United States of America

Congressional Record

PROCEEDINGS AND DEBATES OF THE 105th CONGRESS, FIRST SESSION

Vol. 143 WASHINGTON, TUESDAY, FEBRUARY 11, 1997 No. 17

Senate

The Senate met at 2:15 p.m., and was called to order by the President pro tempore [Mr. THURMOND].

PRAYER

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

Eternal Father, You have told us that the things we can see are temporary, but the things which are unseen are eternal. We confess that what is seen captivates our attention. It is easy to get lost in the labyrinth of life's enigmas. The media constantly remind us of violence and vandalism, crimes and conflicts, and the spin we put on sin. Sometimes, the things which are seen blur our vision of the unseen, but indefatigable movement of Your Spirit in people and circumstances. You call us to experience the things which are unseen: Your eternal presence, the power of love, the healing of forgiveness, and Your guidance of leaders who open their minds to You.

In the on-going drama of secular life with all its sinister and alarming possibilities, also help us to see what You are doing to change people and enable them to change government and our society. We are not asking for a simplistic, ''God is in His heaven and all is right with the world'' nostrum. Rather, we need an ''All is not right with the world but lo I am with you always,'' cure for our deepest needs.

Now it dawns on us with full force; only Your invisible power can transform our intractable problems. We yield ourselves to be agents of Your visible impact on our Nation at this strategic time of history. In the name of our Lord and Savior. Amen.

RECOGNITION OF THE MAJORITY LEADER

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

SCHEDULE

Mr. LOTT. Mr. President, today the Senate will immediately resume consideration of Senate Joint Resolution 1, the constitutional amendment requiring a balanced budget. By unanimous consent, there will be 60 minutes remaining for debate on Senator WELLSTONE's amendment No. 3. Senators can expect a rollcall vote on or in relation to that Wellstone amendment at approximately 3:15 today, if all debate time is used.

Following that vote, it is my hope we will be able to begin consideration of the nomination of BILL RICHARDSON to be the U.N. Ambassador. The Foreign Relations Committee will be reporting out that nomination this afternoon, and we will attempt to reach an agreement limiting debate to approximately 20 minutes equally divided but we will, of course, wait until the committee has officially reported it and then bring it up as shortly thereafter as possible.

Following that vote, we will continue debate on the balanced budget amendment, and it is my understanding that Senator REID will be prepared to offer his amendment relative to Social Security. The amendment will be debated today and tomorrow, and we hope to set a vote on or in relation to the Reid amendment for tomorrow, late in the afternoon, probably around 5:30 or so. But we have to get a final agreement on the exact time. All Senators will be notified as the votes are scheduled.

I thank my colleagues for their cooperation as we approach the Presidents Day recess.

Mr. President, I yield the floor.

RESERVATION OF LEADER TIME

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

BALANCED BUDGET AMENDMENT TO THE CONSTITUTION

The PRESIDING OFFICER. Under the previous order, the Senate will now resume consideration of Senate Joint Resolution 1, which the clerk will report.

The legislative clerk read as follows:

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

The Senate resumed consideration of the joint resolution.

Pending:

Wellstone amendment No. 3, to state the policy of the United States that, in achieving a balanced budget, Federal outlays should not be reduced in a manner that disproportionately affects outlays for education, nutrition, and health programs for poor children.

AMENDMENT NO. 3

The PRESIDING OFFICER. Under the previous order, there will now be 60 minutes for debate, to be equally divided in the usual form, prior to a vote on or in relation to the Wellstone amendment No. 3.

Mr. WELLSTONE addressed the Chair.

The PRESIDING OFFICER. The Senator from Minnesota.

Mr. WELLSTONE. Mr. President, yesterday I had a chance to speak for some time about this amendment and then Senator HATCH and I had a very honest exchange of views. Let me one more time just make clear to colleagues what this amendment says. This amendment says that if we are going to make a commitment by way of a constitutional amendment to balance the budget, then we go on record that the Federal outlays, as we do this, should not be reduced in a manner that disproportionately affects outlays for education, nutrition, and health programs for poor children.

