United States
of America

Congressional Record

PROCEEDINGS AND DEBATES OF THE 105th CONGRESS, FIRST SESSION

Vol. 143 WASHINGTON, WEDNESDAY, JANUARY 29, 1997 *No. 9*

House of Representatives

The House was not in session today. Its next meeting will be held on Tuesday, February 4, 1997, at 12:30 p.m.

Senate

WEDNESDAY, JANUARY 29, 1997

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:

Almighty Lord, the same yesterday, today, and forever, You have been our help in ages past and are our hope for years to come. The sure sign of an authentic relationship with You is that we believe in the future more than the past, and that our previous experiences of Your grace are only a prelude to Your plans for us.

Give us a fresh burst of enthusiasm for the next stage of the unfolding drama of the American dream. Infuse our souls with vibrant patriotism, energize our efforts with the power of Your spirit. You have made politics a high calling. In response we commit our time, effort, and resources to the sacred service of formulating public policy in keeping with Your will for our beloved Nation. May all that we do and are today be so obviously an expression of Your truth, righteousness, and justice for our Nation that we can press on with the confidence of Your blessing. In the name of our Lord and Savior. Amen.

RECOGNITION OF THE ACTING MAJORITY LEADER

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

SCHEDULE

Mr. COATS. Mr. President, on behalf of the majority leader I announce the schedule for today's session. This morning, the Senate will be proceeding to executive session to begin 30 minutes of debate on the nomination of Andrew Cuomo to be Secretary of Housing and Urban Development. All Senators should expect the rollcall vote to begin on that nomination at approximately 10 a.m. this morning. Following that vote, the Senate will begin a period of morning business to allow Senators to introduce legislation and make statements.

The majority leader has also announced that it is possible today the Senate will begin debate on the nomination of William Daley to be Secretary of Commerce. However, the rollcall vote on that nomination is not expected to occur until tomorrow and all Members will be notified accordingly.

EXECUTIVE SESSION

The PRESIDENT pro tempore. Under the previous order, the Senate will now go into executive session to consider the nomination of Andrew Cuomo to be Secretary of Housing and Urban Development.

NOMINATION OF ANDREW M. CUOMO OF NEW YORK TO BE SECRETARY OF HOUSING AND URBAN DEVELOPMENT

The assistant legislative clerk read the nomination of Andrew M. Cuomo of New York to be Secretary of Housing and Urban Development.

The PRESIDENT pro tempore. The able Senator from New York is recognized.

PRIVILEGE OF THE FLOOR

Mr. D'AMATO. Mr. President, I ask unanimous consent that Melody Fennel and David Hardiman be permitted privileges of the floor during consideration of the pending nomination.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. D'AMATO. Mr. President, I rise today to support a native New Yorker, a fellow New Yorker, Andrew Cuomo, to be Secretary of the Department of Housing and Urban Development. I am pleased that the Senate Banking Committee reported Mr. Cuomo's nomination yesterday by a unanimous vote. I am privileged to support the confirmation of a native New Yorker, particularly one who has done so much in the area of housing in such a relatively short period of time. I commend Mr. Cuomo for his record of public service, first as an advocate for the homeless, and second in terms of his stewardship as Assistant Secretary for Community Planning and Development at HUD.

Since 1993, the Secretary has successfully presided over an annual budget of nearly $10 billion, encompassing a wide diversity of housing, community, and economic development programs. He has shown innovation, insight, and tireless efforts to serve our cities, suburbs and rural areas. He has done so in a way that has avoided partisanship with an eye toward giving to many of those who would otherwise not have the opportunity for good, safe, affordable housing. That is his record as it relates to the private sector in providing transitional housing for the homeless.

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

It is not good enough, Mr. President, to simply say, ''Let's build a shelter, temporary, for the homeless,'' and bring them off the streets and leave them in a situation that during the day, or when the weather is not inclement, they go back out into the community and wander around aimlessly. We cannot then think the community has met its obligation, its moral and ethical responsibilities to those people—when we take them back in during inclement weather but again discharge them.

Mr. Cuomo, as a young man in 1986, founded and served as president of Housing Enterprise for the Less Privileged, known as HELP. HELP is a provider of housing which uses a strategy to move homeless people from the streets to transitional housing with supportive services to deal with the number of problems that these families may have, like drug addiction and alcohol addiction. HELP was a model for his approach to homelessness that he utilized at the Department of Housing and Urban Development. HELP is providing assistance for over 4,000 people each year.

His grassroots background working in communities, not coming in opposition and thrusting a program upon the community, but working with the community and the private sector, has helped provide him with the insights that I think are so necessary in order for us not to have a department that looks down upon the cities and the States and the communities, but instead works with them in partnership.

Mr. President, let me suggest the Department of Housing and Urban Development needs a lot of work. It needs to be improved. There are some very serious problems. Indeed, unless we address those problems we could face a very difficult situation with hundreds of thousands of people being in a position that they are unable to live in a decent place. We are now approaching a situation that has built up over the years. Our section 8 program's current renewal budget is something in the area of $3.4 billion. That is what we are going to spend to help people who live in this section 8 assisted housing pay for the differential in terms of what they can afford to pay and what the rent is established at. Mr. President, 38 percent are senior citizens. That budget need will rise this October from $3.4 billion to over $10 billion.

The total HUD budget is only $20 billion. And we have an increase of approximately $7 billion. Where will that money come from? Are we going to increase? Is the administration and the Congress going to increase by $7 billion the HUD budget? I do not think so.

This is going to take innovative leadership. It is going to take a husbanding and directing of resources in the way they should be directed to maximize our spending. I believe it will take a more enlightened approach by the administration and Congress to deal with the insufficiency of resources that HUD presently has.

I do not think it is going to be an easy job to get additional resources given the fact that the inspector general has indicated that there are some very severe problems that exist at HUD. There are serious problems ahead that the new Secretary and the Congress are going to have to deal with. HUD faces a fiscal crisis. Hard choices are going to have to be made.

This really calls upon all of us, including the Secretary under his leadership, to work together to ensure that our Nation's most needy, particularly our senior citizens, are not going to be jeopardized as a result of this fiscal crisis that we are facing. Again that crisis is going to be upon us sooner rather than later. It will be with us this coming October.

In conclusion, Mr. President, I again say that after a very thorough nomination hearing, and Mr. Cuomo meeting with just about every Banking Committee member, the committee unanimously voted for his confirmation. I look forward to a successful confirmation of Andrew Cuomo so that we can begin to work toward our mutual goals of improving access to housing in all of our Nation's communities.

I strongly urge my colleagues to approve this confirmation, and I applaud the President for choosing Andrew Cuomo and designating him to be our next Secretary of HUD.

Mr. President, I yield the floor.

Mr. SARBANES addressed the Chair.

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

Mr. SARBANES. I thank the Chair.

Mr. President, I join my colleague, the chairman of the Banking Committee, Senator D'AMATO of New York, in strong support of the nomination of Andrew Cuomo as the next Secretary of the Department of Housing and Urban Development.

In my judgment, Mr. Cuomo is well qualified for this position. In addition to his background, experience, and record of significant achievement, Andrew Cuomo will provide the Department with stability and continuity since he has been an Assistant Secretary at the Department over the past 4 years.

As HUD's Assistant Secretary for Community and Planning Development, Andrew Cuomo played a significant role in this administration's efforts to revitalize America's distressed communities and a significant role in their efforts to restructure the Department itself. In that regard, outgoing HUD Secretary Henry Cisneros—who I think deserves the thanks of all of us for the very stellar service he has given to the Nation—made significant progress in addressing the management difficulties that confronted the Department at the beginning of his tenure. Andrew Cuomo was part of that team, and his familiarity with the way the Department works and the reforms now underway will provide for a smooth transition that will allow this progress to move forward.

Mr. Cuomo's activities in the realm of housing and urban development prior to his joining the Department at the beginning of the first Clinton administration demonstrated the initiative and innovation that he has brought with him to the Department. He created HELP, a homeless assistance organization that is now the Nation's largest provider of transitional housing for the homeless. He also developed the alternative approaches to urban revitalization and community development that led to the founding of the Genesis project, a program that has created partnerships between State and local governments and the private sector to provide affordable housing.

Mr. Cuomo has put this past experience and the vision connected therewith to work over the past 4 years as HUD Assistant Secretary for Community Planning and Development. His achievements during this period in that office were many. This morning, I want to underscore three achievements, in particular, that indicate his promise as he takes on the larger challenge of stewardship of the entire Department of Housing and Urban Development.

First, I want to commend Mr. Cuomo's administration of the HOME Investment Partnership Program. Chairman D'AMATO and former housing subcommittee chairman, Senator Alan Cranston, were very much involved in establishing the HOME program. When the Clinton administration arrived, the relatively new HOME program was moving slowly, seemingly mired in regulation. Mr. Cuomo took the initiative in eliminating those regulations that were obstructing the program's progress. He worked closely with State and local governments and the private sector—both for-profit and nonprofit—to identify the features of the HOME program that needed to change in order to allow the program to function better. The result of his hard work is the effective housing program that HOME has become today. State and local governments, in conjunction with private for-profit and private not-for-profit partners, are producing significant results using HOME funds for activities ranging from housing rehabilitation to home ownership assistance.

Mr. Cuomo has also earned praise for his tireless work on behalf of the homeless. After 4 years as Assistant Secretary, he can take the credit for changing the way that our Nation's homeless programs are administered at the local level. Under his leadership communities have now instituted a continuum of care approach. The continuum of care is a phrase that Andrew Cuomo coined for a comprehensive system of assistance that provides prevention, outreach and screening, emergency shelters, transitional and supportive housing, and permanent housing with services to the homeless where needed. I have seen the effectiveness of the service delivery that comes

with the local planning and coordination that are at the core of the continuum of care approach. Andrew Cuomo has made these happen.

Third, Mr. Cuomo deserves recognition for his direction of the HUD programs that assist local economic development. He has worked hard to make the Community Development Block Grant Program a more effective tool for local communities pursuing new economic development opportunities. He has also expanded the section 108 loan guarantee program, greatly improving that program's use by local government. And, he has served ably as the principal Federal official charged with the implementation of the Empowerment Zone and Enterprise Community Programs. All of these activities will become increasingly important as the Nation struggles with its commitment to move families from welfare to work.

Andrew Cuomo reiterated his commitment to his role as HUD Secretary in his statement before the Banking Committee last week, and I quote him:

> Our goal must be to create a future unlike any that has come before—a future open to all—in which no person is left behind and in which no community is forgotten. A future in which everyone willing to do his or her part will be empowered with the tools to reach as high as their talents and hard work will take them.

Mr. President, it is clear why President Clinton has selected Andrew Cuomo as the next Secretary of the Department of Housing and Urban Development. I urge my colleagues to join with me in supporting this very fine nomination.

Mr. President, I yield to the Senator from Connecticut whatever time he may require.

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

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

Mr. DODD. Mr. President, I rise today in strong support of the nomination of Andrew Cuomo for the Secretary of Housing and Urban Development.

Those of us who have worked closely with Andrew Cuomo over the years, and have witnessed his remarkable range of skills, know that he will become an outstanding leader for the Department. He has a remarkable record of achievement in both the public and private sectors.

I commend President Clinton for selecting him to help our communities prepare for the next century.

For a number of years, Andrew Cuomo worked on the frontlines of community development. Although he could have lived a comfortable life as a partner at an established law firm, he answered the call to public service. In 1986, he started an organization called HELP, that worked to improve the lives of homeless people.

Under his leadership, HELP grew to 500 employees, and used its $30 million annual budget to build more than 120 million dollars worth of housing and help thousands of homeless people move off the streets.

While developing HELP, Andrew Cuomo realized that it was not enough to simply build housing. Although shelter was a key part of the formula for success, homeless people could not move to productive lives without additional support. Consequently, HELP also provided opportunities designed to make the homeless self-sufficient, including substance abuse treatment, mental health care, job training, education, and child care.

This experience at the local level, the hands-on effort to build housing and transform lives, gave Andrew Cuomo invaluable experience. He met a payroll. He dealt with Government bureaucracies. And he learned that public-private partnerships will only work if everyone performs efficiently.

Andrew Cuomo brought those lessons to HUD, when he was confirmed as Assistant Secretary of Community Planning and Development in 1993. His consolidated planning effort merged 12 bureaucratic processes into a streamlined system.

This system reduced paperwork and redtape. Now communities can use Government programs more effectively. We need more efforts like this—where the Federal Government is not the problem, but part of the solution.

Additionally, Andrew Cuomo helped make HUD's homeless programs work better. With the knowledge gained from his experience at HELP, he implemented a new continuum of care strategy. This strategy addresses each part of the homeless problem—from the emergency situation where someone is sleeping on the street, to the drug and alcohol problems that must be treated when a person is in transitional housing, to the final job-training efforts that are necessary to help someone become a productive and member of society.

This comprehensive approach to complex problems will be critical in the years ahead. Welfare reform will have a dramatic effect on cities across this country. We must all work to ensure that efforts to solve one problem do not create new problems.

In the years ahead, we must do much more to rebuild our cities. Too many families are trapped by poverty and despair. We have to free their talents with better educational and job-training opportunities. And most importantly, we must help people find work, because a good-paying job—and the respect and self-esteem that come with it—provides the foundation for a better life.

Andrew Cuomo's dedicated efforts to expand economic opportunity will play a critical role in helping to meet this challenge. At HUD, he helped strengthen job creation tools, including the Economic Development Initiative which provides low-interest loans to cities. With these tools, communities have leveraged over $8 billion from private sources, and helped put thousands of Americans to work.

In short, Andrew Cuomo offers the talent, dedication, and leadership that HUD needs to help communities meet the challenges of the next century.

During the Banking Committee hearing on his nomination, he demonstrated a keen understanding of the problems facing HUD, including staffing issues, expiring section 8 contracts, and the need to revitalize our cities. I am confident he will be an outstanding Secretary, and I urge my colleagues to support his nomination.

Before closing, I would also like to commend the outgoing Secretary, Henry Cisneros, for his outstanding work. When he took the reins back in 1993, the future of HUD looked bleak. The Department was still struggling to recover from years of corruption, mismanagement, and low morale. The turnaround has been remarkable.

Under the leadership of Secretary Cisneros, HUD is now a stronger partner in the national effort to build better communities. With a smaller work force, HUD is running more efficiently. Around the country, people are regaining confidence in the department.

The changes in public housing are a good example of the changes. Every Member of this body knows how badly conditions had deteriorated in some public housing developments.

I have been through too many buildings that were covered with graffiti, where the ceilings and walls were falling apart, and where families were afraid to go out after dark because gangs controlled the neighborhood.

Secretary Cisneros saw this national disgrace, and took action. HUD is well on its way to tearing down 100,000 units of decayed and dangerous housing. Working with the resilient residents who want to build a better neighborhood, he has brought not only better living conditions, but a sense of hope to families across this Nation.

In my home State of Connecticut, these efforts are helping to transform urban neighborhoods. At the Charter Oak Terrace development in Hartford, residents will soon have better housing, educational programs, and job opportunities. In New Haven, the redevelopment of the Elm Haven apartments will also help lift families out of poverty.

Working together, Henry Cisneros and Andrew Cuomo have already accomplished a great deal. With that experience, Andrew Cuomo will hit the ground running and build upon that record of success. I look forward to working with him in the years ahead.

Let me say in summation for those of us who have worked with and known Andrew Cuomo, this is going to be a

very fine appointment. He understands the agency now, having been there for 3 years in a major capacity. He knows the personnel. He has demonstrated abilities, as I mentioned, in developing the kind of efficiencies in HUD that are absolutely critical.

My hope is that the housing issues and related subject matters will once again become what they were initially, and that is a bipartisan subject. When housing initiatives were identified and supported back in the late 1940's, it was through the efforts of Republicans and Democrats who said that decent, affordable shelter ought not to be something that divides people based on politics or party. I think it is vitally important we get back to that.

We have a wonderful opportunity, in my view, with the chairman of the committee, Senator D'AMATO, and the ranking member, Senator SARBANES, who understand these issues, and a very fine staff that wants to work on them. The fact that Andrew Cuomo comes from New York, the home State of the chairman of the committee, can only strengthen the excellent relationship between the Senate Banking Committee and HUD. I look forward to a new era of cooperation and bipartisanship in seeing to it that decent, affordable shelter and economic development are given the attention they deserve.

With that in mind, I am delighted to join my colleague from New York and my colleague from Maryland and others in strongly endorsing the nomination of Andrew Cuomo to be the Secretary of Housing and Urban Development.

I yield the floor.

Mr. KERRY. Mr. President, today I would like to stress my unambiguous support for President Clinton's nomination of Andrew Cuomo to serve as the next Secretary of the Department of Housing and Urban Development.

In my opinion, Mr. Cuomo has the potential to be one of the strongest HUD Secretaries in the agency's 30 years of existence. Not only does Andrew Cuomo bring strong and relevant skills to this job, but Mr. Cuomo will inherit an agency that is moving in the right direction.

HUD is in much better shape than the agency was in when Henry Cisneros arrived. HUD had suffered greatly during the 1980's from mismanagement and scandal. Secretary Cisneros applied his boundless energy and unique vision to a very difficult task. Those who oppose HUD's important mission tried to use the management difficulties at HUD as an excuse for eliminating the agency. The success of Secretary Cisneros' stewardship has deflated calls for HUD's elimination and has instead changed the national conversation about HUD and housing policy.

In this new conversation on housing programs, we can talk about the transformation of public housing. You can easily witness this transformation at many sites across the country. In my state, you can see public housing changing at the Orchard Park redevelopment site in Boston and at the Jackson Parkway HOPE VI site in Holyoke, MA. These HOPE VI sites have become the lifeblood for thousands of people and whole communities.

We can also talk about HUD's positive role as a partner with our States and cities: In Massachusetts, HUD is a partner with the State housing agency in a property disposition demonstration. In the neighborhoods of Roxbury and Allston-Brighton, HUD is a partner with the city and the nonprofit community development corporations using CDBG and HOME funds to revitalize distressed neighborhoods.

And, we are able to change the way we talk about cities: Violent crimes in the Nation's 50 largest cities have declined by an average of 13 percent, unemployment has been cut by 3.1 percent in the past 4 years, and home ownership has expanded with nearly 700,000 central city residents having become homeowners since 1990.

Andrew Cuomo has played an important role in these changes. He has helped to change this agency and its role in America's communities. And, because he has been a major player at HUD over the last 4 years, he will be able to capitalize on the progress that he and his predecessor have made.

We can be confident that Andrew Cuomo will be successful over the next 4 years because he has been extremely successful over the last 4. Mr. Cuomo has directed the empowerment zone and enterprise community programs for the Federal Government, he has made major changes in the administration of HUD's homeless assistance programs, he has nurtured and supported the highly successful YouthBuild Program, and he has expanded and improved upon the role that HUD plays in assisting the economic development of distressed communities. He has already made a major mark. He is well prepared to take over the reins at HUD.

In closing, Mr. President, let me reiterate my strong support for this nominee. Most importantly, he comes from one of the major urban centers in the country and from a tradition of paying attention to and assisting our communities. Over the course of the next few years, HUD could face some very tough choices and we need to understand what the consequences of those choices will be. Andrew Cuomo is wholly qualified to meet the challenges that he will face. As the ranking member of the subcommittee with primary responsibility for HUD and its programs, I pledge to do all that I can to aid Mr. Cuomo in succeeding as HUD Secretary. I look forward to working with him over the next 4 years to restore the agency, reinforce its mission, preserve affordable housing, and make significant progress in meeting the housing needs of our people and in revitalizing our distressed communities.

Ms. MIKULSKI. Mr. President, I offer today my strong support for the confirmation of Andrew Cuomo as the new Secretary of Housing and Urban Development.

I want my colleagues to know that Mr. Cuomo is a proven leader in the housing and community development field. For the past 4 years, he has served as the assistant secretary for HUD's Office of Community Planning and Development. While managing a $10 billion portfolio that has doubled over the last 4 years, he helped reduce administrative overhead by 20 percent—helping us to get more bang for the taxpayers buck. Mr. Cuomo's efforts in merging 12 bureaucratic processes into one streamlined system known as consolidated planning won him the Innovations in American Government award for 1996 from Harvard University's John F. Kennedy School of Government. His goal of streamlining, decentralizing, and consolidating programs is one that I have advocated for years as chairman and ranking member of the VA, HUD and Independent Agencies Appropriations Subcommittee. Many of Mr. Cuomo's initiatives were based on the recommendations made by the National Academy of Public Administration in a report that I commissioned as chairman of the subcommittee.

Mr. Cuomo has also overseen the implementation of the Empowerment Zone and Enterprise Community Initiative, which has combined local community planning with Federal dollars to help produce new jobs and housing in 72 cities. He also created a new economic development initiative which worked in conjunction with a loan guarantee program to provide $1.85 billion in much needed low-interest loans for cities in 1995, up from $229 million in 1993. Mr. Cuomo's work on implementing the continuum of care strategy to help the homeless has led to 14 times as many homeless people being served with only twice the funding. In addition, his emphasis on coordination of services and resources has generated 30 times more private and nonprofit dollars since 1992. His focus on real results instead of simplistic statistical compilations of program activity is one which I share and strongly commend.

Mr. Cuomo's service in the field dates back to his founding in 1986 of HELP—Housing Enterprises for the Less Privileged, which grew to become the Nation's largest provider of transitional housing for the homeless. Mr. Cuomo also founded the Genesis project—which develops comprehensive approaches to linking community development with affordable housing. His experiences on the front lines of the battle against urban poverty and despair help him to make practical decisions that work in the real world.

Mr. President, I look forward to working with Mr. Cuomo on making the Department of Housing and Urban Development a more effective and efficient agency. There are major issues that the Department and the Congress

must address this year. We must continue to work to find solutions to the problem of the over-subsidized Section 8 assisted housing inventory. I will continue to insist that we don't create an additional burden for the taxpayers, and that we find a solution that does not lead to community destabilization.

Mr. President, we must also work with Mr. Cuomo to ensure that HUD maintains proper oversight and standards for local public housing authorities. HUD must stand sentry and ensure that local public housing authorities are providing real opportunities—not hollow opportunities—and ensuring adequate housing for the poor citizens of our Nation. I want to work with Mr. Cuomo on ending what I call the zip codes of pathology that have resulted from the programs of the past. We have repealed—in our annual appropriations bills—the Federal preferences that concentrated the poorest of the poor in one area. I will work with Mr. Cuomo and my colleagues on the Banking Committee to make these repeals permanent, in addition to the repeal of such Federal requirements as one-for-one replacement, take-one-take-all, and endless leases.

Mr. President, there is much work to be done at HUD. We must continue to streamline the agency, demolish the worst public housing, and deliver programs that focus on personal and community empowerment. I was pleased to see in Mr. Cuomo's testimony before the Senate Banking Committee on January 22, 1997, he noted that ''the object of our efforts must be the development of self-sufficiency, not the perpetuation of government programs.'' Indeed, the days of a bloated bureaucracy with a focus only on bricks and mortar are gone. We must combine local sweat equity and public-private partnerships with Federal dollars to help rebuild the social fabric of our deteriorating communities. I look forward to working with Mr. Cuomo to make HUD a model agency that makes a real difference in the lives of the people it serves. I will support his efforts to make HUD smarter, smaller and better. I am certain he is up to the task.

Mr. DOMENICI. Mr. President, I believe Andrew M. Cuomo has the potential to be our Nation's finest Secretary of Housing and Urban Development. I am impressed with his understanding of our Nation's budget situation, and I am equally impressed with his commitment to meeting the housing challenges of needy Americans.

Andrew Cuomo impressed the Senate Banking Committee with his understanding of the section 8 crisis that is upon us. Section 8 is the program by which HUD provides landlords with the necessary subsidies to allow them to rent their property to low-income Americans. A typical section 8 HUD payment will make up the difference between the actual market rent and the ability of the renter to pay. Thus, landlords continue to provide private housing stock to needy Americans. Because many of the 20-year contracts for section 8 housing are expiring, new Federal commitments of $16.4 billion are needed by the year 2002. Continuing this basic HUD program will require careful balancing to avoid crowding out other needed housing and community development programs.

I have personally worked with Mr. Cuomo in his valiant efforts to increase funding for housing the homeless while streamlining the many HUD homeless programs. Together, and with the able guidance of the Senate Banking Committee chairman, Senator D'AMATO, we have consolidated them into fewer grants with greater and more reliable impact on the very tough problems of homeless Americans.

A little known HUD section 811 program for the disabled has come a long way under Mr. Cuomo's direction. HUD makes better housing available for the mentally ill and mentally retarded at reasonable costs, so that a handicapped person living on supplemental security income and Medicaid can afford to try more independent living. More group homes have been started to give these disabled Americans a fighting chance at independent living. I am confident that Secretary Cuomo will not abandon the mentally ill or the homeless when he makes his hard budget choices in the next few critical years.

Andrew Cuomo is the founder of the largest provider of homeless services in the Nation. He did this in his native State of New York. There he learned first hand the true value of federal housing assistance as well as its limitations and frustrations. Now he will lead the nation's efforts to help others like himself do the best possible for those most in need of temporary and permanent housing.

Before he left his widely respected HELP nonprofit in New York, Andrew Cuomo had built an organization with 350 employees, a $25 million budget, and more then $120 million worth of needed and affordable housing. While serving as HUD Assistant Secretary for Community Planning and Development, Andrew Cuomo got the Empowerment Zone and Enterprise Community Programs up and running after a stiff national competition to select participating towns and cities in urban and rural America.

Under his leadership, the fledgling HOME affordable housing program increased its achievements from less than 2,000 units of affordable housing to over 110,000 units across America. Andrew Cuomo created the HUD Economic Development Initiative, now seen by mayors as their most flexible economic development tool for revitalizing poor communities through a unique combination of HUD resources.

As he said in his confirmation hearing, HUD can be a vital partner with State and local government by being ''smarter, smaller, and better.'' He has a keen eye for the projects that can attract private sector support. He understands the support HUD can give these projects in revitalization efforts in our inner cities and in rural towns.

I was very impressed with his observation that ''the pride and dignity of having a job and earning one's own bread is the best social services program that exists.''

Mr. President and Senate colleagues, I highly recommend Andrew M. Cuomo for the important job of Secretary of Housing and Urban Development. I urge you to vote in favor of his confirmation today. If you vote to confirm Mr. Cuomo, you will be doing a great service to the millions of Americans whose lives will be touched by his active and creative leadership.

Ms. MOSELEY-BRAUN. Mr. President, I strongly support the nomination of Assistant Secretary Andrew Cuomo to be the next Secretary of the U.S. Department of Housing and Urban Development and I look forward to his confirmation by the Senate today.

As a member of the Banking Committee, I had the pleasure of participating in Mr. Cuomo's confirmation hearing. I continue to be impressed by Mr. Cuomo's commitment to expanding housing opportunities for the people of this Nation and to cutting the bureaucracy which too often hinders such efforts.

When Congress passed the Public Housing Act of 1937, the findings stated, ''It is the policy of the United States to promote the general welfare of the Nation by employing its funds and credit * * * to remedy the unsafe and unsanitary housing conditions and the acute shortage of decent, safe, and sanitary dwellings for families of lower income * * *'' In other words, it is in the Nation's best interest to invest in housing for the American people.

In both word and deed, Andrew Cuomo has demonstrated that he believes in the goals of the 1937 act. From his work founding HELP, the Nation's largest nonprofit provider of transitional housing for the homeless, to his efforts as Assistant Secretary for the Office of Community Planning and Development at HUD, Secretary-designate Cuomo's commitment to expanding housing opportunities for all Americans is clear.

His work was recognized by former New York City Mayor David Dinkins who named Andrew Cuomo chairman of the New York City Commission on the Homeless. The commission's report, ''The Way Home: A New Direction in Social Policy,'' suggested a continuum of care policy that was adopted by the mayor and has been recognized nationally as a model for ending homelessness.

One of the reasons that I am particularly pleased to be supporting this nominee today is that his approach to expanding housing opportunities is multifaceted. When we talk about housing, we are, in reality, talking about community. The home is the building block of the community which in turn is the building block of the Nation.

In order to build community, it is foolish to ignore the availability of capital, the presence or lack of jobs, the wealth or poverty of the residents, or the ability of people to pay their own way, now or in the future.

Andrew Cuomo understands that people often need not only a home, but a job to pay for that home. And he understands the fundamental role of public/private partnerships in providing access to both.

Under his tenure as Assistant Secretary for Community Planning and Development, there has been an increase in the amount of investment available for job creation, business expansion, and capital access for cities, a more effective strategy for reducing homelessness, and the implementation of the important empowerment zone/enterprise community initiatives.

Any new Secretary of HUD will face enormous challenges, not the least of which will be how to effectively streamline and improve the HUD bureaucracy. Good ideas and sound efforts are often prevented from succeeding because the costs of the bureaucracy are too great. Efficiency and economic savings must go hand-in-hand with vision and hard work. I am confident that Andrew Cuomo is the right person to address this set of problems.

I look forward to the rapid confirmation of Andrew Cuomo to be the Secretary of the Department of Housing and Urban Development.

I support his confirmation and look forward to working with him to tackle the challenges facing America's communities at the end of the 20th century and the beginning of the 21st century.

Mr. LEAHY. Mr. President, it is a pleasure to have the opportunity to cast my vote today in support of the nomination of Andrew Cuomo for Secretary of Housing and Urban Development. Given the opportunity to choose a replacement for outgoing Secretary Henry Cisneros, I would be hard pressed to find a better candidate.

Andrew Cuomo has spent his life helping low-income families find answers to housing problems. His work to combat homelessness in New York and most recently at the Department has helped to take countless needy people off of the streets and put them back on their feet. His innovative continuum of care initiative provided the impetus for Vermont and other States to bring together housing and service providers and develop a comprehensive plan for dealing with homelessness. This approach has ensured that the Department's homelessness programs get the most bang-for-the-buck, and should serve as a model for other Federal programs.

That Yankee knack for cost cutting will serve him well in his new position. When I look at the funding problems ahead for the section 8 housing program and the uncertain impact of welfare reform on the cost of HUD rental assistance programs, I don't know whether to congratulate Andrew Cuomo on his promotion or offer my sympathies. However, I do know that outgoing Secretary Cisneros is leaving the Department in good hands, and I look forward to working with Secretary Cuomo in the years ahead to address these and other problems facing our Nation's housing programs.

Andrew Cuomo had nationwide responsibilities which he exercised with great skill. In Vermont we look at the people who turned to him for help in my home city of Burlington. He listened. He helped. Today their life is better because of him.

Mrs. BOXER. Mr. President, I am very pleased about President Clinton's nomination of Andrew Cuomo for Secretary of the Department of Housing and Urban Development, and am delighted to support this nomination.

Secretary-designate Cuomo's accomplishments in the private sector and as Assistant Secretary of HUD's Office of Community Planning and Development are numerous. Housing assistance systems developed by Andrew Cuomo have served as model systems, achieving success all across this Nation.

At his hearing last week, Secretary-designate Cuomo showed his knowledge, not only of the management problems within HUD, but of the substantive programs as well. Moreover, Secretary-designate Cuomo expressed his vision for HUD with a refreshing realism. He understands HUD's mission, and the limited discretionary spending to achieve the goals of providing housing assistance in this country.

The issues I am primarily concerned about working on were clearly understood by the Secretary-designate. California faces the brunt of the burden with regard to section 8 renewals, preservation, and the impact of welfare reform on housing. Another issue I will continue to try and resolve with HUD and the Veterans' Administration is homelessness among veterans who fought this country's wars.

I believe Andrew Cuomo is distinctly qualified to be Secretary of HUD. The Secretary-designate has been with HUD in a leadership capacity since 1993. He worked closely with outgoing Secretary Henry Cisneros and understands the complex matrix that makes up HUD's existing programs. From his background, experience, and responses at his nomination hearing last week, Mr. Cuomo has shown he understands what it will take to improve upon that matrix.

Americans all across this Nation, in both urban and rural areas, can expect changes positively affecting housing assistance. Again, I fully support Mr. Cuomo's nomination as Secretary of HUD.

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. D'AMATO. 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. D'AMATO. Mr. President, I yield back any time that we might have, and 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.

Mr. SARBANES. I yield back any time remaining on this side.

The PRESIDING OFFICER. The question is, Will the Senate advise and consent to the nomination of Andrew M. Cuomo, to be Secretary of Housing and Urban Development? On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. FORD. I announce that the Senator from Hawaii [Mr. INOUYE] is necessarily absent.

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

The result was announced—yeas 99, nays 0, as follows:

[Rollcall Vote No. 3 Ex.]

YEAS—99

Abraham	Faircloth	Lott
Akaka	Feingold	Lugar
Allard	Feinstein	Mack
Ashcroft	Ford	McCain
Baucus	Frist	McConnell
Bennett	Glenn	Mikulski
Biden	Gorton	Moseley-Braun
Bingaman	Graham	Moynihan
Bond	Gramm	Murkowski
Boxer	Grams	Murray
Breaux	Grassley	Nickles
Brownback	Gregg	Reed
Bryan	Hagel	Reid
Bumpers	Harkin	Robb
Burns	Hatch	Roberts
Byrd	Helms	Rockefeller
Campbell	Hollings	Roth
Chafee	Hutchinson	Santorum
Cleland	Hutchison	Sarbanes
Coats	Inhofe	Sessions
Cochran	Jeffords	Shelby
Collins	Johnson	Smith, Bob
Conrad	Kempthorne	Smith, Gordon
Coverdell	Kennedy	Snowe
Craig	Kerrey	Specter
D'Amato	Kerry	Stevens
Daschle	Kohl	Thomas
DeWine	Kyl	Thompson
Dodd	Landrieu	Thurmond
Domenici	Lautenberg	Torricelli
Dorgan	Leahy	Warner
Durbin	Levin	Wellstone
Enzi	Lieberman	Wyden

NOT VOTING—1

Inouye

The nomination was confirmed.

Mr. NICKLES. Mr. President, I wish to extend my congratulations to Mr. Cuomo.

LEGISLATIVE SESSION

The PRESIDING OFFICER. Under the previous order, the Senate will return to legislative session.

MORNING BUSINESS

Mr. NICKLES. Mr. President, I ask unanimous consent that there now be a period for the transaction of morning business with Senators permitted to speak up to 10 minutes each.

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

ORDER OF PROCEDURE

Mr. NICKLES. Mr. President, for the information of all Senators, there will be no further rollcall votes today. Members may continue to introduce legislation and make statements during the morning business period. It is possible that later today the Senate may debate the nomination of William Daley to be Secretary of Commerce. However, the rollcall vote on Mr. Daley will not occur until tomorrow morning, possibly at 9:45 or 10 o'clock. We urge all colleagues to be prompt. I thank my colleagues. I yield the floor.

I suggest the absence of a quorum.

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

The legislative clerk proceeded to call the roll.

Mr. BUMPERS. 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. BUMPERS. Mr. President, I ask unanimous consent that I be permitted to proceed for not to exceed 20 minutes unless the majority leader comes on the floor and seeks recognition.

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

The Senator from Arkansas is recognized.

Mr. BUMPERS. I thank the Chair.

(The remarks of Mr. BUMPERS pertaining to the introduction of S. 229 are located in today's RECORD under ''Statements on Introduced Bills and Joint Resolutions.'')

A GRATEFUL NATION REMEMBERS

Mr. FORD. Mr. President, shortly before closing his office, our dear former colleague, Howell Heflin, asked that I insert in the CONGRESSIONAL RECORD a speech made by Greg Reed, national commander of the Disabled American Veterans, at a banquet held in Birmingham the day before Veterans Day.

I would agree with Senator Heflin that Mr. Reed's speech is an excellent one, and I would ask for unanimous consent that his remarks be printed in the RECORD.

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

A GRATEFUL NATION REMEMBERS

(Remarks by Greg Reed)

Each year Americans give pause on Veterans Day to remember and honor the millions of men and women who have donned the uniforms of our great Nation in defense of freedom and democracy. It is a time set aside for our Nation to recognize the vanguard of freedom—American's veterans.

Our national tradition of honoring American veterans on a special day began one year after World War I ended.

On November 11, 1919, President Woodrow Wilson proclaimed that each November 11 was to be commemorated as ''Armistice Day,'' a day of remembrance to honor the 116,000 American ''doughboys,'' who, in World War I, died on the battlefields of Europe.

The Great War—that's what we called World War I. Sometimes, in our idealism, we called it ''the war to end all wars.'' Of course, we could not know that just two decades later another war would engulf the world.

World War II would claim four times as many American lives as World War I. When the Germans invaded Poland in 1939, the world entered a holocaust unparalleled in world history.

Never before had war been waged by so many people, over so much of the globe, with such loss of life and destruction of property.

Although, 90 million troops from both sides took part in the war; 17 million of them—nearly one out of five—were consumed by it.

Another 18 million—civilians—died as a direct result of it. We'll never know the precise total of soldiers and civilians wounded and missing.

America mustered more than 16 million troops to battle on many fronts. When the war ended in 1945, more than 400,000 of them had lost their lives.

Within five short years, our nation's men and women would be summoned to answer the threat in a place deceptively known as the ''Land of the Morning Calm.''

Before the Korean War came to a close with an uneasy truce in 1953, nearly 35,000 Americans died, and more than 100,000 were wounded.

In 1954, Armistice Day was redesignated ''Veterans Day.''

First conceived to recognize those veterans who had died in World War I, the observance now was given a broader scope: to honor all American veterans in whatever war or period of peace they served.

For they were, and are, made of the same stuff. They were, and are, equally passionate in their patriotism and love of liberty.

We could not enjoy our freedom today were it not for the courage of those who defended us when we needed defending.

In the time of Vietnam, we had heroes and didn't see them. A million Americans soldiered there, and more than 58,000 of them died, some bravely, some just unluckily, all in the service of their country.

