal of Baja state police protection from a Tijuana new editor prior to his attempted assassination on November 27, 1997.

In December 1997, the appointment of Jesus Carrola-Gutierrez as Chief of the Mexico City Judicial Police was cut short when his ties to drug traffickers and human rights violations were made public.

The question of judicial corruption is a growing problem. Judges on the payroll of cartels can with the stroke of a pen undo the painstaking work of even the most honest and committed investigators and prosecutors. Yet it is totally out of control. According the testimony of the GAO at a joint House-Senate hearing last week at which I was present, U.S. law enforcement officials believe there is only one Mexican judge, in the entire country, who can be trusted not to compromise a wiretap investigation. One trustworthy judge. That is a devastating indictment of the level of corruption in Mexico.

Mexico has begun to take steps to deal with this problem. It has begun vetting officers for the most sensitive units, probing their backgrounds for hints of possible corruption. There has been some success in this process, but it is painfully slow going. And even some vetted agents have turned out to be corrupt.

But to make the argument that the very beginning of the implementation of a broad-based vetting program warrants the badge of ''full cooperation'' is to set the bar dangerously low. It sends a message to the Mexican government that partial measures are good enough, and it need not worry about carrying the program to its fullest implementation.

Perhaps the best possible measure of Mexico's commitment to combating corruption is how it deals with officials who have been found to be corrupt. Are they dismissed from their jobs? Are they then kept from other official work? Are they prosecuted?

Well, the story is not a good one. In an interview in December 1997, the Mexican Attorney General revealed that of 870 federal police officials dismissed for corruption, 700 of these were rehired because of problems in the Mexican legal system, which requires that the individuals remain at work during an appeal. In a police or military organization, this is a serious problem.

It gets worse. Not only were the vast majority of these corrupt officers reinstated, but not a single one of them was successfully prosecuted. Again, there is no way to read this statistic other than as a lack of seriousness in the fight against corruption. Can we really deem Mexico fully cooperative when it fails to make any serious effort to punish corrupt police officers?

Prosecuting corrupt officials is important because without fear of prosecution, there is little deterrence. Unfortunately, in 1997, there were only three police or military related corruption cases being prosecuted, including General Gutierrez Rebollo. Many more cases need to be brought to trial to have any deterrent effect.

MONEY-LAUNDERING

Money-laundering is another area in which, by lowering the bar significantly, the Administration has made it Mexico's certification a virtual foregone conclusion. Last year, the simple fact of the Mexican Congress having passed laws that made money-laundering a crime for the first time was enough to satisfy the Administration. It did not matter that the laws were being neither implemented nor enforced.

So this year, the State Department's Statement of Explanation highlights the publication of regulations needed to implement the new laws. It does not mention that there was a significant delay in the publication of these regulations.

But let us accept that the publication of these regulations is an important step that needed to be taken to advance Mexico's anti-money-laundering effort. The question then is, how well are these laws and regulations being implemented? And the answer is, we simply don't know yet.

While some investigations are underway, there has not yet been one successful prosecution on a charge of money-laundering under the new statutes. Perhaps it is too soon to expect such prosecutions to take place. But in that case, pronouncing the laws a success is wholly premature.

This is especially true when we know that there are questions about these regulations. For example, despite U.S. urging to make violations of the new banking regulations criminal offenses, Mexico has decided to make these offenses non-criminal violations, which severely undercuts their deterrent effect.

In addition, the fine to be imposed on banks who fail to report suspicious transactions—10 percent of the value of the transaction—may not be enough to pose a disincentive to cheat. Ten percent of the value of a transaction, and no criminal penalties, may be a pittance compared with the lucrative bribes often offered by the cartels.

My point is simply this: It is too early to look at Mexico's anti-money-laundering effort and declare it a success. There is no problem with acknowledging progress. But to declare full cooperation to have been achieved before there has been even one prosecution under the law, simply lowers the bar to an absurd level.

COOPERATION WITH U.S. LAW ENFORCEMENT

As I said before, law enforcement cooperation is where the rubber hits the road in counternarcotics, not in agreements reached at the political level. And this is a source of major concern to me because, unfortunately, law enforcement cooperation from Mexico has been severely lacking.

The State Department's Statement of Explanation is largely silent on the subject of law enforcement cooperation. Well it should be. To describe the extensive cooperation between the two sides, the State Department cites meetings of the High-Level Contact Group, and the Senior Law Enforcement Plenary, and their various technical working groups.

But the truth is that all the high-level meetings in the world do not amount to a hill of beans unless there is cooperation and coordination on the ground between the law enforcement agencies of the two sides. Once again, the State Department's assertion that these meetings are a sign of real progress misses the point. Whether or not our leaders can work together is less important than whether our police and intelligence operatives can work together.

And with few exceptions at the moment, they cannot. Again, I would like to acknowledge progress. In contrast to last year, when DEA testified that there was not a single Mexican law enforcement agency with whom it had a completely trusting relationship, it is encouraging to learn that there are now some Mexican officials with whom DEA believes they can build a trusting relationship.

A key aspect of this institution-building process is vetting, leading to the development and professionalization of the new drug enforcement units in the Organized Crime Unit, and the Special Prosecutor's Office for Crimes Against Health.

This vetting process, if fully implemented, could go a long way toward providing U.S. law enforcement officials with the level of trust in their counterparts necessary for an effective bilateral effort.

But it is still in its infancy, and even some officials who have been vetted have subsequently been arrested in connection with traffickers. So while this effort is critically important, it is not evidence of full cooperation by a long shot.

The small number of officers in the two units with which DEA now has a tentative, case-by-case trusting relationship, is a beginning, but only that.

Take the much-vaunted Bilateral Border Task Forces, for example. These joint U.S.-Mexican units have been widely touted for some two years as ''the primary program for cooperative law enforcement efforts.''

Based in Tijuana, Cuidad Juarez, and Monterrey, each Task Force was supposed to include Mexican agents and two agents each from the DEA, FBI, and the U.S. Customs Service. The Binational Drug Strategy listed these task forces as one of the key measures of cooperation between our two nations.

Today, as this chart indicates and as the Washington Post reported on

March 9, 1998, this program is a shambles. The Task Forces exist only on paper. Why did this happen?

Unfortunately, as DEA Administrator Constantine explained to the Foreign Relations Committee, these Task Forces never really got started. Several of the Mexican agents who were assigned to these units, including commandantes, were suspected of, and even arrested for, corruption and ties to criminal organizations.

Ignacio Weber Rodriguez, commander of the Tijuana task force, was arrested for his alleged involvement in the kidnaping of Alejandro Hodoyan Palacios, a DEA informant.

In May, the Mexican commander and four members of one of the Task Forces were arrested for their alleged involvement in the theft of a half-ton of cocaine from the Mexican Attorney General's office in San Luis Rio Colorado.

Horacio Brunt Acosta, a Mexican federal police officer in charge of intelligence operations for the Task Forces, was fired last year for allegedly taking bribes from drug traffickers.

Is it any wonder that, despite the creation of two small vetted units, the level of trust between DEA agents and their Mexican counterparts is very low?

After the arrest of General Gutierrez Rebollo, the old Task Forces were dismantled, and have since been rebuilt. But for months, the Mexican government did not provide the promised funding, leaving DEA to carry the full cost, which they did until last September.

Additionally, the issue of personal security for U.S. agents working with the Bilateral Task Forces in Mexico has not been resolved, and, as a result, the task forces are not operational and will not be until the security issue is resolved.

The bottom line is that the task forces cannot function properly without DEA and other federal law enforcement agents working side-by-side with their Mexican counterparts, as is the case with similar units in Colombia and Peru.

This critical joint working relationship is made impossible by Mexican policies that do not allow for adequate immunities or physical security for U.S. agents while working in Mexico. This is an inescapable sign of lack of cooperation.

A related problem for the Task Forces is the low quality of intelligence provided by Mexico. Mr. Constantine testified before the Foreign Relations Committee that he is not aware of a single occasion in the past year when meaningful intelligence leads from Mexican agents to their American counterparts led to a significant seizure of drugs coming across the border. Not one. Intelligence flows in only one direction—south.

U.S. law enforcement officials indicate that Mexico's drug intelligence facilities located near the Task Forces are manned by non-vetted, non-law enforcement civilians and military staff. These units have produced only leads from telephone intercepts on low-level traffickers. To date, none of the electronic intercepts conducted by the Task Forces have produced a prosecutable drug case in Mexican courts against any major Mexican criminal organization.

So when we look at the utter collapse of the primary joint law enforcement effort between our two countries, we see that it fell victim to a lack of trust, lack of concern for the security of U.S. agents, corruption on the Mexican side, and Mexico's insufficient commitment to the necessary funding.

Looking at all this evidence, I am baffled, to say the least, that anyone could describe our law enforcement cooperation with Mexico as ''full cooperation.''

I ask unanimous consent that the Washington Post article of March 9, 1998 be entered into the record following my remarks.

WHAT HAPPENS IF WE PASS THIS RESOLUTION?

I know that many of my colleagues are concerned about the prospect of imposing sanctions on Mexico if we pass this resolution of disapproval. Well, let me address this issue head on.

Senator COVERDELL and I, and our cosponsors, have no desire to punish Mexico or impose sanctions on Mexico. Indeed, the resolution we would prefer to be debating makes that explicit. S.J. Res. 43 contains a Presidential waiver authority, which allows the President to waive any sanctions that would result from Congress' reversal of his decision.

But some of our colleagues objected to that resolution coming up. They did so because they knew it would stand a good chance of passage. So they have forced us to turn to the only resolution that is guaranteed a straight up or down vote—S.J. Res. 42, a resolution of disapproval no waiver.

I would hope that Senators would vote their concern about drugs in this country. In reality, there is little chance, I believe, that Mexico will actually be decertified.

I believe that a statement from the Congress that we are not satisfied with the level of cooperation we receive, will—after the shouting and posturing—produce a renewed effort to prove that full cooperation is being achieved. I believe that the limited progress that was made this year is due in large part to the outcry in Congress over last year's decision, and the pressure that was kept on by Congress throughout the year.

Some of my colleagues do not like the certification law. They think it antagonizes allies, and that may be true. But I think the law, while perhaps imperfect, serves an important purpose, and I am gratified to be able to add these views to the record.

The New York Times editorial of February 28, 1998 criticized the certification process, but said that ''as long as certification remains on the books, the Administration has a duty to report truthfully to Congress and the American people. It has failed to do so in the case of Mexico.''

Clearly, the best option for Mexico, both last year and this, would have been to decertify but waive the sanctions on national interest grounds, as we did with Colombia this year. That is the appropriate category for an ally with whom we need to work, and who is making progress, but who has not met the standard of ''full cooperation.''

In the meantime, we should make very clear what we expect in the way of improved cooperation:

Improved enforcement and increased seizures and arrests across the board;

A strong and sustained effort to dismantle the cartels, including the arrest of their top leaders;

The actual extradition and surrender of Mexican nationals wanted on drug charges, without undue delays;

A sustained program to root out corruption, including more widespread vetting and prosecutions of corrupt officials;

Full implementation and enforcement of money-laundering statutes, with vigorous prosecution of violators; and

Cooperation at the law enforcement level that inspires trust and confidence in our agents, and includes intelligence sharing and adequate security measures.

If Mexico achieves each of these goals, or even makes significant and consistent strides toward them, the supply of drugs will undoubtedly be diminished. And I, for one, would be an enthusiastic supporter of Mexico's full certification.

While this is not the resolution I had hoped we would vote on, it is the Senate's only opportunity to render its verdict on the decision to certify Mexico. I urge my colleagues to support the resolution, and stand for genuine full cooperation.

I yield the floor at this time. I know others wish to speak.

Mr. BIDEN. Parliamentary inquiry. As I understand, I just learned that the allocation of time was based on Democrat-Republican, as opposed to supporting and opposing the amendment. Although I have a great affection and loyalty to my friend from California, I have a diametrically opposed position.

I ask unanimous consent the time she consumed be charged not to those in opposition to the amendment but those who support the amendment, meaning Senator COVERDELL. I am managing the time of those who are opposed to the amendment of Senators COVERDELL and FEINSTEIN.

Ms. MOSELEY-BRAUN. Will the Senator yield?

Mr. BIDEN. And I ask for that unanimous consent.

The PRESIDING OFFICER. Is there objection?

Ms. MOSELEY-BRAUN. I will not object. I raise a point in that regard.

I am very strongly in support of the resolution to disapprove, and I am prepared to speak to that. I was not aware

there was a time agreement based on which side of the aisle you were on. I would very much like an opportunity to speak to this issue. I spoke earlier with Senator FEINSTEIN, and I thought there would be that opportunity.

At this point as you make your unanimous consent request, I would like to see if it is possible to reserve 15 minutes to speak to this issue.

Mr. BIDEN. Mr. President, I don't know if there is. I can almost assure the Senator that my friend from Georgia probably does not have 15 minutes.

Mr. COVERDELL. I have 15 minutes.

The PRESIDING OFFICER. If the unanimous consent request of the Senator from Delaware is accepted, the Senator from Georgia will then control 16 minutes and the Senator from Delaware will control 32 minutes.

Mr. COVERDELL. In good conscience, the time had to be divided by side. So I accept it, and I will get with the remaining Senators on our side, and we will try to accommodate them as best we can.

I might also suggest that the vote is occurring at 7:25 in order to accommodate Senators. There is nothing that would prohibit Senators from continuing to speak on this following the vote. In fact, it is anticipated. I think some of the longer remarks, if you are prepared to speak for 15 minutes, could be made after the vote.

The PRESIDING OFFICER. Is there objection?

Ms. MOSELEY-BRAUN. In that case, Mr. President, again, I will not object at this point, if I reserve the longer part of my remarks for following the vote, after the vote, or submitted in the RECORD, I would like an opportunity to be heard even briefly before the vote is taken. In that regard, I ask unanimous consent to have 5 minutes.

The PRESIDING OFFICER. The time in favor is under the control of the Senator from Georgia.

Mr. COVERDELL. That is fine.

The PRESIDING OFFICER. Without objection, the Senator from Illinois will receive 5 minutes of the time of the Senator from Georgia.

Is there objection to the request of the Senator from Delaware?

Mr. TORRICELLI. Reserving the right to object, if I could inquire as to the knowledge of the Senator from Georgia about how many speakers he has, so we have some idea how this might be allocated.

Mr. COVERDELL. I have, counting the Senator from Illinois, seven. They will have to be very brief.

Mr. TORRICELLI. Indeed.

I have no objection.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Delaware?

Without objection, it is so ordered.

Mr. BIDEN. Further parliamentary inquiry. Has anyone spoken in opposition to the amendment yet, other than the Senator from Delaware who, I believe, spoke about 2 minutes?

The PRESIDING OFFICER. No.

Mr. BIDEN. I am confused then as to why I only have 32 minutes left. I thought there were 45 minutes on a side at the outset.

The PRESIDING OFFICER. The Chair will confer with the timekeeper.

Mr. BIDEN. In the meantime, I yield to my friend from Connecticut 15 minutes.

Mr. DODD. I will try to abbreviate my remarks in light of the fact this is going to be a truncated debate.

Let me begin very briefly by saying we are back at this again year after year after year after year dealing with a fundamentally flawed procedure. It is so flawed in my view that Senator MCCAIN and I tried last year to get rid of the current certification process and to try to encourage the administration to come up with some alternative mechanism by which we, as a body, in Congress could express our deep and legitimate concerns about the growing problem of drugs coming into our country, and their increased use throughout this country, without damaging the ability of the United States to obtain cooperation for other governments in combatting which is a transnational problem.

I fundamentally believe that while the certification process might have had some utility when it was first enacted in 1986, it has long ceased to be helpful in encouraging other governments to work with us in combatting the production, transit and consumption of illegal drugs. For those of us who were in the Senate at that time, we remember well why we crafted the existing statute. It was intended to get the attention of the executive branch on this issue, because at that time they were doing very little to work with other governments to put together credible bilateral counternarcotics programs.

The administration got the message, as have subsequent ones. Nevertheless, we continue to go through this process still. We find ourselves year in and year out coming back to this process again. Here we are again in a debate about whether or not we will cut off Mexico from getting IMF, World Bank, or Inter-America Development Bank assistance, which if we did would creating untold complications for us and for Mexico. Let's remember that Mexico is a close neighbor, one with which we share a 2000 mile border and a complex web of very important and complicated day to day relationships. Only one of these is the drug issue. It is a very serious issue, but only one of very many.

I see my colleague from New Mexico on the floor, and my colleague from Texas, both of whom are more well aware that most of us as to exactly what the nature of our overall relations with Mexico.

I hope, Mr. President—maybe in vain once again—to make a plea to our colleagues, as I did earlier today to representatives of the executive branch, to take some time this year, sit down with responsible people who care about this issue, and see if we cannot construct some better framework by which we can express our concerns about this issue. I want to ensure that we get the maximum cooperation with every major producer and transit country in this hemisphere and elsewhere around the world. But the current system of certification isn't doing that.

My colleague from Georgia has heard me say many times that I believe he has proposed the framework of a very good idea with his suggestion that we form an alliance with other countries in order to tackle this problem. I think I am becoming a stronger supporter of the COVERDELL idea than Senator COVERDELL is himself at this point.

I think we need to have a little more balanced perspective about what the U.S. part of the problem. United States consumers spend $55 billion annually on illegal drugs. Mr. President, $55 billion in drug revenues comes from American pockets. American monies are helping to bankroll the very Mexican corruption that my good friend and colleague from California is talking about. This isn't being funded by Mexican dollars; it is funded by U.S. dollars. We are 5 percent of the world's population, yet we consume over 50 percent of the illegal drugs in the world in this country.

So when we debate this issue in the context of the annual certification process, we need to focus on ourselves as well as on the activities of producing and transit countries and money laundering countries. Yet somehow our culpability seems to get lost in the debate. It is time for us to take a good look in the mirror. If we as a nation didn't consume these illegal substances in such great quantities and at such enormous human and monetary cost, then it would not be as profitable a business as it has become. That is not to excuse our neighbors who also must bear responsibility for failing to maintain credible law enforcement institutions to cope with the supply side of the equation.

We need to try to keep this in perspective. As angry as we get about what happens in nations and countries in Asia and Latin America, and especially with respect to our neighbors to the south, it would be healthy if we also would take some time to recognize that children in Chicago, or Hartford, or Atlanta, or Los Angeles are not consuming this illegal drugs solely because somebody in Mexico wants them to. It is also because we are not during enough here at home, to address some of the underlying reasons why these children are driven to use drugs.

The idea that if we scream loud enough at these other countries, we are going to somehow solve the problem here at home without doing anything else ourselves, I don't believe is a foolhardy notion. We need to figure out a way in which to get far better cooperation with other nations in addressing the supply side of the equation while at the same time working here at home on demand.

There are a lot of statistics, Mr. President, which the administration and others have put together here. General McCaffrey is not a lightweight or a weakling when it comes to being tough with other nations in insisting upon genuine cooperation. His appointment as the drug czar was overwhelmingly supported by those in this body. He has done an incredible job as the director of the office for national drug control policy. He believes that the Mexican government has been cooperating and he works at this everyday. If he thinks that Mexico should have been certified, and he did, than I have to agree with him.

The decision that was made on certification was made in consultation with the Attorney General, the Secretaries of State and Defense, and the Director of the Office of National Drug Policy, General McCaffrey. All concurred—knowledgeable people who care deeply about this issue—and believe that to decertify Mexico would be a major, major mistake and cause us major, major problems.

I believe that the President's decision was based on a realistic assessment of what Mexican authorities were capable of accomplishing last year and what, in fact, they did accomplish. Perfection? No. But there was real progress. They need to continue to move in the same direction this year.

That assessment, I might point out, appropriately took into account the institutional constraints that faced Mexico—a great deal of poverty, budgetary constraints, a weak judiciary, and corruption, things that my colleague from California has identified. Mexico is a country that is struggling economically.

I will outline quickly some of the major issues that were measured.

Trustworthiness of law enforcement counterparts. We are all well aware that corruption is a serious problem in Mexico, generally within the law enforcement and the military. The Mexican government has confronted that problem head on.

The Mexican authorities discovered in 1997 that the head of their anti-drug agency, General Jose Gutierrez Rebollo, was implicated in major narcotics-related corruption with Amado Carrillo Fuentes, one of Mexico's most significant drug traffickers. They moved quickly to arrest and prosecute him.

They did so even though, at the time, this was a major embarrassment to the Zedillo government.

Recognizing that the drug mafia had extensively penetrated its National Counternarcotics Institute—its primary drug enforcement agency, which General Rebollo headed, the Zedillo government totally dismantled that agency because they felt he wasn't the only problem, there were others. That was done over the last year and a half. That is an indication of progress.

U.S. law enforcement agencies have helped Mexico to rebuild its drug enforcement apparatus. Progress against corruption is the most visible evidence that Mexico is serious about routing out corruption, as was the handling of the Rebollo matter. He was expeditiously tried, convicted and sentenced.

Let me comment briefly on the story that ran in today's New York Times concerning certain allegations made by General Rebollo against other members of the Mexican military. First, I tell you, Mr. President, that there is nothing new in the story. General Rebollo made these same allegations during his trial in an effort to get off the hook. To say things self-serving is an understatement.

I have to doubt that the timing of the selective leak of portions of a classified report is not coincidental. It was obviously intended to influence today's vote.

The administration has stated for the record that available intelligence information does not support the Rebollo accusations. And I believe we should accept that assessment.

With respect to the judiciary, Mr. President, the Zedillo government has instituted new procedures for the selection of judges. No longer can the Mexican supreme court arbitrarily appoint judges; judicial appointments are now made based upon examinations. Under new review procedures, three sitting judges have been removed from the bench to date.

Leaving aside the Rebollo issue, there is other concrete evidence of the Zedillo government's commitment to addressing government corruption and cronyism.

With respect to the judiciary, the Zedillo government has instituted new procedures for the selection of judges. No longer can the Mexican Supreme Court arbitrarily appoint judges, rather judicial appointments are now made based upon examinations. Under new review procedures, three sitting judges have been removed from the bench to date.

Finally, some 777 Mexican Federal Police have been dismissed from their jobs because of drug-related or corruption charges.

However, Mexico is not China where government officials rule by fiat. Rather, just as in the United States, Mexican law makes available grievance and other appeals procedures to dismissed government personnel. Because of these appeals, the government has been forced to reinstate some 268 of these individuals.

And, despite what some of my colleagues would have you believe, not one of these individuals has been assigned to counter narcotics or other sensitive law enforcement duties. They've been given what we call here in the U.S. ''desk jobs,'' pending further action by Mexican authorities to seek to permanently dismiss them.

All of this represents progress on the corruption front.

EXTRADITION

With respect to extradition, for the very first time the Mexican government has approved the extradition to the United States of five Mexican nationals—wanted in the U.S. on drug-related charges. As in the United States, these cases are subject to habeas review and are currently on appeal in Mexican courts.

I would also remind my colleagues that Mexican authorities have sought to cooperate in other ways with the United States in this very sensitive area. They have availed themselves of various procedures at their disposal and have used other means of turning over fugitives to us, including deportation or expulsion, when that has been legally permissible under Mexican law.

In fact, it was through the expulsion process that the United States obtained custody of a major drug figure, Juan Garcia Abrego—a leader in the Gulf Cartel and someone who had the dubious distinction of being on the FBI's Ten Most Wanted List.

That is cooperation.

DRUG SEIZURES

There have been some real successes on the drug seizure front. Cocaine seizures were up by 48 percent over 1996—to 34.4 metric tons. This is the fourth year of improved cocaine seizure statistics.

Seizures of opium gums, a principle ingredient in heroin, were up as well, by 76 percent to 342 kilos. Again showing improvements over past years' performance.

Seizures of marijuana reached 1,038 metric tons last year, again a four year high and nearly double the quantities seized in 1994.

And let me point to another very interesting statistic. Based upon recent statistics of U.S. cocaine seizures on the Southwest border in comparison to Mexican cocaine seizures, for the first time, Mexican officials out performed U.S. border officials in the seizure of cocaine shipments.

ERADICATION

Opium eradication was also up last year to 17,416 hectares—a four year high. The eradication of marijuana crops was also on the rise. Some 23,385 hectares of marijuana fields were destroyed in 1997.

DISRUPTION OF TRAFFICKERS

We all recognize that the best way to disrupt drug organizations is to apprehend their mid-level and top leaders. There is clearly progress to report on that score as well.

Perhaps the most remarkable event last year was the death of drug kingpin Amado Carrillo Fuentes, the infamous head of the Juarez cartel, as he underwent surgery to alter his appearance in order to evade Mexican law enforcement authorities. Had he not felt that these authorities posed a credible threat, he would never have undergone this procedure. His death was a severe blow to the Juarez cartel organization.

I ask unanimous consent that a chart be printed in the RECORD.

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

MAJOR DRUG TRAFFICKERS ARRESTED—STATUS OF CASE

Name	Cartel	Role	US Status	MX status
Oscar Malherbe de Leon	Gulf/Juarez	Ops manager	US warrant	Extrad. Approved
Adan Amezcua Contreras	Amezcua/Colima	Lieutenant	US warrant	
Jaime Arturo Ladino Avila	Colima	Financier	US warrant	Extrad. Approved
Manuel Bitar Tafich	Juarez	Money Laund		
Jaime Gonzales-Castro	Juarez	Middle Mng	US warrant	Extrad. Approved
Noe Brito Guadarrama	Juarez	Security		
Arturo E. Paez-Martinex	Tijuana	Key LT	Extrad Req'd	Decision Pending
Rodrigo Villegas Bon	Tijuana	Assassin		
Tirso Angel Robles	Sonora		US warrant	Extrad. Approved
Rafael Caro Quintero	Sonora		US warrant	Pending
Hector Palma Salazar	Gulf		19 yrs, 6 mos..	
Joaquin Guzman Loera	Guzman-Loera		21 yrs..	
Arturo Martinez Herrera	Gulf		40 yrs..	
Miguel Angel Felix Gallardo	Tijuana		12 yrs..	
Raul Valladares del Angel	Gulf		29 yrs..	
Jose Luis Sosa Mayorga	Gulf		19 yrs..	
Gaston Ayala Beltran	Gulf		9 yrs.	
Humberto Garcia Abrego	Gulf	Arrested 1995. Released 0000.		

Mr. DODD. As you can see from the chart printed above, a number of major well known second-tier cartel figures, including Oscar Malherbe of the Gulf/Juarez Cartel, Adan Amerzcua of the Amezcua/Colina Cartel, and Manuel Bitar Tafich of the infamous Juarez cartel have also been arrested by Mexican authorities and their extraditions have been approved.

In addition, if you look further down on the same chart, seven major traffickers, including Felix Gallardo of the Tijuana Cartel, are behind bars and serving sentences anywhere from nine to forty years. Moreover, thanks to joint operations between United States and Mexican authorities, there have been extensive indictments of key players in the Tijuana cartel.

These events all represent significant advances in disrupting the major drug cartels.

ISSUE 7—MONEY LAUNDERING

In 1996, the Mexican Congress enacted new statutes criminalizing money laundering—heretofore, as in the case of many other countries, it was not a crime. The complicated regulations implementing that law were issued just last year.

Currently, Mexican authorities have more than seventy cases under investigation based upon these money laundering statutes—sixteen of them, jointly with U.S. Treasury officials.

Clearly that represents progress in the area of money laundering.

ISSUE 8—CHEMICAL CONTROLS

Last December, the Mexican Congress passed comprehensive legislation designed to regulate precursor and essential chemicals as well as equipment for making capsules and tablets. This law is very broad in scope, and once fully implemented should be very effective in monitoring and regulating important ingredients in the illegal drug trade.

ISSUES 9 AND 10—OVERFLIGHT AND MARITIME COOPERATION AND ASSET FORFEITURE

Overflight and maritime cooperation has steadily improved. Similarly the Mexican Congress is in the process of considering legislation to permit Mexican authorities to utilize asset seizures and forfeitures as tools in their prosecutions of drug criminals.

Mr. President, this has been a somewhat lengthy and detailed accounting of what has happened with respect to U.S.-Mexican counter narcotics cooperation during the past year. I believe that it paints a clearer and more accurate picture of what has transpired with respect to Mexican counter-narcotics cooperation. I believe that it demonstrates a clear pattern of genuine cooperation between our two governments. I would hope that my colleagues will ultimately come to the same judgement.

IMPLICATIONS OF PASSING RESOLUTION

Mr. President, as our colleagues digest the statistics and details of what has transpired over the past year, I would hope they would keep in mind the ''big picture'' as well.

What do I mean by that? I mean that first and foremost we should remind ourselves why the Congress enacted the drug certification law in the first place—namely to ensure that the United States would seek meaningful cooperation from other governments in the counter narcotics area.

And why did we seek to promote international counter narcotics cooperation?

We sought to do so, as Mr. Thomas Constantine, DEA Administrator testified in February of this year because, ''It is difficult—sometimes nearly impossible—for U.S. law enforcement to locate and arrest these (drug cartel) leaders without the assistance of law enforcement in other countries.'' Clearly Mr. Constantine must have had Mexican law enforcement in mind when he made that statement.

There are some very fundamental questions that I believe we should ask ourselves as we decide how to vote on the pending resolution. Will cutting offer economic assistance to that country improve counter narcotics cooperation? Will voting against loans to Mexico in the IMF, the World Bank, or the InterAmerican Development Bank encourage cooperation?

Will suspending export trade credits from the U.S. Export Import Bank or the Commodity Credit Corporation encourage cooperation? Most importantly, will voting to overturn the President's decision with respect to Mexico improve cooperation between Mexico and the United States?

I think the answer to each one of these questions is fairly obvious—No!

Each one of the sanctions that I have just enumerated will go into effect if the Senate passes the pending resolution and it is enacted into law.

Ironically, the sponsors of this resolution have stated that they don't want the Administration to implement any of the sanctions I have just mentioned. If that is the case, then I am at a loss as to why we are debating this resolution today. Moreover, Mr. President, it is all the more reason why our colleagues should vote against this resolution when we vote on it later today. In conclusion, Mr. President, I believe that the President made the right decision with respect to Mexico. I hope my colleagues have come to share that view as well.

Mr. BIDEN. Parliamentary inquiry, Mr. President. How much time remains in the control of the Senator from Delaware?

The PRESIDING OFFICER. The Senator from Delaware has 20 minutes left.

Mr. BIDEN. I thank the Chair.

The PRESIDING OFFICER. The Senator from Georgia has 5 minutes 35 seconds.

Mr. BIDEN. Mr. President, I will do it any way the Senator from Georgia wishes. We usually go back and forth. Since he has so little time, would he like me to use up some more time?

Mr. COVERDELL. Let me yield 3 minutes to the Senator from Arkansas.

Mr. KERRY. Parliamentary inquiry, Mr. President. Is the remaining time divided between proponents and opponents, or Democrats and Republicans?

Mr. BIDEN. Proponents and opponents.

The PRESIDING OFFICER. The Senator from Arkansas is recognized.

Mr. HUTCHINSON. Mr. President, I have a 20 minute speech I am going to condense to 2 minutes. I had no idea we had so little time. It is unfair to the others—

The PRESIDING OFFICER. The Chair states that debate is expected to continue after the vote, and statements can be made after the vote. He could be recognized for that purpose.

Mr. HUTCHINSON. Mr. President, I was interested in things that my good friend, the Senator from Connecticut, said. He said that the standard we were setting for Mexico was a standard of perfection. He said that twice, as if we

had held up some impossible standard for Mexico to meet. Well, if you look at the text of the Presidential determination certifying Mexico, signed by President Clinton, it is not a standard of perfection that we ask of Mexico. It is this:

I hereby determine and certify that Mexico has cooperated fully with the United States, or has taken adequate steps on their own to achieve full compliance with the goals and objectives of the 1988 United Nations Convention Against Illicit Traffic in Narcotic Drugs. . ..

That is the standard—''cooperated fully and taken adequate steps.'' I suggest to my colleagues that we have a moral and a legal obligation to measure this vote by that standard. It is not some standard of perfection. It is a standard of whether they have fully cooperated and whether they have taken adequate steps. I further suggest that if you look plainly and clearly at the compelling evidence, by every standard and measure Mexico has failed to fully cooperate and they have failed to take adequate steps.

The government of Mexico has yet to extradite or surrender a single Mexican national to the United States on drug charges, despite the fact that there are 27 outstanding requests. In fact, no Mexican national has been surrendered.

The Bilateral Border Task Force, which was described by the administration last September as the ''cornerstone of U.S.-Mexico cooperative enforcement efforts'' has yet to become fully operational, and has been completely ineffective. This failure is due to a lack of funding by the government of Mexico, corruption, and the failure of the Mexican Government to allow DEA agents to carry weapons. Is this what we consider ''cooperating fully and taking adequate steps?''

According to the Deputy Attorney General testifying before Congress, ''None of the senior members of the Arellano Felix Organization (AFO) has been arrested.'' In short, the AFO, part of the Tijuana Cartel—the second most powerful drug cartel in Mexico, continues to operate unimpeded. Is this what we consider ''taking adequate steps?''

Mr. President, the answer is obvious—the Government of Mexico has not cooperated fully in this most important war for the lives of our citizens, and has not taken adequate steps to engage in this war on their own.

In fact, seizures of methamphetamines in Mexico in 1997 was less than one-fourth the levels attained in 1996 and seizures of heroin have been cut in half. In all, Mexico's record of drug seizures this past year are far short of adequate and are best characterized as a dismal failure.

Coupled with these poor seizure rates, the number of drug related arrests were down in 1997—and were almost a third of the arrests made in 1992. Again, not adequate, but wholly inadequate—not progress but retrogression.

The failure of the Government of Mexico to move against the major drug producing and transporting Mexican Cartels, their failure to make significant drug seizures and arrests, and their failure to cooperate fully with U.S. counter-narcotic efforts has led to a dramatic increase in the supply of drugs entering the United States.

The results of these failures are both known and predictable. As the supply of drugs goes up, their prices go down. Street prices for cocaine, heroin and methamphetamines are at their lowest levels in years—making these deadly drugs more affordable for our children and more available for the troubled addicts lining our country's shattered neighborhoods. This cheap price may be why heroin use is increasing so rapidly—with those under the age of 25 being the largest new heroin user population. Likewise, according to the administration, cocaine use is again on the climb. With the new users falling in the age of 12 to 17.

Mr. President, there are real faces of real children behind these stark numbers. They live in urban and rural in Arkansas, and across the country. This was is one that we cannot afford to loose. Drugs are the hidden impetus to much of this country's crime, poverty and violence. Every day more children start down the drug path to ruin. If we lose this war, it will be lost on the backs of our children and our families.

Today's debate is too important to call a totally inadequate effort—adequate! We must not lower our standards in this test of international will to win the war on drugs. Based on the facts, I would urge a vote for the resolution to decertify Mexico.

If words have meaning at all, and they do, Mexico has failed—they have not taken ''adequate steps'' and they have not ''cooperated fully.'' If the annual certification of Mexico is anything more than an empty political exercise, one must vote to decertify in view of the clear and convincing evidence. We must not be like the ostrich—head in the sand—pretending everything is O.K.

Mr. President, honesty demands a yes vote on this resolution to decertify.

So, Mr. President, I could go on and on. Senator FEINSTEIN did it very well. By every measure, Mexico has failed. It is not a standard of perfection. Have they cooperated? Have they taken steps? They have not. We do not have not some fantasy obligation; we have a moral and legal obligation. If words mean anything, we must judge Mexico simply by whether they have cooperated and whether they have taken adequate steps. And they have not.

My friends, if this is anything more than a political exercise that we go through every year, anything more than a political joke, we have a moral and legal obligation to vote yes on this issue of decertification.

I thank the Senator from Georgia for the time.

The PRESIDING OFFICER. Who yields time?

Mr. BIDEN. Mr. President, I yield 3 minutes to my distinguished friend from New Mexico, who should have 20 minutes, but there is not much time left.

Mr. DOMENICI. Mr. President, I don't need more than 3 minutes. Mr. President, my State borders Mexico. A year and a month ago, I was on the floor of the Senate complaining about a failure on the part of Mexico to do its job in terms of restricting drugs coming across the border. We all got into a tremendous argument with the republic of Mexico. And, as a matter of fact, it did no good whatsoever.

So to those who have taken the time of the U.S. Senate, in very brilliant ways, with wonderful charts, and told us how badly Mexico has failed to pass the test, I just ask this: If we vote to decertify them, are they going to get better? Is there a correlation between saying they should not be certified and getting some real cooperation out of Mexico? I ask any Senator who says, ''let's go ahead and decertify and say to Mexico, you are not cooperating,'' to stand up and tell the Senate that if we did that, things would really get better.

As a matter of fact, Mr. President, there is a good chance, because this process is so outrageously stupid, that if we decertify Mexico, things will get worse. All of these things people are worried about—and I see them in my State and I am worried about them, too—are just going to get worse rather than better. If you pound the Mexican economy and penalize Mexico because they haven't been cooperating, do things like take away IMF, the World Bank, and other assistance, all in the name of making Mexico cooperate, do you know what will happen? Every headline across their country will clearly state: ''Los Americanos no quieren los Mexicanos,'' ''They don't like Mexicans.'' That is what it will say in big headlines this thick. That is not going to result in cooperation.

What we need to do is repeal the certification statute. It is useless. And we need to replace it with something that will measure cooperation by law enforcement people.

Let me ask you one more time. If things are not going well between Mexico and America regarding drugs, you stand up and tell the U.S. Senate that you will vote with us to de-certify and things will get better. You stand up and say that—any Senator. Just give us a minute or two so we can get up and tell you they will get worse, and that is because this certification law is some kind of an anomaly that doesn't really fit the relationship between Mexico and America today.

Let me close. For the Mexicans who are listening, don't think the Senator from New Mexico is excusing your lack of performance. I was the first one to jump on Mexico for not extraditing Mexican drug lords back here to be tried.

But let me tell you, they have to do better. I don't believe they will do one bit better if we decertify. I don't believe the President ought to sign the

decertification, and we ought to get on with doing something constructive, instead of destructive which will cause no good to America or Mexico.

Thank you for the time.

Mr. COVERDELL. Mr. President, I yield 3 minutes to the Senator from Illinois.

Ms. MOSELEY-BRAUN. I thank the chairman.

Mr. President, I rise today to strongly urge my colleagues to support this resolution to disapprove the certification of Mexico under the Foreign Assistance Act for Fiscal Year 1998.

On February 26th, the President certified that Mexico had ''fully cooperated'' with the United States in its drugfighting activities.

Even a cursory examination of Mexico's recent anti-drug record demonstrates that it has clearly not earned that certification.

Because it has become so plentiful in our country, in many areas it is easier to purchase cocaine than cigarettes. Drugs are destroying our children's futures and eating away at the fabric of our society.

Yesterday it was announced that a new anti-drug strike force created by the city of Chicago and Cook County seized 700 pounds of cocaine worth $40 million in a single home in a Chicago suburb.

Cook County States Attorney Dick Devine said that the cache of drugs seized was enough to ''provide a hit for every man, woman, and child in Chicago.''

I applaud the strike force for hitting the jackpot in this seizure. They have given law enforcement and our community some hope that we have not become complacent in our efforts to get this poison off of our streets.

It is plentiful. It is poison.

The raid was the fourth, and the largest, that the new strike force has conducted since it was created last January.

To date, it has seized nearly 1,200 pounds of cocaine valued at $66.6 million, along with $4.4 million in cash, jewelry and cars.

But consider what that strike force is up against. It is astonishing that 700 pounds of cocaine was seized in a single home. Imagine the amount of illegal drugs that are out on the street if the police could seize that much in one residence.

Local police forces cannot be expected to stand as the primary bulwark against a major international scourge—those drugs should never have been able to make their way into the United States.

A significant degree of the blame for the fact that huge quantities of drugs continue to enter our country can be directed at the impotence of Mexican government's antidrug efforts.

Mexico is the primary transit country for cocaine entering the United States from South America, as well as a major source of heroin, marijuana, and methamphetamines.

The truth is, the Mexican government's efforts to stop the flow of drugs into our country have been insufficient. Consider the fact that last year, heroin seizures in Mexico fell by 68 percent compared with 1996 (from 363 kilos to 115 kilos), and that last year, methamphetamine seizures in Mexico fell by 77 percent compared with 1996 and 92 percent compared with 1995 (from 496 kilos to only 39).

There is more to this story than just the declining amount of drugs seized by Mexican authorities. Consider the Mexican government's disgraceful institutional response to the problems of drug trafficking and drug-related police corruption:

Despite the existence since 1980 of a mutual extradition treaty between the United States and Mexico, the Mexican government has not yet surrendered a single one of its nationals to the U.S. Government for prosecution on drug charges. Currently there are 27 outstanding requests for extradition.

How can Mexican officials argue that it is making progress in the fight against illegal drug trafficking and the corruption that it breeds when, of a total of 870 Mexican federal agents that have been dismissed on drug-related corruption charges, 700 have been rehired and none have been prosecuted?

In a recent hearing, Benjamin Nelson of the Government Accounting Office stated that ''No country poses a more immediate narcotics threat to the United States than Mexico.'' He was testifying regarding a recently-released GAO report stating that drug-related corruption of Mexican officials remains ''pervasive and entrenched within the criminal justice system.''

Bilateral Border Task Forces have been crippled by inadequate funding by Mexico, a shortage of full-screened Mexican agents, and the refusal of Drug Enforcement Administration agents to participate so long as Mexico denies them permission to carry firearms for their own protection. Certification for Mexico would clearly represent a slap in the face of DEA agents who have communicated their feeling that little is being done to combat drug trafficking in that nation.

I am aware that, in a few areas, a degree of progress has been made. For instance, Mexico has instituted new vetting procedures for the hiring of police officers and it has entered into an agreement with the United States regarding a bilateral drug strategy.

Unfortunately, these measures are not sufficient to offset Mexico's otherwise exceptionally poor anti-drug record.

What is really at issue here is not whether Mexico has met the requirements of the Foreign Assistance Act. It clearly has not. The reason that some hesitate to decertify Mexico is that many other aspects of our relationship with Mexico would change if it were not certified.

In aid, in trade and in commerce, billion's of dollars in public and private money are at risk with this issue.

For fiscal year 1998, the U.S. has appropriated $15.38 million in standard foreign assistance to Mexico that would be cut off. This assistance includes funding for programs which seek to stabilize population growth; assist health education initiatives; encourage the environmentally sound use of resources; engender legal reforms related to NAFTA; and strengthen democracy.

In indirect assistance, Mexico could lose billions of dollars. Mexico's economy would likely be severely affected as financial markets react to the United States vote of no confidence in the government. The United States would be required to withhold support for multilateral development bank loans to Mexico. Also at stake are hundreds of millions of dollars of export financing through the export-import bank. In fiscal year 97, the ExIm Bank authorized $1.05 billion for Mexico that would not be available.

There would be other financial ramifications, and it would change the nature of our relationship.

The law providing for certification states in Section 490 of the Foreign Assistance Act, that the President must submit to Congress by March 1 of each year a list of major illicit drug producing and transiting countries that he has certified as fully cooperative and therefore eligible to continue to receive U.S. foreign aid and other economic assistance. This sets in motion a 30-calendar day review process in which Congress can disapprove the President's certification and stop U.S. foreign aid and other benefits from going to specific countries. The ball is now in our court.

If we are concerned about sending signals, disrupting commerce, or chilling our economic partnership with Mexico, then we should admit that this law is not enforceable and we should amend or repeal it.

Perhaps, under current law, the President's choices are too limited. I know that Senator HUTCHISON and Senator DOMENICI would like to pass a law creating a new option for the President that would be known as ''Qualified Certification.''

But if we are going to follow the dictates of the current law, the answer is not to pretend that the facts are other than what they clearly are.

Mexico has simply not met the standards necessary to qualify for certification.

We have an obligation to the people of the United States to do everything in our power to stop drugs from coming into the United States.

So, until Mexico gets tough with its drug traffickers, we must get tough with Mexico.

Mr. President, this is why I stand here. I have seen firsthand the effects of the poison that is coming across our borders in community after community after community. I have seen families destroyed by the prevalence of cocaine and heroin methamphetamine to the extent that in some communities it

is almost easier—the popular wisdom is that it is easier—to get cocaine than it is to get cigarettes.

We have to at some point stand up and say reality is what it is. We as the Senate have a responsibility to say, our relationships notwithstanding, that you have to do better. And the only way we are going to get that process started is to pass this resolution.

Last year this debate went on, and we were going to give them a pass for another year. It hasn't gotten any better, Mr. President.

I encourage strong support for the resolution.

I thank the Chair.

I yield the floor.

Mr. BIDEN. Mr. President, I yield 7½ minutes to my friend from Massachusetts.

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

The PRESIDING OFFICER. The Senator has 16 minutes 50 seconds.

Mr. BIDEN. I yield 8 minutes to my friend from Massachusetts.

The PRESIDING OFFICER. The Senator from Massachusetts.