Yesterday my colleague, Senator HATCH, said I was asking for an exemption. There is no request for an exemption. This is just simply a request for fairness, and it just simply says let us not lock ourselves into a very harsh set of priorities.

I also pointed out yesterday that in the last Congress, 93 percent of the cuts in entitlement programs were entitlement programs that affected poor

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

people in America, too many of them poor children. I also cited the Committee on Economic Development, representing really some of the largest corporations in America, saying that what we did last time, last Congress, was really disproportionate and really not based on a standard of fairness, because we cut a lot of programs that were important to the nutrition and health care and educational status of children.

I also quoted from the Concord Coalition, which has been a driving force for our balancing the budget, taking the same position. I also quoted from an editorial yesterday in the Washington Post.

I think the most important thing that I did yesterday, though, Mr. President—and I would like to start this way today, and then develop these points, and then listen very respectfully to my colleague from Utah, and then respond to some of what he has to say—was to try to translate this debate into human terms. Yesterday, my colleague from Utah said, and I appreciated it, ''You know, I don't agree with Senator WELLSTONE but he is very sincere in his conviction.'' And I appreciated that. That's a tribute from another Senator.

But this is really not about me. This is an amendment that I think is substantive, I think it is important, and I wish there would be 100 votes for it. Because the fact of the matter is, all too often—and that was the record last Congress and I think it has been the record of too many Congresses—when we come down to the nitty-gritty, to the point where the rubber meets the road, we do deficit reduction based on the path of least political resistance. And usually, all too often, it is not the special interests or heavy hitters or well connected or big givers who are the ones that we target. And poor children have been, with the exception of some Senators, the Chair is one of them—you have shown a tremendous commitment to what we can do at a neighborhood level, at a community level, as has the Senator from Missouri, by way of commitment to children.

But all too often, poor children in America are faceless and voiceless in the U.S. Senate, and I just think that it is not at all inconsistent for Senators—even if they are for this amendment, to vote for the constitutional amendment to balance the budget—to at least vote for this proposition. As a matter of fact, we are going to make it clear we are going to do it on a standard of fairness, and we are not going to disproportionately make cuts in programs that so vitally affect the nutritional and the educational and the health care status of children.

Mr. HATCH. Will the Senator yield just for a second?

Mr. WELLSTONE. I will be pleased to yield on the time of the Senator from Utah.

The PRESIDING OFFICER. The Senator from Utah is recognized on his own time.

Mr. HATCH. Mr. President, the Senator indicated he would like 100 people to vote for his amendment. I will make a suggestion to the Senator, and that is, amend your amendment to put it in a sense-of-the-Senate resolution form, and I will work to get you 100 votes. But we are talking about amending the Constitution with language that really clutters up the Constitution with language that should not be in the balanced budget amendment.

If the Senator will do that, I will work to get him 100 votes in the Senate, because nobody wants to treat children or children's programs disproportionately, but it is not constitutional language, and it should not be in the Constitution. I have to be opposed to it, and I hope most of our fellow Senators will be opposed to it. Nobody is opposed to children.

I think that would be a reasonable way of resolving this. Put it in a sense-of-the-Senate resolution, so it is not incorporated in the Constitution, as a sense-of-the-Congress resolution in the Congress. It just is not the way we should amend the Constitution of the United States.

As chairman of the Judiciary Committee, I cannot let that happen, but if the Senator will change and do that, I would be happy to go to a vote, and I would work my side of the floor to get 100 people to vote to say we do not want children's programs to be treated disproportionately.

I hope the Senator will consider this kind offer. It is a sincere offer. I share his viewpoint with regard to children. I think virtually everybody in here does. The fact of the matter is, though, that all items have to be on the budget if we are going to have any kind of a balanced budget amendment work. I know the Senator is not going to vote for a balanced budget amendment to the Constitution no matter what we put into it. Even if we accepted his amendment as part of the balanced budget amendment, he would not vote for it.

That way, you are sending a message. That way, you would have your colleagues voting with you. Otherwise, I think people who love and revere the Constitution have to say this is not the way you amend the Constitution; we should not put this language into a constitutional amendment because it is not constitutional.