Neither the passage of time nor the vantage point of historical perspective has provided this country with answers about Vietnam or its veterans.

The sense of being alone may be the hallmark of the Vietnam experience—and it is taking many years to heal the social wounds inflicted by that war.

William Broyles, Jr., a former editor-in-chief of Newsweek and a Marine infantry officer in Vietnam, once said.

''The war in Vietnam divided America, most of all by driving a wedge between those who went and those who didn't. Vietnam divided us and troubles us still, not only in the hearts and minds of veterans and their families, but in our crippled self-confidence. It is a specter we have yet put to rest, a wound in need of healing.''

For many of our fellow veterans the Vietnam war is still a terrible burden. There are too many unanswered questions about the delayed time bombs in their bodies and minds, too many unfulfilled promises about their education and their employment.

We owe them more than that. It is past time to remember the extraordinary service of these ordinary Americans.

When their country called, they answered, and they fought with all of the courage and valor of any army this nation ever sent into battle.

The men and women who served in the Gulf War paid another installment on a great debt that will never be erased so long as there are blood-bent tyrants in the world.

And, like their predecessors at Gettysburg, Normandy, Guadalcanal, Inchon or Khe Sanh, they paid in time . . . in effort . . . and in blood.

Veterans Day commemorates the courage and patriotism of all of America's veterans who have contributed so much to the cause of world peace and the preservation of our way of life.

This is our day to honor those veterans sacrificed in those struggles and pay our respects to those who survived their fallen comrades.

It is a day to celebrate the bright victories that grew from dark battles.

It is a day to review memories of past honor and sacrifice.

It is a day to dream of a brighter future.

It is a day to celebrate peace.

We can never say it too often: We are the children of your sacrifice, and we are grateful.

General Douglas MacArthur spoke of the American soldier as ''one of the world's noblest figures.''

Yet what sets apart the veterans we honor today? How do we identify them?

In truth, our veterans are the very embodiment of America itself. They reflect the diversity and strength that is the core of our nation.

Veterans are white . . . and they are black; they are of every race and ethnic heritage. They are men, and they are women. They are Christians, they are Muslims, they are Jews.

They're your neighbor next door, the merchant at the mall, and the police officer on the corner.

They are doctors and farmers, they are factory workers and schoolteachers.

They are 26 million Americans living today who served in the armed forces, and there are more than one million who have died in America's wars.

Most of these veterans are unsung heroes, ordinary citizens who did their duty. Their deeds have never been chronicled.

Those veterans who returned home after World War II, and those who did not, were all part of a generation from which we take inspiration.

They won the war, and then made sure we would not lose the peace. Without their subordination of self to the common good, our world would be radically different.

The tradition of the World War II veteran is the tradition of all American veterans.

From Lexington to Concord, that tradition has sustained us in every battle and every war, right up through Desert Storm.

It has marched with us and stood vigil in the frozen camps of Valley Forge, the steaming jungles of the Pacific rim, the bloody beaches of Normandy, the rice paddies of Korea and Vietnam, and the scorching sands of the Persian Gulf.

In that tradition, young, inexperienced Americans become tough, capable soldiers. They become veterans.

And they remind us all that this great nation was not established by cowards, nor will cowards preserve it.

America will remain the land of the free only so long as it is the home of the brave.

What we remember and honor on Veterans Day are those brave men and women who believed so much in an idea, and were so possessed by a sense of duty and honor, that they were willing to risk death for it. And the idea, of course, is liberty.

Liberty is America's core. It is central to our being, not only because it is practical and beneficial, but because it is morally just and right. But that liberty can be retained only by the eternal vigilance that has always been its price.

Americans hate war and its destructiveness. Our history reveals a passion to explore, to build, to renew, not to destroy.

The American spirit is not driven toward the domination of others.

Never has the American soldier been sent overseas to fight in the cause of conquest.

Not once did they come home claiming a single square inch of some other country as a trophy of war.

The only land abroad we occupy is beneath the graves where our heroes rest.

The American spirit understands that free people who respect the dignity of the individual do not wage war upon their neighbors.

The American spirit has a warm heart that yearns for mutual understanding and peace among nations of the world.

And as deeply as we cherish our beliefs, we do not seek to compel others to share them.

It is one of the great attributes of this nation that we have been willing to take up the mantle to fight for freedom on behalf of others.

Even as I stand before you today, American forces are once again in harm's way—standing watch in Bosnia as that nation struggles toward peace.

And why are we there? Because the American spirit is committed to protect and preserve our friends from suppression in a turbulent world.

We have come to realize that we are, indeed, our brothers' keepers.

Just in the last decade, our world has undergone a massive realignment.

The Soviet empire has dissolved, and the major threat to world peace removed.

We live in a moment of hope, in a nation at peace. For the first time since the dawn of the nuclear age, no Russian missiles are pointed at our children.

Our economy is sound. And because free markets and democracy now are on the march throughout the world, more people than ever before have the opportunity to reach their God-given potential.

But our work is far from done. We must contain the world's most deadly weapons, extend the reach of democracy, and unite in opposing crimes against humanity.

We must keep our arms ready and our alliances strong because challenges of the future won't be any easier than those of the past.

As the American patriot Thomas Paine said:

''Those who expect to reap the blessings of freedom must . . . undergo the fatigue of supporting it . . . What we obtain too cheap, we esteem too lightly.''

Let it never be said that we Americans esteem too lightly our blessings of life, liberty, and the pursuit of happiness.

America can never fully repay her veterans, and we will never be able to express our feelings to our fallen soldiers. If there is a crown in heaven, then they are the stars.

But we must never forget how blessed we are in the modern world to live in a free society, nor forget the sacrifices of our friends, relatives, neighbors and countrymen who served us all when duty called.

Our veterans did not disappoint their nation when it needed their service. They, in turn, should not be disappointed in their times of need.

Our duty today is clear, for there are many who need us. Yet, even as America remembers Veterans Day, there are veterans who do seem forgotten.

Yes, some of the very ones who survived the atrocities of Bataan; stormed the beaches at Guadalcanal and Normandy; and fought in other campaigns of World War II.

Since then, their numbers have swelled from those who fought in Korea, Vietnam, the Persian Gulf, Somalia, Haiti, Bosnia and in numerous other conflicts.

There are veterans who have lost family and friends, and who face a lonely future. Many are homeless and in need of medical care.

They struggle with war related disabilities.

They also struggle with bureaucratic red tape to get the benefits and health care they need.

The belief that sustained our troops in combat was as great as America herself.

Their heroism was prompted by faith in the fundamentals that have guided this nation from its beginnings—the idea that liberty must be protected, whatever the cost.

We must nurture and sustain those who distinguished their lives in the defense of freedom. We must provide a dignity befitting heroes . . . whatever the cost.

This Veterans Day we should remember our history as we prepare for our future, pray for peace as the poets and dreamers do, and on this day each year remember to be vigilant against threats to democracy and, most importantly, ratify our contract with American veterans.

We know that if the world is faced with the unfortunate occurrence of war, American men and women will be there to meet the challenges, defend our nation, and work toward peace.

America can and will change, both today and in the future. However, what must not change—not today, not tomorrow, not ever—is our recognition of the debt we owe to America's veterans for keeping the American way of life safe and free.

God bless America, and God bless those who love, guard and defend our precious freedom.

TRIBUTE TO EMBRY-RIDDLE UNIVERSITY

Mr. FORD. Mr. President, time magazine once referred to Embry-Riddle Aeronautical University as The Harvard of the Sky, a designation truly honoring both institutions. I say this because unsurpassed standards, values and public contributions constantly are reflected in achievements by those representing both schools.

On this occasion, however, my remarks are about Embry-Riddle, for it absolutely is one of our Nation's most intriguing centers of higher learning.

Recently, the New York Times featured the selection of Embry-Riddle for English and operational proficiency training of China's air traffic controllers.

ValuJet's crash in the Florida Everglades last May prompted the National Transportation Safety Board to name ERU alumnus, Greg Feith, as investigator-in-charge. The university's aviation safety role, through an extensive curriculum, real-situation training laboratories, research and issue guidance is unparalleled. Air Force Capt. Scott O'Grady's amazing survival in Bosnia had as a postscript: ERU graduate. So it is with White House Fellow, David A. Moore.

Although ERU graduates hold key positions throughout business and commerce, we find this especially prevalent among airlines and the aerospace and aircraft industry. Some are astronauts. NASA's Lt. Comdr. Susan Leigh Still, USN, who received her bachelor of science degree, is scheduled for a mission in space this spring.

The school is a major contributor of pilots to military and civilian aviation for two reasons. One is the level of academics in engineering, aerospace science, aviation and related disciplines. The other is due to ERU's own air fleet, its own flight instruction, its own meteorology training, and its own aircraft and engine student maintenance programs. Under the critical eyes of certified instructors, undergraduates perform all engine and airframe maintenance. I understand there never has been a safety incident attributable to their work.

By invitation of the U.S. Army in Europe, Embry-Riddle now offers college classes to our servicemen deployed north of Croatia in support of Operation Joint Endeavor. This newest service adds to the university's extensive network of more than 100 education centers throughout the United States and Europe.

A late December item from the Kiplinger Washington Letter refers to global companies relying on associates who work in team settings or situations. Embry-Riddle student assignments routinely involve team involvement. They take it a step further—through distance learning.

For a particular assignment we might find one student in Daytona Beach serving with another located at the university's Prescott, AZ, campus, while a third comes from an extended campus overseas. A sophisticated networking system allows students to connect electronically with other institutions and class members around the world. In addition, identical courses are taught concurrently by a single instructor from either the Daytona or Prescott campuses as students from both locations interact.

ERU is ranked by U.S. News & World Report as one of the top 20 undergraduate engineering programs in our Nation. It has the largest engineering-physics program in America. Undergraduates last year won the national design competition for general aviation, an intensely challenging venture sponsored by NASA and the Federal Aviation Administration.

Quite often we hear the term, ''student-athlete.'' At Embry-Riddle that designation has a real, rather than shallow, meaning. No better example is found than with this season's basketball team. Under the guidance of athletic director and coach Steve Ridder, a Kentucky native, not only does the team consistently win on the court, it also wins in the classroom.

For example, 11 of the squad's 17 members have a 3-point or better GPA. Of the five seniors this year, one has a 3.6 and another a 3.4 in aerospace engineering, one a 3.4 in engineering physics, one a 3.2 in aviation business, while the school's all-time leading scorer also carries a 3.2 in aviation business.

ERU President Steve Sliwa didn't arrive at the Daytona Beach, FL, campus via a traditional academic path. He brought an eclectic background to the university: aerospace engineer, entrepreneur, NASA division level manager, founder of a software firm and astute business administrator.

Those of us in Government should be particularly impressed with his most

recent capital construction program, a $100 million, eight-project endeavor, on schedule and under budget.

Consider Dr. Sliwa's interests and experiences in computer and software technology, which have propelled Embry-Riddle onto the very apex of this science. Almost every facet of our life now depends on software. Yet, software is immature compared to other engineering disciplines. Official mandates for technological reliability and consumer protection simply do not exist.

Think about the countless applications of software: worldwide financial transfers; systems to fly airplanes, to operate medical equipment, to help vehicles function, and for a myriad of other daily tasks. What happens when such technology fails? The question is receiving increased attention at two universities. A consortium between Embry-Riddle and Carnegie Mellon has been established to address the issue of standards and methodologies to prevent future disasters due to unreliable or flawed software. The Department of Defense is keenly interested in their efforts.

ERU began in 1925 when a naive eastern Kentuckian, John Paul Riddle of Pikeville, and entrepreneur T. Higbee Embry of Cincinnati, OH, opened a school of aviation at Lunken Airport in Cincinnati, OH. Now moving into its eighth decade, the school gives new meaning to ''cutting-edge'' education.

From hands-on investigation of aircraft accidents—thanks to a unique outdoor laboratory featuring crashed planes—to design of computer systems and from leadership in national issues to redesign of roof flaps for NASCAR racing vehicles, ERU is indeed out in front.

Achievements as I have described don't happen without reasons. A most distinguished and forward-thinking faculty, visionary leadership and rare discipline combined with resourcefulness have propelled Embry-Riddle into what I believe is ''tomorrow's institution of higher education today.''

How fortunate for ERU students. How fortunate for America.

GIVING PRIORITY TO OUR FOOD PRODUCERS

Mr. DORGAN. Mr. President, America's family farmers and ranchers deserve a high priority in the legislative agenda of this new Congress. The families who produce our daily food and help feed a hungry world, have not been on the center stage here in the Nation's Capitol. They deserve our attention and our concern.

The 7-year farm bill that was passed in the last session of Congress is an economic disaster in the making for rural America. All that needs to happen is for mother nature to bless us with abundant crops, and farm prices will once again fall. Under that new farm law, there is no safety net for our nation's farm and ranch families, who provide the economic base of rural America.

That is why I could not support that legislation. That is why President Clinton was very reluctant about signing this bill into law. If you remember, he only did so because further delay of the farm bill would have created planning chaos for farmers as they prepared for and began their spring's work last year.

In the closing debates of the farm bill, I said that we would have to come back to this issue when farm prices fall as they inevitably do. Well, the glow of high grain prices has faded and the reality of increased production costs has come home to hundreds of thousands of farm families.

It is time to consider what responsibility we as a nation have to those who grow our daily food.

It was important that on the very first day for the introduction of legislation in the 105th session, that we paid attention to agriculture. It is not only the key economic sector in rural America, but also continues to be the single largest industry in our Nation.

I am pleased that the minority leader, Senator TOM DASCHLE, introduced two bills that day as part of his leadership package to deal directly with the problems facing our family farmers and ranchers. I am proud to be a cosponsor on both bills.

CATTLE PRICES AND MARKET CONCENTRATION

One of the most immediate problems facing rural America is the continuing low prices that our cattle producers are facing. While these low prices can be attributed to some extent to the periodic pricing cycle in cattle, we should not ignore some of the fundamental changes that have occurred within our Nation's livestock marketing system in recent times.

The Cattle Industry Improvement Act of 1997—S. 16—which I have cosponsored, begins addressing some of the underlying questions that face our farmers and ranchers as they market their livestock.

The bill will help bring the livestock pricing structure into the open daylight. It requires the Secretary of Agriculture to establish a price-reporting system in which slaughtering firms would have to report the prices paid and the terms of sale to the Department of Agriculture. Smaller slaughtering firms would be exempted, but would be encouraged to do voluntary reporting.

It also gives the Secretary of Agriculture additional rulemaking authority to foster improved competition among packers in buying cattle. This would strengthen the ability of the Secretary to take the proactive actions needed to ensure a healthy competitive environment in today's cattle-marketing structures. It underscores the very purposes for which the Packers and Stockyards Act was established.

Last year the USDA Advisory Committee on Market Concentration concluded that the price reporting and price discovery system in the cattle market was a relic of days gone by. In fact, less than 2 percent of fed cattle go through terminal markets where prices for livestock are established through an open and competitive bidding process.

Essentially, cattle producers face a black hole when it comes to being able to accurately determine what is really happening in the marketplace. We need to give the Department of Agriculture the necessary tools to reach into this black hole and get accurate market information for our producers. Our price reporting system needs to be updated with the changes in the marketplace.

FOUR FIRMS CONTROL 80 PERCENT OF MARKET

The lack of solid market information on livestock is compounded by the concentration in the marketplace. Today, four firms control more than 80 percent of steer and heifer slaughter. In fact, three firms by themselves have over 80 percent of that slaughter. By any economic measure this is a very high level of concentration.

In contrast there are some 1.2 million farmers and ranchers across the country that produce our Nation's cattle. In other words more than 80 percent of the output of 1.2 million farmers and ranchers is funneled through only 4 firms. This is an enormous economic bottleneck.

Since 1980, the top four slaughtering firms have more than doubled their share of the market. They have moved from a 36-percent market share to an 82-percent market share.

When there is an underlying illness, symptoms of that illness often do not appear until the system comes under serious stress. The same is true in economic situations. We have a serious underlying economic disease in our livestock industry: a highly concentrated marketplace.

The symptoms have become more evident under the stress of the low end of the cattle price cycle. The lack of market power for our producers at the bottom rung should be self evident.

The USDA Advisory Committee on Concentration can best be summarized by a sentence from the minority report. The report stated:

> The upper levels maintain profit margins of various sizes within the production cycles, and the lowest, least concentrated levels have become the primary shock absorbers for fluctuations in the commodity cycle.

Coming from a State in which cattle producers are primarily cow-calf operators, I can certainly attest to this statement. Our cow-calf operators have seen their prices cut in half. They have been taking the brunt of this pricing cycle.

A few weeks ago I received a copy of a newspaper article about Al and Gene Urlacher of New England, ND. These two brothers brought a week-old dairy bull calf to the auction sales ring. Three years ago that calf would have sold for $175. What did they get?

They got a $10 bid for this calf. It cost them $8.55 in auction fees, so they

split $1.45 between them. That means that each of them got 72 cents in their pocket, which did not even cover the cost of their gas to bring the calf to market. Nor would it buy a Big Mac for lunch that day. Yet these brothers thought they were lucky. Others who had brought calves to the sales ring that day didn't even get a bid.

FARMER'S SHARE OF RETAIL BEEF DOLLAR DECLINES

Let's look at the farmers' share of the retail beef dollar during the same period of time when the top four slaughtering firms more than doubled their market share.

In 1979, our Nation's farmers and ranchers received 64 percent of the retail price of beef. This past year, their share of the beef dollar was down to 48 percent. The long-term trend line demonstrates what has been happening to the market power of our producers.

As cattle prices have dropped in the past 3 years, the drop in the farm share of the retail beef dollar has been even more dramatic. It moved from 56 percent in 1993 down to 48 percent this past year.

The bill before us today is a rather modest proposal. It requires price disclosure so that everybody in the livestock business knows what is being paid and the terms of the sales. The base of this bill is to provide more information to those that participate in the livestock market.

The bill would also give the Secretary the needed rulemaking authority to more effectively carry out the provisions of the Packers and Stockyards Act. In addition, it would provide protection to livestock producers who do some whistleblowing from retaliation by cattle buyers. These are important steps to bring some daylight into the livestock pricing system.

Our bill would also establish a voluntary labeling system for meat produced in the United States, and requests USDA to convene a public meeting to consider the potential of allowing State-inspected meat and meat products in interstate commerce.

It also calls upon Secretary of Agriculture to immediately work with the Agriculture Minister of Canada to develop a meaningful cattle data exchange system so that United States producers have better information on Canadian cattle production.

This legislation also addresses two trade concerns. First, it would require the U.S. Trade Representative to determine whether the European Union has violated its obligations under international law concerning the certification of U.S. meat export facilities.

Second, it establishes an annual procedure by which the U.S. Trade Representative would identify priority countries that maintain barriers to U.S. livestock and meat exports, including sanitary standards.

REBUILDING A SAFETY NET FOR FARM FAMILIES

The second bill that I cosponsored with Senator DASCHLE on the first day of bill introduction was S. 16, the Agricultural Safety Net Act of 1997. This legislation is a solid beginning to address the problems faced by our grain producers as they face declining prices.

Over the years there has been great variability in the prices received by America's farmers. During the last decade we have seen our wheat prices shift from a low of $2.42 per bushel in 1986 to the unusually high price of $4.45 per bushel this past year.

In fact, had it not been for the unique pricing conditions in our grain sector during the past 2 years, it is very unlikely that the freedom-to-farm bill would have ever been enacted into law, because our new farm eliminated the safety net to help our producers through low markets.

We have to be honest and admit that we do not have a level playing field for our grain producers in this new global economy. Too frequently our wheat producers are not competing against wheat producers in other countries, but are competing against the national treasuries of countries which continue to provide export subsidies to move their surplus production into the world market.

The irony of this past year is that wheat prices received by farmers across the Nation peaked just after our planting season. Our farmers responded to the marketplace by planting more wheat. They did the very thing the market indicated and made the extra investments to get a good crop. Now they are being rewarded for their good efforts with lower prices.

Wheat prices have been falling ever since this spring. In recent weeks, I have received many reports of wheat prices at below $3.50 per bushel at local elevators in my home State of North Dakota. The fact is that these prices are well below the full economic costs of production of recent years.

Our producers need a working safety net. The farm law has established price supports at 85 percent of the moving Olympic average of prices received by farmers during the past 5 years, dropping the high and low years.

The marketing assistance loans are supposed to help farmers move through the fluctuations of the market, and give them a means by which to hold their grain off the market so that they could make the best of their marketing opportunities.

While the farm law has the promise of these marketing assistance loans, it reneges on that promise by establishing a cap on these commodity loans at $2.58 per bushel on wheat and $1.89 per bushel on corn.

That makes these loans almost meaningless, especially for our beginning and other low-equity producers who have to sell their crops to pay their bills at harvest time. With the cap, these loan rates aren't high enough to cover even their out-of-pocket expenses, without considering their machinery and land costs.

The Agricultural Safety Net Act of 1997 would eliminate these caps on the marketing assistance loans. That would mean a commodity loan rate of about $3.72 for wheat and $2.64 on corn for this year's crops. That would make a world of difference to our producers. It would provide them some marketing flexibility and give them an opportunity to take advantage of market advances when they occur.

Another key feature of this bill is that it gives the Secretary of Agriculture the authority to extend the marketing assistance loans for an additional 5 months. That would also give additional opportunity for our producers to ride out the market.

EXPAND CROP REVENUE COVERAGE

Together with these improvements, the Agricultural Safety Net Act of 1997 would require the Secretary of Agriculture to offer a nationwide program of crop revenue insurance through the Federal Crop Insurance Corporation of wheat, feed grains, and soybeans.

Federal Crop has been conducting pilot programs on revenue and income insurance for producers. I am pleased that the crop revenue insurance program for wheat has been extended to many counties in North Dakota. I had sought inclusion of the entire State in this pilot program.

The crop revenue coverage pilot program has been very successful and received high interest and participation of producers where it has been available. This bill would move us out of the pilot program stage into a national program that would help producers with the twin risks of weather and price.

BUILDING FARMER CO-OPS

Another way that farmers have been able to meet the challenges of today's marketplace has been through the development of a new generation of value-added cooperatives. Back home in North Dakota this has become known as co-op fever.

These co-ops are a way for farmers to extend their influence in the marketplace. They not only add value to their production, but also they are moving these products further down the chain closer to the ultimate consumer.

This legislation would require the Secretary of Agriculture to give a high priority to loan and grant applications under the Consolidated Farm and Rural Development Act to farmer-owned, value-added processing facilities.

It would help make the development of farmer cooperative processing a priority in the rural development activities of this Nation.

These two bills which I cosponsored as part of the leadership package of priority bills are important steps to restoring opportunity for rural Americans. They represent a new beginning in our efforts to empower rural Americans and help them build a better society for themselves and the entire Nation.

These bills will need to be expanded with other legislative efforts during this session of Congress. They are simply the beginning foundation of how we

can reshape Government so that we can provide rural Americans the tools they need to meet the challenges of our global marketplace.

I commend Senator DASCHLE for his work in the development of these bills. The priority that he has given to agriculture in introducing these bills as part of his leadership package is most welcome and most appropriate. I am proud to be part of his leadership team and a cosponsor of these two bills.

Both of these bills recognize that our Nation's family farmers and ranchers are the economic lifeblood of rural America. When they do well, rural America does well.

FAMILY PLANNING FUNDS

Mr. KERRY. Mr. President, I want to make available to all my colleagues and their staff an article by Wernor Fornos, president of the Population Institute, which articulates the importance of a vote that Congress will cast in February. This vote will affect the lives of thousands of families worldwide. This vote will determine whether previously appropriated fiscal year 1997 funds for international family planning will be released only 5 months after the fiscal year for which they were provided has begun, or 9 months after it has begun. Releasing these funds in March as opposed to July is critical—international family planning programs have sustained massive cuts over the past year and a half. These reductions have been punitive and unprecedented. They are, quite literally, threatening the health of women and children.

I ask my colleagues to consider this article when they cast their vote in February. I ask unanimous consent that the full text of the article be printed in the RECORD.

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

[From the Christian Science Monitor, Jan. 22, 1997]

NEEDED: FAMILY PLANNING FUNDS

(By Werner Fornos)

By Feb. 1, President Clinton is expected to present to the new Congress a finding that the current method of dispensing international population assistance is harmful and counterproductive to US program efforts, and unquestionably it is.

In an outrageous attempt to watch United States family planning efforts overseas die a slow death, Congress last year approved $385 million for these vital humanitarian programs in 1997. Congress further specified that the money could not be dispensed until July of this year, and even then at a rate of no more than 8 percent a month.

Since the 1997 fiscal year began on Oct. 1, 1996, and ends on Sept. 30, 1997, it is obvious that the legislation was calculated to undermine US efforts to assist developing countries with their family planning needs. The measure is an especially cruel hoax considering that some 500 million women need and want to regulate their fertility but lack access to contraceptives.

Moreover, 585,000 women die annually from causes related to pregnancy and childbirth. The World Health Organization believes that the provision of family planning to those who need and want it will reduce maternal mortality by one-fifth.

Sources at the Office of Population in the US Agency for International Development (AID) say the funding restrictions and delays are adding up to millions of dollars in administrative costs. The result is that fewer family planning services are being provided, the health of a great number of women is jeopardized, and government funds are wasted because of unwarranted micromanagement by Congress.

Meanwhile, other development programs—such as child survival, championed by Rep. Chris Smith (R) of New Jersey, Congress's leading opponent of international family planning aid—will be adversely affected because their administrative costs are derived from AID's overall operations budget.

Perhaps the most reprehensible element of the Byzantine metering of international population funds is that it is expected to increase abortions in the world's poorest countries, though its principal architects, Congressman Smith and House Appropriations chairman Bob Livingston (R) of Louisiana, purport to be abortion opponents.

It doesn't take a rocket scientist to figure out that reducing family planning funds is a sure-fire way to increase abortions. A 35 percent reduction of population spending last year was estimated to have caused 1.6 million additional abortions, and a nine-month moratorium plus metering may lead to an even greater number.

If both the US Senate and House of Representatives concur with Mr. Clinton's findings that the strange disbursement schedule for international population funds is detrimental to our family planning efforts overseas, the money can be released starting as early as March 1, rather than July 1.

Though it still will be squeezed out at the rate of 8 percent a month, at least the funds would be delayed five months rather than nine. Neither the federal budget nor the national deficit will be increased by the earlier release date. Congress has already agreed to spend the $385 million on family planning programs overseas. The question is when.

In a world where the population is climbing toward 5.9 billion and increasing by nearly 90 million annually, with 95 percent of the growth in the poorest countries, playing a legislative shell game with human lives is unworthy of a country that prides itself on its humanitarianism. Members of this Congress should take the opportunity to at least partially erase the shame perpetrated by the strident congressional henchmen of the antichoice movement in the last Congress.

TUNA-DOLPHIN BILL

Mrs. BOXER. Mr. President, last week, Senators STEVENS and BREAUX introduced a bill S. 39, that would significantly weaken protections for dolphins in the eastern tropical Pacific Ocean by rewriting—gutting—the ''dolphin safe'' tuna labeling law that Senator BIDEN and I wrote and urged into law in 1990.

Today, the $1 billion U.S. canned tuna market is a dolphin safe market. Consumers know that the dolphin safe label means that dolphins were not chased, harassed, captured, or killed.

Our definition of dolphin safe became law for all the right reasons. Those reasons are still valid today:

First, for the consumers, who were opposed to the encirclement of dolphins with purse seine nets and wanted guarantees that the tuna they consume did not result in harassment, capture, and killing of dolphins; second, for the U.S. tuna companies, who wanted a uniform definition that would not undercut their voluntary efforts to remain dolphin-safe; third, for the dolphins, to avoid harassment, injury and deaths by encirclement; and fourth, for truth in labeling.

Our law has been a huge success. Annual dolphin deaths have declined from 60,000 in 1990 to under 3,000 in 1995. Why mess with success?

The Stevens-Breaux bill would permit more dolphins to be killed than are killed now.

The bill promotes the chasing and encirclement of dolphins, a tuna fishing practice that is very dangerous to dolphins. It does so by gutting the meaning of dolphin safe, the label which must appear on all tuna sold in the United States. The ''dolphin safe'' label has worked: it doesn't need to be updated, as the bill's sponsors claim.

A number of arguments have been made in support of the Stevens-Breaux bill which I would like refute at this time.

1. ENVIRONMENTAL SUPPORT

Bill supporters claim that it is supported by the environmental community. In fact, only a few environmental groups support the Stevens-Breaux bill, while over 85 environmental, consumer, animal protection, labor, and trade groups oppose the Stevens-Breaux bill. I ask unanimous consent to insert a list of these groups in the RECORD at the conclusion of my remarks. The fact is that the vast majority of environmental organizations in this country and around the world oppose the Stevens-Breaux bill.

2. EMBARGO ON TUNA

The bill's supporters say that it is unreasonable for the United States to continue to impose a unilateral embargo on other fishing nations that wish to sell tuna in our country. I agree. It is time to lift the embargo. That is why Senator BIDEN and I, and a number of our colleagues, introduced legislation in the last session of Congress that would lift the country by country embargo against tuna that is caught by dolphin safe methods. Our bill would give all tuna fishermen the opportunity to export to the U.S. market as long as they use dolphin safe practices. In other words, we would open the U.S. market and comply with international trade agreements without gutting U.S. dolphin protection laws.

We have offered repeatedly over the past year to sit down and negotiate a compromise with the administration. We have stated repeatedly that we agree it is appropriate to lift the embargo. We want to reach a compromise that is in the best interest of the American consumer, dolphins, and our U.S. tuna processing industry.

3. SCIENCE

Supporters of the Stevens-Breaux bill believe that we should return to chasing and setting nets on dolphins because bycatch of other marine species is minimized. I believe that in order to sustain our renewable marine resources, we need to take a comprehensive ecosystem approach. I also recognize that management of a single species does not always produce benefits for the entire ecosystem. The bycatch of juvenile tuna and other marine species including endangered turtles, is an issue of concern that must be addressed. However, the bycatch arguments used by supporters of this bill are not based on solid science. We need more research before we can establish that bycatch is a problem.

4. OBSERVERS ON BOATS

Under the scheme supported by this bill, tuna fishing boats would continue to have only one observer on each. Currently, that one observer only has to observe whether or not a purse seine net was used on dolphins. If a net was deployed, the tuna caught on that fishing trip cannot be labeled ''dolphin safe''. Under the scheme in the Stevens-Breaux bill, an observer would have to see whether there are any dead dolphins in the nets that are used to catch tuna. These nets are huge—1½ miles long. How can we expect one single observer to know whether or not a dolphin died in a mile-and-a-half long net? This observer scheme would be unworkable and unenforceable. It also ignores all injuries to dolphin during the chase and encirclement process which can lead to eventual death.

5. INTERNATIONAL OBLIGATION

During the last session, the Panama Declaration was repeatedly referred to as a tuna-dolphin treaty, and it was suggested that unless the Senate passed the Stevens-Breaux bill, the United States was somehow reneging on a binding international agreement. This is simply untrue. It is a completely inaccurate characterization of the issue.

Mr. President, there is no tuna-dolphin treaty.

No treaty was signed by the United States or any other nation on the subject of tuna fishing and the killing of dolphins in the eastern tropical Pacific.

No treaty was submitted to the Senate for ratification, as required by the Case-Zablocki Act.

No treaty was referred to the Senate Foreign Relations Committee.

None of these things happened because there is no treaty.

The agreement that the Stevens-Breaux bill relates to is neither a treaty nor an international agreement. The so-called Panama Declaration is only a political statement—an agreement to agree in the future on a binding international agreement.

The declaration sets forth a series of principles which will ultimately be contained in this yet-to-be-drafted international agreement. But these principles are so vague and largely hortatory that they cannot possibly be read as imposing legal obligations.

If there were any doubt that the United States did not intend to be bound by this declaration, we need only turn to the statement issued by the United States representative to the meeting in Panama.

The U.S. Administration supports this initiative which is an important step on the road to a permanent, binding instrument . . . The initiative . . . is contingent upon changes in U.S. legislation . . . The U.S. Administration needs to work with our Congress on this . . . We do not want to mislead anyone here as to what the final outcome of that process might be.

It is clear that the administration was not binding the United States to anything, other than to work with the Congress to enact this legislation.

That is the commitment of the United States. It is nothing more. If we don't pass the Stevens-Breaux bill, no binding agreement will have been broken, no international treaty obligation will have been violated.

In summary, the arguments made by the supporters of the Stevens-Breaux legislation—arguments of fact as well as arguments of law—are unsupportable. The bill is not needed for any convincing scientific or environmental purpose, and is not needed to meet any binding obligation of the United States.

I remain committed to blocking this legislation in its current form. I also remain committed to reaching a compromise solution.

We have stated repeatedly that we agree it is appropriate to lift the embargo. We want to reach a compromise that is in the best interest of the American consumer, dolphins, and our U.S. tuna processing industry.

I ask unanimous consent that the following material be printed in the RECORD immediately following my statement: First a letter to Senator BOXER from internationally renowned marine scientist Jacques-Yves Cousteau opposing the Stevens-Breaux proposed change of the definition of dolphin safe; second, a set of opinion pieces and a letter to the editor from Time magazine, the Washington Post, and the Journal of Commerce, and third, the list of bill opponents referred to earlier.

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

OPPONENTS OF THE STEVENS-BREAUX BILL

Action for Animals, California; Americans for Democratic Action, American Society for the Prevention of Cruelty to Animals, American Oceans Campaign, American Humane Association, Animal Protection Institute, Ark Trust, Australians for Animals, Bellerive Foundation, Italy & Switzerland; Born Free Foundation, Brigantine New Jersey Marine Mammal Stranding Center, BREACH, UK; Cetacea Defense, Chicago Animals Rights Coalition, Clean Water Action, Coalition for No Whales in Captivity, Coalition Against the United States Exporting Dolphins, Florida; Coalition for Humane Legislation, Colorado Plateau Ecology Alliance, Committee for Humane Legislation, Community Nutrition Institute.

Defenders of Wildlife, Dolphin Project Interlock International, Dolphin Connection, California; Dolphin Freedom Foundation, Dolphin Defenders, Florida; Dolphin Data Base, Dolphin Alliance, Inc.; Doris Day Animal League, Earth Island Institute, EarthTrust, Education and Action for Animals, Endangered Species Project, Inc.; European Network for Dolphins, Federation for Industrial Retention and Renewal, Fondation Brigitte Bardot, France; Friends of the Earth, Friends of Animals, Friends for the Protection of Marine Life, Friends of the Dolphins, California; Fund for Animals, Fundacion Fauna Argentina, Hoosier Environmental Council, Humane Society of Canada, Humane Society of the Midlands, Humane Society International, Humane Society of the United States.

In Defense of Animals, Institute for Agriculture and Trade Policy, Interhemispheric Resource Center, International Brotherhood of Teamsters, International Dolphin Project, International Wildlife Coalition, International Union of Electronic Workers, Irish Whale and Dolphin Society, Lifeforce Foundation, Maine Green Party, Marine Mammal Fund, Massachusetts Audubon Society, Midwest Center for Labor Research, National Consumers League, National Family Farm Coalition, Oil Chemical and Atomic Workers International, Pacific Orca Society, Canada; People for the Ethical Treatment of Animals, Performing Animal Welfare Society, Progressive Animal Welfare Society.

Public Citizen's Global Trade Watch, Pure Food Campaign, Reearth, Reseau-Cetaces, France; San Diego Animal Advocates, Sierra Club, Society for Animal Protective Legislation, South Carolina Association for Marine Mammal Protection, South Carolina Humane Society of Columbia, The Free Corky Project, UNITE, Vier Pfoten, Austria and Germany; Whale Tales Press, Whale Rescue Team, Whale and Dolphin Welfare Committee of Ireland, Whale and Dolphin Society of Canada, Working Group for the Protection of Marine Mammals, Switzerland; Zoocheck, Canada.

THE COUSTEAU SOCIETY,
Chesapeake, VA, July 12, 1996.

Hon. BARBARA BOXER,
U.S. Senate,
Washington, DC.

DEAR SENATOR BOXER: Thank you for your letter about the Panama Declaration. Here at The Cousteau Society/Equipe Cousteau, my staff has been following the heated discussions among environmental organizations about the Declaration and pertinent legislation in the United States.

We agree with the proponents of the Panama Declaration that it is time to move away from trade sanctions and toward engaging all tuna-fishing nations in a commitment to techniques that are truly dolphin-safe. At the same time, we cannot accept a compromise that approves of catching tuna by chasing and encircling dolphins. We have faith that the nations involved can find a better solution.

Our best wishes to you in your work.

Sincerely,

JACQUES-YVES COUSTEAU.

[From the Monitor, Mar. 4, 1996]

CHICKEN OF THE SEA?—A ''DOLPHIN-SAFE'' TUNA FLAP MAKES THE U.S. SQUIRM

(By Eugene Linden)

Call it the flipper flip-flop. A squabble over attempt to amend the Marine Mammal Protection Act is forging some strange alliances even as it opens up a bitter rift in the environmental movement. In the end, it may be business interests—once the villains in the

piece but now terrified of a boycott by dolphin-loving consumers—that decide the matter.

At issue are amendments to the 1972 act, which forbade imports of tuna caught using nets to encircle dolphins that for unexplained reasons swim together with tuna in parts of the Pacific. Before the act, this method suffocated as many as 500,000 of the marine mammals each year. After 1972, American fishermen drastically reduced their dolphin kill, but in the 1980s the number of dolphins killed by foreign boats rose dramatically.

Then in 1989, environmental activist Sam LaBudde galvanized public opinion by releasing dramatic videos of drowning dolphins. In 1990, StarKist, the world's largest tuna canner, responding to consumer sentiment, announced that it would buy only tuna caught by other methods. That same year, LaBudde's group, Earth Island Institute, successfully sued the Bush Administration to bar tuna imports from Mexico and other Latin American countries that failed to protect dolphins. European nations followed suit, which extended the embargo to an estimated 80% of the canned-tuna consumer market.