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

Mr. President, I come at this somewhat differently from a number of my colleagues. I do not agree with those who say that the certification process does not work. I have been involved in this issue deeply for all the years that I have been in the Senate. I think the debate we had in the Senate last year sent a very clear signal to the Mexican government that we expected some real movement on the counter narcotics front this year and that certification could be in jeopardy if there was no movement. I think they got the message.

Last year, I believed very strongly that the President should not certify that Mexico was fully cooperating because I believed that the Mexican government's performance did not measure up to the standard. During the Senate's debate I argued that if he was going to do anything, he should certify Mexico on the basis of a national interest waiver. That would have more accurately reflected the situation that we found ourselves in at that time and the real rationale underlying the certification decision. The President didn't do that. We had a vigorous debate here on the Senate floor and ultimately, we expressed our concern about the lack of progress through a joint resolution which was overwhelmingly supported. And I supported it. But it was because of that effort that I believe we are, in fact, in a different position this year.

For those who say that the certification process doesn't work, just look at Colombia. This year the President was able to certify Colombia with a national interest waiver. Nobody is here screaming about decertifying Colombia, because, in fact, because of the prior years' decertification, we finally were able to elicit some progress from Colombia.

So I am not in that camp that comes to the floor suggesting that certification has no meaning and cannot affect behavior. I am in that group that comes to the floor suggesting that the debate we had last year did send the signal to Mexico, and that, in fact, there are differences that you can measure this year, which in fairness we ought to measure and make a judgment about.

I have the deepest respect for the Senator from Georgia and the Senator from California. I think they do a great service by pointing out all of the weaknesses. I think the Senator from California has done an incredible job of researching, understanding, and laying out for the Senate the very clear set of deficiencies which need to be addressed. But when we come to the floor one year and criticize them for corruption in their law enforcement agencies, and then they reconstitute their whole structure for law enforcement in an effort to reverse years of corruption, we cannot come back this year and suggest that what they have done is not enough and will not enable them to make progress on the rest of the things that we want them to do.

I believe that the Mexican government has made a genuine effort over the last year and that Mexico's record has improved in a way that is measurable. By no means is Mexico's performance anywhere near perfect, but I believe that the responsible action by the U.S. Senate is to say to them that they are on the right track and to give more time to see if they can make further improvements. I believe that the balance sheet before us today is significantly different from the one before us a year ago. If my colleagues look at this balance sheet fairly, I think they will agree that decertification is not the right approach this year.

As my colleagues know, last February, shortly before President Clinton made his decision on certification, Mexican authorities arrested General Jesus Gutierrez Rebollo, then head of the National Counternarcotics Institute (INCD). Gutierrez Rebollo, as we now know, was on the payroll of one of Mexico's most powerful and notorious drug traffickers, Amado Carillo Fuentes. The arrest of Gutierrez symbolized the endemic drug corruption among Mexican law enforcement officials including those charged with fighting the war on drugs. As the facts of the case emerged, it became apparent that Gutierrez had arrested only those traffickers who worked for rivals of Carillo Fuentes—a development which suggested that arrests were more a product of inter-cartel rivalries than legitimate law enforcement activities. As I have said, only time and further investigation will demonstrate whether there were alliances between other senior military officials and major traffickers involved in this case.

Throughout 1996 the Mexican government had taken no meaningful steps to address the problem of drug corruption within the law enforcement agencies. Although federal police officers were fired for corruption, none had been successfully prosecuted. Nor was Mexico's performance much better with respect to other indicators such as extraditions to the US, drug related arrests or implementation of laws dealing with money laundering and organized crime.

The threat posed to the United States in 1998 from drug trafficking organizations in Mexico is little different from that posed in 1997. What is different, however, is the effort made by the Mexican government over the last year to deal with the primary obstacle to successful counter narcotics efforts: drug corruption within its own ranks.

After the arrest of Gutierrez Rebollo on corruption charges, the Mexican government moved to reconstitute its drug law enforcement structure and to institute new vetting procedures to deal with the problem of corruption. The National Counternarcotics Institute (INCD), Mexico's leading anti-drug agency, was abolished and a new agency, the Special Prosecutor for Crimes Against Public Health (FEADS), was created under the Office of the Attorney General (PRG). A new Organized Crime Unit (OCU), established pursuant to the 1996 Organized Crime Law, has been established in the FEADs headquarters under the Attorney General's Office. When fully constituted, the OCU will have sub-units for each of the areas covered by Mexico's organized crime law including organized crime, money laundering, narcotics, kidnapping and terrorism.

A Financial Crimes Unit has been set up under the Ministry of Finance, airmobile special counter-drug units now operate under the Secret of National Defense and riverine units under the Mexican Navy. The Mexican government is also rebuilding the Bilateral Border Task Forces, although at present it is fair to say that the accomplishments in this area are few and that our own Drug Enforcement Agency refuses to allow American agents to cross the border for fear of their own security.

Changing of the organizational chart means little unless steps are taken to ensure that the individuals working in these agencies are not corrupt. Since August 1996 the Mexican government has dismissed 777 federal police for corruption. Of these 268 have been ordered reinstated because of procedural errors in the dismissal process. However, it is important to note that their charges on drug corruption have not been dropped, and they have not been reassigned to counterdrug jobs. I know my colleagues who oppose certification regard these reinstatements as evidence of Mexico's failure or lack of political will to deal with the corruption problem.

While I understand their skepticism, and perhaps share some of it, I believe

that it is too early to rush to this judgment. Our own Civil Service law provides an appeals process for US government employees who have been dismissed, and our Foreign Service Act allows officers who have been dismissed to remain in the job throughout the appeals process. The real test on this issue is the ultimate fate of these individuals who have been reinstated and whether they are dismissed for corruption in the end and whether they are prosecuted.

Last year the Office of the Attorney General opened corruption or abuse of authority cases against over 100 members of the federal judicial police and over 20 federal prosecutors. Links between the traffickers and judges as well as the judiciary's lenient attitude toward narco-traffickers and others brought up for drug related offenses are major obstacles to an effective counter narcotics effort in Mexico. The Mexican government has finally begun to deal with this problem. The National Judicial Council has recommended that charges be brought against three sitting judges for corruption and five judges have already been dismissed. The selection process for Supreme Court judges has now been changed to provide for judicial appointments based on examination. Last year the first group of judges selected by this method was seated. Admittedly these are small steps, but they are positive ones.

The Mexican government has also put into place new, more rigorous processes for vetting those who will work in the newly established law enforcement structures. The Attorney General's office requires that all personnel assigned to FEADS (the Special Prosecutor's Office) pass suitability examinations. Those in sensitive units like the Organized Crime Unit are now screened through procedures which include extensive background checks; psychological, physical, drug and financial examinations; and polygraphs. According to Mexican officials, these checks will be repeated periodically during their tenure. Ultimately all employees working in the Attorney General's office are to be screened but those working in most sensitive units like FEADS and the OCU are the first to be screened. To date, 1300 have been through the screening process.

US law enforcement agencies including DEA, the FBI and the Customs Service are assisting the Mexican government, at its request, in establishing comprehensive vetting processes and training those who conduct polygraphs and other technical examinations. For example, according to DEA Administrator Constantine, DEA has provided assistance to the Organized Crime Unit in the development of personnel selection systems and provided extensive narcotics enforcement training to the new OCU agents.

I believe the very fact that US law enforcement agencies are working closely with Mexican government officials on this vetting process is enormously important to the ultimate goal of establishing corruption-free law enforcement agencies in Mexico. That cooperation could be seriously jeopardized if we decertify Mexico at this point.

Since the Mexicans have chosen to put thorough screening processes in place, these new law enforcement entities are not fully staffed, and as a result their capacity to undertake investigations is somewhat limited. Nevertheless, by the end of last year, FEADS was conducting investigations and enforcement actions both unilaterally and in conjunction with US law enforcement agencies.

Only time will tell whether these entities will be up to the task and whether the vetting processes now being followed will eliminate the corruption that has thwarted the Mexican government's ability to deal with drug traffickers effectively. However, I believe fairness requires that we recognize the effort Mexico has made in this last year to revamp its structure and personnel and that we give it some time to produce results. This year, in my judgment, is a transitional year for Mexico. If these entities are not fully staffed and functioning and if they fail to make some major inroads on the trafficking problem, then this Senator, for one, will find it very difficult to support certification next year.

I know that many of my colleagues who oppose this year's certification make the argument that Mexico's cooperation is only at the political level and that at the working level, it is simply insufficient to warrant certificates. They cite various arguments including the fact that Mexico has not extradited and surrendered one Mexican national to the US on drug charges, that none of the top leaders of the Carrillo-Fuentes, Arellano-Felix, Caro-Qunitero or Amezcua-Contreras cartels have been arrested; and that seizures of heroin and methamphetamines and its precursor chemicals are down.

I totally agree with their argument that Mexico needs to do more in these areas, but I believe if you look at the overall record, it is mixed. Take extraditions. In 1997 Mexico ordered more extraditions to the United States (27) than in the previous two years—a positive step. Fourteen of these are fugitives, whose extradition has been complicated by pending appeals or the need to complete sentences. Five of the 14 are Mexican nationals wanted for drug crimes but none of these have yet been surrendered. Notwithstanding these circumstances, the fact remains that Mexico has yet to turn over a Mexican national wanted for drug crimes to the US. Clearly we need improvement in this area.

Turning to the question of arrests, it is true that Mexican officials have not apprehended the leadership of the major trafficking organizations. However, it is also true that pressure from Mexican law enforcement agencies forced the head of the Carriillo-Fuentes organization, Amado Carrillo-Fuentes, to disguise his appearance through cosmetic surgery—an operation which resulted in his death—and move some of his organization's operations. Mexican law enforcement operations, many in cooperation with US law enforcement officials, have resulted in the some significant arrests of middle level cartel operators, such as: Oscar Malherbe de Leon, operations manager for the Gulf cartel; Adan Amezcua Contreras, a lieutenant in the Amezcua organization which trafficks in methamphetamine; Jamie Gonzales-Castro and Manuel Bitar Tafich, middle manager and money launderer respectively of the Juarez cartel; and Arturo E. Paez-Martinex, a key lieutenant in the Tijuana cartel. While these individuals are not the kingpins, their apprehension has kept some pressure on the cartels and caused some disruption. Another test for Mexico's new law enforcement institutions in the next year will be their ability and willingness to go after the kingpins.

I have always been skeptical of seizure statistics because they are valid only if one knows the universe of product available and often we do not. Nevertheless, the conventional wisdom seems to be that statistics have a story to tell so I will take a moment to review some of the statistics relevant to this debate. Although heroin seizures were down last year, seizures of opium increased. Mexican eradication efforts led to a decrease in the number of hectares of opium poppy and consequently the potential amount of opium and heroin on the market. Mexican efforts to deal with marijuana production are similar. Mexican eradication efforts decreased the number of hectares of marijuana dramatically; at the same time, seizures went up to the highest level ever. Seizures of cocaine increased by 48 percent in 1997 as well. What is noteworthy in all of these areas is that Mexican efforts demonstrate a positive, upward trend. However, the statistics for seizures of methamphetamine and ephedrine, its precursor chemical, are down, as some of my colleagues have pointed out. Given the growing methamphetamine market in the US, we must insist that Mexico's efforts in this area improve. I, for one, am persuaded that seizures alone will not address the problem. The producers and traffickers must be targeted.

Mexico has taken some steps to improve its ability to deal with money laundering, including the passage of a money laundering law and the subsequent promulgation of regulations for currency transaction reports. Regulations to deal with suspicious transactions are said to be imminent. Laws and regulations, regulations are meaningful only if they are implemented. Mexico has reopened some 70 cases and entered into 16 joint investigations with the US. I am prepared to give Mexico some time in this area, with the caveat that we must see some results by this time next year.

Mr. President, last year, when the certification of Mexico was allowed to stand, we made it clear that genuine progress had to be made in 1997 if Mexico was to be certified again this year. On balance, I believe that Mexico has made progress and that fairness requires us to recognize that fact. If we decertify Mexico now, in the face of that progress, we run the risk of jeopardizing that progress and of cutting off the very cooperation with US law enforcement agencies that has encouraged and helped Mexico to make progress this year. That outcome makes no sense in terms of our counter narcotics goals.

I am prepared to see the President's certification stand this year. However, it is essential that we make it clear that this is a transitional year for Mexico—a year in which to build its new law enforcement agencies into effective institutions unaffected by drug corruption and dedicated to making some serious progress on the ground. The vetting process must be accelerated. Greater efforts must be made to target the leadership of the cartels. The problem of security for US agents working across the border must be adequately addressed and the border task forces must be reconstituted in a meaningful, productive manner. Prosecutions of those charged with drug corruption or drug related crimes must take place and efforts to root out drug corruption in all Mexican agencies dealing with counter narcotics activities must be accelerated. Absence progress in these critical areas, it will be difficult for Mexico to be certified next year.

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

Mr. BIDEN. Mr. President, I yield 3 minutes to my colleague from Texas.

The PRESIDING OFFICER. The Senator from Texas is recognized.

Mrs. HUTCHISON. Thank you, Mr. President.

Mr. President, the question is not whether we are winning the war on drugs. If that were the question, the answer would be no, and everybody who has spoken would be in agreement. The question is, What is our best strategy to win the war against drugs? I just submit to you that the answer is not making an enemy of Mexico. Mexico is not 2,000 miles from our border. Mexico is our border. Mexico is our second largest trading partner.

We are not dealing with an easy issue. The sophistication of the drug dealers who are coming in from South America through Mexico into our country is phenomenal. We have found tunnels as deep as 60 feet below ground through solid rock across our border. We have found stashes of illegal drugs buried on the beaches. We have found high-performance boats and satellite communication.

It is not like someone isn't trying. It is a very difficult problem. If we are going to win the war on drugs, or have any chance, the only way we can do it is through cooperation. And I don't think harsh rhetoric against our neighbor is the best way to do it.

Do I think we are successful? No; we are not successful. We are not successful in controlling demand. And certainly Mexico has not been successful in controlling supply.

Mr. President, it isn't the time to start hurling charges back and forth across the Senate Chamber to solve this problem. What we must do is try to sit down in cooperation.

If President Zedillo was saying, ''Go fly a kite, we are not going to work with you,'' that would be one thing. He isn't. He is trying desperately. He doesn't want a criminal element in Mexico any more than we want a criminal element on the schoolgrounds of America.

So I hope we will not do something intemperate, which is not what the U.S. Senate normally does. I hope we will not act in haste and do something that would hurt our cause more than it would help.

Mr. President, I am urging my colleagues to vote against the Coverdell-Feinstein resolution because I think the better way is cooperation.

I yield the floor.

Mrs. BOXER. Mr. President, I would like to begin my remarks by commending the distinguished senior senator from California, Senator FEINSTEIN, for her hard work and leadership on this important issue.

Each year, the President must make a determination with respect to every nation that has been identified as either a major drug-producing or drug transit nation. He has three options: he can (1) certify that the country is fully cooperating with the U.S. or has taken steps on its own against drug activities; (2) decertify the country for failing to meet the ''fully cooperating'' standard; or (3) find that the country has not met the requirements, but that it is in the ''vital national interest'' of the U.S. to waive the requirement.

For the country to continue receiving U.S. aid of various kinds, it must either be certified as ''fully cooperating'' or a national interest waiver must be provided.

Last year, I opposed certification of Mexico. The evidence at that time was clear that Mexico had not cooperated fully with the United States in fighting drug activities, either within Mexico or on our mutual border.

While Mexico made some progress in 1997 in its anti-drug efforts, I believe it has not been enough to warrant certification.

Mexico is still a major transit point for cocaine shipments from South America. It is a major producer of marijuana and heroin, most of which is shipped to U.S. markets.

Most disturbing, the drug cartels based in Mexico are as powerful as ever. While some cartel members have been arrested, according to the head of the U.S. Drug Enforcement Administration, ''unfortunately, the Government of Mexico has made very little progress in the apprehension of known syndicate leaders.''

In fact, the cartels are getting stronger. According to the State Department's Bureau of International Narcotics and Law Enforcement Affairs the Mexican drug trafficking organizations' criminal activities and corrupting influence are ''significant enough to threaten Mexico's sovereignty and democratic institutions. . . . They have developed such a level of influence and intimidation in Mexico that the Government classifies them as the nation's principal national security threat.''

In light of this extremely dangerous situation, I believe the efforts made by the Government of Mexico to respond are inadequate. New laws on money laundering have been adopted, but have not been put into effect. Bilateral Border Task Forces were created to be the primary program for cooperative Mexico-U.S. law enforcement efforts, but were never really implemented, due to corruption, lack of security for U.S. officials, and the failure of Mexico to bear its fair share of the costs.

Mexico can and must do better in the fight against drugs in order to merit a full certification under our drug law.

Mr. ASHCROFT. Mr. President, no President of the United States would declare war on a foreign nation and send young Americans into harm's way overseas without ensuring that they were properly armed and that they had a clear objective.

And yet, here at home, the Clinton Administration has declared war on illegal drugs while pursuing a policy of defeatism that is turning young children into sitting targets for international drug lords and domestic suppliers.

The President has utterly failed to announce worthy goals or to commit sufficient resources to fighting drug use. We are left with the rhetoric—but not the reality—of a war on drugs.

The President's decision to certify Mexico is just the latest sign of surrender in the drug war. Since taking office, the Clinton Administration's record on combating illegal drugs has been a national disgrace.

The first sign of surrender in the President's war on drugs came within weeks of his first inauguration. After attacking President Bush for not fighting a real drug war, President Clinton announced that he was going to slash the Office of National Drug Control Policy staff from 146 to 25.

The ONDCP, commonly known as the Drug Czar's office, is singularly responsible for coordinating our nation's anti-drug efforts and the new President's first act was to cut the agency by more than 80 percent.

But the reductions in the Drug Czar's office foreshadowed more dangerous cuts in federal law enforcement and interdiction agencies. In its fiscal year 1995 budget, the Clinton Administration proposed cutting 621 drug enforcement positions from the DEA, INS,

Customs Service, FBI, and Coast Guard.

Even worse, between 1992 and September 1995, the Drug Enforcement Administration—the nation's primary drug-fighting agency—lost 227 agent positions, a reduction of more than 6 percent of its force.

Mr. President, the Clinton Administration by 1996 had cut the drug interdiction budget 39 percent below the level spent during the last year of the Bush Administration—the same Administration that, four years earlier, candidate Clinton attacked for being soft on drugs.

But the signs of the Clinton Administration's surrender are not found solely in budget tables and staffing decisions.

The power of the President to curb illicit drug use within our country can also be found in the President's unique platform from which he can implore, persuade, and encourage the American people to make good and moral decisions. He can use what Teddy Roosevelt called the bully pulpit to call Americans to their highest and best, rather than accommodate behavior at its lowest and least.

Yet, in this regard, the signs of surrender are everywhere.

After more than five years in office, this President's most memorable pronouncements on drug use remain his admission to smoking, but not inhaling marijuana and his later clarification —provided live before MTV's largely teen audience—that if given the opportunity to do it again, he would have inhaled. The President laughed as he made the latter remark.

I plan to discuss the consequences of the Administration's drug war surrender in just a moment, but let me just make one point here. Since President Clinton's first year in office, marijuana use among 8th graders has increased 99 percent. I have the feeling the parents of those 8th graders are not laughing, Mr. President.

The President also can use his appointment power to influence public policy. Indeed, the President has the authority to choose the Surgeon General of the United States, a person we often hear referred to as our nation's family doctor.

When it comes to issues of human health and welfare, the Surgeon General enjoys a bully pulpit similar to that of the President.

The President's first choice for Surgeon General was Dr. Jocelyn Elders. Dr. Elders will long be remembered as the Condom Queen for her vocal support of condom distribution in elementary schools.

But when Dr. Elders was not busy distributing condoms in schools or extolling the ''public health benefits'' of abortion, she found the time to call for a study of drug legalization, a truly dangerous idea.

Until very recently, the President also failed to use his office's power of persuasion to chart an international drug control strategy that included specific performance measures and identifiable goals.

As recently as the end of last year, the President and his allies were criticizing the House-passed plan to reauthorize the Drug Czar's office because the plan included hard targets for the Administration to achieve.

The only way Members of Congress—and more importantly, American taxpayers—can judge whether or not a government agency is doing its job effectively is to compare its performance to identifiable goals. We spend more than $16 billion annually on anti-drug programs and we need a way to determine whether or not we are getting our money's worth.

Although the Administration finally conceded that performance goals are needed, they objected to the standards passed by the House. Among the specific targets the President found objectionable:

By the year 2001, overall drug use should be cut in half, down to 3 percent; The availability of cocaine, heroin, marijuana, and methamphetamine should be reduced by 80 percent;

The purity levels for the same drugs should be reduced by 60 percent; and drug-related crime should be reduced by 50 percent.

After the House passed these targets, the Clinton Administration balked. General McCaffrey said the goals were unrealistic and would be counterproductive to the anti-drug effort.

Now I recognize that these goals will be difficult to achieve. But it seems to me, Mr. President, that if our goal is to save children from lives marked by drugs, crime, and violence, we have no choice other than to strive for the noble, not just the doable.

The Clinton Administration contends that it should set its own objectives and targets. Unfortunately, this Administration does not set the bar high enough.

Judging from the goals and targets recently proposed by the Drug Czar's office, it is clear that this Administration has no confidence in its ability to counteract the rise in illegal drug use.

Whereas overall teen-age drug abuse has doubled since 1992, the Clinton Administration now proposes to cut such abuse during the next 5 years by just 20 percent. In other words, by 2002—two years after he has completed his second term—the President hopes to reduce youth drug use to 130% of the level when he first took office. If that is victory, I would hate to experience the President's idea of defeat.

Unfortunately, if we look around us, we can see overwhelming evidence of defeat. The Clinton Administration's cease-fire in the war on drugs has had all-too-predictable consequences:

The proportion of 8th graders using any illicit drug in the prior 12 months has increased 56 percent since President Clinton's first year in office. Marijuana use by 8th graders has increased 99 percent over that same time.

Since President Clinton took office, cocaine use among 10th graders has doubled, as has heroin use among 8th graders and 12th graders.

LSD use by teens has reached the highest rate since record-keeping started in 1975.

The list goes on and on, and yet, Mr. President, the numbers don't tell even half the story. The young lives lost to overdose, the marriages and families torn apart by drug abuse, the high-school dropouts, the children born with little hope of surviving because of her mother's deadly addiction, the victims of crime-filled inner-city streets . . . these are the real casualties of the President's surrender in the drug war. And their numbers are growing.

Seen against this history of failure, it becomes clear that the President's decision to certify Mexico is just the latest sign of the President's surrender.

Consider for a moment the following:

Over the last year, there has not been a single extradition of a Mexican national to the United States on drug charges.

Drug-related corruption among Mexican law enforcement officials continues to escalate, with the most obvious and devastating example being the arrest and conviction of Mexico's drug czar on charges of drug trafficking, organized crime and bribery, and association with one of the leading drug-trafficking cartels in Mexico.

The Mexican Government also failed to make progress in dismantling drug cartels. In testimony given before a Senate Subcommittee a month ago, DEA Director Thomas Constantine said that major drug cartels in Mexico are stronger today than they were a year ago.

Mexican seizures of heroin and methamphetamine were down sharply last year and drug-related arrests declined from an already low level.

By any objective criteria, the efforts of the Mexican Government over the past year do not warrant certification.

The Senate today could reverse the President's judgment and vote to decertify Mexico, but if history is any guide, we won't. Congress has never overridden a Presidential certification.

It seems that some of my colleagues are reluctant to do anything that might possibly embarrass the Mexican Government. Every year, they take to the floor to denounce the corruption and the lack of cooperation by the Mexican officials, but then get weak-kneed when it comes time to withhold the smallest amount of foreign aid or actually sanction Mexico.

While these towers of timidity propose launching another warning shot across the bow of the Mexican ship of state, they fail to see that our own culture is sinking under the weight of an illicit drug supply that flows through our porous Southwest border.

The facts prove conclusively that the Mexican government has not ''cooperated fully'' with U.S. narcotics reduction goals nor has it taken ''adequate steps on its own'' to achieve full compliance with the goals and objectives

established by the 1988 U.N. anti-drug trafficking convention. Under current law, this is the standard by which we are to decide whether or not to certify a foreign government.

Mexico's efforts over the past year do not come close to warranting certification. The time for threats and warning shots is over. We should vote today to disapprove of the President's inexplicable decision to certify Mexico.

We cannot afford to surrender the war against drugs in America through policies of accommodation and defeatism. Rather than challenging America to her highest and best, the Clinton Administration's drug policy accommodates behavior at its lowest and least. We can and must do better.

Mr. LEAHY. Mr. President, on February 26, 1998, the White House announced that it had certified Mexico as a partner in combating international drug trafficking, stating that the Mexican government was ''fully cooperating'' in the war on drugs. However, in stark contrast to this claim, an assessment by the Drug Enforcement Agency (DEA) prepared in January and obtained by the New York Times states that, ''the Government of Mexico has not accomplished its counter narcotics goals or succeeded in cooperation with the United States Government * * * The scope of Mexican drug trafficking has increased significantly along with the attendant violence.''

I believe the yearly certification process is a misguided way to deal with the international drug problem. It applies a black and white standard to a complex problem that, more than anything else, is caused by the seemingly insatiable demand for drugs here in our own country. I am encouraged by Senator DODD's efforts and of other senators to pursue a new approach. I want to support that effort. In addition to bipartisan criticism in the Congress, foreign officials have called the certification process demeaning and ineffectual. However, until that process is changed—and I hope it is—it remains U.S. law and the administration is bound to implement it in good faith.

There are examples of cooperation by the Mexican Government in reducing narcotics trafficking. Opponents of this resolution have mentioned several ways in which the Mexican Government has made progress. The administration reports increases in drug seizures, improved anti-narcotics intelligence, and implementation of new laws on money laundering, asset forfeiture, electronic surveillance and witness protection. Yet drug-related violence and corruption at the highest levels of the Mexican anti-narcotics police continues unabated—affecting every aspect of life and every level of society in Mexico and spilling over the border into the United States. We also receive persistent reports of human rights abuses by Mexican security forces.

I have a great deal of respect for General Barry McCaffrey. He has taken on the immense job of directing our drug control program with enthusiasm and boundless energy and the best of intentions. I particularly support the efforts he has made to emphasize the importance of drug prevention and treatment. However, I have to respectfully disagree with his assessment of the cooperation between the United States and Mexico as ''absolutely superlative.''

According to a February 26, 1998, article in the New York Times the DEA reports that none of the changes by and to Mexican law enforcement institutions ''have resulted in the arrest of the leadership or the dismantlement of any of the well-known organized criminal groups operating out of Mexico.'' In addition, no Mexican national was extradited to the United States to face drug charges, and the corruption of Mexican law-enforcement officials, judges, and government employees continues to frustrate United States efforts to build cases and apprehend drug traffickers. Mr. President, if the administration deems this to be ''superlative'' cooperation, I am concerned. And that is why I will support the resolution to decertify Mexico. I do not believe that a faithful interpretation of the law can lead to any other conclusion than that the Mexican Government has failed to fully cooperate with United States drug control efforts.

Mr. President, I support this resolution reluctantly. It is very important that we continue to work with the Mexican Government in the fight against drug trafficking. I applaud the May 1997 Declaration of the United States-Mexico Alliance Against Drugs, signed by President Clinton and President Zedillo, and the ongoing collaborative efforts between American and Mexican law enforcement officers. I do not minimize the efforts the Mexican Government is making. However, it falls far short of full cooperation. And while I am mindful that decertification could strain relations between our two nations, that is not a justification for interpreting the law in a manner that is not supported by the facts. I am hopeful that Mexico will not view this decision as a condemnation of its counter-narcotics efforts, but as a challenge to work more closely with the United States to improve them.

Mr. MURKOWSKI. Mr. President, I rise today to express my support for S.J. Res. 42, a resolution to disapprove the President's certification that Mexico is fully cooperating in the War on Drugs.

Last year, the Administration convinced Congress not to vote on a similar resolution, arguing that voting on such a resolution would hinder cooperative efforts with Mexico. So here we are, one year later, and the situation in Mexico is the same, if not worse than it was last year.

Just today, a front page New York Times story cites a Drug Enforcement Administration report that indicates that the Mexican military is helping drug traffickers. As one anonymous official observed, if the indications of wider military involvement with traffickers are borne out, ''it points to much of our work in Mexico being an exercise in futility.''

Mr. President, I have not seen this report so I can't say how accurate this story is, but it does raise the same concerns I had last year about the level of corruption in Mexico.

Last year, I joined 38 of my colleagues in signing a letter initiated by Senators COVERDELL and FEINSTEIN, the sponsors of today's resolution, calling on the President not to certify that Mexico was cooperating fully in anti-narcotics efforts. That letter went through in detail 6 examples of where Mexico was unable or unwilling to deal with drug trafficking problems effectively. Those areas were: cartels; money laundering; law enforcement, cooperation with U.S. law enforcement; extraditions; and, corruption.

Based on the information I have received, it does not appear that the situation is improved in any of these 6 areas: Mexican cartels continue to expand their ties, operations, and violence in the U.S.; anti-money-laundering legislation is on the books, but is not being enforced; concerns about the safety of DEA agents in Mexico remain unresolved; the much-touted cooperative Bilateral Task Forces are not operational; no Mexican nationals whatsoever have been extradited to the U.S. on drug-related charges; and corruption remains chronic at every level in the military, the police and the government.

Therefore, I think the President made the wrong choice to simply say that Mexico was ''fully cooperating'' in efforts to combat international narcotics trafficking.

Mr. President, I do not make this decision lightly. Mexico is an important neighbor and we share a 1600 mile border. I do not want to cut off our relations with Mexico over this issue, but I also think we make a mockery of our law by simply glossing over issues to make a certification.

I believe we would be better off if the President would say that Mexico is not fully cooperating, but then exercise his authority to waive the restrictions on bilateral assistance on national security grounds, as he did with Colombia this year.

Unfortunately, the President did not choose that path, and we in Congress are left with only one option—a straight up or down vote on decertifying Mexico. Although it is not a perfect solution, I will vote for telling the truth to Mexico. She can and must do better to combat the nagging problem plaguing our borders.

Mr. HELMS. Mr. President, I am confident that all Senators—indeed millions of Americans—are deeply grateful to the able Senator from Georgia, Mr. COVERDELL, for his remarkable leadership on the drug issue. As chairman of the Foreign Relations Subcommittee

with jurisdiction over international narcotics affairs, Senator COVERDELL has developed an expertise here at home and overseas. He is a credit to both the Foreign Relations Committee and the Senate.

The joint resolution that Senator COVERDELL and I have brought before the Senate today concerns a very complex issue. But, it can be boiled down in terms of its significance to 6 words: ''The President should tell the truth.''

The subject before us is Mexico—specifically, the President's unwise and unjustified decision to certify to the U.S. Congress that the Government of Mexico is ''cooperating fully'' with America's anti-drug efforts. That is precisely what Mr. Clinton told us on February 26.

Since then, we have heard the rest of the story. Regarding the role Mexico plays in the drug trade, the President's own State Department tells us that ''Mexico is a major transit point for U.S.-bound cocaine shipments from South America,'' and ''(Mexico) is a major producer of marijuana and a significant producer of heroin, most of which is destined for the U.S.,'' and ''Criminal organizations based in Mexico are now the most significant wholesale and retail distributors of methamphetamine.''

These facts warn us that the United States simply cannot let the Mexican government off the hook when it comes to fighting drugs.

When the President certified Mexico's full cooperation, he told us, ''The U.S. is convinced of the Zedillo Administration's firm intention to persist in its campaign against the drug cartels.''

A few weeks later, the story changed. Mary Lee Warren, a senior Justice Department official, told a House Committee on March 18, ''None of the senior members of the (Tijuana Cartel) has been arrested.''

She also noted that charges dating from 1992 against the head of the Sonora Cartel ''were dismissed.''

And, she said that ''Mexico had not charged or apprehended any principal'' of Mexico's third cartel (the Amezcua organization).

Senators surely will ask themselves, why does the President tell us that Mexico will ''persist in its campaign against the drug cartels'' when his own Justice Department and his own DEA tell us that Mexico is not waging such a campaign?

In certifying Mexico, the President told us, ''Drug seizures in 1997 generally increased over 1996 levels.''

Not true. The State Department's statistics tell a different story. Mexico's 1997 seizures of heroin, marijuana, and methamphetamine are at, or well below, 1996 levels.

Although cocaine seizures are up from last year, they total well below the 50 metric tons of cocaine seized in 1991. And, despite the growing role of Mexican traffickers in the methamphetamine market, Mexico's seizure of that product has dropped significantly to one-fifth of 1996 levels and one-tenth of 1995 levels.

Another troubling subject is extradition. Most of us believe that Mexico will become a safe-haven for drug kingpins as long as that government refuses to turn over Mexican drug lords to face justice in American courts.

All told, there are about 120 requests for ''provisional arrest'' and ''extradition'' pending in Mexico.

But, not one Mexican national was extradited and surrendered to U.S. custody on drug charges throughout 1997 and so far this year. In fact, no Mexican has been surrendered to U.S. custody on any crime since April 1996. The State Department reports that all 5 Mexican nationals approved for extradition on drug charges have appealed their extradition orders.

There is, obviously, a pattern here. A Mexican wanted for child molestation can be surrendered to U.S. justice. A foreigner wanted for drug crimes may be handed over, as well. But a Mexican drug trafficker is made to feel very much at home in Mexico.

Another problem is corruption. Mr. President, we must not forget the February 1997 scandal when Mexico's drug czar was found to be on the payroll of one of Mexico's most blood-thirsty cartels.

The Administration has cited repeatedly Mexico's handling of this scandal as evidence of Mexico's commitment to ferreting out corruption. Indeed, a senior Justice Department official told Congress just law week, ''The [corrupt drug czar's] arrest is a noteworthy testimony to President Zedillo's anti-corruption commitment.''

In light of these rosey commendations, we were surprised by a report in today's New York Times that U.S. law enforcement officials have concluded privately that this scandal and the way the Mexican government handled it may be just the tip of the iceberg of drug corruption in Mexico's military.

One unnamed U.S. official told the New York Times that this news of deeper corruption ''point to much of our work in Mexico being an exercise in futility.''

According to this published report, U.S. officials discussed these findings with Attorney General Janet Reno more than 2 weeks before the President's certification of Mexico.

The fact that this assessment comes to Congress' attention through the media and not in the President's ''certifications'' to the Congress suggests an appalling lack of candor on the part of the Administration. The Committee on Foreign Relations intends to investigate this revelation.

More recent examples of alleged corruption border on being countless.

Mexico's attorney general admitted last September that he had to turn to the military for law enforcement because, in his words, he ''couldn't find civilians who could demonstrate the honesty and efficiency for the work.''

But military men—as well as civilian police—have themselves been accused of stealing cocaine that had been seized by the government. Also, last year, the federal police commander in charge of intelligence for the border task forces—which are supposed to cooperate closely with our DEA—was accused of taking bribes and trafficking in drugs in Arizona.

Such flagrant examples of corruption remind us that meaningful anti-drug cooperation will never be possible without honest, competent people with the skills and resources to do their job.

Beginning 12 months ago, Mexico's anti-drug forces were dismantled entirely. It takes time to put these units back in place—which is what we have been helping the Mexicans do for most of last year.

Today, fewer than one-third of the 3,000 employees of the special anti-drug prosecutor's office are on duty. About one-third of the 300 staff members of the organized crime unit are in place. And only two-thirds of the small border task forces staff have been cleared for duty.

It is fair to point out that these new anti-drug units also lack the experience and the resources to do their jobs.

It is fair to ask whether Mexico has the ability to ''cooperate fully'' to fight drugs—even if it had the political will to do so, which it obviously does not.

Finally, Mr. President, let's turn to an issue that speaks eloquently to the Mexican government's lack of political will to work with us. Despite numerous threats and several attacks on U.S. and Mexican police, President Zedillo has insisted that our DEA agents cannot carry weapons for their self-defense while in Mexico. The Mexicans argue that this is a question of ''sovereignty.''

Baloney. I have two questions for the officials in Mexico City: Where were these questions of sovereignty in the 1970s and 1980s, when the Mexican government allowed Marxist Central American guerrillas to operate freely in Mexican territory?

And, why does that government fear having a couple of dozen American DEA and FBI agents carrying weapons for their own protection?

Mr. President, I hope Senators will consider the facts so clearly evident. Under the law, the President of the United States has the duty to certify a country's full cooperation when there has been ''full cooperation.'' The sad truth is that there has been no ''full cooperation.''

Therefore, Senate Joint Resolution 42 deserves the support of all Senators who truly want to bring drug trafficking under control. This will send a message to the Mexican government that it can no longer be A.W.O.L. in the war on drugs.

The PRESIDING OFFICER. The Senator from Georgia.

Mr. COVERDELL. Mr. President, I yield 3 minutes to the good Senator from New Hampshire.

The PRESIDING OFFICER. The Senator from New Hampshire is recognized for 3 minutes.

Mr. GREGG. Mr. President, I would have to say at the outset that I believe the certification process is a mistake because clearly it isn't working. But the fact is that as long as we have it, we ought to have integrity in it. And the fact is that, if we are going to look at the question of whether or not there has been an effort to comply that meets the terms of the certification process by Mexico, we would have to conclude that they have failed.

We can wish that they had complied. We can hope that they had complied. We can say as a matter of public policy we truly wanted them to comply. But the fact is that they have not complied. To claim they have complied is to delude ourselves. Essentially it would be the same as suggesting that the Red Sox are going to win the World Series. We want it to happen, but we know it isn't going to happen. The fact is that Mexico and the core elements that are necessary for us to pursue the drug war in Mexico have been undermined by the cartels which earn so much money from the sale of drugs.

The real problem here isn't Mexico, though. The real problem is ourselves. We could use that phrase, ''We have met the enemy and it is us.'' The fact is that our consumption of narcotics has corrupted not only much of the mechanism of Mexico but has corrupted the mechanism of Belize, Colombia, a series of countries in the Central American area, Peru, and in the Caribbean. We, as a nation, should truly be ashamed of what we are doing to these nations.

Were I a Mexican or were I a citizen of Belize or Colombia or Peru, or a citizen of many of our Caribbean neighbors, I would be angered and outraged at the fact that my nation and the government of my nation, as a result of the demand for drugs in this country, the United States, has become so debilitated. It is really our utilization of those drugs which has undermined those nations. But the fact is that we do have the certification process, and the integrity of the certification process requires that we at least comply with its terms. Under the terms of the certification process, there is no way that we should be certifying Mexico.

I yield the floor.

The PRESIDING OFFICER. The Senator from Delaware.

Mr. BIDEN. I yield 4 minutes to the senior Senator from South Carolina.

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

Mr. THURMOND. Mr. President, I rise today in opposition to legislation that would completely decertify Mexico as being fully cooperative in the war against drugs.

I certainly agree with the sponsors of this resolution that Mexico is not adequately fulfilling its role in fighting international narcotics trade: they have failed to take serious action against the Juarez, Tijuana, and Sonora Cartels which dominate the drug trade; there has been no substantial progress to prosecute the leaders of major narcotrafficking groups, even those indicted by U.S. prosecutors; the number of heroin, methamphetamine, and ephedrine seizures are down from the 1996 levels; in all of 1997 and thus far in 1998, not one Mexican national has been extradited and surrendered to U.S. custody on drug charges. In addition, corruption within their law enforcement community, government institutions, and criminal justice system is rampant. This is just not acceptable.

However, Mr. President, if we decertify Mexico, the problem will not go away but will only be exacerbated. The progress that Mexico has made thus far, albeit modest, will come to a standstill. With the assistance of the Department of Defense (DoD), Mexico has countered extensive drug-related official corruption with unprecedented reform efforts, including identifying and punishing corrupt Mexican officials; increased their effectiveness against drug trafficking, significantly disrupting a number of organizations; completely overhauled their counterdrug law enforcement agency; and participated in interdiction and information sharing.

It is of vital importance that the DoD continue to provide assistance to the Mexican military to combat drugs. If the Senate votes to disapprove the certification of Mexico, the progress that the DoD has made will be seriously undermined.

As such, I ask my colleagues to join me in opposition to S.J. Res. 42.

Mr. President, I yield the floor.

The PRESIDING OFFICER. Who yields time? The Senator from Georgia.

Mr. COVERDELL. Mr. President, I yield 2 minutes to the Senator from Texas.

The PRESIDING OFFICER. The Senator from Texas is recognized.

Mr. GRAMM. Mr. President, I think we all wish we had additional options, but the law is very clear. The law says, have they cooperated fully? Have they taken adequate steps?

For 12 years, knowing that the answer to both of those questions was no, I voted yes because I thought we wanted to encourage Mexico, we wanted to work with Mexico. I still want to work with Mexico. I still want to encourage Mexico. But you reach a point where it cannot be good public policy to say publicly something that is clearly untrue.

I am going to vote tonight to decertify Mexico. I know the strategy we are following today is failing. I know from 12 years of hoping, wishing the best, that hoping and wishing the best does not change reality. We are either going to change strategy or we are going to lose the war. That is why I intend to vote to decertify. I hope by doing that we can induce Mexico to do more.

I am not apologizing for what we are doing. I think our war on drugs is phony and a sham and an embarrassment. We have taken no real efforts to try to stop people from consuming drugs in this country, and we have, from the point of view of public policy, a more serious, more dedicated policy to stop people from smoking than we do to stop people from using illegal drugs. But the point is, the law is very clear. Have they cooperated fully? Have they taken adequate steps? And the answer to both those questions, regrettably, is, ''No.'' Maybe by telling the truth, maybe by saying ''No,'' in the future the answer will be ''Yes.'' And I hope it will be.

I reserve the remainder of my time.

The PRESIDING OFFICER. The Senator from Delaware.

Mr. BIDEN. Whatever time I have left I yield to my friend from Virginia.

The PRESIDING OFFICER. The Senator from Virginia is recognized.

Mr. ROBB. Mr. President, I thank my distinguished colleague from Delaware.

Mr. President, I rise this evening not to offer a ringing endorsement of Mexico's cooperation on drug interdiction in the last year, but to make the simple observation that we should proceed with extraordinary care before using the stick of decertification on a good friend and ally. Initially, I gave serious consideration to supporting the effort to decertify based on the lack of any tangible results on extradition: not a single Mexican national has yet been extradited to the United States for drug trafficing. Not one, even though I realize progress is being made.

Notwithstanding my concerns on that singular issue, however, and the fact that progress on stemming the flow of drugs has been modest at best, I believe it's important to continue working in close quarters with President Zedillo in hopes of building a better record over the long-term.

Let's not fool ourselves, Mr. President. Harsh rhetoric, threats, and punitive actions taking the form of decertification will not create goodwill between Mexico City and Washington—just the opposite: bilateral tensions will rise, drug cooperation will decrease, and once more America will be perceived as a sanctions bully.

That is not a healthy approach to sustaining a crucial relationship with a country that sits right on our border. It's one thing to let unilateral sanctions fly in distant countries and places, but we ought to be very careful to not stir the pot of anti-Americanism, an inevitable result of decertification, with our nearest neighbor. We simply don't need to increase tensions and decrease cooperation with a country with which we share a 2,000 mile border.

The basic point is as follows: breaking down the Mexican drug cartels is critically important, but lets forego the short-term political bashing of Mexico, Mr. President, and agree to work harder and better with our friends South of the Border.

I won't review all the minutia—methamphetamine seizure rates, drug related arrests, Mexican cartel behavior, prosecution of corruption, street

pricing of heroin, cocaine and all the rest—because I think that misses the point. There are a few simple considerations that come to mind in judging whether to decertify Mexico.

First, do we believe that the political leadership in Mexico is honestly committed to solving this problem and working with us toward that goal? I believe the answer is ''yes''. President Zedillo appears willing to engage in comprehensive efforts to seize and eradicate drugs destined for our streets. He's committed to arresting and prosecuting major traffickers and kingpins . . . and I understand that such individuals have received stiff sentences recently, ranging from 9 to 40 years. He's scrapped the discredited National Drug Control Institute and replaced it with a new Special Prosecutor's Office. He's begun the process of weeding out corrupt officials in the Mexican judicial system, dumping three judges so far. He's helped to increase marijuana eradication to record levels, and armed law enforcement allowing cocaine seizure rates to jump 47%. And Mexico has worked closely with us in developing new overflight clearance procedures, while common ground is being established in the areas of money laundering controls and asset forfeiture issues.

Second, will economic and diplomatic sanctions on Mexico improve our chances of stemming the tide of drugs? The answer is no.

Let's be clear on this point: sanctioning Mexico will likely invite retaliation in a variety of forms . . . anti-Americanism . . . additional political ostracism in the hemisphere . . . and could, over the long-term, have the consequence of creating a broader national security threat right on our border.

Third, a Democrat House colleague thoughtfully observed in today's Los Angeles Times that ''It's hard for the United States to cast the first stone.'' Perhaps it's time we take a stone-cold look in the mirror and admit that until we take massive, comprehensive steps to address the demand side of this problem, trying to sort it out, principally on the supply side is doomed to failure.