Frankly, I suggest to my distinguished colleague, I would like to help him do that if he wants to do that. If he doesn't, then I have to oppose this amendment, and I hope most Senators will oppose the amendment, because this type of language should not go into the Constitution, because although it is meaningful language, it is not constitutional language, and it will not guarantee the children's programs are going to be treated any differently than anything else under a balanced budget amendment.

I retain the remainder of my time.

The PRESIDING OFFICER. The Senator from Minnesota.

Mr. WELLSTONE. Mr. President, I appreciate the comments of the Senator from Utah. Actually, the language of this amendment is constitutional. It is designed that way. If there is going to be a constitutional amendment to balance the budget, I say to my good friend from Utah—and he has taken the leadership on this, he absolutely believes in it—if that is the direction we go in, then it is quite appropriate for me to have an amendment to this amendment to make sure that we do not lock ourselves into some very harsh and distorted priorities.

I tried the route of a sense of the Senate last Congress, and actually I lost a couple of times on a sense of the Senate that we would not take any action to create more hunger, malnutrition, and poverty among children. Finally, it was adopted on a voice vote. I wish there had been a recorded vote. Then I think we went ahead and, in fact, passed some legislation or provisions of some legislation that is going to create that.

Mr. HATCH. If the Senator will yield.

Mr. WELLSTONE. If I could just finish. I think this time around, given the track record of the last Congress and given the fact that the citizens that I am trying to represent today—poor children—do not seem to have much of a presence here, quite frankly, I do not think a sense-of-the-Senate amendment does the job.

Mr. HATCH. If the Senator will yield.

Mr. WELLSTONE. I will be pleased to yield on the Senator's time.

Mr. HATCH. On my time. I have to say that you did get a voice vote last time, not a recorded vote. I am offering you a recorded vote. I happen to believe sense-of-the-Senate resolutions mean a lot. But I certainly could not accept this language as part of a balanced budget constitutional amendment. If for no other reason, what does the term ''disproportionate'' mean? Which programs have to be preferred above others?

There are a thousand programs we are talking about here. I know, because I worked with most all of them when I was ranking member and chairman of the Labor and Human Resources Committee, on which the Senator from Minnesota now sits.

I will get you the votes. I will work my side to try to get 100 of these people to vote for it. I happen to believe when Senators in this body vote for a sense-of-the-Senate resolution, it means something, especially if you get 100 percent. I cannot guarantee it, but I would work to get 100 percent. It would be adopted, because I think virtually everybody here would like to have children's programs treated fairly.

The distinguished Senator makes a tremendous point. We treat seniors very well. They get about 20 times the help from the Federal Government that individual children get, and we are not

doing what we should do for children in our country. There are a lot of children in poverty who are in serious straits who do not have the health care that they need.

On the other hand, the question is, how do we best solve that problem? I do not think you single it out, because once you do that in this amendment, there must be a thousand other things that do not want to be treated disproportionately.

Frankly, it just makes the amendment a nullity. I would be happy to work for a significant up-or-down vote for the Senator, no motion to table, up-or-down vote if he would make it a sense-of-the-Senate resolution that does not go into this constitutional amendment.

I yield the floor and reserve the remainder of my time.

The PRESIDING OFFICER. The Senator from Minnesota.

Mr. WELLSTONE. I thank the Chair and, again, I thank my colleague. I appreciate his kind words. I know he is very sincere in the offer. Again, what happened last time was we went ahead and adopted an amendment saying we would not take any action to create more malnutrition, hunger, or poverty among children, and then we went ahead and did budget cuts that, in fact, disproportionately affected poor people in America, many of them children.

Mr. President, I really do view this amendment as a litmus test. I think I do want to draw a line in the sand here. If Senators put children first, and Senators believe we ought to invest in the health and skills and intellect and character of our children, and Senators understand—and they do—that what happens before kindergarten is so important, then I do not know why in the world we cannot make a commitment that when it comes to programs like Head Start and WIC and health care programs that affect poor children in America, that we at least make a commitment that we not disproportionately cut those programs.