Mexico promptly filed an international trade complaint. But it also took steps to reduce dolphin deaths, and by 1995 the number of dolphins killed by tuna fishermen annually had dropped below 5,000 worldwide—demonstrating, Mexicans assert, that fishing boats can encircle dolphins without killing the animals. The U.S. and a coalition of green groups met with Latin nations in Panama last October to hammer out new guidelines for environmentally sound tuna fishing. Their declaration permits encirclement so long as onboard observers certify that no dolphin drowned during the netting operation, and its provisions became the basis for a bill introduced by Alaska Senator Ted Stevens that would, among other things, lift the U.S. embargo. California Senator Barbara Boxer, a Democrat, has introduced a competing bill that would also lift the sanctions on the Latin nations but maintain them on individual vessels that catch tuna by encirclement of dolphins.

Proving once again that politics makes strange bedfellows, the Clinton Administration has sided with Stevens—a leader of Republican efforts to roll back environmental regulations—as have the Environmental Defense Fund, the World Wildlife Federation and the Center for Marine Conservation. They argue that unless the Latin nations are given credit for their efforts, they will simply resume their bad old ways. Meanwhile, Earth Island Institute, the Sierra Club, the Humane Society and Friends of the Earth vehemently oppose the Stevens bill and support Boxer's charging that the delegation in Panama sold out the dolphins to free trade.

Proponents of the Boxer bill say complicated enforcement procedures and the potential for corruption under the Stevens bill will mean that dolphin deaths will rise again. Proponents of the Stevens bill argue that the alternatives to encircling dolphins have proved destructive to both tuna populations and other species, such as sea turtles and sharks. All that leaves Anthony O'Reilly, chairman of H.J. Heinz Co., which owns StarKist, loath to make any change that might be misinterpreted by dolphin-loving consumers. ''I believe the definition should not be changed in the absence of consensus of scientists and public opinion,'' he says. And he's the one who has to move the goods.

[From the Washington Post, July 23, 1996]

''DOLPHIN-SAFE'' CLAIM IS IN DANGER

(By Colman McCarthy)

On the label of every can of tuna sold in the United States is the phrase ''dolphin safe.'' This means that tuna were not caught by intentionally setting encircling nets on dolphins. In the Eastern Pacific Ocean, fleets locate the deeper-swimming tuna by tracking dolphins.

The story of how ''dolphin safe'' came to be imprinted on labels is proof that environmentally harmful practices can be turned around when enough well-organized citizens demand it. Credit is shared by schoolchildren, their parents and teachers who threatened to boycott tuna because dolphins were also killed in the catch, and by such groups as the Humane Society of the United States, which has been toiling on this marine issue for more than 20 years.

Legislatively, the Dolphin Consumer Information Act was passed in 1990. Then came the International Dolphin Conservation Act, which bans the import and sale of tuna caught in nets that encircle dolphins. Both laws represent years of work by progressive politicians to ensure that dolphins are nearly as safe as they were before tuna fleets took to the high seas in 1959 with deadly mile-long purse seine nets. Over three decades, more than 7 million died in the nets. Under the laws, dolphin mortality has been reduced by 96 percent.

In politics, success in one thing, defending it another.

The integrity of the legislation, as well as the safety of dolphins, is at serious risk. The problem is not with the domestic tuna fleet. California-based, it amounts to only a half-dozen boats and with the owner eschewing settings nets on dolphins. It is the fleets of a few foreign nations—Mexico mainly, which has nearly 40 factory boats in the eastern Pacific—that want to market dolphin-unsafe tuna in the United States.

Mexico's fishers and their lobbyists in Washington are taking comfort in legislation offered by Sens. Ted Stevens (R–Alaska) and John Breaux (D–La.). Their bill, which recently was approved by a Republican controlled committee, would redefine ''dolphin safe'' to something like ''Well, pretty safe.'' Dolphins would be fair game for nets, along with the practice of helicopters and speedboats chasing the traumatized creatures into them.

To ward off troublesome school kids who like dolphins and might take to boycotting again, the Stevens-Breaux bill requires the fishers to ''back down''—release dolphins from the nets while still tightening them around tuna. If no dolphins were ''observed'' dead in the nets, the dolphin-safe claim could be made.

Now the waters murk up. Even if an independent-minded observer can be found and be given the run of the factory boat by the Mexican captain, how precisely can one person monitor a mile's worth of nets in a waving sea? What about when they are sleeping or down below eating? What if the captain who isn't likely to be a dues-paying member of the Humane Society, disputes the observer's count of dead dolphins? Whose word is to be believed?

And then there is the effectiveness of enforcement. Jeffrey Pike of the Dolphin Safe Fair Trade Campaign, a group opposed to Stevens-Breaux, testified before Congress on the lack of enforcement powers by the Inter-American Tropical Tuna Commission, a regulatory group. When observers have cited the deaths of dolphins, ''the reports are not acted on'' by the commission. ''To date, despite the fact that hundreds of violations have been reported, no monetary fines have been collected or penalties assessed. . . . In 1994, during four trips IATTC observers reported that they were prohibited by the vessel captain from carrying out their duties, an offense for which . . . a penalty of $50,000 each for the captain and vessel owners [is recommended]. In no case was the penalty collected.''

Congress and U.S. courts are powerless to regulate Mexican and other Latin fleets in international waters. They do have power—and are exerting it through legislation—to ban the import and sale of dolphin-unsafe tuna. Legislation offered by Sen. Barbara Boxer (D-Calif.) does not lower dolphin protection standards. Stevens-Breaux supporters argue that if U.S. laws aren't modified, Mexico will drop its economic anchor in countries that lack dolphin-safe requirements.

This argument drowns in a deep sea of facts. The United Nations Food and Agriculture Organization reports that 90 percent of the world's consumers of tuna live in the United States, Canada and Europe, which impose dolphin-safe requirements. Mexico, like the U.S. tuna fleet before it, had better face economic reality, even as it may find the environmental kind unpalatable.

It comes down to language on labels. The public wants the factual words ''dolphin safe'' on the cans. It doesn't want dolphin deadly.

[From the Journal of Commerce, Jan. 2, 1997]

DOLPHINS, TUNA AND TRADE

(By Rodger Schlickeisen)

A Dec. 16 editorial endorsed the Stevens-Breaux bill as the best approach for continuing the decline in dolphin mortalities and implementing the Panama Agreement for an enforceable fishery management policy in the eastern Pacific Ocean. As members of Congress long involved with this issue, we take exception to this statement of support.

Despite popular sentiment behind the current ''dolphin safe'' label—which means what it says—the Stevens-Breaux bill would allow tuna caught using deadly netting and encirclement techniques to be sold as ''dolphin safe'' as long as no one saw any dolphins die. Supporters of the Stevens-Breaux bill argue that because an international observer will be on each tuna boat in the eastern Pacific Ocean, dolphin mortality will be easily monitored and controlled. That argument just doesn't hold water. One observer cannot possibly monitor the entire catch of a 100-foot vessel or investigate the contents of a mile-long purse seine net, particularly when the deadly dolphin chase is being carried out by speedboats traveling ahead of the mother ship with no observers on board.

Another assertion by the bill's proponents—that unless we weaken our laws substantially, international fishing operations will soon abandon the U.S. market and its dolphin-safe fishing techniques in favor of the lucrative and permissive Asian and Latin American markets—also lacks any credibility. The fact is that the U.S. market remains the world's largest, accounting for more than 60 percent of global tuna sales. And the European Community, the second-largest market, has dolphin-safe tuna practices that practically mirror the Boxer-Biden bill. Together, the United States and European Community dominate the world's tuna market.

Ultimately, the victim of this extreme effort to gut dolphin protection laws would be not only the dolphins, but also American consumers. By changing the definition of ''dolphin safe,'' as the Stevens-Breaux bill proposes, even tuna caught by killing hundreds or thousands of dolphins could conceivably receive this label.

There is a better way: The Boxer-Biden International Dolphin Protection and Consumer Information Act of 1995. This bill maintains every word of the current dolphin-safe definition, while continuing the existing ban on selling all other types of tuna. Our bill also makes the necessary changes in current law to incorporate the Panama Agreement (a broad management plan for the eastern Pacific Ocean recently signed by the United States and 11 other countries).

Most significantly, our bill provides an important incentive for foreign and domestic tuna fishermen to fish in a dolphin-safe manner: access to the U.S. market. Under our bill, the ban on all tuna imports from countries that don't exclusively follow dolphin-safe practices will be amended to allow fishermen who use these methods to sell that tuna in the vast $1 billion U.S. market. This important modification will reward those who have altered their fishing methods and encourage the rest to follow suit.

[From the Journal of Commerce, Aug. 2, 1996]

DOLPHINS, TUNA AND TRADE

(By Rodger Schlickeisen)

The debate over tuna-dolphin legislation, which reached the floor of the House of Representatives this week, has become as tangled as an old fishing net. But it unravels to one basic reality: The Clinton administration and a few environmental groups are pushing legislation that would weaken the ''dolphin-safe'' program and allow the slaughter of thousands of dolphins annually. While this harmful legislation passed the House this week, there is still time to stop it when a companion bill reaches the Senate floor after the August congressional recess.

Thanks to the efforts of millions of schoolchildren and a coalition of conservation groups, since 1990 U.S. law has provided labels on cans to let consumers know whether tuna was caught by dolphin-safe methods.

Tuna in the eastern tropical Pacific tend to school beneath dolphins, so historically fishermen set nets on the dolphins to catch the tuna below, killing at least 7 million dolphins since the 1950s. Dolphin mortality has dropped dramatically, however, since the U.S. embargo of dolphin-unsafe tuna imports.

After its string of environmental victories against a hostile Congress, why would the administration seek to weaken such a popular environmental program and hand opponents an opportunity to regain ground on the environment? Considering that the majority of environmental organizations support the current dolphin-safe standard, why would a few support regression to a discredited method of fishing?

The answer is that Flipper has become entangled in deadly trade politics. Latin American countries are pressuring the administration to lift the embargo, which Mexico has challenged successfully before the World Trade Organization. They not only want to settle this longstanding dispute, but help boost the Mexican economy before the November election, in which Nafta will be an issue. Some want to appease Mexico's demands because they fear foreign tuna boat operators otherwise will abandon any safeguards.

Mexican lobbyists have convinced the administration that only changing the definition of dolphin-safe can ensure them access to the U.S. market, despite the fact that roughly a dozen Mexican tuna boats already fish dolphin-safe. The bill promoted by the administration would change the current definition to allow a dolphin-safe label on tuna caught by encircling, harassing and chasing dolphins—as long as no ''observed'' dolphin deaths occurred.

The assumptions of bill proponents are based on misleading industry information. For example, although they say 10 million dolphins exist in the eastern tropical Pacific, the tuna mostly follow two imperilled populations—spotted and spinner dolphins—which represent only a tiny fraction of the claimed millions. Although these two populations were recently listed as ''depleted'' under the Marine Mammal Protection Act, the administration proposal would allow setting nets on them.

Bill proponents claim that dolphin-safe fishing methods cause by-catch of other marine life such as sea turtles and sharks. They also claim that ''new'' techniques have been developed that make netting dolphins safer.

Marine biologist and tuna boat owner John Hall scoffs at those claims. He says the method of releasing dolphins from nets was developed by U.S. fishermen three decades ago and their recent adoption by some foreign fishermen has brought about no measurable protection for spotted and spinner dolphins. Moreover, the United Nations' Food and Agriculture Organization states that this fishery's by-catch under the present dolphin-safe definition is among the lowest in the world.

Furthermore, ''observed'' dolphin deaths under the new definition would not account for all deaths, according to Albert Myrick, who has coordinated U.S. research on dolphin stress. Current data strongly suggest that dolphins experience physiological damage and death after release from nets.

We lack viable means of ensuring that dolphins will not be killed when fishing nets are set on them. This year Mexican fishermen are known to have thrown observers off their boats. Many involved in the fishery are unconvinced that the present observer system can handle the intensive monitoring that enforcement of the new definition would require.

A grass-roots coalition of more than 80 environmental, consumer and animal welfare groups oppose weakening the present dolphin-safe standard.

U.S. tuna canneries, which six years ago went dolphin-safe in the face of unprecedented public pressure, also are concerned.

They rightly fear that they not only could lose their hard-won competitive advantage over foreign dolphin-unsafe canneries, but also again face boycotts over the misleading new label.

Ironically, if the president would abandon his attempt to change the definition of dolphin-safe, improvements could be made.

All agree that the present practice of embargoing all tuna from a country like Mexico for the behavior of a few bad fishermen is counterproductive.

We could allow the dolphin-safe tuna from Mexican fishermen to gain access immediately to the U.S. market.

This politically smart move also would be the right one.

KEEP THE CURRENT DOLPHIN-SAFE LABEL

Mr. BIDEN. Mr. President, today I join with my longtime colleague in this endeavor, Senator BOXER, to restate our continuing opposition to legislation changing the current dolphin-safe standard. As usual, she has explained the issue much better than I could, so my remarks will be brief.

Throughout the 1960's, 1970's, and 1980's, hundreds of thousands of dolphins were senselessly killed every year because of the use of gigantic purse seine fishing nets. Our efforts to require that each nation wishing to export tuna to the United States document that it possessed a dolphin protection program and a dolphin mortality rate comparable to ours largely failed, resulting in unilateral embargoes against noncomplying nations.

The senseless slaughter of dolphin justifiably outraged many Americans. Literally tens of thousands of letters, telegrams, and phone calls poured into tuna companies' offices and Capitol Hill. The message heard was loud and clear: Don't allow this needless massacre to continue.

Then, in 1990, something remarkable happened. American tuna companies, environmentalists, and consumers came together and revolutionized an entire industry. That April, Starkist, and shortly after that Chicken of the Sea, and Bumblebee—which combined sold more than 80 percent of the tuna in America—announced voluntary purchasing bans against all tuna caught in association with dolphins.

On the heels of this campaign, then-Congresswoman BOXER and I wrote and shepherded into law the Dolphin Protection Consumer Information Act—a landmark statute that set one very simple, uniform standard: No tuna caught by purse seine net fishing, or by a boat capable of purse seine net fishing, can be labeled as dolphin-safe.

Our labeling law immediately transformed the decades-long controversy. Dolphin mortalities caused by both American and foreign tuna boats plummeted from more than 52,000 in 1990, to just under 3,000 in 1995. A tremendous decrease.

Millions of consumers now purchase tuna with a clear conscience, knowing that the deadly purse seine net method was not used.

Simply put, the Dolphin Protection Consumer Information Act remains a remarkable success story. It does not mandate anything. It does not require thousands of bureaucrats. It merely requires accurate, truthful labeling.

From the nutritional information printed on boxes of cereal, to salt content listings on low-sodium crackers, honesty in labeling is a well-established principle of law.

This does not necessarily mean that all types of a given product must conform to the requirements of a particular labeling law. All milk is not required to contain 2 percent milkfat, for example. But, if a dairy company wishes to label its product as 2 percent milkfat, it must meet that standard. In essence that is the concept underlying the current dolphin safe standard.

Unfortunately, legislation (S. 39) introduced recently by Senator STEVENS and Senator BREAUX changes the criteria for the current label, thereby eliminating the protection and honesty now provided. While the proposed no-mortalities requirement sounds good on its face, it is for all practical purposes unworkable and unenforceable. One observer, equipped with a pair of

binoculars, can hardly keep accurate watch over the entire contents of a 1 to 2 mile long, half-mile wide net, submerged hundreds of feet below water.

I recognize the potential significance and power of the October 1995 Panama Declaration, and I agree that our unilateral embargoes deserve a serious reexamination. In fact, legislation I and Senator BOXER introduced during the 104th Congress would have implemented key parts of the declaration by repealing the current comparability embargoes and opening our market—literally the most lucrative in the world—to all tuna caught in compliance with the current dolphin-safe standard.

But market access issues, questions of whether to allow dolphin-safe and other tuna into our market, are separate from the reasoning behind the current label.

I look forward to working with my colleagues on both sides of the aisle and in the administration to lock-in the progress we have made. And I commend Senator BOXER for her diligent efforts to protect our environment while preserving our principles.

USE OF FEDERAL FUNDS TO ENCOURAGE LABOR UNION MEMBERSHIP

Mr. THURMOND. Mr. President, yesterday, I introduced S. 223, a bill to prohibit the use of Federal funds to encourage labor union membership.

I ask unanimous consent that the text of S. 223 be printed in the CONGRESSIONAL RECORD.

The bill follows:

S. 223

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. PROHIBITION ON USE OF FEDERAL FUNDS TO ENCOURAGE LABOR UNION MEMBERSHIP.

(a) DEFINITION.—For purposes of this Act the term ''agency'' has the same meaning as in section 551(1) of title 5, United States Code.

(b) PROHIBITION.—No funds appropriated from the Treasury of the United States may be used by any agency to fund, promote, or carry out any seminar or program, fund any position in an agency, or fund any publication or distribution of a publication, the purpose of which is to compel, instruct, encourage, urge, or persuade individuals to join labor unions.

TRIBUTE TO THE LATE JEANE DIXON

Mr. THURMOND. Mr. President, each morning for more years than anyone can remember, millions of Americans have religiously opened their newspapers and consulted their horoscope, checking their astrological sign for an idea of what good or bad fortune their day might hold. Whether these people did this out of a true belief that the stars could predict their fate, or just out of a sense of fun, it was the work of a prominent Washingtonian, Jeane Dixon, whose column more often than not they were reading. Sadly, her fans will no longer be able to gaze into the future over a cup of coffee and an English muffin, as Mrs. Dixon passed away this past Saturday at the age of 79.

Mrs. Dixon gained notoriety as an astrologer and psychic when she made some eerily accurate predictions concerning the tragic fate of the late President Kennedy, the election of Richard Nixon to the Presidency, that China would become Communist, and the eventual election of Ronald Reagan as Chief Executive. Whether she truly had the ability to see into the future will forever be a mystery, but she certainly made enough accurate forecasts about events that she earned a degree of credibility. From what I understand, she was often consulted by individuals inside and outside of Government, and she was certainly a favorite in Washington social circles, which is how I came to know Mrs. Dixon many years ago.

Those who only knew the Jeane Dixon whose name graced horoscope columns were not familiar with the generous and concerned nature of this woman who worked very hard to help build a better world through philanthropy. A devout Catholic, Mrs. Dixon gave freely to the church, supporting many worthy charities and relief projects designed to help the less fortunate and those in need. Additionally, Mrs. Dixon established the Jeane Dixon's Children to Children Foundation, an organization that has undertaken many fine efforts to help some of America's most vulnerable citizens, its children.

I am proud to have been able to count Jeane Dixon among my friends. She was the godmother to my youngest son, Paul, and the two would visit whenever possible. Unfortunately in later years, Paul's schedule as a tennis player and college student, and Jeane's busy traveling and business schedule did not permit as many get togethers as either would like. Still, they were good friends and did enjoy being able to see each other several times a year. As Jeane lived in town, I would see her frequently, and always enjoyed being able to host her and her friends for lunch in the Senate dining room. Without question, she was a kind and warmhearted woman who was always interested in politics and the events of the day. She was a witty conversationalist and it was always amusing and intriguing to hear what she believed was in store for the Nation and prominent figures in Government and entertainment.

Mr. President, Jeane Dixon led a full and unique life. She was known, admired, and liked by countless people and we shall all miss her. My condolences go out to her sister, Evelyn P. Brier; her brother, Dr. Warren E. Pinckert; and her nieces and nephews, all of whom survive her.

THE VERY BAD DEBT BOXSCORE

Mr. HELMS. Mr. President, at the close of business yesterday, Tuesday, January 28, the Federal debt stood at $5,317,192,254,267.62.

Five years ago, January 28, 1992, the Federal debt stood at $3,796,222,000,000.

Ten years ago, January 28, 1987, the Federal debt stood at $2,223,438,000,000.

Fifteen years ago, January 28, 1982, the Federal debt stood at $1,037,631,000,000.

Twenty-five years ago, January 28, 1972, the Federal debt stood at $426,168,000,000 which reflects a debt increase of nearly $5 trillion—$4,891,024,254,267.62—during the past 25 years.

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

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

BOMBING OF THE KHOBAR TOWERS

Mr. BRYAN. Mr. President, I rise today because of strong concerns I have related to the Air Force's evaluation of the events surrounding the tragic Khobar Towers bombing in Saudi Arabia. The Air Force has not yet released its official report on these events, but it has been widely reported that the Air Force will recommend no disciplinary action against any officer in relation to this incident. Mr. President, I do not understand this recommendation.

As you will recall, shortly before 10 p.m. on the evening of Tuesday, June 25, 1996, a fuel truck pulled up to the perimeter of a Khobar Towers' complex in Dharan, Saudi Arabia. This complex housed almost 3,000 airmen of the 4404th Wing, as well as military personnel from the United Kingdom, France, and Saudi Arabia. Air Force guards spotted the truck and immediately began an effort to evacuate the building. Unfortunately, before they could succeed, a large explosion occurred that destroyed the face of Building 131, killing 19 American servicemembers and seriously injuring hundreds more.

In the immediate aftermath of the explosion the members of our Armed Forces acted heroically, restoring order and providing aid to those who had been injured. In less than 3 days the 4404th Air Wing had recovered and was once again flying its mission over the skies of southern Iraq.

This bombing and a Riyadh, Saudi Arabia, bombing in November 1995 that killed five Americans, raised a number of fundamental questions regarding the threat of terrorism to United States

forces deployed overseas and the priority of force security among those military commanders charged with responsibility for providing that security. Secretary of Defense Perry took an important step in addressing these questions by establishing an independent task force to examine the facts and circumstances surrounding the bombing. This task force was led by Gen. Wayne A. Downing, a highly respected and distinguished retired four-star general.

The findings of the Downing report were significant and wide ranging. They covered force security standards and policies, intelligence, threat assessments, and United States-Saudi cooperation. Secretary Perry took these findings seriously and as a result has announced major changes in our approach to force protection. Unfortunately, in a number of areas it appears the Air Force has chosen to disregard the Downing task force findings.

The contrast between the Downing report and the Air Force's apparent findings, and I use the term ''apparent findings'' because at this point, Mr. President, the official report has not yet been released, finding 19 of the Downing report states ''The chain of command did not provide adequate guidance and support to the Commander, 4404th Wing.'' Finding 20 states ''The Commander, 4404th Wing did not adequately protect his forces from terrorist attack.'' Did not adequately protect his forces from terrorist attack. Yet the Air Force has apparently concluded that every person in the chain of command met standards of performance and acted with due care and reasonably. Furthermore, the Downing report details the information available on the terrorist threat against our forces in the Khobar Towers. The Downing report states that the Khobar Towers had been described as a soft target, critical target and a specific site of concern. In addition, the Downing report notes that there was a series of 10 suspicious incidents in the preceding 90 days surrounding this complex that indicated the possibility of a terrorist threat. In contrast, the Air Force has reportedly found that the chain of command considered the threats, in view of the information known at the time, and acted with due care and prudently. This judgment by the Air Force, in my opinion, is inexplicable.

Mr. President, the wing commander of the 4404th Wing, General Schwalier, has been scheduled for a promotion from brigadier general to two-star rank of major general. Now, I understand that hindsight is 20/20, yet I cannot ignore the findings of the Downing task force. For this reason, I have written a letter to the Secretary of the Air Force expressing strong concerns regarding this appointment. The Downing task force makes clear that General Schwalier did have command responsibility and authority for force protection of his personnel in the 4404th Wing while he could not have been expected to know the precise nature of the terrorist attack, the Downing report does raise a number of concerns regarding the priority of force protection under General Schwalier.

For example, in light of the terrorist threat, a number of additional measures could have substantially reduced the threat from a terrorist attack. The windows facing out from the complex, Building 131, could have been coated with a shatterproof substance known as Mylar. Airmen with outside rooms could have been moved into the interior of the complex. That was the area that was most exposed, Mr. President. Finally, a higher priority could have been placed at moving the perimeter fence farther away from housing quarters. When difficulties with the Saudi Government halted plans to move the fence, the matter should have been taken up and reported up the chain of command.

According to the Downing report, these steps were not taken. General Schwalier concentrated solely on the threat of a penetrating bomb attack and failed to address other kinds of terrorist attack. He failed to correct vulnerabilities he could have corrected, and for those vulnerabilities he could not correct by himself General Schwalier failed to raise the issues up the chain of command or coordinate with the host nation.

Mr. President, I do not believe that the Downing report was unreasonable or looking for scapegoats.

This task force took an independent, forthright, and tough look at the threat of terrorism and how we can respond to that threat in the future. I have no doubt this tough assessment will save U.S. lives in the future. In the same way, the Air Force must also take a tough look at its responsibilities to protect its forces from this new threat. And in this instance, Mr. President, I am afraid the Air Force has failed to do so. I urge the Secretary of the Air Force to reconsider the Air Force's conclusions regarding this horrible and tragic incident.

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

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

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

The Senator from Ohio is recognized for 10 minutes.

DOE PROPERTY AND ASSET MANAGEMENT

Mr. GLENN. Today I am releasing a report, prepared at my direction by the minority staff of the Governmental Affairs Committee, on property and asset management at the Department of Energy. The report, aptly titled ''Lost and Still Missing,'' discusses at some length the chronic personal property management problems at the Department, problems that have resulted in the loss of millions of dollars worth of taxpayer-purchased equipment. Recently, DOE has made some progress in tackling this problem, but much more needs to be done.

For many years, missing property and equipment and poor inventory controls have been a major problem at the Department of Energy. Estimates by the IG and GAO of the value of lost and unaccounted for equipment have ranged from tens of millions to hundreds of millions of taxpayer dollars. Missing equipment includes computers, furniture, machine tools, electric pumps, and cameras, plus more exotic items like semi- and flatbed trailers, electronic switchgear, nuclear fuel reprocessing equipment and technology, diesel engines, cranes and armored personnel carriers.

So we are not talking about a few missing pencils and paper clips. These are costly items. And all too often it appears that this material just flies out of DOE inventory and disappears into thin air.

Furthermore, equipment in working order and usable supplies have been sold as surplus for a small fraction of their market value. Other equipment has been left outdoors to be ruined by the elements.

Finally, many of the missing items are national security sensitive and did not go through proper demilitarization and declassification procedures.

Our review also found that the problem of missing property and poor inventory controls is not unique to any one DOE site, but is prevalent at numerous sites, including, among others, the Portsmouth Gas Centrifuge Enrichment Plant, the Rocky Flats Plant, the Idaho National Engineering Laboratory, Sandia National Laboratories, Los Alamos National Laboratory, the Fernald Environmental Restoration Corporation, and Oak Ridge National Laboratory. The specific problems at each site are discussed at length in the report. Some go back a couple of years, others are more recent. Let me give you a few examples.

Rocky Flats, CO—GAO identified $29 million in missing equipment. Missing items included: a semi-trailer, a boat, forklifts, furnaces, over 1,800 pieces of computer equipment, and 8 armored personnel carriers. The armored personnel carriers are a story in their own right. DOE initially donated the 8 carriers to a military museum, but did not demilitarize them. The museum gave one of the carriers away, which was subsequently resold twice before winding up in the hands of a man who supplies props to Hollywood movie studios. Since then, DOE has repossessed the vehicles.

Idaho National Engineering Laboratory—DOE sold as surplus national security sensitive nuclear fuel reprocessing equipment to a scrap dealer for $154,000 who then tried to sell it to a

British company. Once the Department discovered its mistake, it bought back the equipment for $475,000. A separate sale to the same individual included between 25 and 50 personal computers whose hard drives were not sanitized in accordance with Department and GSA regulations. Unfortunately because INEL's records were so poor, it was not possible to determine exactly how many computers were sold, or, more importantly, whether they contained national security sensitive or restricted data.

Sandia, NM—An on-site inspection by the inspector general revealed that computers, machine tools, furniture, and rolls of cable were left outside for long periods of time. When Sandia officials tried to reuse the equipment, they discovered that it had been ruined by the elements. Other equipment had been improperly mixed with radiologically-contaminated items.

Portsmouth, OH—Equipment valued at $35 million was sold for less than $2 million. DOE's own documents indicate that some of this equipment may be nuclear proliferation sensitive. This includes technology used in the enrichment of uranium.

Why do these problems exist? It is a simple two-word answer. Poor management.

In some cases, the Department failed to provide effective policy, or negotiated management and operating contracts that did not meet its own regulations on property management; in others, the field offices failed to provide adequate oversight, especially in the development and review of property management systems. These failures have been compounded by antiquated property tracking systems with poor records, lack of proper training for employees charged with property management, wide variations in local policies that implement Department regulations, and, for one site at least—Rocky Flats—a failure, both in the field and at headquarters, to follow up on cases where there was reason to suspect theft.

The main reason for the Department's pervasive and decades-long problems with property management likely lies in its perception of the importance of its national security mission. This perception has resulted in the downgrading in importance of more routine responsibilities, such as proper accounting, custodianship, and disposal of equipment and other personal property. As one high-ranking Department official was quoted in the Washington Post: ''When it's the life and death of civilization, people start being sloppy about some other things.'' That statement is grandiloquent excess at best, and utter nonsense as an excuse for poor management. In any case, the Department must finally recognize that its cold war mission is over. Now more than ever, the taxpayers are demanding cost-effective Government.

In and of themselves the personal property problems discussed in the report are significant and deserve management attention. The importance of addressing these problems is further compounded because DOE is just beginning to address long-term downsizing issues associated with the changes from its cold war mission. For example, within the next 10 years, DOE's installed capacity to produce and test nuclear weapons will be reduced to 10 percent of its cold war level. As a result DOE will need to dispose of thousands of fixed assets—including buildings, real property, vehicles, equipment, precious metals, fuel, et cetera. To manage this asset disposition process efficiently, DOE will need to carefully take to heart the lessons learned from the personal property management problems discussed in this report.

Recently the Department has taken encouraging and good faith efforts to correct some of these deficiencies, including the renegotiation of the personal property requirements in both new and existing M and O contracts, and implementing guidance and regulations on the handling of proliferation sensitive property. However, these efforts must be continued and expanded.

The report contains a number of recommendations on ways to improve personal property management. Our principal recommendation is that the Department establish a centralized Office of Property and Asset Management that would report directly to the Secretary. Currently, personal property, real property, and asset management responsibilities are spread across too many offices, both at headquarters and in the field, and that is one reason why the Department has such a problem. No one is accountable.

I will be taking this and the other recommendations up with Secretary-designee Pena as he goes through the confirmation process. I am sending letters today to both Chairman MURKOWSKI and Ranking Member BUMPERS of the Energy Committee in the hope that they will address the matter during confirmation hearings. This issue needs to be addressed at the highest level, not relegated to the bureaucratic backwaters as all too often has happened in the past.

In closing, our review is based on reports from the General Accounting Office and the DOE inspector general, documents obtained from the Department, interviews with Department officials, committee hearing records, press accounts and official DOE responses to questions that both the staff and I addressed to the Department. We have copies of the full report for those who would like it, and they could request it from my office.

I ask unanimous consent the report be printed in the RECORD.

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

LOST AND STILL MISSING . . .

MANAGING PROPERTY, EQUIPMENT AND ASSETS AT THE DEPARTMENT OF ENERGY

(A report by the Minority Staff of the Senate Governmental Affairs Committee)

Introduction

For many years, the Department of Energy has had serious problems managing property and equipment at its different sites. These problems have been the subject of numerous GAO and IG reports as well as hearings by the Governmental Affairs Committee. Estimates of the value of missing and unaccounted for equipment have ranged from tens to hundreds of millions of taxpayer dollars. Missing equipment includes computers, furniture, machine tools, electric pumps and cameras, plus more exotic items like semi and flatbed trailers, electronic switchgear, diesel engines, nuclear fuel reprocessing equipment, cranes and armored personnel carriers. Equipment in working order and usable supplies have been lost, stolen, sold as surplus for a small fraction of their market value, left outside to be ruined by the elements, and mixed with radiologically contaminated items.

At the direction of Senator John Glenn, Ranking Member of the Governmental Affairs Committee, the Minority Staff of the Committee conducted a review of property management at the Department of Energy. Our review is based on reports from the General Accounting Office and the DOE Inspector General, documents from the Department, interviews with Department officials, hearings records, press accounts and official DOE responses to questions that the staff and Sen. Glenn addressed to the Department and Secretary Hazel O'Leary.

Our review found that the problem of missing property and poor inventory controls is not unique to any one DOE site, but has been found at numerous sites, including, among others, the Portsmouth, Ohio Gas Centrifuge Enrichment Plant, the Rocky Flats Plant, the Idaho National Engineering Laboratory, Sandia National Laboratories, Los Alamos National Laboratory, the Fernald Environmental Restoration Corporation, and Oak Ridge National Laboratory. These site-specific problems are examined at length later in this report. The report will also summarize steps taken by the Department to correct its problems as well as suggest further steps that we believe could help prevent these problems from recurring in future years.

The lessons learned from past personal property management problems are doubly important because the Department is currently embarking on a large scale asset disposition program. This program is necessary in order to meet budget reduction targets and to dispose of unneeded property, equipment and inventory. Quite simply, the needs of the Department and nation have changed since the end of the Cold War. For example, current DOE plans will result in a nuclear weapons complex that has one-tenth the installed capacity that existed just a few years ago. As a result, the Department will need to dispose of thousands of fixed assets, including real property, buldings, equipment, vehicles, precious metals, fuel, etc. Some legislative authority will likely be necessary to accomplish the Department's goals for this program. While this program is a logical and potentially cost saving one for the Department to undertake, our report strongly recommends that DOE's ailing property management system be reformed and overhauled so as to prevent past property management abuses from happening again in the future. To that end, the report makes a number of specific recommendations on property mangement reforms.

Contributing Factors to DOE Property Management Problems

Many deficiencies in the management practices of the Department of Energy have led to missing and unaccounted for property. But all together it's a product of bad management. In some instances, the Department failed to provide effective policy, or signed management and operating contracts that did not meet the Department's own regulations on property management. In others, the Field Offices failed to provide adequate oversight, especially (but not only) in the development and review of site-based property management systems. These failures have been compounded by inadequate guidance on how to implement policies, inadequate funding for property management, antiquated property tracking systems, poor property records, lack of proper training for employees charged with property management, wide variations in local policies that implement Department regulations, and, for one site at least (Rocky Flats), a failure, both in the field and at Headquarters, to follow up on cases where there was reason to suspect theft.

Perhaps the root reason for the Department's pervasive and decades-long problem with property management lies in its perception of the overwhelming importance of its national security mission. This perception led to downgrading the importance of proper accounting, custodianship, and disposal of equipment and other personal property. As a highly placed Department executive said to the Washington Post: ''When it's the life and death of civilization, people start being sloppy about some other things.'' But if that reason ever had merit, it does not now. Nor do we think that it was ever an adequate reason for such abuses as selling off no longer needed equipment for a small fraction of its market value.

Recent DOE Actions to Correct Problems

Recently the Department has taken encouraging and good faith efforts to correct some of these deficiencies. Property management has been given greater emphasis during the renegotiation of some DOE contracts. For example, the current contract at Rocky Flats contain provisions that assign personal responsibility to employees and establish corporate liability for property under their control. The Department has completed wall-to-wall inventories at some sites, including Los Alamos, Hanford, and INEL. However, there appears to be little consistency between each site's inventory practices.

Further, in November, 1994, DOE issued new interim guidelines both for the control of high risk personal property and on export control and nonproliferation. The high risk property guidelines have been refined several times since then, most recently in March, 1996. These regulations require controls be developed to safeguard against the inadvertent transfer or disposal of equipment or information that represents a high risk because of nuclear proliferation or national security concerns or because of environmental, health or safety hazards. (These regulations were revisited following a particularly embarrassing property incident at the INEL, discussed below.)

The Department is also taking steps to deal with training needs at the sites and field offices and the pressing need for good, consistent information, two themes that recur in the many GAO and IG reports on DOE property management problems. In January 1996, the Department established a Process Improvement Team to review training needs at the field offices and among its contractors; the Team will make recommendations on standardized courses. Also in January 1996, the field offices formed a team to review a new property management system (PRISM (Enhanced)) that could be used Department-wide, bringing a much-needed consistency to property management efforts.

Finally, a promising (if long-overdue) step is the approval of a number of property management systems in the past two and a half years. Approval of a property management system involves headquarters review to determine whether a contractor's property management system complies with applicable regulations. Whereas in January 1994, only seven of the 20 major contractors involved in defense related activities had property management systems approved by DOE, our latest information is that all but one system has been approved.

However, unaccounted for property and equipment remains a serious problem at numerous DOE sites. Furthermore, as mentioned above, the Department recently announced an asset disposition and sale program aimed at realizing $110,000,000 by September 30, 2003. As the Department downsizes over the next few years, there is a danger that taxpayer dollars will be further wasted, unless vigorous property management becomes not only a policy at Department Headquarters, but an ethic and a practice at all sites, among all employees and contractors. This is much easier said than done. The Department itself remarked, in response to the 1996 Inspector General's audit of DOE's arms and military-type equipment: ''. . ..while Department regulations are adequate, compliance is an issue.'' Secretary O'Leary has offered her own assessment that ''. . .correcting deficiencies of the past is a continuous and long-term effort.''

Additional Factors Affecting DOE Property Management

On-going efforts by the Department and the Congress to privatize DOE operations such as the Elk Hills Naval Petroleum Reserve (recently put on hold) and a number of the Power Marketing Administrations will place increase pressure on DOE's existing property management systems. Congress has also set criteria in law for DOE to transfer excess equipment to assist educational institutions and non-profit organizations, as well as the local economic development efforts of communities negatively impacted by downsizing. For these privatization and technology transfer efforts to succeed without substantial waste, we believe that the Department must focus increased attention on asset and property management.