Fourth and lastly, sometime soon I hope we can carefully examine whether we should annually engage in this painful exercise in self-flagellation by openly ripping countries with which we might have strong disagreements on the drug issue but share a great deal in common as well. The present mechanism for evidencing our concerns is self-defeating when it comes to Mexico and deleterious, I believe, to the overall relationship.

Mr. President, Mexico's record on drug interdiction has to improve, and I don't fault colleagues in the Senate for demanding results. Many of their concerns are legitimate and deserve to be heard. Like them, I am particularly concerned about the lack of extraditions of Mexican nationals from Mexico, and have been personally assured by officials at the highest level of our government that they will redouble their efforts to get the ball moving in this area. I understand five individuals are presently appealing their extraditions, and I intend to watch closely to see that the Mexican government lives up to its part of the bargain should those appeals fail.

For now, however, I believe decertifying Mexico will do more to reverse the limited progress we've made to date, and virtually eliminate any hope we have about future cooperation. That's a risk too great to take.

Let's treat Mexico as a friend and partner in this process, instead of blaming it for a problem that starts and ends with the insatiable appetite for drugs on our own streets.

We are just about to vote on this particular issue. Mr. President, I must confess I came very close to agreeing with the decertification provision that we are going to be voting on this evening. But upon more mature reflection, I have decided that the consequences for our friends in Mexico and the efforts that President Zedillo and others are putting forward, that would be counterproductive for a neighbor with whom we share a 2,000 mile border and for the kind of reaction that it would elicit from not only our neighbors in Mexico, who are trying, but from neighbors throughout South America.

So I urge my colleagues on this particular resolution to vote against the resolution, notwithstanding the fact that I share very real concerns, particularly the failure to extradite a single Mexican national to the United States on drug charges to date. I know there are some in the pipeline. Hope springs eternal. I may come to a different conclusion on this same resolution next year.

With that, Mr. President, I yield any time remaining to the distinguished Senator from Delaware and I yield the floor.

Mr. COVERDELL. Mr. President, I yield the time remaining.

Mr. BIDEN. I yield back whatever time is left.

The PRESIDING OFFICER. All time has expired.

Are the yeas and nays requested?

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

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the joint resolution.

The joint resolution was ordered to be engrossed for a third reading and was read the third time.

The PRESIDING OFFICER. The question is on the passage of the joint resolution. The yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

Mr. NICKLES. I announce that the Senator from Oklahoma (Mr. INHOFE) is necessarily absent.

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

[Rollcall Vote No. 47 Leg.]

YEAS—45

Allard	Faircloth	Moseley-Braun
Ashcroft	Feingold	Murkowski
Bond	Feinstein	Murray
Boxer	Frist	Nickles
Brownback	Gramm	Santorum
Byrd	Grams	Sessions
Coats	Gregg	Shelby
Collins	Harkin	Smith (NH)
Conrad	Helms	Snowe
Coverdell	Hollings	Specter
Craig	Hutchinson	Stevens
D'Amato	Kempthorne	Thomas
Dorgan	Kohl	Thompson
Durbin	Leahy	Torricelli
Enzi	McConnell	Wyden

NAYS—54

Abraham	Ford	Lieberman
Akaka	Glenn	Lott
Baucus	Gorton	Lugar
Bennett	Graham	Mack
Biden	Grassley	McCain
Bingaman	Hagel	Mikulski
Breaux	Hatch	Moynihan
Bryan	Hutchison	Reed
Bumpers	Inouye	Reid
Burns	Jeffords	Robb
Campbell	Johnson	Roberts
Chafee	Kennedy	Rockefeller
Cleland	Kerrey	Roth
Cochran	Kerry	Sarbanes
Daschle	Kyl	Smith (OR)
DeWine	Landrieu	Thurmond
Dodd	Lautenberg	Warner
Domenici	Levin	Wellstone

NOT VOTING—1

Inhofe

The joint resolution (S.J. Res. 42) was rejected.

Mrs. FEINSTEIN. Mr. President, I move to reconsider the vote by which the resolution was rejected.

Mrs. BOXER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

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

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

The assistant legislative clerk proceeded to call the roll.

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

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

MORNING BUSINESS

Mr. LOTT. Mr. President, I ask unanimous consent that there now be a period for morning business with Senators permitted to speak for up to 5 minutes each.

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

THE VERY BAD DEBT BOXSCORE

Mr. HELMS. Mr. President, at the close of business yesterday, Wednesday, March 25, 1998, the federal debt stood at $5,544,337,068,114.14 (Five trillion, five hundred forty-four billion, three hundred thirty-seven million, sixty-eight thousand, one hundred fourteen dollars and fourteen cents).

One year ago, March 25, 1997, the federal debt stood at $5,374,777,000,000

(Five trillion, three hundred seventy-four billion, seven hundred seventy-seven million).

Five years ago, March 25, 1993, the federal debt stood at $4,222,072,000,000 (Four trillion, two hundred twenty-two billion, seventy-two million).

Ten years ago, March 25, 1988, the federal debt stood at $2,480,270,000,000 (Two trillion, four hundred eighty billion, two hundred seventy million).

Fifteen years ago, March 25, 1983, the federal debt stood at $1,223,791,000,000 (One trillion, two hundred twenty-three billion, seven hundred ninety-one million) which reflects a debt increase of more than $4 trillion—$4,320,546,068,114.14 (Four trillion, three hundred twenty billion, five hundred forty-six million, sixty-eight thousand, one hundred fourteen dollars and fourteen cents) during the past 15 years.

MESSAGES FROM THE PRESIDENT

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

EXECUTIVE MESSAGES REFERRED

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

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

MESSAGES FROM THE HOUSE

At 3:56 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 bill, with amendments, in which it requests the concurrence of the Senate:

S. 1178. An act to amend the Immigration and Nationality Act to extend the visa waiver pilot program, and for other purposes.

The message also announced that the House has passed the following bill, in which it requests the concurrence of the Senate:

H.R. 2589. An act to amend the provisions of title 17, United States Code, with respect to the duration of copyright, and for other purposes.

At 5:05 p.m., a message from the House of Representatives, delivered by Mr. Hays, one of its reading clerks, announced that the House agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 1757) to consolidate international affairs agencies, to authorize appropriations for the Department of State and related agencies for fiscal years 1998 and 1999, and to ensure that the enlargement of the North Atlantic Treaty Organization (NATO) proceeds in a manner consistent with United States interests, to strengthen relations between the United States and Russia, to preserve the prerogatives of the Congress with respect to certain arms control agreements, and for other purposes.

MEASURES REFERRED

The following bill was read the first and second times by unanimous consent and referred as indicated:

H.R. 2589. An act to amend the provisions of title 17, United States Code, with respect to the duration of copyright, and for other purposes; to the Committee on the Judiciary.

ENROLLED BILL PRESENTED

The Secretary of the Senate reported that on March 26, 1998 he had presented to the President of the United States, the following enrolled bill:

S. 758. An act to make certain technical corrections to the Lobbying Disclosure Act of 1995.

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–4424. A communication from the Chairman of the Long-Range Air Power Panel, transmitting, pursuant to law, the report of recommendations; to the Committee on Armed Services.

EC–4425. A communication from the Director of the Office of Regulations Management, Department of Veterans Affairs, transmitting, pursuant to law, the report of a rule received on March 24, 1998; to the Committee on Veterans' Affairs.

EC–4426. A communication from the Secretary of Labor and the Executive Director of the Pension Benefit Guaranty Corporation, transmitting, pursuant to law, the annual report for the fiscal year 1997; to the Committee on Labor and Human Resources.

EC–4427. A communication from the Chairman of the National Transportation Safety Board, transmitting, pursuant to law, the report under the Government in the Sunshine Act for calendar year 1997; to the Committee on Governmental Affairs.

EC–4428. A communication from the Chairman of the Federal Energy Regulatory Commission, transmitting, pursuant to law, the report under the Government in the Sunshine Act for calendar year 1997; to the Committee on Governmental Affairs.

EC–4429. A communication from the Chairman of the Federal Maritime Commission, transmitting, pursuant to law, the report under the Government in the Sunshine Act for calendar year 1997; to the Committee on Governmental Affairs.

EC–4430. A communication from the Acting Chairman of the Thrift Depositor Protection Oversight Board, transmitting, pursuant to law, the report under the Freedom of Information Act for calendar year 1997; to the Committee on the Judiciary.

EC–4431. A communication from the Executive Director of the Pension Benefit Guaranty Corporation, transmitting, pursuant to law, the report under the Freedom of Information Act for calendar year 1997; to the Committee on the Judiciary.

EC–4432. A communication from the Chief of the Regulations Unit, Department of the Treasury, transmitting, pursuant to law, the report of a rule received on March 24, 1998; to the Committee on Finance.

EC–4433. A communication from the Chief of the Regulations Unit, Department of the Treasury, transmitting, pursuant to law, the report of a rule received on March 24, 1998; to the Committee on Finance.

EC–4434. A communication from the Administrator of the Agricultural Marketing Service, Department of Agriculture, transmitting, pursuant to law, the report of a rule received on March 24, 1998; to the Committee on Agriculture, Nutrition, and Forestry.

EC–4435. A communication from the Manager of the Federal Crop Insurance Corporation, Department of Agriculture, transmitting, pursuant to law, the report of a rule received on March 25, 1998; to the Committee on Agriculture, Nutrition, and Forestry.

EC–4436. A communication from the Acting Assistant Secretary of the Army (Civil Works), transmitting, pursuant to law, the report relative to the Wabash River project in New Harmony, Indiana; to the Committee on Environment and Public Works.

EC–4437. A communication from the Deputy Director for Policy and Programs, transmitting, pursuant to law, the report relative to notice of funds availability and technical assistance component; to the Committee on Banking, Housing, and Urban Affairs.

EC–4438. A communication from the Deputy Director for Policy and Programs, transmitting, pursuant to law, the report relative to notice of funds availability and the Core Component; to the Committee on Banking, Housing, and Urban Affairs.

EC–4439. A communication from the Assistant to the Board, Board of Governors of the Federal Reserve System, transmitting, pursuant to law, the report of a rule received on March 24, 1998; to the Committee on Banking, Housing, and Urban Affairs.

EC–4440. A communication from the Secretary of the Security and Exchange Commission, transmitting, pursuant to law, the report relative to use of web sites in securities transactions; to the Committee on Banking, Housing, and Urban Affairs.

EC–4441. A communication from the President of the Export-Import Bank of the United States, transmitting, pursuant to law, the report relative to exports to Uzbekistan; to the Committee on Banking, Housing, and Urban Affairs.

EC–4442. A communication from the President of the Export-Import Bank of the United States, transmitting, pursuant to law, the report relative to exports to the People's Republic of China; to the Committee on Banking, Housing, and Urban Affairs.

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–368. A resolution adopted by the Senate of the Legislature of the State of Arizona; ordered to lie on the table.

SENATE MEMORIAL 1001

Whereas, Ronald Wilson Reagan, the fortieth president of the United States, was one of this nation's greatest and most beloved presidents and a true world leader; and

Whereas, through his leadership and dedication to principle, President Reagan ushered in a new era of sustained peace, prosperity, optimism and freedom for both our nation and much of the world; and

Whereas, President Reagan established fiscal policies that invigorated the American economy, stimulating growth, employment and investment while curbing federal spending, inflation and interest and tax rates; and

Whereas, when confronted by increasingly tense relations with the former Soviet Union, President Reagan implemented a policy of ''peace through strength'' that restored national security, ensured peace and paved the way for the successful end of the Cold War; and

Whereas, in 1986' President Reagan persuaded Congress to end the inefficiency and expense resulting from federal ownership of Washington National Airport and to transfer control to an independent state-level authority. This paved the way for long overdue airport modernization projects, including construction of the airport's new terminal; and

Whereas, legislation (H.R. 2625 and S. 1297) is pending in both houses of Congress that would redesignate Washington National Airport as ''Ronald Reagan Washington National Airport''. Renaming the travel gateway into the nation's capital after Ronald Reagan is a fitting tribute to his legacy of leadership and prosperity.

Wherefore your memorialist, the Senate of the State of Arizona, prays:

1. That the Congress of the United States redesignate Washington National Airport as ''Ronald Reagan Washington National Airport'' in recognition of President Reagan's exceptional leadership on behalf of the citizens of this nation and all freedom-loving people throughout the world.

2. That the Congress of the United States expedite the legislation that would effect this redesignation so that the dedication can be completed before February 6, 1998. Ronald Reagan's eighty-seventh birthday.

3. That the Secretary of State of the State of Arizona transmit copies of this Memorial to the President of the United States Senate, the Speaker of the United States House of Representatives and each Member of Congress from the State of Arizona.

POM–369. A joint resolution adopted by the Legislature of the State of Washington; to the Committee on Commerce, Science, and Transportation.

HOUSE JOINT MEMORIAL 4039

Whereas, Washington state has sought to leverage the state's purchasing power in its procurements of telecommunications and information services; obtain the lowest prices for telecommunications services for state agencies, local governments, and schools and libraries, and avoid unnecessary duplication of resources; and

Whereas, the legislature created the Department of Information Services and directed it to aggregate the demand for telecommunications services purchased from the private sector, add value, and make such services available to public entities at significantly reduced costs; and

Whereas, through such efforts the Department of Information Services has saved the taxpayers of Washington millions of dollars each year; and

Whereas, the Washington Legislature in 1996 authorized and funded the development of the K–20 Educational Telecommunications Network, a fifty-four and one-half million dollar state-wide backbone network linking K–12 school districts, educational service districts, baccalaureate institutions, public libraries, and community and technical colleges; and

Whereas, this network will provide schools and libraries with enhanced function and increased efficiencies in their use of telecommunications services; and

Whereas, the Federal Communications Commission, pursuant to the Telecommunications Act of 1996, has begun implementation of a two and one-quarter billion dollar universal service fund program to discount the cost of telecommunications and information services to schools and libraries; and

Whereas, on December 30, 1997, the Federal Communications Commission ruled that state networks, such as the K–20 educational network, may not recover directly from the fund for telecommunications services, other than Internet services and internal connections, provided and billed to schools and libraries; and

Whereas, by its order, the Commission also determined that schools and libraries served by state telecommunications networks will not be able to obtain discounts on the value added by the state to these telecommunications services procured from the private sector; and

Whereas, this ruling potentially creates incentives for Washington schools and libraries to forego the less costly state-provided services, and instead buy more expensive services directly from private providers in order to be assured of federal subsidies; and

Whereas, this ruling creates a severe administrative burden on Washington state government, and will contravene longstanding Legislative policy; and

Whereas, this ruling could increase the costs to the universal service fund since discounts will be based on higher costs negotiated one-by-one between individual schools and libraries and private telecommunications companies;

Now, therefore, Your Memorialists respectfully pray that the members of the Committee on Commerce, Science, and Transportation of the United States Senate; and members of the Subcommittee on Telecommunications, Trade and Consumer Protection, Committee on Commerce, United States House of Representatives urge the Federal Communications Commission to review and amend its ruling barring direct reimbursement to state agencies that provide telecommunications services.

Be it resolved, That copies of this Memorial be transmitted immediately to the Honorable William J. Clinton, President of the United States, the members of the Committee on Commerce, Science, and Transportation of the United States Senate, the members of the Subcommittee on Telecommunications, Trade and Consumer Protection, Committee on Commerce, United States House of Representatives, the President of the United States Senate, the Speaker of the House of Representatives, each member of Congress from the State of Washington, and the members of the Federal Communications Commission.

POM–370. A joint resolution adopted by the Legislature of the State of Washington; to the Committee on Finance.

SENATE JOINT MEMORIAL 8019

Whereas, the policy of the state of Washington is to assure the health, safety, and welfare of its citizens; and

Whereas, an adequate supply of tax-exempt private activity bond volume cap is essential and critically important in financing affordable, decent first-time home ownership opportunities and low-income and moderate-income rental housing in this state and the nation, as well as several other critically important purposes that contribute to the well-being of the citizens of the state; and

Whereas, an adequate supply of low-income housing tax credits is essential and critically important to financing affordable, decent, rental housing units that contribute to the well-being of the citizens of the state; and

Whereas, the United States Congress, in the Tax Reform Act of 1986, established restrictions on tax-exempt private activity municipal bonds, effective January 1, 1988, that imposed a limit, based on each state's population, not to exceed the greater of fifty dollars per capita per calendar year, but failed to include an automatic inflationary multiplier to ensure that the purchasing power of this resource did not become dilute; and

Whereas, the amount of tax-exempt private activity bonding for this state is inadequate to meet the tax-exempt private activity financing demands of the state of Washington, and its agencies and political subdivisions; and

Whereas, the United States Congress, in the Tax Reform Act of 1986, established restrictions on the Low-Income Housing Tax Credit that imposed a limit based on each state's population to be equal to one dollar and twenty-five cents per capita per calendar year, but failed to include an automatic inflationary multiplier to ensure that the purchasing power of this resource did not become diluted; and

Whereas, since 1987 the effects of annual inflation have diluted the purchasing power of Washington's tax-exempt private activity bonding cap and the low-income housing tax credits by forty-six percent; and

Whereas, such loss has been devastating to the ability of this state and the nation to provide adequate, affordable housing opportunities to its lower-income constituents by reducing nearly in half the number of single-family housing units and multifamily rental housing units available and affordable to the ever-increasing number of lower-income, first-time home buyers and renters in Washington, thus causing many of these families to remain in substandard or expensive housing, among other negative impacts; and

Whereas, if the state and its agencies and political subdivisions continue to be unable to provide adequate levels of tax-exempt private activity bond financing and low-income housing tax credit financing for these purposes, the health, safety, and welfare of the citizens of the state of Washington will be further negatively impacted;

Now, therefore, Your Memorialists respectfully pray that the United States Congress increase immediately the tax-exempt private activity bond volume cap and the allocation of low-income housing tax credits available to each state, including Washington, to levels that would fully restore the tax-exempt private activity bond volume cap purchasing power and the lower-income housing tax credit purchasing power of each state, including Washington, to levels that would offset the diluted effects of inflation since 1987, and index increases for these resources to inflation in future years.

Be it resolved, That copies of this Memorial be immediately transmitted to the Honorable William J. Clinton, President of the United States, the President of the United States Senate, the Speaker of the House of Representatives, and each member of Congress from the State of Washington.

POM–371. A resolution adopted by the Senate of the Legislature of the State of Michigan; to the Committee on the Judiciary.

SENATE RESOLUTION NO. 155

Whereas, current laws governing foreign-child adoptions and immigration are complex and necessary to provide certain safeguards. Included in those safeguards is the stipulation that a person entering the United States of America on a Visitor's Visa cannot be enrolled in a public school; and

Whereas, Wojtek Tokarcyzk spent nearly two years as a member of the family of Walter and Teresa Tokarcyzk, Michigan residents from the community of Alger. His adoptive parents, Walter and Teresa Tokarcyzk, had enrolled him at Ogemaw Heights High School. Wojtek Tokarcyzk was not allowed to re-enter this country following a 1997 Christmas visit to his native Poland; and

Whereas, using the seldom-used method commonly known as Private Relief Legislation, the Congress can act swiftly to allow Wojtek Tokarcyzk to re-enter the United States of America, and be legally adopted by his aunt and uncle, Walter and Teresa Tokarcyzk; and

Whereas, Wojtek Tokarcyzk has become a boy without a country. This is not an instance where the Immigration and Naturalization Service has acted to protect the resources of this nation from an undesirable illegal alien. He is missed dearly by his family, his soccer teammates and friends, and the community at large. Wojtek is also missed by the local fire department where he served as a volunteer firefighter. This is a matter of family values and a sense of community. The prompt return of Wojtek Tokarcyzk would be one small victory for the American notion that families are our most important resource and that close-knit communities still exist, now, therefore, be it

Resolved by the Senate, That we memorialize the President of the United States and the Congress of the United States to take immediate and necessary action to provide for United States citizenship for Wojtek Tokarcyzk; and be it further

Resolved, That copies of this resolution be transmitted to the President of the United States of America, the Speaker of the United States House of Representatives, the members of the Michigan congressional delegation, and the Immigration and Naturalization Service.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. HATCH, from the Committee on the Judiciary, with an amendment in the nature of a substitute and an amendment to the title:

H.R. 927. A bill to amend title 28, United States Code, to provide for appointment of United States marshals by the Attorney General.

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. HATCH, from the Committee on the Judiciary:

Garr M. King, of Oregon, to be United States District Judge for the District of Oregon.

Kermit Lipez, of Maine, to be United States Circuit Judge for the First Circuit.

Robert T. Dawson, of Arkansas, to be United States District Judge for the Western District of Arkansas.

Johnnie B. Rawlinson, of Nevada, to be United States District Judge for the District of Nevada.

Gregory Moneta Sleet, of Delaware, to be United States District Judge for the District of Delaware.

(The above nominations were reported with the recommendation that they 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 Ms. MIKULSKI (for herself, Mrs. MURRAY, and Mr. WYDEN):

S. 1864. A bill to amend title XVIII of the Social Security Act to exclude clinical social worker services from coverage under the medicare skilled nursing facility prospective payment system; to the Committee on Finance.

By Mr. BAUCUS:

S. 1865. A bill to amend title IV of the Social Security Act to provide safeguards against the abuse of information reported to the National Directory of New Hires; to the Committee on Finance.

By Mr. DEWINE:

S. 1866. A bill to provide assistance to improve research regarding the quality and effectiveness of health care for children, to improve data collection regarding children's health, and to improve the effectiveness of health care delivery systems for children; to the Committee on Labor and Human Resources.

By Ms. COLLINS:

S. 1867. A bill to amend chapter 35 of title 44, United States Code, for the purpose of facilitating compliance by small businesses with certain Federal paperwork requirements, and to establish a task force to examine the feasibility of streamlining paperwork requirements applicable to small businesses; to the Committee on Governmental Affairs.

By Mr. NICKLES (for himself, Mr. MACK, Mr. LIEBERMAN, Mr. KEMPTHORNE, Mr. CRAIG, Mr. HUTCHINSON, and Mr. DEWINE):

S. 1868. A bill to express United States foreign policy with respect to, and to strengthen United States advocacy on behalf of, individuals persecuted for their faith worldwide; to authorize United States actions in response to religious persecution worldwide; to establish an Ambassador at Large on International Religious Freedom within the Department of State, a Commission on International Religious Persecution, and a Special Adviser on International Religious Freedom within the National Security Council; and for other purposes; to the Committee on Foreign Relations.

By Mr. CLELAND (for himself, Mr. COVERDELL, Mr. KERRY, Mr. HOLLINGS, and Mr. HARKIN):

S. 1869. A bill to authorize the establishment of a disaster mitigation pilot program in the Small Business Administration; to the Committee on Small Business.

By Mr. CAMPBELL:

S. 1870. A bill to amend the Indian Gaming Regulatory Act, and for other purposes; to the Committee on Indian Affairs.

By Mr. ROTH (for himself and Mr. MOYNIHAN):

S. 1871. A bill to provide that the exception for certain real estate investment trusts from the treatment of stapled entities shall apply only to existing property, and for other purposes; to the Committee on Finance.

By Mr. NICKLES:

S. 1872. A bill to prohibit new welfare for politicians; to the Committee on Commerce, Science, and Transportation.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. INOUYE:

S. Res. 200. A resolution designating March 26, 1998, as ''National Maritime Arbitration Day''; considered and agreed to.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Ms. MIKULSKI (for herself, Mrs. MURRAY and Mr. WYDEN):

S. 1864. A bill to amend title XVIII of the Social Security Act to exclude clinical social worker services from coverage under the Medicare skilled nursing facility prospective payment system; to the Committee on Finance.

THE MEDICARE SOCIAL WORK EQUITY ACT OF 1998

Ms. MIKULSKI. Mr. President, I rise today to introduce the ''Medicare Social Work Equity Act of 1998''. I am proud to sponsor this legislation which will amend section 4432 in the Balanced Budget Act of 1997 which prevents social workers from directly billing Medicare for mental health services provided in skilled nursing facilities. I am honored to be joined by my good friends Senator MURRAY and Senator WYDEN who care equally about correcting this inequity for social workers.

Last year's Balanced Budget Act changed the payment method for skilled nursing facility care. Under current law, reimbursement is made after services have been delivered for the reasonable costs incurred. However, this ''cost-based system'' was blamed for inordinate growth in Medicare spending at skilled nursing facilities.

The Balanced Budget Act of 1997 phases in a prospective payment system for skilled nursing facilities beginning July 1, 1998. Payments for Part B services for skilled nursing facility residents will be consolidated. This means that the provider of the services must bill the facility instead of directly billing Medicare.

Congress was careful to not include psychologists and psychiatrists in this new consolidated billing provision. Social workers were included, I think by mistake. Clinical social workers are the primary providers of mental health services to residents of nursing homes, particularly in underserved urban and rural areas. Clinical social workers are also the most cost effective mental health providers.

This legislation is important for three reasons: First, I am concerned that section 4432 will inadvertently reduce mental health services to nursing home residents. Second, I believe that the new consolidated billing requirement will result in a shift from using social workers to other mental health professionals who are reimbursed at a higher cost. This will result in higher costs to Medicare. Finally, I am concerned that clinical social workers will lose their jobs in nursing homes or will be inadequately reimbursed.

I like this bill because it will correct an inequity for America's social workers, it will assure quality of care for nursing home residents, and will assure cost efficiency for Medicare. I look forward to the Senate's support of this worthy legislation.

By Mr. BAUCUS:

S. 1865. A bill to amend title IV of the Social Security Act to provide safeguards against the abuse of information reported to the National Directory of New Hires; to the Committee on Finance.

THE SAFEGUARD OF NEW EMPLOYEE INFORMATION ACT OF 1998

Mr. BAUCUS. Mr. President, today I am introducing the Safeguard of New Employee Information Act of 1998. This bill will ensure that the mechanisms created in the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (PRWORA) to enhance our child support enforcement system will not lead to a misuse of personal information. I believe that my bill will assure that new employee information is kept confidential without compromising the usefulness of the National Directory of New Hires. The legislation provides clear safeguards against the abuse of personal employee information, and makes sure that the information is erased two years after entry.

As we all know, child support is a critical part of welfare reform. I strongly support the measures in PRWORA that help states track and crack down on parents who fail to pay court-ordered child support. In response to the fact that over 30 percent of child support cases involve parents who do not live in the same state as their children, a National Directory of New Hires was created to assist states in locating parents who reside in other states.

Thus far, the new data base has been very successful in enabling states to locate delinquent parents, enforcing payment orders and reducing the number of welfare families. However, many folks are concerned about the confidentiality of the registry, and the fact that this information is never deleted.

Last year, for example, the Montana State Legislature passed a child support bill to comply with the new federal regulations. I must add, this bill was passed in the final hours of the legislative session and under the threat of losing $52 million a year in federal funds. At that time, the legislature was hesitant to pass the bill because of concerns regarding confidentiality.

Mr. President, the Safeguard of New Employee Information Act of 1998 makes needed changes to the National Directory to alleviate these fears and ensure the registry's continuation. The bill provides penalties for misuse of information by federal employees. Specifically, it establishes a fine of $1,000 for each act of unauthorized access to, disclosure, or use of information in the National Directory of New Hires.

The bill also establishes a 24-month limit on retention of New Hire data. This two year limit gives Child Support Enforcement agencies the necessary time to determine paternity, establish a child support order or enforce existing orders. A shorter period of data retention would impede enforcement activities, and a longer period of retention increases the potential for abuse.

Mr. President, in my state of Montana, 90 percent of families on welfare are headed by single parents. That is why it is so important to require that the absent mothers or fathers provide money to feed, clothe and care for their children. The National Directory of New Hires is a good idea—we just need to ensure new employee confidentiality. I urge my colleagues to protect new hire confidentiality and support this important legislation.

By Mr. DEWINE:

S. 1866. A bill to provide assistance to improve research regarding the quality and effectiveness of health care for children, to improve data collection regarding children's health, and to improve the effectiveness of health care delivery systems for children; to the Committee on Labor and Human Resources.

THE CHILD HEALTH CARE QUALITY RESEARCH IMPROVEMENT ACT

Mr. DEWINE. Mr. President, I rise today to introduce the Child Health Care Quality Research Improvement Act. We have been hearing a great deal recently about the quality of health care in this country. Most of the debate, both here in Congress and back home in our States, has been driven, at least in part, by a fear among consumers that efforts to control costs and move people into managed care has compromised quality. This fear has driven legislation such as the bill we passed just last year to provide for 48-hour maternity stays. This year a whole host of health care quality bills have been introduced in the Congress. Even more such legislation has been moving forward at the State level as well.

As I have learned more and more about the concerns about the quality of health care, I have tried to focus particular attention on children, how their health care is delivered and whether its quality has been compromised. Frankly, I have learned something that I find very interesting.

While the drive to improve quality and reduce cost has driven a great deal of new research over the past several years, relatively little has been done for children in this area. While we are getting better at measuring quality of health care for adults, we have made little such progress for our children.

Between 1993 and 1995, only some 5 percent of the health services research study outcomes focused on our children. This is highly alarming because I frankly cannot think of anything more critical to our Nation's future than the quality of our children's health. Clearly we need to correct this serious lack of good health care quality measures.

I have spoken with experts in the field of pediatric research and they agree with this assessment. They tell me that we have to do more in this field if we expect to improve the care that our children receive. Many times, frankly, we don't know exactly which treatments are cost effective or best improve a child's quality of life. We don't know how to manage children's complicated health problems in ways that will allow them to lead normal lives

We can answer many of these questions if the patient is an adult, but we have far fewer answers for our children. Here is one example. One study recently found that children have three times greater chance of dying after heart surgery at some hospitals than they have at other hospitals—three times. We must fix this. That means we have to find out why, why one hospital loses three times as many children as another. As both a parent and a grandparent, I can speak from firsthand experience about the stress and the uncertainty that goes along with any childhood illness. To think that a parent's choice of a hospital could actually be harmful to a child is certainly a very scary thought for a parent.

Another example is asthma. Asthma is the most common chronic health condition in children, affecting 5 million children in this country, and that percentage, tragically, is rising. We are not sure why this has been happening, but we do know that the quality of health care a child receives can dramatically affect the severity of his or her asthma. As a result, the better the quality of health care, the less time that child spends in the hospital, the fewer visits to the emergency room, and the less time a child has to miss from school. If we do not even know what kinds of treatment work best for children or that different treatments work better in different environments, we cannot help. We certainly can't begin to debate how to improve quality if we can't even define it or measure it. For that, we need to conduct research in real world settings.

As a means of getting this research into real world settings and improving the quality of health care that our children receive, I am introducing a bill today entitled the Child Health Care Quality Research Improvement Act. This legislation was developed with the help of leaders in the pediatric community, child advocates, and health services researchers. My bill takes a three-pronged approach to address this issue: One, focusing on training; two, research; and three, data collection for child health outcomes and effectiveness research.

Let me start with the first one.

In order for us to make advances in the study of pediatric health outcomes, it is essential that we have researchers who have received training in this field. This bill I am introducing today promotes research training programs in child health services research at the doctoral, post-doctoral, and junior faculty levels. By bringing professionals into this very important field, we can ensure that issues that affect the lives of children are receiving the attention they deserve.

The second component of this bill establishes research centers and networks. The goal of the centers and networks will be to foster collaboration among experts in the field of pediatric health care quality and effectiveness.

We envision that these centers and networks will bring together pediatric specialists from children's hospitals, physicians in managed care plans, statisticians from schools of public health, and other experts in the field to work together on research projects and to translate these findings into real-world settings where children are receiving health care.

Third, and finally, this legislation contains a component that adds supplements to existing national health surveys that are today administered by the National Center for Health Statistics and the Maternal and Child Health Bureau. In addition to not knowing how to measure health care quality in children, other data, like that measuring children's use of health care systems and health care expenditures, are lacking. Adding supplements to existing surveys is a very sensible measure. This bill does not require yet another survey to be administered. Rather, it simply adds questions to existing surveys, to allow us to collect valuable data on children. This is the type of information that we need if we want to look at trends in children's health and what we can do to improve their health.

Mr. President, we are all well aware that children have medical conditions and health care needs that are different from those of adults. It doesn't make sense to do health services research for adults and hope that one size fits all—that the things we learn will make sense for children. Federal support for child health quality and effectiveness research is vital to ensure that children are receiving appropriate health care. We owe it to our Nation's children to train health professionals in this important filed, and to support these very important research initiatives.

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

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

S. 1866

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

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Child Health Care Quality Research Improvement Act''.

SEC. 2. FINDINGS.

Congress finds the following:

(1) There is increased emphasis on using evidence of improved health care outcomes and cost effectiveness to justify changes in our health care system.

(2) There is a growing movement to use health care quality measures to ensure that health care services provided are appropriate and likely to improve health.

(3) Few health care quality measures exist for children, especially for the treatment of acute and chronic conditions.

(4) A significant number of children in the United States have health problems, and the percentage of children with special health care needs is increasing.

(5) Children in the health care marketplace have unique health attributes, including a child's developmental vulnerability, differential morbidity, and dependency on adults, families, and communities.

(6) Children account for less than 15 percent of the national health care spending, and do not command a large amount of influence in the health care marketplace.

(7) The Federal government is the major payer of children's health care in the United States.

(8) Numerous scientifically sound measures exist for assessing quality of health care for adults, and similar measures should be developed for assessing the quality of health care for children.

(9) The delivery structures and systems that provide care for children are necessarily different than systems caring for adults, and therefore require appropriate types of quality measurements and improvement systems.

(10) Improving quality measurement and monitoring will—

(A) assist health care providers in identifying ways to improve health outcomes for common and rare childhood health conditions;

(B) assist consumers and purchasers of health care in determining the value of the health care products and services they are receiving or buying; and

(C) assist providers in selecting effective treatments and priorities for service delivery.

(11) Because of the prevalence and patterns of children's medical conditions, research on improving care for relatively rare or specific conditions must be conducted across multiple institutions and practice settings in order to guarantee the validity and generalizability of research results.

SEC. 3. DEFINITIONS.

In this Act:

(1) HIGH PRIORITY AREAS.—the term ''high priority areas'' means areas of research that are of compelling scientific or public policy significance, that include high priority areas of research identified by the Conference on Improving Quality of Health Care for Children: An Agenda for Research (May, 1997), and that—

(A) are consistent with areas of research as defined in paragraphs (1)(A) and (2) of section 1142(a) of the Social Security Act;

(B) are relevant to all children or to specific subgroups of children; or

(C) are consistent with such other criteria as the Secretary may require.

(2) LOCAL COMMUNITY.—The term ''local community'' means city, county, and regional governments, and research institutes in conjunction with such cities, counties, or regional governments.

(3) PEDIATRIC QUALITY OF CARE AND OUTCOMES RESEARCH.—The term ''pediatric quality of care and outcomes research'' means research involving the process of health care delivery and the outcomes of that delivery in order to improve the care available for children, including health promotion and disease prevention, diagnosis, treatment, and rehabilitation services, including research to—

(A) develop and use better measures of health and functional status in order to determine more precisely baseline health status and health outcomes;

(B) evaluate the results of the health care process in real-life settings, including variations in medical practices and patterns, as well as functional status, clinical status, and patient satisfaction;

(C) develop quality improvement tools and evaluate their implementation in order to establish benchmarks for care for specific childhood diseases, conditions, impairments, or populations groups;

(D) develop specific measures of the quality of care to determine whether a specific health service has been provided in a technically appropriate and effective manner, that is responsive to the clinical needs of the patient, and that is evaluated in terms of the clinical and functional status of the patient as well as the patient's satisfaction with the care; or

(E) assess policies, procedures, and methods that can be used to improve the process and outcomes of the delivery of care.

(4) PROVIDER-BASED RESEARCH NETWORKS.—The term ''provider-based research network'' refers to 1 of the following which exist for the purpose of conducting research:

(A) A hospital-based research network that is comprised of a sufficient number of children's hospitals or pediatric departments of academic health centers.

(B) A physician practice-based research network that is comprised of a sufficient number of groups of physicians practices.

(C) A managed care-based research network that is comprised of a sufficient number of pediatric programs of State-licensed health maintenance organizations or other State certified managed care plans.

(D) A combination provider-based research network that is comprised of all or part of a hospital-based research network, a physician practice-based research network, and a managed care-based research network.

(5) SECRETARY.—The term ''Secretary'' means the Secretary of Health and Human Services.

SEC. 4. EXPANSION OF THE HEALTH SERVICES RESEARCH WORKFORCE.

(a) GRANTS.—The Secretary shall annually award not less than 10 grants to eligible entities at geographically diverse locations throughout the United States to enable such entities to carry out research training programs that are dedicated to child health services research training initiatives at the doctoral, post-doctoral, and junior faculty levels.

(b) ELIGIBILITY.—To be eligible to receive a grant under subsection (a), an entity shall—

(1) be a public or nonprofit private entity; and

(2) prepare and submit to the Secretary an application, at such time, in such manner, and containing such information as the Secretary may require.

(c) LIMITATION.—A grant awarded under this section shall be for an amount that does not exceed $500,000.

(d) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section, $5,000,000 for each of the fiscal years 1999 through 2003.

SEC. 5. DEVELOPMENT OF CHILD HEALTH IMPROVEMENT RESEARCH CENTERS AND PROVIDER-BASED RESEARCH NETWORKS.

(a) GRANTS.—In order to address the full continuum of pediatric quality of care and outcomes research, to link research to practice improvement, and to speed the dissemination of research findings to community practice settings, the Secretary shall award grants to eligible entities for the establishment of—

(1) not less that 10 national centers for excellence in child health improvement research at geographically diverse locations throughout the United States; and

(2) not less than 5 national child health provider quality improvement research networks at geographically diverse locations throughout the United States, including at least 1 of each type of network as described in section 3(4).

(b) ELIGIBILITY.—To be eligible to receive a grant under subsection (a), an entity shall—

(1) for purposes of—

(A) subsection (a)(1), be a public or nonprofit entity, or group of entities, including universities, and where applicable their

schools of Public Health, research institutions, or children's hospitals, with multi-disciplinary expertise including pediatric quality of care and outcomes research and primary care research; or

(B) subsection (a)(2), be a public or nonprofit institution that represents children's hospitals, pediatric departments of academic health centers, physician practices, or managed care plans; and

(2) prepare and submit to the Secretary an application, at such time, in such manner, and containing such information as the Secretary may require, including—

(A) in the case of an application for a grant under subsection (a)(1), a demonstration that a research center will conduct 2 or more research projects involving pediatric quality of care and outcomes research in high priority areas; or

(B) in the case of an application for a grant under subsection (a)(2)—

(i) a demonstration that the applicant and its network will conduct 2 or more projects involving pediatric quality of care and outcomes research in high priority areas;

(ii) a demonstration of an effective and cost-efficient data collection infrastructure;

(iii) a demonstration of matching funds equal to the amount of the grant; and

(iv) a plan for sustaining the financing of the operation of a provider-based network after the expiration of the 5-year term of the grant.

(c) LIMITATIONS.—A grant awarded under subsection (a)(1) shall not exceed $1,000,000 per year and be for a term of more that 5 years and a grant awarded under subsection (a)(2) shall not exceed $750,000 per year and be for a term of more than 5 years.

(d) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated—

(1) to carry out subsection (a)(1), $10,000,000 for each of the fiscal years 1999 through 2003; and

(2) to carry out subsection (a)(2), $3,750,000 for each of the fiscal years 1999 through 2003.

SEC. 6. RESEARCH IN SPECIFIC HIGH PRIORITY AREAS.

(a) ADDITIONAL FUNDS FOR GRANTS.—From amounts appropriated under subsection (c), the Secretary shall provide support, through grant programs authorized on the date of enactment of this Act, to entities determined to have expertise in pediatric quality of care and outcomes research. Such additional funds shall be used to improve the quality of children's health, especially in high priority areas, and shall be subject to the same conditions and requirements that apply to funds provided under the existing grant program through which such additional funds are provided.

(b) ADVISORY COMMITTEE.—

(1) IN GENERAL.—To evaluate progress made in pediatric quality of care and outcomes research in high priority areas, and to identify new high priority areas, the Secretary shall establish an advisory committee which shall report annually to the Secretary.

(2) MEMBERSHIP.—The Secretary shall ensure that the advisory committee established under paragraph (1) includes individuals who are—

(A) health care consumers;

(B) health care providers;

(C) purchasers of health care;

(D) representative of health plans involved in children's health care services; and

(E) representatives of Federal agencies including—

(i) the Agency for Health Care Policy and Research;

(ii) the Centers for Disease Control and Prevention;

(iii) the Health Care Financing Administration;

(iv) the Maternal and Child Health Bureau;

(v) the National Institutes of Health; and

(vi) the Substance Abuse and Mental Health Services Administration.

(3) EVALUATION OF RESEARCH.—The advisory committee established under paragraph (1) shall evaluate research in high priority areas using criteria that include—

(1) the generation of research that includes both short and long term studies;

(2) the ability to foster public and private partnerships; and

(3) the likelihood that findings will be transmitted rapidly into practice.

(c) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section, $12,000,000 for each of the fiscal years 1999 through 2003.

SEC. 7. IMPROVING CHILD HEALTH DATA AND DEVELOPING BETTER DATA COLLECTION SYSTEMS.

(a) SURVEY.—The Secretary shall provide assistance to enable the appropriate Federal agencies to—

(1) conduct ongoing biennial supplements and initiate and maintain a longitudinal study on children's health that is linked to the appropriate existing national surveys (including the National Health Interview Survey and the Medical Expenditure Panel Survey) to—

(A) provide for reliable national estimates of health care expenditures, cost, use, access, and satisfaction for children, including uninsured children, poor and near-poor children, and children with special health care needs;

(B) enhance the understanding of the determinants of health outcomes and functional status among children with special health care needs, as well as an understanding of these changes over time and their relationship to health care access and use; and

(C) monitor the overall national impact of Federal and State policy changes on children's health care; and

(2) develop an ongoing 50-State survey to generate reliable State estimates of health care expenditures, cost, use, access, satisfaction, and quality for children, including uninsured children, poor and near-poor children, and children with special health care needs.

(b) GRANTS.—The Secretary shall award grants to public and nonprofit entities to enable such entities to develop the capacity of local communities to improve child health monitoring at the community level.

(c) ELIGIBILITY.—To be eligible to receive a grant under subsection (b), an entity shall—

(1) be a public or nonprofit entity; and

(2) prepare and submit to the Secretary an application, at such time, in such manner, and containing such information as the Secretary may require.

(d) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section, $14,000,000 for each of the fiscal years 1999 through 2003, of which—

(1) $6,000,000 shall be made available in each fiscal year for grants under subsection (a)(1);

(2) $4,000,000 shall be made available in each fiscal year for grants under subsection (a)(2);

(3) $4,000,000 shall be made available in each fiscal year for grants under subsection (b).

SEC. 8. OVERSIGHT.

Not later than _____ after the date of enactment of this Act, The Secretary shall prepare and submit a report to Congress on progress made in pediatric quality of care and outcomes research, including the extent of ongoing research, programs, and technical needs, and the Department of Health and Human Services' priorities for funding pediatric quality of care and outcomes research.

By Ms. COLLINS:

S. 1867. A bill to amend chapter 35 of title 44, United States Code, for the purpose of facilitating compliance by small businesses with certain Federal paperwork requirements, and to establish a task force to examine the feasibility of streamlining paperwork requirements applicable to small businesses; to the Committee on Governmental Affairs.

THE SMALL BUSINESS PAPERWORK REDUCTION ACT

Ms. COLLINS. Mr. President, today I am introducing the Small Business Paperwork Reduction Act Amendments of 1998, a companion bill to legislation pending in the House of Representatives.

This legislation has five components. First, it requires the Office of Management and Budget to publish annually in the Federal Register and on the Internet all of the Federal paperwork requirements imposed on small business. This will not only serve as a valuable tool for those who must comply with these mandates, but it will also make it far easier for policy makers to monitor, and I would hope check, the growth in the paperwork burden.

Second, under the bill, each agency will have to establish one point of contact to act as a liaison with small businesses on paperwork requirements. In an era when serving the customer has become recognized by the private sector as critical, this is a modest step to ask of our government.

Third, the legislation provides for the suspension of civil fines imposed on small enterprises for first-time paperwork violations, except under certain circumstances, such as when the violation causes serious harm to the public or presents an imminent danger to the public health or safety. In dealing with America's entrepreneurs, we need to move away from a culture that seems to place a higher priority on imposing punishment than on facilitating compliance.

Fourth, in addition to meeting the mandates of the Paperwork Reduction Act, agencies will have to make further efforts to reduce the burden on enterprises with fewer than 25 employees. There must be some measure of proportionality between the size of a business and its costs of complying with government regulation.

Fifth, a task force will be established to examine the feasibility of requiring agencies to consolidate their paperwork mandates in a manner that will allow small businesses to satisfy those mandates through a single filing, in a single format, and on the same date. By reducing the amount of time currently devoted to these tasks, our companies will have more to spend on the activities for which they were formed.