As to which programs, listen, with a lot of what is in this amendment, we are going to be writing implementing language, that is all going to be made specific. So I just do not think that critique really does any damage to this amendment. I would like to speak, again, about what is at stake.

Yesterday, I read from some examples, just some stories of some families as we kind of reach out and talk to people around the country, not just Minnesota. Marlene is a lot like many women. She went from her parent's home to her husband's. With the exception of a waitressing job in high school, she never had worked outside the home, and had no job skills. After 9 years of marriage, Marlene's husband left her with two children and pregnant with a third.

At 27, she found herself alone with no job skills or means of support. With the help of a neighbor, she enrolled in her local WIC Program. ''I knew about nutrition, child care and how to take care of myself. I just didn't have the money to. I knew that I needed to have a healthy baby. I just did not know how to get it.''

WIC provided Marlene with vouchers to purchase the basics for a healthy baby—milk, cheese, eggs, et cetera.

To this day, I believe that the food from WIC saved me and my baby. Emotionally, I was so distraught and inept, I didn't know if I was coming or going. Thankfully for WIC, for that part of my life, I could just go on auto pilot. I knew that I was taking care of my baby. I could go on with taking care of the rest of the issues I was facing.

It has been 10 years since Marlene received help from WIC. Now she works full time and supports her children. She says,

WIC was crucial for me. WIC was like a bridge to help me go from being dependent on someone to learning how to take care of myself and my kids. It's like they took care of me so I could take care of the rest of my life. I cringe to think of how things would have been without it.

Mr. President, Danielle is 8 years old. She looks closer to 6. Though a spirited and cheerful little girl, Danielle struggles in life. She was born at a low birth weight and has endured its effects. She will for a long time.

As with many children born at a low birth weight, she has a limited immunity system and she catches a lot of colds and flus. She misses a lot of school. Like many children born at low birth weight, it takes Danielle a bit longer to figure things out in school. Says her teacher, ''I see her little brain trying to figure things out. She works hard and struggles. She's always a few steps behind us.'' While pregnant with Danielle, her mother had no prenatal care or guidance.

Every 2 minutes a baby is born to a woman, a mother who had no prenatal care in our country. Her diet of chips, fast food, soda, and candy did not change during the 8½ months of pregnancy. Danielle's mother did not participate in the Women, Infants, and Children Program.

At 5, Danielle's sister Alfrieda is healthy and active. While pregnant with Alfrieda, her mother participated in WIC. She had a healthy diet, checkups, and guidance. When she gave birth, she then gave birth to a fit and strong baby. She named her after the WIC nurse who mentored her.

Says their mother:

I see how Danielle is not all there * * * how she's slow and kind of sick. They tell me it is 'cause of how it was when I was pregnant. I think they are right 'cause I really see a difference with my baby, Alfrieda. You would not know that Danielle is older.

In one family, in the case of two sisters, we see the impact and influence that WIC has. Danielle will always be a little behind, a little slow, and a little weak. Alfrieda will always be a bit smarter than her older sister, a bit ahead of her older sister, and a bit stronger than her older sister. One small family and one big difference.

Mr. President, I said this yesterday, the medical evidence is irrefutable and irreducible that the most important educational program for our country is to make sure that every woman expecting a child has a diet rich in vitamins, minerals, and protein; otherwise, that child at birth may not have the same chance as all of our children and grandchildren have. And that is wrong. The goodness of our country is for every child to have that chance.

Mr. President, we do not even fully fund the Women, Infants, and Children Program right now, a program for women during pregnancy, a program for infants, and a program for small children who, by definition, do not have enough income to be able to purchase the food to have an adequate diet.

We know the WIC Program has made an enormous difference. It saves us dollars. It enables children to have a head start. It enables children to go on and do well in school. We know all of that. The only thing this amendment says is, let us make a commitment if we are going to balance this budget that in this constitutional amendment to balance the budget we make a commitment we will not, as we move forward, disproportionately cut programs that affect the nutritional status of children. That is what this amendment is all about.