The technology transfer and economic development assistance efforts of the Department require more than accurate inventories. They require that the field offices and the site contractors understand the procedures under the three acts governing such transfers, especially how to balance the interests of the Department against those of eligible potential recipients outside the Department. The Department has set up programs under the Stevenson-Wydler Technology Innovation Act of 1980, as amended, and the Department of Energy Science Education Act. These programs also include the Used Energy-Related Laboratory Equipment Grant Program and the Math and Science Equipment Gift Program. Furthermore, under the FY1994 Defense Authorization Act (P.L. 103–160), the Department has authority to transfer or lease excess Department-owned personal property to private businesses in order to support economic development initiatives that could mitigate the effects of closing or restructuring Departmental facilities. Here, there continue to be misunderstandings and conflicts between the claims of the Department and the claims of local development proponents. Policy and practice need to be clarified at both the field and headquarters levels to ensure that equipment transfers comply with the law and contribute to economic and technological development while also protecting the taxpayer's interest in what is often very valuable equipment. Such guidance will be crucial as the Department continues its downsizing efforts.

Management Attention Must Include Accountability

Notwithstanding the steps the Department has already taken, we believe that further actions are necessary to raise the priority of effective property management and assure taxpayers that loss and mismanagement of valuable property will not occur. Approved property management systems are a necessary first step, but they must be implemented by well-trained people who are working with modern systems in an environment that supports their efforts both actively and tacitly. Taxpayers expect a common-sense approach to managing property that goes beyond regulations, procedures and the latest technology. Although they certainly help, policies, procedures and technologies in and of themselves cannot ensure that abuses will not take place. The committment and knowledge of individuals do count.

More appropriately, the DOE should hold its staff and contractors accountable for the property they use. At the contractor level, the quality of property management should factor heavily into contractor renewal decisions; poor property management should result in fines or penalties or delay or reduction of award fees. At the individual level, poor property management should be grounds for disciplinary action, demotion, or even dismissal. This applies to both supervisory and working-level personnel, both in the field and at headquarters. Conversely, exemplary property management should be rewarded. And responsibility should lie not only with the field offices and the sites, but with individual DOE program managers.

An analysis of property management problems at various of DOE sites follows.

Discussion of Past DOE Property Management Problems by Site

Portsmouth, Ohio—Gas Centrifuge Enrichment Plant

A January 1995 DOE Inspector General audit (Case No.I93CN015)[1] prepared at the request of Sen. Glenn revealed that property DOE originally spent $177 million to acquire, and which the IG estimates had a market value of $35 million, was given away for a total of $2 million. This property and equipment came from the Gas Centrifuge Enrichment Plant (GCEP) facility which had been closed by DOE. The IG's report points out that poor inventory controls contributed to this outrageous waste of taxpayer dollars. How this situation developed is a complicated story that took place over a number of years. Still, the outcome shows that the Department made a number of mistakes and errors that have left it vulnerable to a loss of a significant dollar amount of equipment.

In 1985, DOE terminated the GCEP Program at Portsmouth. Many of the assets of that program subsequently became surplus. DOE began to inventory the surplus equipment and establish a database. An official in charge of the inventory effort and subsequently interviewed by the IG labeled the database a ''best-guess effort'' to identify one million pieces of equipment spread over 25 acres. DOE then searched for interested parties who might wish to make use of the equipment. On November 20, 1987, DOE entered into an agreement with AlChemIE, Inc. to transfer equipment and technology to the

[1] See list of references, at the end of the report.

company for the purpose of using it to enrich non-fissile isotopes for medical, industrial, and research applications. The agreement stipulated that AlChemIE: remove the equipment at its sole expense; pay the Department a 2 percent annual royalty over 20 years on gross sales generated by the isotope production facility; and, deposit $2 million in an escrow account. AlChemIE and DOE also agreed on an inventory list of equipment to be transferred, a list that later proved to be incomplete and inaccurate. Prior to entering the agreement, DOE received an opinion from the Department of Justice that the agreement did not violate anti-trust law.

However, AlChemie needed a license from the Nuclear Regulatory Commission (NRC) authorizing it to possess gas centrifuge equipment—equipment with national security implications given its potential application in the development of nuclear weapons—before it could construct the facility. But the NRC did not approve the license. On June 20, 1989, AlChemIE filed for bankruptcy and became insolvent by August 14, 1990. At that time, the IG estimated that equipment with an acquisition value of $46 million had been transferred to AlChemIE.

AlChemIE had secured $2.25 million in escrow monies through five personal loans from the Anderson County Bank in Tennessee to five individuals representing the company. With AlChemIE now bankrupt, Anderson County Bank assumed title for the remaining equipment secured through the escrow account. On November 28, 1990, the bank sold title to the equipment to John Smelser, a former executive with AlChemIE and now president of JHS, Inc., an equipment scrap and salvage company.

This escrow account raised questions among state banking authorities. As reported by the Oakridger and the Knoxville Journal on February 6, 1991, the U.S. Attorney indicted former bank president William Arowood, attorney Elbert Cooper, and John Smelser for conspiring to defraud Anderson County Bank of $150,000 from the escrow account. Subsequently, Mr. Arowood and Mr. Cooper were found to be guilty of bank fraud while Mr. Smelser was found to be innocent.

In the interim, Mr. Smelser had pursued litigation against the Department for access to equipment he claimed was owed him from the agreement with AlChemie. After 14 months they settled, signing a January 23, 1992 agreement giving Mr. Smelser further access to the equipment as had been listed previously in the AlChemIE agreement. Still, a number of items of equipment remained in dispute and Mr. Smelser claimed that he had been wrongfully denied those items. An internal DOE memo noted that many of the items on the list had either been: 1) lost; 2) transferred to GSA; 3) were classified or contaminated; 4) had two ID numbers; or 5) otherwise were not available. The memo concluded ''that DOE's position, should the dispute be litigated, was weak.'' So DOE entered into another agreement with Mr. Smelser on June 10, 1993. However, this agreement widened the scope of available equipment and appeared to give Mr. Smelser carte blanche to take any surplus equipment he wanted. The agreement gave him access to surplus equipment property yards at Paducah, Kentucky and Oak Ridge, Tennessee in addition to Portsmouth. According to the IG, the agreement's wording was vague and non-specific, for example, granting Mr. Smelser ''all unclassified, uncontaminated loose items on third floor storage area'' and ''all unclassified, uncontaminated items that are not required to support building operations.'' The agreement also waived the first $100,000 in disposal costs incurred by DOE in removing the equipment, with Mr. Smelser to reimburse the Department for costs that exceeded that figure.

Sen. Glenn wrote the Department in 1995, asking them a number of questions about the missing equipment and their agreement with Mr. Smelser (Sen. Glenn's letter and the Department's response can be made available upon request). The response from Donald Pearman, Associate Deputy Secretary for Field Management, noted that the final agreement with Mr. Smelser expired on June 10, 1994. However, the letter also points out that Mr. Smelser owes DOE $487,228 for fees associated with removing equipment from the site, and that Mr. Smelser claims DOE did not provide all the equipment he was entitled to remove. As a result, there is pending litigation, still in the discovery process as of December of 1996, between DOE and Mr. Smelser. Mr. Smelser has filed a claim for $503,266,375 (i.e., more than a half billion dollars), and the Department has filed a counterclaim for $492,208 plus interest for removal services it rendered to Mr. Smelser.

Not only are inventory controls necessary for prudent fiscal management, they are also critical for environment, safety and health purposes, as well as for enforcing our nonproliferation policies, which ensure appropriate controls over equipment and technology that could be applied to the production of nuclear weapons. Department documents and correspondence with Mr. Smelser show that access to, and disposal of, contaminated or classified equipment were ongoing issues in the relationship. Moreover, there appears to be some confusion as to the impact of the disposition of the GCEP property from a non-proliferation perspective. The IG's report (page 7) states:

''the OIG has not identified, nor has any reason to believe, that any contaminated or classified equipment was released to AlChemIE or Mr.Smelser. It appears that the Department is complying with these procedures with respect to Mr. Smelser. The classified Program material never left the site at Portsmouth; therefore, U.S. Export Control Rules governing export of sensitive nuclear technology/equipment did not apply.''

However, a report from DOE's Deputy Assistant Secretary for Security Evaluations to the Under Secretary entitled, ''Release of Nuclear-Related Property and Associated Documentation by the Department of Energy since 1989,'' (page 12) dated December, 1994 is much less comforting:

''The only identified release of possibly nuclear-related, export-controlled property via technology transfer came about through an out-of-court settlement. . . This case involved the release of a large number of equipment items to a single individual by Oak Ridge and Portsmouth. . . during the period 1989 through June 1993. As a result of the out-of-court settlement, and in addition to the gas centrifuge equipment, all excess property from Oak Ridge and Portsmouth from June 1993 and June 1994 was released to this same individual. None of the approximately 325,000 line items released between 1989 and June 1994 were reviewed for export control. Therefore, it is possible that export-controlled items were part of this release. Although neither classified equipment nor critical process information was released, the large number of items associated with the gas centrifuge enrichment process, together with the excess property items (June 1993 through June 1994), makes this release potentially sensitive from a nonproliferation perspective.'' (Emphasis added.)

When Sen. Glenn asked the Department in his April 25, 1995 letter to comment on the apparent discrepancy between the IG's report and the December 1994 report to the Under Secretary, the Department responded that there appears to be no discrepancy. In response to a further inquiry, the Department responded in May, 1996 that all equipment declared surplus from the GCEP facility was reviewed prior to release to assure that the equipment was unclassified equipment, and that unclassified equipment is not subject to export control regulations.

We note that this response cannot be reconciled with earlier statements from the Department. The issue is not only whether the equipment was classified or unclassified. Nor is the issue confined to just this site. As Secretary O'Leary pointed out in an internal memorandum of August 3, 1994 about the sale of surplus equipment at the Idaho National Engineering Laboratory:

''Apparently, the decisions. . ..were based on whether or not the equipment and related documentation was unclassified. This is an inadequate form of control because a great deal of nuclear production processes have been unclassified for several years. A more appropriate form of control would utilize information regarding the proliferation sensitivity of the equipment, materials and related documentation.''

Thus, we recommend that DOE be asked to review, for export control purposes, the equipment it does know was deemed surplus from the GCEP facility. Specifically, would any of the items released to Mr. Smelser, if exported, require either: (a) a validated license from the Department of Commerce; or (b) an authorization from the DOE; or (c) an export license from the NRC?

The GCEP saga is only one in a long list of DOE sites with chronically-ill personal property management systems. Other problem sites include Rocky Flats, the Idaho National Engineering Laboratory, Los Alamos, Sandia, the Central Training Academy, Fernald and Oak Ridge.

Rocky Flats, Colorado

The DOE site at Rocky Flats has had persistent problems managing personal property. In 1993, the Inspector General reported (DOE/IG–0329) that a 1991 inventory conducted by the site contractor found 5,900 pieces of government equipment with an acquisition cost of over $33 million unaccounted for or missing from the site, presumably either lost or stolen. A subsequent GAO report (GAO/RCED–94–77) summarized the 1991 inventory, and stated that the missing or unaccounted for equipment included about 1,400 items of computer equipment, plus lathes, drill presses, hoists, furnaces, laboratory equipment, forklifts, a photocopier and a boat. The IG also criticized management at Rocky Flats for storing sensitive items such as computer equipment outdoors in the open air, and commingling equipment potentially contaminated with radioactivity with uncontaminated items. In its 1994 report (GAO/RCED–94–77), GAO noted that a follow-up inventory, completed in 1993, found $12.8 million in equipment missing from the site and another $16.5 million that could not be physically located, for a total of $29.3 million. Missing items included: a semi-trailer, forklifts, cameras, desks, radios, typewriters, a wide variety of laboratory and shop equipment such as balances and lathes, and over 1,800 pieces of computer equipment such as monitors and keyboards. As of October, 1995, DOE considered that only $4.5 million of property was missing or could not be physically located. However, in a December 1995 report (GAO/RCED–96–39), GAO notes that DOE has written off $20.8 million in missing or unlocated property. This equipment presumably is lost forever.

A July 1995 GAO report (GAO/OSI–95–4) examined the likelihood that theft contributed to the inability of DOE and the site contractor to account for the millions of dollars of missing equipment at Rocky Flats. GAO concluded that the extent to which theft has

been a factor is unknown, because of poor property management practices and inadequate records. GAO also concluded that poor management practices, such as characterizing possibly stolen equipment as missing without undertaking an investigation, contributed to an environment that allowed theft. GAO further noted that Rocky Flats did not always report suspected theft to DOE, and that DOE did not always report suspected thefts to the DOE Inspector General or to the FBI, as regulations require. GAO cited the Motor Vehicle Maintenance Shop as a place where automotive parts and supplies were easily stolen. DOE reports that physical security of property has been upgraded at Rocky Flats and that cases of possible theft are receiving better review.

The December 1995 GAO report notes that DOE has made improvements in management of personal property at Rocky Flats. For example, DOE has incorporated specific performance measures into its new site management contract that address many of the identified problems with property management. DOE has also established a computerized tracking system and allocated 2 FTEs and 2 support contractors to operate it. Because a large percentage of the data in the tracking system is inaccurate, DOE has made updating and correcting these records a priority task for FY96. Still, it seems unlikely that Rocky Flats will ever recover many of these missing items.

On May 15, 1995 the Associated Press reported the story of how David Wang, a collector of military vehicles who leases them as props to Hollywood movie studios, obtained an armored personnel carrier surplused from the site. (The story built on a May 5 news release from DOE reporting the recovery of the vehicle and seven others.) The carrier bought by Mr. Wang was one of eight previously donated by Rocky Flats to a military museum in Anderson, Indiana to be displayed for historical purposes. Rocky Flats officials were supposed to de-militarize the vehicles in accordance with DOE regulations, but they did not. The museum owner gave this vehicle away and it was subsequently resold twice before winding up in Mr. Wang's hands. One of the middlemen in the transaction, John Ferrie, when asked about the paperwork and procedures for obtaining the carrier, was quoted as saying, ''It's kind of a handshake business.''

As noted above, DOE seized back the vehicles. An investigation is currently underway to determine any criminal wrongdoing. A June 1996 follow up GAO report (GAO RCED–96–149R) found that physical controls and accounting procedures for firearms, ammunition, and other military equipment at Rocky Flats had improved.

Management of Arms and Military Equipment at Several DOE Sites

In a February 1996 report (DOE/IG–0385), the IG concluded that DOE has more weapons (handguns, shotguns, rifles, submachine guns, light anti-tank guns, howitzers, armored cars, and tanks) than are necessary for security purposes. The IG also found that weapons are not accurately accounted for, inventory documentation is not always correct, and property management regulations were violated in the lending of weapons to other organizations. Further, the report shows that problems with armored vehicles are not isolated to Rocky Flats, but occur at other sites as well. Highlights of the report follow.

''Oak Ridge: Site officials could account for only seven out of ten armored vehicles. After IG review, DOE discovered documentation showing the location of two of the three missing vehicles. About 66 weapons were unaccounted for: 50 had dropped off the inventory, and 16 had been transferred off-site, but officials were unable to say where. All 66 were eventually located. Three M–16s and six M–14s were loaned to local police five years ago without proper approval. (DOE regulations allow loans for one year, or longer if the head of the field organization approves.)

''INEL: One out of two armored vehicles were missing with no knowledge of its whereabouts. The IG found no documentation to support disposal or transfer.

''Los Alamos: The IG discovered several faulty entries on the inventory database. Six items listed as guns were radar, spray paint, or gas guns. An item labeled a vehicle tanker was an M–60 tank; another item labeled as a rifle was an 8-inch naval gun. The IG found a 20 mm machine gun that was not listed on the database. Two TOW launchers and one Russian rocket launcher were found in a bunker; none of the three were listed on the database.

''Hanford: Eight light armored personnel carriers were donated to a military museum. No documentation was found to show whether the vehicles had been demilitarized. Site officials loaned 24 rifles and shotguns to a local law enforcement department nine years ago. Information on the status of the loan agreement could not at first be found, but Richland eventually determined that a subsequent 1992 contract covered the firearms.

''Savannah River: Several years ago, 4,000 rounds of ammunition were lost and not recovered. Savannah River was unable to provide documentation that showed the demilitarization codes for four armored personnel carriers transferred as excess property to a Federal agency and a local law enforcement department.

''Sandia: The site averaged nearly 6 weapons per security officer. The IG observed 29 tanks, 4 howitzers, and 1 armored personnel carrier on site, all transferred from DOD. None of the items were on the inventory, and none had documents justifying their need or use.''

In the February 1996 report, the IG made a number of specific recommendations for corrective action, including that DOE's Office of Nonproliferation and National Security conduct a ''needs study'' to 1) determine what arms and weapons are necessary and 2) identify unneeded arms for excess or destruction. In addition, the IG recommended that wall-to-wall inventories of arms be conducted at the sites; that reconciliation of inventory be updated; and that a formal process be established through a Memorandum of Understanding to transfer unneeded arms to an approved disposal site. In their comments on the IG report, DOE management concurred with the IG's recommendations and stated that they have either taken action, or are planning to take action, to resolve the issues raised in the report.

On March 1, 1996 Sen. Glenn wrote the Department asking for their response to the specific recommendations in the IG report. On April 26, 1996 the Secretary replied, agreeing that the Department had more military equipment than needed, and gave the recent changes in the Department's missions as the cause. Secretary O'Leary stated that the Department is working with the Department of Justice to arrange for the transfer of much of DOE's excess weapons and protective force equipment to local law enforcement agencies. The Secretary cited a number of actions the Department is taking in response to the IG report, including requiring designated personnel to attend the Defense Demilitarization Program conducted by the U.S. Army Logistics Management College. The Secretary acknowledged that further improvements are needed, particularly in inventory control and records management.

Idaho National Engineering Laboratory

(A) Fuel processing restoration project property

A situation eerily reminiscent of the sale of equipment from the Portsmouth GCEP facility occurred in 1993 at DOE's INEL facility. In April 1992, because of a diminished need for reprocessed uranium, the Secretary of Energy terminated the Fuel Processing Restoration (FPR) program at INEL. The termination left DOE and the M&O contractor with nearly $54 million in property to be either used in other ways or disposed. The equipment included, among other things: specially designed vessels for nuclear fuel reprocessing, sheet metal, reinforcing steel, pipe fittings, computers, power tools, portable welders, flat bed trailers, heavy duty shop equipment, and office equipment.

A 1995 IG audit (WR-B–96–04) of $21.2 million of this property found that at least $4.2 million was not accurately accounted for and excessing procedures were not followed. The IG found that Westinghouse was responsible for $3.58 million of this equipment, while MK-Ferguson was responsible for $655,000. In addition, the Department procured at least $43,000 worth of property and equipment which duplicated that which was already available from the unneeded FPR property inventory.

The IG also found that only a small percentage (44 of 1,490) of items excessed outside the Lab were ever entered into the Department's system for excess property. According to the IG, Westinghouse project management would send lists of available property to contact points at other DOE facilities on an ad hoc basis, instead of using the established, Department-wide disposal system. As a result of using this informal system, property was not made available to all elements of the Department nor to other Federal agencies. Potential customers did not know that unneeded property was available and a lot of that property has gone unclaimed. Further the IG identified 2,700 stock items which had neither been identified for redistribution nor as excess. The IG concludes that: ''Although we were able to physically locate most of the property, the lack of property accountability rendered the property readily susceptible to undetected theft or loss.''

One subset of the FPR property has become notorious. The case first became public when the Wall Street Journal reported it in August 1994. In April 1993, after approximately $22 million of the FPR property was distributed within the DOE community through Westinghouse's and MK-Ferguson's informal process, and another $13 million or so retained by INEL, most of the remaining property (with an acquisition cost of about $18 million) was transferred to INEL's managing contractor, EG&G, for disposal outside the Department. EG&G advertised the equipment for sale in June 1993 in the Commerce Business Daily. On July 12, 1993, much of the equipment was purchased by Mr. Tom Johansen, of Frontier Car Corral/Frontier Salvage in Pocatello, Idaho. Mr. Johansen paid $154,000 for equipment originally purchased by DOE for $10 million.

The equipment Mr. Johansen purchased consisted of 57 large components to the fuel reprocessing system, including slab tanks, annular tanks, decanters, separation columns, and evaporators with external tube sheet heat exchangers. A subsequent DOE investigation found that, for countries that wish to reprocess nuclear fuel for use in a weapons program, acquiring this equipment could shorten the time necessary to develop and implement a reprocessing operation. For countries without advanced metal manufacturing industries, acquiring this equipment

could lead to a significant time savings, according to the DOE report.

Soon after purchasing the equipment, Mr. Johansen received copies of architectural engineering design drawings associated with the facility through a FOIA request. On August 24, 1993 the DOE was informed by the State Department that Mr. Johansen was seeking to market his equipment to British Nuclear Fuels, a private, foreign company. The State Department also contacted the NRC who on August 25, 1993 advised Mr. Johansen that he would require an NRC license to export the equipment. By September 1993 DOE advised their own employees to be aware of nuclear proliferation concerns involving surplus property. The September notification notwithstanding, in January 1994 Mr. Johansen obtained from DOE's INEL office additional technical documents associated with the equipment, including radiographs and blueprints, and a world-wide directory of nuclear facilities.

During the next 12 months, as DOE began to fully realize the implications of this sale, the Department began negotiating with Mr. Johansen to obtain the equipment and the documents that had been sold or given to him. Eventually the Department paid Mr. Johansen $475,000 and took steps to ensure that the equipment would not be used for nuclear purposes. Most of the equipment was turned into scrap and sold, though some of it has been turned into art by an Idaho artist.

Following the Journal's articles in August 1994 and subsequent Congressional inquiries, the Department initiated an internal review of the matter. That report entitled ''The Sale of Reprocessing Equipment at the Idaho National Engineering Laboratory'' dated September 2, 1994 found that there existed within the Department:

''. . .[an] apparent lack of vigilance at all levels for the potential impacts of releasing sensitive, nuclear fuel reprocessing equipment and information to the public. Another disturbing development was that the sale was facilitated by a number of DOE and DOE contractor employees located in Idaho and at DOE Headquarters, whose activities, though possibly well meaning, were contrary to the best interests of the Department. The Department's failure to provide effective policy in this area is of particular concern in light of Congressional pressure to implement legislation on export controls and the fact that a draft order on export controlled information has existed since 1988.''

The report goes on to conclude: ''Although actual damage in this case may be limited, the incident resulted in an appearance of ineptitude on the part of Departmental elements. More importantly, system breakdowns of this type could have more severe consequences in other similar situation where the equipment and documents involved may be extremely sensitive or even classified.''

As a result of the Idaho sale, the Department reviewed all sales and releases to the public of nuclear-related property and information since 1989, issued new guidelines both on export control and nonproliferation and on the control of high-risk personal property and ordered the Operations and Field Offices to put a moratorium on release of equipment or materials until they certified in writing that procedures were in place to implement the new policies.

(B) Computer equipment

During the Governmental Affairs Committee's review of the INEL/Johansen affair, we discovered that in addition to buying surplus nuclear reprocessing equipment, Mr.Johansen also obtained more mundane, but potentially as disturbing, surplus equipment from INEL. It was alleged to the Committee that Johansen had obtained a number of surplus computers, and that some of these computers contained national security sensitive or restricted data. Sen. Glenn asked the General Accounting Office to investigate this allegation, and their report, ''Department of Energy Procedures Lacking to Protect Computerized Data'' (GAO/AIMD–95–118), was delivered to him in June 1995.

GAO discovered that INEL had sold at least 25, and possibly as many as 50, surplus personal computers to Mr Johansen. Unfortunately because INEL's records were so poor, it was not possible to determine exactly how many computers were sold, or, more importantly, whether they contained national security sensitive or restricted data. GAO reported that a review by the DOE Idaho Operations Chief Information Office concluded that some of the computers sold to the salvage dealer may have contained sensitive data, but did not determine how many. The review reached this conclusion primarily because DOE's contractors involved in excessing computers with sensitive data possibly stored on the hard drives did not have written procedures explaining how to properly remove such data.

Of the 25 computers which Mr. Johansen was confirmed to have purchased, GAO was only able to receive positive assurance that 11 of them were not used to process classified or sensitive data. GAO examined 4 computers directly and found that they contained numerous data files related to DOE's spent nuclear fuel and radioactive waste management program, but these files were not found to be sensitive.

The General Services Administration has issued a government-wide regulation (entitled FIRMR Bulletin C–22) which applies to DOE and directs agencies to develop internal procedures to ensure the proper disposition of sensitive automated equipment, including personal computers. This regulation applies to contractors acting on behalf of the government as well. While DOE circulated FIRMR Bulletin C–22 to its field and operations offices, it has not ensured that these procedures are being fully implemented. And, as noted above, DOE contractors do not have procedures that instruct them on how to properly dispose of excess ADP equipment; thus DOE cannot ensure that all excess computers are properly ''sanitized''. This has been a common theme at INEL, as well as at other sites. While DOE's formal policies and rules exist on paper and are often sufficient as policies, they are not being implemented at the working or ground level.

This incident points to a potential gap throughout the DOE system regarding surplus computers. The Department should take immediate steps to implement procedures to ensure that surplus computers are properly sanitized of classified, restricted or sensitive data. In the absence of a more formal policy, the default policy of the DOE should be to sanitize all computers before they are surplused, thus ensuring that the inadvertant release of sensitive data will occur.

In response to the GAO report, DOE issued two memoranda to its operations and field offices asking them to ensure implementation of procedures to sanitize surplus computers at all sites, to review their procedures for sanitizing surplus computers and to make necessary changes to bring them into conformity with the appropriate regulations. In addition, during FY96, DOE committed to provide guidance to its sites on Bulletin C–22 and to issue the new Information Systems Protection Program Manual and Guidelines.

Sandia and Los Alamos, New Mexico

In a 1994 report (DOE/IG–0343), the IG reported equipment with a value of $389,000 missing at Sandia. The IG testified at a March 17, 1994 hearing held by the Senate Governmental Affairs Committee that computer equipment, machine tools, furniture and rolls of cable were left outside in the open for extended periods of time. When Sandia officials tried to re-use some of this equipment, they discovered that it was useless, ruined from over-exposure to the elements. Other equipment was improperly mixed with radiologically-contaminated items.

Furthermore, the IG found that a number of excess property items, reported as being in good working order by their property custodians, were listed as salvage or scrap after being declared excess. Some were computers, which their property custodian had thought were to be sent to the University of New Mexico. Instead, the equipment went to the outdoor lay down yards, marked ''salvage'' or ''scrap.''

The new Sandia Management and Operating Contract between DOE and the new contractor follows DOE property regulations more closely than did the old contract. The DOE Albuquerque Operations Office took a number of steps to remedy the flaws identified by the IG's investigation, including the review of Sandia's property management system, which DOE initially disapproved in August, 1994. Sandia then revised its property management system, which was conditionally approved in December, 1995, with the next review scheduled for April, 1997.

At Los Alamos, a 1993 IG report (DOE/IG–0338) estimated that the lab could not account for as much as $100 million in personal property, including computers, x-ray machines, and oscilloscopes. The IG estimated that another $207 million might be inaccurately inventoried, and that $62 million could not be inventoried. The IG identified four reasons for such poor property management: (1) Los Alamos users did not follow required procedures when moving property; (2) Los Alamos did not hold employees financially liable and personally accountable for missing, damaged or destroyed property; (3) Los Alamos's database did not maintain accurate information; and (4) Los Alamos did not ensure that loans of personal property to employees and others were adequately justified. In addition, the Albuquerque Operations Office failed to monitor Los Alamos's handling of personal property in accordance with Department regulations.

The Department disagreed with the $100 million estimate of unaccounted-for property, but acknowledged that Los Alamos's data base was so inaccurate that it could not validate the estimate from the database. During the audit, Los Alamos conducted a wall-to-wall inventory of personal property. Following the reconciliation of the wall-to-wall inventory, Los Alamos requested, and DOE approved, a write-off of nearly $10 million in acquisition value of equipment.

The Albuquerque Operations Office and Los Alamos have taken a number of corrective actions to respond directly to the four deficiencies noted above. In addition, Los Alamos's property management system, in a status of ''Disapproved'' in January, 1994, has since been approved. Finally, DOE reports that Los Alamos's inventory trends have substantially improved.

Central Training Academy (CTA), New Mexico

In a August 1, 1991 hearing held by the Committee on Governmental Affairs, we learned that the Department and its site contractor may have been using wiretaps and surveillance equipment to covertly monitor whistleblowers at Hanford. Subsequently, on August 13, 1991, the Undersecretary of Energy ordered that all surveillance

equipment stored at the various DOE sites be transferred to CTA (a DOE training facility for security and other activities) until such time as legal and logistical arrangements could be made to transfer this property to Federal, state, or local law enforcement agencies. Items containing either secret audio or visual (or both) recorders included sprinkler heads, radios, speakers, a notebook binder, a pencil sharpener, an envelope, and a baseball cap, among others. Further, DOE's Director of the Office of Intelligence and National Security issued a memorandum on November 9, 1993 affirming Department policy prohibiting ''the conduct of surveillance activities and the possession and/or use of surveillance equipment for any purpose.'' Exceptions could only be made for ''law enforcement agencies/elements operating under . . . court order.'' In sum, DOE was to be getting out of the surveillance business.

Over three years after the Undersecretary's directive sending surveillance equipment to the CTA for temporary storage, a December 1994 IG report (DOE/IG–0365) stated that none of the equipment had been transferred to Federal, state, or local law enforcement, nor were there any arrangements to make such transfers as had been ordered by the Undersecretary. Further, the CTA's inventory records were incomplete. There were no records or receipts for more than 100 pieces of surveillance equipment stored at CTA. Finally, the IG noted a April 20, 1994 memo from the Director, Office of Safeguards and Security to its field personnel. The memo stated the Department might be able to achieve an agreement to obtain ''a telephonic court order'' to use the equipment in a ''security emergency condition'', in which case the CTA ''will be requested to return to you specific Special Response Team equipment currently in storage.'' This memo seemingly contradicts both the 1991 and 1993 directive.

In April, 1995, the Department responded to the IG report, stating that the CTA technical surveillance equipment (TSE) had been inventoried and then transferred to the FBI and the National Park Service and that no TSE remained at the CTA. The Department position further stated: ''The Director, Office of Nonproliferation and National Security will not authorize the general, unrestricted use of covert surveillance operations and equipment.'' We note the Department's renunciation of ''general, unrestricted use'' of covert surveillance, but we strongly recommend that DOE be asked to clearly and precisely explain the circumstances under which it thinks it would be entitled to engage in covert surveillance.

Fernald, Ohio

A February 1993 IG report (DOE/IG–0320) found that the outgoing Fernald contractor did not dispose of excess government equipment properly. Public sales of surplus equipment were not advertised, minimum prices were not established, and cash collection was not adequately controlled. The contractor also mixed radiologically contaminated equipment with uncontaminated equipment, which meant that the commingled equipment had to be classified as low level waste and sent to the Nevada Test Site for disposal. The net result of these improper practices, according to the IG, was that DOE incurred unnecessary costs and lost revenues of over $117,000 and equipment with a net book value of over $245,000 was improperly disposed of. Upon review, the DOE contracting officer allowed these costs. The bigger concern was that DOE would be vulnerable to larger losses as Fernald disposed of $27.8 million in excess equipment during site cleanup. Accordingly, the Fernald Field Office suspended sales of excess equipment until DOE approved proper sales procedures. Fernald submitted a property control system encompassing sales of property, which was approved in July, 1995. Fernald has resumed sales of excess property.

Other problems, as well as some progress, were found at Fernald. In 1993, Fernald, in its first complete physical inventory since the 1950s, identified $2.3 million in missing equipment, and in 1994, identified and declared more than $5 million of personal property as excess. These were good steps. However, a November 1994 IG report (ER–B–95–02) found that Fernald, under a new contractor, had incurred costs of $642,000 for purchase and storage of furniture in excess of needs. Further costs were incurred because of damage from mishandling. Moreover, storage practices placed supply items at risk of radiological contamination and inventory records were inaccurate. The IG also found that Fernald employees lacked the training to properly account for Government property. Fernald and the Ohio Field Office committed to a number of steps to respond to these problems.

Oak Ridge, Tennessee

A 1994 GAO analysis (GAO/RCED–94–249R) of property management activities at Oak Ridge found that the site prime contractor, Martin Marietta, had no system to monitor subcontractor use and possession of government-owned equipment. As a result, neither DOE and nor the prime contractor know which subcontractors have government property, what property they have, and how much its value is. Further, the prime contractor has not moved to implement a system that tracks and accounts for property held by its subcontractors, even though this problem has been consistently raised in DOE reviews since at least 1988. DOE concurred with the GAO findings, and directed the Oak Ridge Operations Office to develop a corrective action plan, which DOE Headquarters would review. The problem of inadequate oversight of subcontractors by the prime contractor is likely to occur at sites other than Oak Ridge.

Recommendations

Given the findings of this report, the history of property mismanagement at DOE, continued downsizing, existing legal requirements and directives, and the planned asset disposition program, the staff recommends that the Department take the following steps to improve its property management program.

(1) Create an Office of Property and Asset Management (OPAM).

This is our principal recommendation. We urge the establishment of a policy-level office based in Washington with authority to oversee field activity. As has been noted throughout this report, fragmented and poorly coordinated property management policies and practices have lead to many abuses in the field. If done properly, centralization of this responsibility should help prevent future abuses. The Office would report directly to the Secretary.

The mission and responsibilities of this policy-level office would be to:

(1) coordinate the implementation of the various internal property management initiatives;

(2) coordinate policy response to the legal property management directives (i.e. Stevenson-Wydler, Federal Property Act, Defense Authorization Act requirements, and any future asset disposition legislation);

(3) track and provide top-level management for asset sales;

(4) develop consistent, department-wide inventory practices and procedures that includes review and feedback procedures on current property management systems;

(5) consolidate existing personal property, real property, and asset management programs into one HQ office;

(6) develop long term (5, 10 year) property and asset management plans;

(7) conduct property and asset management oversight of field and program offices;

(8) establish property management perfomance standards as part of personnel evaluations for appropriate personnel;

(9) develop and recommend changes to accounting systems to better track and manage property and assets;

(10) search for and evaluate new technologies that may be used to better inventory and track personal property; and

(11) establish training courses and programs on sound property management policies and procedures;

The Office should also work closely with the DOE offices in charge of nonproliferation, national security and export controls to ensure that property with national security implications are disposed of properly. The Office should also consult and coordinate with the DOE environmental management programs to ensure that contaminated property is appropriately controlled. Furthermore, the Office should establish appropriate procedures to meet the requirements and further the missions of economic development and technology transfer, in cooperation with the Office of Worker and Community Transition and the Office of Technology Utilization.

(2) Review existing property management rules, orders and guidance

Through the OPAM, the Department should review existing rules, orders and guidance concerning the control of personal property, and issue new rules, or strengthen or clarify existing rules, as appropriate, pertaining to the following: Demilitarization procedures for appropriate equipment; sanitization of data contained on computers; export controls over nonproliferation or national security sensitive items; decontamination and disposal procedures for environmentally-contaminated property; reporting and investigative procedures when theft is a possibility; and priorities and procedures governing release of equipment for economic development, educational and other non-Departmental purposes. The Office should report annually to Congress on the results of this review.

(3) Improve and coordinate property management oversight with the General Services Agency (GSA)

DOE and GSA should jointly develop a plan to exercise more rigorous oversight over DOE's disposal of property in accordance with the Federal Property Act and, within one year, report to the Governmental Affairs Committee on its plan and the results of the plan.

(4) Incorporate strong property management principles in DOE contracts

DOE should continue to incorporate performance-based standards in personal property management as new M & O contracts are awarded, and extend those standards to subcontractor management of equipment. DOE should evaluate how well each principal management and operating contractor oversees its subcontractors who maintain and operate government equipment. It should explore contractual methods of linking M&O's performance (and payment) to their subcontractors property management performance.

(5) Hold contractor and civil service personnel accountable for property management abuses

DOE should take appropriate disciplinary action against DOE and field personnel responsible for the most egregious abuses in

disposal of personal property. It should modify DOE personnel procedures and practices to hold DOE field and line personnel accountable for future implementation of effective personal property systems as well as develop incentive system to reward and encourage innovative property management successes.

(6) Allocate additional resources for property management

Where cost effective, DOE and Congress should dedicate more resources and FTEs to personal property management at both headquarters and in the field.

(7) Report to Congress

We recognize that DOE is taking several of the steps we are recommending, and we wish both to commend DOE for its initiative, and to reinforce the importance of those actions. We recommend that DOE report back in writing in one year to the Congress, and in particluar to the Governmental Affairs Committee, on the consideration given to, and the implementation of, the recommendations contained in this report. DOE's report to Congress should emphasize observed and measurable improvements in property management resulting from these efforts.

CONCLUSION

The Department has made encouraging efforts to correct the problems and abuses detailed in this report. Still, we believe the Department can and must do more. That's why this report includes specific recommendations—including the creation of an Office of Property and Asset Management—for corrective measures DOE should take as part of a comprehensive plan to remedy its chronic property management problems. These measures do not need legislation to be implemented, but, if the Department ignores them, we may recommend that they be incorporated into legislation.

The proposed Office of Property and Asset Management will force the Department to address the issue of personal property disposal as it downsizes, and to ensure such disposal is done in the best interest of the taxpayer. The Department has announced that it plans to save $14 billion over 5 years from downsizing and budget reductions and that sales of surplus assets are expected to generate at least $110 million by September 30, 2003. However, without further improvements in personal property management, and without the sustained higher priority for property management that the Office proposed in this report will provide, it is likely that we will continue to see abuses take place as the Department implements its downsizing plan.

REFERENCES

Portsmouth, Ohio—Gas Centrifuge Enrichment Plant

Case No.I93CN015 Administrative Report to Management, Office of Inspector General; (January 3, 1995).