Mr. President, all too often the relationship between the owners of small businesses and government is an adversial one. That benefits no one—not the owners of these enterprises, not the many Americans they employ, not

the government they help to support, and not the public at large.

The problem often is not with the goals which underlie our regulations, but rather in how we seek to achieve those goals. We should not forget that we are dealing with Americans who make a great contribution to the prosperity of our nation. In seeking to meet our regulatory objectives, we should be reaching out to these entrepreneurs with a helping hand and not a heavy hand. That, Mr. President, is the purpose of this legislation.

By Mr. NICKLES (for himself, Mr. MACK, Mr. LIEBERMAN, Mr. KEMPTHORNE, Mr. CRAIG, Mr. HUTCHINSON, and Mr. DEWINE):

S. 1868. A bill to express United States foreign policy with respect to, and to strengthen United States advocacy on behalf of, individuals persecuted for their faith worldwide; to authorize United States actions in response to religious persecution worldwide; to establish an Ambassador at Large on International Religious Freedom within the Department of State, a Commission on International Religious Freedom within the Department of State, a Commission on International Religious Persecution, and a Special Adviser on International Religious Freedom within the National Security Council; and for other purposes; to the Committee on Foreign Relations.

THE INTERNATIONAL RELIGIOUS FREEDOM ACT OF 1998

Mr. NICKLES. Mr. President, today I am prompted to speak by both a tragic reality, and also what I would think is a promising hope. The tragic reality is that literally millions of religious believers around the world live gripped by the incessant, terrifying prospect of persecution, of being tortured, arrested, imprisoned or even killed for simply practicing their faith. A promising hope, I believe, might perhaps be found in the bill that I am introducing today with Senator LIEBERMAN, Senator MACK, Senator KEMPTHORNE, Senator CRAIG, Senator HUTCHINSON and Senator DEWINE. It is called the International Religious Freedom Act. The International Religious Freedom Act will establish a process to ensure that on an ongoing basis the United States closely monitors religious persecution worldwide.

It is wrong for a country to persecute, to prosecute, to imprison, harass individuals for simply practicing their faith, whether that faith is Jewish or Christian or Muslim or Hindu. It is absolutely wrong for them to be persecuted for practicing their faith. This act requires the U.S. Government to take action against all countries engaging in religious persecution.

What kind of persecution am I talking about? First, three facts command attention.

One reliable estimate indicates that more Christian martyrs have perished in this century than all previous centuries combined. That is a staggering, staggering statement.

A recent book reports that 200 million Christians around the world live under daily fear and threat of persecution, including interrogation, imprisonment, torture and in some cases death.

Finally, over half the world's population lives under regimes which severely restrict if not prohibit their ability to believe in and practice the religious faith of their choice and conviction.

Of course, religious persecution goes beyond facts and figures. It happens to real people in real places. Let me point out just four compelling examples.

At this very moment one of China's leading house church pastors, Pastor Peter Xu, is languishing in a Chinese prison under a 3-year term for the so-called ''crime'' of ''disturbing public order.'' Hundreds, perhaps thousands of other believers in China currently suffer similar treatment.

Again, at this very moment, 13 courageous Christians are imprisoned by the Communist authorities in Laos. What was their ''crime''? Simply that they organized an ''unauthorized'' Bible study in the privacy of a home.

In Pakistan, just a few months ago, Pastor Noor Alam was brutally stabbed to death by anti-Christian assailants. Shortly before that, they had destroyed Pastor Alam's church building. Meanwhile, Christians and other religious minorities in Pakistan continue to sufferer under the notorius ''blasphemy laws.''

Or consider Russia, which, as many of my colleagues will remember, just last summer passed a draconian law that will effectively shut down the vast majority of independent churches and other religious organizations and severly curtail the religious freedom of the Russian people.

I could go on and on. However, I do want to share just a few highlights of what we humbly but earnestly hope our bill can do to begin to address the scourge of religious persecution worldwide.

I should also mention that, in 1996, I was honored to sponsor a Senate resolution on religious persecution, which passed by unanimous consent. In that resolution, the Senate made a strong recommendation ''that the President expand and invigorate the United States' international advocacy on behalf of persecuted Christians, and initiate a thorough examination of all United States' policies that affect persecuted Christians.''

What was a mere resolution in 1996, I hope it will become a reality in 1998. While then we acted with words, I hope that this year we can act with deeds.

In short, this bill seeks to ensure that the U.S. Government aggressively monitors religious oppression around the world and takes decisive action against those regimes engaged in persecution, all the while maintaining the integrity and credibility of the U.S. foreign policy system.

The International Religious Freedom Act establishes an ''Ambassador-at-Large for Religious Liberty'' at the State Department. The Ambassador will be responsible for representing our Government in vigorous diplomacy with nations guilty of religious persecution. In addition, the Ambassador will oversee an annual report on religious persecution which will specify the details on religious persecution around the world. This report will name names. And those countries named will be held accountable.

For any country cited in the report, the Act presents a menu of diplomatic and economic options, and the President is required to select from at least one of those actions. Silence or passivity are not options. At the same time, the Act seeks to provide the President maximum flexibility entailing the most appropriate, effective response to that particular situation in a particular country. Furthermore, because we desire good results to follow our good intentions, the Act requires a consideration of how the action taken by America will affect American economic and security interests and, most important, how it will affect the very people that it purports to help.

The International Religious Freedom Act has other provisions—improved reporting, improved training for immigration and foreign service officials, a commission on international religious liberty to provide more attention and expertise on the issue. I invite all my colleagues, and certainly those who are deeply concerned about the plight of persecuted religious believers, to join me in supporting this bill. Not because it might be popular or expedient or convenient to support this legislation, but because it is the right thing to do and because I believe it will make a real difference in protecting the lives of some of the most vulnerable people in the world, those people who wish to express their religious beliefs and convictions.

Mr. President, I thank my cosponsors, particularly Senator LIEBERMAN, also Senator MACK, in addition to Senator HUTCHINSON and Senator CRAIG and Senator KEMPTHORNE, for helping us put this legislation together.

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

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

S. 1868

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

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the ''International Religious Freedom Act of 1998''.

(b) TABLE OF CONTENTS.—The table of contents for this Act is as follows:

SEC. 2. FINDINGS; POLICY.

(a) FINDINGS.—Congress makes the following findings:

(1) Freedom of religious belief and practice is a fundamental human right articulated in numerous international agreements and covenants, including the Universal Declaration of Human Rights, the International Covenant on Civil and Political Rights, the Helsinki Accords, the Declaration on the Elimination of All Forms of Intolerance and Discrimination Based on Religion or Belief, the United Nations Charter, and the European Convention for the Protection of Human Rights and Fundamental Freedoms.

(2) The right to freedom of religion undergirds the very origin and existence of the United States. Many of our Nation's founders fled religious persecution abroad, cherishing in their hearts and minds the ideal of religious freedom. They established in law, as a fundamental right and as a pillar of our Nation, the right to freedom of religion. From its birth to this day, the United States has prized this legacy of religious freedom and honored this heritage by standing for religious freedom and offering refuge to those suffering religious persecution.

(3) Article 18 of the Universal Declaration of Human Rights recognizes that ''Everyone has the right to freedom of thought, conscience, and religion. This right includes freedom to change his religion or belief, and freedom, either alone or in community with others and in public or private, to manifest his religion or belief in teaching, practice, worship, and observance.''. Article 18(1) of the International Covenant on Civil and Political Rights recognizes that ''Everyone shall have the right to freedom of thought, conscience, and religion. This right shall include freedom to have or to adopt a religion or belief of his choice, and freedom, either individually or in community with others and in public or private, to manifest his religion or belief in worship, observance, practice, and teaching''. Governments have the responsibility to protect the fundamental rights of their citizens and to pursue justice for all. Religious freedom is a fundamental right of every individual, regardless of race, country, creed, or nationality, and should never be arbitrarily abridged by any government.

(4) The right to freedom of religion is under renewed and, in some cases, increasing assault in many countries around the world. More than one-half of the world's population lives under regimes that severely restrict or prohibit the freedom of their citizens to study, believe, observe, and freely practice the religious faith of their choice. Religious believers and communities suffer both government-sponsored and government-tolerated violations of their rights to religious freedom. Among the many forms of such violations are state-sponsored slander campaigns, confiscations of property, surveillance by security police, including by special divisions of ''religious police'', severe prohibitions against construction and repair of places of worship, denial of the right to assemble and relegation of religious communities to illegal status through arbitrary registration laws, prohibitions against the pursuit of education or public office, and prohibitions against publishing, distributing, or possessing religious literature and materials.

(5) Even more abhorrent, religious believers in many countries face such severe and violent forms of religious persecution as detention, torture, beatings, forced marriage, rape, imprisonment, enslavement, mass resettlement, and death merely for the peaceful belief in, change of or practice of their faith. In many countries, religious believers are forced to meet secretly, and religious leaders are targeted by national security forces and hostile mobs.

(6) Though not confined to a particular region or regime, religious persecution is often particularly widespread, systematic, and heinous under totalitarian governments and in countries with militant, politicized religious majorities.

(7) Congress has recognized and denounced acts of religious persecution through the adoption of the following resolutions:

(A) House Resolution 515 (104th), expressing the sense of the House of Representatives with respect to the persecution of Christians worldwide.

(B) Senate Concurrent Resolution 71 (104th), expressing the sense of the Senate regarding persecution of Christians worldwide.

(C) House Concurrent Resolution 102, concerning the emancipation of the Iranian Baha'i community.

(b) POLICY.—It shall be the policy of the United States, as follows:

(1) To condemn religious persecution, and to promote, and to assist other governments in the promotion of, the fundamental right to religious freedom.

(2) To seek to channel United States security and development assistance to governments other than those found to be engaged in gross violations of human rights, including the right to religious freedom, as set forth in the Foreign Assistance Act of 1961, in the International Financial Institutions Act of 1977, and in other formulations of United States human rights policy.

(3) To be vigorous and flexible, reflecting both the unwavering commitment of the United States to religious freedom and the desire of the United States for the most effective and principled response, in light of the range of violations of religious freedom by a variety of persecuting regimes, and the status of the relations of the United States with different nations.

(4) To work with foreign governments that affirm and protect religious freedom, in order to develop multilateral documents and initiatives to combat religious persecution and promote the right to religious freedom abroad.

(5) Standing for liberty and standing with the persecuted, to use and implement appropriate tools in the United States foreign policy apparatus, including diplomatic, political, commercial, charitable, educational, and cultural channels, to promote respect for religious freedom by all governments and peoples.

SEC. 3. DEFINITIONS.

In this Act:

(1) AMBASSADOR AT LARGE.—The term ''Ambassador at Large'' means the Ambassador at Large on International Religious Freedom appointed under section 101(b).

(2) ANNUAL REPORT ON RELIGIOUS PERSECUTION.—The term ''Annual Report on Religious Persecution'' means the report described in section 102(b).

(3) APPROPRIATE CONGRESSIONAL COMMITTEES.—The term ''appropriate congressional committees'' means the Committee on Foreign Relations of the Senate and the Committee on International Relations of the House of Representatives and, in the case of any determination made with respect to the imposition of a sanction under paragraphs (9) through (16) of section 405, the term ''appropriate congressional committees'' includes those committees, together with the Committee on Ways and Means and the Committee on Banking and Financial Services of the House of Representatives and the Committee on Finance of the Senate.

(4) COMMISSION.—The term ''Commission'' means the United States Commission on International Religious Persecution established in section 201(a).

(5) GOVERNMENT OR FOREIGN GOVERNMENT.—The term ''government'' or ''foreign government'' includes any agency or instrumentality of the government.

(6) GROSS VIOLATIONS OF THE RIGHT TO FREEDOM OF RELIGION.—The term ''gross violations of the right to freedom of religion'' means a consistent pattern of gross violations of the right to freedom of religion that include torture or cruel, inhuman, or degrading treatment or punishment, prolonged detention without charges, causing the disappearance of persons by the abduction or clandestine detention of those persons, or other flagrant denial of the right to life, liberty, or the security of persons, within the meaning of section 116(a) of the Foreign Assistance Act of 1961 (22 U.S.C. 2151n(a)).

(7) HUMAN RIGHTS REPORTS.—The term ''Human Rights Reports'' means the reports submitted by the Department of State to Congress under sections 116 and 502B of the Foreign Assistance Act of 1961.

(8) OFFICE.—The term ''Office'' means the Office on International Religious Freedom established in section 101(a).

(9) RELIGIOUS PERSECUTION.—The term ''religious persecution'' means any violation of the internationally recognized right to freedom of religion, as defined in Article 18 of the Universal Declaration of Human Rights and Article 18 of the International Covenant on Civil and Political Rights, including violations such as—

(A) arbitrary prohibitions on, restrictions of, or punishment for—

(i) assembling for peaceful religious activities such as worship, preaching, and prayer, including arbitrary registration requirements,

(ii) speaking freely about one's religious beliefs,

(iii) changing one's religious beliefs and affiliation,

(iv) possession and distribution of religious literature, including Bibles, or

(v) raising one's children in the religious teachings and practices of one's choice,

as well as arbitrary prohibitions or restrictions on the grounds of religion on holding public office, or pursuing educational or professional opportunities; and

(B) any of the following acts if committed on account of an individual's religious belief or practice: detention, interrogation, harassment, imposition of an onerous financial penalty, forced labor, forced mass resettlement, imprisonment, beating, torture, mutilation, rape, enslavement, murder, and execution.

(10) SPECIAL ADVISER.—The term ''Special Adviser'' means the Special Adviser to the President on Religious Persecution established in section 101(i) of the National Security Act of 1947, as added by section 301 of this Act.

TITLE I—DEPARTMENT OF STATE ACTIVITIES

SEC. 101. OFFICE ON INTERNATIONAL RELIGIOUS FREEDOM; AMBASSADOR AT LARGE FOR INTERNATIONAL RELIGIOUS FREEDOM.

(a) ESTABLISHMENT OF OFFICE.—There is established within the Department of State an Office on International Religious Freedom that shall be headed by the Ambassador at Large on International Religious Freedom appointed under subsection (b).

(b) APPOINTMENT.—The Ambassador at Large shall be appointed by the President, by and with the advice and consent of the Senate.

(c) DUTIES.—The Ambassador at Large shall have the following responsibilities:

(1) IN GENERAL.—The primary responsibility of the Ambassador at Large shall be to advance the right to freedom of religion abroad, to denounce the violation of that right, and to recommend appropriate responses by the United States Government when this right is violated.

(2) ADVISORY ROLE.—The Ambassador at Large shall be the principal adviser to the President and the Secretary of State regarding matters affecting religious freedom abroad and, with advice from the Commission on International Religious Persecution, shall make recommendations regarding the policies of the United States Government toward governments that violate the freedom of religion or that fail to ensure the individual's right to religious belief and practice.

(3) DIPLOMATIC REPRESENTATION.—The Ambassador at Large is authorized to represent the United States in matters and cases relevant to religious persecution in—

(A) contacts with foreign governments, international organizations, intergovernmental organizations, and specialized agencies of the United Nations, the Organization on Security and Cooperation in Europe, and other organizations of which the United States is a member; and

(B) multilateral conferences and meetings relevant to religious persecution.

(4) REPORTING RESPONSIBILITIES.—The Ambassador at Large shall have the reporting responsibilities described in section 102.

(d) FUNDING.—The Secretary of State shall provide the Ambassador at Large with such funds as may be necessary for the hiring of staff for the Office, for the conduct of investigations by the Office, and for necessary travel to carry out the provisions of this section.

SEC. 102. REPORTS.

(a) PORTIONS OF ANNUAL HUMAN RIGHTS REPORTS.—The Ambassador at Large shall assist the Secretary of State in preparing those portions of the Human Rights Reports that relate to freedom of religion and discrimination based on religion and those portions of other information provided Congress under sections 116 and 502B of the Foreign Assistance Act of 1961 (22 U.S.C. 2151m, 2304) that relate to the right to religious freedom.

(b) ANNUAL REPORT ON RELIGIOUS PERSECUTION.—

(1) IN GENERAL.—

(A) DEADLINE FOR SUBMISSION.—Not later than May 1 of each year, the Ambassador at Large shall submit to the appropriate congressional committees an Annual Report on Religious Persecution, expanding upon the most recent Human Rights Reports. Each Annual Report on Religious Persecution shall contain the following:

(i) An identification of each foreign country the government of which engages in or tolerates acts of religious persecution.

(ii) An assessment and description of the nature and extent of religious persecution, including persecution of one religious group by another religious group, religious persecution by governmental and nongovernmental entities, persecution targeted at individuals or particular denominations or entire religions, and the existence of government policies violating religious freedom.

(iii) A description of United States policies in support of religious freedom, including a description of the measures and policies implemented during the preceding 12 months by the United States under title IV of this Act in opposition to religious persecution and in support of religious freedom.

(iv) A description of any binding agreement with a foreign government entered into by the United States under section 402(c).

(B) CLASSIFIED ADDENDUM.—If the Ambassador determines that it is in the national security interests of the United States or is necessary for the safety of individuals to be identified in the Annual Report, any information required by subparagraph (A), including measures taken by the United States, may be summarized in the Annual Report and submitted in more detail in a classified addendum to the Annual Report.

(C) DESIGNATION OF REPORT.—Each report submitted under this subsection may be referred to as the ''Annual Report on Religious Persecution''.

(2) FOREIGN GOVERNMENT INPUT.—Prior to submission of each report under this subsection, the Secretary of State may offer the government of any country concerned an opportunity to respond to the relevant portions of the report. If the Secretary of State determines that doing so would further the purposes of this Act, the Secretary shall request the Ambassador at Large to include the country's response as an addendum to the Annual Report on Religious Persecution.

(c) PREPARATION OF REPORTS REGARDING RELIGIOUS PERSECUTION.—

(1) STANDARDS AND INVESTIGATIONS.—The Secretary of State shall ensure that United States missions abroad maintain a consistent reporting standard and thoroughly investigate reports of religious persecution.

(2) CONTACTS WITH NGOS.—In compiling data and assessing the respect of the right to religious freedom for the Human Rights Reports and the Annual Report on Religious Persecution, United States mission personnel shall seek out and maintain contacts with religious and human rights nongovernmental organizations, with the consent of those organizations, including receiving reports and updates from such organizations and, when appropriate, investigating such reports.

(d) AMENDMENTS TO THE FOREIGN ASSISTANCE ACT.—

(1) CONTENT OF HUMAN RIGHTS REPORTS FOR COUNTRIES RECEIVING ECONOMIC ASSISTANCE.—Section 116(d) of the Foreign Assistance Act of 1961 (22 U.S.C. 2151n(d)) is amended—

(A) by striking ''and'' at the end of paragraph (4);

(B) by striking the period at the end of paragraph (5) and inserting''; and ''; and

(C) by adding at the end the following:

''(6) wherever applicable, the practice of religious persecution, including gross violations of the right to religious freedom.''.

(2) CONTENTS OF HUMAN RIGHTS REPORTS FOR COUNTRIES RECEIVING SECURITY ASSISTANCE.—Section 502B(b) of the Foreign Assistance Act of 1961 (22 U.S.C. 2304(b)) is amended—

(A) by inserting ''and with the assistance of the Ambassador at Large for Religious Freedom'' after ''Labor''; and

(B) by inserting after the second sentence the following new sentence: ''Such report shall also include, wherever applicable, information on religious persecution, including gross violations of the right to religious freedom.''.

SEC. 103. ESTABLISHMENT OF A RELIGIOUS FREEDOM INTERNET SITE.

In order to facilitate access by nongovernmental organizations (NGOs) and by the public around the world to international documents on the protection of religious freedom, the Ambassador at Large shall establish and maintain an Internet site containing major international documents relating to religious freedom, the Annual Report on Religious Persecution, and any other documentation or references to other sites as deemed appropriate or relevant by the Ambassador at Large.

SEC. 104. TRAINING FOR FOREIGN SERVICE OFFICERS.

Chapter 2 of title I of the Foreign Service Act of 1980 is amended by adding at the end the following new section:

''SEC. 708. TRAINING FOR FOREIGN SERVICE OFFICERS.

''The Secretary of State and the Ambassador at Large on International Religious Freedom, appointed under section 101(b) of the International Religious Freedom Act of 1998, acting jointly, shall establish as part of the standard training for officers of the Service, including chiefs of mission, instruction in the field of internationally recognized human rights. Such instruction shall include—

''(1) standards for proficiency in the knowledge of international documents and United States policy in human rights, and shall be mandatory for all members of the Service having reporting responsibilities relating to human rights, and for chiefs of mission; and

''(2) instruction on the international right to freedom of religion, the nature, activities,

and beliefs of different religions, and the various aspects and manifestations of religious persecution.''.

SEC. 105. HIGH-LEVEL CONTACTS WITH NGOS.

United States chiefs of mission shall seek out and contact religious nongovernmental organizations to provide high-level meetings with religious nongovernmental organizations where appropriate and beneficial. United States chiefs of mission and Foreign Service officers abroad shall seek to meet with imprisoned religious leaders where appropriate and beneficial.

SEC. 106. PROGRAMS AND ALLOCATIONS OF FUNDS BY UNITED STATES MISSIONS ABROAD.

It is the sense of Congress that—

(1) United States diplomatic missions in countries the governments of which engage in or tolerate religious persecution should develop, as part of annual program planning, a strategy to promote the respect of the internationally recognized right to freedom of religion; and

(2) in allocating or recommending the allocation of funds or the recommendation of candidates for programs and grants funded by the United States Government, United States diplomatic missions should give particular consideration to those programs and candidates deemed to assist in the promotion of the right to religious freedom.

SEC. 107. EQUAL ACCESS TO UNITED STATES MISSIONS ABROAD FOR CONDUCTING RELIGIOUS ACTIVITIES.

(a) IN GENERAL.—Subject to this section, the Secretary of State shall permit, on terms no less favorable than that accorded other nongovernmental activities, access to the premises of any United States diplomatic mission or consular post by any United States citizen seeking to conduct an activity for religious purposes.

(b) TIMING AND LOCATION.—The Secretary of State shall make reasonable accommodations with respect to the timing and location of such access in light of—

(1) the number of United States citizens requesting the access (including any particular religious concerns regarding the time of day, date, or physical setting for services);

(2) conflicts with official activities and other nonofficial United States citizen requests;

(3) the availability of openly conducted, organized religious services outside the premises of the mission or post; and

(4) necessary security precautions.

(c) DISCRETIONARY ACCESS FOR FOREIGN NATIONALS.—The Secretary of State may permit access to the premises of a United States diplomatic mission or consular post to foreign nationals for the purpose of attending or participating in religious activities conducted pursuant to this title.

SEC. 108. PRISONER LISTS AND ISSUE BRIEFS ON RELIGIOUS PERSECUTION CONCERNS.

(a) SENSE OF CONGRESS.—To encourage involvement with religious persecution concerns at every possible opportunity and by all appropriate representatives of the United States Government, it is the sense of Congress that officials of the executive branch of Government should promote increased advocacy on such issues during meetings between executive branch and congressional leaders and foreign dignitaries.

(b) RELIGIOUS PERSECUTION PRISONER LISTS AND ISSUE BRIEFS.—The Secretary of State, in consultation with United States chiefs of mission abroad, regional experts, the Ambassador at Large, and nongovernmental human rights and religious groups, shall prepare, and maintain issue briefs on religious freedom, on a country-by-country basis, consisting of lists of persons believed to be imprisoned for their religious faith, together with brief evaluations and critiques of policies of the respective country restricting religious freedom. The Secretary of State shall exercise appropriate discretion regarding the safety and security concerns of prisoners in considering the inclusion of their names on the lists.

(c) AVAILABILITY OF INFORMATION.—The Secretary shall provide these religious freedom issue briefs to executive branch and congressional officials and delegations in anticipation of bilateral contacts with foreign leaders, both in the United States and abroad.

TITLE II—COMMISSION ON INTERNATIONAL RELIGIOUS PERSECUTION

SEC. 201. ESTABLISHMENT AND COMPOSITION.

(a) GENERALLY.—There is established the United States Commission on International Religious Persecution.

(b) MEMBERSHIP.—

(1) APPOINTMENT.—The Commission shall be composed of—

(A) the Ambassador at Large, who shall serve as Chair; and

(B) 6 other members, who shall be appointed as follows:

(i) 2 members of the Commission shall be appointed by the President.

(ii) 2 members of the Commission shall be appointed by the President pro tempore of the Senate, upon the recommendations of the Majority Leader and the Minority Leader.

(iii) 2 members of the Commission shall be appointed by the Speaker of the House of Representatives upon the recommendations of the Majority Leader and the Minority Leader.

(2) SELECTION.—Members of the Commission shall be selected among distinguished individuals noted for their knowledge and experience in fields relevant to the issue of international religious persecution, including foreign affairs, human rights, and international law.

(3) TIME OF APPOINTMENT.—The appointments required by paragraph (1) shall be made not later than 120 days after the date of enactment of this Act.

(c) TERMS.—The term of office of each member of the Commission shall be 2 years, except that an individual may not serve more than 2 terms.

(d) QUORUM.—Four members of the Commission constitute a quorum of the Commission.

(e) MEETINGS.—No more than 15 days after the issuance of the Annual Report on Religious Persecution, the Commission shall convene.

(f) ADMINISTRATIVE SUPPORT.—The Ambassador at Large shall provide to the Commission such staff and administrative services of the Office as may be necessary for the Commission to perform its functions. The Secretary of State shall assist the Ambassador at Large and the Commission by detailing staff resources as needed and as appropriate.

(g) FUNDING.—

(1) TRAVEL EXPENSES.—Members of the Commission shall be allowed travel expenses, including per diem in lieu of subsistence at rates authorized for employees of agencies under subchapter I of chapter 57 of title 5, United States Code, while away from their homes or regular places of business in the performance of services for the Commission.

(2) NO COMPENSATION FOR GOVERNMENT EMPLOYEES.—Any member of the Commission who is an officer or employee of the United States shall not be paid compensation for services performed as a member of the Commission.

SEC. 202. DUTIES OF THE COMMISSION.

(a) IN GENERAL.—The Commission shall have as its primary responsibility the consideration of the facts and circumstances of religious persecution presented in the Annual Report on Religious Persecution, as well as information from other sources as appropriate, and to make appropriate policy recommendations to the President, the Secretary of State, and Congress.

(b) POLICY REVIEW AND RECOMMENDATIONS IN RESPONSE TO VIOLATIONS.—The Commission, in evaluating the United States Government policies in response to religious persecution, shall consider and recommend policy options, including diplomatic inquiries, diplomatic protest, official public protest, demarche of protest, condemnation within multilateral fora, cancellation of cultural or scientific exchanges, or both, cancellation of state visits, reduction of certain assistance funds, termination of certain assistance funds, imposition of targeted trade sanctions, imposition of broad trade sanctions, and withdrawal of the chief of mission.

(c) POLICY REVIEW AND RECOMMENDATIONS IN RESPONSE TO PROGRESS.—The Commission, in evaluating the United States Government policies with respect to countries found to be taking deliberate steps and making significant improvement in respect for religious freedom, shall consider and recommend policy options, including private commendation, diplomatic commendation, official public commendation, commendation within multilateral fora, an increase in cultural or scientific exchanges, or both, termination or reduction of existing sanctions, an increase in certain assistance funds, and invitations for official state visits.

(d) EFFECTS ON RELIGIOUS COMMUNITIES AND INDIVIDUALS.—Together with specific policy recommendations provided under subsections (b) and (c), the Commission shall also indicate its evaluation of the potential effects of such policies, if implemented, on the religious communities and individuals whose rights are found to be violated in the country in question.

(e) MONITORING.—The Commission shall, on an ongoing basis, monitor facts and circumstances of religious persecution, in consultation with independent human rights groups and nongovernmental organizations, including churches and other religious communities, and make such recommendations as may be necessary to the appropriate officials and offices in the United States Government.

SEC. 203. REPORT OF THE COMMISSION.

(a) IN GENERAL.—Not later than August 1 of each year, the Commission shall submit a report to the President and to Congress setting forth its recommendations for changes in United States policy based on its evaluations under section 202.

(b) CLASSIFIED FORM OF REPORT.—The report may be submitted in classified form, together with a public summary of recommendations.

(c) INDIVIDUAL OR DISSENTING VIEWS.—Each member of the Commission may include the individual or dissenting views of the member.

SEC. 204. TERMINATION.

The Commission shall terminate 4 years after the initial appointment of Commissioners.

TITLE III—NATIONAL SECURITY COUNCIL

SEC. 301. SPECIAL ADVISER ON RELIGIOUS PERSECUTION.

Section 101 of the National Security Act of 1947 (50 U.S.C. 402) is amended by adding at the end the following new subsection:

''(i) It is the sense of the Congress that there should be within the staff of the National Security Council a Special Adviser to the President on Religious Persecution, whose position should be comparable to that of a director within the Executive Office of

the President. The Special Adviser should serve as a resource for executive branch officials, compiling and maintaining information on the facts and circumstances of religious persecution and violations of religious freedom, and making policy recommendations. The Special Adviser should serve as liaison with the Ambassador at Large on International Religious Freedom, the United States Commission on International Religious Persecution, Congress and, as advisable, religious nongovernmental organizations.''.

TITLE IV—SANCTIONS

Subtitle I—Targeted Responses to Religious Persecution Abroad

SEC. 401. EXECUTIVE MEASURES AND SANCTIONS IN RESPONSE TO FINDINGS MADE IN THE ANNUAL REPORT.

(a) IN GENERAL.—For each foreign country the government of which engages in or tolerates religious persecution, as described in the Annual Report on Religious Persecution, the President shall oppose such persecution and promote the right to freedom of religion in that country through the actions described in subsection (b).

(b) PRESIDENTIAL ACTIONS.—As expeditiously as practicable, but not later than one year after the date of submission of each Annual Report on Religious Persecution, the President, in consultation with the Ambassador at Large, the Special Advisor, and the Commission, shall take one or more of the actions described in paragraphs (1) through (16) of section 405(a) with respect to a foreign government described in subsection (a).

(c) EXECUTIVE MEASURES.—The President shall notify the appropriate congressional committees and, as appropriate, the Commission, of any measure or measures taken by the President under paragraphs (1) through (8) of section 405(a).

(d) SANCTIONS.—Any measure imposed under paragraphs (9) through (16) of section 405(a) may only be imposed in accordance with the procedures set forth in section 409 after the requirements of sections 403 and 404 have been satisfied.

(e) IMPLEMENTATION.—

(1) IN GENERAL.—In carrying out subsection (b), the President shall—

(A) take the action or actions that most appropriately respond to the nature and severity of the religious persecution;

(B) seek to the fullest extent possible to target action as narrowly as practicable with respect to the agency or instrumentality of the foreign government, or specific officials thereof, that are responsible for such persecution; and

(C) make every reasonable effort to conclude a binding agreement concerning the cessation of such persecution.

(2) GUIDELINES FOR SANCTIONS.—In addition to the guidelines under paragraph (1), the President, in determining whether to impose a sanction under paragraphs (9) through (16) of section 405(a) or commensurate action under section 405(b), shall seek to minimize any adverse impact on—

(A) the population of the country whose government is targeted by the sanction or sanctions; and

(B) the humanitarian activities of United States and foreign nongovernmental organizations in such country.

SEC. 402. PRESIDENTIAL DETERMINATIONS OF GROSS VIOLATIONS OF THE RIGHT TO RELIGIOUS FREEDOM.

(a) DETERMINATION OF GROSS VIOLATIONS OF THE RIGHT TO RELIGIOUS FREEDOM.—Not more than 30 days after transmittal of the Annual Report on Religious Persecution to the appropriate congressional committees, the President, in consultation with the Ambassador at Large, the Special Advisor, and the Commission shall determine whether any of the governments of the countries described in the Annual Report on Religious Persecution have engaged in a consistent pattern of gross violations of the right to religious freedom.

(b) DETERMINATION OF RESPONSIBLE PARTIES.—The President shall at the same time as the determination under subsection (a) identify, to the extent practicable for each foreign government under that subsection, the responsible agency or instrumentality thereof and specific officials thereof that are responsible for such gross violations, in order to appropriately target sanctions in response.

(c) SANCTIONS AGAINST GOVERNMENTS ENGAGED IN GROSS VIOLATIONS OF RELIGIOUS FREEDOM.—

(1) IN GENERAL.—Subject to paragraph (2) of this subsection, in the case of a determination under subsection (a) with respect to a foreign government, unless Congress enacts a joint resolution of disapproval in accordance with section 409, the President shall carry out one or more of the following actions after the requirements of sections 403 and 404 have been satisfied:

(A) SANCTIONS.—One or more of the sanctions described in paragraphs (9) through (16) of section 405(a), to be determined by the President.

(B) COMMENSURATE ACTIONS.—Commensurate action, as described in section 405(b).

(2) SUBSTITUTION OF BINDING AGREEMENTS.—In lieu of carrying out action under paragraph (1), the President may conclude a binding agreement with the respective foreign government concerning the cessation of such violations. The existence of a binding agreement under this paragraph with a foreign government shall be considered by the President prior to making any determination under section 401 or this section.

SEC. 403. CONSULTATIONS.

(a) DUTY TO CONSULT WITH FOREIGN GOVERNMENTS PRIOR TO IMPOSITION OF SANCTIONS.—

(1) IN GENERAL.—The President shall—

(A) as soon as practicable after a determination is made under section 402(a) or a sanction is proposed to be taken under section 401(d), request consultation with each respective foreign government regarding the violations determined under those sections; and

(B) if agreed to, enter into such consultations, privately or publicly.

(2) USE OF MULTILATERAL FORA.—If the President determines it to be appropriate, such consultations may be sought and may occur in a multilateral forum.

(3) ELECTION OF NONDISCLOSURE OF NEGOTIATIONS TO PUBLIC.—If negotiations are undertaken or an agreement is reached with a foreign government regarding steps to alter the pattern of violations by that government, and if public disclosure of such negotiations or agreement would jeopardize the negotiations or the implementation of such agreement, as the case may be, the President may refrain from disclosing such negotiations and such agreement to the public, except that the President shall inform the appropriate congressional committees of the nature and extent of such negotiations and any agreement reached.

(b) DUTY TO CONSULT WITH HUMANITARIAN ORGANIZATIONS.—The President shall consult with appropriate humanitarian and religious organizations concerning the potential impact of the intended sanctions.

(c) DUTY TO CONSULT WITH UNITED STATES INTERESTED PARTIES.—The President shall consult with United States interested parties as to the potential impact of the intended sanctions on the economic or other interests of the United States. The President shall provide the opportunity for consultation with, and the submission of comments by, those United States interested parties likely to be affected by intended United States measures.

SEC. 404. REPORT TO CONGRESS.

(a) IN GENERAL.—Subject to subsection (b), not later than September 1 of any year in which a determination is made under section 402(a) with respect to a foreign country, or not later than 90 days after the President may determine to take action under section 401(d) with respect to a foreign country, as the case may be, the President shall submit a report to Congress containing the following:

(1) IDENTIFICATION OF SANCTIONS.—An identification of the sanction or sanctions described in paragraphs (9) through (16) of section 405(a) proposed to be taken against the foreign country.

(2) DESCRIPTION OF VIOLATIONS.—A description of the violations giving rise to the sanction or sanctions proposed to be taken.

(3) PURPOSES OF SANCTIONS.—A description of the purpose of the sanction.

(4) EVALUATION.—An evaluation, in consultation with the Ambassador at Large, the Commission, the Special Advisor, and the parties described in section 403 (b) and (c) of (A) the impact upon the foreign government, (B) the impact upon the population of the country, and (C) the impact upon the United States economy and other interested parties. The President may withhold part or all of such evaluation from the public but shall provide the entire evaluation to the appropriate congressional committees.

(5) EXHAUSTION OF POLICY OPTIONS.—A statement that other policy options designed to bring about alteration of the gross violations of the right to religious freedom have reasonably been exhausted, including the consultations required in section 403.

(6) DESCRIPTION OF MULTILATERAL NEGOTIATIONS.—A description of multilateral negotiations sought or carried out, if appropriate and applicable.

(b) DELAY IN TRANSMITTAL OF REPORT FOR THE PURPOSE OF CONTINUING NEGOTIATIONS.—If, on or before the date that the President would (but for this subsection) submit a proposal under subsection (a) to Congress to impose any sanction under paragraphs (9) through (16) of section 405(a) against a foreign country—

(1) negotiations are still taking place with the government of that country, and

(2) the President determines and certifies to Congress that a single, additional period of time not to exceed 90 days is necessary for such negotiations to continue,

then the President shall not be required to submit the proposal to Congress until the expiration of that period of time.

SEC. 405. DESCRIPTION OF EXECUTIVE MEASURES AND SANCTIONS.

(a) DESCRIPTION OF MEASURES AND SANCTIONS.—Except as provided in subsection (d), the Executive measures and sanctions referred to in this subsection are the following:

(1) A private demarche.

(2) An official public demarche.

(3) A public condemnation.

(4) A public condemnation within one or more multilateral fora.

(5) The cancellation of one or more scientific exchanges.

(6) The cancellation of one or more cultural exchanges.

(7) The denial of one or more state visits.

(8) The cancellation of one or more state visits.

(9) The withdrawal, limitation, or suspension of United States development assistance in accordance with the provisions of section 116 of the Foreign Assistance Act of 1961.

(10) Directing the Export-Import Bank of the United States, the Overseas Private Investment Corporation, or the Trade and Development Agency not to approve the issuance of any (or a specified number of) guarantees, insurance, extensions of credit, or participations in the extension of credit with respect to the specific government, agency, instrumentality, or official determined by the President to be responsible for gross violations of the right to religious freedom.

(11) The withdrawal, limitation, or suspension of United States security assistance in accordance with the provisions of section 502B of the Foreign Assistance Act of 1961.

(12) The withdrawal, limitation, or suspension of preferential tariff treatment accorded under—

(A) title V of the Trade Act of 1974 (relating to the Generalized System of Preferences);

(B) the Caribbean Basin Economic Recovery Act;

(C) the Andean Trade Preference Act; or

(D) any other law providing preferential tariff treatment.

(13) Consistent with section 701 of the International Financial Institutions Act of 1977, directing the United States executive directors of international financial institutions to vote against loans primarily benefiting the specific foreign government, agency, instrumentality, or official determined by the President to be responsible for such persecution.

(14) Ordering the heads of the appropriate United States agencies not to issue any (or a specified number of) specific licenses and not to grant any other specific authority (or a specified number of authorities) to export any goods or technology to the specific foreign government, agency, instrumentality, or official determined by the President to be responsible for such persecution under—

(A) the Export Administration Act of 1979;

(B) the Arms Export Control Act;

(C) the Atomic Energy Act of 1954; or

(D) any other statute that requires the prior review and approval of the United States Government as a condition for the export or reexport of goods or services.

(15) Prohibiting any United States financial institution from making loans or providing credits totaling more than $10,000,000 in any 12-month period to the specific foreign government, agency, instrumentality, or official determined by the President to be responsible for the violations.

(16) Prohibiting the United States Government from procuring, or entering into any contract for the procurement of, any goods or services from the foreign government, entities, or officials determined by the President to be responsible for the violations.

(b) COMMENSURATE ACTION.—Except as provided in subsection (d), the President may substitute any other action authorized by law for any action described in paragraphs (1) through (16) of subsection (a) if such action is commensurate in effect to the action substituted and if the action would further the policy of the United States set forth in section 2 of this Act. The President shall seek to take all appropriate and feasible actions authorized by law to obtain the cessation of the violations. In the case of the development of commensurate action as a substitute for any sanction described in paragraphs (9) through (16) of subsection (a), the President shall conduct all consultations described in section 403 prior to taking such action. If commensurate action is taken, the President shall report such action, together with an explanation for taking such action, to the appropriate congressional committees.

(c) BINDING AGREEMENTS.—The President may negotiate and enter into a binding agreement with a foreign government that obligates such government to cease, or take substantial steps to address and phase out, the act, policy, or practice constituting the religious persecution. The entry into force of a binding agreement for the cessation of the violations shall be a primary objective for the President in responding to a foreign government that engages in a consistent pattern of gross violations of the right to religious freedom.

(d) EXCEPTIONS.—Any action taken pursuant to subsection (a) or (b) may not—

(1) prohibit or restrict the provision of medicine, medical equipment or supplies, food, or other humanitarian assistance; or

(2) impede any action taken by the United States Government to enforce the right to maintain intellectual property rights.

SEC. 406. CONTRACT SANCTITY.

The President shall not be required to apply or maintain any sanction under this subtitle—

(1) in the case of procurement of defense articles or defense services—

(A) under existing contracts or subcontracts, including the exercise of options for production quantities to satisfy requirements essential to the national security of the United States;

(B) if the President determines in writing that the person or other entity to which the sanction would otherwise be applied is a sole source supplier of the defense articles or services, that the defense articles or services are essential, and that alternative sources are not readily or reasonably available; or

(C) if the President determines in writing that such articles or services are essential to the national security under defense coproduction agreements; or

(2) to products or services provided under contracts entered into before the date on which the President publishes his intention to impose the sanction.

SEC. 407. PRESIDENTIAL WAIVER.

The President may waive the requirement to take an action under this subtitle with respect to a country, if—

(1) the President determines and so reports to the appropriate congressional committees that—

(A) the respective foreign government has ceased or taken substantial steps to cease the violations giving rise to the imposition of the measure or sanction;

(B) the exercise of such waiver authority would better further the purposes of this Act; or

(C) the national security of the United States requires the exercise of such waiver authority; and

(2) the requirements of congressional review under section 409 have been satisfied.

SEC. 408. PUBLICATION IN FEDERAL REGISTER.

The President shall cause to be published in the Federal Register the following:

(1) DETERMINATIONS OF VIOLATOR GOVERNMENTS, OFFICIALS, AND ENTITIES.—Consistent with section 654(c) of the Foreign Assistance Act of 1961, any determination that a government has engaged in gross violations of the right to religious freedom, together with, when applicable and possible, the officials or entities determined to be responsible for the violations. Such a determination shall include a notification to all interested parties to provide consultation and submit comments concerning sanctions that may be taken by the United States in response to the violations.

(2) SANCTIONS.—A description of any sanction that takes effect pursuant to section 409, and the effective date of the sanction. A description of the sanction may be withheld if disclosure is deemed to jeopardize national security.

(3) DELAYS IN TRANSMITTAL OF SANCTION REPORTS.—Any delay in transmittal of a sanction report, as described in section 404(b).

(4) WAIVERS.—Any waiver under section 407.

SEC. 409. CONGRESSIONAL REVIEW.

(a) IN GENERAL.—

(1) PROPOSALS SUBJECT TO CONGRESSIONAL REVIEW.—Each of the following proposals shall take effect 30 session days of Congress after the President transmits the proposal to Congress unless, within such period, Congress enacts a joint resolution disapproving the sanction, waiver, or termination of a sanction, as the case may be, in accordance with subsection (b):

(A) Any sanction proposed under section 404(a).

(B) Any waiver proposed under section 407(2).

(C) Any proposed termination of a sanction under section 410(2).

(2) SUBMISSION OF REVISED PROPOSALS TO CONGRESS.—In the event that Congress enacts a joint resolution of disapproval under paragraph (1), the President shall, within 30 days of the date of any override of the President's veto of that resolution, revise the proposed sanction, waiver, or termination of sanction and submit the revised proposal to Congress for consideration in accordance with subsection (b).

(b) CONGRESSIONAL PRIORITY PROCEDURES.—

(1) JOINT RESOLUTION DEFINED.—

(A) DISAPPROVAL RESOLUTIONS FOR SANCTION PROPOSALS.—For the purpose of subsection (a)(1)(A), the term ''joint resolution'' means only a joint resolution introduced after the date on which the report of the President under section 404 is received by Congress, the matter after the resolving clause of which is as follows: ''That Congress disapproves the sanction or sanctions proposed by the President in the report transmitted under section 404(a) of the International Religious Freedom Act of 1998 on _____.'', with the blank filled in with the appropriate date.

(B) DISAPPROVAL RESOLUTIONS FOR PRESIDENTIAL WAIVERS.—For the purpose of subsection (a)(1)(B), the term ''joint resolution'' means only a joint resolution introduced after the date on which the report of the President under section 407(1) is received by Congress, the matter after the resolving clause of which is as follows: ''That Congress disapproves the waiver proposed by the President in the report transmitted under section 407(1) of the International Religious Freedom Act of 1998 on _____.'', with the blank filled in with the appropriate date.

(C) DISAPPROVAL RESOLUTIONS FOR PROPOSALS TO TERMINATE SANCTIONS.—For the purpose of subsection (a)(1)(C), the term ''joint resolution'' means only a joint resolution introduced after the date on which the certification of the President under section 410(2) is received by Congress, the matter after the resolving clause of which is as follows: ''That Congress disapproves the termination of sanction or sanctions proposed by the President in the certification transmitted under section 410(2) of the International Religious Freedom Act of 1998 on _____.'', with the blank filled in with the appropriate date.

(2) DEFINITION.—In this section, the term ''session day'' means a day on which either House of Congress is in session.