It is not a sense-of-the-Senate amendment. I do want to draw a line on this. I believe I should be able to get a strong vote for this. I do not think it should be tabled. This is all about, as we go forward with deficit reduction, who is going to decide and who is going to benefit, and who is going to be asked to sacrifice.

Are we going to decide, as we did last Congress, that we are going to disproportionately cut programs that affect the quality of life for children, poor children in America? Who will decide to cut the nutrition programs and whose children will be hurt? They will not be our children, but they are all of God's children. I think we all agree on that.

So I am really hopeful that I will get support for this amendment. This is about values. We talk about values. This is about values. This is about Minnesota values.

If you asked people, are they in favor of a constitutional amendment to balance the budget, they say yes. I have been in disagreement. I wish we would separate the capital investment part of the budget from on operating budget. I worry about it on political economic grounds. But forgetting that, most people say yes. But if you ask people, are you in favor of balancing the budget by making cuts in educational programs or nutritional programs or health care programs that affect children, they say no. So I am hoping that this will not be tabled and that Senators will vote for it.

Arel is only 14 years old but has the responsibility of someone much older. He has two sisters. Even though they are at the right age and eligible for

Head Start, they do not participate because the program near their home is full. I forget—I do not have the numbers right before me—but something like only 17 percent of the eligible 3-year-olds are participating and only 40 percent of the eligible 4-year-olds are participating. Really, we should work Head Start back, Mr. President, to age 1 and 2 as well.

By the way, it should be decentralized. This is a parent-participation program. It should happen at the local level. It should happen at the neighborhood level. It can be done through nonprofits and it can be done through nongovernmental organizations. But when we know something works, when we know these kinds of programs give children a head start, why can't we make a commitment that we will not disproportionately cut these programs? Because if we do not make that commitment, I really fear that is what is going to happen.

While we know how no Head Start will affect Arel's sisters, do we know how it is going to affect Arel? Their mother leaves for work as a bus driver at 4 a.m. She is working. This means Arel is responsible for the morning ritual with his sisters. After he gets them fed and dressed, Arel puts one sister on the handlebars of his bike and rides 5 miles to drop her off at affordable day care. He returns home and gets his second sister to drop her off. Since he cannot drop them off early, he is late for school every day.

Because of tardiness, he failed his first-period class twice. Though a talented athlete and a popular kid, Arel does not stay after school for any activities. He would probably make the football team. He is interested in track. He would love to be in a dance troupe. Instead, Arel gets on his bike, rain or shine, to pick up his sisters one at a time. I will not reveal to you what no Head Start means for his sisters. We know that. Unfortunately, so does their brother, a boy who has no childhood.

Finally, Mr. President, Marcus is a shy and quiet first-grader who finds himself in the principal's office for the third time in a week. I gave this example yesterday. According to his teacher, Marcus is either overagitated, annoying other students in class, or listless and disinterested in the class at hand. Marcus does not usually know what is happening in class and he does not know yet his colors, numbers, or alphabet.

Though many of his class attends a Head Start program and learns the initial steps toward understanding school and learning, Marcus does not. He represents 1 of the 1.2 million children that, though eligible, could not participate in Head Start when he was younger. The program near his home was full. Not only were they full, but there was a year waiting list when Marcus's grandmother tried to sign him up. Though there was room at another program, it was too far for his grandmother to take him.

Marcus stayed alone sometimes at home while his grandmother worked. Marcus is conspicuously behind his classmates. While his classmates scurry around the teacher to be read to, he had not yet held a book or ever been read to. While his classmates—I am going to repeat this—while his classmates scurry around the teacher to be read to, he has not yet held a book or ever been read to.

Marcus does not know how to write his name, nor can he recite the alphabet. In a phrase, Marcus is not part of the culture of the school. Marcus' teacher is concerned and anxious about him. He is far behind his classmates, and she has little, if any, time to help him catch up. As each week progresses, he falls further behind and more frustrated.

Already Marcus hates school and learning, counting the days until summer vacation. He knows he is different. He knows he does not understand. But he also knows there is not much he can do about it.