(No number) Release of Nuclear-Related Property and Associated Documentation by the Department of Energy since 1989; (Deputy Assistant Secretary For Security Evaluations, DOE; December 1994).

Rocky Flats, Colorado

DOE/IG–0329, Inspection of Management of Excess Personal Property at Rocky Flats; (May 1993).

GAO/RCED–94–77, The Property Management System at the Rocky Flats Plant in Inadequate; (March 1994).

GAO/OSI–95–4, Poor Property Management Allowed Vulnerability to Theft at Rocky Flats; (July 1995).

GAO/RCED–96–39, Property Management Has Improved at DOE's Rocky Flats Site; (December 1995).

GAO/RCED–96–149R, Military Equipment at Rocky Flats; (June 1996).

Management of Arms and Military Equipment

DOE/IG–0385, Special Audit Report on the Department of Energy's Arms and Military-Type Equipment (February 1996).

Idaho National Engineering Laboratory

(No number) The Sale of Reprocessing Equipment at the Idaho National Engineering Laboratory; (Deputy Assistant Secretary/Security Evaluation, DOE; September 2, 1994).

GAO/AIMD–95–118, Department of Energy Procedures Lacking to Protect Computerized Data; (June 1995).

WR-B–96–04, Audit of Fuel Processing Restoration Property (October 1995).

Sandia and Los Alamos, New Mexico

DOE/IG–0338, Audit of Personal Property Management at Los Alamos National Laboratory (December 1993).

DOE/IG–0343, The Inspection of the Management of Excess Personal Property at Sandia National Laboratory, Albuquerque, New Mexico (March 1994).

Central Training Academy (CTA), New Mexico

DOE/IG–0365, Report on the Inspection of the Status of the Disposal of Technical Surveillance Equipment at the Central Training Academy Albuquerque, New Mexico; (December 1994).

Fernald, Ohio

DOE/IG–0320, Disposal of Excess Capital Equipment at the Fernald Environmental Management Project—Fernald, Ohio; (February 1993).

ER-B–95–02, Report on Audit of Property Management at Fernald Environmental Restoration Management Corporation; (November 1994).

Oak Ridge, Tennessee

GAO/RCED–94–249R, Department of Energy's Property Management (July 1994).

Background on Several Sites

DOE/IG–0344, Summary Report on the Department of Energy's Management of Personal Property; (March 1994).

GAO/RCED–94–154FS, Status of DOE's Property Management Program (April 1994).

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

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

The assistant legislative clerk proceeded to call the roll.

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

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

SENATOR BOB DOLE'S REMARKS UPON RECEIVING THE PRESIDENTIAL MEDAL OF FREEDOM

Mr. CRAIG. Mr. President, I come to the floor this afternoon to place in the RECORD the remarks of a great American statesman who I and many of us had the privilege to watch being recognized in the White House on January 17. I speak to Senator Bob Dole and his leadership in our Nation, his statesmanship, his patriotism, and especially the comments he made in receiving the Presidential Medal of Freedom on January 17.

I think we were all captivated in the evening news by the great humor of Bob Dole—after this very prestigious ceremony in the East Room of the White House with the President offering up one of these most coveted recognitions in our Nation for the leader, Bob Dole, former Presidential candidate—when he stepped forward and in humor began to recite his oath of office.

That statement overshadowed the statement that was to follow, and that was the statement by Bob Dole as to his feelings and his emotions that are a part of the person that you, Mr. President, and I have grown to know and respect over the years as it relates to his Americanism, his leadership, and his patriotism.

So it is with that in mind that I insert into the RECORD this afternoon the statement that Senator Dole made that afternoon, this January 17, at the White House as he received the Presidential Medal of Freedom. It was a beautiful statement. It was an emotional statement. And for all of us who were there, it was the statement of a man who we had grown to know and who we knew as a Senator from Kansas, who we knew as a Presidential candidate, but most importantly a man who we knew as a leader of the U.S. Senate, a great American, a great American statesman, and a great American patriot.

With that in mind, I ask unanimous consent that the statement of Bob Dole as he received his Presidential Medal of Freedom award be printed in the CONGRESSIONAL RECORD.

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

REMARKS OF SENATOR BOB DOLE ON RECEIPT OF THE PRESIDENTIAL MEDAL OF FREEDOM; JANUARY 17, 1997

Mr. President, no one can claim to be equal to this honor. But I will cherish it as long as I live, because this occasion allows me to honor some others who are more entitled. At every stage of my life, I have been a witness to the greatness of this country.

I have seen American soldiers bring hope and leave graves in every corner of the world. I have seen this Nation overcome Depression and segregation and Communism, turning back mortal threats to human freedom. And I have stood in awe of American courage and decency—virtues so rare in history, and so common in this precious place.

I can vividly remember the first time I walked into the Capitol as a Member of Congress. It was an honor beyond the dreams of a small town. I felt part of something great and noble. Even playing a small role seemed like a high calling. Because America was the hope of history.

I have never questioned that faith in victory or in honest defeat. And the day I left office, it was undiminished. I know there are some who doubt these ideals. And I suspect there are young men and women who have not been adequately taught them. So let me leave a message to the future.

I have found honor in the profession of politics. I have found vitality in the American experiment. Our challenge is not to question American ideals, or replace them, but to act worthy of them.

I have been in Government at moments when politics was elevated by courage into history—when the Civil Rights Act was

passed—when the Americans With Disabilities Act became law. No one who took part in those honorable causes can doubt that public service, at its best, is noble.

The moral challenges of our time can seem less clear. But they still demand conviction and courage and character. They still require young men and women with faith in our process. They still demand idealists, captured by the honor and adventure of service. They still demand citizens who accept responsibility and who defy cynicism, affirming the American faith, and renewing her hope. They still demand the President and Congress to find real unity in the public good.

If we remember this, then America will always be the country of tomorrow, where every day is a new beginning and every life an instrument of God's justice.

Mr. President, Elizabeth and Robin join me in wishing you and Mrs. Clinton all the best as you embark on your second term. May God bless you, and each inhabitant of this House, and may God bless America.

Mr. CRAIG. Thank you, very much, Mr. President, and I note the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The 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.

Mr. LOTT. Mr. President, before I ask for some unanimous-consent agreements and do the close, I want to commend, also, the remarks of Senator Dole that were just printed in the RECORD by the distinguished Senator from Idaho. I attended the ceremony where Senator Dole received the Presidential Medal of Freedom. I must say, it was one of the most inspiring events I have ever attended.

First of all, I think the President deserves credit for presenting this very deserving leader of our country the Medal of Freedom.

Second, I think I have probably never been to an event where there was more of a combination of a feeling of good will, appreciation for our veterans, patriotism and humility and humor, all wrapped in one event. It was really an inspiration.

Bob Dole's remarks, which are in the RECORD, are typical of Bob. He said almost nothing about the fact that he was receiving this honor, other than the fact that he would cherish it. He, instead, chose to talk about American soldiers and the service they gave and the American experiment, Government, history—magnificent remarks. Also, he had that special moment of history where I thought for a moment he was going to be sworn in to be President of the United States instead of being given the Medal of Freedom.

It was a tremendous occasion. I am very proud that Bob Dole received this recognition, and I am delighted we put his statement in the RECORD for all Americans to read it.

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–930. A communication from the Secretary of Transportation and the Secretary of Defense, transmitting jointly, pursuant to law, a report relative to the Coast Guard; to the Committee on Appropriations.

EC–931. A communication from the Assistant Secretary of Commerce for Export Administration, transmitting, pursuant to law, a rule entitled ''Entity List'' (RIN0694–AB24) received on January 27, 1997; to the Committee on Banking, Housing, and Urban Affairs.

EC–932. A communication from the Deputy Assistant Administrator for Fisheries, Department of Commerce, transmitting, pursuant to law, a rule entitled ''Financial Assistance for Research and Development Projects'' (RIN0648–ZA26) received on January 27, 1997; to the Committee on Commerce, Science, and Transportation.

EC–933. A communication from the Acting Director, Office of Sustainable Fisheries, Department of Commerce, transmitting, pursuant to law, a rule entitled ''Fisheries of the Exclusive Economic Zone Off Alaska'' received on January 27, 1997; to the Committee on Commerce, Science, and Transportation.

EC–934. A communication from the Acting Director of the Office of Surface Mining, Reclamation and Enforcement, Department of the Interior, transmitting, pursuant to law, a rule entitled ''Texas Regulatory Program and Abandoned Mine Land Reclamation Plan'' (TX025FOR) received on January 27, 1997; to the Committee on Energy and Natural Resources.

EC–935. A communication from the Director of the Office of Congressional Affairs, U.S. Nuclear Regulatory Commission, transmitting, pursuant to law, a rule entitled ''Duplication Fees'' (RIN3150–AF60) received on January 27, 1997; to the Committee on Environment and Public Works.

EC–936. A communication from the Assistant Secretary of the Interior for Fish and Wildlife and Parks, transmitting, pursuant to law, a rule entitled ''Migratory Bird Hunting'' (RIN1018–AD94) received on January 27, 1997; to the Committee on Environment and Public Works.

EC–937. A communication from the Acting Director of the Office of Fish and Wildlife Service, Department of the Interior, transmitting, pursuant to law, two rules including a rule entitled ''Determination of Threatened Status'' (RIN1018–AB75, AB88) received on January 27, 1997; to the Committee on Environment and Public Works.

EC–938. A communication from the Administrator of the U.S. Agency for International Development, transmitting, pursuant to law, the report of the Office of the Inspector General for the period April 1 through September 30, 1996; to the Committee on Governmental Affairs.

EC–939. A communication from the Director of Regulations Policy, Management Staff, Office of Policy, Food and Drug Administration, Department of Health and Human Services, transmitting, pursuant to law, a rule entitled ''Dental Devices'' received on January 27, 1997; to the Committee on Labor and Human Resources.

EC–940. A communication from the Under Secretary of Defense (Personnel and Readiness), transmitting, pursuant to law, the report of the consolidated financial statements of the American Red Cross; to the Committee on Labor and Human Resources.

EC–941. A communication from the Director of the Office of Management and Budget, Executive Office of the President, transmitting, pursuant to law, the cumulative report on rescissions and deferrals dated January 1, 1997; referred jointly, pursuant to the order of January 30, 1975, as modified by the order of April 11, 1986, to the Committee on Appropriations, to the Committee on the Budget, to the Committee on Finance, and to the Committee on Foreign Relations.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. STEVENS, from the Committee on Appropriations, without amendment:

S. Res. 33. A resolution authorizing expenditures by the Committee on Appropriations.

By Mr. MURKOWSKI, from the Committee on Energy and Natural Resources, without amendment:

S. Res. 34. A resolution authorizing expenditures by the Committee on Energy and Natural Resources.

By Mr. JEFFORDS, from the Committee on Labor and Human Resources, without amendment:

S. Res. 35. An original resolution authorizing expenditures by the Committee on Labor and Human Resources.

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–22. A resolution adopted by the Military Order of the World Wars relative to the reevaluation of the national military strategy; to the Committee on Armed Services.

POM–23. A resolution adopted by the Military Order of the World Wars relative to the flag; to the Committee on Armed Services.

POM–24. A resolution adopted by the Military Order of the World Wars relative to terrorism; to the Committee on Armed Services.

POM–25. A resolution adopted by the Military Order of the World Wars relative to the retention of nuclear deterrent capabilities; to the Committee on Armed Services.

POM–26. A resolution adopted by the Military Order of the World Wars relative to national security; to the Committee on Armed Services.

POM–27. A resolution adopted by the Legislature of the State of New Jersey; to the Committee on Foreign Relations.

RESOLUTION NO. 126

Whereas, During the horrific period when the Nazis ruled Europe, many Jews in Germany and Eastern Europe saw Switzerland as the only safe haven for their assets because of Switzerland's neutrality and Switzerland's banking secrecy laws; and

Whereas, As a result of the Holocaust, many of the accounts established in Swiss banks were dormant after the end of World War II; and

Whereas, In 1962 Switzerland set up a system in which any money found in dormant accounts of which no claim had been made for five years and thought to belong to Holocaust victims was put into a special government account to be used to support charitable organizations; and

Whereas, The world has recently become aware of the probable misuse of those funds to compensate Swiss citizens for property expropriated by former communists regimes in Eastern Europe; and

Whereas, Every effort should be made to assure that surviving family members of

Holocaust victims receive the money in dormant accounts that is legitimately and properly theirs; and

Whereas, In those instances in which no surviving members come forward or can be located, the monies in those accounts should be used to help Holocaust survivors throughout the world who are indigent and in need of financial assistance; and

Whereas, The President of the United States and the Congress of the United States should undertake all appropriate actions to encourage the government of Switzerland to establish a fund consisting of those unclaimed monies and to make those monies available to Holocaust survivors throughout the world who are indigent and in need of financial assistance; now, therefore, be it

Resolved by the General Assembly of the State of New Jersey:

1. This House calls upon the President of the United States and the Congress of the United States to undertake all appropriate actions to encourage the government of Switzerland to establish a fund consisting of the monies in any unclaimed accounts in Swiss banks belonging to victims of the Holocaust and to make those monies available to Holocaust survivors throughout the world who are indigent and in need of financial assistance.

2. Duly authenticated copies of this resolution, signed by the Speaker of the General Assembly and attested by the Clerk thereof, shall be transmitted to the President of the United States, the Vice President of the United States, the Speaker of the House of Representatives, the majority and minority leaders of both Houses, and every member elected to the Congress from this State.

POM–28. A resolution adopted by the Metropolitan Nashville Arts Commission of Nashville, Tennessee relative to the Joe L. Evins Appalachian Center Crafts; to the Committee on Labor and Human Resources.

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. MCCAIN, from the Committee on Commerce, Science, and Transportation:

William M. Daley, of Illinois, to be Secretary of Commerce.

(The above nomination was reported with the recommendation that he be confirmed.)

Mr. MCCAIN. Mr. President, for the Committee on Commerce, Science, and Transportation, I report favorably eight nominations lists in the Coast Guard, which were printed in full in the CONGRESSIONAL RECORD on January 7, 1997, and ask unanimous consent, to save the expense of reprinting on the Executive Calendar, that these nominations lie at the Secretary's desk for the information of Senators.

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

(The nominations ordered to lie on the Secretary's desk were printed in the RECORD of January 7, 1997, at the end of the Senate proceedings.)

The following Regular officers of the U.S. Coast Guard for promotion to the grade of lieutenant commander:

Brian C. Conroy
Ronald J. Magoon
Arlyn R. Madsen, Jr.
Chris J. Thornton
Keith F. Christensen
Douglas W. Anderson
Timothy J. Custer
Nathalie Dreyfus
Scott A. Kitchen
Kurt A. Clason
Jack W. Niemiec
Gregory W. Martin
Rhonda F. Gadsden
Nona M. Smith
Glen B. Freeman
William H. Rypka
Robert C. Lafean
Gerald F. Shatinsky
Thomas J. Curley III
Steven M. Hadley
Jerome R. Crooks, Jr.
John F. Eaton, Jr.
Charles A. Howard
David H. Dolloff
Mark A. Hernandez
Stephen E. Maxwell
Robert E. Ashton
David W. Lunt
Abraham L. Boughner
William J. Milne
Glenn F. Grahl, Jr.
Gregory W. Blandford
Anne L. Burkhardt
Douglas C. Lowe
Thomas M. Miele
Eddie Jackson III
Anthony T. Furst
Matthew T. Bell, Jr.
Duane R. Smith
Marc D. Stegman
Kevin K. Kleckner
William G. Hishon
James A. Mayors
Larry A. Ramirez
Wyman W. Briggs
Benjamin A. Evans
Gwyn R. Johnson
Tracy L. Slack
Geoffrey L. Rowe
Thomas C. Hasting, Jr.
John M. Shouey
William H. Oliver II
Edward R. Watkins
Talmadge Seaman
William S. Strong
Mark E. Matta
Richard C. Johnson
Janis E. Nagy
James O. Fitton
Salvatore G. Palmeri, Jr.
Terry D. Converse
Mark D. Rizzo
John R. Lussier
Gregory P. Hitchen
Melvin W. Bouboulis
Richard W. Sanders
Melissa Bert
Jason B. Johnson
Anita K. Abbott
Raymond W. Pulver
Verne B. Gifford
Stuart M. Merrill
Scott N. Decker
Joseph E. Vorbach
Peter W. Gautier
Kevin E. Lunday
Matthew T. Ruckert
Brian R. Bezio
Christopher M. Smith
Christine L. MacMillian
Anthony J. Vogt
Joanna M. Nunan
James A. Cullinan
Joseph Segalla
Donald R. Scopel
John J. Plunkett
Gwen L. Keenan
Christopher M. Rodriquez
Richard J. Raksnis
Patrick P. O'Shaughnessy
Mark C. Riley
Spencer L. Wood
Eric A. Gustafson
Ricardo Rodriquez
Christopher E. Austin
Randall A. Perkins III
Richard R. Jackson, Jr.
Timothy B. O'Neal
Pete V. Ortiz, Jr.
Robert P. Monarch
Paul D. Lange
Edward J. Hansen, Jr.
Donald J. Marinello
Paul E. Franklin
Charles A. Milhollin
Steven A. Seiberling
Dennis D. Dickson
Scottie R. Womack
Timothy N. Scoggins
Ronald H. Nelson
Gene W. Adgate
Henry M. Hudson, Jr.
Barry J. West
Frank D. Gardner
Jeffrey W. Jessee
Ralph Malcolm, Jr.
George A. Eldredge
Donald N. Myers
Scott E. Douglass
Richard A. Paglialonga
John K. Little
James E. Hawthorne, Jr.
Samuel Walker VII
Jay A. Allen
Robert R. Dubois
Gordon A. Loebl
Robert J. Hennessy
Gary T. Croot
Thomas E. Crabbs
Samuel L. Hart
Steven D. Stilleke
Webster D. Balding
John S. Kenyon
Christopher N. Hogan
Douglas J. Conde
Thomas D. Combs III
William R. Clark
Beverly A. Havlik
Donna A. Kuebler
Thomas H. Farris, Jr.
Timothy A. Frazier
Timothy E. Karges
Rocky S. Lee
David Self
Randy C. Talley
John D. Gallagher
Robert M. Camillucci
Robert G. Garrott
Christopher B. Adair
Gregory W. Johnson
Eric C. Jones
Scott A. Memmott
Marc A. Gray
Anthony Popiel
Graham S. Stowe
Matthew L. Murtha
Christopher P. Calhoun
James M. Cash
Kyle G. Anderson
Dwight T. Mathers
Jonathan P. Milkey
Pauline F. Cook
Matthew J. Szigety
Robert J. Tarantino
Russel C. Laboda
John E. Harding
Andrew P. Kimos
Craig S. Swirbliss
John T. Davis
John J. Arenstam
Anthony R. Gentilella
John M. Fitzgerald
John G. Turner
Kirk D. Johnson
Ramoncito R. Mariano
David R. Bird
Leigh A. Archbold
William B. Brewer
Dana G. Doherty
William G. Kelly

The following Reserve officers of the U.S. Coast Guard for promotion to the grade of lieutenant commander:

Monica L. Lombardi
Michael E. Tousley
Laticia J. Argenti
Thomas F. Lennon
Sloan A. Tyler
Donald A. LaChance II
Karen E. Lloyd

The following individual for appointment as a permanent regular commissioned officer in the U.S. Coast Guard in the grade of lieutenant commander:

Laura H. Guth

The following officers of the U.S. Coast Guard Permanent Commissioned Teaching Staff at the Coast Guard Academy for promotion to the grade indicated:

To be commander

Robert R. Albright II
Lucretia A. Flammang

To be lieutenant commander

James R. Dire

The following officers of the U.S. Coast Guard Reserve for promotion to the grade indicated:

To be captain

Francis C. Buckley

To be commander

Sharon K. Richey
Allen K. Harker

Pursuant to the provisions of 14 U.S.C. 729, the following-named commanders of the Coast Guard Reserve in the grade of captain:

Ronald G. Dodd
John M. Richmond
Michael E. Thompson

The following Regular officers of the U.S. Coast Guard for promotion to the grade of captain:

Joseph F. Ahern
Scott F. Kayser
Jeffrey G. Lantz
James B. Crawford
Adan D. Guerrero
William J. Hutmacher
Walter S. Miller
Glenn L. Snyder
Mark E. Blumfelder
Douglas P. Rudolph
Richard W. Goodchild
John L. Grenier
Jon T. Byrd
Timothy S. Sullivan
David W. Ryan
Mark G. Vanhaverbeke
Jeffrey A. Florin
James Sabo
John C. Simpson
Paul C. Ellner
William C. Bennett
Steven A. Newell
Joel R. Whitehead
Douglas E. Martin
James J. Lober, Jr.
Richard A. Rooth
Wayne D. Gusman
Lawrence M. Brooks
Michael J. Devine

The following Reserve officer of the U.S. Coast Guard for promotion to the grade of captain:

Catherine M. Kelly

Pursuant to the provisions of 14 U.S.C. 729, the following-named lieutenant commanders of the Coast Guard Reserve to be permanent commissioned officers in the Coast Guard Reserve in the grade of commander:

Roy F. Williams
Stephen N. Jackson
Theodore B. Royster
William C. Hansen
George J. Schuler
Joseph A. Keglovits
Jacqueline V. Wyland
David P. Roundy
Lawrence A. Gass
Thomas Plesnarski
Kristin Q. Corcoran

Warren E. Soloduk
Maryellen M. Colella
David H. Sulouff
David A. Maes
Robert C. Ludwick
John J. Madeira
Richard A. Reynolds
Jeanne Cassidy
Douglas A. Ash
Charles E. OPolk
David G. O'Brien
John A. Holub
Joseph J. Riordan
John W. Long
Needham E. Ward
Michael D. Oaks
Robert Q. Ammon
Ann M. Courtney
Brian D. Murphy
Anthony B. Canorro
Virginl F. Bateman
Larry L. Jones
Salvatore Brillante
Matthew P. Bernard
Nancy A. Mazur
Maureen B. Harkins
Michael A. Cicalese
Robert W. Grabb
Sidney J. Duck
Wayne C. Dumas
Phillip J. Jordan
Mark A. Jones
Joseph P. Cain

The following Regular officers of the U.S. Coast Guard for promotion to the grade of commander:

George A. Russell, Jr.
Mark A. Frost
Patrick J. Cunningham, Jr.
Mitchell R. Forrester
Dane S. Egli
Patrick J. Nemeth
Jeffrey S. Gorden
Curtis A. Stock
Bret K. McGough
Christopher K. Lockwood
Jody B. Turner
Barry L. Dragon
Mark L. McEwen
Michael D. Brand
Mark A. Skordinski
Bruce E. Grinnell
Donald K. Strother
Brian K. Swanson
Francis X. Irr, Jr.
Robert J. Malkowski
Robert A. Farmer
Brian J. Goettler
Richard M. Kaser
Charles W. Ray
Kurtis J. Guth
Stephen J. Minutolo
Gary E. Felicetti
Virginia K. Holtzman-Bell
Daniel A. Laliberte
Matthew M. Blizard
Kurt W. Devoe
Richard A. Rendon
Robert J. Legier
Bryan D. Schroder
Robert E. Korroch
John W. Yager, Jr.
Thomas P. Ostebo
Marshall B. Lytle III
Mark A. Prescott
Thomas D. Criman
Kenneth H. Sherwood
Stephen J. Ohnstad
Mark S. Guillory
Carol C. Bennett
Preston D. Gibson
Thomas E. Hobaica
David L. Hill
David S. Stevenson
Michael P. Farrell
James T. Hubbard
Richard A. Stanchi
George P. Vance, Jr.
Scott S. Graham
Robert M. Atkin
Mark R. Devries
Christine D. Balboni
Kenneth R. Burgess, Jr.
Mark D. Rutherford
Warren L. Haskovec
Patrick B. Trapp
Jennifer L. Yount
Dennis D. Blackall
Barry P. Smith
Bradley R. Mozee
William D. Lee
Richard J. Ferraro
John R. Lindley, Jr.
Richard L. Matters
Robert R. O'Brien, Jr.
Ekundayo G. Faux
Scott G. Woolman
David L. Lersch
William W. Whitson, Jr.
Ricki G. Benson
Larry E. Smith
Norman L. Custard, Jr.
Gregory B. Breithaupt
Steven E. Vanderplas
Frederick J. Kenney, Jr.
Steven J. Boyle
Thomas K. Richey
Dennis A. Hoffman
David M. Gundersen
Jeffrey N. Garden
James E. Tunstall
Kevin G. Quigley
John R. Ochs
Ronald D. Hassler
Timothy J. Dellot
Kenneth D. Forslund
Tomas Zapata
Dennis M. Sens
Peter V. Neffenger
Alvin M. Coyle
Daniel R. MaCleod
Melissa A. Wall
Robert M. Wilkins
Curtis A. Springer
Timothy G. Jobe
Christian Broxterman
Rickey W. George
Elmo L. Alexander II

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. MCCAIN (for himself, Mr. STEVENS, Mrs. HUTCHISON, Mr. ABRAHAM, and Mr. ASHCROFT):

S. 228. A bill to amend title 31, United States Code, to provide for continuing appropriations in the absence of regular appropriations; to the Committee on Appropriations.

By Mr. BUMPERS (for himself, Mrs. MURRAY, and Mr. WELLSTONE):

S. 229. A bill to provide for a voluntary system of public financing of Federal elections, and for other purposes; to the Committee on Finance.

By Mr. THURMOND (for himself and Mr. HATCH):

S. 230. A bill to amend section 1951 of title 18, United States Code (commonly known as the Hobbs Act), and for other purposes; to the Committee on the Judiciary.

By Mr. BINGAMAN:

S. 231. A bill to establish the National Cave and Karst Research Institute in the State of New Mexico, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. HARKIN (for himself, Mr. LEAHY, Mrs. BOXER, Mrs. MURRAY, Mr. INOUYE, Ms. MIKULSKI, and Mr. KERRY):

S. 232. A bill to amend the Fair Labor Standards Act of 1938 to prohibit discrimination in the payment of wages on account of sex, race, or national origin, and for other purposes; to the Committee on Labor and Human Resources.

By Ms. SNOWE:

S. 233. A bill to amend the Internal Revenue Code of 1986 to increase the deduction for health insurance costs of self-employed individuals, and for other purposes; to the Committee on Finance.

By Mr. HELMS:

S. 234. A bill to direct the Secretary of the Interior to transfer administrative jurisdiction over certain land to the Secretary of the Army to facilitate construction of a jetty and sand transfer system, and for other purposes; to the Committee on Energy and Natural Resources.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred—or acted upon—as indicated:

By Mr. STEVENS:

S. Res. 33. An original resolution authorizing expenditures by the Committee on Appropriations; from the Committee on Appropriations; to the Committee on Rules and Administration.

By Mr. MURKOWSKI:

S. Res. 34. An original resolution authorizing expenditures by the Committee on Energy and Natural Resources; from the Committee on Energy and Natural Resources; to the Committee on Rules and Administration.

By Mr. JEFFORDS:

S. Res. 35. An original resolution authorizing expenditures by the Committee on Labor and Human Resources; from the Committee on Labor and Human Resources; to the Committee on Rules and Administration.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. GREGG:

S. 227. A bill to establish a locally oriented commission to assist the city of Berlin, NH, in identifying and studying its region's historical and cultural assets, and for other purposes; to the Committee on Energy and Natural Resources.

THE BERLIN, NH, COMMISSION ACT OF 1997

Mr. GREGG. Mr. President, I rise today to celebrate the 100th anniversary of Berlin, NH, and to introduce legislation that will assist Berlin in preserving this history.

While the city of Berlin is 100 years old this year, its history goes back further. The first settlers came to Berlin for no apparent reason. They were farmers and the land there did not promise to be any more fruitful than the land they left just down the Androscoggin River; but, they were restless and independent so they came across the mountains to start a new community in this isolated area.

The Plantation of Maynesborough, as Berlin was called, was named after the most illustrious of the English gentlemen to whom it was granted by the Crown in 1771. Although the land was rugged and it was a hard place to live, food was plentiful. The woods consisting of seemingly endless stands of timber were filled with deer and game; the brooks and river were loaded with trout.

Those first farmers who made the move from down the river found good farmland upstream from the falls. In 1824, William Sessions cleared 5 acres of land on the east side of the river and came back in 1825 with his nephew to plant crops and build a log house. William Sessions did not stay around long enough to see Maynesborough become officially incorporated as the city of Berlin 1897, but his nephew Cyrus Wheeler did.

Nearly half a century before, however, the character of Berlin began its change from farms to industry. In 1851, J.B. Brown and three other businessmen from Portland, ME, formed a partnership under the name of H. Winslow & Co. and purchased the land on top of the falls. They started a successful lumber business in the thick forest and used the natural water power of the river to power their mill. The J.B. Brown Co., saw the railroad coming to Berlin, thus, opening a direct line of transportation to Portland and market centers for the first time.

In the 1920's, Berlin, NH, was the capital of the papermaking world and was becoming known as the city that trees built. The Brown family's Berlin Mills Co., controlled 3 million acres in New England and Québec and was world renowned for cutting-edge forestry, research, and papermaking. The mills along the Androscoggin River made not only pulp and an array of paper products but also lumber, wood flour, conduit pipes, and furniture. Brown's staff of 4,000 to 5,000 swelled Berlin to a population of 20,000.

The growth of Berlin reflects the diversity of people who came to stay: French Canadians, Yankees from northern New England farms, Norwegians, Italians, Irish, and Russians. They sought a chance to make a better living and found it in the mills, blacksmith shops, machine shops, farms,

stores, railroad yards, and in the winter logging camps. Berlin deserves recognition for many other reasons as well. For example tupperware and the Feron Rap and Rule, the first retractable ruler, were invented in Berlin. But one aspect of the city calls for special attention: Its heritage as a leader in introducing skiing to America.

Scandinavian immigrants were highly sought after by mill recruiters not only for their expertise in logging, but also because they were acquainted with long, severe winters similar to those of the North Country. They chose to develop their individual neighborhoods in clusters as did most of the immigrants. As a whole, the entire Scandinavian neighborhood was commonly known as Norwegian Village. Because of their love for winter, they, more than any other groups, forged the way for winter sports in Berlin. Both cross-country ski racing and competition ski jumping were introduced to the region by the Scandinavian community. These events were featured at many of the winter carnivals that Berlin hosted.

Other than its socioeconomic forest-based heritage, Berlin is probably best known for its major contribution to the development of skiing in the country. The use of skis by newly arriving Scandinavians was at first utilitarian, winter travel around the community. In time, cross-country ski racing became popular and Berlin became known as the Cradle of Nordic Skiing in America. The Nansen Ski Club, which is named in honor of arctic explorer Fridtjof Nansen, was founded in 1872 as the Skii Klubbin. Today, it remains the oldest continuously organized ski club in the United States. Starting in the 1890's, skiers used a small hill in Norwegian Village to practice and perform their jumps.

Then, in 1936, a new jump was constructed here at this site thanks to a cooperative effort between the city of Berlin and the Nansen Ski Club. This 80-meter jump has a 171.5-foot tower, a 225-foot vertical drop, and a descent angle of approximately 37.5 degrees. For almost 50 years, this was the largest ski jump in the Eastern United States and the foremost jump in the country. Also, this was the site of all major championship ski jumping competitions, as well as many Olympic tryouts. Several famous ski jumpers were competitors here including a host of Berlinites who went on to compete in the Olympics.

Mr. President, I have only touched on a few of the historical aspects that make Berlin, NH, unique. The legislation that I am introducing, the Androscoggin River Valley Heritage Area Act, will establish a locally oriented commission to assist the city of Berlin in identifying and studying its region's historical and cultural assets of the past 100 years.

By Mr. MCCAIN (for himself, Mr. STEVENS, Mrs. HUTCHISON, Mr. ABRAHAM, and Mr. ASHCROFT):

S. 228. A bill to amend title 31, United States Code, to provide for continuing appropriations in the absence of regular appropriations; to the Committee on Appropriations.

THE GOVERNMENT SHUTDOWN PREVENTION ACT

Mr. MCCAIN. Mr. President, today Senators STEVENS, HUTCHISON, ABRAHAM, ASHCROFT, and I are introducing the Government Shutdown Prevention Act. This bill creates a statutory continuing resolution [CR]—a safety net CR which would trigger only if the appropriations acts do not become law or if there is no governing CR in place. This legislation ensures that the Government will not shutdown and that Government shutdowns cannot be used for political gains.

This safety net CR would set spending at the lowest of the following spending levels:

First, the previous year's appropriated levels;

Second, the House-passed appropriations bill;

Third, the Senate-passed appropriations bill;

Fourth, the President's budget request; or

Fifth, any levels established by an independent CR passed by the Congress subsequent to the passage of this act.

By setting the spending level for the safety net CR at the lowest possible level, there is new incentive to actually pass the appropriations bills on time. In addition, it restores the bias in appropriations negotiations toward saving the taxpayers money instead of spending it. We cannot afford another replay of last year's successful effort by the administration that forced Congress to spend billions more just to avoid a third Government shutdown. Passage of this legislation will guarantee that we are not faced with a choice between a Government shutdown and spending taxpayer dollars irresponsibly.

We all saw the effects of gridlock last year. No one wins when the Government shuts down. Shutdowns only confirm the American people's suspicions that we are more interested in political gain than doing the Nation's business. The American people are tired of gridlock. They want the Government to work for them—not against them.

The budget process in the last Congress was a fiasco. Our Founding Fathers would have been ashamed by our inability to execute the power of the purse in a responsible fashion. I am sure they would have been quite shocked by the 27 days the Government was shut down, 13 continuing resolutions and almost $6 billion in blackmail money given to the administration to ensure that the Government did not shut down a third time.

Although Republicans shouldered the blame for the Government shutdown, President Clinton and his Democrat colleagues were equally at fault for using it for their political gain. Republicans were outfoxed by President Clinton because we were not prepared for him to use the budget process for his own political gains. We thought that by doing the right thing—passing the first balanced budget in a generation and fiscally sound appropriations bills—we would eventually prevail. What we did not realize was that President Clinton was more interested in playing politics with the budget than actually balancing it. This year, we have to be prepared for these games and launch a preemptive strike to ensure that basic Government operations will not be put at risk during the next budget battle.

This legislation does not erode the power of the appropriators and gives them ample opportunity to do their job. It is only if the appropriations process is not completed by the beginning of the fiscal year, as was the case in the last Congress that this safety net CR will go into effect. In addition, I want to emphasize that entitlements are fully protected in the legislation. The bill specifically states that entitlements such as Social Security—as obligated by law—will be paid regardless of what appropriations bills are passed.

Mr. President, according to President Clinton the combined cost of last year's Government shutdowns was $1.5 billion. However, this figure does not begin to account for the millions of dollars that were lost by small businesses who depend on the Government being open. In my State of Arizona, during the Government shutdown the Grand Canyon was closed for the first time in 76 years. I heard from people who work close to the Grand Canyon. These were not Government employees. They were independent small businessmen and women. They told me that the shutdown cost them thousands of dollars because people couldn't go to the park. According to a CRS report, local communities near national parks lost an estimated $14.2 million per day in tourism revenues as a direct result of the Government shutdown—for a total of nearly $400 million over the course of the shutdown.

The cost of the Government shutdown cannot be measured in just dollars and cents. During the shutdown millions of Americans could not get crucial social services. For example: 10,000 new Medicare applications, 212,000 Social Security card requests, 360,000 individual office visits, and 800,000 toll-free calls for information and assistance were turned away each day. There were even more delays in services for some of the most vulnerable in our society including 13 million recipients of AFDC, 273,000 foster care children, over 100,000 children receiving adoption assistance services and over 100,000 Head Start children. Not to mention the new patients that were not accepted into clinical research centers, the 7 million visitors who could not attend national parks or the 2 million visitors turned away at museums and monuments. And the list could go on and on.

In addition our Federal employees were left in fear wondering whether

they would be paid, would they have to go to work or would they be able to pay their bills on time. In my State of Arizona for example, of the 40,383 Federal employees over 15,000 of them were furloughed in the last Government shutdown. I do not want to put these workers at risk ever again.

A 1991 GAP report confirmed that permanent funding lapse legislation as necessary. In their report they stated, ''shutting down the Government during temporary funding gaps is an inappropriate way to encourage compromise on the budget.''

Mr. President, neither party can afford another break of faith with the American people. Our constituents are tired of constantly being disappointed by the actions of Congress and the President. They are tired of us not being prepared for what appears to be the inevitable. This is why this legislation is so important. We want the American people to know that there are some of us in Congress who are thinking ahead and who do not want a replay of the last Congress.

I want to especially note the support of my good friend Senator STEVENS, the distinguished Senator from Alaska and chairman of the Appropriations Committee. His support of this bill is crucial and I thank him for it. I wish him well in overseeing the appropriations process. While I am sure we will have our differences, I am confident that he will do his best to ensure that the Senate enacts the appropriations bills in an efficient and expeditious manner.

Let us show the American people that we learned our lessons from the last Congress. Passing this preventive measure will go a long way to restore American's faith that politics or stalled negotiations will not stop government operations. It will prove to our constituents that we will never again allow a Government shutdown, or the threat of a Government shutdown, to be used for political gain. I hope the Senate will act quickly on this important matter.●

By Mr. BUMPERS (for himself, Mrs. MURRAY, and Mr. WELLSTONE):

S. 229. A bill to provide for a voluntary system of public financing of Federal elections, and for other purposes; to the Committee on Finance.

THE PUBLIC CONFIDENCE IN CAMPAIGNS ACT OF 1997

Mr. BUMPERS. Mr. President, I come to the floor today to introduce the Public Confidence in Campaigns Act of 1997 for Senator MURRAY and myself. We chose that title because the purpose of the bill is to establish public finance of political campaigns in this country.