(3) REFERRAL TO COMMITTEE.—A resolution described in paragraph (1) introduced in the House of Representatives shall be referred to the Committee on International Relations of the House of Representatives. A resolution described in paragraph (1) introduced in the

Senate shall be referred to the Committee on Foreign Relations of the Senate. Such a resolution may not be reported before the eighth day after its introduction.

(4) DISCHARGE FROM COMMITTEE.—If the committee to which is referred a resolution described in paragraph (1) has not reported such resolution (or an identical resolution) at the end of fifteen calendar days after its introduction, such committee shall be discharged from further consideration of such resolution and such resolution shall be placed on the appropriate calendar of the House involved.

(5) FLOOR CONSIDERATION.—

(A) MOTION TO PROCEED.—When the committee to which a resolution is referred has reported, or has been deemed to be discharged (under paragraph (4)) from further consideration of, a resolution described in paragraph (1), notwithstanding any rule or precedent of the Senate, including Rule 22, it is at any time thereafter in order (even though a previous motion to the same effect has been disagreed to) for any Member of the respective House to move to proceed to the consideration of the resolution, and all points of order against the resolution (and against consideration of the resolution) are waived. The motion is highly privileged in the House of Representatives and is privileged in the Senate and is not debatable. The motion is not subject to amendment, or to a motion to postpone, or to a motion to proceed to the consideration of other business. A motion to reconsider the vote by which the motion is agreed to or disagreed to shall not be in order. If a motion to proceed to the consideration of the resolution is agreed to, the resolution shall remain the unfinished business of the respective House until disposed of.

(B) DEBATE ON THE RESOLUTION.—Debate on the resolution, and on all debatable motions and appeals in connection therewith, shall be limited to not more than ten hours, which shall be divided equally between those favoring and those opposing the resolution. A motion further to limit debate is in order and not debatable. An amendment to, or a motion to postpone, or a motion to proceed to the consideration of other business, or a motion to recommit the resolution is not in order. A motion to reconsider the vote by which the resolution is agreed to or disagreed to is not in order.

(C) VOTE ON FINAL PASSAGE.—Immediately following the conclusion of the debate on a resolution described in paragraph (1), and a single quorum call at the conclusion of the debate if requested in accordance with the rules of the appropriate House, the vote on final passage of the resolution shall occur.

(D) APPEALS OF RULINGS.—Appeals from the decisions of the Chair relating to the application of the rules of the Senate or the House of Representatives, as the case may be, to the procedure relating to a resolution described in paragraph (1) shall be decided without debate.

(6) TREATMENT OF OTHER HOUSE'S RESOLUTION.—If, before the passage by one House of Congress of a resolution of that House described in paragraph (1), that House receives from the other House a resolution described in paragraph (1), then the following procedures shall apply:

(A) REFERRAL OF RESOLUTIONS OF SENDING HOUSE.—The resolution of the sending House shall not be referred to a committee in the receiving House.

(B) PROCEDURES IN RECEIVING HOUSE.—With respect to a resolution of the House receiving the resolution—

(i) the procedure in that House shall be the same as if no resolution had been received from the sending House; but

(ii) the vote on final passage shall be on the resolution of the sending House.

(C) DISPOSITION OF RESOLUTIONS OF RECEIVING HOUSE.—Upon disposition of the resolution received from the other House, it shall no longer be in order to consider the resolution originated in the receiving House.

(7) PROCEDURES AFTER ACTION BY BOTH THE HOUSE AND SENATE.—If the House receiving a resolution from the other House after the receiving House has disposed of a resolution originated in that House, the action of the receiving House with regard to the disposition of the resolution originated in that House shall be deemed to be the action of the receiving House with regard to the resolution originated in the other House.

(8) RULES OF THE SENATE AND THE HOUSE.—This subsection is enacted by Congress—

(A) as an exercise of the rulemaking power of the Senate and House of Representatives, respectively, and as such it is deemed a part of the rules of each House, respectively, but applicable only with respect to the procedure to be followed in that House in the case of a resolution described in paragraph (1), and it supersedes other rules only to the extent that it is inconsistent with such rules; and

(B) with full recognition of the constitutional right of either House to change the rules (so far as relating to the procedure of that House) at any time, in the same manner and to the same extent as in the case of any other rule of that House.

SEC. 410. TERMINATION OF SANCTIONS.

Any sanction imposed under section 409 with respect to a foreign country shall terminate on the earlier of the following dates:

(1) TERMINATION DATE.—Within 2 years of the effective date of the sanction unless expressly reauthorized by law.

(2) FOREIGN GOVERNMENT ACTIONS.—Upon the determination by the President and certification to Congress that the foreign government has ceased or taken substantial steps to cease the gross violations of religious freedom, subject to the congressional review procedures described in section 409.

Subtitle II—Strengthening Existing Law

SEC. 421. UNITED STATES ASSISTANCE.

(a) IMPLEMENTATION OF PROHIBITION ON ECONOMIC ASSISTANCE.—Section 116(c) of the Foreign Assistance Act of 1961 (22 U.S.C. 2151n(c)) is amended—

(1) in the text above paragraph (1), by inserting ''and in consultation with the Ambassador at Large for Religious Freedom'' after ''Labor''.

(2) by striking ''and'' at the end of paragraph (1);

(3) by striking the period at the end of paragraph (2) and inserting ''; and''; and

(4) by adding at the end the following new paragraph:

''(3) whether the government—

''(A) has engaged in gross violations of the right to freedom of religion; or

''(B) has failed to undertake serious and sustained efforts to combat gross violations of the right to freedom of religion, when such efforts could have been reasonably undertaken.''.

(b) IMPLEMENTATION OF PROHIBITION ON MILITARY ASSISTANCE.—Section 502B(a) of the Foreign Assistance Act of 1961 (22 U.S.C. 2304(a)) is amended by adding at the end the following new paragraph:

''(4) In determining whether the government of a country engages in a consistent pattern of gross violations of internationally recognized rights, the President shall give particular consideration to whether the government—

''(A) has engaged in gross violations of the right to freedom of religion; or

''(B) has failed to undertake serious and sustained efforts to combat gross violations of the right to freedom of religion, when such efforts could have been reasonably undertaken.''.

SEC. 422. MULTILATERAL ASSISTANCE.

Section 701 of the International Financial Institutions Act (22 U.S.C. 262d) is amended by adding at the end the following new subsection:

''(g) In determining whether a country is in gross violation of internationally recognized human rights standards, as described in subsection (a), the President, in consultation with the Ambassador at Large, shall give particular consideration to whether a foreign government—

''(1) has engaged in gross violations of the right to freedom of religion; or

''(2) has failed to undertake serious and sustained efforts to combat gross violations of the right to freedom of religion, when such efforts could have been reasonably undertaken.''.

SEC. 423. EXPORTS OF ITEMS RELATING TO RELIGIOUS PERSECUTION.

(a) MANDATORY LICENSING.—Notwithstanding any other provision of law, the Secretary of Commerce, with the concurrence of the Secretary of State, the Ambassador at Large, and the Special Adviser, shall include on the list of crime control and detection instruments or equipment controlled for export and reexport under section 6(n) of the Export Administration Act of 1979 (22 U.S.C. App. 2405(n)), or under any other provision of law, items that the Secretary of State, in consultation with the Ambassador at Large and the Special Adviser, determines are being used or are intended for use directly and in significant measure to carry out gross violations of the right to freedom of religion.

(b) LICENSING BAN.—The prohibition on the issuance of a license for export of crime control and detection instruments or equipment under section 502B(a)(2) of the Foreign Assistance Act of 1961 (22 U.S.C. 2304(a)(2)) shall apply to the export and reexport of any item included pursuant to subsection (a) on the list of crime control instruments.

TITLE V—PROMOTION OF RELIGIOUS FREEDOM

SEC. 501. ASSISTANCE FOR PROMOTING RELIGIOUS FREEDOM.

(a) FINDINGS.—Congress makes the following findings:

(1) In many nations where severe violations of religious freedom occur, there is not sufficient statutory legal protection for religious minorities or there is not sufficient cultural and social understanding of international norms of religious freedom.

(2) Accordingly, in its foreign assistance already being disbursed, the United States should make a priority of promoting and developing legal protections and cultural respect for religious freedom.

(b) ALLOCATION OF FUNDS FOR INCREASED PROMOTION OF RELIGIOUS FREEDOMS.—Section 116(e) of the Foreign Assistance Act of 1961 is amended by inserting ''and the right to free religious belief and practice'' after ''adherence to civil and political rights''.

SEC. 502. INTERNATIONAL BROADCASTING.

(a) Section 302(1) of the International Broadcasting Act of 1994 is amended by inserting ''and of conscience (including freedom of religion)'' after ''freedom of opinion and expression''.

(b) Section 303(a) of the International Broadcasting Act of 1994 is amended—

(1) by striking ''and'' at the end of paragraph (6);

(2) by striking the period at the end of paragraph (7) and inserting ''; and''; and

(3) by adding at the end the following:

''(8) promote respect for human rights, including freedom of religion.''.

SEC. 503. INTERNATIONAL EXCHANGES.

Section 102(b) of the Mutual Educational and Cultural Exchange Act of 1961 is amended—

(1) by striking ''and'' after paragraph (10);

(2) by striking the period at the end of paragraph (11) and inserting ''; and''; and

(3) by adding at the end the following:

''(12) promoting respect for and guarantees of religious freedom abroad by interchanges and visits between the United States and other nations of religious leaders, scholars, and religious and legal experts in the field of religious freedom.''.

SEC. 504. FOREIGN SERVICE AWARDS.

(a) PERFORMANCE PAY.—Section 405(d) of the Foreign Service Act of 1980 is amended by inserting after the first sentence the following: ''Such service in the promotion of internationally recognized human rights, including the right to religious freedom, shall serve as a basis for granting awards under this section.''.

(b) FOREIGN SERVICE AWARDS.—Section 614 of the Foreign Service Act of 1980 is amended by adding at the end the following new sentence: ''Distinguished, meritorious service in the promotion of internationally recognized human rights, including the right to religious freedom, shall serve as a basis for granting awards under this section.''.

TITLE VI—REFUGEE, ASYLUM, AND CONSULAR MATTERS

SEC. 601. USE OF ANNUAL REPORT.

(a) DESCRIPTION OF TRAINING.—The Annual Report on Religious Persecution shall include a description of training described in subsection (b) on religious persecution provided to immigration judges, consular, refugee, and asylum officers.

(b) USE OF THE ANNUAL REPORT.—The Annual Report on Religious Persecution, together with other relevant documentation, shall serve as a resource for immigration judges and consular, refugee, and asylum officers in cases involving claims of persecution on the grounds of religion. Absence of reference by the Annual Report on Religious Persecution to conditions described by the alien shall not constitute sole grounds for a denial of the alien's claim.

SEC. 602. REFORM OF REFUGEE POLICY.

(a) TRAINING.—

(1) IN GENERAL.—The Attorney General, in consultation with the Secretary of State, shall provide all United States officials adjudicating refugee cases with the same training as that provided to officers adjudicating asylum cases.

(2) CONTENT OF TRAINING.—Such training shall include country-specific conditions, instruction on the right to religious freedom, methods of religious persecution, and applicable distinctions within a country between the nature of and treatment of various religious practices and believers.

(b) TRAINING FOR CONSULAR OFFICERS.—(1) Section 708 of the Foreign Service Act of 1980, as added by section 104 of this Act, is further amended—

(A) by inserting ''(a)'' before ''The Secretary of State''; and

(B) by adding at the end the following:

''(b) The Secretary of State shall provide sessions on refugee law and adjudications and on religious persecution, to each individual seeking a commission as a United States consular officer.''.

(2) Section 312(a) of the Foreign Service Act of 1980 is amended by inserting after the first sentence the following: ''In order to receive such a consular commission, a member of the Service shall complete the training required under section 708.''.

(c) GUIDELINES FOR REFUGEE-PROCESSING POSTS.—

(1) GUIDELINES FOR ADDRESSING HOSTILE BIASES.—The Attorney General and the Secretary of State shall develop and implement guidelines that address potential hostile biases in personnel of the Immigration and Naturalization Service that are hired abroad and involved with duties which could constitute an effective barrier to a refugee claim if such personnel carries a hostile bias toward the claimant on the grounds of religion, race, nationality, membership in a particular social group or political opinion.

(2) GUIDELINES FOR REFUGEE-PROCESSING POSTS IN ESTABLISHING AGREEMENTS WITH JOINT VOLUNTARY AGENCIES.—The Attorney General and the Secretary of State shall develop guidelines to ensure uniform procedures to the extent possible with Joint Voluntary Agencies, and to ensure that the Joint Voluntary Agencies process is enhanced and faulty preparation of claims does not result in the failure of a genuine claim to refugee status.

(d) ANNUAL CONSULTATION.—In carrying out the responsibilities of the Department of State under the appropriate consultation requirement of section 207(e) of the Immigration and Nationality Act (8 U.S.C. 1157(e)), the Secretary of State shall specifically address religious persecution in the report provided by the Department of State, and by providing testimony by the Ambassador at Large. The Secretary of State shall also provide religious nongovernmental organizations and human rights nongovernmental organizations the opportunity to testify.

SEC. 603. REFORM OF ASYLUM POLICY.

(a) GUIDELINES.—The Attorney General and the Secretary of State shall develop guidelines to ensure that interpreters with hostile biases, including personnel of airlines owned by governments known to be involved in practices which would meet the definition of persecution under international refugee law, shall not in any manner be used to interpret conversations between aliens and inspection or asylum officers.

(b) TRAINING FOR ASYLUM OFFICERS.—The Attorney General, in consultation with the Ambassador-at-Large, shall provide training to all officers adjudicating asylum cases on the nature of religious persecution abroad, including country-specific conditions, instruction on the right to religious freedom, methods of religious persecution, and applicable distinctions within a country in the treatment of various religious practices and believers.

(c) TRAINING FOR IMMIGRATION JUDGES.—The Executive Office of Immigration Review of the Department of Justice shall incorporate into its initial and ongoing training of immigration judges training on the extent and nature of religious persecution internationally, including country-specific conditions, and including use of the Annual Report on Religious Persecution. Such training shall include governmental and nongovernmental methods of persecution employed, and differences in the treatment of religious groups by such persecuting entities.

SEC. 604. INADMISSIBILITY OF FOREIGN GOVERNMENT OFFICIALS WHO HAVE ENGAGED IN GROSS VIOLATIONS OF THE RIGHT TO RELIGIOUS FREEDOM.

(a) INELIGIBILITY FOR VISAS OR ADMISSION.—Section 212(a)(2) of the Immigration and Nationality Act (8 U.S.C. 1182(a)(2)) is amended by adding at the end the following new subparagraph:

''(G) FOREIGN GOVERNMENT OFFICIALS WHO HAVE ENGAGED IN GROSS VIOLATIONS OF THE RIGHT TO RELIGIOUS FREEDOM.—

''(i) IN GENERAL.—Any alien who, while serving as a foreign government official, directly engaged in gross violations of the right to religious freedom, as defined in section 3 of the International Religious Freedom Act of 1998, and the spouse and children, if any, of the alien, are inadmissible.

''(ii) WAIVER.—

''(I) IN GENERAL.—The Secretary of State may waive the application of clause (i) if the Secretary determines that the exclusion of the alien would jeopardize a compelling United States foreign policy interest.

''(II) NONDELEGATION OF AUTHORITY.—The Secretary of State may not delegate the authority to make a determination under subclause (I).''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to aliens seeking to enter the United States on or after the date of enactment of this Act.

TITLE VII—MISCELLANEOUS PROVISIONS

SEC. 701. BUSINESS CODES OF CONDUCT.

(a) CONGRESSIONAL FINDING.—Congress recognizes the increasing importance of transnational corporations as global actors, and their potential for providing positive leadership in their host countries in the area of human rights.

(b) SENSE OF CONGRESS.—It is the sense of Congress that transnational corporations operating in countries the governments of which engage in gross violations of the right to religious freedom, as identified in the Annual Report on Religious Persecution, should adopt codes of conduct—

(1) upholding the right to religious freedom of their employees; and

(2) ensuring that a worker's religious views and peaceful practices of belief in no way affect, or be allowed to affect, the status or terms of his or her employment.

SEC. 702. INTERNATIONAL CRIMINAL COURT.

It is the sense of Congress that in negotiating the definitions of crimes to be included in the subject matter jurisdiction of the International Criminal Court, the President should pursue the inclusion in such jurisdiction of gross violations of the right to religious freedom to the extent such violations fall within the meaning in international law of crimes against humanity or genocide.

Mr. LIEBERMAN. Mr. President, I rise to join my distinguished colleague, Senator NICKLES, the assistant majority leader, and my esteemed colleagues Senators KEMPTHORNE, MACK, HUTCHINSON, CRAIG, and DEWINE as a co-sponsor of The International Religious Freedom Act of 1998.

Freedom of religion is a bedrock principle for the American people, a cherished right that lies at the very foundation of our country. It is appropriate, and it is right, that we as Americans express our concern about abuses of that freedom as a cornerstone of our foreign policy. This is not a concern that is unique to Americans, for the freedom of religion is explicitly recognized by the Universal Declaration of Human Rights. Sadly, and tragically, that recognition has not served to prevent the assault on believers of a variety of religions simply for seeking to follow their faith.

We must not be silent. The International Religious Freedom Act of 1998 is a serious, thoughtful, and comprehensive approach to the problem of religious persecution. This bill employs a broad range of tools within the United States foreign policy apparatus for the most flexible, appropriate, and enduring response to violations of religious liberty.

The bill is carefully crafted to do the following: promote religious freedom through both incentives and sanctions,

with the long-term goal of alleviating religious persecution rather than merely punishing governments; build on principles contained in U.S. and international human rights law, on negotiating principles of U.S. Trade law, and on ideas advocated by religious and human rights leaders; dispel the option of silence, with its Annual Report publicly addressing all forms of religious persecution; promote the conclusion of binding agreements with offending governments to cease the violations, allowing for reasonable negotiation to achieve this goal; and sanction gross violators, through an annual review and sanctions process.

The issue of religious persecution is one that we must be concerned about, one that we must take action on. The International Religious freedom Act of 1998 is an effective means of doing so and I am honored to be an original cosponsor of it. There are other excellent approaches to this critical international problem, including the legislation cosponsored by Congressman WOLF and Senator SPECTOR. In the weeks ahead we will look forward to working with all of our colleagues on this issue, inviting and welcoming a collective approach that will result in our bringing the most effective legislation to pass.

By Mr. CAMPBELL:

S. 1870. A bill to amend the Indian Gaming Regulatory Act, and for other purposes; to the Committee on Indian Affairs.

THE INDIAN GAMING REGULATORY ACT AMENDMENTS OF 1998

Mr. CAMPBELL. Mr. President, today I am pleased to introduce the Indian Gaming Regulatory Act Amendments of 1998 to reform the federal components of Indian gaming regulation.

I wish to begin by acknowledging the work in this area by the two distinguished individuals who preceded me as the chairman of the Senate Indian Affairs Committee, Senators MCCAIN and INOUYE. This legislation builds upon their extraordinary efforts to listen to all sides of this debate and broker a fair and equitable compromise. I seek to continue this tradition by providing a starting point for negotiations among all of those with an interest in Indian gaming, and by addressing those areas that are most in need of immediate reform.

This bill will revitalize the National Indian Gaming Commission, by ensuring that it has the authority to develop and impose a series of minimum federal standards on all Indian gaming operations. It will reform and restore the compact negotiation process by providing an alternative compact negotiation process in those instances where a state wishes to exercise its 11th Amendment immunity from lawsuits and its 10th Amendment right to decide for itself whether it wishes to regulate on-reservation gaming. Finally, this bill addresses the two issues that in my opinion are most in need of immediate reform. First, the bill applies the standard post-employment restrictions for former federal officials who are employed by any tribe that stood to benefit from any gaming-related decisions the officials made while they were federal employees. Second, the bill will prohibit the acquisition of off-reservation lands for gaming activities unless the tribe and the state agree to do so.

Ten years ago the Congress enacted the Indian gaming legislation that many will agree needs to be updated. In 1988 most Indian gaming consisted of high stakes bingo and similar types of games. Since then, it has grown to become a billion dollar activity and has provided many tribes and surrounding communities with much-needed capital and employment opportunities.

For those tribes lucky enough to be well situated geographically, gaming has proven successful. Where welfare rolls once bulged, tribes are employing thousands of people—both Indian as well as non-Indian. Once entirely reliant on federal transfer payments, many tribes are beginning to diversify their economies and provide jobs and hope to their members.

For most tribes, however, gaming is not a viable development alternative. Indeed, only one-third of all federally-recognized tribes have any form of gaming and most of that is more like charitable bingo than Las Vegas or Atlantic City. On-line gaming, as well as competition from local and international operations, has created a very tight market. In Washington State, for example, as well as in other parts of the country, market saturation is leading some tribes to close their operations for good.

Over the past ten years, the statute has only been significantly amended one time—in 1997 I introduced a measure to provide the federal National Indian Gaming Commission with the resources it needs to monitor and regulate certain Indian gaming operations. Today, a strengthened commission is beginning to fulfill its obligations under the statute and help maintain the integrity of Indian gaming nationwide.

The lack of uniform standard operating procedures for Indian gaming continues to cause anxiety for many of those inside and outside of Indian country. Many Indian tribes, in cooperation with the states where gaming is located, have developed sophisticated gaming regulatory procedures and standards. Many tribes have put in place standards regarding the rules of play for their games, as well as financial and accounting standards governing those games. Not all tribal-state gaming compacts mandate such sophisticated regulatory frameworks.

By setting threshold standards at the federal level, this bill will mean that Indian gaming customers throughout the nation can be assured that every Indian gaming establishment must comply with a federally established level of regulation, operation, and management, just as they are already assured that gaming proceeds may only be spent for certain purposes set out in the Act.

When the Congress enacted the IGRA in 1988, states were invited, for the first time ever, to play a significant role in the regulation of activities that take place on Indian lands. The statute required tribes to seek to negotiate a gaming compact with a state before commencing any casino-style gaming. Though there were bumps along the way, this was a major concession by Indian tribes and one that worked reasonably well for 8 years, and which will continue to be available if it is chosen by both a state and a tribe.

Under IGRA, before a tribe may commence casino-style gaming, it must seek to negotiate a gaming compact with the state where the gaming will occur. Up until 1996, if a federal court determined that the state was negotiating in bad faith or if the state decided simply not to negotiate, the tribe had the option of filing a lawsuit to bring about good faith negotiations.

In 1996, the Supreme Court turned this process upside down when it handed down its decision in Seminole Tribe of Indians v. State of Florida. This decision said that a state may assert its Eleventh Amendment immunity from lawsuits to preclude tribes from suing it in order to conclude a gaming agreement. Also, some states have asserted that the IGRA may force them to regulate reservation-based gaming in violation of their 10th Amendment rights. My bill will allow tribes and states to continue to use the existing process to negotiate compacts if that is their desire.

As I believe the Act should respect each state's sovereign right to absent itself from this process if it chooses to, we must also respect the Supreme Court's decision that Indian tribes have the sovereign right to offer gaming activities that do not violate the public policy of the state where those activities are offered. This approach is consistent with what the Congress intended in 1988.

Finally, there are ongoing Congressional investigations of the so-called ''Hudson Dog Track'' matter involving whether the Interior Department denied an application by certain Indian tribes to acquire off-reservation lands for gaming purposes because of campaign contributions by a rival group of tribes. Even before these allegations surfaced, I expressed strong concerns about the acquisition of off-reservation lands for gaming purposes.

The IGRA requires the Interior Secretary to consult with local officials, local communities, and nearby tribes in evaluating the tribe's application to take lands into trust. The Act also provides State governors with an absolute veto over such applications. In my opinion, federal laws and regulations already make it very difficult for the Secretary to take land into trust for a

tribe if it is located away from a tribe's reservation or previous homeland. As a result, few tribes apply to have off-reservation lands taken into trust, and even fewer are successful.

The IGRA imposes additional requirements on such acquisitions if there is any possibility that the lands will be used for gaming purposes. As a result of these requirements, I am aware of only two or three such acquisitions. Yet the opposition to Indian gaming that results from the mere possibility of such acquisitions is significant. This opposition far exceeds that speculative possibility that the Secretary, a local community, and a state's governor will all concur with such an acquisition. Thus, my bill will preclude off-reservation acquisitions unless the tribe and the state reach agreement to allow those lands to be used for gaming purposes. This provision will therefore encourage tribal-state cooperation rather than tribal-state conflict when it comes to gaming matters.

My bill will also remove the argument that those Indian groups that are laboring to achieve federal recognition as tribes are doing so only to develop gaming. Achieving federal recognition is difficult enough, I do not believe it should be further complicated by squabbles over gaming.

My bill will eliminate any appearance that federal officials and employees who are responsible for making decisions about Indian gaming are ''cashing in'' on their activities when they leave government service. By closing an existing loophole, my bill will establish that those federal employees who have made decisions concerning a tribe's gaming activities are bound by the same policies, procedures, and criminal laws that prevent other federal employees from profiting from decisions they made when working for the government. But it also preserves those provisions in the Indian Self-Determination and Education Assistance Act, which have dramatically reduced the number of federal employees by encouraging their employment by the tribes that contract to provide federal services under self-governance compacts and self-determination act contracts.

I believe this bill addresses the most pressing concerns raised by states, local governments, and Indian tribes. Like all attempts at compromise, few parties will be completely satisfied. The legislation I am introducing will both please and disappoint the states as well as the tribes. Nonetheless, as Chairman of the Committee on Indian Affairs, demonstrating a willingness to serve as an honest broker will, in my opinion, do more to foster genuine and lasting reform than simply becoming an advocate for one side or one point of view. Let there be no question of my commitment to ensure that Indian gaming be operated fairly and consistently with all relevant laws, and that the goals and objectives of the IGRA are fully achieved.

As I have indicated, the Committee will address these and related issues in the coming weeks. By introducing this legislation, it is my hope that those with concerns with the regulation of Indian gaming work with me in the Committee to fully and fairly debate the issues before any actions are taken to amend the Act.

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

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

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

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Indian Gaming Regulatory Improvement Act of 1998''.

SEC. 2. AMENDMENTS TO THE INDIAN GAMING REGULATORY ACT.

The Indian Gaming Regulatory Act (25 U.S.C. 2701 et seq.) is amended—

(1) by striking the first section and inserting the following new section:

''SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

''(a) SHORT TITLE.—This Act may be cited as the 'Indian Gaming Regulatory Act'.

''(b) TABLE OF CONTENTS.—The table of contents for this Act is as follows:

(2) by striking sections 2 and 3 and inserting the following;

''SEC. 2. CONGRESSIONAL FINDINGS.

''The Congress finds that—

''(1) Indian tribes are—

''(A) engaged in the operation of gaming activities on Indian lands as a means of generating tribal governmental revenue; and

''(B) licensing those activities;

''(2) because of the unique political and legal relationship between the United States and Indian tribes, Congress has the responsibility of protecting tribal resources and ensuring the continued viability of Indian gaming activities conducted on Indian lands;

''(3) clear Federal standards and regulations for the conduct of gaming on Indian lands will assist tribal governments in assuring the integrity of gaming activities conducted on Indian lands;

''(4) a principal goal of Federal Indian policy is to promote tribal economic development, tribal self-sufficiency, and strong Indian tribal governments;

''(5) Indian tribes have the exclusive right to regulate gaming activity on Indian lands, if the gaming activity—

''(A) is not specifically prohibited by Federal law; and

''(B) is conducted within a State that does not, as a matter of public policy, prohibit that gaming activity;

''(6) Congress has the authority to regulate the privilege of doing business with Indian tribes in Indian country (as defined in section 1151 of title 18, United States Code);

''(7) systems for the regulation of gaming activities on Indian lands should meet or exceed federally established minimum regulatory requirements;

''(8) the operation of gaming activities on Indian lands has had a significant impact on commerce with foreign nations, and among the several States, and with the Indian tribes; and

''(9) the Constitution vests the Congress with the powers to regulate commerce with foreign nations, and among the several States, and with the Indian tribes, and this Act is enacted in the exercise of those powers.

''SEC. 3. PURPOSES.

''The purposes of this Act are—

''(1) to ensure the right of Indian tribes to conduct gaming activities on Indian lands in a manner consistent with—

''(A) the inherent sovereign rights of Indian tribes; and

''(B) the decision of the Supreme Court in California et al. v. Cabazon Band of Mission Indians et al. (480 U.S.C. 202, 107 S. Ct. 1083, 94 L. Ed. 2d 244 (1987)), involving the Cabazon and Morongo bands of Mission Indians;

''(2) to provide a statutory basis for the conduct of gaming activities on Indian lands as a means of promoting tribal economic development, tribal self-sufficiency, and strong Indian tribal governments;

''(3) to provide a statutory basis for the regulation of gaming activities on Indian lands by an Indian tribe that is adequate to shield those activities from organized crime and other corrupting influences, to ensure that an Indian tribal government is the primary beneficiary of the operation of gaming activities, and to ensure that gaming is conducted fairly and honestly by both the operator and players; and

''(4) to provide States with the opportunity to participate in the regulation of certain gaming activities conducted on Indian lands without compelling any action by a State with respect to the regulation of that gaming.'';

(3) in section 4—

(A) by redesignating paragraphs (7) and (8) as paragraphs (5) and (6), respectively;

(B) by striking paragraphs (1) through (6) and inserting the following new paragraphs:

''(1) APPLICANT.—The term 'applicant' means any person who applies for a license pursuant to this Act, including any person who applies for a renewal of a license.

''(2) ATTORNEY GENERAL.—The term 'Attorney General' means the Attorney General of the United States.

''(3) CHAIRMAN.—The term 'Chairman' means the Chairman of the Commission.

''(4) CLASS I GAMING.—The term 'class I gaming' means social games played solely for prizes of minimal value or traditional forms of Indian gaming engaged in by individuals as a part of, or in connection with, tribal ceremonies or celebrations.'';

(C) by striking paragraphs (9) and (10); and

(D) by adding after paragraph (6) (as redesignated by subparagraph (A) of this paragraph) the following new paragraphs:

''(7) COMMISSION.—The term 'Commission' means the National Indian Gaming Regulatory Commission established under section 5.

''(8) COMPACT.—The term 'compact' means an agreement relating to the operation of class III gaming on Indian lands that is entered into by an Indian tribe and a State and that is approved by the Secretary.

''(9) GAMING OPERATION.—The term 'gaming operation' means an entity that conducts class II or class III gaming on Indian lands.

''(10) INDIAN LANDS.—The term 'Indian lands' means—

''(A) all lands within the limits of any Indian reservation; and

''(B) any lands the title to which is held in trust by the United States for the benefit of any Indian tribe or individual or held by any Indian tribe or individual subject to restriction by the United States against alienation and over which an Indian tribe exercises governmental power.

''(11) INDIAN TRIBE.—The term 'Indian tribe' means any Indian tribe, band, nation, or other organized group or community of Indians that—

''(A) is recognized as eligible by the Secretary for the special programs and services provided by the United States to Indians because of their status as Indians; and

''(B) is recognized as possessing powers of self-government.

''(12) MANAGEMENT CONTRACT.—The term 'management contract' means any contract or collateral agreement between an Indian tribe and a contractor, if that contract or agreement provides for the management of all or part of a gaming operation.

''(13) MANAGEMENT CONTRACTOR.—The term 'management contractor' means any person entering into a management contract with an Indian tribe or an agent of the Indian tribe for the management of a gaming operation, including any person with a financial interest in that contract.

''(14) NET REVENUES.—With respect to a gaming activity, net revenues shall constitute—

''(A) the annual amount of money wagered; reduced by

''(B)(i) any amounts paid out during the year involved for prizes awarded;

''(ii) the total operating expenses for the year involved (excluding any management fees) associated with the gaming activity; and

''(iii) an allowance for amortization of capital expenses for structures.

''(15) PERSON.—The term 'person' means—

''(A) an individual; or

''(B) a firm, corporation, association, organization, partnership, trust, consortium, joint venture, or other nongovernmental entity.

''(16) SECRETARY.—The term 'Secretary' means the Secretary of the Interior.'';

(4) in section 5(b)(3), by striking ''At least two members of the Commission shall be enrolled members of any Indian tribe.'' and inserting ''No fewer than 2 members of the Commission shall be individuals who—

''(A) are each enrolled as a member of an Indian tribe; and

''(B) have extensive experience or expertise in tribal government.'';

(5) by striking sections 6 & 7 and 9 through 16, and redesignating section 8 as section 22 and inserting the following:

''SEC. 6. POWERS AND AUTHORITY OF THE NATIONAL INDIAN GAMING COMMISSION AND CHAIRMAN.

''(a) GENERAL POWERS OF COMMISSION.—

''(1) IN GENERAL.—The Commission shall have the power—

''(A) to approve the annual budget of the Commission;

''(B) to promulgate regulations to carry out the duties of the Commission under this Act in the same manner as an independent establishment (as that term is used in section 104 of title 5, United States Code);

''(C) to establish a rate of fees and assessments, as provided in section 14;

''(D) to conduct investigations, including background investigations;

''(E) to issue a temporary order closing the operation of gaming activities;

''(F) after a hearing, to make permanent a temporary order closing the operation of gaming activities, as provided in section 12;

''(G) to grant, deny, limit, condition, restrict, revoke, or suspend any license issued under any licensing authority conferred upon the Commission pursuant to this Act or fine any person licensed pursuant to this Act for violation of any of the conditions of licensure under this Act;

''(H) to inspect and examine all premises in which class II or class III gaming is conducted on Indian lands;

''(I) to demand access to and inspect, examine, photocopy, and audit all papers, books, and records of class II and class III gaming activities conducted on Indian lands and any other matters necessary to carry out the duties of the Commission under this Act;

''(J) to use the United States mails in the same manner and under the same conditions as any department or agency of the United States;

''(K) to procure supplies, services, and property by contract in accordance with applicable Federal laws;

''(L) to enter into contracts with Federal, State, tribal, and private entities for activities necessary to the discharge of the duties of the Commission;

''(M) to serve, or cause to be served, process or notices of the Commission in a manner provided for by the Commission or in a manner provided for the service of process and notice in civil actions in accordance with the applicable rules of a Federal, State, or tribal court;

''(N) to propound written interrogatories and appoint hearing examiners, to whom may be delegated the power and authority to administer oaths, issue subpoenas, propound written interrogatories, and require testimony under oath;

''(O) to conduct all administrative hearings pertaining to civil violations of this Act (including any civil violation of a regulation promulgated under this Act);

''(P) to collect all fees and assessments authorized by this Act and the regulations promulgated pursuant to this Act;

''(Q) to assess penalties for violations of the provisions of this Act and the regulations promulgated pursuant to this Act;

''(R) to provide training and technical assistance to Indian tribes with respect to all aspects of the conduct and regulation of gaming activities;

''(S) to monitor and, as specifically authorized by this Act, regulate class II and class III gaming;

''(T) to approve all management contracts and gaming-related contracts; and

''(U) in addition to the authorities otherwise specified in this Act, to delegate, by published order or rule, any of the functions of the Commission (including functions with respect to hearing, determining, ordering, certifying, reporting, or otherwise acting on the part of the Commission concerning any work, business, or matter) to a division of the Commission, an individual member of the Commission, an administrative law judge, or an employee of the Commission.

''(2) STATUTORY CONSTRUCTION.—Nothing in this section may be construed to authorize the delegation of the function of rulemaking, as described in subchapter II of chapter 5 of title 5, United States Code, with respect to general rules (as distinguished from rules of particular applicability), or the promulgation of any other rule.

''(b) RIGHT TO REVIEW DELEGATED FUNCTIONS.—

''(1) IN GENERAL.—With respect to the delegation of any of the functions of the Commission, the Commission shall retain a discretionary right to review the action of any division of the Commission, individual member of the Commission, administrative law judge, or employee of the Commission, upon the initiative of the Commission.

''(2) VOTE NEEDED FOR REVIEW.—The vote of 1 member of the Commission shall be sufficient to bring an action referred to in paragraph (1) before the Commission for review, and the Commission shall ratify, revise, or reject the action under review not later than the last day of the applicable period specified in regulations promulgated by the Commission.

''(3) FAILURE TO CONDUCT REVIEW.—If the Commission declines to exercise the right to that review or fails to exercise that right within the applicable period specified in regulations promulgated by the Commission, the action of any such division of the Commission, individual member of the Commission, administrative law judge, or employee shall, for all purposes, including any appeal or review of that action, be deemed an action of the Commission.

''(c) MINIMUM REQUIREMENTS.—The Commission shall advise the Secretary, as provided in section 8(a), with respect to the establishment of minimum Federal standards—

''(1) for background investigations, licensing of persons, and licensing of gaming operations associated with the conduct or regulation of class II and class III gaming on Indian lands by tribal governments; and

''(2) for the operation of class II and class III gaming activities on Indian lands, including—

''(A) surveillance and security personnel and systems capable of monitoring all gaming activities, including the conduct of games, cashiers' cages, change booths, count rooms, movements of cash and chips, entrances and exits to gaming facilities, and other critical areas of any gaming facility;

''(B) procedures for the protection of the integrity of the rules for the play of games and controls related to those rules;

''(C) credit and debit collection controls;

''(D) controls over gambling devices and equipment; and

''(E) accounting and auditing.

''(d) COMMISSION ACCESS TO INFORMATION.—

''(1) IN GENERAL.—The Commission may secure from any department or agency of the United States information necessary to enable the Commission to carry out this Act. Unless otherwise prohibited by law, upon request of the Chairman, the head of that department or agency shall furnish that information to the Commission.

''(2) INFORMATION TRANSFER.—The Commission may secure from any law enforcement agency or gaming regulatory agency of any State, Indian tribe, or foreign nation information necessary to enable the Commission to carry out this Act. Unless otherwise prohibited by law, upon request of the Chairman, the head of any State or tribal law enforcement agency shall furnish that information to the Commission.

''(3) PRIVILEGED INFORMATION.—Notwithstanding sections 552 and 552a of title 5, United States Code, the Commission shall protect from disclosure information provided by Federal, State, tribal, or international law enforcement or gaming regulatory agencies.

''(4) LAW ENFORCEMENT AGENCY.—For purposes of this subsection, the Commission shall be considered to be a law enforcement agency.

''(e) INVESTIGATIONS AND ACTIONS.—

''(1) IN GENERAL.—

''(A) POSSIBLE VIOLATIONS.—The Commission may, as specifically authorized by this Act, conduct such investigations as the Commission considers necessary to determine whether any person has violated, is violating, or is conspiring to violate any provision of this Act (including any rule or regulation promulgated under this Act). The Commission may require or permit any person to file with the Commission a statement in writing, under oath, or otherwise, as the Commission may determine, concerning all relevant facts and circumstances regarding the matter under investigation by the Commission pursuant to this subsection.

''(B) ADMINISTRATIVE INVESTIGATIONS.—The Commission may, as specifically authorized by this Act, investigate such facts, conditions, practices, or matters as the Commission considers necessary or proper to aid in—

''(i) the enforcement of any provision of this Act;

''(ii) issuing rules and regulations under this Act; or

''(iii) securing information to serve as a basis for recommending further legislation concerning the matters to which this Act relates.

''(2) ADMINISTRATIVE AUTHORITIES.—

''(A) IN GENERAL.—

''(i) ADMINISTRATION OF CERTAIN DUTIES.—For the purpose of any investigation or any other proceeding conducted under this Act, an individual described in clause (ii) is empowered to administer oaths and affirmations, subpoena witnesses, compel their attendance, take evidence, and require the production of any books, papers, correspondence, memoranda, or other records that the Commission considers relevant or material to the inquiry. The attendance of those witnesses and the production of any such records may be required from any place in the United States at any designated place of hearing.

''(ii) INDIVIDUALS DESCRIBED.—An individual described in this clause is—

''(I) any member of the Commission who is designated by the Commission to carry out duties specified in clause (i); or

''(II) any other officer of the Commission who is designated by the Commission to carry out duties specified in clause (i).

''(B) REQUIRING APPEARANCES OR TESTIMONY.—In case of contumacy by, or refusal to obey any subpoena issued to, any person, the Commission may invoke the jurisdiction of any court of the United States within the jurisdiction of which an investigation or proceeding is carried on, or where that person resides or carries on business, in requiring the attendance and testimony of witnesses and the production of books, papers, correspondence, memoranda, and other records.

''(C) COURT ORDERS.—Any court described in subparagraph (B) may issue an order requiring that person to appear before the Commission, a member of the Commission, or an officer designated by the Commission, there to produce records, if so ordered, or to give testimony touching the matter under investigation or in question, and any failure to obey that order of the court may be punished by that court as a contempt of that court.

''(3) ENFORCEMENT.—

''(A) IN GENERAL.—If the Commission determines that any person is engaged, has engaged, or is conspiring to engage in any act or practice constituting a violation of any provision of this Act (including any rule or regulation promulgated under this Act), the Commission may—

''(i) bring an action in the appropriate district court of the United States or the United States District Court for the District of Columbia to enjoin that act or practice, and upon a proper showing, the court shall grant, without bond, a permanent or temporary injunction or restraining order; or

''(ii) transmit such evidence as may be available concerning that act or practice as may constitute a violation of any Federal criminal law to the Attorney General, who may institute the necessary criminal or civil proceedings.

''(B) STATUTORY CONSTRUCTION.—

''(i) IN GENERAL.—The authority of the Commission to conduct investigations and take actions under subparagraph (A) may not be construed to affect in any way the authority of any other agency or department of the United States to carry out statutory responsibilities of that agency or department.

''(ii) EFFECT OF TRANSMITTAL BY THE COMMISSION.—The transmittal by the Commission pursuant to subparagraph (A)(ii) may not be construed to constitute a condition precedent with respect to any action taken by any department or agency referred to in clause (i).

''(4) WRITS, INJUNCTIONS, AND ORDERS.—Upon application of the Commission, each district court of the United States shall have jurisdiction to issue writs of mandamus, injunctions, and orders commanding any person to comply with the provisions of this Act (including any rule or regulation promulgated under this Act).

''(f) POWERS OF THE CHAIRPERSON.—The Chairman shall have such powers as may be delegated to the Chairman by the Commission.

''SEC. 7. REGULATORY FRAMEWORK.

''(a) CLASS II GAMING.—For class II gaming, Indian tribes shall retain the right of those tribes, in a manner that meets or exceeds minimum Federal standards described in section 6(c) (that are established by the Secretary under section 8)—

''(1) to monitor and regulate that gaming;

''(2) to conduct background investigations; and

''(3) to establish and regulate internal control systems.

''(b) CLASS III GAMING CONDUCTED UNDER A COMPACT.—For class III gaming conducted under the authority of a compact entered into pursuant to section 10, an Indian tribe or a State, or both, as provided in a compact or by tribal ordinance or resolution, shall, in a manner that meets or exceeds minimum Federal standards described in section 6(c) (that are established by the Secretary under section 8)—

''(1) monitor and regulate gaming;

''(2) conduct background investigations; and

''(3) establish and regulate internal control systems.

''(c) VIOLATIONS OF MINIMUM FEDERAL STANDARDS.—

''(1) CLASS II GAMING.—In any case in which an Indian tribe that regulates or conducts class II gaming on Indian lands substantially fails to meet minimum Federal standards for that gaming, after providing the Indian tribe notice and reasonable opportunity to cure violations and to be heard, and after the exhaustion of other authorized remedies and sanctions, the Commission shall have the authority to conduct background investigations, issue licenses, and establish and regulate internal control systems relating to class II gaming conducted by the Indian tribe. That authority of the Commission may be exclusive until such time as the regulatory and internal control systems of the Indian tribe meet or exceed the minimum Federal standards concerning regulatory, licensing, or internal control requirements established by the Secretary, in consultation with the Commission, for that gaming.

''(2) CLASS III GAMING.—In any case in which an Indian tribe or a State (or both) that regulates class III gaming on Indian lands fails to meet or enforce minimum Federal standards for class III gaming, after providing notice and reasonable opportunity to cure violations and be heard, and after the exhaustion of other authorized remedies and sanctions, the Commission shall have the authority to conduct background investigations, issue licenses, and establish and regulate internal control systems relating to class III gaming conducted by the Indian tribe. That authority of the Commission may be exclusive until such time as the regulatory or internal control systems of the Indian tribe or the State (or both) meet or exceed the minimum Federal regulatory, licensing, or internal control requirements established by the Secretary, in consultation with the Commission, for that gaming.

''SEC. 8. NEGOTIATED RULEMAKING.

''(a) IN GENERAL.—Subject to subsection (b), not later than 180 days after the date of enactment of the Indian Gaming Regulatory Improvement Act of 1998, the Secretary shall, in cooperation with Indian tribes, and in accordance with the negotiated rulemaking procedures under subchapter III of chapter 5 of title 5, United States Code, promulgate minimum Federal standards relating to background investigations, internal control systems, and licensing standards (as described in section 6(c)).