The McCain-Feingold bill, of course, is the topic right now. That is the one that the press talks about. That is the one that everybody in the Senate is looking at. I am for the McCain-Feingold bill—and I have the utmost respect for the authors of the bill—but I can tell you that the McCain-Feingold bill is only a small step in the right direction, if the people of this body are really interested in reversing the pervasive cynicism about the political process that is abroad in our country.

Everybody knows that the money game is out of control in politics. Contributions during the last 2 years—that is, soft money and hard money combined—was up 73 percent from 1993 and 1994. You think about it. A 73-percent increase. I have no reason to believe that the increase will not be another 50 to 100 percent in the 2-year cycle prior to the year 2000. Why wouldn't the American people be cynical? The average Senate race today costs $4 million. I have never spent more than $1.5 million, not because of choice but because I am a lousy fundraiser. I never had it. But the average Senate race is $4 million. In California, $20 to $25 million is now typical for each of the candidates.

More and more millionaires are running for Congress because it is obvious that money dictates the outcome. Ninety percent of the people who are elected to Congress spent more money than their opponents. That means if you are a millionaire, or if you have the ability to raise more money than your opponent, you have a 90-percent chance of being elected. That is what the statistics show. The Congress is supposed to be a microcosm of America. There are at least 25 to 35 millionaires in the U.S. Senate. There are hardly 25 percent of the American people who are millionaires.

In 1995 and 1996, 400 corporations, labor unions, and individuals—400—gave the two major parties $100,000 or more in soft money. I repeat: Soft and hard money to the political parties is up 73 percent in 2 years. Even the stock market has not gone up that fast. And rightly or wrongly the cynicism of the American people about our political system is reflected in the small number of people in this country who contribute to campaigns. Why? Because ''Joe Lunch Bucket'' out there has this nagging suspicion that $100,000 contributions, $500,000 contributions, or even $5,000 individual contributions, are completely out of his league. He knows that his $10 or $15 is going nowhere. That is the one of the reasons he does not bother to vote. He has no confidence in his own ability to participate and make a difference, the very foundation of a democracy. And ''Joe Lunch Bucket'' knows that people who give $100,000 are not giving money out of patriotism and altruism.

For the whole process of Federal election in the last 2 years the parties and the individual candidates spent $2 billion. That is a staggering sum of money. Campaign spending 20 years ago when we started reforming the system was a mere fraction of $2 billion.

This morning, yesterday morning, every morning you pick up the Washington Post and the New York Times, and you'll see a story in there about the influence of money. It isn't just soft money given by Indonesians or aliens. The Times last week had a story showing that Members who vote right on particular issues get five times as much money later on from the people who benefit from that right vote than they had gotten in the past.

As long as we finance campaigns the way we are financing them now, the Post and the Times will continue to have a field day, and the Members of Congress will be like gladiators in the arena for the amusement and enjoyment of people who like to watch the battle. I am not being critical of the press for reporting these stories. All I am saying is that democracy is threatened by cynicism.

The formula for voluntary limits in the McCain-Feingold bill is a step in the right direction. It's the same formula we have in our bill: $400,000 plus 30 cents for the first 4 million eligible voters in your State; 25 cents for every eligible voter over 4 million with a minimum of $950,000 and maximum of $5.5 million. My State of Arkansas would get the minimum, $950,000, in a Senate race, and a maximum of $5.5 million would apply in California. And the figure of $5.5 million as a maximum is not an inducement for a Senate candidate in California to accept public funding and comply with that kind of a maximum when they are spending $20 to $25 million each in California. But let us admit it: Even $5.5 million is an obscene amount of money. That is what you get if you voluntarily limit the amount of money you are going to spend. If you agree, if you are from Arkansas, to accept $950,000, in the general election you will get full funding from the U.S. Treasury. And I will come back to where the money comes from in just a moment.

Mr. President, there is a fundamental question being asked in this country. And, if it isn't being asked, it ought to be; that is, how long can a democracy survive when the laws we pass and the people we elect depend on how much special interest money is put into a campaign? And consider the fact that the candidate with the most money wins 90 percent of the time. That speaks volumes. When you consider the fact that if you vote right on a bill that benefits somebody, and you get five times as much money from that somebody as you got in the past, that speaks volumes. Of course, our democracy is threatened when we continue this money game.

There is a study by the Library of Congress—and anybody who is interested in it, if they will drop me a line or call me, I will send them a copy of it—of campaign finance in 19 nations. And other than the United States only 1 of the 19 nations, Malaysia, finances campaigns with private contributions. We are the only Western nation that finances campaigns with private contributions in this way.

Mr. President, we may not pass this bill, but until a public finance bill

passes, the media will continue to have a field day, and you can expect a story, not because you did anything illegal or unethical, but you can depend on a story anytime you vote on a major piece of legislation if anybody who benefited from that gave you money in the last election in any significant amount. And the people will harbor those same suspicions.

Why would the people of this body and the House of Representatives not want to get rid of such a system? They are the ones who are most vulnerable, to say nothing of the destruction of our democracy. Even under the McCain-Feingold bill, which I will support, you still are going to have special interest money, and it is not going to eliminate the basic problem, which is cynicism about what that money buys.

So, Mr. President, it is an interesting thing that the people of this body—and I have talked to a number trying to recruit cosponsors, Republicans and Democrats—almost without exception say, ''I know public financing is where we are going, but not yet. Later.''

Why later? McCain-Feingold has gotten all the attention, and perhaps McCain-Feingold is the most we can hope for this year, but it is time to start the debate on the public finance legislation that everybody in this body knows is absolutely essential to our future. It is going to pass. I may not be here when it passes, but I can promise you it is going to pass.

Everybody is playing the stock market today. The market has been on a roll, up about 30 percent in 1996. You cannot lose. Just put it on anything, they say. You cannot lose. I will tell you of a better investment than putting your money in the stock market, and that is to put your money into this Congressional Election Campaign Fund we are proposing and take special interest money out of the political process. You talk about a return on your investment. That will be the biggest return America ever got on every dollar it puts in.

People in the coffee shops of America do not do as they used to. One time about 2 years ago, I was in my hometown in the coffee shop where I used to drink coffee in this little town of 1,500, 2,000 people, and the subject came up with some of my old coffee-drinking buddies about public financing. The first thing I heard was, ''I don't want my tax money going to politicians to finance campaigns.'' And I gave that friend of mine a lesson in 103–A civics and 103–A economics. No. 1, he has a civic duty to participate, which he does not do. He is not giving any of his private money, which is his right, and he does not want his tax money to be used, which is an abdication of his responsibility and an abdication of everything he believes about campaign finance because he is willing to let the rich people and wealthy organizations of the country give the money and yet it causes the very cynicism he exemplifies and that we are trying to remedy.

Why would the people of this body say ''later'' to public finance? Admittedly, 10 years ago, only 27 percent of the people believed public financing of campaigns was a good idea. But it has worked beautifully since 1976 for the Presidential campaign, and it will work for us. Why would it not? And why would Senators in 1997 be afraid to vote for public financing of campaigns when 68 percent of the people in a Mark Mellman Poll this fall said they favor the law in Maine, the only State in the Nation which has passed a full public funding campaign bill. And 68 percent of the people, when you explain the Maine bill, say, ''I favor it.'' And 65 percent of the people in this country in a Gallup Poll said they favored banning all private contributions and believed in 100 percent public financing of campaigns.

Let me describe the details of the bill very quickly and then I will introduce the bill.

First of all, it establishes a Congressional Election Campaign Fund. And here is the way it works. When you file your tax returns today, there is a provision there which says that if you would like to direct $3 of your tax payment to the Presidential campaign fund, check here. It does not cost you a thing. You think about that. It does not cost you a thing; it is deducted from your taxes, and yet people are declining all the time to check the $3 contribution box even though their taxes are reduced by $3. It is really Federal funds. And yet we have to constantly prop people up and tell them it is their patriotic duty to contribute to that.

I found it very healthy in the last campaign to know that Senator Dole and President Clinton were using money in equal amounts. They were not out asking for private contributions. Each one of them said, ''I will participate,'' and each one of them received about $60 million, and they got along just fine.

Under our bill, you can give $10, if you want, $3 to the Presidential campaign, $7 to the congressional campaign. As I said, that $10 contribution will pay you bigger dividends by far than any investment you ever made in your life. You will not have to worry why somebody voted for or against a bill; at least you will know they did not do it because somebody gave them money in the last campaign or has promised to give them money in a future campaign. And, in addition to the $10, we allow Americans to add on to their tax payment a contribution to the Congressional Election Campaign Fund. Wealthy people—and there are about 5 times as many millionaires right now as there were 10 years ago—would be allowed to give up to $5,000 to this campaign fund just because they are patriots. Up to $100 of this add-on is tax deductible. And if their spouses join in it, they have a $200 tax deduction. It is not much, a small incentive. But wouldn't it be wonderful if all the people worth $1 million, $5 million, $10 million in this country, or even those of ordinary means, would contribute $5,000 to that fund just because they love the country, believe in democracy and want to see it thrive?

We also have a provision that, if the fund runs dry, Congress will appropriate the deficiency. If Congress refuses to appropriate the deficiency, then everybody will be reduced on a pro rata basis.

Let me repeat. You do not qualify for this money unless you agree to limit your spending according to the formula that is set out in the bill. How do you get to the general election for full funding, since we have primaries before the general? Well, we will participate in that, too. And here is the way we do that. You can spend 60 percent of what you can spend in a general.

Back to my home State of Arkansas, let us assume we are eligible for $1 million. We can spend 60 percent of that in the primary, or $600,000, and, of the $600,000, you must raise 50 percent of that, or $300,000. So, to that extent, you still have to go out with your tin cup and raise $300,000. Contributions are still limited to $1,000, just as they are under existing law. But before you can even qualify for primary money, you have to raise $25,000 in $100 contributions from within your State. That is not harsh. Anybody in the State of Arkansas, or any other State, that cannot get 250 people to give $100 does not have any business running. He is not credible. But, once you raise $25,000, then you become eligible for 50 percent Federal funding in the primary.

We eliminate totally soft money. Soft money is what the investigation of contributions to the DNC is all about. When you consider the fact that soft money contributions and hard money contributions to the parties is up 73 percent—get rid of it. Who needs this investigation we are getting ready to launch here in the Congress? You think about all the people's business that we need to be conducting, and what are we doing? Holding an investigation about all the Indonesian money and alien money. Not only do we eliminate soft money, we say that no illegal alien, or even a legal alien, can contribute, unless they are eligible to vote. Nobody—nobody can contribute in these campaigns unless they are eligible to vote. I think that is about as good a test as you can find.

Let us assume, in the next election, I say, ''OK, I am going to limit my spending to $1 million.'' That is the limit under my bill for this State. And I agree I will limit my spending to $1 million. My opponent, who happens to be worth $100 million says, ''You have to be kidding. I am planning to buy this election. I have $100 million to do it with.'' Then, for every dollar he spends above $1 million, we will match up to 100 percent, which would be $2 million.

If you are running against a man or a woman who is willing to spend $10

million of his or her own money, I think you could win. I can tell you a story of a Governor's race in Arkansas in 1970. There was a young, good looking, dynamic man running for Governor down there who spent $300,000 dollars and beat somebody who spent $3.5 million.

You can shame people. You can shame people for spending too much money of their own. Sometimes shame is not enough because, as I have already pointed out, 90 percent of the time the candidate who spends the most money wins. So maybe our bill is not perfect on that score, but it will exact a political price from those who seek to buy an election by outspending a candidate who accepts these limits.

And, on independent expenditures, the bane of the Nation, these unnamed, unseen people who run television ads calling you every scurrilous name under the shining Sun, they don't mention the name of the guy running against you, they just tell the voters what a terrible guy you are—using whatever is a hot issue at the time, ''He voted to burn American flags''—they never mention the opponent. Under our bill, if you have an independent expenditure of $1,000 or more, you have to report it within 24 hours, and if you spend more than $10,000 on independent expenditures, we will match that for the poor guy who has volunteered to limit his spending. The only difference between our bill and McCain-Feingold on PAC's is that we allow a $2,000 PAC contribution, and McCain-Feingold only allows $1,000. The current level is $5,000.

Let me elaborate just a moment on that. I am not a person who thinks PAC's are inherently evil. I think any time a group of people who get together and contribute to a fund because they would like to have some influence, rather than just giving $10, $20, $50, $100 apiece, they ought to be allowed to do that.

As I have already said, we only allow people who can vote in this country in Federal elections to contribute. And, if you agree to accept Federal funding, $10,000 is the maximum amount of your own money you can spend. And our bill takes effect in all elections after December 31, 1998.

Mr. President, while my bill is not perfect, we have been working on it for 4 months. We have met through staff conferences. I have talked to other Senators. I can tell you, the time has come to deal with public finance. I guess the best way to close—I think about a movie, one of my three or four all-time favorite movies, ''To Kill A Mockingbird.'' Gregory Peck was a country lawyer, and I guess I relate to it because I was a country lawyer. You remember, he was defending a black man charged with rape, who was totally innocent, in a small Southern town. The case was charged with racism.

He made the most eloquent speech to the jury in his closing argument, and he finished by saying, ''For God's sake, do your duty.'' I cannot think of a better way to end this statement to my colleagues. The time has come to do our duty to salvage, to save our democracy.

Mr. President, I ask unanimous consent that the text of the bill and additional material be printed in the RECORD.

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

S. 229

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; AMENDMENT OF ELECTION ACT; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the ''Public Confidence in Campaigns Act of 1997''.

(b) AMENDMENT OF ELECTION ACT.—As used in this Act, the term ''FECA'' means the Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.).

(c) TABLE OF CONTENTS.—

TITLE I—REFORM OF SENATE CAMPAIGN FINANCING

Subtitle A—Voluntary Congressional Senate Campaign Financing System

SEC. 101. SENATE ELECTION CAMPAIGN FINANCING.

(a) IN GENERAL.—FECA is amended by adding at the end the following new title:

''TITLE V—ELECTION SPENDING LIMITS AND BENEFITS

''Subtitle A—Senate Election Campaigns

''SEC. 501. EXPENDITURE LIMITATIONS.

''(a) IN GENERAL.—An eligible Senate candidate may not make expenditures with respect to any election aggregating more than the limit applicable to the election under subsection (b).

''(b) APPLICABLE LIMITS.—For purposes of subsection (a), except as otherwise provided in this subtitle—

''(1) GENERAL ELECTION EXPENDITURE LIMIT.—

''(A) IN GENERAL.—The limit for a general election shall be equal to the lesser of—

''(i) $5,500,000; or

''(ii) the greater of—

''(I) $950,000; or

''(II) $400,000, plus an amount equal to the sum of 30 cents multiplied by the voting age population not in excess of 4,000,000, and 25 cents multiplied by the voting age population in excess of 4,000,000.

''(B) SPECIAL RULE WHERE ONLY 1 TRANSMITTER.—In the case of an eligible Senate candidate in a State which has no more than 1 transmitter for a commercial Very High Frequency (VHF) television station licensed to operate in that State, subclause (II) of paragraph (1)(B)(ii) shall be applied by substituting '80 cents' for '30 cents' and '70 cents' for '25 cents'.

''(2) PRIMARY ELECTION EXPENDITURE LIMIT.—

''(A) IN GENERAL.—Except as provided in subparagraph (B), the limit for a primary election is an amount equal to 60 percent of the general election expenditure limit under paragraph (1).

''(B) CERTAIN PRIMARY ELECTIONS TREATED AS GENERAL ELECTIONS.—If a primary election may result in the election of a person to a Federal office, the limit for the election is the general election expenditure limit under paragraph (1).

''(3) RUNOFF ELECTION EXPENDITURE LIMIT.—The limit for a runoff election is an amount equal to 30 percent of the general election expenditure limit under paragraph (1).

''(c) PAYMENT OF TAXES.—The limitations under subsection (b) shall not apply to any expenditure for Federal, State, or local taxes with respect to earnings on contributions raised.

''(d) EXCEPTIONS FOR COMPLYING CANDIDATES RUNNING AGAINST NONCOMPLYING CANDIDATES.—

''(1) EXCESSIVE CONTRIBUTIONS TO, OR PERSONAL EXPENDITURES BY, OPPOSING CANDIDATE.—

''(A) 10 PERCENT EXCESS.—If any opponent of an eligible Senate candidate is a noneligible candidate who—

''(i) has received contributions; or

''(ii) has made expenditures from a source described in section 502(a);

in an aggregate amount equal to 110 percent of the general election expenditure limit, primary election expenditure limit, or runoff election expenditure limit applicable to the eligible Senate candidate, the general election expenditure limit, primary election expenditure limit, or runoff election expenditure limit (as the case may be) applicable to the eligible Senate candidate shall be increased by 20 percent.

''(B) 50 PERCENT EXCESS.—If any opponent of an eligible Senate candidate is a noneligible candidate who—

''(i) has received contributions; or

''(ii) has made expenditures from a source described in section 502(a);

in an aggregate amount equal to 150 percent of the general election expenditure limit, primary election expenditure limit, or runoff election expenditure limit applicable to the eligible Senate candidate, the general election expenditure limit, primary election expenditure limit, or runoff election expenditure limit (as the case may be) applicable to the eligible Senate candidate (without regard to subparagraph (A)) shall be increased by 50 percent.

''(C) 100 PERCENT EXCESS.—If any opponent of an eligible Senate candidate is a noneligible candidate who—

''(i) has received contributions; or

''(ii) has made expenditures from a source described in section 502(a);

in an aggregate amount equal to 200 percent of the general election expenditure limit, primary election expenditure limit, or runoff election expenditure limit applicable to the eligible Senate candidate, the general election expenditure limit, primary election expenditure limit, or runoff election expenditure limit (as the case may be) applicable to the eligible Senate candidate (without regard to subparagraph (A) or (B)) shall be increased by 100 percent.

''(2) REVOCATION OF ELIGIBILITY OF OPPONENT.—If the status of eligible Senate candidate of any opponent of an eligible Senate candidate is revoked under this title, the general election expenditure limit applicable to the eligible Senate candidate shall be increased by 20 percent.

''(e) EXPENDITURES IN RESPONSE TO INDEPENDENT EXPENDITURES.—If an eligible Senate candidate is notified by the Commission under section 304(c)(4) that independent expenditures totaling at least $1,000 or more have been made in the same election in favor of another candidate or against the eligible candidate, the eligible candidate shall be permitted to spend an amount equal to the amount of the independent expenditures, and any such expenditures shall not be subject to any limit applicable under this title to the eligible candidate for the election.

''SEC. 502. CONTRIBUTION LIMITATIONS.

''(a) PERSONAL CONTRIBUTIONS.—

''(1) IN GENERAL.—An eligible Senate candidate may not, with respect to an election cycle, make contributions or loans to his or her own campaign from personal funds totaling more than $10,000.

''(2) AGGREGATION.—For purposes of paragraph (1), any contribution or loan to a candidate's campaign by a member of the candidate's immediate family shall be treated as made by the candidate.

''(b) AGGREGATE CONTRIBUTIONS.—

''(1) GENERAL ELECTION.—An eligible Senate candidate may not solicit or receive contributions with respect to a general election.

''(2) PRIMARY AND RUNOFF ELECTIONS.—An eligible Senate candidate may, subject to any limits, prohibitions, or other requirements of this Act, receive contributions with respect to a primary or runoff election equal to an amount not greater than 50 percent of the applicable limit for the election under section 501 (determined without regard to subsection (d) or (e) thereof).

''SEC. 503. ELIGIBILITY TO RECEIVE BENEFITS.

''(a) IN GENERAL.—For purposes of this subtitle, a candidate is an eligible Senate candidate if the candidate—

''(1) meets the filing requirements of subsection (b);

''(2) meets, and continues to meet, the expenditure and contribution limits of sections 501 and 502; and

''(3) in the case of a primary election, meets the threshold contribution requirements of subsection (c).

''(b) FILING REQUIREMENTS.—

''(1) PRIMARY.—The requirements of this subsection are met with respect to a primary election if, not later than the date the candidate files as a candidate for the election with the appropriate State election official (or, if earlier, not later than 30 days before the election), the candidate files with the Secretary of the Senate a declaration that—

''(A) the candidate will meet the expenditure and contribution limits of this subtitle;

''(B) the candidate will not accept any contributions in violation of section 315; and

''(C) the candidate will meet requirements similar to the requirements of clauses (ii), (iii), (iv), (v), (vi), and (vii) of paragraph (2)(A).

''(2) GENERAL ELECTION.—

''(A) IN GENERAL.—The requirements of this subsection are met with respect to a general election if the candidate certifies, under penalty of perjury, to the Secretary of the Senate that—

''(i) the candidate has met the expenditure and contribution limits of this subtitle with respect to any primary or runoff election and will meet such limits for the general election;

''(ii) at least one other candidate has qualified for the same general election ballot under the law of the State involved;

''(iii) the candidate will deposit all payments received under this subtitle in an account insured by the Federal Deposit Insurance Corporation from which funds may be withdrawn by check or similar means of payment to third parties;

''(iv) the candidate will furnish campaign records, evidence of contributions, and other appropriate information to the Commission;

''(v) the candidate will cooperate in the case of any audit and examination by the Commission under section 522 and will pay any amounts required to be paid under that section;

''(vi) the candidate will meet the closed captioning requirements of section 525; and

''(vii) the candidate intends to make use of the benefits provided under section 504.

''(B) TIME FOR FILING.—The certification under subparagraph (A) shall be filed not later than 7 days after the earlier of—

''(i) the date the candidate qualifies for the general election ballot under State law; or

''(ii) if, under State law, a primary or runoff election to qualify for the general election ballot occurs after September 1, the date the candidate wins the primary or runoff election.

''(c) THRESHOLD CONTRIBUTION REQUIREMENTS.—

''(1) IN GENERAL.—The requirements of this subsection are met if the candidate and the candidate's authorized committees have received allowable contributions during the applicable period in an amount not less than $25,000.

''(2) ONLY $100 CONTRIBUTIONS TAKEN INTO ACCOUNT.—Allowable contributions of an individual shall not be taken into account under paragraph (1) to the extent such contributions exceed $100.

''(3) DEFINITIONS.—In this subsection:

''(A) ALLOWABLE CONTRIBUTION.—The term 'allowable contribution' means a contribution that is made as a gift of money by an individual pursuant to a written instrument identifying the individual as the contributor.

''(B) APPLICABLE PERIOD.—The term 'applicable period' means the period beginning on January 1 of the calendar year preceding the calendar year of the general election involved and ending on the date on which the certification under subsection (b)(1) is filed by the candidate.

''SEC. 504. BENEFITS ELIGIBLE CANDIDATE ENTITLED TO RECEIVE.

''(a) IN GENERAL.—An eligible Senate candidate shall be entitled to payments from the Congressional Election Campaign Fund in an amount equal to—

''(1) in the case of a general election, an amount equal to the general election expenditure limit applicable to the candidate under section 501, and

''(2) in the case of a primary or runoff election, an amount equal to the sum of—

''(A) the amount of contributions received by the candidate with respect to the election not in excess of the limitation under section 502(b), plus

''(B) the amount of any increases in the applicable limit for such election by reason of subsections (d) and (e) of section 501 (relating to opponents exceeding limits and independent expenditures).

''(b) USE OF PAYMENTS.—Payments received by a candidate under subsection (a) shall be used to defray expenditures incurred with respect to the applicable election period for the candidate.

''Subtitle B—Administrative Provisions

''SEC. 521. CERTIFICATIONS BY COMMISSION.

''(a) GENERAL ELIGIBILITY.—The Commission shall determine whether a candidate is eligible to receive benefits under subtitle A. The initial determination shall be based on the candidate's filings under this title. Any subsequent determination shall be based on relevant additional information submitted in such form and manner as the Commission may require.

''(b) CERTIFICATION OF BENEFITS.—

''(1) IN GENERAL.—Not later than 5 business days after an eligible Senate candidate files a request with the Secretary of the Senate to receive benefits under section 504, the Commission shall certify eligibility for, and the amount of, such benefits.

''(2) REQUESTS.—Any request for payments under paragraph (1) shall contain—

''(A) such information and be made in accordance with such procedures as the Commission may provide by regulation; and

''(B) a verification signed by the candidate and the treasurer of the principal campaign committee of such candidate stating that the information furnished in support of the request, to the best of their knowledge, is correct and fully satisfies the requirement of this title.

''(3) PARTIAL CERTIFICATION.—If the Commission determines that any portion of a request does not meet the requirement for certification, the Commission shall withhold the certification for that portion only and inform the candidate as to how the request may be corrected.

''(4) CERTIFICATION WITHHELD.—The Commission may withhold certification if it determines that a candidate who is otherwise eligible has engaged in a pattern of activity indicating that the candidate's filings under this title cannot be relied upon.

''SEC. 522. EXAMINATION AND AUDITS; REPAYMENTS AND CIVIL PENALTIES.

''(a) EXAMINATIONS AND AUDITS.—

''(1) GENERAL ELECTIONS.—After each general election, the Commission shall conduct an examination and audit of the campaign accounts of 5 percent of the eligible Senate candidates, as designated by the Commission through the use of an appropriate statistical method of random selection, to determine whether such candidates have complied with the conditions of eligibility and other requirements of this title. The Commission shall conduct an examination and audit of the accounts of all candidates for election to an office where any eligible candidate for the office is selected for examination and audit.

''(2) SPECIAL ELECTION.—After each special election involving an eligible candidate, the

Commission shall conduct an examination and audit of the campaign accounts of all candidates in the election to determine whether the candidates have complied with the conditions of eligibility and other requirements of this Act.

''(3) AFFIRMATIVE VOTE.—The Commission may conduct an examination and audit of the campaign accounts of any eligible Senate candidate in a general election if the Commission determines that there exists reason to believe whether such candidate may have violated any provision of this title.

''(b) REPAYMENTS.—

''(1) IN GENERAL.—If the Commission determines that any amount of a payment to a candidate under this title was in excess of the aggregate payments to which such candidate was entitled, or was not used as provided for in this title, the Commission shall so notify such candidate, and such candidate shall pay the amount of such payment.

''(2) EXCESS EXPENDITURES OF CANDIDATES.—If the Commission determines that any eligible candidate who has received benefits under this title has made expenditures in excess of any limit under subtitle A, the Commission shall notify the candidate and the candidate shall pay the amount of the excess.

''(c) CIVIL PENALTIES.—

''(1) EXCESS EXPENDITURES.—

''(A) LOW AMOUNT OF EXCESS EXPENDITURES.—Any eligible Senate candidate who makes expenditures that exceed a limitation under subtitle A by 2.5 percent or less shall pay to the Commission an amount equal to the amount of the excess expenditures.

''(B) MEDIUM AMOUNT OF EXCESS EXPENDITURES.—Any eligible Senate candidate who makes expenditures that exceed a limitation under subtitle A by more than 2.5 percent and less than 5 percent shall pay to the Commission an amount equal to three times the amount of the excess expenditures.

''(C) LARGE AMOUNT OF EXCESS EXPENDITURES.—Any eligible Senate candidate who makes expenditures that exceed a limitation under subtitle A by 5 percent or more shall pay to the Commission an amount equal to three times the amount of the excess expenditures plus, if the Commission determines such excess expenditures were willful, a civil penalty in an amount determined by the Commission.

''(2) MISUSED FUNDS OF CANDIDATES.—If the Commission determines that an eligible Senate candidate used any amount received under this title in a manner not provided for in this title, the Commission may assess a civil penalty against such candidate in an amount not greater than 200 percent of the amount involved.

''(d) UNEXPENDED FUNDS.—Any amount received by an eligible Senate candidate under this title and not expended on or before the date of the general election shall be repaid within 30 days of the election, except that a reasonable amount may be retained for a period not exceeding 120 days after the date of the general election for the liquidation of all obligations to pay expenditures for the general election incurred during the general election period. At the end of such 120-day period, any unexpended funds received under this title shall be promptly repaid.

''(e) LIMIT ON PERIOD FOR NOTIFICATION.—No notification shall be made by the Commission under this section with respect to an election more than 3 years after the date of such election.

''SEC. 523. JUDICIAL REVIEW.

''(a) JUDICIAL REVIEW.—Any agency action by the Commission made under the provisions of this title shall be subject to review by the United States Court of Appeals for the District of Columbia Circuit upon petition filed in such court within 30 days after the agency action by the Commission for which review is sought. It shall be the duty of the Court of Appeals, ahead of all matters not filed under this title, to advance on the docket and expeditiously take action on all petitions filed pursuant to this title.

''(b) APPLICATION OF TITLE 5.—The provisions of chapter 7 of title 5, United States Code, shall apply to judicial review of any agency action by the Commission.

''(c) AGENCY ACTION.—For purposes of this section, the term 'agency action' has the meaning given such term by section 551(13) of title 5, United States Code.

''SEC. 524. REPORTS TO CONGRESS; CERTIFICATIONS; REGULATIONS.

''(a) REPORTS.—The Commission shall, as soon as practicable after each election, submit a full report to the Senate and House of Representatives setting forth—

''(1) the expenditures (shown in such detail as the Commission determines appropriate) made by each eligible candidate and the authorized committees of such candidate;

''(2) the amounts of benefits certified by the Commission as available to each eligible candidate under this title; and

''(3) the amount of repayments, if any, required under section 522, and the reasons for each repayment required.

''(b) DETERMINATIONS BY COMMISSION.—Subject to sections 522 and 523, all determinations (including certifications under section 521) made by the Commission under this title shall be final and conclusive.

''(c) RULES AND REGULATIONS.—The Commission is authorized to prescribe such rules and regulations, in accordance with the provisions of subsection (d), to conduct such audits, examinations and investigations, and to require the keeping and submission of such books, records, and information, as it deems necessary to carry out the functions and duties imposed on it by this title.

''(d) REPORT OF PROPOSED REGULATIONS.—The Commission shall submit to the House of Representatives and to the Senate a report containing a detailed explanation and justification of each rule and regulation of the Commission under this title. No such rule, regulation, or form may take effect until a period of 30 calendar days has elapsed after the report is received. As used in this subsection, the terms 'rule' and 'regulation' mean a provision or series of interrelated provisions stating a single, separable rule of law.

''SEC. 525. CLOSED CAPTIONING REQUIREMENT FOR TELEVISION COMMERCIALS OF ELIGIBLE CANDIDATES.

''No eligible Senate candidate may receive amounts under subtitle A unless such candidate has certified that any television commercial prepared or distributed by the candidate will be prepared in a manner that contains, is accompanied by, or otherwise readily permits closed captioning of the oral content of the commercial to be broadcast by way of line 21 of the vertical blanking interval, or by way of comparable successor technologies.

''Subtitle C—Congressional Election Campaign Fund

''SEC. 531. ESTABLISHMENT AND OPERATION OF THE FUND.

''(a) IN GENERAL.—There is hereby established on the books of the Treasury of the United States a special fund to be known as the Congressional Election Campaign Fund (hereafter in this title referred to as the 'Fund'). The amounts designated for the Fund shall remain available without fiscal year limitation for purposes of providing benefits under this title and making expenditures for the administration of the Fund. The Secretary shall maintain such accounts in the Fund as may be required by this title or which the Secretary determines to be necessary to carry out the provisions of this title.

''(b) PAYMENTS UPON CERTIFICATION.—Upon receipt of a certification from the Commission under section 521, except as provided in subsection (c), the Secretary shall issue within 48 hours to an eligible candidate the amount of payments certified by the Commission to the eligible candidate out of the Fund.

''(c) REDUCTIONS IN PAYMENTS IF FUNDS INSUFFICIENT.—

''(1) IN GENERAL.—If, at the time of a certification by the Commission under section 521 for payment to an eligible candidate, the Secretary determines that the monies in the Fund are not, or may not be, sufficient to satisfy the full entitlement of all eligible candidates, the Secretary shall withhold from the amount of such payment such amount as the Secretary determines to be necessary to assure that each eligible candidate will receive the same pro rata share of such candidate's full entitlement.

''(2) PAYMENT UPON FINDING OF SUFFICIENT MONIES.—Amounts withheld under paragraph (1) shall be paid during the same election cycle when the Secretary determines that there are sufficient monies in the Fund to pay all, or a portion thereof, to all eligible candidates from whom amounts have been withheld, except that if only a portion is to be paid, it shall be paid in such manner that each eligible candidate receives an equal pro rata share of such portion.

''(3) ESTIMATES.—

''(A) IN GENERAL.—Not later than March 31 of any calendar year in which there is a regularly scheduled general election, the Secretary, after consultation with the Commission, shall make an estimate of—

''(i) the amount of monies in the Fund which will be available to make payments required by this title in the succeeding calendar year, taking into account the amounts estimated to be transferred to the Fund during the calendar year of the election; and

''(ii) the amount of expenditures which will be required under this title in such calendar year.

''(B) NOTICE OF ESTIMATED REDUCTION.—If the Secretary determines that there will be insufficient monies in the Fund to make the expenditures required by this title for any calendar year, the Secretary shall notify each candidate on April 30 of such calendar year (or, if later, the date on which an individual becomes a candidate) of the amount which the Secretary estimates will be the pro rata reduction in each eligible candidate's payments under this subsection. Such notice shall be by registered mail.

''(d) NOTIFICATION.—The Secretary shall notify the Commission and each eligible candidate by registered mail of any reduction of any payment by reason of subsection (c).

''SEC. 532. DESIGNATION OF RECEIPTS TO THE FUND.

''(a) APPROPRIATION.—There are hereby appropriated to the Fund the following amounts:

''(1) DESIGNATED AMOUNTS.—Amounts designated to the Fund under sections 6096(a)(2) and 6097 of the Internal Revenue Code of 1986.

''(2) PAYMENTS AND PENALTIES.—Payments and civil penalties received by the Commission under section 522.

''(b) AUTHORIZATION OF APPROPRIATIONS.—These are authorized to be appropriated for each fiscal year to the Fund the excess (if any) of—

''(1) the aggregate payments required to be made from the Fund under this title for the fiscal year, over

''(2) the sum of the balance in the Fund as of the close of the preceding fiscal year plus

amounts paid into the Fund under subsection (a).''

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to elections occurring after December 31, 1998.

SEC. 102. REPORTING REQUIREMENTS.

Title III of FECA is amended by adding after section 304 the following new sections:

''REPORTING REQUIREMENTS FOR SENATE CANDIDATES

''SEC. 304A. (a) CANDIDATE OTHER THAN ELIGIBLE SENATE CANDIDATE.—(1) Each candidate for the office of United States Senator who does not file a certification with the Secretary of the Senate under section 503(b)(2) shall file with the Secretary of the Senate a declaration as to whether such candidate intends to make expenditures for any primary, runoff, or general election in excess of the expenditure limit applicable to an eligible Senate candidate under section 501. Such declaration shall be filed at the time provided in section 503(b)(2)(B).

''(2) Any candidate for the United States Senate who qualifies for the ballot for a general election—

''(A) who is not an eligible Senate candidate under section 503; and

''(B) who either raises aggregate contributions, or makes or obligates to make aggregate expenditures, for any primary, runoff, or general election which exceed 75 percent of the expenditure limit applicable to an eligible Senate candidate under section 501,

shall file a report with the Secretary of the Senate within 2 business days after such contributions have been raised or such expenditures have been made or obligated to be made (or, if later, within 2 business days after the date of qualification for the general election ballot), setting forth the candidate's total contributions and total expenditures for such election as of such date. Thereafter, such candidate shall file additional reports (until such contributions or expenditures exceed 200 percent of such limit) with the Secretary of the Senate within 2 business days after each time additional contributions are raised, or expenditures are made or are obligated to be made, which in the aggregate exceed an amount equal to 10 percent of such limit and after the total contributions or expenditures exceed 100, 120, 140, 160, 180, and 200 percent of such limit.

''(3) The Commission—

''(A) shall, within 2 business days of receipt of a declaration or report under paragraph (1) or (2), notify each eligible Senate candidate in the election involved about such declaration or report; and

''(B) if an opposing candidate has raised aggregate contributions, or made or has obligated to make aggregate expenditures, in excess of the applicable election expenditure limit under section 501, shall certify, pursuant to the provisions of subsection (d), such eligibility for payment of any amount to which such eligible Senate candidate is entitled under section 504(a).

''(4) Notwithstanding the reporting requirements under this subsection, the Commission may make its own determination that a candidate in a general election who is not an eligible Senate candidate has raised aggregate contributions, or made or has obligated to make aggregate expenditures, in the amounts which would require a report under paragraph (2). The Commission shall, within 2 business days after making each such determination, notify each eligible Senate candidate in the election involved about such determination, and shall, when such contributions or expenditures exceed the election expenditure limit under section 501, certify (pursuant to the provisions of subsection (d)) such candidate's eligibility for payment of any amount under section 504(a).

''(b) REPORTS ON PERSONAL FUNDS.—(1) Any candidate for the United States Senate who during the election cycle expends more than the limitation under section 502 during the election cycle from his personal funds, the funds of his immediate family, and personal loans incurred by the candidate and the candidate's immediate family shall file a report with the Secretary of the Senate within 2 business days after such expenditures have been made or loans incurred.

''(2) The Commission within 2 business days after a report has been filed under paragraph (1) shall notify each eligible Senate candidate in the election involved about each such report.

''(3) Notwithstanding the reporting requirements under this subsection, the Commission may make its own determination that a candidate for the United States Senate has made expenditures in excess of the amount under paragraph (1). The Commission within 2 business days after making such determination shall notify each eligible Senate candidate in the general election involved about each such determination.

''(c) CERTIFICATIONS.—Notwithstanding section 521(a), the certification required by this section shall be made by the Commission on the basis of reports filed in accordance with the provisions of this Act, or on the basis of the Commission's own investigation or determination.

''(d) SHORTER PERIODS FOR REPORTS AND NOTICES DURING ELECTION WEEK.—Any report, determination, or notice required by reason of an event occurring during the 7-day period ending with the general election shall be made within 24 hours (rather than 2 business days) of the event.

''(e) COPIES OF REPORTS AND PUBLIC INSPECTION.—The Secretary of the Senate shall transmit a copy of any report or filing received under this section or under subtitle A of title V as soon as possible (but no later than 4 working hours of the Commission) after receipt of such report or filing, and shall make such report or filing available for public inspection and copying in the same manner as the Commission under section 311(a)(4), and shall preserve such reports and filings in the same manner as the Commission under section 311(a)(5).

''(f) DEFINITIONS.—For purposes of this section, any term used in this section which is used in title V shall have the same meaning as when used in title V.''

SEC. 103. REPORTING REQUIREMENTS FOR CERTAIN INDEPENDENT EXPENDITURES.

Section 304(c) of FECA (2 U.S.C. 434(c)) is amended—

(1) in paragraph (2), by striking the undesignated matter after subparagraph (C);

(2) by redesignating paragraph (3) as paragraph (8); and

(3) by inserting after paragraph (2), as amended by paragraph (1), the following new paragraphs:

''(3)(A) Any person (including a political committee) making, obligating to make, or intending to make independent expenditures (including those described in subsection (b)(6)(B)(iii)) with respect to a candidate in an election aggregating $1,000 or more shall file a report within 24 hours after the date on which such person takes such action. An additional report shall be filed each time the person makes, obligates to make, or intends to make independent expenditures aggregating $1,000 or more are made with respect to the same candidate after the latest report filed under this subparagraph.

''(B) A report under subparagraph (A) shall be filed with the Clerk of the House of Representatives, the Secretary of the Senate, or the Commission, whichever is applicable, and the Secretary of State of the State involved, and shall identify each candidate whom the expenditure is actually intended to support or to oppose. The Clerk of the House of Representatives and the Secretary of the Senate shall as soon as possible (but not later than 4 working hours of the Commission) after receipt of a report transmit it to the Commission. Not later than 2 business days after the Commission receives a report, the Commission shall transmit a copy of the report to each candidate seeking nomination or election to that office.

''(4) The Commission may, upon a request of a candidate or on its own initiative, make its own determination that a person has made, has incurred obligations to make, or intends to make independent expenditures with respect to any candidate in any election which in the aggregate exceed the applicable amounts under paragraph (3). The Commission shall notify each candidate in such election of such determination within 2 business days after making it. Any determination made at the request of a candidate shall be made within 48 hours of the request.

''(5) At the time at which an eligible Senate candidate is notified under paragraph (3) or (4) with respect to expenditures during a general election period, the Commission shall certify eligibility to receive benefits under section 504.

''(6) The Clerk of the House of Representatives and the Secretary of the Senate shall make any report received under this subsection available for public inspection and copying in the same manner as the Commission under section 311(a)(4), and shall preserve such statements in the same manner as the Commission under section 311(a)(5).

''(7)(A) A person that makes a reservation of broadcast time to which section 315(a) of the Communications Act of 1947 (47 U.S.C. 315(a)) applies, the payment for which would constitute an independent expenditure, shall at the time of the reservation—

''(i) inform the broadcast licensee that payment for the broadcast time will constitute an independent expenditure;

''(ii) inform the broadcast licensee of the names of all candidates for the office to which the proposed broadcast relates and state whether the message to be broadcast is intended to be made in support of or in opposition to each such candidate; and

''(iii) provide the broadcast licensee a copy of the report described in paragraph (3).

''(B) For purposes of this paragraph, the term 'broadcast' includes any cablecast.''

Subtitle B—Reduction in Limit on PAC Contributions to Senate Candidates

SEC. 111. REDUCTION IN LIMIT ON PAC CONTRIBUTIONS TO SENATE CANDIDATES.

Section 315(a)(2)(A) of FECA (2 U.S.C. 441a(a)(2)(A)) is amended to read as follows:

''(A) to any candidate and the candidate's authorized political committees with respect to—

''(i) any election for Federal office (other than United States Senator) which, in the aggregate, exceed $5,000, or

''(ii) any election for the office of United States Senator which, in the aggregate, exceed $2,000.''

TITLE II—PUBLIC FINANCING SYSTEM

SEC. 201. INCREASE IN CURRENT VOLUNTARY CHECKOFF SYSTEM.

(a) IN GENERAL.—Section 6096(a) of the Internal Revenue Code of 1986 (relating to designation by individuals) is amended to read as follows:

''(a) IN GENERAL.—Every individual (other than a nonresident alien) whose income tax liability for the taxable year is $10 or more may designate that $10 shall be paid over to the Federal election campaign funds as follows:

''(1) $3 to the Presidential Election Campaign Fund in accordance with the provisions of section 9006(a).

''(2) $7 to the Congressional Election Campaign Fund in accordance with the provisions of subtitle C of title V of the Federal Election Campaign Act of 1971.

In the case of a joint return of a husband and wife having an income tax liability of $20 or more, each spouse may designate that $10 shall be paid as provided in the preceding sentence.''

(b) CONFORMING AMENDMENT.—Section 9006(a) is amended by striking ''section 6096'' and inserting ''section 6096(a)(1)''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 1996.

SEC. 202. VOLUNTARY CONTRIBUTIONS TO CONGRESSIONAL ELECTION CAMPAIGN FUND.

(a) GENERAL RULE.—Part VIII of subchapter A of chapter 61 of the Internal Revenue Code of 1986 (relating to returns and records) is amended by adding at the end the following:

''Subpart B—Designation of Additional Amounts to Congressional Election Campaign Fund

''Sec. 6097. Designation of additional amounts.

''SEC. 6097. DESIGNATION OF ADDITIONAL AMOUNTS.

''(a) GENERAL RULE.—Every individual (other than a nonresident alien) who files an income tax return for any taxable year may designate an additional amount which is not less than $1 and not more than $5,000 to be paid over to the Congressional Election Campaign Fund established under subtitle C of title V of the Federal Election Campaign Act of 1971.

''(b) MANNER AND TIME OF DESIGNATION.—A designation under subsection (a) may be made for any taxable year only at the time of filing the income tax return for the taxable year. Such designation shall be made on the page bearing the taxpayer's signature.

''(c) TREATMENT OF ADDITIONAL AMOUNTS.—Any additional amount designated under subsection (a) for any taxable year shall, for all purposes of law, be treated as an additional income tax imposed by chapter 1 for such taxable year.

''(d) INCOME TAX RETURN.—For purposes of this section, the term 'income tax return' means the return of the tax imposed by chapter 1.''

(b) DEDUCTIBILITY OF CONTRIBUTIONS.—

(1) IN GENERAL.—Part VII of subchapter B of chapter 1 of the Internal Revenue Code of 1986 (relating to additional itemized deductions for individuals) is amended by redesignating section 221 as section 222 and by inserting after section 220 the following new section:

''SEC. 221. CONTRIBUTIONS TO CONGRESSIONAL ELECTION CAMPAIGN FUND.

''There shall be allowed as a deduction for any taxable year an amount equal to the lesser of—

''(1) the amount designated on the income tax return for the taxable year under section 6097(a), or

''(2) $100 ($200 in the case of a joint return).''

(2) ABOVE-THE-LINE DEDUCTION.—Section 62(a) of such Code is amended by adding after paragraph (16) the following new paragraph:

''(17) CONGRESSIONAL CAMPAIGN FUND CONTRIBUTIONS.—The deduction allowed by section 221.''

(c) CONFORMING AMENDMENTS.—

(1) Part VIII of subchapter A of chapter 61 of such Code is amended by striking the heading and inserting:

''PART VIII—DESIGNATION OF AMOUNTS TO ELECTION CAMPAIGN FUNDS

''Subpart A. Federal Election Campaign Funds.

''Subpart B. Designation of additional amounts to Congressional Election Campaign Fund.

''Subpart A—Federal Election Campaign Funds''.

(2) The table of parts for subchapter A of chapter 61 of such Code is amended by striking the item relating to part VIII and inserting:

''Part VIII. Designation of amounts to election campaign funds.''

(3) The table of sections for part VII of subchapter B of chapter 1 of such Code is amended by striking the item relating to section 221 and inserting:

''Sec. 221. Contributions to Congressional Election Campaign Fund.

''Sec. 222. Cross reference.''

(d) EFFECTIVE DATE.—The amendments made by this subsection shall apply to taxable years beginning after December 31, 1996.

TITLE III—PROVISIONS RELATING TO SOFT MONEY OF POLITICAL PARTIES

SEC. 301. SOFT MONEY OF POLITICAL PARTIES.

Title III of FECA (2 U.S.C. 301 et seq.) is amended by adding at the end the following:

''SEC. 324. SOFT MONEY OF POLITICAL PARTIES.

''(a) NATIONAL COMMITTEES.—A national committee of a political party (including a national congressional campaign committee of a political party, an entity that is established, financed, maintained, or controlled by the national committee, a national congressional campaign committee of a political party, and an officer or agent of any such party or entity but not including an entity regulated under subsection (b)) shall not solicit or receive any contributions, donations, or transfers of funds, or spend any funds, not subject to the limitations, prohibitions, and reporting requirements of this Act.

''(b) STATE, DISTRICT, AND LOCAL COMMITTEES.—

''(1) LIMITATION.—Any amount that is expended or disbursed by a State, district, or local committee of a political party (including an entity that is established, financed, maintained, or controlled by a State, district, or local committee of a political party and an agent or officer of any such committee or entity) during a calendar year in which a Federal election is held, for any activity that might affect the outcome of a Federal election, including any voter registration or get-out-the-vote activity, any generic campaign activity, and any communication that identifies a candidate (regardless of whether a candidate for State or local office is also mentioned or identified) shall be made from funds subject to the limitations, prohibitions, and reporting requirements of this Act.

''(2) ACTIVITY NOT INCLUDED IN PARAGRAPH (1).—

''(A) IN GENERAL.—Paragraph (1) shall not apply to an expenditure or disbursement made by a State, district, or local committee of a political party for—

''(i) a contribution to a candidate for State or local office if the contribution is not designated or otherwise earmarked to pay for an activity described in paragraph (1);

''(ii) the costs of a State, district, or local political convention;

''(iii) the non-Federal share of a State, district, or local party committee's administrative and overhead expenses (but not including the compensation in any month of any individual who spends more than 20 percent of the individual's time on activity during the month that may affect the outcome of a Federal election) except that for purposes of this paragraph, the non-Federal share of a party committee's administrative and overhead expenses shall be determined by applying the ratio of the non-Federal disbursements to the total Federal expenditures and non-Federal disbursements made by the committee during the previous presidential election year to the committee's administrative and overhead expenses in the election year in question;

''(iv) the costs of grassroots campaign materials, including buttons, bumper stickers, and yard signs that name or depict only a candidate for State or local office; and

''(v) the cost of any campaign activity conducted solely on behalf of a clearly identified candidate for State or local office, if the candidate activity is not an activity described in paragraph (1).

''(B) FUNDRAISING.—Any amount that is expended or disbursed by a national, State, district, or local committee, by an entity that is established, financed, maintained, or controlled by a State, district, or local committee of a political party, or by an agent or officer of any such committee or entity to raise funds that are used, in whole or in part, to pay the costs of an activity described in subparagraph (A) shall be made from funds subject to the limitations, prohibitions, and reporting requirements of this Act.

''(c) TAX-EXEMPT ORGANIZATIONS.—No national, State, district, or local committee of a political party shall solicit any funds for or make any donations to an organization that is exempt from Federal taxation under section 501(c) of the Internal Revenue Code of 1986.

''(d) CANDIDATES.—

''(1) IN GENERAL.—Except as provided in paragraph (2), no candidate, individual holding Federal office, or agent of a candidate or individual holding Federal office may—

''(A) solicit or receive funds in connection with an election for Federal office unless the funds are subject to the limitations, prohibitions, and reporting requirements of this Act; or

''(B) solicit or receive funds that are to be expended in connection with any election for other than a Federal election unless the funds—

''(i) are not in excess of the amounts permitted with respect to contributions to candidates and political committees under section 315(a) (1) and (2); and

''(ii) are not from sources prohibited by this Act from making contributions with respect to an election for Federal office.

''(2) EXCEPTION.—Paragraph (1) does not apply to the solicitation or receipt of funds by an individual who is a candidate for a State or local office if the solicitation or receipt of funds is permitted under State law for the individual's State or local campaign committee.''

SEC. 302. STATE PARTY GRASSROOTS FUNDS.

(a) INDIVIDUAL CONTRIBUTIONS.—Section 315(a)(1) of FECA (2 U.S.C. 441a(a)(1)) is amended—

(1) in subparagraph (B) by striking ''or'' at the end;

(2) by redesignating subparagraph (C) as subparagraph (D); and

(3) by inserting after subparagraph (B) the following:

''(C) to—

''(i) a State Party Grassroots Fund established and maintained by a State committee of a political party in any calendar year which, in the aggregate, exceed $20,000; and

''(ii) any other political committee established and maintained by a State committee of a political party in any calendar year which, in the aggregate, exceed $5,000;

except that the aggregate contributions described in this subparagraph that may be made by a person to the State Party Grassroots Fund and all committees of a State Committee of a political party in any State

in any calendar year shall not exceed $20,000; or''.

(b) MULTICANDIDATE COMMITTEE CONTRIBUTIONS TO STATE PARTY.—Section 315(a)(2) of FECA (2 U.S.C. 441a(a)(2)) is amended—

(1) in subparagraph (B), by striking ''or'' at the end;

(2) by redesignating subparagraph (C) as subparagraph (D); and

(3) by inserting after subparagraph (B) the following:

''(C) to—

''(i) a State Party Grassroots Fund established and maintained by a State committee of a political party in any calendar year which in the aggregate, exceed $15,000; and

''(ii) any other political committee established and maintained by a State committee of a political party which, in the aggregate, exceed $5,000;

except that the aggregate contributions described in this subparagraph that may be made by a multicandidate political committee to the State Party Grassroots Fund and all committees of a State Committee of a political party in any State in any calendar year shall not exceed $15,000; or''.

(c) OVERALL LIMIT.—

(1) IN GENERAL.—Section 315(a) of FECA (2 U.S.C. 441a(a)) is amended by striking paragraph (3) and inserting the following:

''(3) OVERALL LIMIT.—

''(A) ELECTION CYCLE.—No individual shall make contributions during any election cycle that, in the aggregate, exceed $60,000.

''(B) CALENDAR YEAR.—No individual shall make contributions during any calendar year—

''(i) to all candidates and their authorized political committees that, in the aggregate, exceed $25,000; or

''(ii) to all political committees established and maintained by State committees of a political party that, in the aggregate, exceed $20,000.

''(C) NONELECTION YEARS.—For purposes of subparagraph (B)(i), any contribution made to a candidate or the candidate's authorized political committees in a year other than the calendar year in which the election is held with respect to which the contribution is made shall be treated as being made during the calendar year in which the election is held.''

(2) DEFINITION.—Section 301 of FECA (2 U.S.C. 431) is amended by adding at the end the following:

''(20) ELECTION CYCLE.—The term 'election cycle' means—

''(A) in the case of a candidate or the authorized committees of a candidate, the period beginning on the day after the date of the most recent general election for the specific office or seat that the candidate seeks and ending on the date of the next general election for that office or sea; and

''(B) in the case of all other persons, the period beginning on the first day following the date of the last general election and ending on the date of the next general election.''

(d) STATE PARTY GRASSROOTS FUNDS.—

(1) IN GENERAL.—Title III of FECA (2 U.S.C. 301 et seq.) (as amended by section 301) is amended by adding at the end the following:

''SEC. 325. STATE PARTY GRASSROOTS FUNDS.

''(a) DEFINITION.—In this section, the term 'State or local candidate committee' means a committee established, financed, maintained, or controlled by a candidate for other than Federal office.

''(b) TRANSFERS.—Notwithstanding section 315(a)(4), no funds may be transferred by a State committee of a political party from its State Party Grassroots Fund to any other State Party Grassroots Fund or to any other political committee, except a transfer may be made to a district or local committee of the same political party in the same State if the district or local committee—

''(1) has established a separate segregated fund for the purposes described in section 324(b)(1); and

''(2) uses the transferred funds solely for those purposes.

''(c) AMOUNTS RECEIVED BY GRASSROOTS FUNDS FROM STATE AND LOCAL CANDIDATE COMMITTEES.—

''(1) IN GENERAL.—Any amount received by a State Party Grassroots Fund from a State or local candidate committee for expenditures described in section 324(b)(1) that are for the benefit of that candidate shall be treated as meeting the requirements of 324(b)(1) and section 304(d) if—

''(A) the amount is derived from funds which meet the requirements of this Act with respect to any limitation or prohibition as to source or dollar amount specified in section 315(a) (1)(A) and (2)(A); and

''(B) the State or local candidate committee—

''(i) maintains, in the account from which payment is made, records of the sources and amounts of funds for purposes of determining whether those requirements are met; and

''(ii) certifies that the requirements were met.

''(2) DETERMINATION OF COMPLIANCE.—For purposes of paragraph (1)(A), in determining whether the funds transferred meet the requirements of this Act described in paragraph (1)(A)—

''(A) a State or local candidate committee's cash on hand shall be treated as consisting of the funds most recently received by the committee; and

''(B) the committee must be able to demonstrate that its cash on hand contains funds meeting those requirements sufficient to cover the transferred funds.

''(3) REPORTING.—Notwithstanding paragraph (1), any State Party Grassroots Fund that receives a transfer described in paragraph (1) from a State or local candidate committee shall be required to meet the reporting requirements of this Act, and shall submit to the Commission all certifications received, with respect to receipt of the transfer from the candidate committee.''

(2) DEFINITION.—Section 301 of FECA (2 U.S.C. 431) (as amended by subsection (c)(2)) is amended by adding at the end the following:

''(21) STATE PARTY GRASSROOTS FUND.—The term 'State Party Grassroots Fund' means a separate segregated fund established and maintained by a State committee of a political party solely for the purpose of making expenditures and other disbursements described in section 324(b).''

SEC. 303. REPORTING REQUIREMENTS.

(a) REPORTING REQUIREMENTS.—Section 304 of FECA (2 U.S.C. 434) is amended by adding at the end the following new subsection:

''(d) POLITICAL COMMITTEES.—(1) The national committee of a political party, any congressional campaign committee of a political party, and any subordinate committee of either, shall report all receipts and disbursements during the reporting period, whether or not in connection with an election for Federal office.

''(2) A political committee (not described in paragraph (1)) to which section 324(b)(1) applies shall report all receipts and disbursements.

''(3) Any political committee shall include in its report under paragraph (1) or (2) the amount of any contribution received by a national committee which is to be transferred to a State committee for use directly (or primarily to support) activities described in section 324(b)(2) and shall itemize such amounts to the extent required by subsection (b)(3)(A).

''(4) Any political committee to which paragraph (1) or (2) does not apply shall report any receipts or disbursements that are used in connection with a Federal election.

''(5) If a political committee has receipts or disbursements to which this subsection applies from any person aggregating in excess of $200 for any calendar year, the political committee shall separately itemize its reporting for such person in the same manner as required in subsection (b) (3)(A), (5), or (6).

''(6) Reports required to be filed under this subsection shall be filed for the same time periods required for political committees under subsection (a).''

(b) REPORT OF EXEMPT CONTRIBUTIONS.—Section 301(8) of FECA (2 U.S.C. 431(8)) is amended by inserting at the end the following:

''(C) The exclusion provided in subparagraph (B)(viii) shall not apply for purposes of any requirement to report contributions under this Act, and all such contributions aggregating in excess of $200 shall be reported.''

(c) REPORTS BY STATE COMMITTEES.—Section 304 of FECA (2 U.S.C. 434), as amended by subsection (a), is amended by adding at the end the following new subsection:

''(e) FILING OF STATE REPORTS.—In lieu of any report required to be filed by this Act, the Commission may allow a State committee of a political party to file with the Commission a report required to be filed under State law if the Commission determines such reports contain substantially the same information.''

(d) OTHER REPORTING REQUIREMENTS.—

(1) AUTHORIZED COMMITTEES.—Section 304(b)(4) of FECA (2 U.S.C. 434(b)(4)) is amended—

(A) by striking ''and'' at the end of subparagraph (H);

(B) by inserting ''and'' at the end of subparagraph (I); and

(C) by adding at the end the following new subparagraph:

''(J) in the case of an authorized committee, disbursements for the primary election, the general election, and any other election in which the candidate participates;''.

(2) NAMES AND ADDRESSES.—Section 304(b)(5)(A) of FECA (2 U.S.C. 434(b)(5)(A)) is amended—

(A) by striking ''within the calendar year''; and

(B) by inserting '', and the election to which the operating expenditure relates'' after ''operating expenditure''.

TITLE IV—PROHIBITION OF CONTRIBUTIONS BY INDIVIDUALS INELIGIBLE TO VOTE

SEC. 401. PROHIBITION OF CONTRIBUTIONS BY INDIVIDUALS INELIGIBLE TO VOTE.

(a) PROHIBITION.—Section 319 of the Federal Election Campaign Act of 1971 (2 U.S.C. 441e) is amended—

(1) in the heading by adding ''AND INDIVIDUALS NOT QUALIFIED TO REGISTER TO VOTE'' at the end; and

(2) in subsection (a)—

(A) by striking ''(a) It shall'' and inserting the following:

''(a) PROHIBITIONS.—

''(1) FOREIGN NATIONALS.—It shall''; and

(B) by adding at the end the following:

''(2) INDIVIDUALS NOT QUALIFIED TO VOTE.—It shall be unlawful for an individual who is not qualified to register to vote in a Federal election to make a contribution, or to promise expressly or impliedly to make a contribution, in connection with a Federal election; or for any person to solicit, accept, or receive a contribution in connection with a Federal election from an individual who is not qualified to register to vote in a Federal election.''.

(b) INCLUSION IN DEFINITION OF IDENTIFICATION.—Section 301(13) of the Federal Election Campaign Act of 1971 (2 U.S.C. 431(13)) is amended—

(1) in subparagraph (A)—

(A) by striking ''and'' the first place it appears; and

(B) by inserting '', and an affirmation that the individual is an individual who is not prohibited by section 319 from making a contribution'' after ''employer''; and

(2) in subparagraph (B) by inserting ''and an affirmation that the person is a person that is not prohibited by section 319 from making a contribution'' after ''such person''.

BUMPERS/MURRAY ''PUBLIC CONFIDENCE IN CAMPAIGNS ACT OF 1997''

VOLUNTARY SPENDING LIMITS AND PUBLIC FINANCING TO RESTORE FAITH IN OUR POLITICAL SYSTEM

Establishes Congressional Election Campaign Fund to provide public financing to eligible Senate candidates who agree to voluntary spending limits similar to McCain/Feingold. Provides eligible candidates with matching funds in primary, full public financing in the general election.

The Fund is financed by expansion of the Presidential tax return check-off from $3 to $10 and creation of a voluntary tax return add-on allowing citizens to contribute to the Fund. The first $100 contributed through the add-on is tax deductible. ($200 for joint filers.)

Eliminates soft money contributions to political parties.

Requires reporting of independent expenditures, including identification of the candidate the independent expenditure seeks to support or oppose. Provides additional matching funds to eligible candidates who are targeted by independent expenditures of greater than $10,000.

Reduces limit on PAC contributions to candidates to $2000 for the primary, $2000 for the general election.

Prohibits contributions by foreign nationals and others who are ineligible to vote in federal elections.

Eligible candidates may not spend more than $10,000 of their own funds.

Applies to all elections held after December 31, 1998.

By Mr. THURMOND (for himself and Mr. HATCH):

S. 230. A bill to amend section 1951 of title 18, United States Code—commonly known as the Hobbs Act—and for other purposes; to the Committee on the Judiciary.

HOBBS ANTI-RACKETEERING ACT AMENDMENTS

Mr. THURMOND. Mr. President, today, I am introducing legislation to amend the Hobbs Anti-Racketeering Act to reverse the 1973 Supreme Court decision in United States versus Enmons, and to address a serious, long term, festering problem under our Nation's labor laws. I am pleased to have Senator HATCH, chairman of the Committee on the Judiciary, join me in introducing this bill. The United States regulates labor relations on a national basis and our labor management policies are national policies. These policies and regulations are enforced by laws such as the National Labor Relations Act that Congress designed to preempt comparable State laws.

I believe it is time for the Government to act and respond to what the Supreme Court did when it rendered its decision in the case of United States versus Enmons in 1973. Although labor violence continues to be a widespread problem in labor management relations today, the Federal Government has not moved in a meaningful way to address this issue. It is this decision's unfortunate result which this bill is intended to rectify.

The Enmons decision involved the Hobbs Anti-Racketeering Act which is intended to prohibit extortion by labor unions. It provides that: ''Whoever in any way * * * obstructs, delays, or affects commerce in the movement of any article or commodity in commerce, by robbery or extortion or attempts or conspires to do so or commits or threatens physical violence to any person or property * * *'' commits a criminal act. This language clearly outlaws extortion by labor unions. It outlaws violence by labor unions.

Although this language is very clear, the Supreme Court in Enmons created an exemption to the law which says that as long as a labor union commits extortion and violence in furtherance of legitimate collective-bargaining objectives, no violation of the act will be found. Simply put, the Court held that if the ends are permissible, the means to that end, no matter how horrible or reprehensible, will not result in a violation of the act.

The Enmons decision is wrong. This bill will make it clear that the Hobbs Act is intended to punish the actual or threatened use of force or violence, or fear thereof, to obtain property irrespective of the legitimacy of the extortionist's claim to such property and irrespective of the existence of a labor management dispute.

Let me discuss the Enmons case. In that case, the defendants were indicted for firing high-powered rifles at property, causing extensive damage to the property owned by a utility company—all done in an effort to obtain higher wages and other benefits from the company for striking employees. The indictment was, however, dismissed by the district court on the theory that the Hobbs Act did not prohibit the use of violence in obtaining legitimate union objectives. On appeal, the Supreme Court affirmed.

The Supreme Court held that the Hobbs Act does not proscribe violence committed during a lawful strike for the purpose of achieving legitimate collective-bargaining objectives, like higher wages. By its focus upon the motives and objectives of the property claimant who uses violence or force to achieve his or her goals, the Enmons decision has had several unfortunate results. It has deprived the Federal Government of the ability to punish significant acts of extortionate violence when they occur in a labor management context. Although other Federal statutes prohibit the use of specific devices or the use of channels of commerce in accomplishing the underlying act of extortionate violence, only the Hobbs Act proscribes a localized act of extortionate violence whose economic effect is to disrupt the channels of commerce. Other Federal statutes are not adequate to address the full effect of the Enmons decision.

The Enmons decision affords parties to labor-management disputes an exemption from the statute's broad proscription against violence which is not available to any other group in society. This bill would make it clear that the Hobbs Act punishes the actual or threatened use of force and violence which is calculated to obtain property without regard to whether the extortionist has a colorable claim to such property, and without regard to his or her status as a labor representative, businessman, or private citizen.

Mr. President, attempts to rectify the injustice of the Enmons decision have been before the Senate on several occasions. Shortly after the decision was handed down, a bill was introduced which was intended to repudiate the decision. Over the next several years, attempts were made to come up with language which was acceptable to organized labor and at the same time restored the original intent of the Hobbs Act.

Although bills achieving the same goals as the bill I am introducing today have made progress and one even passed the Senate, none has been enacted. It is time for the Senate to reexamine this issue and to restate its opposition to violence in labor disputes. Encouraged by their special exemption from prosecution for acts of violence committed in pursuit of legitimate union objectives, union officials who are corrupt routinely use terror tactics to achieve their goals.

From January 1975 to June 1996, the National Institute for Labor Relations Research has documented more than 8,700 reported cases of union violence. This chilling statistic gives clear testimony to the existence of a pervasive national problem.

Mr. President, violence has no place in our society, regardless of the setting. Our national labor policy has always been directed toward the peaceful resolution of labor disputes. It is ironic that the Hobbs Act, which was enacted in large part to accomplish this worthy goal, has been virtually emasculated. The time has come to change that. I think that my colleagues on both sides of the aisle share a common concern that violence in labor disputes, whatever the source, should be eliminated. Government has been unwilling to deal with this problem for too long. It is time for this Congress to act.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

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

S. 230

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 ''Freedom From Union Violence Act of 1997''.

SEC. 2. INTERFERENCE WITH COMMERCE BY THREATS OR VIOLENCE.

Section 1951 of title 18, United States Code, is amended to read as follows:

''§ 1951. Interference with commerce by threats or violence

''(a) PROHIBITION.—Except as provided in subsection (c), whoever in any way or degree obstructs, delays, or affects commerce or the movement of any article or commodity in commerce, by robbery or extortion, or attempts or conspires so to do, or commits or threatens physical violence to any person or property in furtherance of a plan or purpose to do anything in violation of this section, shall—

''(1) if death results, be fined in accordance with this title, imprisoned for any term of years or for life or sentenced to death, or both; or

''(2) in any other case, be fined in accordance with this title, imprisoned for a term of not more than 20 years, or both.

''(b) DEFINITIONS.—For purposes of this section—

''(1) the term 'commerce' means any—

''(A) commerce within the District of Columbia, or any territory or possession of the United States;

''(B) commerce between any point in a State, territory, possession, or the District of Columbia and any point outside thereof;

''(C) commerce between points within the same State through any place outside that State; and

''(D) other commerce over which the United States has jurisdiction;

''(2) the term 'extortion' means the obtaining of property from any person, with the consent of that person, if that consent is induced—

''(A) by actual or threatened use of force or violence, or fear thereof; or

''(B) by wrongful use of fear not involving force or violence; or

''(C) under color of official right;

''(3) the term 'labor dispute' has the same meaning as in section 2(9) of the National Labor Relations Act (29 U.S.C. 152(9)); and

''(4) the term 'robbery' means the unlawful taking or obtaining of personal property from the person or in the presence of another, against his or her will, by means of actual or threatened force or violence, or fear of injury, immediate or future—

''(A) to his or her person or property, or property in his or her custody or possession; or

''(B) to the person or property of a relative or member of his or her family, or of anyone in his or her company at the time of the taking or obtaining.

''(c) EXEMPTED CONDUCT.—

''(1) IN GENERAL.—Subsection (a) does not apply to any conduct that—

''(A) is incidental to otherwise peaceful picketing during the course of a labor dispute;

''(B) consists solely of minor bodily injury, or minor damage to property, or threat or fear of such minor injury or damage; and

''(C) is not part of a pattern of violent conduct or of coordinated violent activity.

''(2) STATE AND LOCAL JURISDICTION.—Any violation of this section that involves any conduct described in paragraph (1) shall be subject to prosecution only by the appropriate State and local authorities.

''(d) EFFECT ON OTHER LAW.—Nothing in this section shall be construed—

''(1) to repeal, amend, or otherwise affect—

''(A) section 6 of the Clayton Act (15 U.S.C. 17);

''(B) section 20 of the Clayton Act (29 U.S.C. 52);

''(C) any provision of the Norris-LaGuardia Act (29 U.S.C. 101 et seq.);

''(D) any provision of the National Labor Relations Act (29 U.S.C. 151 et seq.); or

''(E) any provision of the Railway Labor Act (45 U.S.C. 151 et seq.); or

''(2) to preclude Federal jurisdiction over any violation of this section, on the basis that the conduct at issue—

''(A) is also a violation of State or local law; or

''(B) occurred during the course of a labor dispute or in pursuit of a legitimate business or labor objective.''.

By Mr. BINGAMAN:

S. 231. A bill to establish the National Cave and Karst Research Institute in the State of New Mexico, and for other purposes; to the Committee on Energy and Natural Resources.

THE NATIONAL CAVE AND KARST RESEARCH INSTITUTE ACT OF 1997

Mr. BINGAMAN. Mr. President, I rise today to introduce a bill to create a National Cave and Karst Research Institute in Carlsbad, NM. This bill will continue the efforts started by Congress in 1988 to develop the information needed to effectively manage and preserve the Nation's cave and karst resources.

In 1988, Congress directed the Secretaries of the Interior and Agriculture to provide an inventory of caves on Federal lands and to provide for the management and dissemination of information about the caves. The results of that effort have increased our awareness that cave and karst land forms are a resource we must learn how to manage for our future welfare. For example, in America, the majority of the Nation's fresh water is groundwater—25 percent of which is located in cave and karst regions. As we look to the 21st century, the protection of our groundwater resources is of critical importance, especially in the arid West. Furthermore, recent studies have indicated that caves contain valuable information related to global climate change, waste disposal, groundwater supply and contamination, petroleum recovery, and biomedical investigations. Caves also often have historical or cultural significance. Many have religious significance for native Americans. Yet, academic programs on these systems are virtually nonexistent; most research is conducted with little or no funding and the resulting data is scattered and often hard to locate.

To begin addressing this problem, in 1990 Congress directed the National Park Service to establish a cave research program and to study the feasibility of a centralized cave and karst research institute. In December 1994, the National Park Service submitted to Congress the National Cave and Karst Research Institute Study. As directed by Public Law 101–578, the report studied the feasibility of creating a National Research Institute in the vicinity of Carlsbad Caverns National Park. The report not only supported the establishment of the National Cave and Karst Research Institute, but also concluded that now is the ideal time to consider it.

The report to Congress lists several serious threats to our cave resources from continued uninformed management paractices. These threats include alterations in the surface waterflow patterns in karst regions, alternations in or pollution of water recharge zones, inappropriately placed toxic waste repositories, and poorly managed or designed sewage systems and landfills. The findings of the report conclude that it is only through a better understanding of cave resources that we can prevent detrimental impacts to America's natural resources and cave and karst systems.

The goals of the National Cave and Karst Research Institute, as outlined in the report, would be to develop and centralize scientific knowledge of cave resources, foster interdisciplinary cooperation in cave and karst research programs, and to promote environmentally sound, sustainable resource management practices. The National Cave and Karst Research Institute would be jointly administered by the National Park Service and another public or private agency, organization, or institution as determined by the Secretary.

Mr. President, the Park Service report to Congress also notes that the vicinity of Carlsbad Caverns National Park is ideal particularly in light of the incredibly diverse cave and karst resources found throughout the region and the community support which already exists for the establishment of the institute. Numerous varieties of world class caves are located nearby. Furthermore, the Carlsbad Department of Development, after reviewing the National Cave and Karst Research Institute study report, has developed proposals to obtain financial support from available and supportive organizational resources—including personnel, facilities, equipment, and volunteers. The Department of Development also believes that it can obtain serious financial support from the private sector and would seek a matching grant from the State of New Mexico equal to the available Federal funds.

Mr. President, my legislation will help provide the necessary tools to help discover the wealth of knowledge contained in these important, but largely unexplored landforms. Carlsbad, NM already has in place many of the needed cooperative institutions, facilities, and volunteers that will work toward the success of this project. It is imperative that we take advantage of these conditions and establish the National Cave and Karst Research Institute.

By Mr. HARKIN (for himself, Mr. LEAHY, Mrs. BOXER, Mrs. MURRAY, Mr. INOUYE, Ms. MIKULSKI, and Mr. KERRY):

S. 232. A bill to amend the Fair Labor Standards Act of 1938 to prohibit discrimination in the payment of wages on account of sex, race, or national origin, and for other purposes; to the Committee on Labor and Human Resources.

THE FAIR PAY ACT OF 1997

● Mr. HARKIN. Mr. President, there is perhaps no other form of discrimination that has as direct an impact on the day-to-day lives of workers as wage discrimination. When women aren't paid what they are worth, we all get cheated.

The Equal Pay Act of 1963 prohibits sex-based discrimination in compensation for doing the same job. However, this statute fails to address other components of the pay equity problem such as job segregation. Current law has not reached far enough to combat wage discrimination when employers routinely pay lower wages to jobs that are dominated by women. More than 30 years after the passage of the Equal Pay Act, women's wages still lag behind their male counterparts' wages. This important issue demands our attention.

In the last Congress, I introduced the Fair Pay Act so we could close the wage gap once and for all. I am reintroducing this legislation in the 105th Congress so we can continue to fight for fairness on behalf of working families.

The Fair Pay Act is designed to pick up where the Equal Pay Act left off. The heart of the bill seeks to eliminate wage discrimination based upon sex, race, or national origin. This important legislation would amend the Fair Labor Standards Act of 1938 to require employers to provide equal pay for work in jobs that are comparable in skill, effort, responsibility, and working conditions. The Fair Pay Act would apply to each company individually and would prohibit companies from reducing employees' wages to achieve pay equity.

Wage gaps can result from differences in education, experience, or time in the work force and the Fair Pay Act does not interfere with that. But just as there is a glass ceiling in the American workplace, there is also what I call a glass wall—where women are on the exact same level as their male coworkers. They have the same skills, they have the same responsibilities, but they are still obstructed from receiving the same pay. It's a hidden barrier, but a barrier all the same. The Fair Pay Act is about knocking down the glass wall. It's a fundamental issue of fairness to provide equal pay for work of equal value to an employer.

Fair pay is a commonsense business issue. Women make up almost half of the work force and fair pay is essential to attract and keep good workers.

Fair pay is an economic issue. Working women, after all, don't get special discounts when they buy food and clothing for their families. They don't pay less for a ticket to the movies or gasoline for their cars.

And fair pay is a family issue. When women aren't paid what they are worth, families get cheated too. Over a lifetime the average woman loses $420,000 due to unequal pay practices. Such gaps in income are life changing for women and their families. The income gap can mean the difference between welfare and self-sufficiency, owning a home or renting, sending kids to college or to a minimum wage job, or having a secure retirement tomorrow instead of scrimping to survive today.

The Fair Pay Act has already been endorsed by a wide variety of groups and organizations. In addition, polling data consistently shows that over 70 percent of the American people support a law requiring the same pay for men and women in jobs requiring skills and responsibilities. The American people want fair pay legislation. Their elected representatives ought to want it too.