''(b) NEGOTIATED RULEMAKING COMMITTEE.—The negotiated rulemaking committee established under subchapter III of chapter 5 of title 5, United States Code, to carry out subsection (a) shall be established by the Secretary, in consultation with the Attorney General and the Commission.

''(c) FACTORS FOR CONSIDERATION.—While the minimum Federal standards established pursuant to this section may be developed with due regard for existing industry standards, the Secretary and the negotiated rulemaking committee established under subsection (b), in promulgating standards pursuant to this section, shall also consider—

''(1) the unique nature of tribal gaming as compared to commercial gaming, other governmental gaming, and charitable gaming;

''(2) the broad variations in the scope and size of tribal gaming activity;

''(3) the inherent sovereign rights of Indian tribes with respect to regulating their own affairs;

''(4) the findings and purposes set forth in sections 2 and 3;

''(5) the effectiveness and efficiency of a national licensing program for vendors or management contractors; and

''(6) other matters that are not inconsistent with the purposes of this Act.

''SEC. 9. REQUIREMENTS FOR THE CONDUCT OF CLASS I AND CLASS II GAMING ON INDIAN LANDS.

''(a) CLASS I GAMING.—Class I gaming on Indian lands shall be within the exclusive jurisdiction of the Indian tribes and shall not be subject to the provisions of this Act.

''(b) CLASS II GAMING.—

''(1) IN GENERAL.—Any class II gaming on Indian lands shall be within the jurisdiction of the Indian tribes, but shall be subject to the provisions of this Act.

''(2) LEGAL ACTIVITIES.—An Indian tribe may engage in, and license and regulate, class II gaming on Indian lands within the jurisdiction of that Indian tribe, if—

''(A) such Indian gaming is located within a State that permits such gaming for any

purpose by any person, organization, or entity (and such gaming is not otherwise specifically prohibited on Indian lands by Federal law); and

''(B) such Indian gaming meets or exceeds the requirements of this section and the standards described in section 6(c) (that are established by the Secretary under section 8).

''(3) REQUIREMENTS FOR CLASS II GAMING OPERATIONS.—

''(A) IN GENERAL.—The Commission shall ensure that, with regard to any class II gaming operation on Indian lands—

''(i) a separate license is issued by the Indian tribe for each place, facility, or location on Indian lands at which that Indian gaming is conducted;

''(ii) the Indian tribe has or will have the sole proprietary interest and responsibility for the conduct of any class II gaming, unless the conditions of clause (ix) apply;

''(iii) the net revenues from any class II gaming activity are used only—

''(I) to fund tribal government operations or programs;

''(II) to provide for the general welfare of the Indian tribe and the members of the Indian tribe;

''(III) to promote tribal economic development;

''(IV) to donate to charitable organizations;

''(V) to help fund operations of local government agencies;

''(VI) to comply with the provisions of section 14; or

''(VII) to make per capita payments to members of the Indian tribe pursuant to clause (viii);

''(iv) the Indian tribe provides to the Commission annual outside audit reports of the class II gaming operation of the Indian tribe, which may be encompassed within existing independent tribal audit systems;

''(v) each contract for supplies, services, or concessions for a contract amount equal to more than $100,000 per year, other than a contract for professional legal or accounting services, relating to that gaming is subject to those independent audit reports and any audit conducted by the Commission;

''(vi) the construction and maintenance of a class II gaming facility and the operation of class II gaming are conducted in a manner that adequately protects the environment and public health and safety;

''(vii) there is instituted an adequate system that—

''(I) ensures that—

''(aa) background investigations are conducted on primary management officials, key employees, and persons having material control, either directly or indirectly, in a licensed class II gaming operation, and gaming-related contractors associated with a licensed class II gaming operation; and

''(bb) oversight of those officials and the management by those officials is conducted on an ongoing basis; and

''(II) includes—

''(aa) tribal licenses for persons involved in class II gaming operations, issued in accordance with the standards described in section 6(c) (that are established by the Secretary under section 8);

''(bb) a standard under which any person whose prior activities, criminal record, if any, or reputation, habits, and associations pose a threat to the public interest or to the effective regulation of gaming, or create or enhance the dangers of unsuitable, unfair, or illegal practices and methods and activities in the conduct of gaming shall not be eligible for employment or licensure; and

''(cc) notification by the Indian tribe to the Commission of the results of that background investigation before the issuance of any such license;

''(viii) net revenues from any class II gaming activities conducted or licensed by any Indian tribal government are used to make per capita payments to members of the Indian tribe only if—

''(I) the Indian tribe has prepared a plan to allocate revenues to uses authorized by clause (iii);

''(II) the Secretary determines that the plan is adequate, particularly with respect to uses described in subclause (I) or (III) of clause (iii);

''(III) the interests of minors and other legally incompetent persons who are entitled to receive any of the per capita payments are protected and preserved;

''(IV) the per capita payments to minors and other legally incompetent persons are disbursed to the parents or legal guardians of those minors or legally incompetent persons in such amounts as may be necessary for the health, education, or welfare of each such minor or legally incompetent person under a plan approved by the Secretary and the governing body of the Indian tribe; and

''(V) the per capita payments are subject to Federal income taxation for individuals and Indian tribes withhold those taxes when those payments are made;

''(ix) a separate license is issued by the Indian tribe for any class II gaming operation owned by any person or entity other than the Indian tribe and conducted on Indian lands, that includes—

''(I) requirements set forth in clauses (v) through (vii) (other than the requirements of clauses (vii)(II)(cc) and (x)); and

''(II) requirements that are at least as restrictive as those established by State law governing similar gaming within the jurisdiction of the State within which those Indian lands are located; and

''(x) no person or entity, other than the Indian tribe, is eligible to receive a tribal license for a class II gaming operation conducted on Indian lands within the jurisdiction of the Indian tribe if that person or entity would not be eligible to receive a State license to conduct the same activity within the jurisdiction of the State.

''(B) TRANSITION.—

''(i) IN GENERAL.—Clauses (ii), (iii), and (ix) of subparagraph (A) shall not bar the continued operation of a class II gaming operation described in clause (ix) of that subparagraph that was operating on September 1, 1986, if—

''(I) that gaming operation is licensed and regulated by an Indian tribe;

''(II) income to the Indian tribe from that gaming is used only for the purposes described in subparagraph (A)(iii);

''(III) not less than 60 percent of the net revenues from that gaming operation is income to the licensing Indian tribe; and

''(IV) the owner of that gaming operation pays an appropriate assessment to the Commission pursuant to section 14 for the regulation of that gaming.

''(ii) LIMITATIONS ON EXEMPTION.—The exemption from application provided under clause (i) may not be transferred to any person or entity and shall remain in effect only during such period as the gaming operation remains within the same nature and scope as that gaming operation was actually operated on October 17, 1988.

''(C) LIST.—The Commission shall—

''(i) maintain a list of each gaming operation that is subject to subparagraph (B); and

''(ii) publish that list in the Federal Register.

''(c) PETITION FOR CERTIFICATE OF SELF-REGULATION.—

''(1) IN GENERAL.—Any Indian tribe that operates, directly or with a management contract, a class II gaming activity may petition the Commission for a certificate of self-regulation if that Indian tribe—

''(A) has continuously conducted that gaming activity for a period of not less than 3 years, including a period of not less than 1 year that begins after the date of enactment of the Indian Gaming Regulatory Improvement Act of 1998; and

''(B) has otherwise complied with the provisions of this Act.

''(2) ISSUANCE OF CERTIFICATE OF SELF-REGULATION.—The Commission shall issue a certificate of self-regulation under this subsection if the Commission determines, on the basis of available information, and after a hearing if requested by the Indian tribe, that the Indian tribe has—

''(A) conducted its gaming activity in a manner that has—

''(i) resulted in an effective and honest accounting of all revenues;

''(ii) resulted in a reputation for safe, fair, and honest operation of the activity; and

''(iii) been generally free of evidence of criminal activity;

''(B) adopted and implemented adequate systems for—

''(i) accounting for all revenues from the gaming activity;

''(ii) investigation, licensing, and monitoring of all employees of the gaming activity; and

''(iii) investigation, enforcement, and prosecution of violations of its gaming ordinance and regulations;

''(C) conducted the operation on a fiscally and economically sound basis; and

''(D) paid all fees and assessments that the Indian tribe is required to pay to the Commission under this Act.

''(3) EFFECT OF CERTIFICATE OF SELF-REGULATION.—During the period in which a certificate of self-regulation issued under this subsection is in effect with respect to a gaming activity conducted by an Indian tribe—

''(A) the Indian tribe shall—

''(i) submit an annual independent audit report as required by subsection (b)(3)(A)(iv); and

''(ii) submit to the Commission a complete résumé of each employee hired and licensed by the Indian tribe subsequent to the issuance of a certificate of self-regulation; and

''(B) the Commission may not assess a fee under section 15 on gaming operated by the Indian tribe pursuant to paragraph (1) in excess of 0.25 percent of the net revenue from that class II gaming activity.

''(4) RESCISSION.—The Commission may, for just cause and after a reasonable opportunity for a hearing, rescind a certificate of self-regulation issued under this subsection by majority vote of the members of the Commission.

''(d) LICENSE REVOCATION.—If, after the issuance of any license by an Indian tribe under this section, the Indian tribe receives reliable information from the Commission indicating that a licensee does not meet any standard described in section 6(c) (that is established by the Secretary under section 8), or any other applicable regulation promulgated under this Act, the Indian tribe—

''(1) shall immediately suspend that license; and

''(2) after providing notice, holding a hearing, and making findings of fact under procedures established pursuant to applicable tribal law, may revoke that license.

''SEC. 10. CLASS III GAMING ON INDIAN LANDS.

''(a) REQUIREMENTS FOR THE CONDUCT OF CLASS III GAMING ON INDIAN LANDS.—

''(1) IN GENERAL.—Class III gaming activities shall be lawful on Indian lands only if those activities are—

''(A) authorized by a compact that—

''(i) is approved pursuant to tribal law by the governing body of the Indian tribe having jurisdiction over those lands;

''(ii) meets the requirements of this section 9(b)(3) for the conduct of class II gaming activities; and

''(iii) is approved by the Secretary;

''(B) located in a State that permits such gaming for any purpose by any person, organization or entity; and

''(C) conducted in conformance with a compact that—

''(i) is in effect; and

''(ii) is—

''(I) entered into by an Indian tribe and a State and approved by the Secretary under paragraph (2); or

''(II) issued by the Secretary under paragraph (2).

''(2) COMPACT NEGOTIATIONS; APPROVAL.—

''(A) IN GENERAL.—

''(i) COMPACT NEGOTIATIONS.—Any Indian tribe having jurisdiction over the lands upon which a class III gaming activity is to be conducted may request the State in which those lands are located to enter into negotiations for the purpose of entering into a compact with that State governing the conduct of class III gaming activities.

''(ii) REQUIREMENTS FOR REQUEST FOR NEGOTIATIONS.—A request for negotiations under clause (i) shall be in writing and shall specify each gaming activity that the Indian tribe proposes for inclusion in the compact. Not later than 30 days after receipt of that written request, the State shall respond to the Indian tribe.

''(iii) COMMENCEMENT OF COMPACT NEGOTIATIONS.—Compact negotiations conducted under this paragraph shall commence not later than 30 days after the date on which a response by a State is due to the Indian tribe, and shall be completed not later than 120 days after the initiation of compact negotiations, unless the State and the Indian tribe agree to a different period of time for the completion of compact negotiations.

''(B) NEGOTIATIONS.—

''(i) IN GENERAL.—The Secretary shall, upon the request of an Indian tribe described in subparagraph (A)(i) that has not reached an agreement with a State concerning a compact referred to in that subparagraph (or with respect to an Indian tribe described in clause (ii)(I)(bb) a compact) during the applicable period under clause (ii) of this subparagraph, initiate a mediation process to—

''(I) conclude a compact referred to in subparagraph (A)(i); or

''(II) if necessary, provide for the issuance of procedures by the Secretary to govern the conduct of the gaming referred to in that subparagraph.

''(ii) APPLICABLE PERIOD.—

''(I) IN GENERAL.—Subject to subclause (II), the applicable period described in this paragraph is—

''(aa) in the case of an Indian tribe that makes a request for compact negotiations under subparagraph (A), the 180-day period beginning on the date on which that Indian tribe makes the request; and

''(bb) in the case of an Indian tribe that makes a request to renew a compact to govern class III gaming activity on Indian lands of that Indian tribe within the State that the Indian tribe entered into prior to the date of enactment of the Indian Gaming Regulatory Improvement Act of 1998, during the 60-day period beginning on the date of that request.

''(II) EXTENSION.—An Indian tribe and a State may agree to extend an applicable period under this paragraph beyond the applicable termination date specified in item (aa) or (bb) of subclause (I).

''(iii) MEDIATION.—

''(I) IN GENERAL.—The Secretary shall initiate mediation to conclude a compact governing the conduct of class III gaming activities on Indian lands upon a showing by an Indian tribe that, within the applicable period specified in clause (ii), a State has failed—

''(aa) to respond to a request by an Indian tribe for negotiations under this subparagraph; or

''(bb) to negotiate in good faith.

''(II) EFFECT OF DECLINING NEGOTIATIONS.—The Secretary shall initiate mediation immediately after a State declines to enter into negotiations under this subparagraph, without regard to whether the otherwise applicable period specified in clause (ii) has expired.

''(III) COPY OF REQUEST.—An Indian tribe that requests mediation under this clause shall provide the State that is the subject of the mediation request a copy of the mediation request submitted to the Secretary.

''(IV) PANEL.—The Secretary, in consultation with the Indian tribes and States, shall establish a list of independent mediators, that the Secretary, in consultation with the Indian tribes and the States, shall periodically update.

''(V) NOTIFICATION BY STATE.—Not later than 10 days after an Indian tribe makes a request to the Secretary for mediation under subclause (I), the State that is the subject of the mediation request shall notify the Secretary whether the State elects to participate in the mediation process. If the State elects to participate in the mediation, the mediation shall be conducted in accordance with subclause (VI). If the State declines to participate in the mediation process, the Secretary shall issue procedures under clause (iv).

''(VI) MEDIATION PROCESS.—

''(aa) IN GENERAL.—Not later than 20 days after a State elects under subclause (V) to participate in a mediation, the Secretary shall submit to the Indian tribe and the State the names of 3 mediators randomly selected by the Secretary from the list of mediators established under subclause (IV).

''(bb) SELECTION OF MEDIATOR.—Not later than 10 days after the Secretary submits the mediators referred to in item (aa), the Indian tribe and the State may elect to have the Secretary remove a mediator from the mediators submitted. If the parties referred to in the preceding sentences fail to remove 2 mediators, the Secretary shall remove such names as may be necessary to result in the removal of 2 mediators. The remaining mediator shall conduct the mediation.

''(cc) INITIAL PERIOD OF MEDIATION.—The mediator shall, during the 60-day period beginning on the date on which the mediator is selected under item (bb) (or a longer period on the agreement of the parties referred to in that item for an extension of the period) attempt to achieve a compact.

''(dd) LAST-BEST-OFFER.—If by the termination of the period specified in item (cc), no agreement for concluding a compact is achieved by the parties to the mediation, each such party may, not later than 10 days after that date, submit to the mediator an offer that represents the best offer that the party intends to make for achieving an agreement for concluding a compact (referred to in this item as a 'last-best-offer'). The mediator shall review a last-best-offer received under this item not later than 30 days after the date of submission of the offer.

''(ee) REPORT BY MEDIATOR.—Not later than the date specified for the completion of a review of a last-best-offer under item (dd), or in any case in which either party in a mediation fails to make such an offer, the date that is 10 days after the termination of the initial period of mediation under item (cc), the mediator shall prepare and submit to the Secretary a report that includes the contentions of the parties, the conclusions of the mediator concerning the permissible scope of gaming on the Indian lands involved, and recommendations for the operation and regulation of gaming on the Indian lands in accordance with this Act.

''(ff) FINAL DETERMINATIONS.—Not later than 60 days after receiving a report from a mediator under item (ee), the Secretary shall make a final determination concerning the operation and regulation of the class III gaming that is the subject of the mediation.

''(iv) PROCEDURES.—Subject to clause (v), the Secretary shall issue procedures for the operation and regulation of the class III gaming described in that item by the date that is 180 days after the date specified in clause (iii)(V) or upon the determination described in clause (iii)(iv)(ff).

''(v) PROHIBITION.—No compact negotiated, or procedures issued, under this subparagraph shall require that a State undertake any regulation of gaming on Indian lands unless—

''(I) the State affirmatively consents to regulate that gaming; and

''(II) applicable State laws permit that regulatory function.

''(C) MANDATORY DISAPPROVAL.—Notwithstanding any other provision of this Act, the Secretary may not approve a compact if the compact requires State regulation of Indian gaming absent the consent of the State or the Indian tribe.

''(D) EFFECTIVE DATE OF COMPACT OF PROCEDURES.—Any compact negotiated, or procedures issued, under this subsection shall become effective upon the publication of the compact or procedures in the Federal Register by the Secretary.

''(E) EFFECT OF PUBLICATION OF COMPACT.—Except for an appeal conducted under subchapter II of chapter 5 of title 5, United States Code, by an Indian tribe or a State associated with the compact, the publication of a compact pursuant to subparagraph (B) shall, for the purposes of this Act, be conclusive evidence that the class III gaming subject to the compact is an activity subject to negotiations under the laws of the State where the gaming is to be conducted, in any matter under consideration by the Commission or a Federal court.

''(F) DUTIES OF COMMISSION.—Consistent with the requirements of the standards described in section 6(c) (that are established by the Secretary under section 8) and the requirements of section 7, the Commission shall monitor and, if specifically authorized by those standards and section 7, regulate and license class III gaming with respect to any compact that is approved by the Secretary under this subsection and published in the Federal Register.

''(3) PROVISIONS OF COMPACTS.—

''(A) IN GENERAL.—A compact negotiated under this subsection may only include provisions relating to—

''(i) the application of the criminal and civil laws (including regulations) of the Indian tribe or the State that are directly related to, and necessary for, the licensing and regulation of that gaming activity in a manner consistent with the requirements of the standards described in section 6(c) (that are established by the Secretary under section 8) and section 7;

''(ii) the allocation of criminal and civil jurisdiction between the State and the Indian tribe necessary for the enforcement of those laws (including regulations);

''(iii) the assessment by the State of the costs associated with those activities in such amounts as are necessary to defray the costs of regulating that activity;

''(iv) taxation by the Indian tribe of that activity in amounts comparable to amounts assessed by the State for comparable activities;

''(v) remedies for breach of compact provisions;

''(vi) standards for the operation of that activity and maintenance of the gaming facility, including licensing, in a manner consistent with the requirements of the standards described in section 6(c) (that are established by the Secretary under section 8) and section 7; and

''(vii) any other subject that is directly related to the operation of gaming activities.

''(B) STATUTORY CONSTRUCTION WITH RESPECT TO ASSESSMENTS; PROHIBITION.—

''(i) STATUTORY CONSTRUCTION.—Except for any assessments for services agreed to by an Indian tribe in compact negotiations, nothing in this section may be construed as conferring upon a State, or any political subdivision thereof, the authority to impose any tax, fee, charge, or other assessment upon an Indian tribe, an Indian gaming operation or the value generated by the gaming operation, or any person or entity authorized by an Indian tribe to engage in a class III gaming activity in conformance with this Act.

''(ii) ASSESSMENT BY STATES.—A State may assess the assessments agreed to by an Indian tribe referred to in clause (i) in a manner consistent with that clause.

''(4) STATUTORY CONSTRUCTION WITH RESPECT TO CERTAIN RIGHTS OF INDIAN TRIBES.—Nothing in this subsection impairs the right of an Indian tribe to regulate class III gaming on the Indian lands of the Indian tribe concurrently with a State and the Commission, except to the extent that such regulation is inconsistent with, or less stringent than, this Act or any laws (including regulations) made applicable by any compact entered into by the Indian tribe under this subsection that is in effect.

''(5) EXEMPTION.—The provisions of section 2 of the Act of January 2, 1951 (commonly referred to as the 'Gambling Devices Transportation Act') (64 Stat. 1134, chapter 1194; 15 U.S.C. 1175) shall not apply to any class II gaming activity or any gaming activity conducted pursuant to a compact entered into after the date of enactment of this Act, but in no event shall this paragraph be construed as invalidating any exemption from the provisions of such section 2 for any compact entered into prior to the date of enactment of this Act.

''(b) JURISDICTION OF UNITED STATES DISTRICT COURT FOR THE DISTRICT OF COLUMBIA.—The United States District Court for the District of Columbia shall have jurisdiction over any action initiated by the Secretary, the Commission, a State, or an Indian tribe to enforce any provision of a compact entered into under subsection (a) or to enjoin a class III gaming activity located on Indian lands and conducted in violation of any compact that is in effect and that was entered into under subsection (a).

''(c) APPROVAL OF COMPACTS.—

''(1) IN GENERAL.—The Secretary may approve any compact between an Indian tribe and a State governing the conduct of class III gaming on Indian lands of that Indian tribe entered into under subsection (a).

''(2) REASONS FOR DISAPPROVAL BY SECRETARY.—The Secretary may disapprove a compact entered into under subsection (a) only if that compact violates any—

''(A) provision of this Act or any regulation promulgated by the Commission pursuant to this Act;

''(B) other provision of Federal law; or

''(C) trust obligation of the United States to Indians.

''(3) EFFECT OF FAILURE TO ACT ON COMPACT.—If the Secretary fails to approve or disapprove a compact entered into under subsection (a) before the date that is 45 days after the date on which the compact is submitted to the Secretary for approval, the compact shall be considered to have been approved by the Secretary, but only to the extent the compact is consistent with the provisions of this Act and the regulations promulgated by the Commission pursuant to this Act.

''(4) NOTIFICATION.—The Secretary shall publish in the Federal Register notice of any compact that is approved, or considered to have been approved, under this subsection.

''(d) REVOCATION OF ORDINANCE.—

''(1) IN GENERAL.—The governing body of an Indian tribe, in its sole discretion, may adopt an ordinance or resolution revoking any prior ordinance or resolution that authorized class III gaming on the Indian lands of the Indian tribe. That revocation shall render class III gaming illegal on the Indian lands of that Indian tribe.

''(2) PUBLICATION OF REVOCATION.—An Indian tribe shall submit any revocation ordinance or resolution described in paragraph (1) to the Commission. The Commission shall publish that ordinance or resolution in the Federal Register. The revocation provided by that ordinance or resolution shall take effect on the date of that publication.

''(3) CONDITIONAL OPERATION.—Notwithstanding any other provision of this subsection—

''(A) any person or entity operating a class III gaming activity pursuant to this Act on the date on which an ordinance or resolution described in paragraph (1) that revokes authorization for that class III gaming activity is published in the Federal Register may, during the 1-year period beginning on the date on which that revocation, ordinance, or resolution is published under paragraph (2), continue to operate that activity in conformance with an applicable compact entered into under subsection (a) that is in effect; and

''(B) any civil action that arises before, and any crime that is committed before, the termination of that 1-year period shall not be affected by that revocation ordinance, or resolution.

''(e) CERTAIN CLASS III GAMING ACTIVITIES.—

''(1) COMPACTS ENTERED INTO BEFORE THE DATE OF ENACTMENT OF THE INDIAN GAMING REGULATORY IMPROVEMENT ACT OF 1998.—Class III gaming activities that are authorized under a compact approved or issued by the Secretary under the authority of this Act prior to the date of enactment of the Indian Gaming Regulatory Improvement Act of 1998 shall, during such period as the compact is in effect, remain lawful for the purposes of this Act, notwithstanding the Indian Gaming Regulatory Improvement Act of 1998 and the amendments made by that Act or any change in State law, other than a change in State law that constitutes a change in the public policy of the State with respect to permitting or prohibiting class III gaming in the State.

''(2) COMPACT ENTERED INTO AFTER THE DATE OF ENACTMENT OF THE INDIAN GAMING REGULATORY IMPROVEMENT ACT OF 1998.—Any compact entered into under subsection (a) after the date specified in paragraph (1) shall remain lawful for the purposes of this Act, notwithstanding any change in State law, other than a change in State law that constitutes a change in the public policy of the State with respect to with respect to permitting or prohibiting class III gaming in the State.

''SEC. 11. REVIEW OF CONTRACTS.

''(a) CONTRACTS INCLUDED.—The Commission shall, in accordance with this section, review and approve or disapprove any management contract for the operation and management of any gaming activity that an Indian tribe may engage in under this Act.

''(b) MANAGEMENT CONTRACT REQUIREMENTS.—The Commission shall approve any management contract between an Indian tribe and a person licensed by an Indian tribe or the Commission that is entered into pursuant to this Act only if the Commission determines that the contract provides for—

''(1) adequate accounting procedures that are maintained, and verifiable financial reports that are prepared, by or for the governing body of the Indian tribe on a monthly basis;

''(2) access to the daily gaming operations by appropriate officials of the Indian tribe who shall have the right to verify the daily gross revenues and income derived from any gaming activity;

''(3) a minimum guaranteed payment to the Indian tribe that has preference over the retirement of any development and construction costs;

''(4) an agreed upon ceiling for the repayment of any development and construction costs;

''(5) a contract term of not to exceed 5 years, except that, upon the request of an Indian tribe, the Commission may authorize a contract term that exceeds 5 years but does not exceed 7 years if the Commission is satisfied that the capital investment required, and the income projections for, the particular gaming activity require the additional time; and

''(6) grounds and mechanisms for the termination of the contract, but any such termination shall not require the approval of the Commission.

''(c) MANAGEMENT FEE BASED ON PERCENTAGE OF NET REVENUES.—

''(1) PERCENTAGE FEE.—The Commission may approve a management contract that provides for a fee that is based on a percentage of the net revenues of a tribal gaming activity if the Commission determines that such percentage fee is reasonable, taking into consideration surrounding circumstances.

''(2) FEE AMOUNT.—Except as provided in paragraph (3), a fee described in paragraph (1) shall not exceed an amount equal to 30 percent of the net revenues described in that paragraph.

''(3) EXCEPTION.—Upon the request of an Indian tribe, if the Commission is satisfied that the capital investment required, and income projections for, a tribal gaming activity, necessitate a fee in excess of the amount specified in paragraph (2), the Commission may approve a management contract that provides for a fee described in paragraph (1) in an amount in excess of the amount specified in paragraph (2), but not to exceed 40 percent of the net revenues described in paragraph (1).

''(d) TIME PERIOD FOR REVIEW.—

''(1) IN GENERAL.—Except as provided in paragraph (2), not later than 90 days after the date on which a management contract is submitted to the Commission for approval, the Commission shall approve or disapprove that contract on the merits of the contract.

''(2) EXTENSION.—The Commission may extend the 90-day period for an additional period of not more than 45 days if the Commission notifies the Indian tribe in writing of the reason for the extension of the period.

''(3) ACTION.—The Indian tribe may bring an action in the United States District Court for the District of Columbia to compel action by the Commission if a contract has not been approved or disapproved by the termination date of an applicable period under this subsection.

''(e) CONTRACT MODIFICATIONS AND VOID CONTRACTS.—The Commission, after providing notice and a hearing on the record—

''(1) shall have the authority to require appropriate contract modifications to ensure compliance with the provisions of this Act; and

''(2) may declare invalid any contract regulated by the Commission under this Act if the Commission determines that any provision of this Act has been violated by the terms of the contract.

''(f) INTERESTS IN REAL PROPERTY.—No contract regulated by this Act may transfer or, in any other manner, convey any interest in land or other real property, unless—

''(1) specific statutory authority exists;

''(2) all necessary approvals for the transfer or conveyance have been obtained; and

''(3) the transfer or conveyance is clearly specified in the contract.

''(g) AUTHORITY OF THE SECRETARY.—The authority of the Secretary under section 2103 of the Revised Statutes (25 U.S.C. 81) shall not extend to any contract or agreement that is regulated pursuant to this Act.

''(h) DISAPPROVAL OF CONTRACTS.—The Commission may not approve a management contract or other gaming-related contract if the Commission determines that—

''(1) any person having a direct financial interest in, or management responsibility for, that contract, and, in the case of a corporation, any individual who serves on the board of directors of that corporation, and any of the stockholders who hold (directly or indirectly) 10 percent or more of its issued and outstanding stock—

''(A) is an elected member of the governing body of the Indian tribe that is a party to the contract;

''(B) has been convicted of any felony or gaming offense;

''(C) has knowingly and willfully provided materially important false statements or information to the Commission or the Indian tribe pursuant to this Act or has refused to respond to questions propounded by the Commission; or

''(D) has been determined to be a person whose prior activities, criminal record, if any, or reputation, habits, and associations pose a threat to the public interest or to the effective regulation and control of gaming, or create or enhance the dangers of unsuitable, unfair, or illegal practices, methods, and activities in the conduct of gaming or the carrying on of the business and financial arrangements incidental thereto;

''(2) the contractor—

''(A) has unduly interfered or influenced for its gain or advantage any decision or process of tribal government relating to the gaming activity; or

''(B) has attempted to interfere or influence a decision pursuant to subparagraph (A);

''(3) the contractor has deliberately or substantially failed to comply with the terms of the contract; or

''(4) a trustee, exercising the skill and diligence that a trustee is commonly held to, would not approve the contract.

''SEC. 12. CIVIL PENALTIES.

''(a) AMOUNT.—Any person who commits any act or causes to be done any act that violates any provision of this Act or any rule or regulation promulgated under this Act, or who fails to carry out any act or causes the failure to carry out any act that is required by any such provision of law shall be subject to a civil penalty in an amount equal to not more than $25,000 per day for each such violation.

''(b) ASSESSMENT AND COLLECTION.—

''(1) IN GENERAL.—Each civil penalty assessed under this section shall be assessed by the Commission and collected in a civil action brought by the Attorney General on behalf of the United States. Before the Commission refers civil penalty claims to the Attorney General, the Commission may compromise the civil penalty after affording the person charged with a violation referred to in subsection (a), an opportunity to present views and evidence in support of that action by the Commission to establish that the alleged violation did not occur.

''(2) PENALTY AMOUNT.—In determining the amount of a civil penalty assessed under this section, the Commission shall take into account—

''(A) the nature, circumstances, extent, and gravity of the violation committed;

''(B) with respect to the person found to have committed that violation, the degree of culpability, any history of prior violations, ability to pay, and the effect on ability to continue to do business; and

''(C) such other matters as justice may require.

''(c) TEMPORARY CLOSURES.—

''(1) IN GENERAL.—The Commission may order the temporary closure of all or part of an Indian gaming operation for a substantial violation of any provision of law referred to in subsection (a).

''(2) HEARING ON ORDER OF TEMPORARY CLOSURE.—

''(A) IN GENERAL.—Not later than 10 days after the issuance of an order of temporary closure, the Indian tribe or the individual owner of a gaming operation shall have the right to request a hearing on the record before the Commission to determine whether that order should be made permanent or dissolved.

''(B) DEADLINES RELATING TO HEARING.—Not later than 30 days after a request for a hearing is made under subparagraph (A), the Commission shall conduct that hearing. Not later than 30 days after the termination of the hearing, the Commission shall render a final decision on the closure.

''SEC. 13. JUDICIAL REVIEW.

''A decision made by the Commission pursuant to section 6, 7, 11, or 12 shall constitute a final agency decision for purposes of appeal to the United States District Court for the District of Columbia pursuant to chapter 7 of title 5, United States Code.'';

(6) by redesignating sections 18 and 19 as sections 14 and 15, respectively;

(7) in section 14, as redesignated—

(A) in subsection (a)—

(i) by striking paragraphs (3) through (6);

(ii) by redesignating paragraph (2) as paragraph (3);

(iii) by striking ''(a)(1) The Commission'' and inserting the following:

''(2) MINIMUM FEES.—The Commission'';

(iv) by inserting before paragraph (2) the following:

''(a) ANNUAL FEES.—

''(1) MINIMUM REGULATORY FEES.—In addition to assessing fees pursuant to a schedule established under paragraph (2), the Commission shall require each gaming operation that conducts a class II or class III gaming activity that is regulated by this Act to pay to the Commission, on a quarterly basis, a minimum fee in an amount equal to $250.''; and

(v) in paragraph (3), as redesignated, by striking subparagraphs (B) and (C) and inserting the following:

''(B) GRADUATED FEE LIMITATION.—

''(i) IN GENERAL.—The aggregate amount of fees collected under this paragraph shall not exceed—

''(I) $8,000,000 for fiscal year 1999;

''(II) $9,000,000 for fiscal year 2000; and

''(III) $11,000,000 for fiscal year 2001, and for each fiscal year thereafter.

''(C) FACTORS FOR CONSIDERATION.—

''(i) IN GENERAL.—The aggregate amount of fees assessed under this section shall be reasonably related to the costs of services provided by the Commission to Indian tribes under this Act (including the cost of issuing regulations necessary to carry out this Act). In assessing and collecting fees under this section, the Commission shall take into account all of the duties of, and services provided by, the Commission under this Act.

''(ii) FACTORS FOR CONSIDERATION.—In determining the amount of fees to be assessed against class II or class III gaming activities regulated by this Act, the Commission shall consider the extent of regulation of gaming activities by States and Indian tribes and shall, if appropriate, reduce or eliminate the fees authorized by this section.

''(iii) CONSULTATION.—In establishing any schedule of fees under this subsection, the Commission shall consult with Indian tribes.

''(4) TRUST FUND.—

''(A) ESTABLISHMENT.—There is established in the Treasury of the United States a fund to be known as the Indian Gaming Trust Fund (referred to in this paragraph as the 'Trust Fund'), consisting of—

''(i) such amounts as are—

''(I) transferred to the Trust Fund under subparagraph (B)(i); or

''(II) appropriated to the Trust Fund; and

''(ii) any interest earned on the investment of amounts in the Trust Fund under subparagraph (C).

''(B) TRANSFER OF AMOUNTS EQUIVALENT TO FEES.—

''(i) IN GENERAL.—The Secretary of the Treasury shall transfer to the Trust Fund an amount equal to the aggregate amount of fees collected under this subsection.

''(ii) TRANSFERS BASED ON ESTIMATES.—The amounts required to be transferred to the Trust Fund under clause (i) shall be transferred at least quarterly from the general fund of the Treasury to the Trust Fund on the basis of estimates made by the Secretary of the Treasury. Proper adjustment shall be made in amounts subsequently transferred to the extent prior estimates were in excess of or less than the amounts required to be transferred.

''(C) INVESTMENTS.—

''(i) IN GENERAL.—It shall be the duty of the Secretary of the Treasury to invest such portion of the Trust Fund as is not, in the judgment of the Secretary of the Treasury, required to meet current withdrawals. The Secretary of the Treasury shall invest the amounts deposited under subparagraph (A) only in interest-bearing obligations of the United States or in obligations guaranteed as to both principal and interest by the United States.

''(ii) SALE OF OBLIGATIONS.—Any obligation acquired by the Trust Fund, except special obligations issued exclusively to the Trust Fund, may be sold by the Secretary of the Treasury at the market price, and such special obligations may be redeemed at par plus accrued interest.

''(iii) CREDITS TO TRUST FUND.—The interest on, and proceeds from, the sale or redemption of, any obligations held in the Trust Fund shall be credited to and form a part of the Trust Fund.

''(D) EXPENDITURES FROM TRUST FUND.—

''(i) IN GENERAL.—Amounts in the Trust Fund shall be available, as provided in appropriations Acts, to the Commission for carrying out the duties of the Commission under this Act.

''(ii) WITHDRAWAL AND TRANSFER OF FUNDS.—Upon request of the Commission, the Secretary of the Treasury shall withdraw amounts from the Trust Fund and transfer such amounts to the Commission for use in accordance with clause (i).

''(E) LIMITATION ON TRANSFERS AND WITHDRAWALS.—Except as provided in subparagraph (D)(ii), the Secretary of the Treasury may not transfer or withdraw any amount deposited under subparagraph (A).

''(5) CONSEQUENCES OF FAILURE TO PAY FEES.—Failure to pay the fees imposed under the schedule established under paragraph (2) shall, subject to regulations promulgated by the Commission, be grounds for revocation of the approval of the Commission of any license required under this Act for the operation of gaming activities.

''(6) CREDIT.—To the extent that revenue derived from fees imposed under the schedule established under paragraph (2) are not expended or committed at the close of any fiscal year, those surplus funds shall be credited to each gaming activity on a pro rata basis against the fees imposed under that schedule for the succeeding fiscal year.

''(7) GROSS REVENUES.—For purposes of this section, gross revenues shall constitute the annual total amount of money wagered, reduced by—

''(A) any amounts paid out as prizes or paid for prizes awarded; and

''(B) allowance for amortization of capital expenditures for structures.''; and

(B) by striking subsection (b) and inserting the following:

''(b) REIMBURSEMENT OF COSTS.—

''(1) CONTENTS OF BUDGET.—For fiscal year 1999, and for each fiscal year thereafter, the budget of the Commission may include a request for appropriations, as authorized by section 15, in an amount equal to the sum of—

''(A)(i) for fiscal year 1999, an estimate (determined by the Commission) of the amount of funds to be derived from the fees collected under subsection (a) for that fiscal year; or

''(ii) for each fiscal year thereafter, the amount of funds derived from the fees collected under subsection (a) for the fiscal year preceding the fiscal year for which the appropriation request is made; and

''(B) $1,000,000.

''(2) BUDGET REQUEST OF THE DEPARTMENT OF THE INTERIOR.—Each request for appropriations made under paragraph (1) shall—

''(A) be subject to the approval of the Secretary; and

''(B) be part of a request made by the Secretary to the President for inclusion in the annual budget request submitted by the President to Congress under section 1105(a) of title 31, United States Code.'';

(8) in section 15, as redesignated, by striking ''section 18'' each place it appears and inserting ''section 14'';

(9) by striking section 17 and inserting the following:

''SEC. 16. APPLICATION OF INTERNAL REVENUE CODE OF 1986; ACCESS TO INFORMATION BY STATES AND TRIBAL GOVERNMENTS.

''(a) APPLICATION OF THE INTERNAL REVENUE CODE OF 1986.—

''(1) IN GENERAL.—The provisions of the Internal Revenue Code of 1986 (including sections 1441, 3402(q), and 6041, and chapter 35 of such Code) concerning the reporting and withholding of taxes with respect to the winnings from gaming or wagering operations shall apply to Indian gaming operations conducted pursuant to this Act, or under a compact entered into under section 10 that is in effect, in the same manner as those provisions apply to State gaming and wagering operations. Any exemptions to States with respect to taxation of those gaming or wagering operations shall be allowed to Indian tribes.

''(2) EXEMPTION.—The provisions of section 6050I of the Internal Revenue Code of 1986 shall apply to an Indian gaming establishment that is not designated by the Secretary of the Treasury as a financial institution pursuant to chapter 53 of title 31, United States Code.

''(3) STATUTORY CONSTRUCTION.—This subsection shall apply notwithstanding any other provision of law enacted before the date of enactment of this Act unless that other provision of law specifically cites this subsection.

''(b) ACCESS TO INFORMATION BY STATE AND TRIBAL GOVERNMENTS.—Subject to section 6(d), upon the request of a State or the governing body of an Indian tribe, the Commission shall make available any law enforcement information that it has obtained pursuant to such section, unless otherwise prohibited by law, in order to enable the State or the Indian tribe to carry out its responsibilities under this Act or any compact approved by the Secretary.

''SEC. 17. GAMING PROSCRIBED ON LANDS ACQUIRED IN TRUST AFTER THE DATE OF ENACTMENT OF THIS ACT.

''(a) IN GENERAL.—Except as provided in subsection (b), gaming regulated by this Act shall not be conducted on lands acquired by the Secretary in trust for the benefit of an Indian tribe after the date of enactment of this Act, unless—

''(1) those lands are located within or contiguous to the boundaries of the reservation of the Indian tribe on the date of enactment of this Act; or

''(2) the Indian tribe has no reservation on the date of enactment of this Act and those lands are located in the State of Oklahoma and—

''(A) are within the boundaries of the former reservation of the Indian tribe, as defined by the Secretary; or

''(B) are contiguous to other land held in trust or restricted status by the United States for the Indian tribe in the State of Oklahoma.

''(b) EXEMPTION.—Subsection (a) shall not apply to—

''(1) any lands involved in the trust petition of the St. Croix Chippewa Indians of Wisconsin that is the subject of the action filed in the United States District Court for the District of Columbia entitled St. Croix Chippewa Indians of Wisconsin v. United States, Civ. No. 86–2278; or

''(2) the interests of the Miccosukee Tribe of Indians of Florida in approximately 25 contiguous acres of land, more or less, in Dade County, Florida, located within 1 mile of the intersection of State road numbered 27 (also known as Krome Avenue) and the Tamiami Trail.'';

''or:

(3) where the use of such lands for gaming purposes is provided for in a tribal-state compact described in section 10(a)(1)(C)(ii)(I) or a tribal-state agreement specifically providing for the use of such lands for gaming purposes.''

(10) by striking section 20;

(11) by redesignating sections 21 through 23 as sections 18 through 20, respectively; and

(12) by redesignating section 24 as section 21.

SEC. 3. LIMITATION ON LOBBYING.

Section 104 of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450i) is amended by inserting after subsection (j) the following:

''(k) LOBBYING LIMITATION.—Notwithstanding subsection (j), except as otherwise provided in sections 205 and 207 of title 18, United States Code, a former Federal officer or employee of the United States shall not act as an agent or attorney for, or appear on behalf of, a client in connection with any specific matter or decision involving the Indian Gaming Regulatory Act (25 U.S.C. 2701 et seq.) in any matter in which the officer or employee of the United States had personal and substantial involvement while an officer of the United States.''.

SEC. 4. DEFINITION OF FINANCIAL INSTITUTIONS.

Section 5312(a)(2) of title 31, United States Code, is amended—

(1) by redesignating subparagraphs (Y) and (Z) as subparagraphs (Z) and (AA), respectively; and

(2) by inserting after subparagraph (X) the following new subparagraph:

''(Y) an Indian gaming establishment;''.

SEC. 5. CONFORMING AMENDMENTS.

(a) TITLE 10.—Section 2323a(e)(1) of title 10, United States Code, is amended by striking ''section 4(4) of the Indian Gaming Regulatory Act (102 Stat. 2468; 25 U.S.C. 2703(4))'' and inserting ''section 4(12) of the Indian Gaming Regulatory Act''.

(b) TITLE 18.—Title 18, United States Code, is amended—

(1) in section 1166—

(A) in subsection (c)(2), by striking ''a Tribal-State compact approved by the Secretary of the Interior under section 11(d)(8) of the Indian Gaming Regulatory Act that is in effect'' and inserting ''a compact approved by the Secretary of the Interior under section 10(c) of the Indian Gaming Regulatory Act that is in effect or pursuant to procedures issued by the Secretary of the Interior under section 10(a)(2)(B)(iv) of such Act''; and

(B) in subsection (d), by striking ''a Tribal-State compact approved by the Secretary of the Interior under section 11(d)(8) of the Indian Gaming Regulatory Act'' and inserting ''a compact approved by the Secretary of the Interior under section 10(c) of the Indian Gaming Regulatory Act or pursuant to procedures issued by the Secretary of the Interior under section 10(a)(2)(B)(iv) of such Act,'';

(2) in section 1167, by striking ''pursuant to an ordinance or resolution approved by the National Indian Gaming Commission'' and inserting ''pursuant to an ordinance or resolution that meets the applicable requirements under the Indian Gaming Regulatory Act (25 U.S.C. 2701 et seq.)''; and

(3) in section 1168, by striking ''pursuant to an ordinance or resolution approved by the National Indian Gaming Commission'' and inserting ''pursuant to an ordinance or resolution that meets the applicable requirements under the Indian Gaming Regulatory Act (25 U.S.C. 2701 et seq.)''.

(c) INTERNAL REVENUE CODE OF 1986.—Section 168(j)(4)(A)(iv) of the Internal Revenue Code of 1986 is amended by striking ''Indian Regulatory Act'' and inserting ''Indian Gaming Regulatory Act''.

(d) TITLE 28.—Title 28, United States Code, is amended—

(1) in section 3701(2)—

(A) by striking ''section 4(5) of the Indian Gaming Regulatory Act (25 U.S.C. 2703(5))'' and inserting ''section 4(11) of the Indian Gaming Regulatory Act''; and

(B) by striking ''section 4(4) of such Act (25 U.S.C. 2703(4))'' and inserting ''section 4(10) of such Act''; and

(2) in section 3704(b), by striking ''section 4(4) of the Indian Gaming Regulatory Act'' and inserting ''section 4(10) of the Indian Gaming Regulatory Act''.

By Mr. ROTH (for himself and Mr. MOYNIHAN):

S. 1871. A bill to provide that the exception for certain real estate investment trusts from the treatment of stapled entities shall apply only to existing property, and for other purposes; to the Committee on Finance.

REAL ESTATE INVESTMENT TRUSTS LEGISLATION

Mr. ROTH. Mr. President, Senator MOYNIHAN and I introduce a bill to limit the tax benefits of so-called ''stapled'' or ''paired-share'' Real Estate Investment Trusts (''stapled REITs''). Identical legislation is being introduced in the House of Representatives by Congressman ARCHER.