I would ask my colleagues to review this important legislation and come to me or my staff with any questions you may have. I welcome your comments and suggestions and urge your support. It's a simple issue of fairness for women to earn equal pay for work of equal value to an employer.●

● Mr. LEAHY. Mr. President, I am privileged to join Senator TOM HARKIN to introduce the Fair Pay Act.

Early in the next century, women—for the first time ever—will outnumber men in the U.S. workplace. In 1965, women held 35 percent of all jobs. That has grown to more than 46 percent today. And in a few years, women will make up a majority of the work force.

Fortunately, there are more business and career opportunities for working women today than 30 years ago. Unlike 1965, Federal, State, and private sector programs now offer women many opportunities to choose their own future. Working women also have opportunities to gain the knowledge and skills to achieve their own economic security.

But despite these gains, working women still face a unique challenge—achieving pay equity. Women currently earn, on average, 28 percent less than men. That means for every dollar a man earns, a woman earns only 72 cents. Over a lifetime, the average woman will earn $420,000 less than the average man based solely on her sex. This is unacceptable.

We must correct this gross inequity, and we must correct it now.

How is this possible with our Federal laws prohibiting discrimination? It is possible because we in Congress have failed to protect one of the most fundamental human rights—the right to be paid fairly for an honest day's work.

Unfortunately, our laws ignore wage discrimination against women, which continues to fester like a cancer in workplaces across the country. The Fair Pay Act of 1997 would close this legal loophole by prohibiting discrimination based on wages.

I do not pretend that this act will solve all the problems that women face in the workplace. But it is an essential piece of the puzzle.

Equal pay for equal work is often a subtle problem that is difficult to combat. And it does not stand alone as an issue that women face in the workplace. It is deeply intertwined with the problem of unequal opportunity. Closing this loophole is not enough if we fail to provide the opportunity for women, regardless of their merit, to reach higher paying positions.

The Government, by itself, cannot change the attitudes and perceptions of individuals or private businesses in hiring and advancing women, but it can set an example. Certainly, President Clinton has shown great leadership by appointing an unprecedented number of women to his administration. Just last week, Madeleine Albright became the first woman Secretary of State for the United States of America. I am confident she will do a great job, and I look forward to the day when a woman reaching this high an office is not news simply because of her gender. We are moving toward that day, but we are not there yet.

The private sector also has a long way to go to provide equal opportunity. The report released recently by the Glass Ceiling Commission found that 95 percent of the senior managers of Fortune 1000 industrial and Fortune 500 companies are white males. The Glass Ceiling Commission also found that when there are women in high places, their compensation is lower than white males in similar positions. This wage inequality is the issue we seek to address today.

For the first time in our country's long history, this bill outlaws discrimination in wages paid to employees in equivalent jobs solely on the basis of a worker's sex. I say it is about time. I commend Senator HARKIN for introducing the Fair Pay Act, and I am proud to be an original cosponsor of it.

The Fair Pay Act would remedy gender wage gaps under a balanced approach that takes advantage of the employment expertise of the Equal Employment Opportunity Commission [EEOC], while providing flexibility to small employers . In addition, it would safeguard legitimate wage differences caused by a seniority or merit pay system. And the legislation directs the EEOC to provide educational materials and technical assistance to help employers design fair pay policies.

A few months ago, I was privileged to help organize the first annual Vermont Women's Economic Security Conference in Burlington, VT. At this conference, I heard about the daily triumph of Vermont women succeeding in the workplace, even though many of them are paid below their male counterparts. These woman did not complain. No, they are proud to be earning a living. But they want to be paid fairly, and they should be paid fairly.

It is a basic issue of fairness to provide equal pay for work of equal value. The Fair Pay Act makes it possible for women to finally achieve this fundamental fairness. I urge my colleagues to support this legislation.●

By Ms. SNOWE:

S. 233. A bill to amend the Internal Revenue Code of 1986 to increase the

deduction for health insurance costs of self-employed individuals, and for other purposes; to the Committee on Finance.

THE SMALL BUSINESS ENHANCEMENT ACT

● Ms. SNOWE. Mr. President, I introduce legislation designed to help America's small business. This legislation will assist small businesses by increasing the tax deduction for health care coverage, requiring an estimate of the cost of a bill on small businesses before Congress enacts the legislation, and creating an assistant U.S. Trade Representative for Small Business.

Small business is the driving force behind our economy, and in order to create jobs—both in my home State of Maine and across the Nation—we must encourage small businesses expansion. Businesses with fewer than 10 employees make up 77 percent of Maine's jobs, and nationally, small businesses employ 53 percent of the private work force. In 1995, small businesses created an estimated 75 percent of the 2.5 million new jobs. Small businesses truly are the backbone of our economy.

Small businesses are the most successful tool we have for job creation. They provide about 67 percent of the initial job opportunities in this country, and are the original—and finest—job training program. Unfortunately, as much as small businesses help our own economy—and the Federal Government—by creating jobs and building economic growth, government often gets in the way. Instead of assisting small business, government too often frustrates small business efforts.

Federal regulations create more than 1 billion hours of paperwork for small businesses each year, according to the Small Business Administration. Moreover, because of the size of some of the largest American corporations, U.S. commerce officials too often devote a disproportionate amount of time to the needs and jobs in corporate America rather than in small businesses.

My legislation will address three problems facing our Nation's small businesses, and I hope it will both encourage small business expansion and fuel job creation.

First, this legislation will allow self-employed small business men and women to fully deduct their health care costs for income tax purposes. This provision builds on legislation enacted during the 104th Congress, the Health Insurance Reform Act, which increased the health insurance deduction for the self-employed from 30 to 35 percent this year and will gradually increase it to 80 percent by the year 2006.

My bill will allow the self-employed to deduct 100 percent of their insurance today. It will place small entrepreneurs on equal footing with larger companies by immediately increasing a provision in current law that limits deductions to 35 percent of the overall cost. At a time when America is facing challenges to its health care system, and the Federal Government is seeking remedies to the problem of uninsured citizens, this provision will help self-employed business people to afford health insurance without imposing a costly and unnecessary mandate.

From inventors to startup businesses, self-employed workers make up an important and vibrant part of the small business sector—and too often they are forgotten in providing benefits and assistance. Indeed, 9 percent of uninsured workers in America are self-employed. By extending tax credits for health insurance to these small businesses, we will help to provide health care coverage to millions of Americans.

My bill will also require a cost analysis of legislative proposals before new requirements are passed on to small businesses. Too often, Congress approves well-intended legislation that shift the costs of programs to small businesses. This proposal will ensure that these unintended consequences are not passed along to small businesses. According to the U.S. Small Business Administration, small business owners spend at least 1 billion hours a year filling out government paperwork, at an annual cost that exceeds $100 billion. Before we place yet another obstacle in the path of small business job creation, we should understand the costs our proposals will impose on small businesses.

This bill will require the Director of the Congressional Budget Office to prepare for each committee an analysis of the costs to small businesses that would be incurred in carrying out provisions contained in new legislation. This cost analysis will include an estimate of costs incurred in carrying out the bill or resolution for a 4-year period, as well as an estimate of the portion of these costs that would be borne by small businesses. This provision will allow us to fully consider the impact of our actions on small businesses—and through careful planning, we will succeed in avoiding unintended costs.

Finally, this legislation will direct the U.S. Trade Representative to establish a position of Assistant U.S. Trade Representative for Small Business. The Office of the U.S. Trade Representative is overburdened, and too often overlooks the needs of small business. The new Assistant U.S. Trade Representative will promote exports by small businesses and work to remove foreign impediments to these exports.

Mr. President, I am convinced that this legislation will truly assist small businesses, resulting not only in additional entrepreneurial opportunities but also in new jobs. I urge my colleagues to join me in supporting this legislation.●

By Mr. HELMS:

S. 234. A bill to direct the Secretary of the Interior to transfer administrative jurisdiction over certain land to the Secretary of the Army to facilitate construction of a jetty and sand transfer system, and for other purposes; to the Committee on Energy and Natural Resources.

THE OREGON INLET PROTECTION ACT OF 1997

Mr. HELMS. Mr. President, in offering today the Oregon Inlet Protection Act of 1997, I must emphasize that this legislation is vital to thousands of North Carolinians, especially citizens who work along the northeastern coast of North Carolina known as the Outer Banks, where commercial and recreational fishermen risk their lives every day trying to navigate the hazardous waters of Oregon Inlet.

These fishermen have been pleading for this legislation for decades because it is a matter of life or death for them. At last count, 20 fishermen have lost their lives in Oregon Inlet during the past 30 years, the latest tragedy having occurred on December 30, 1992, when a 31-foot commercial fishing vessel sank in Oregon Inlet. This was the 20th vessel to be lost in those waters since 1961. Fortunately, both crewmen were rescued, but the Coast Guard never found the wreckage.

Mr. President, this legislation proposes neither the appropriation of money nor the authorization of new expenditures and projects; it merely requires the Secretary of the Interior to transfer two small parcels of Interior Department land to the Department of the Army so that the Corps of Engineers may begin work on a too-long-delayed project authorized by Congress in 1970—25 years ago. In doing so, 100 acres of land, adjacent to Oregon Inlet in Dare County, will be transferred to the Department of the Army.

Reviewing the legislative history involving this project, in October 1992, then Interior Secretary Manuel Lujan issued conditional permits for the Corps of Engineers to begin the construction process; the Clinton administration unwisely revoked those permits. Therefore, the bill I'm offering today serves notice to the self-proclaimed environmentalists who have for so long stalled this project that I will continue to do everything I can to protect the lives and livelihoods of the countless commercial and recreational fishermen who have been denied greater economic opportunities because of the failure of the Federal Government to do what it should have done more than a quarter of a century ago.

Consider this bit of history, Mr. President: In 1970, Congress authorized the stabilization of a 400-foot wide, 20 foot deep channel through Oregon Inlet and the installation of a system of jetties with a sand-bypass system designed by the U.S. Army Corps of Engineers. But ever since 1970, this project has been repeatedly and deliberately stalled by bureaucratic roadblocks contrived by the fringe elements of the environmental movement.

As a result, many lives and livelihoods have been lost. North Carolina's once thriving fishing industry has deteriorated, and access to the Pea Island National Wildlife Refuge and the Cape Hatteras National Seashore has been

threatened. Since 1970, critics of this project have repeatedly claimed that more studies and time were needed. This was nothing more than stalling tactics, pure and simple, Mr. President, while men died unnecessarily and livelihoods were destroyed.

Mr. President, surely a quarter of a century devoted to deliberate delay is enough. The proposed Oregon Inlet project is bound to be the most overstudied project in the history of the Corps of Engineers and the Department of the Interior. Note this, Mr. President: Since 1969, the Federal Government has conducted 97—count them—97 major studies and three full-blown environmental impact statements; but, always environmentalists have demanded more and more delay.

As for the cost-benefit factor, the Office of Management and Budget—as recently as March 14, 1991—found the project to be economically justified. Then, in December 1991, a joint committee of the Corps of Engineers and the Department of the Interior recommended to then-Interior Secretary Lujan and subsequent to that, to Assistant Secretary of the Army for Civil Works Page that the jetties be built. The people of the Outer Banks have waited in vain. And they still wait, Mr. President.

Congress must act soon. Too many lives have been lost; the continued existence of the Outer Banks is now in question because nothing has been allowed to be done to manage the flow of sand from one end of the coastal islands to the other. If much more time is wasted, the self-appointed environmentalists won't have to worry about turtles or birds on Cape Hatteras, because a few short years hence, Oregon Inlet will have disappeared.

To understand why this project has become one of the Interior Department's most studied and controversial projects, the October 1992 edition of The Smithsonian magazine is highly instructive. In an article titled, ''This Beach Boy Sings a Song Developers Don't Want to Hear,'' the magazine chronicles the adventures of a professor at a major North Carolina university who has made his living organizing opposition to all coastal engineering projects on the Outer Banks—Oregon Inlet in particular. The article further relates the confrontation between the professor and an angry Oregon Inlet fisherman, a man whose livelihood has been made more hazardous by the bureaucratic failure to keep open a safe channel at Oregon Inlet. When questioned about his motives and actions this university professor retorted that he and his radical friends boasted that they would not be satisfied until all the houses are taken off the shore to leave it the way it was before.

Mr. President, this is the response from a professor whose home occupies a large plot of land 200 miles west in the middle of North Carolina, a professor who is all too ready to deprive other North Carolinians of their rights to live and prosper.

That is not environmental activism. It is environmental hypocrisy.

Mr. President, the issue is clear. The time for delay is over. This legislation will mark the beginning of the end of the jetty debate on the Outer Banks, and will address the long-neglected concerns of North Carolina's coastal residents. Congress should not delay further in doing what it should have done a quarter of a century ago.

ADDITIONAL COSPONSORS

S. 7

At the request of Mr. LOTT, the name of the Senator from Montana [Mr. BURNS] was added as a cosponsor of S. 7, a bill to establish a United States policy for the deployment of a national missile defense system, and for other purposes.

S. 25

At the request of Mr. FEINGOLD, the name of the Senator from California [Mrs. BOXER] was added as a cosponsor of S. 25, a bill to reform the financing of Federal elections.

S. 104

At the request of Mr. MURKOWSKI, the name of the Senator from Montana [Mr. BURNS] was added as a cosponsor of S. 104, a bill to amend the Nuclear Waste Policy Act of 1982.

S. 181

At the request of Mr. GRASSLEY, the name of the Senator from Arizona [Mr. KYL] was added as a cosponsor of S. 181, a bill to amend the Internal Revenue Code of 1986 to provide that installment sales of certain farmers not be treated as a preference item for purposes of the alternative minimum tax.

S. 194

At the request of Mr. CHAFEE, the names of the Senator from New York [Mr. D'AMATO] and the Senator from Maine [Ms. SNOWE] were added as cosponsors of S. 194, a bill to amend the Internal Revenue Code of 1986 to make permanent the section 170(e)(5) rules pertaining to gifts of publicly-traded stock to certain private foundations and for other purposes.

SENATE RESOLUTION 33—ORIGINAL RESOLUTION REPORTED AUTHORIZING EXPENDITURES BY THE COMMITTEE ON APPROPRIATIONS

Mr. STEVENS, from the Committee on Appropriations, reported the following original resolution; which was referred to the Committee on Rules and Administration:

S. RES. 33

Resolved, That, in carrying out its powers, duties, and functions under the Standing Rules of the Senate, in accordance with its jurisdiction under rule XXV of such rules, including holding hearings, reporting such hearings, and making investigations as authorized by paragraphs 1 and 8 of rule XXVI of the Standing Rules of the Senate, the Committee on Appropriations is authorized from March 1, 1997, through February 28, 1998, and March 1, 1998, through February 28, 1999, in its discretion (1) to make expenditures from the contingent fund of the Senate, (2) employ personnel, and (3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable or non-reimbursable basis the services of personnel of any such department or agency.

SEC. 2. The expenses of the committee for the period March 1, 1997, through February 28, 1998, under this resolution shall not exceed $4,953,132, of which amount (1) not to exceed $175,000 may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended), and (2) not to exceed $5,000 may be expended for the training of the professional staff of such committee (under procedures specified by section 202(j) of the Legislative Reorganization Act of 1946).

(b) for the period March 1, 1998, through February 28, 1999, expenses of the committee under this resolution shall not exceed $5,082,521, of which amount (1) not to exceed $175,000 may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended), and (2) not to exceed $5,000 may be expended for the training of the professional staff of such committee (under procedures specified by section 202(j) of the Legislative Reorganization Act of 1946).

SEC. 3. The committee shall report its findings, together with such recommendations for legislation as it deems advisable, to the Senate at the earliest practicable date, but not later than February 28, 1997, and February 28, 1998, respectively.

SEC. 4. Expenses of the committee under this resolution shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee, except that vouchers shall not be required (1) for the disbursement of salaries of employees paid at an annual rate, or (2) for the payment of telecommunications provided by the Office of the Sergeant at Arms and Doorkeeper, United States Senate, or (3) for the payment of stationery supplies purchased through the Keeper of the Stationery, United States Senate, or (4) for payments to the Postmaster, United States Senate, or (5) for the payment of metered charges on copying equipment provided by the Office of the Sergeant at Arms and Doorkeeper, United States Senate, or (6) for the payment of Senate Recording and Photographic Services.

SEC. 5. There are authorized such sums as may be necessary for agency contributions related to the compensation of employees of the committee from March 1, 1997, through February 28, 1998, and March 1, 1998, through February 28, 1999, to be paid from the Appropriations account for ''Expenses of Inquiries and Investigations.''

SENATE RESOLUTION 34—ORIGINAL RESOLUTION REPORTED AUTHORIZING EXPENDITURES BY THE COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. MURKOWSKI, from the Committee on Energy and Natural Resources, reported the following original resolution; which was referred to the Committee on Rules and Administration:

S. RES. 34

Resolved, That in carrying out its powers, duties, and functions under the Standing

Rules of the Senate, in accordance with its jurisdiction under rule XXV of such rules, including holding hearings reporting such hearings, and making investigations as authorized by paragraphs 1 and 8 of rule XXVI of the Standing Rules of the Senate, the Committee on Energy and Natural Resources is authorized from March 1, 1997, through February 28, 1998, and March 1, 1998, through February 28, 1998, in its discretion (1) to make expenditures from the contingent fund of the Senate, (2) to employ personnel, and (3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable or non-reimbursable basis the services of personnel of any such department or agency.

SEC. 2. The expenses of the committee for the period March 1, 1997, through February 28, 1998 under this resolution shall not exceed $2,637,966.

(b) For the period March 1, 1998, through February 28, 1999, expenses of the committee under this resolution shall not exceed $2,707.696.

SEC. 3. The committee shall report its findings, together with such recommendations for legislation as it deems advisable, to the Senate at the earliest practicable date, but not later than February 28, 1997, and February 28, 1998, respectively.

SEC. 4. Expenses of the committee under this resolution shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee, except that vouchers shall not be required (1) for the disbursement of salaries of employees paid at an annual rate, or (2) for the payment of telecommunications provided by the Office of the Sergeant at Arms and Doorkeeper, United States Senate, or (3) for the payment of stationery supplies purchased through the Keeper of the Stationery, United States Senate, or (4) for payments to the Postmaster, United States Senate, or (5) for the payment of metered changes on copying equipment provided by the Office of the Sergeant at Arms and Doorkeeper, United States Senate, or (6) for the payment of Senate Recording and Photographic Services.

SEC. 5. There are authorized such sums as may be necessary for agency contributions related to the compensation of employees of the committee from March 1, 1997, through February 28, 1998, and March 1, 1998, through February 28, 1999, to be paid from the Appropriations account for ''Expenses of Inquiries and Investigations.''

SENATE RESOLUTION 35—ORIGINAL RESOLUTION REPORTED AUTHORIZING EXPENDITURES BY THE COMMITTEE ON LABOR AND HUMAN RESOURCES

Mr. JEFFORDS, from the Committee on Labor and Human Resources, reported the following original resolution; which was referred to the Committee on Rules and Administration:

S. RES. 35

Resolved, That, in carrying out its powers, duties, and functions under the Standing Rules of the Senate, in accordance with its jurisdiction under Rule XXV of such rules, including holding hearings, reporting such hearings, and making investigations as authorized by paragraphs 1 and 8 of Rule XXVI of the Standing Rules of the Senate, the Committee on Labor and Human Resources is authorized from March 1, 1997, through February 28, 1998, and March 1, 1998, through February 28, 1999, in its discretion (1) to make expenditures from the contingent fund of the Senate, (2) to employ personnel, and (3) with the prior consent of the government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable or non-reimbursable basis the services of personnel of any such department or agency.

SEC. 2. The expenses of the committee for the period March 1, 1997, through February 28, 1998, under this resolution shall not exceed $4,113,888, of which amount not to exceed $22,500 may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended).

(b) For the period March 1, 1998, through February 28, 1999, expenses of the committee under this resolution shall not exceed $4,223,533, of which amount not to exceed $22,500 may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946 as amended).

SEC. 3. The committee shall report its findings, together with such recommendations for legislation as it deems advisable, to the Senate at the earliest practicable date, but not later than February 28, 1997, and February 28, 1998, respectively.

SEC. 4. Expenses of the committee under this resolution shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee, except that vouchers shall not be required (1) for the disbursement of salaries of employees paid at an annual rate, or (2) for the payment of telecommunications provided by the Office of the Sergeant at Arms and Doorkeeper, United States Senate, or (3) for the payment of stationery supplies purchased through the Keeper of the Stationery, United States Senate, or (4) for payments to the Postmaster, United States Senate, or (5) for the payment of metered charges on copying equipment provided by the Office of the Sergeant at Arms and Doorkeeper, United States Senate, or (6) for the payment of Senate Recording and Photographic Services.

SEC. 5. There are authorized such sums as may be necessary for agency contributions related to the compensation of employees of the committee from March 1, 1997, through February 28, 1998, and March 1, 1998, through February 28, 1999, to be paid from the Appropriations account for ''Expenses of Inquiries and Investigations.''

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION

Mr. LOTT. Mr. President, I ask unanimous consent that the Senate Committee on Commerce, Science, and Transportation be authorized to meet on January 29, 1997, immediately following the 9:30 a.m. business meeting on the nomination of Rodney Slater to be Secretary of the Department of Transportation.

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

COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION

Mr. LOTT. Mr. President, I ask unanimous consent that the Senate Committee on Commerce, Science, and Transportation be authorized to meet on January 29, 1997, at 9:30 a.m. on pending committee business.

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

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. LOTT. Mr. President, I ask unanimous consent that the Committee on Energy and Natural Resources be granted permission to meet during the session of the Senate on Wednesday, January 29, 1997, for purposes of conducting a full committee business meeting which is scheduled to begin at 9:30 a.m. The purpose of this meeting is to consider pending calendar business.

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

COMMITTEE ON FINANCE

Mr. LOTT. Mr. President, I ask unanimous consent that the full Committee on Finance be permitted to meet to conduct a hearing on Wednesday, January 29, 1997, beginning at 10 a.m. in room 215 Dirksen.

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

COMMITTEE ON FOREIGN RELATIONS

Mr. LOTT. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Wednesday, January 29, 1997, at 10 a.m. to hold a hearing.

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

COMMITTEE ON GOVERNMENTAL AFFAIRS

Mr. LOTT. Mr. President, I ask unanimous consent on behalf of the Governmental Affairs Committee to meet on Wednesday, January 29, at 10 a.m. for its organizational meeting for the purpose of electing subcommittee chairs, amending the committee rules, and approving of the committee funding resolution.

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

COMMITTEE ON LABOR AND HUMAN RESOURCES

Mr. LOTT. Mr. President, I ask unanimous consent that the Committee on Labor and Human Resources be authorized to meet for a hearing on the Reauthorization of the Individuals With Disabilities Education Act, during the session of the Senate on Wednesday, January 29, 1997, at 10 a.m.

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

COMMITTEE ON SMALL BUSINESS

Mr. LOTT. Mr. President, I ask unanimous consent that the Committee on Small Business be authorized to meet during the session of the Senate for its organizational meeting for the 105th Congress on Wednesday, January 29, 1997, which will begin at 9:30 a.m., in room 428A of the Russell Senate Office Building.

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

COMMITTEE ON VETERANS' AFFAIRS

Mr. LOTT. Mr. President, the Committee on Veterans' Affairs would like to request unanimous consent to hold a hearing on Persian Gulf War illnesses. The hearing will be held on January 29, 1997, at 11:15 a.m., in room 216 of the Hart Senate Office Building.

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

SELECT COMMITTEE ON INTELLIGENCE

Mr. LOTT. Mr. President, I ask unanimous consent that the Select Committee on Intelligence be authorized to meet during the session of the Senate on Wednesday, January 29, 1997, at 2 p.m. to hold a closed hearing on intelligence matters.

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

SPECIAL COMMITTEE ON AGING

Mr. LOTT. Mr. President, I ask unanimous consent that the Special Committee on Aging be authorized to meet at 2 p.m. on Wednesday, January 29, 1997, for the purpose of a business meeting.

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

ADDITIONAL STATEMENTS

THE WOMEN'S HEALTH AND CANCER RIGHTS ACT OF 1997

● Ms. SNOWE. Mr. President, I am pleased to join my colleague from New York, Senator D'AMATO, along with Senators FEINSTEIN and HOLLINGS, in introducing the Women's Health and Cancer Rights Act of 1997. This bill provides key protections to women facing breast cancer, and to all Americans confronting a possible diagnosis of cancer.

Breast cancer is currently one of the major public health crises facing this Nation. In 1997, 180,000 new cases of breast cancer will be diagnosed in this country, and more than 44,000 women will die from the disease. Breast cancer is the most common form of cancer and the second leading cause of cancer deaths among American women. In my home State of Maine, 900 to 1,000 women will be diagnosed with breast cancer this year.

Consider for a moment what it must be like to face a cancer diagnosis. Then imagine what a woman with breast cancer goes through when she loses a breast to this disease. A mastectomy patient may endure great pain resulting from the surgery, and has a large wound with drainage tubes which must be properly cared for. She must also face the emotional pain of losing part or all of a breast, and may struggle with her fear of cancer and what lies ahead. Then try to imagine if she is released from the hospital within hours of surgery.

That is what some health plans are doing today. Yes—some health care plans have issued guidelines requiring mastectomies to be performed on an outpatient basis. The New York Times recently reported that approximately 7 to 8 percent of all mastectomies are performed on an outpatient basis. Doctors may feel pressured by their health care plan to release patients before it is medically appropriate, as health care plans push doctors harder and harder to cut costs. Women who are released from the hospital too early following a mastectomy, lumpectomy, or lymph node dissection do not have time to recover from the surgery in a supervised setting, or have an adequate opportunity to learn how to properly care for their wound, much less begin to deal with their emotional and physical pain. And some problems or complications from the surgery may not arise within the first hours following the surgery.

The Women's Health and Cancer Rights Act of 1997 will help ensure that women with breast cancer obtain medically appropriate care. This bill says that women who undergo a mastectomy, lumpectomy, or lymph node dissection can stay in the hospital as long as a doctor deems medically appropriate, in consultation with the patient. The bill does not mandate how long a patient should stay in the hospital, or prescribe an arbitrary time period. Instead, it encourages the highest standard of medical care by allowing a doctor to exercise his best medical judgment in determining how long a patient should remain in the hospital. The bill contains strong protections for doctors to ensure that they are not penalized by insurance companies for prescribing a given length of stay. The procedures could still be performed on an outpatient basis if deemed medically appropriate by the doctor, and agreed to by the patient.

Second, the bill requires insurance companies to cover breast reconstruction following cancer surgery, as well as reconstructive surgery to make breasts symmetrical following cancer surgery. I am extremely pleased that this provision is based on the law in my own State of Maine. Currently, insurance companies treat reconstructive surgery following breast cancer differently than other types of reconstructive surgery. In fact, a recent survey found that 43 percent of the respondents had been denied coverage for follow-up reconstructive symmetry procedures. The availability of reconstructive surgery is important not only for those women who believe it is necessary to return their lives to normal following cancer surgery, but because studies show that the fear of losing a breast is a leading reason why women do not participate in early breast cancer detection programs. If women understand that breast reconstruction is widely available, more might participate in detection programs.

Finally, this bill requires insurance companies to pay full coverage for secondary consultations whenever any cancer has been diagnosed by the patient's primary physician. It also requires a health plan to cover a second opinion even when the specialist finds the patient does not have cancer, and allows the patient to go outside an HMO for consultation by a specialist. This is designed to prevent all Americans from making inappropriate and uninformed decisions regarding medical treatment due to either a false-negative or a false-positive result.

I urge all of my colleagues to join me in supporting and securing swift passage of the Women's Health and Cancer Rights Act of 1997.●

EILEEN BUTLER, GIRL SCOUT GOLD AWARD RECIPIENT

● Ms. MIKULSKI. Mr. President, each year an elite group of young women rise above the ranks of their peers and confront the challenge of attaining the Girl Scouts of the United States of America's highest rank in scouting, the Girl Scout Gold Award.

It is with great pleasure that I recognize and applaud a young woman from the State of Maryland who is an honored recipient of this most prestigious and time honored award. She is Eileen Butler of Ijamsville, MD, and Girl Scout Troop 1034. She has been honored with the Girl Scouts of the U.S.A. Gold Award by Penn Laurel Girl Scout Council in York, PA.

The young women given this highest achievement in Girl Scouting are to be commended on their extraordinary commitment and dedication to their families, their friends, their communities, and to the Girl Scouts of the United States of America.

The qualities of character, perseverance, and leadership which enabled them to reach this goal will also help them to meet the challenges of the future. They are our inspiration for today and our promise for tomorrow.

I am honored to ask my colleagues to join me in congratulating Eileen Butler. For her Girl Scout Gold Award project, Eileen designed and set up three new exhibits for the Fountain Rock Park, a nature center. Her project addressed the need for a better understanding of the environment and the importance of working to improve the environment around you. She is one of the best and the brightest and serves as an example of character and moral strength for us all to imitate and follow.●

CONGRATULATING RECIPIENTS OF THE FORUM MAGAZINE'S 1997 PIONEER AWARDS

● Mr. ABRAHAM. Mr. President, this Sunday the Forum magazine will host the 7th Annual African-American Pioneer Awards in Flint, MI. I rise to pay tribute to the honorees for their great achievements and contributions to the African-American community and, indeed, to all of America.

This year the Forum magazine has assembled a truly impressive list of honorees. They are:

Mr. Darwin Davis, originally from Flint, has been named one of America's 25 most important and powerful black executives by Black Enterprise magazine. His promotion to senior vice president of The Equitable in 1987 was merely the latest in a series of impressive steps within that company. He won three national sales campaigns in 3 years, moved from agent to agency manager in 4½ years and moved from agent to agency vice president in just 9

years. Mr. Davis is a veteran, a former school teacher, and the recipient of two honorary doctorates.

The Velvelettes are one of only three all original Motown groups from the late 1960's and one of the few girl groups still performing today. This group is composed of four women: Flint natives Norma Barbee-Fairhurst and her cousin, Bertha Barbee-McNeal; and two Kalamazoo natives, Mildred Gill-Arbor and her sister, Carolyn Gill-Street. They had a number of successful hit records, including the top ten song, ''Needle in a Haystack.'' All four women are very active in community projects, seeking to better their cities and neighborhoods.

Creative Expressions Dance Studio has operated under the city of Flint's Parks and Recreation Department since 1990. Under the leadership of Director Sheila Miller-Graham and tap dance instructor Alfred Bruce Bradley, Creative Expressions has competed at the local and national levels every year since its inception. The first professional dance troupe from Flint, Creative Expressions entered its first dance competition during its very first year of existence, making an impressive showing by winning two of the nine trophies for the Junior Division in that region. Creative Expressions continues to represent Flint, and to help its citizens develop their talents, skills, and confidence levels.

Mr. Mario J. Daniels is the founding director of Mario J. Daniels & Associates, P.C., the first African-American certified public accounting firm in Flint. A graduate of Flint Northern High School and Albion College, Mr. Daniels is very active in the United Way, NAACP, United Negro College Fund, and mentoring programs. He also has served as president of the National Association of Black Accountants.

Mr. Michael Shumpert founded WOWE radio, the only African-American-owned and operated FM radio station in the Flint/Saginaw area, in 1991. Mr. Shumpert also is an award-winning sales executive in marketing research and advertising sales. He also has produced a documentary film for the Michigan Genealogy Society, produced the Miss Black America pageant for television, and developed media scripts for a number of political campaigns.

Mr. Gregory Jackson is a highly successful General Motors dealer and owner of several businesses in the Flint area. He earned an accounting degree from Morris Brown College in Atlanta, GA, one of the historically black colleges under the United Negro College Fund. He holds an M.B.A. in business administration and Finance from Atlanta University School of Business. Mr. Jackson also is a member of Kappa Alpha Psi Fraternity, Beta Gamma Sigma—National Graduate Business Honor Society, and the National Association of black M.B.A.'s.

Dr. Charlie Roberts is the first African-American to be appointed vice president at Mott Community College. Dr. Roberts holds a Ph.D. in vocational-technical education from Michigan State University. He earned his masters degree in education from Wayne State University and his bachelor of science degree in industrial education and electronics from Norfolk State University in Norfolk, VA. In 1984 he was made dean of vocational-technical education at Mott; four years later he was promoted to dean of the School of Business Technology and Vocational Technical Education. From July 1993 to July 1994 he served as executive dean for continuing education and external affairs. Within a year he was promoted to his current position as vice president for institutional advancement and outreach.

Mr. President, all of these people have made significant contributions to their communities. Their accomplishments deserve the notice they are receiving from the Forum magazine. I congratulate them for being named recipients of the African-American Pioneer Award.●

TRIBUTE TO LESLIANNE SHEDD

● Mrs. MURRAY. Mr. President, I rise today with great sadness to commemorate the life of an outstanding individual from our State of Washington. Leslianne Shedd, a member of the United States Foreign Service Corps and a 1990 graduate of the Henry M. Jackson School of International Studies at the University of Washington, was killed when an Ethiopian Airlines plane crashed in the Indian Ocean last November.

A resident of Washington State since the age of two, Leslianne graduated with honor from Puyallup High School in 1986. According to family and friends, Leslianne's lifelong dream was to tour the world. To achieve this goal, she learned four languages, traveled in Europe, Africa, North America, and Thailand, and pursued a career in Foreign Service.

Leslianne was traveling from her post at the United States Embassy in Addis Ababa, Ethiopia to Nairobi, Kenya to celebrate Thanksgiving with friends when her plane was hijacked and then crashed. A commercial officer in the foreign service, she provided assistance to American companies doing business in the region. Before working in Ethiopia, she spent 2 years in the Ivory Coast in West Africa as a United States vice consul there.

It is no surprise that a young woman who touched so many lives around the globe has been described by her junior high English teacher as ''a little ray of light.'' Her life provides inspiration to all of us by serving as an example of a forward-looking, intellectually curious, and selfless individual.

My thoughts are with Leslianne's parents Bob and Mickey Shedd, her brother Darin and sister Corinne, her friends, and all those touched by her warmth and kindness. Her work and accomplishments remind us all of the importance of public service, international awareness, and generosity. Our Nation and our world are better places because of her. I am certain Leslianne Shedd's legacy of service will be remembered for years to come.

THE DEATH OF PANAMANIAN STATESMAN GABRIEL LEWIS GALINDO

● Mr. D'AMATO. Mr. President, I rise today to call attention to the recent death of Garbriel Lewis Galindo, a noted statesman from Panama and friend of the United States of America.

Gabriel Lewis is perhaps best known for his efforts to conclude the Panama Canal Treaty. As Panama's envoy to the United States on this issue he worked closely with the Carter administration to this end. In the process he gained the respect of many people in our Government.

Mr. Lewis continually sought to restore democratic principles to Panama and used the Panamanian-United States negotiations regarding the canal to press Panama's dictator, Omar Torrijos, to move in a more democratic direction. Mr. Lewis' hard work was rewarded as Omar Torrijos eventually granted more freedom to the media and political parties in Panama.

When Gen. Manuel Noriega rose to power in Panama 2 years after the death of Omar Torrijos, he undertook measures to reverse those democratic gains which had been achieved. Gabriel Lewis became an outspoken opponent of Manuel Noriega, a strategy which eventually forced him to leave Panama after he unsuccessfully sought Noriega's removal from power.

Gabriel Lewis was both pragmatic and visionary. He understood the need for a close and productive relationship between the United States and Panama based on respect, dignity, and shared ideals of democracy. Mr. Lewis fought to make this happen. He will be missed.●

UNANIMOUS-CONSENT AGREEMENT—NOMINATION OF WILLIAM DALEY

Mr. LOTT. Mr. President, as in executive session, I ask unanimous consent that at 9:30 a.m. on Thursday, January 30, the Senate proceed to executive session for consideration of the nomination of William Daley to be Secretary of Commerce. I further ask unanimous consent there be 30 minutes of debate on the nomination, equally divided between the chairman and the ranking member, and immediately following the expiration or yielding back of debate time, the Senate proceed to a vote on the confirmation of the nomination.

I finally ask unanimous consent that following the vote on this issue, 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.

ORDERS FOR THURSDAY, JANUARY 30, 1997

Mr. LOTT. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in adjournment until the hour of 9:30 a.m. on Thursday, January 30. I further ask unanimous consent that immediately following the prayer, the routine requests through the morning hour be granted and the Senate then proceed to executive session as under the previous order.

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

PROGRAM

Mr. LOTT. For the information of all Senators, at 9:30 tomorrow morning we will have 30 minutes of debate to be followed by a vote on the nomination of William Daley to be Secretary of Commerce. We should then expect a rollcall vote around 10 a.m. on Thursday. Following that rollcall, there will be no further rollcall votes this week.

We are moving forward with the nominations of the President to his Cabinet. This will be the fourth one that has been confirmed. Of course, committees are meeting and acting on other confirmation hearings and other issues. Those will begin to come to the floor of the Senate next week.

Next week will certainly be a busy period because we will have the President's State of the Union, we will begin debate on the constitutional amendment for a balanced budget, and on Thursday we receive the President's budget for the year. So we will have his information on that then, and we can really begin to proceed with business that needs to be acted on this year.

There will be a period of morning business tomorrow for Members to make statements, and the Senate may consider other legislative or executive matters that can be cleared. So I remind my colleagues once again, they should expect a vote at 10 a.m., and that will be the final vote of the day.

ADJOURNMENT UNTIL 9:30 A.M. TOMORROW

Mr. LOTT. If there is no further business to come before the Senate, I now ask the Senate stand in adjournment under the previous order.

There being no objection, the Senate, at 2:57 p.m., adjourned until Thursday, January 30, 1997, at 9:30 a.m.

CONFIRMATION

Executive nomination confirmed by the Senate January 29, 1997:

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

ANDREW M. CUOMO, OF NEW YORK, TO BE SECRETARY OF HOUSING AND URBAN DEVELOPMENT.

The above nomination was approved subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.