In the Deficit Reduction Act of 1984 (''1984 Act''), Congress eliminated the tax benefits of the stapled REIT structure out of concern that it could effectively result in one level of tax on active corporate business income that would otherwise be subject to two levels of tax. Congress also believed that allowing a corporate business to be stapled to a REIT was inconsistent with the policy that led Congress to create REITs.

As part of the 1984 Act provision, Congress provided grandfather relief to the small number of stapled REITs that were already in existence. Since 1984, however, almost all the grandfathered stapled REITs have been acquired by new owners. Some have entered into new lines of businesses, and most of the grandfathered REITs have used the stapled structure to engage in large-scale acquisitions of assets. Such unlimited relief from a general tax provision by a handful of taxpayers raises new questions not only of fairness, but of unfair competition, because the stapled REITs are in direct competition with other companies that cannot use the benefits of the stapled structure.

This legislation, which is a refinement of the proposal contained in the Clinton Administration's Revenue Proposals for fiscal year 1999, takes a moderate and fair approach. The legislation essentially subjects to the grandfathered stapled REITs to rules similar to the 1984 Act, but only to acquisitions of assets (or substantial improvements of existing assets) occurring after today. The legislation also provides transition relief for future acquisitions that are pursuant to a binding written contract, as well as acquisitions that already have been announced (or described in a filing with the SEC).

Mr. President, I ask unanimous consent that additional material be printed in the RECORD.

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

S. 1871

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

SECTION 1. TERMINATION OF EXCEPTION FOR CERTAIN REAL ESTATE INVESTMENT TRUSTS FROM THE TREATMENT OF STAPLED ENTITIES.

(a) IN GENERAL.—Notwithstanding paragraph (3) of section 136(c) of the Tax Reform Act of 1984 (relating to stapled stock; stapled entities), the REIT gross income provisions shall be applied by treating the activities and gross income of members of the stapled REIT group properly allocable to any nonqualified real property interest held by the exempt REIT or any stapled entity which is a member of such group (or treated under subsection (c) as held by such REIT or stapled entity) as the activities and gross income of the exempt REIT in the same manner as if the exempt REIT and such group were 1 entity.

(b) NONQUALIFIED REAL PROPERTY INTEREST.—For purposes of this section—

(1) IN GENERAL.—The term ''nonqualified real property interest'' means, with respect to any exempt REIT, any interest in real property acquired after March 26, 1998, by the exempt REIT or any stapled entity.

(2) EXCEPTION FOR BINDING CONTRACTS, ETC.—Such term shall not include any interest in real property acquired after March 26, 1998, by the exempt REIT or any stapled entity if—

(A) the acquisition is pursuant to a written agreement which was binding on such date and at all times thereafter on such REIT or stapled entity, or

(B) the acquisition is described on or before such date in a public announcement or in a filing with the Securities and Exchange Commission.

(3) IMPROVEMENTS AND LEASES.—

(A) IN GENERAL.—Except as otherwise provided in this paragraph, the term ''nonqualified real property interest'' shall not include—

(i) any improvement to land owned or leased by the exempt REIT or any member of the stapled REIT group, and

(ii) any repair to, or improvement of, any improvement owned or leased by the exempt REIT or any member of the stapled REIT group,

if such ownership or leasehold interest is a qualified real property interest.

(B) LEASES.—Such term shall not include any lease of a qualified real property interest.

(C) TERMINATION WHERE CHANGE IN USE.—

(i) IN GENERAL.—Subparagraph (A) shall not apply to any improvement placed in service after December 31, 1999, which is part of a change in the use of the property to which such improvement relates unless the cost of such improvement does not exceed 200 percent of—

(I) the cost of such property, or

(II) if such property is substituted basis property (as defined in section 7701(a)(42) of the Internal Revenue Code of 1986), the fair market value of the property at the time of acquisition.

(ii) BINDING CONTRACTS.—For purposes of clause (i), an improvement shall be treated as placed in service before January 1, 2000, if such improvement is placed in service before January 1, 2004, pursuant to a binding contract in effect on December 31, 1999, and at all times thereafter.

(4) TREATMENT OF ENTITIES WHICH ARE NOT STAPLED, ETC. ON MARCH 26, 1998.—Notwithstanding any other provision of this section, all interests in real property held by an exempt REIT or any stapled entity with respect to such REIT (or treated under subsection (c) as held by such REIT or stapled entity) shall be treated as nonqualified real property interests unless—

(A) such stapled entity was a stapled entity with respect to such REIT as of March 26, 1998, and at all times thereafter, and

(B) as of March 26, 1998, and at all times thereafter, such REIT was a real estate investment trust.

(5) QUALIFIED REAL PROPERTY INTEREST.—The term ''qualified real property interest'' means any interest in real property other than a nonqualified real property interest.

(c) TREATMENT OF PROPERTY HELD BY 10-PERCENT SUBSIDIARIES.—For purposes of this section—

(1) IN GENERAL.—Any exempt REIT and any stapled entity shall be treated as holding their proportionate shares of each interest in real property held by any 10-percent subsidiary entity of the exempt REIT or stapled entity, as the case may be.

(2) PROPERTY HELD BY 10-PERCENT SUBSIDIARIES TREATED AS NONQUALIFIED.—

(A) IN GENERAL.—Except as provided in subparagraph (B), any interest in real property held by a 10-percent subsidiary entity of an exempt REIT or stapled entity shall be treated as a nonqualified real property interest.

(B) EXCEPTION FOR INTERESTS IN REAL PROPERTY HELD ON MARCH 26, 1998, ETC.—In the case of an entity which was a 10-percent subsidiary entity of an exempt REIT or stapled entity on March 26, 1998, and at all times thereafter, an interest in real property held by such subsidiary entity shall be treated as a qualified real property interest if such interest would be so treated if held directly by the exempt REIT or the stapled entity.

(3) REDUCTION IN QUALIFIED REAL PROPERTY INTERESTS IF INCREASE IN OWNERSHIP OF SUBSIDIARY.—If, after March 26, 1998, an exempt REIT or stapled entity increases its ownership interest in a subsidiary entity to which paragraph (2)(B) applies above its ownership interest in such subsidiary entity as of such date, the additional portion of each interest in real property which is treated as held by the exempt REIT or stapled entity by reason of such increased ownership shall be treated as a nonqualified real property interest.

(4) SPECIAL RULES FOR DETERMINING OWNERSHIP.—For purposes of this subsection—

(A) percentage ownership of an entity shall be determined in accordance with subsection (e)(4),

(B) interests in the entity which are acquired by the exempt REIT or stapled entity in any acquisition described in an agreement, announcement, or filing described in subsection (b)(2) shall be treated as acquired on March 26, 1998, and

(C) except as provided in guidance prescribed by the Secretary, any change in proportionate ownership which is attributable solely to fluctuations in the relative fair market values of different classes of stock shall not be taken into account.

(d) TREATMENT OF PROPERTY SECURED BY MORTGAGE HELD BY EXEMPT REIT OR MEMBER OF STAPLED REIT GROUP.—

(1) IN GENERAL.—In the case of any nonqualified obligation held by an exempt REIT or any member of the stapled REIT group, the REIT gross income provisions shall be applied by treating the exempt REIT as having impermissible tenant service income equal to—

(A) the interest income from such obligation which is properly allocable to the property described in paragraph (2), and

(B) the income of any member of the stapled REIT group from services described in paragraph (2) with respect to such property. If the income referred to in subparagraph (A) or (B) is of a 10-percent subsidiary entity, only the portion of such income which is properly allocable to the exempt REIT's or the stapled entity's interest in the subsidiary entity shall be taken into account.

(2) NONQUALIFIED OBLIGATION.—Except as otherwise provided in this subsection, the term ''nonqualified obligation'' means any obligation secured by a mortgage on an interest in real property if the income of any member of the stapled REIT group for services furnished with respect to such property would be impermissible tenant service income were such property held by the exempt REIT and such services furnished by the exempt REIT.

(3) EXCEPTION FOR CERTAIN MARKET RATE OBLIGATIONS.—Such term shall not include any obligation—

(A) payments under which would be treated as interest if received by a REIT, and

(B) the rate of interest on which does not exceed an arm's length rate.

(4) EXCEPTION FOR EXISTING OBLIGATIONS.—Such term shall not include any obligation—

(A) which is secured on March 26, 1998, by an interest in real property, and

(B) which is held on such date by the exempt REIT or any entity which is a member of the stapled REIT group on such date and at all times thereafter,

but only so long as such obligation is secured by such interest. The preceding sentence shall not cease to apply by reason of the refinancing of the obligation if (immediately after the refinancing) the principal amount of the obligation resulting from the refinancing does not exceed the principal amount of the refinanced obligation (immediately before the refinancing).

(5) TREATMENT OF ENTITIES WHICH ARE NOT STAPLED, ETC. ON MARCH 26, 1998.—A rule similar to the rule of subsection (b)(4) shall apply for purposes of this subsection.

(6) INCREASE IN AMOUNT OF NONQUALIFIED OBLIGATIONS IF INCREASE IN OWNERSHIP OF SUBSIDIARY.—A rule similar to the rule of subsection (c)(3) shall apply for purposes of this subsection.

(7) COORDINATION WITH SUBSECTION (a).—This subsection shall not apply to the portion of any interest in real property that the exempt REIT or stapled entity holds or is treated as holding under this section without regard to this subsection.

(e) DEFINITIONS.—For purposes of this section—

(1) REIT GROSS INCOME PROVISIONS.—The term ''REIT gross income provisions'' means—

(A) paragraphs (2), (3), and (6) of section 856(c) of the Internal Revenue Code of 1986, and

(B) section 857(b)(5) of such Code.

(2) EXEMPT REIT.—The term ''exempt REIT'' means a real estate investment trust to which section 269B of the Internal Revenue Code of 1986 does not apply by reason of paragraph (3) of section 136(c) of the Tax Reform Act of 1984.

(3) STAPLED REIT GROUP.—The term ''stapled REIT group'' means, with respect to an exempt REIT, the group consisting of—

(A) all entities which are stapled entities with respect to the exempt REIT, and

(B) all entities which are 10-percent subsidiary entities of the exempt REIT or any such stapled entity.

(4) 10-PERCENT SUBSIDIARY ENTITY.—

(A) IN GENERAL.—The term ''10-percent subsidiary entity'' means, with respect to any exempt REIT or stapled entity, any entity in which the exempt REIT or stapled entity (as the case may be) directly or indirectly holds at least a 10-percent interest.

(B) EXCEPTION FOR CERTAIN C CORPORATION SUBSIDIARIES OF REITS.—A corporation which would, but for this subparagraph, be treated as a 10-percent subsidiary of an exempt REIT shall not be so treated if such corporation is taxable under section 11 of the Internal Revenue Code of 1986.

(C) 10-PERCENT INTEREST.—The term ''10-percent interest'' means—

(i) in the case of an interest in a corporation, ownership of 10 percent (by vote or value) of the stock in such corporation,

(ii) in the case of an interest in a partnership, ownership of 10 percent of the assets or net profits interest in the partnership, and

(iii) in any other case, ownership of 10 percent of the beneficial interests in the entity.

(5) OTHER DEFINITIONS.—Terms used in this section which are used in section 269B or section 856 of such Code shall have the respective meanings given such terms by such section.

(f) GUIDANCE.—The Secretary may prescribe such guidance as may be necessary or appropriate to carry out the purposes of this section, including guidance to prevent the avoidance of such purposes and to prevent the double counting of income.

(g) EFFECTIVE DATE.—This section shall apply to taxable years ending after March 26, 1998.

TECHNICAL EXPLANATION

The tax benefits of the stapled real estate investment trust (''REIT'') structure were curtailed for almost all taxpayers by section 269B, which was enacted by the Deficit Reduction Act of 1984 (''1984 Act''). The bill limits the tax benefits of a few stapled REITs that continue to qualify under the 1984 Act's grandfather rule.

A REIT is an entity that receives most of its income from passive real-estate related investments and that essentially receives pass-through treatment for income that is distributed to shareholders. In general, a REIT must derive its income from passive sources and not engage in any active trade or business. In a stapled REIT structure, both the shares of a REIT and a C corporation may be traded, and in most cases publicly traded, but are subject to a provision that they may not be sold separately. Thus, the REIT and the C corporation have identical ownership at all times.

OVERVIEW

Under the bill, rules similar to the rules of present law treating a REIT and all stapled entities as a single entity for purposes of determining REIT status (sec. 269B) would apply to real property interests acquired after March 26, 1998, by the existing stapled REIT, or by a stapled entity, or a subsidiary or partnership in which a 10-percent or greater interest is owned by the existing stapled REIT or stapled entity (together referred to as the ''REIT group''), unless the real property is grandfathered under the rules discussed below. Different rules would be applied to certain mortgage interests acquired by the REIT group after March 26, 1998, where a member of the REIT group performs services with respect to the property secured by the mortgage.

GENERAL RULES

The bill treats certain activities and gross income of a REIT group with respect to real property interests held by any member of the REIT group (and not grandfathered under the rules described below) as activities and income of the REIT for certain purposes. This treatment would apply for purposes of certain provisions of the REIT rules that depend on the REIT's gross income, including the requirement that 95 percent of a REIT's gross income be from passive sources (the ''95-percent test'') and the requirement that 75 percent of a REIT's gross income be from real estate sources (the ''75-percent test''). Thus, for example, where a stapled entity earns gross income from operating a non-grandfathered real property held by a member of the REIT group, such gross income would be treated as income of the REIT, with the result that either the 75-percent or 95-percent test might not be met and REIT status might be lost.

If a REIT or stapled entity owns, directly or indirectly, a 10-percent-or-greater interest in a subsidiary or partnership that holds a real property interest, the above rules would apply with respect to a proportionate part of the subsidiary's or partnership's property, activities and gross income. Thus, any real property acquired by such a subsidiary or partnership that is not grandfathered under the rules described below would be treated as held by the REIT in the same proportion as the ownership interest in the entity. The same proportion of the subsidiary's or partnership's gross income from any real property interest (other than a grandfathered property) held by it or another member of the REIT group would be treated as income of the REIT. Similar rules attributing the proportionate part of the subsidiary's or partnership's real estate interests and gross income would apply when a REIT or stapled entity acquires a 10-percent-or-greater interest (or in the case of a previously-owned entity, acquires an additional interest) after March 26, 1998, with exceptions for interests acquired pursuant to agreements or announcements described below.

GRANDFATHERED PROPERTIES

Under the bill, there is an exception to the treatment of activities and gross income of a stapled entity as activities and gross income of the REIT for certain grandfathered properties. Grandfathered properties generally are those properties that had been acquired by a member of the REIT group on or before March 26, 1998. In addition, grandfathered properties include properties acquired by a member of the REIT group after March 26, 1998, pursuant to a written agreement which was binding on March 26, 1998, and all times thereafter. Grandfathered properties also include certain properties, the acquisition of which were described in a public announcement or in a filing with the Securities and Exchange Commission on or before March 26, 1998.

In general, a property does not lose its status as a grandfathered property by reason of a repair to, an improvement of, or a lease of, a grandfathered property. On the other hand, a property loses its status as a grandfathered property under the bill to the extent that a non-qualified expansion is made to an otherwise grandfathered property. A non-qualified expansion is either (1) an expansion beyond the boundaries of the land of the otherwise grandfathered property or (2) an improvement of an otherwise grandfathered property placed in service after December 31, 1999, which changes the use of the property and whose cost is greater than 200 percent of (a) the undepreciated cost of the property (prior to the improvement) or (b) in the case of property acquired where there is a substituted basis, the fair market value of the property on the date that the property was acquired by the stapled entity or the REIT. A non-qualified expansion could occur, for example, if a member of the REIT group were to construct a building after December 31, 1999, on previously undeveloped raw land that had been acquired on or before March 26, 1998. There is an exception for improvements placed in service before January 1, 2004, pursuant to a binding contract in effect on December 31, 1999, and at all times thereafter.

If a stapled REIT is not stapled as of March 26, 1998, or if it fails to qualify as a REIT as of such date or any time thereafter, no properties of any member of the REIT group would be treated as grandfathered properties, and thus the general provisions of the bill described above would apply to all properties held by the group.

MORTGAGE RULES

Special rules would apply where a member of the REIT group holds a mortgage (that is not an existing obligation under the rules described below) that is secured by an interest in real property, where a member of the REIT group engages in certain activities with respect to that property. The activities that would have this effect under the bill are activities that would result in a type of income that is not treated as counting toward the 75-percent and 95-percent tests if they are performed by the REIT. In such cases, all interest on the mortgage and all gross income received by a member of the REIT

group from the activity would be treated as income of the REIT that does not count toward the 75-percent or 95-percent tests, with the result that REIT status might be lost. In the case of a 10-percent partnership or subsidiary, a proportionate part of the entity's mortgages, interest and gross income from activities would be subject to the above rules.

An exception to the above rules would be provided for mortgages the interest on which does not exceed an arm's-length rate and which would be treated as interest for purposes of the REIT rules (e.g., the 75-percent and 95-percent tests, above). An exception also would be available for certain mortgages that are held on March 26, 1998, by an entity that is a member of the REIT group. The exception for existing mortgages would cease to apply if the mortgage is refinanced and the principal amount is increased in such refinancing.

OTHER RULES

For a corporate subsidiary owned by a stapled entity, the 10-percent ownership test would be met if a stapled entity owns, directly or indirectly, 10 percent or more of the corporation's stock, by either vote or value. (The bill would not apply to stapled REIT's ownership of a corporate subsidiary, although a stapled REIT would be subject to the normal restrictions on a REIT's ownership of stock in a corporation.) For interests in partnerships and other pass-through entities, the ownership test would be met if either the REIT or a stapled entity owns, directly or indirectly, a 10-percent or greater interest.

The Secretary of the Treasury would be given authority to prescribe such guidance as may be necessary or appropriate to carry out the purposes of the provision, including guidance to prevent the double counting of income and to prevent transactions that would avoid the purposes of the provision.

By Mr. NICKLES:

S. 1872. A bill to prohibit new welfare for politicians; to the Committee on Commerce, Science, and Transportation.

THE NEW WELFARE FOR POLITICIANS PROHIBITION ACT

Mr. NICKLES. Mr. President, I rise today to introduce legislation that would prohibit the Federal Communications Commission (FCC) from establishing regulations that would compel broadcasters to offer free or reduced cost air time to political candidates.

It is clear that this type of regulation would result in drastic change to current communications and campaign finance law and thus, exceed the regulatory authority of this agency. Absent a legislative directive from Congress, the FCC lacks the authority to require broadcasters to offer free or reduced-cost air time for political candidates.

While in many areas of broadcast regulation, the FCC does possess broad authority to change its regulation to reflect what is within the public interest, that authority has always been specifically granted by an act of Congress. This broad authority does NOT extend to the regulation of political broadcasting.

The Communications Act clearly mandates, with respect to candidate appearances on broadcasting stations, certain specific requirements for FCC to enforce on broadcasters for political candidates. The law requires broadcasters to provide candidates with equal opportunities, ensure that there is no censorship of political messages, and provide ''reasonable access'' to federal candidates. As for media rates, the Act specifically states that when candidates buy air time, they will be accorded a stations' ''lowest unit charge'' for the same class and amount of time.

It seems quite clear that Congress' inclusion of these specific provisions indicates that in the area of political broadcasting, especially for rates charged for advertising, the FCC does not have the authority to rewrite the Communications Act and impose a free political time requirement which is inconsistent with Congress' specific statement on this issue.

Any attempt to affect campaign finance reform through overreaching FCC regulations rather than through the legislative process, regardless of good intentions, is wrong. Any changes or revisions to the campaign finance or communication laws should be made by the people through their elected representatives and not by non elected federal bureaucrats. New regulations from the FCC would further involve the government in protected political speech areas and create a patchwork of agency regulations without any consistent overall reform.

Mr. President, during the 105th Congress this body has thoroughly debated campaign reform and free air time for political candidates. Clearly there is not enough support in this body to pass legislation that includes the free air time provisions. This legislative defeat does not give the FCC Chairman the authority, even with direction from the President, to issue regulations giving candidates free time and mandate or bribe the nation's broadcasters to abide by these regulations. Again, if this type of reform is to be implemented, it requires legislative action by Congress. It is not appropriate for a federal agency to mandate this comprehensive reform by regulatory action.

The Constitution is very clear. Article I, Section 1 of the Constitution vests in Congress all power to ''make laws which shall be used necessary and proper for carrying into Execution the foregoing Powers * * *''. Nowhere in the Constitution is the Executive Branch vested with the power to make the law. The framers of the Constitution understood the threat to our freedom which could be posed by an all-powerfull executive branch. This principle is as valid today as it was when they drafted the Constitution. Any proposed regulations by the FCC which would require broadcasters to give free or reduced-cost air time to federal political candidates raises serious constitutional concerns.

This is not the first time that the Clinton administration has tried to bypass Congress and legislate by Executive order. They have attempted to do this on several occasions. And I think they have done so knowing full well they could not get their desired objective through Congress.

Let me remind the FCC, that if this type of regulatory action is taken by this agency, I will lead the effort in the Senate to defeat the regulation. The Congressional Review Act, gives Congress the ability to disapprove regulations, when a simple majority believes that the regulation is inappropriate.

Every member of this body, Democrats and Republicans, should reject this approach. We should uphold and protect this institution, the legislative branch, and the constitution.

And so, Mr. President, I have warned the White House that I am willing to use any appropriate tools at our disposal to stop this egregious abuse of power. I will do what I can to stop the proposed FCC regulations on air time for political candidates. And I will do what I can to block any other attempts by this administration to legislate by executive action. It is my intention to use everything in my power to protect this institution. I am hopeful that my colleagues will join me in this effort.

ADDITIONAL COSPONSORS

S. 460

At the request of Mr. BOND, the name of the Senator from Idaho [Mr. CRAIG] was added as a cosponsor of S. 460, a bill to amend the Internal Revenue Code of 1986 to increase the deduction for health insurance costs of self-employed individuals, to provide clarification for the deductibility of expenses incurred by a taxpayer in connection with the business use of the home, to clarify the standards used for determining that certain individuals are not employees, and for other purposes.

S. 1002

At the request of Mr. ABRAHAM, the name of the Senator from Minnesota [Mr. GRAMS] was added as a cosponsor of S. 1002, a bill to require Federal agencies to assess the impact of policies and regulations on families, and for other purposes.

S. 1133

At the request of Mr. THURMOND, his name was added as a cosponsor of S. 1133, a bill to amend the Internal Revenue Code of 1986 to allow tax-free expenditures from education individual retirement accounts for elementary and secondary school expenses and to increase the maximum annual amount of contributions to such accounts.

S. 1251

At the request of Mr. D'AMATO, the names of the Senator from Massachusetts [Mr. KENNEDY], and the Senator from Virginia [Mr. WARNER] were added as cosponsors of S. 1251, a bill to amend the Internal Revenue Code of 1986 to increase the amount of private activity bonds which may be issued in each State, and to index such amount for inflation.

S. 1252

At the request of Mr. D'AMATO, the name of the Senator from South Carolina [Mr. HOLLINGS] was added as a cosponsor of S. 1252, a bill to amend the

Internal Revenue Code of 1986 to increase the amount of low-income housing credits which may be allocated in each State, and to index such amount for inflation.

S. 1255

At the request of Mr. COATS, the name of the Senator from Maine [Ms. COLLINS] was added as a cosponsor of S. 1255, a bill to provide for the establishment of demonstration projects designed to determine the social, civic, psychological, and economic effects of providing to individuals and families with limited means an opportunity to accumulate assets, and to determine the extent to which an asset-based policy may be used to enable individuals and families with limited means to achieve economic self-sufficiency.

S. 1283

At the request of Mr. HUTCHINSON, the name of the Senator from Pennsylvania [Mr. SPECTER] was added as a cosponsor of S. 1283, a bill to award Congressional gold medals to Jean Brown Trickey, Carlotta Walls LaNier, Melba Patillo Beals, Terrence Roberts, Gloria Ray Karlmark, Thelma Mothershed Wair, Ernest Green, Elizabeth Eckford, and Jefferson Thomas, commonly referred collectively as the ''Little Rock Nine'' on the occasion of the 40th anniversary of the integration of the Central High School in Little Rock, Arkansas.

S. 1406

At the request of Mr. SMITH, the name of the Senator from Wisconsin [Mr. FEINGOLD] was added as a cosponsor of S. 1406, a bill to amend section 2301 of title 38, United States Code, to provide for the furnishing of burial flags on behalf of certain deceased members and former members of the Selected Reserve.

S. 1413

At the request of Mr. LUGAR, the name of the Senator from Louisiana [Mr. BREAUX] was added as a cosponsor of S. 1413, a bill to provide a framework for consideration by the legislative and executive branches of unilateral economic sanctions.

S. 1580

At the request of Mr. SHELBY, the name of the Senator from Georgia [Mr. COVERDELL] was added as a cosponsor of S. 1580, a bill to amend the Balanced Budget Act of 1997 to place an 18-month moratorium on the prohibition of payment under the Medicare program for home health services consisting of venipuncture solely for the purpose of obtaining a blood sample, and to require the Secretary of Health and Human Services to study potential fraud and abuse under such program with respect to such services.

S. 1621

At the request of Mr. GRAMS, the name of the Senator from Arkansas [Mr. HUTCHINSON] was added as a cosponsor of S. 1621, a bill to provide that certain Federal property shall be made available to States for State use before being made available to other entities, and for other purposes.

S. 1723

At the request of Mr. ABRAHAM, the name of the Senator from Missouri [Mr. ASHCROFT] was added as a cosponsor of S. 1723, a bill to amend the Immigration and Nationality Act to assist the United States to remain competitive by increasing the access of the United States firms and institutions of higher education to skilled personnel and by expanding educational and training opportunities for American students and workers.

S. 1725

At the request of Mr. BURNS, the name of the Senator from Alabama [Mr. SHELBY] was added as a cosponsor of S. 1725, a bill to terminate the Office of the Surgeon General of the Public Health Service.

SENATE CONCURRENT RESOLUTION 30

At the request of Mr. HELMS, the name of the Senator from Washington [Mr. GORTON] was added as a cosponsor of Senate Concurrent Resolution 30, a concurrent resolution expressing the sense of the Congress that the Republic of China should be admitted to multilateral economic institutions, including the International Monetary Fund and the International Bank for Reconstruction and Development.

SENATE RESOLUTION 175

At the request of Mr. ROBB, the names of the Senator from Texas [Mr. GRAMM], the Senator from Idaho [Mr. KEMPTHORNE], the Senator from Connecticut [Mr. LIEBERMAN], the Senator from Louisiana [Ms. LANDRIEU], the Senator from Mississippi [Mr. COCHRAN], the Senator from Kansas [Mr. BROWNBACK], and the Senator from New Hampshire [Mr. GREGG] were added as cosponsors of Senate Resolution 175, a bill to designate the week of May 3, 1998 as ''National Correctional Officers and Employees Week.''

SENATE RESOLUTION 188

At the request of Mr. MOYNIHAN, the name of the Senator from Illinois [Ms. MOSELEY-BRAUN] was added as a cosponsor of Senate Resolution 188, a resolution expressing the sense of the Senate regarding Israeli membership in a United Nations regional group.

SENATE RESOLUTION 200—DESIGNATING ''NATIONAL MARITIME ARBITRATION DAY''

Mr. INOUYE submitted the following resolution; which was considered and agreed to:

S. RES. 200

Whereas Congress recognizes the integral role arbitration plays in expeditiously settling maritime disputes;

Whereas the Society of Maritime Arbitrators is a nonprofit, United States based organization providing arbitration and other Alternative Dispute Resolution (ADR) services to the international maritime industry;

Whereas the Society of Maritime Arbitrators has successfully facilitated the resolution of over 3,400 international commercial and maritime disputes since its inception in 1963; and

Whereas the Society of Maritime Arbitrators celebrates its 35th anniversary on March 26, 1998: Now, therefore, be it

Resolved, That the Senate—

(1) designates March 26, 1998, as ''National Maritime Arbitration Day''; and

(2) requests the President to issue a proclamation designating March 26, 1998, as ''National Maritime Arbitration Day'' and calling upon the people of the United States to observe the day with appropriate ceremonies and activities.

AMENDMENTS SUBMITTED

1998 EMERGENCY SUPPLEMENTAL APPROPRIATIONS ACT FOR RECOVERY FROM NATURAL DISASTERS, AND FOR OVERSEAS PEACEKEEPING EFFORTS

MCCAIN AMENDMENT NO. 2136

Mr. STEVENS (for Mr. MCCAIN) proposed an amendment to the bill (S. 1768) making emergency supplemental appropriations for recovery from natural disasters, and for overseas peacekeeping efforts, for the fiscal year ending September 30, 1998, and for other purposes; as follows:

At the appropriate place in Title II, insert the following:

SEC. . ELGIBILITY FOR REFUGEE STATUS.

Section 584 of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1997 (Public Law 104–208; 110 Stat. 3009–171) is amended—

(1) in subsection (a)—

(A) by striking ''For purposes'' and inserting ''Notwithstanding any other provision of law, for purposes''; and

(B) by striking ''fiscal year 1997'' and inserting ''fiscal years 1998 and 1999''; and

(2) by amending subsection (b) to read as follows:

''(b) ALIENS COVERED.—

''(1) IN GENERAL.—An alien described in this subsection is an alien who—

''(A) is the son or daughter of a qualified national;

''(B) is 21 years of age or older; and

''(C) was unmarried as of the date of acceptance of the alien's parent for resettlement under the Orderly Departure Program.

''(2) QUALIFIED NATIONAL.—For purposes of paragraph (1), the term 'qualified national' means a national of Vietnam who—

''(A)(i) was formerly interned in a reeducation camp in Vietnam by the Government of the Socialist Republic of Vietnam; or

''(ii) is the widow or widower of an individual described in clause (i); and

''(B)(i) qualified for refugee processing under the reeducation camp internees subprogram of the Orderly Departure Program; and

''(ii) on or after April 1, 1995, is accepted—

''(I) for resettlement as a refugee; or

''(II) for admission as an immigrant under the Orderly Departure Program.''.

STEVENS (AND MURKOWSKI) AMENDMENTS NOS. 2137–2138

Mr. STEVENS (for himself and Mr. MURKOWSKI) proposed two amendments to the bill, S. 1768, supra; as follows:

AMENDMENT NO. 2137

On page 38, following line 18, insert the following new section:

SEC. . PROVISION OF CERTAIN HEALTH CARE SERVICES FOR ALASKA NATIVES.

Section 203(a) of the Michigan Indian Land Claims Settlement Act (Public Law 105–143, 111 Stat. 2666) is amended—

(1) by inserting ''other than community based alcohol services,'' after ''Ketchikan Gateway Borough,''; and

(2) by inserting at the end the following new sentence: ''Notwithstanding any other provision of law, such contract or compact shall provide services to all Indian and Alaska Native beneficiaries of the Indian Health Service in the Ketchikan Gateway Borough without the need for resolutions of support from any Indian tribe as defined in the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450b(e)).''.

AMENDMENT NO. 2138

On page 38, following line 18, insert the following new section:

SEC. .

Section 326(a) of the Act making Appropriations for the Department of the Interior and related agencies for the fiscal year ending September 30, 1998 and for other purposes (Public Law 105–83, 111 Stat. 1543) is amended—

by striking ''with any Alaska Native village or Alaska Native village corporation'' and inserting ''to any Indian tribe as defined in the Indian Self Determination and Education Assistance Act (25 U.S.C. 450b(e))''.

BOND (AND STEVENS) AMENDMENT NO. 2139

Mr. STEVENS (for Mr. BOND, for himself and Mr. STEVENS) proposed an amendment to the bill, S. 1768, supra; as follows:

On page 15, after line 21, add the following:

SEC. 205. In addition to the amounts provided in Public Law 105–56, $272,500,000 is appropriated under the heading ''Aircraft Procurement, Navy'': *Provided*, That the additional amount shall be made available only for the procurement of eight F/A–18 aircraft for the United States Marine Corps: *Provided further*, That the entire amount shall be available only to the extent that an official budget request for $272,500,000, that includes designation of the entire amount of the request as an emergency requirement as defined in the Balanced Budget and Emergency Deficit Control Act of 1985, as amended, is transmitted by the President to the Congress: *Provided further*, That the entire amount is designated by the Congress as an emergency requirement pursuant to section 251(b)(2)(A) of such Act.

CHAFEE AMENDMENT NO. 2140

Mr. STEVENS (for Mr. CHAFEE) proposed an amendment to the bill, S. 1768, supra; as follows:

On page 17, beginning on line 10, strike ''to be conducted at full Federal expense''.

WYDEN AMENDMENT NO. 2141

Mr. STEVENS (for Mr. WYDEN) proposed an amendment to the bill, S. 1768, supra; as follows:

At the appropriate place in the bill in Title II, insert the following new section:

SEC. . ELIMINATION OF SECRECY IN INTERNATIONAL TRADE ORGANIZATIONS.

The President shall instruct the United States Representatives to the World Trade Organization to seek the adoption of procedures that will ensure broader application of the principles of transparency and openness in the activities of the organization, including by urging the World Trade Organization General Council to—

(1) permit appropriate meetings of the Council, the Ministerial Conference, dispute settlement panels, and the Appellate Body to be made open to the public; and

(2) provide for timely public summaries of the matters discussed and decisions made in any closed meeting of the Conference or Council.

BOND AMENDMENT NO. 2142

Mr. STEVENS (for Mr. BOND) proposed an amendment to the bill, S. 1768, supra; as follows:

On page 46, after line 25, insert:

GENERAL PROVISION

Sec. 1001. Section 206 of the Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 1998 (Pub. L. 105–65; October 27, 1997) is amended by inserting the following before the period: '', and for loans and grants for economic development in and around 18th and Vine''.

CRAIG AMENDMENT NO. 2143

Mr. STEVENS (for Mr. CRAIG) proposed an amendment to the bill, S. 1768, supra; as follows:

Beginning on line 10 on page 35, strike all through line 18 on page 38 and insert in lieu thereof the following new section:

SEC. 405. TRANSPORTATION SYSTEM MORATORIUM.

(a)(1) The Chief of the Forest Service, Department of Agriculture, in his sole discretion, may offer any timber sales that were previously scheduled to be offered in fiscal year 1998 or fiscal year 1999 even if such sales would have been delayed or halted as a result of, any moratorium on construction of roads in roadless areas within the National Forest System adopted as policy or by regulation that would otherwise be applicable to such sales.

(2) Any sales authorized pursuant to subsection (a)(1) shall—

(A) comply with all applicable laws and regulations and be consistent with applicable land and resource management plans, except any regulations or plan amendments which establish or implement the moratorium referred to in subsection (a)(1); and

(B) be subject to administrative appeals pursuant to Part 215 of title 36 of the Code of Federal Regulations and to judicial review.

(b)(1) For any previously scheduled sales that are not offered pursuant to, subsection (a)(1), the Chief may, to the extent practicable, offer substitutes sales within the same state in fiscal year 1998 or fiscal year 1999. Such substitute sales shall be subject to the requirements of subsection (a)(2).

(2)(A) The Chief shall pay as soon as practicable after fiscal year 1998 and fiscal year 1999 to any State in which sales previously scheduled to be offered that are referred to in, but not offered pursuant to, subsection (a)(1) would have occurred, 25 percentum of any receipts from such sales that—

(i) were anticipated from fiscal year 1998 or fiscal year 1999 sales in the absence of any moratorium referred to in subsection (a)(1); and

(ii) are not offset by revenues received in such fiscal years from substitute projects authorized pursuant to subsection (b)(1).

(B) After reporting the amount of funds required to make any payments required by subsection (b)(2)(A), and the source from which such funds are to be derived, to the Committees on Appropriations of the House of Representatives and the Senate, the Chief shall make any payments required by subsection (b)(2)(A) from—

(i) the $2,000,000 appropriated for the purposes of this section in Chapter 4 of this Act; or

(ii) in the event that the amount referred to in subsection (b)(2)(B)(i) is not sufficient to cover the payments required under subsection (b)(2), from any funds appropriated to the Forest Service in fiscal year 1998 or fiscal year 1999, as the case may be, that are not specifically earmarked for another purpose by the applicable appropriation act or a committee or conference report thereon.

(C) Any State which receives payments required by subsection (b)(2)(A) shall expend such funds only in the manner, and for the purposes, prescribed in section 500 of title 16 of the United States Code.

(c)(1) During the term of the moratorium referred to in subsection (a)(1), the Chief shall prepare, and submit to the Committees on Appropriations of the House of Representatives and the Senate a report on, each of the following:

(A) a study of whether standards and guidelines in existing land and resource management plans compel or encourage entry into roadless areas within the National Forest System for the purpose of constructing roads or undertaking any other ground-disturbing activities;

(B) an inventory of all roads within the National Forest System and the uses which they serve, in a format that will inform and facilitate the development of a long-term Forest Service transportation policy; and

(C) a comprehensive and detailed analysis of the economic and social effects of the moratorium referred to in subsection (a)(1) on county, State, and regional levels.

(2) The Chief shall fund the study, inventory and analysis required by subsection (c)(1) fiscal year 1998 from funds appropriated for Forest Research in such fiscal year that are not specifically earmarked for another purpose in the applicable appropriation act or a committee or conference report thereon.''

COCHRAN (AND BUMPERS) AMENDMENT NO. 2144

Mr. STEVENS (for Mr. COCHRAN, for himself and Mr. BUMPERS) proposed an amendment to the bill, S. 1768, supra; as follows:

On page 5, line 10, strike ''that had been produced but not marketed''.

WELLSTONE (AND OTHERS) AMENDMENT NO. 2145

Mr. STEVENS (for Mr. WELLSTONE, for himself, Mr. CONRAD, Mr. DORGAN, and Mr. DASCHLE) proposed an amendment to the bill, S. 1768, supra; as follows:

On page 3, line 6, beginning with ''emer-'', strike all down through and including ''insured,'' on line 7 and insert ''direct and guaranteed''.

On page 3, line 11, following ''disaster'' insert: ''as follows: operating loans, $8,600,000, of which $5,400,000 shall be for subsidized guaranteed loans; emergency insured loans''.

On page 3, line 14, strike ''$21,000,000'' and insert in lieu thereof the following: ''$29,600,000''.

JEFFORDS (AND LEAHY) AMENDMENT NO. 2146

Mr. STEVENS (for Mr. JEFFORDS, for himself and Mr. LEAHY) proposed an amendment to the bill, S. 1768, supra; as follows:

On page 18, between lines 5 and 6, insert the following:

An additional amount for emergency construction to repair the Mackville Dam in Hardwick, Vermont: $500,000, to remain

available until expended: *Provided,* That the Secretary of the Army may obligate and expend the funds appropriated for repair of the Mackville Dam if the Secretary of the Army certifies that the repair is necessary to provide flood control benefits: *Provided further,* That the Corps of Engineers shall not be responsible for the future costs of operation, repair, replacement, or rehabilitation of the project: *Provided further,* that the entire amount shall be available only to the extent that an official budget request of $500,000 that includes designation of the entire amount of the request as an emergency requirement pursuant to section 251(b)(2)(A) of the Balanced Budget and Emergency Deficit Control Act of 1985 (2 U.S.C. 901(b)(2)(A)) is transmitted by the President to Congress: *Provided further,* That the entire amount is designated by Congress as an emergency requirement pursuant to section 251(b)(2)(A) of that Act.

LOTT AMENDMENT NO. 2147

Mr. STEVENS (for Mr. LOTT) proposed an amendment to the bill, S. 1768, supra; as follows:

On page 8 line 14 and 18 of amendment 2100 after the word ''automobile,'' insert the following ''shipbuilding,''.

DASCHLE AMENDMENT NO. 2148

Mr. STEVENS (for Mr. DASCHLE) proposed an amendment to the bill, S. 1768, supra; as follows:

At the appropriate place in Title II, insert the following:

SEC. . In addition to the amounts provided in Public Law 105–56, $35,000,000 is appropriated and shall be available for deposit in the International Trust Fund of the Republic of Slovenia for Demining, Minc Clearance, and Assistance to Mine Victims in Bosnia and Herzegovina: *Provided,* That such amount may be deposited in that Fund only if the President determines that such amount could be used effectively and for objectives consistent with on-going multilateral efforts to remove landmines in Bosnia and Herzegovina: *Provided further,* That such amount may be deposited in that Fund only to the extent of deposits of matching amounts in that Fund by other government, entities, or persons: *Provided further,* That the amount of such amount deposited by the United States in that Fund may be expended by the Republic of Slovenia only in consultation with the United States Government: *Provided further,* That the entire amount shall be available only to the extent an official budget request, for a specific dollar amount, that includes a designation of the entire amount as an emergency requirement as defined in the Balanced Budget and Emergency Deficit Control Act of 1985 is transmitted to Congress by the President: *Provided further,* That the entire amount is designated by Congress as an emergency requirement pursuant to section 251(b)(2)(A) of such Act.

GREGG AMENDMENT NO. 2149

Mr. STEVENS (for Mr. GREGG) proposed an amendment to the bill, S. 1768, supra; as follows:

On page 51, line 8, strike the word ''design,'' and on line 13, strike the words ''federal construction,''.

LEVIN AMENDMENT NO. 2150

Mr. STEVENS (for Mr. LEVIN) proposed an amendment to the bill, S. 1768, supra; as follows:

At the appropriate place in the IMF title of the bill, insert the following:

SEC. . The Secretary of the Treasury shall consult with the office of the United States Trade Representative regarding prospective IMF borrower countries, including their status with respect to title III of the Trade Act of 1974 or any executive order issued pursuant to the aforementioned title, and shall take these consultations into account before instructing the United States Executive Director of the IMF on the United States position regarding loans or credits to such borrowing countries

In the section of the bill entitled ''SEC. . REPORTS.'' after the first word ''account'', insert the following:

(i) of outcomes related to the requirements of section (described above); and (ii).

GRASSLEY (AND STEVENS) AMENDMENT NO. 2151

Mr. STEVENS (for Mr. GRASSLEY, for himself and Mr. STEVENS) proposed an amendment to the bill, S. 1768, supra; as follows:

On page 46, after line 16, insert:

UNITED STATES CUSTOMS SERVICE

CUSTOMS FACILITIES, CONSTRUCTION, IMPROVEMENTS

In addition to the amounts made available for the United States Customs Service in Public Law 105–61, $5,512,000, to remain available until September 30, 2000: *Provided,* That this amount may be made available for construction of a P3–AEW hangar in Corpus Christi, Texas: *Provided further,* That the funds appropriated under this heading may only be obligated 30 days after the Commissioner of the Customs Service certifies to the House and Senate Committees on Appropriations that the construction of this facility is necessary for the operation of the P–3 aircraft for the counternarcotics mission.

On page 50, after line 14, insert:

CUSTOMS FACILITIES, CONSTRUCTION, IMPROVEMENTS

(RESCISSION)

Of the funds made available under this heading in Public Law 102–393, $4,470,000 and Public Law 103–123, $1,041,754 are rescinded.

HUTCHISON AMENDMENT NO. 2152

Mr. STEVENS (for Mrs. HUTCHISON) proposed an amendment to the bill, S. 1768, supra; as follows:

On page 26, after line 11, insert the following:

For an additional amount for ''Wildland and Fire Management'' for wildland and fire management operations to be carried out to rectify damages caused by the windstorms in Texas on February 10, 1998, $2,000,000, to remain available until expended: *Provided,* That the entire amount shall be available only at the discretion of the chief of the National Forest Service: *Provided further,* That the entire amount shall be available only to the extent that an official budget request for $2,000,000 that includes designation of the entire amount of the request as an emergency requirement as defined in the Balanced Budget and Emergency Deficit Control Act of 1985, as amended, is transmitted by the President to the Congress: *Provided further,* That the entire amount is designated by the Congress as an emergency requirement pursuant to section 251(b)(2)(A) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended.

BOXER AMENDMENT NO. 2153

Mr. STEVENS (for Mrs. BOXER) proposed an amendment to the bill, S. 1768, supra; as follows:

On page 21, line 20, delete the number ''$28,938,000'' and insert in lieu thereof ''32,818,000''.

On pate 21, line 23, delete the number ''$28,938,000'' and insert in lieu thereof ''32,818,000''.

On page 22, line 11, delete the number ''$8,500,000'' and insert in lieu thereof ''9,506,000''.

On page 22, line 13, delete the number ''$8,500,000'' and insert in lieu thereof ''9,506,000''.

On page 22, line 25, delete the number ''$1,000,000'' and insert in lieu thereof ''1,198,000''.

On page 23, line 3, delete the number ''$1,000,000'' and insert in lieu thereof ''1,198,000''.

On page 24, insert a new section:

BUREAU OF LAND MANAGEMENT

CONSTRUCTION

For an additional amount for 'Construction', $1,837,000, to remain available until expended, to repair damage caused by floods and other natural disasters: Provided, That the entire amount shall be available only to the extent that an official budget request for $1,837,000, that includes designation of the entire amount of the request as an emergency requirement as defined in the Balanced Budget and Emergency Deficit Control Act of 1985 as amended, is transmitted by the President to the Congress: Provided further, That the entire amount is designated by the Congress as an emergency requirement pursuant to section 251(b)(2)(A) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended.

On page 24, insert a new section:

BUREAU OF INDIAN AFFAIRS

CONSTRUCTION

For an additional amount for 'Construction', $700,000, to remain available until expended, to repair damage caused by floods and other natural disasters: Provided, That the entire amount shall be available only to the extent that an official budget request for $700,000, that includes designation of the entire amount of the request as an emergency requirement as defined in the Balanced Budget and Emergency Deficit Control Act of 1985, as amended, is transmitted by the President to the Congress: Provided further, That the entire amount is designated by the Congress as an emergency requirement pursuant to section 251(b)(2)(A) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended.

DORGAN AMENDMENT NO. 2154

Mr. STEVENS (for Mr. DORGAN) proposed an amendment to the bill, S. 1768, supra; as follows:

On page 24, after line 17, insert the following:

CONSTRUCTION

''For an additional amount for ''Construction, Bureau of Indian Affairs,'' $365,000 to remain available until expended, for replacement of fixtures and testing for and remediation of Polychlorinated biphenyls (PCBs) in BIA schools and administrative facilities, *Provided* that the entire amount shall be available only to the extent that an official budget request for $365,000 that includes designation of the entire amount of the request as an emergency requirement as defined in the Balanced Budget and Emergency Deficit Control Act of 1985, as amended, is transmitted by the President to the Congress: *Provided further,* That the entire amount is designated by the Congress as an emergency requirement pursuant to section 251(b)(2)(A) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended.

TORRICELLI (AND LAUTENBERG) AMENDMENT NO. 2155

Mr. STEVENS (for Mr. TORRICELLI, for himself and Mr. LAUTENBERG) proposed an amendment to the bill, S. 1768, supra; as follows:

On page 59, between lines 7 and 8, insert the following:

SEC. . SENSE OF THE SENATE REGARDING SETTLEMENT OF PROCEEDINGS TO RECOVER COSTS.

It is the sense of the Senate that the Attorney General should not accept a settlement in proceedings to recover costs incurred in the cleanup of the Wayne Interim Storage Site, Wayne, New Jersey, unless the settlement recaptures a substantial portion of the costs incurred by the taxpayer.

LAUTENBERG AMENDMENT NO. 2156

Mr. STEVENS (for Mr. LAUTENBERG) proposed an amendment to the bill, S. 1768, supra; as follows:

At the appropriate place, insert the following:

SEC. . HOUSING OPPORTUNITIES FOR PERSONS WITH AIDS.

(a) Notwithstanding any other provision of law, with respect to the amount allocated for fiscal year 1998, and the amounts that would otherwise be allocated for fiscal year 1999 or any succeeding fiscal year, to the City of Philadelphia, Pennsylvania on behalf of the Philadelphia, PA–NJ Primary Metropolitan Statistical Area (in this section referred to as the ''metropolitan area''), under section 854(c) of the AIDS Housing Opportunity Act (42 U.S.C. 12903(c)), the Secretary of Housing and Urban Development shall adjust such amounts by allocating to the State of New Jersey the proportion of the metropolitan area's amount that is based on the number of cases of AIDS reported in the portion of the metropolitan area that is located in New Jersey.

(b) The State of New Jersey shall use amounts allocated to the State under this section to carry out eligible activities under section 855 of the AIDS Housing Opportunity Act (42 U.S.C. 12904) in the portion of the metropolitan area that is located in New Jersey.

MURKOWSKI (AND BINGAMAN) AMENDMENT NO. 2157

Mr. MURKOWSKI (for himself and Mr. BINGAMAN) proposed an amendment to the bill, S. 1768, supra; as follows:

On page 26, after line 11, insert the following new section: Department of Energy and Strategic Petroleum Reserve

SEC. . STRATEGIC PETROLEUM RESERVE.

For necessary expenses for Strategic Petroleum Reserve facility development and operations and program management activities pursuant to the Energy Policy and Conservation Act of 1975, as amended (42 U.S.C. 6201 et seq.), $207,500,000, to remain available until expended, and the sale of oil from the Strategic Petroleum Reserve required by Public Law 105–83 shall be prohibited: *Provided,* That the entire amount shall be available and the oil sale prohibited only to the extent that an official budget request for $207,500,000, that includes designation of the entire amount of the request as an emergency requirement as defined in the Balanced Budget and Emergency Deficit Control Act of 1985, as amended, is transmitted by the President to the Congress: *Provided further,* That the entire amount is designated by the Congress as an emergency requirement pursuant to section 251(b)(2)(A) of such Act.''.

CLELAND (AND OTHERS) AMENDMENT NO. 2158

Mr. CLELAND (for himself, Mr. COVERDELL, Mr. HARKIN, Mr. KERRY, and Mr. HOLLINGS) proposed an amendment to the bill, S. 1768, supra; as follows:

At the appropriate place, insert the following:

SEC. . DISASTER MITIGATION PILOT PROGRAM.

(a) IN GENERAL.—Section 7(b)(1) of the Small Business Act (15 U.S.C. 636(b)(1)) is amended—

(1) in subparagraph (B), by adding ''and'' at the end; and

(2) by adding at the end the following:

''(C) during fiscal years 1999 through 2003, to establish a pre-disaster mitigation program to make such loans (either directly or in cooperation with banks or other lending institutions through agreements to participate on an immediate or deferred (guaranteed) basis), as the Administrator may determine to be necessary or appropriate, to enable small businesses to install mitigation devices or to take preventive measures to protect against disasters, in support of a formal mitigation program established by the Federal Emergency Management Agency, except that no loan or guarantee shall be extended to a small business under this subparagraph unless the Administration finds that the small business is otherwise unable to obtain credit for the purposes described in this subparagraph;''.

(b) AUTHORIZATION OF APPROPRIATIONS.—Section 20 of the Small Business Act (15 U.S.C. 631 note) is amended by adding at the end the following:

(f) DISASTER MITIGATION PILOT PROGRAM.—The following program levels are authorized for loans under section 7(b)(1)(C):

''(1) $15,000,000 for fiscal year 1999.
''(2) $15,000,000 for fiscal year 2000.
''(3) $15,000,000 for fiscal year 2001.
''(4) $15,000,000 for fiscal year 2002.
''(5) $15,000,000 for fiscal year 2003.

BYRD AMENDMENT NO. 2159

Mr. STEVENS (for Mr. BYRD) proposed an amendment to the bill, S. 1768, supra; as follows:

At the end of the bill add the following General Provision:

''SEC. . Notwithstanding any other provision of law, permanent employees of county committees employed during fiscal year 1998 pursuant to 8(b) of the Soil Conservation and Domestic Allotment Act (16 U.S.C. 590h(b)) shall be considered as having Federal Civil Service status only for the purpose of applying for USDA Civil Service vacancies.''

BINGAMAN (AND HOLLINGS) AMENDMENT NO. 2160

Mr. BINGAMAN (for himself and Mr. HOLLINGS) proposed an amendment to the bill, S. 1768, supra; as follows:

At the appropriate place insert the following:

SECTION 1. SCHOOL SECURITY.

(a) SHORT TITLE.—This section may be cited as the ''Safe Schools Security Act of 1998''.

(b) PURPOSE.—The purpose of this section is to provide for school security training and technology, and for local school security programs.

(c) SCHOOL SECURITY TECHNOLOGY CENTER.—

(1) ESTABLISHMENT.—The Attorney General, the Secretary of Education, and the Secretary of Energy shall enter into an agreement for the establishment at the Sandia National Laboratories in partnership with the National Law Enforcement And Corrections Technology Center—Southeast of a center to be known as the ''School Security Technology Center''. The School Security Technology Center shall be administered by the Attorney General.

(2) FUNCTIONS.—The School Security Technology Center shall be a resource to local educational agencies for school security assessments, security technology development, technology availability and implementation, and technical assistance relating to improving school security.

(3) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this subsection $2,250,000 for each of the fiscal years 1999, 2000, and 2001.

(d) LOCAL SCHOOL SECURITY PROGRAMS.—Subpart 1 of part A of title IV of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7111 et seq.) Is amended by adding at the end the following:

''SEC. 4119. LOCAL SCHOOL SECURITY PROGRAMS.

''(a) IN GENERAL.—From amounts appropriated under subsection (c), the Secretary of Education shall award grants on a competitive basis to local educational agencies to enable the agencies to acquire security technology, or carry out activities related to improving security at the middle and high schools served by the agencies, including obtaining school security assessments, and technical assistance for the development of a comprehensive school security plan from the School Security Technology Center. The Secretary shall give priority to local educational agencies showing the highest security needs as reported by the agency to the Secretary in application for funding made available under this section.

''(b) APPLICABILITY.—The provisions of this part shall not apply to this section.

''(c) AUTHORIZATION OF APPROPRIATION.—There is authorized to be appropriated to carry out this section $10,000,000 for each of the fiscal years 1999, 2000, and 2001.''.

(d) SAFE AND SECURE SCHOOL ADVISORY PANEL.—

(1) ESTABLISHMENT.—There shall be established a panel comprised of the Secretary of Education, the Attorney General, and the Secretary of Energy, or their designees to develop a proposal to further improve school security. Such proposal shall be submitted to the Congress within 18 months of the date of enactment of this Act.

COCHRAN AMENDMENT NO. 2161

Mr. COCHRAN proposed an amendment to the bill, S. 1768, supra; as follows:

On page 3 line 7 of amendment 2100, change to word ''requirement'' to ''requiring''.

BAUCUS (AND OTHERS) AMENDMENT NO. 2162

Mr. BAUCUS (for himself, Mr. BURNS, Mr. DASCHLE, Mr. DORGAN, Mr. HARKIN, Mr. CONRAD, Mr. JOHNSON, and Mr. BUMPERS) proposed an amendment to the bill, S. 1768, supra; as follows:

On page 59, between lines 7 and 8, insert the following:

SEC. . EXTENSION OF MARKETING ASSISTANCE LOANS.

Section 133 of the Agricultural Market Transition Act (7 U.S.C. 7233) is amended by striking subsection (c) and inserting the following:

''(c) EXTENSION.—The Secretary may extend the term of a marketing assistance loan made to producers on a farm for any loan commodity until September 30, 1998.''.

D'AMATO AMENDMENT NO. 2163

Mr. STEVENS (for Mr. D'AMATO) proposed an amendment to the bill, S. 1768, supra; as follows:

On page 38, after line 18, add the following new section:

''SEC. . The Secretary of Transportation and the Secretary of the Interior shall report to the House and Senate Committees on Appropriations and the Senate Committee on Commerce, Science and Transportation and the House Committee on Transportation and Infrastructure not later than April 20, 1998, on the proposed use by the New York City Police Department for air and sea rescue and public safety purposes of the facility that is to be vacated by the U.S. Coast Guard at Floyd Bennett Field located in the City of New York.''

KENNEDY (AND OTHERS) AMENDMENT NO. 2164

Mr. KENNEDY (for himself, Mr. BOND, and Mr. WELLSTONE) proposed an amendment to amendment No. 2120 proposed by Mr. NICKLES to the bill, S. 1768, supra; as follows:

On page 39, in lieu of the matter proposed to be stricken, insert the following:

HEALTH CARE FINANCING ADMINISTRATION

PROGRAM MANAGEMENT

For an additional amount for Health Care Financing Administration, ''Program Management'', $8,000,000.

On page 50, in lieu of the matter proposed to be stricken, insert the following:

GENERAL PROVISION, CHAPTER 11

SEC. 1101. Not to exceed $75,400,000 may be obligated in fiscal year 1998 for contacts with Utilization and Quality Control Peer Review Organization pursuant to part B of title XI of the Social Security Act.

NOTICE OF HEARING

COMMITTEE ON SMALL BUSINESS

Mr. BOND. Mr. President, I wish to announce that the Committee on Small Business will hold a hearing entitled ''The President's Fiscal Year 1999 Budget Request for the Small Business Administration—Part II.'' The hearing will be held on Thursday, April 2, 1998, beginning at 9:30 a.m. in room 428A of the Russell Senate Office Building.

The hearing will be broadcast live on the Internet from our homepage address: http://www.senate.gov/sbc

For further information, please contact Paul Cooksey at 224–5175.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON ARMED SERVICES

Mr. STEVENS. Mr. President, I ask unanimous consent that the Committee on Armed Services be authorized to meet on Thursday, March 26, 1998, at 10 a.m. in open session, to receive testimony on Department of Energy atomic energy defense activities in review of the Defense authorization request for fiscal year 1999 and the future years Defense program.

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

COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS

Mr. STEVENS. Mr. President, I ask unanimous consent that the Committee on Banking, Housing, and Urban Affairs be authorized to meet during the session of the Senate on Thursday, March 26, 1998, to conduct a hearing on the implications of the recent Supreme Court decision concerning credit union membership.

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

COMMITTEE ON ENVIRONMENT AND PUBLIC WORKS

Mr. STEVENS. Mr. President, I ask unanimous consent that the full Committee on Environment and Public Works be granted permission to continue markup of S. 8, the Superfund Cleanup Acceleration Act of 1997, Thursday, March 26, 9:30 a.m., Hearing Room (SD–406).

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

COMMITTEE ON THE JUDICIARY

Mr. STEVENS. Mr. President, I ask unanimous consent that the Committee on the Judiciary, be authorized to hold an executive business meeting during the session of the Senate on Thursday, March 26, 1998, at 10 a.m., in room 226 of the Senate Dirksen office building.

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

COMMITTEE ON LABOR AND HUMAN RESOURCES

Mr. STEVENS. Mr. President, I ask unanimous consent that the Committee on Labor and Human Resources, Subcommittee on Children and Families, be authorized to meet for a hearing on Head Start during the session of the Senate on Thursday, March 26, 1998, at 9:30 a.m.

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

SUBCOMMITTEE ON THE OCEANS AND FISHERIES

Mr. STEVENS. Mr. President, I ask unanimous consent that the Oceans and Fisheries Subcommittee on the Senate Committee on Commerce, Science, and Transportation be authorized to meet on Thursday, March 26, 1998 at 2 p.m. on S. 1221—American Fisheries Act.

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

SUBCOMMITTEE ON STRATEGIC FORCES

Mr. STEVENS. Mr. President, I ask unanimous consent that the Subcommittee on Strategic Forces of the Committee on Armed Services be authorized to meet on Thursday, March 26, 1998 at 2 p.m. to receive testimony on the Department of Defense Domestic Emergency Response Program and support to the interagency preparedness efforts, including the Federal response plan and the city training program, in review of the Defense authorization request for fiscal year 1999 and the future years Defense program.

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

ADDITIONAL STATEMENTS

THE VETERANS BURIAL RIGHTS ACT OF 1998

• Mrs. MURRAY. Mr. President, I am pleased to announce the introduction of the Veterans Burial Rights Act of 1998. I want to personally thank Senator FRANK MURKOWSKI, my colleague on the Veterans' Affairs Committee and the former chairman of the committee, and Senator PAUL SARBANES for joining me in introducing this legislation.

I also want to thank the veterans service organizations that worked with us to draft this very important legislation. I particularly want to thank the veterans of my state who first brought this issue to my attention and who have been true partners in this effort.

I introduced this legislation for a very simple reason: every day, veterans are being buried across this nation without full military honors—honors earned through service to us all. And that is not right.

The Veterans Burial Rights Act of 1998 is a common sense piece of legislation of great importance to the veterans of our country. Our bill requires the Department of Defense to provide honor guard services upon request at the funerals of our veterans. Our bill is the right thing to do.

Our country has asked a lot of our veterans. I believe we have a responsibility to tell each and every veteran that we remember and we honor their service to our country. The Veterans Burial Rights Act of 1998 gives meaning to the words ''on behalf of a grateful nation,'' that accompanies the presentation of the flag to the family at a funeral.

I can speak personally to the importance of this legislation. I lost my own father last year, a World War II veteran and proud member of the Disabled American Veterans. My family was lucky. We were able to arrange for an honor guard at his service. Having the honor guard there for my family made a big difference and a lasting impression. We were all—and particularly my mother—filled with pride at a very difficult moment for our family, as Dad's service was recognized one final time. It should be this way for every family who lays a veteran to rest.

With a downsized military, installations are no longer able to provide trained personnel to perform military honors for every veteran. Veterans service organizations have stepped in and tried to provide the color guard services for deceased fellow veterans. And by most accounts, they do a pretty good job. But VSO's cannot meet the need for color guard services. By their own admission they often lack the crispness and the precision of trained military personnel.

Our veterans' population is getting older. More than 36,000 World War II veterans are dying each month. In my own state, close to 5,000 veterans are being laid to rest each month. We cannot expect a group of older veterans to provide these honor guard services day in and day out for their military peers. We are simply asking too much of a generation that has already given so much.

I believe we have a responsibility to act. This bill will ensure that every veteran receives a funeral worthy of patriotic service to our country. By passing the Veterans Burial Rights Act of 1998, the Congress will send a powerful message to veterans that their service to us all will never be forgotten.

I encourage all Members of the Senate to join in this effort.●

● Mr. MURKOWSKI. Mr. President, on March 24, 1998, I joined Senators SARBANES and MURRAY in a bipartisan effort to correct a policy that is a disservice to our veterans. The issue we are addressing is the failure of the military to provide appropriate representation at a veteran's funeral in a military cemetery. To remedy this failure, we have introduced the ''Veterans Burial Rights Act of 1998'' that corrects this failure.

Currently, the Department of Defense allows commanders in the field to decide what level of military representation there will be at the funeral of a veteran. It is becoming a common practice for the military to send a single representative to provide the mourning family with the American flag along with an audio tape recording of Taps.

Mr. President, I find it astounding that families mourning the loss of a veteran would be expected to bring a boom box to a funeral in order that a tape of Taps can be played. Is this the way the military thinks it is appropriate to honor the memory of a serviceman or woman who has served their country honorably? For the sacrifice that veterans have made, DoD can only respond with a single person and a tape recording. This is a slap in the face of the honor of all who have served.

Mr. President, because I believe veterans deserve more, I have worked with my colleagues Senator MURRAY and Senator SARBANES to set a minimum level of effort by the military for veteran funerals.

As a former Chairman and member of the Senate Veterans Affairs Committee, I know that it is impossible to completely repay our debt to our veterans. However, I believe Congress can find ways to show our gratitude and respect.

On Tuesday, we introduced legislation that requires at least a five person honor guard for veteran burials upon request. DoD, if it chooses, can send a larger contingent, but the five person honor guard will be minimum representation. And the legislation requires that one of the five representatives plays Taps—not a tape recording!

This legislation will also allow National Guard and Reserves to perform this duty, thus increasing the resources available to DoD for this duty. Serving in the honor guard will not count as a period of drill or training. I believe this is necessary to preserve the readiness of the Guard and Reserves, who are playing a larger role in our downsized military.

Mr. President, I know when I have seen funerals with a military honor guard, I walk away humbled. When we pay our respects for those who have served, it is the little things that make the difference. Five men or women participating in the service not only gives a final honor to the veteran but also recognizes the sacrifice the veteran and the family have made.

I hope that my colleagues will join us in cosponsoring the ''Veterans Burial Rights Act of 1998.'' A veteran should be remembered for their service and sacrifice. There is no better way to remind everyone of this, than with a military honor guard. It is the least that we can do to show our respects and gratitude for our veterans.●

● Mr. SARBANES. Mr. President, I am pleased to join with my colleagues, Senators MURRAY and MURKOWSKI, as an original co-sponsor of S.1825, The Veterans' Burial Rites Act of 1998. The purpose of this legislation is to ensure the continued availability of military burial honors to our veterans.

More and more families across the country are discovering that, due to budgetary cutbacks, full military burial honors are not available for their relatives who have served in the armed forces. In many cases that have been brought to my attention, families are now being told that the best they can expect for these loved ones—who clearly deserve a funeral with full military honors—is a taped rendition of ''taps'' and a lone representative from the armed services.

In my view, a society is not only judged by the way it treats its aging, its children and its least fortunate, but also by how it dignifies and honors its deceased. Knowing of the commitment and sacrifice of the armed forces and how important military honors are to those who serve and to their families, it would seem that maintaining these rites would be a high priority for the Department of Defense. It is very difficult for me to understand any degradation or lapse in this regard.

When I first learned of this growing problem, in late 1997, I wrote to the Secretary of Defense, urging him to personally review this matter and identify the means to reinstate traditional military honors for those who have served. I have now joined forces with Senators MURRAY and MURKOWSKI in introducing this legislation in an effort to ensure that full burial honors will always be available to our nation's veterans when requested. Simply, this legislation would ensure that the sufficient manpower and funding is available for requested burial details to consist of at least five members of the armed services, National Guardsmen, or Reservists—including a bugler, a firing party, and a flag bearer.

In my view, the issue is clear and our commitment should be unwavering. Our veterans are always there when this country is in need. Rightfully, they have come to expect certain commitments in return which ensure them the dignity they deserve —in life and in death. In my view, it is our obligation to continue to provide these honors without hesitation and without degradation. I urge my colleagues to support this measure.●

TRIBUTE TO GEORGETOWN COLLEGE: 1998 N.A.I.A. BASKETBALL CHAMPIONS

● Mr. MCCONNELL. Mr. President: I rise today to recognize basketball excellence. As you may know, basketball is a way of life in Kentucky. While people are most familiar with Kentucky's two Divison IA schools, our state also has its share of small schools that do not always receive the recognition they are due. It is one of those schools that I want to recognize today: the 1998 National Association of Intercollegiate Athletics Basketball Champions: the Tigers of Georgetown College, located in the town of Georgetown, Kentucky.

On March 23, led by NAIA first team All-America sophomore center Will Carlton, Georgetown defeated Southern Nazarene College 83–69 in Tulsa, Oklahoma. After a roller coaster first half that included a thirteen point deficit, Georgetown took a one point lead into the locker room at halftime. Midway through the second half, the Tigers exploded for 17–2 run fueled by Carlton and teammate Barry Bowman, who combined for 15 of those 17 points. During the penultimate run, the offense of Carlton and Bowman was supported by solid defense that held Southern Nazarene to only two free throws in the six and a half minutes.

This national title is the first in Georgetown College basketball history. Having lost in the finals on two previous occasions—1961 and 1996—these Tigers, led by coach Happy Osborne finished their dream season with a record of 36–3. They steadily improved their play throughout the tournament, symbolized by their cutting their turnovers from 30 in the first round to only nine in the final.

While this National Championship was the result of a total team effort, it is worth noting that Carlton, a sophomore, and Bowman, a junior, were joined by senior David Shee on the all-tournament team. After averaging nearly 22 points and 12 rebounds in the tournament, Carlton received the Chuck Taylor Most Valuable Player Award for the tournament.

Mr. President, I congratulate Coach Osborne and his team on a marvelous season culminating in this NAIA National Championship, their version of March Madness. And with most of

these Tigers expected to return next year, I look forward to Georgetown successfully defending their crown next year.●

TRIBUTE TO LEONARD STERN

● Mr. TORRICELLI. Mr. President, I rise today to recognize Leonard Stern for receiving the 25th Anniversary Recognition Award from the Meadowlands Regional Chamber of Commerce.

Mr. Stern has been a pioneer in New Jersey's real estate industry and has been crucial to the State's resurgent real estate market. From investing in the New Jersey Meadowlands to Jersey City's waterfront, Mr. Stern's ventures have greatly improved both the health of the economy and the environment in northern New Jersey. By providing jobs and improving infrastructure, Mr. Stern's commercial property has improved the general welfare of the region and has helped prepare it for the challenges of the approaching century.

For over forty years, Mr. Stern has worked to enhance our premier educational institutions. In 1961, he founded the Albert Einstein School of Medicine at Yeshivah University. He established the Presidential Scholars Program at New York University to provide scholarships for qualifying students of all races and creeds. In addition, he has provided invaluable assistance to New York University's School of Business, the Max Stern Regional College, the Max Stern Athletic Center at Yeshiva University and the Manhattan Day School. Mr. Stern's many awards and citations are a testament to his activism within these academic communities.

Leonard Stern's exemplary record of service sets a certain standard for which all Americans should strive. I applaud his efforts and encourage all Americans to follow his example.●

TRIBUTE TO VINCENT R. MAJCHIER

● Mr. DODD. Mr. President, I rise today to pay tribute to one of the best friends that Connecticut's farmers have ever known: Vincent R. Majchier of Franklin, Connecticut.

Mr. Majchier held a number of important posts throughout his life. He was the Connecticut Executive Director of the Farm Service Agency of the U.S. Department of Agriculture, the Deputy Commissioner of Agriculture in Connecticut for a decade, as well as acting Agriculture Commissioner.

Vinny Majchier was uniquely qualified to serve in these positions. He grew up on a farm near Franklin and worked the same land his entire life. He was known throughout the state as the farmer's farmer. Whenever a Connecticut farmer had a problem, they would go to Mr. Majchier and he would do everything in his power to help them. And no problem was too small. I can't remember how many times he came into my Connecticut office to speak on someone else's behalf. It didn't matter if someone's corn fields had flooded, a frost had ruined some crops, or a friend was having problems with the price of pumpkins. Their problem was his problem, and he would do whatever he could to lend a hand.

Mr. Majchier also distinguished himself away from his farm and in the town of Franklin, where he lived his entire life. He served as Chairman of the Franklin Police Advisory Commission. He was a member of the Franklin Board of Selectmen, the Franklin Board of Assessors, the Franklin Board of Tax Review and on the Planning and Zoning board.

He also served as a charter member of the Franklin Lions Club, a trustee of St. Francis of Assisi Church in Lebanon, and a member of the Auxiliary State Police.

While he always had a new activity occupying his time, Vinny Majchier's first priority was always his family and his farm. These two true loves will both serve as his living legacy now that he has passed on.

He was survived by his wife Pauline; his four sons; two sisters; and nine grandchildren. I offer my heartfelt condolences to them all.●

NATIONAL MARITIME ARBITRATION DAY

Mr. LOTT. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of S. Res. 200, introduced earlier today by Senator INOUYE.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

A resolution (S. Res. 200) designating March 26, 1998, as ''National Maritime Arbitration Day.''

The PRESIDING OFFICER. Is there objection to the immediate consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution.

Mr. LOTT. Mr. President, I ask unanimous consent that the resolution and preamble be agreed to, en bloc, the motion to reconsider be laid upon the table, and that any statements relating thereto be printed in the RECORD as if read at the appropriate place.

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

The resolution (S. Res. 200) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, reads as follows:

S. RES. 200

Whereas Congress recognizes the integral role arbitration plays in expeditiously settling maritime disputes;

Whereas the Society of Maritime Arbitrators is a nonprofit, United States based organization providing arbitration and other Alternative Dispute Resolution (ADR) services to the international maritime industry;

Whereas the Society of Maritime Arbitrators has successfully facilitated the resolution of over 3,400 international commercial and maritime disputes since its inception in 1963; and

Whereas the Society of Maritime Arbitrators celebrates its 35th anniversary on March 26, 1998: Now, therefore, be it

Resolved, That the Senate—

(1) designates March 26, 1998, as ''National Maritime Arbitration Day''; and

(2) requests the President to issue a proclamation designating March 26, 1998, as ''National Maritime Arbitration Day'' and calling upon the people of the United States to observe the day with appropriate ceremonies and activities.

ORDERS FOR FRIDAY, MARCH 27, 1998

Mr. LOTT. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in adjournment until 9 a.m. on Friday, March 27, 1998, and immediately following the prayer, the routine requests through the morning hour be granted.

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

Mr. LOTT. As in executive session, Mr. President, I ask unanimous consent that tomorrow morning, immediately following the routine requests, the Senate proceed to executive session and immediately vote on the confirmation of the nomination of Executive Calendar No. 525, the nomination of Margaret McKeown, of Washington, to be U.S. circuit judge for the ninth circuit.

I further ask unanimous consent that immediately following the vote, Executive Calendar No. 504 be confirmed, the motion to reconsider be laid upon the table, the President be immediately notified of the Senate's action, and the Senate then return to legislative session.

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

Mr. LOTT. Mr. President, I now ask unanimous consent that it be in order at this time to ask for the yeas and nays on Executive Calendar No. 525.

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

Mr. LOTT. I therefore 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.

Mr. LOTT. Mr. President, I ask unanimous consent that following the vote at 9, Senators GORTON and MURRAY be recognized for up to 20 minutes each for discussion regarding the Washington State judicial nominations.

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

PROGRAM

Mr. LOTT. Mr. President, for the information of all Senators—I think they already know this by now—this last vote was the final vote of the evening. A rollcall vote now will occur at 9 a.m. tomorrow morning on a judicial nomination. We are having it at that early

hour so that we can accommodate some Senators who have commitments, and also so that we can turn relatively quickly tomorrow to the opening debate on the budget resolution. Senator DOMENICI and Senator LAUTENBERG, the managers of the legislation, will be available, and they will begin the debate. And we hope to use at least 6 hours of that time tomorrow.

Following that vote at 9 o'clock on Friday morning, the Senate will begin the budget resolution, which has 50 hours of time under the statute. We will return to further debate on it on Monday and have a considerable amount of time for debate then.

I think by the close of business tomorrow we will have had a productive week. I thought we could finish things earlier. It took about 3 days longer than I thought on the supplemental, but we have gotten the supplemental down to final action by the Senate. And we could not pass it with the final vote anyway until the House acts. So sometime Tuesday then, assuming the House acts, we would expect to complete the final action on the supplemental appropriations bill.

We have, I think, made progress on the Coverdell education savings account bill. And we will get that issue resolved as to how we take it up one way or the other by or before Tuesday morning. In addition to that, we will have taken up some nominations, and we will have had about 6 hours of time on the budget resolution, as well as the vote on Mexico decertification.

Now, there still remains an awful lot to do to get through the budget resolution. It is quite an experience. We hope to have a more orderly process this time so that we can avoid the final night ''vote-rama'' where we have 10, 20, 30 votes or more in a row. But that will take a lot of cooperation from Senators. And certainly it will take direction from the managers of the bill.

It appears at this time, because of the agreement that has been worked out on the budget resolution, that we will not have a recorded vote on Monday at 5:30 as had been earlier anticipated. I want to check further with both sides of the aisle to make sure that that is agreed to and is acceptable. I think it is important we tell Members as early as possible, but it will give us then more uninterrupted time to work on the budget resolution.

Again, as a reminder to all Members, the next vote will occur tomorrow at 9 a.m.

ADJOURNMENT UNTIL 9 A.M. TOMORROW

Mr. LOTT. Mr. President, if there is no further business to come before the Senate, I now ask unanimous consent that the Senate stand in adjournment under the previous order.

There being no objection, the Senate, at 8:08 p.m., adjourned until Friday, March 27, 1998, at 9 a.m.

NOMINATIONS

Executive nominations received by the Senate March 26, 1998:

IN THE AIR FORCE

THE FOLLOWING-NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES AIR FORCE TO THE GRADE INDICATED WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, U.S.C., SECTION 601:

To be lieutenant general

MAJ. GEN. MICHAEL C. SHORT, 0000

IN THE MARINE CORPS

THE FOLLOWING-NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES MARINE CORPS TO THE GRADE INDICATED WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, U.S.C., SECTION 601:

To be lieutenant general

MAJ. GEN. BRUCE B. KNUTSON, JR., 0000

FOREIGN SERVICE

THE FOLLOWING-NAMED CAREER MEMBERS OF THE SENIOR FOREIGN SERVICE OF THE UNITED STATES INFORMATION AGENCY FOR PROMOTION IN THE SENIOR FOREIGN SERVICE TO THE CLASSES INDICATED:

CAREER MEMBERS OF THE SENIOR FOREIGN SERVICE OF THE UNITED STATES OF AMERICA, CLASS OF MINISTER-COUNSELOR

ALEXANDER ALMASOV, OF VIRGINIA
DAVID L. ARNET, OF VIRGINIA
JAMES J. CALLAHAN, OF MARYLAND
SUSAN ANN CLYDE, OF FLORIDA
GAIL J. GULLIKSEN, OF CALIFORNIA
LLOYD W. NEIGHBORS, JR., OF TEXAS
PAUL RICHARD SMITH, OF MARYLAND
R. BARRIE WALKLEY, OF CALIFORNIA
FRANCIS B. WARD III, OF VIRGINIA

THE FOLLOWING-NAMED CAREER MEMBERS OF THE FOREIGN SERVICE OF THE UNITED STATES INFORMATION AGENCY FOR PROMOTION IN THE SENIOR FOREIGN SERVICE TO THE CLASSES INDICATED:

CAREER MEMBERS OF THE SENIOR FOREIGN SERVICE OF THE UNITED STATES OF AMERICA, CLASS OF COUNSELOR

CESAR D. BELTRAN, OF CALIFORNIA
JANET C. DEMIRAY, OF FLORIDA
VIRGINIA LOO FARRIS, OF CALIFORNIA
JANET E. GARVEY, OF MASSACHUSETTS
RICHARD EUGENE HOAGLAND, OF THE DISTRICT OF COLUMBIA
BARBARA HAVEN NIELSEN, OF NEW YORK
JOHN T. OHTA, OF TENNESSEE
KAREN L. PEREZ, OF MARYLAND
M. ANGIER PEAVY, OF TEXAS
PAUL J. SAXTON, OF VIRGINIA
DON QUINTIN WASHINGTON, OF CALIFORNIA
JAMES HAMMOND WILLIAMS, OF PUERTO RICO

THE FOLLOWING-NAMED PERSONS OF THE AGENCIES INDICATED FOR APPOINTMENT AS FOREIGN SERVICE OFFICERS OF THE CLASSES STATED, AND ALSO FOR THE OTHER APPOINTMENTS INDICATED HEREWITH:

FOR APPOINTMENT AS FOREIGN SERVICE OFFICERS OF CLASS ONE, CONSULAR OFFICERS AND SECRETARIES IN THE DIPLOMATIC SERVICE OF THE UNITED STATES OF AMERICA:

AGENCY FOR INTERNATIONAL DEVELOPMENT

JOAN E. LA ROSA, OF ALASKA
CARL L. LEWIS, OF CALIFORNIA

FOR APPOINTMENT AS FOREIGN SERVICE OFFICERS OF CLASS TWO, CONSULAR OFFICERS AND SECRETARIES IN THE DIPLOMATIC SERVICE OF THE UNITED STATES OF AMERICA:

AGENCY FOR INTERNATIONAL DEVELOPMENT

JULIE DEFLER, OF THE DISTRICT OF COLUMBIA
GEORGE ZEGARAC, OF NEVADA

DEPARTMENT OF COMMERCE

ROBERT O. JONES, JR., OF MARYLAND
KATHLEEN A. KRIGER, OF THE DISTRICT OF COLUMBIA

FOR APPOINTMENT AS FOREIGN SERVICE OFFICERS OF CLASS THREE, CONSULAR OFFICERS AND SECRETARIES IN THE DIPLOMATIC SERVICE OF THE UNITED STATES OF AMERICA:

AGENCY FOR INTERNATIONAL DEVELOPMENT

JEFFREY NOEL BAKKEN, OF MINNESOTA
KAMAU MUATA LIZWELICHA, OF ILLINOIS

DEPARTMENT OF AGRICULTURE

STANLEY S. PHILLIPS, OF VIRGINIA
SUSAN J. REID, OF THE DISTRICT OF COLUMBIA
KEITH D. SCHNELLER, OF WYOMING

DEPARTMENT OF COMMERCE

WILLIAM H. CRAWFORD, OF VIRGINIA
SEAN P. KELLEY, OF TENNESSEE
WILLIAM L. MARSHAK, OF WASHINGTON

FOR APPOINTMENT AS FOREIGN SERVICE OFFICERS OF CLASS FOUR, CONSULAR OFFICERS AND SECRETARIES IN THE DIPLOMATIC SERVICE OF THE UNITED STATES OF AMERICA:

DEPARTMENT OF AGRICULTURE

W. GARTH THORBURN II, OF FLORIDA
MICHAEL D. WOOLSEY, OF VIRGINIA

DEPARTMENT OF COMMERCE

JEREMY KELLER, OF THE DISTRICT OF COLUMBIA
CHARLES T. WINBURN, OF NEVADA

DEPARTMENT OF STATE

RENA BITTER, OF TEXAS
CHRISTOPHER LOWELL BUCK, OF TEXAS
JOHN RANDOLPH CARLINO, OF TEXAS
MICHAEL FRANCIS CAVANAUGH, OF ILLINOIS
GEOFFREY HUNTER COLL, OF NEW YORK
JEWELL ELIZABETH EVANS, OF MISSISSIPPI
MICHAEL GORDON GARVEY, OF NEW YORK
ANTHONY F. GODFREY, OF NEW YORK
ADRIENNE LEE HARCHIK, OF VIRGINIA
BROOK EMERSON HEFRIGHT, OF PENNSYLVANIA
ATUL KESHAP, OF VIRGINIA
SAMUEL ANDREW MADSEN, SR., OF VIRGINIA
BRETT DAMIAN MATTEI, OF CALIFORNIA
WAYNE AMORY MC DUFFY, OF PENNSYLVANIA
RICHARD GUSTAVO MILES, OF FLORIDA
THADDEUS D. PLOSSER, OF THE DISTRICT OF COLUMBIA
CRAIG THOMAS REILLY, OF PENNSYLVANIA
DAVID ALLEN SCHLAEFER, OF TEXAS
ROBERT SETTJE, OF SOUTH DAKOTA
LYNNE P. SKEIRIK, OF MAINE
JOANNE THERESE WAGNER, OF MISSOURI
JOHN EDWIN WARNER, JR., OF TENNESSEE
JASON NIALL WITOW, OF TEXAS
RICARDO F. ZUNINGA, OF VIRGINIA

THE FOLLOWING-NAMED MEMBERS OF THE FOREIGN SERVICE OF THE DEPARTMENT OF COMMERCE AND THE DEPARTMENT OF STATE TO BE CONSULAR OFFICERS AND/OR SECRETARIES IN THE DIPLOMATIC SERVICE OF THE UNITED STATES OF AMERICA, AS INDICATED:

CONSULAR OFFICERS AND SECRETARIES IN THE DIPLOMATIC SERVICE OF THE UNITED STATES OF AMERICA:

DANA D. ABRAHAMSON, OF MARYLAND
ANDREW D. ALEJANDRE, OF VIRGINIA
RAYMOND GENE AMES, OF VIRGINIA
BELA S. BABUS, OF VIRGINIA
RACHEL ELIZABETH BEER, OF VIRGINIA
FRANCIS W. BENDEL, OF VIRGINIA
BEVAN BENJAMIN, OF MISSOURI
VALERIE J. BISHOP, OF VIRGINIA
ELISABETH C. BRANSON, OF CALIFORNIA
BENJAMIN W. BREW, OF VIRGINIA
CARL ALLEN BREWER, OF MARYLAND
SHARYL L. BOWER, OF VIRGINIA
ROBERT HUNTER BURNETT, OF TENNESSEE
CATHY CANTU, OF VIRGINIA
EDMUND R. CARTER, OF VIRGINIA
DAVID D. CLARK, OF VIRGINIA
OWEN ANTHONY CLARKE, OF OHIO
JEREMY CORNFORTH, OF WASHINGTON
SARA M. CRAIG, OF WISCONSIN
ANTHONY JOSEPH DE MARIO, OF VIRGINIA
CHRISTOPHER P. DEVLIN, OF VIRGINIA
JEFFREY S. DIXON, OF VIRGINIA
ROBERT C. DOMAINGUE, OF WASHINGTON
MATTHEW Q. EDWARDS, OF VIRGINIA
CRYSTAL DAWN ERWIN, OF TEXAS
MICHAEL PHILIP EVANS, OF WEST VIRGINIA
GLENN E. FEDZER, OF CALIFORNIA
CAROL A. FLEMING, OF MASSACHUSETTS
NANCY JEAN FISHER, OF VIRGINIA
MICHAEL ANTHONY FOSS, OF VIRGINIA
GLENN M. FRANKLIN, OF VIRGINIA
P. MATTHEW GILLEN, OF VIRGINIA
ALEXANDER C. GOODALE, OF VIRGINIA
DAVID CHARLES GRIER, OF FLORIDA
JOHN HALL GRIFFITH, OF CALIFORNIA
ROBERT T. GRIMSTE, JR., OF VIRGINIA
SARAH COOPER HALL, OF NEW YORK
MARK A. HARDIN, OF VIRGINIA
ELISABETH A. HEALEY, OF NEW YORK
MICHAEL LANCE HERMAN, OF TEXAS
KRISTEN J. HESLINK, OF NEW YORK
DARRIN L. HINK, OF VIRGINIA
MATTHEW C. HURLEY, OF NEW JERSEY
PATRICIA B. HYDE, OF VIRGINIA
DEBORAH L. IRWIN, OF MISSOURI
TROY R. JENDERSECK, OF VIRGINIA
TAREENA L. JOUBERT, OF WASHINGTON
DAVID F. KELLY, OF VIRGINIA
DAVID F. KING, OF VIRGINIA
MARCIA MUEHR KINSEY, OF TEXAS
CHRISTOPHER KLEIN, OF NEW YORK
LEONARD R. KOSTA, OF NORTH CAROLINA
PATER I. KUJAWINSKI, OF ILLINOIS
JOHN LARREA, OF CALIFORNIA
CLINGTON D. LARRY, OF VIRGINIA
YAEL LEMPERT, OF NEW YORK
ALEXIS G. LOPEZ-CEPERO, OF VIRGINIA
DALE NEIL LYMAN, OF COLORADO
KENNETH ARTHUR MARGULIES, OF VIRGINIA
WILLIAM A. MARJENHOFF, OF VIRGINIA
DAVID G. MARKHAM, OF VIRGINIA
PATRICIA A. MC CARTHY, OF VIRGINIA
SHERYL MC CARTHY, OF VIRGINIA
ERIN CATHLEEN MC CONAHA, OF NEW YORK
ALEXANDRA K. MC KNIGHT, OF OHIO
CAROL FABRICIO MEDINA, OF VIRGINIA
KATHARINE G. MEDLIN, OF VIRGINIA
MARIO MCGWINN MESQUITA, OF CALIFORNIA
J. MARK MIDKIFF, OF MARYLAND
GEORGE Z. MILLS, OF VIRGINIA
KIMBERLY V. MILLS, OF VIRGINIA
LORI A. MISAGE, OF VIRGINIA
DAVID L. MURPHY, OF VIRGINIA
JENNIFER LARA MURRAY, OF PENNSYLVANIA

TABITHA RUSSELL OMAN, OF THE DISTRICT OF COLUMBIA
LISA ANNE O'NEILL, OF VIRGINIA
THOMAS ANDREW PALAIA, OF CONNECTICUT
STEPHEN LEE PEYTON, OF VIRGINIA
BONITA S. PEZZI, OF VIRGINIA
CHARLES WILLIAM PHILLIPS, OF VIRGINIA
TIMOTHY F. POLLOCK, OF VIRGINIA
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THE FOLLOWING-NAMED CAREER MEMBER OF THE FOREIGN SERVICE OF THE AGENCY FOR INTERNATIONAL DEVELOPMENT FOR PROMOTION INTO THE SENIOR FOREIGN SERVICE TO THE CLASS INDICATED, EFFECTIVE DECEMBER 7, 1997:

CAREER MEMBER OF THE SENIOR FOREIGN SERVICE OF THE UNITED STATES OF AMERICA, CLASS OF COUNSELOR:

NIMALKA WIJESOORIYA, OF CONNECTICUT

THE FOLLOWING-NAMED CAREER MEMBER OF THE FOREIGN SERVICE OF THE DEPARTMENT OF STATE FOR PROMOTION INTO THE SENIOR FOREIGN SERVICE TO THE CLASS INDICATED, EFFECTIVE FEBRUARY 16, 1997:

CAREER MEMBER OF THE SENIOR FOREIGN SERVICE OF THE UNITED STATES OF AMERICA, CLASS OF COUNSELOR:

ROBERT M. BRITTIAN, OF MARYLAND

THE FOLLOWING-NAMED CAREER MEMBER OF THE FOREIGN SERVICE OF THE DEPARTMENT OF STATE FOR PROMOTION INTO THE SENIOR FOREIGN SERVICE TO THE CLASS INDICATED, EFFECTIVE DECEMBER 24, 1995:

CAREER MEMBER OF THE SENIOR FOREIGN SERVICE OF THE UNITED STATES OF AMERICA, CLASS OF COUNSELOR:

CHRISTOPHER W. RUNCKEL, OF WASHINGTON

THE FOLLOWING-NAMED CAREER MEMBER OF THE FOREIGN SERVICE OF THE DEPARTMENT OF STATE FOR PROMOTION INTO THE SENIOR FOREIGN SERVICE TO THE CLASS INDICATED, EFFECTIVE NOVEMBER 28, 1993:

CAREER MEMBER OF THE SENIOR FOREIGN SERVICE OF THE UNITED STATES OF AMERICA, CLASS OF COUNSELOR:

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