Said his teacher: ''I just don't know what can be done for him. I know that he needs a lot of one-on-one attention and love, but I just don't have the time or the resources. Every day, I feel him slipping and, frankly, it breaks my heart. He is a good boy and a smart boy. I feel as if he is being punished for what we did not do for him. I am worried that he will always hate school and suffer until he can leave. He tries so hard, sometimes,'' says his teacher, ''I want to cry.''

Mr. President, I do not want Senators to make this amendment out to be what it is not. There is an amendment on the floor. It is a constitutional amendment to balance the budget. This amendment says, as a part of that constitutional amendment to balance the budget—if that is what we are going to do—we make a commitment that we are not going to disproportionately cut programs that affect the educational and nutrition and health care status of children. It is that simple.

This is about values. This is about fairness. I think we should make that commitment. I think we should make that commitment.

Mr. President, we can no longer give speeches about children and no longer have photo opportunities with children unless we are willing—unless we are willing—to invest in the health and skills and intellect and character of our children. Mr. President, that includes poor children, and that means we are part of local communities, but we are part of a national community. The U.S. Senate ought to go on record that these are our priorities. These poor children are a part of our priorities. That is appropriate, and it is the right thing to do.

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

The PRESIDING OFFICER. The Senator from Minnesota has 8 minutes, 25 seconds.

Mr. WELLSTONE. Mr. President, I reserve the balance of my time.

Mr. HATCH. Mr. President, I appreciate my colleague from Minnesota. I believe he is devoted to children. But he is not alone. There are 99 others in this body who are devoted to children. Frankly, children's programs can compete very successfully with other programs, just like Social Security can. To do a risky gimmick of putting this type of language into the Constitution, like those who want to take Social Security out of the Constitution, the purview of the balanced budget, I think would be highly risky and very, very dangerous.

I was talking with the junior Senator from Wyoming, Senator ENZI. He indicated to me, he said, you know, if you use the language ''not disproportionate,'' which is what this language is, it can force proportionate reductions in all parts of the budget in order to comply with this amendment, because this would be an amendment to this amendment to the Constitution. The worst budgeting for kids could come from across-the-board budget cuts. That is how the courts could easily interpret the amendment. Mr. President, for the information of every Senator, I have offered to give the Senator an up-or-down vote on a true sense-of-the-Senate resolution saying the same thing which he did not get last year and which I will get him today, and I have offered to try to get him 100 percent of the Senators to vote for this so we would be on record as not wanting to have children's programs reduced disproportionately.

However, to put this into the Constitution is the wrong thing to do. This is not language that you would normally see in the Constitution. The Wellstone amendment is not an appropriate amendment for inclusion in the Constitution. I want to point out to my colleagues that the Wellstone amendment would place in the text of the Constitution itself a statement of ''policy.'' I put policy in quotes because I think there is a lot of room to disagree with the Senator. It would put a statement of policy of the United States with regard to the budget priorities into the Constitution, the first time in history to do that. Mr. President, I do not believe that it is appropriate to put what is essentially a sense-of-the-Senate resolution in the actual text of the Constitution. That is why I am suggesting that our colleagues vote against this amendment because that is not what should be done. I believe that such a policy statement would either be surplusage or produce confusion and difficulties if it became part of the Constitution.

Now, the distinguished Senator from Minnesota sincerely said we are not locking ourselves into a harsh set of priorities if we take this amendment. I think you are. Let me paraphrase that better. He said if we take the amendment as it is we are locking ourselves into a harsh set of priorities. I think it makes it more harsh if you put his

amendment in because, first of all, nobody knows what the word disproportionate means vis-a-vis constitutional language or interpretation; and, second, you are referring one item in the budget for one group of people in the Constitution over everybody else and there are a lot of people in this country who would like to not be treated in a disproportionate way. So we are not locking ourselves into a harsh set of priorities by having this balanced budget amendment passed. We are simply saying everything in the unified budget must be on the table. These programs for children are totally capable of competing with all other programs in the budget, as they should be. The fact is we have to have everything on the table because we are going to hit some very, very difficult times in the future and it will be difficult to know what to do to balance this budget.

As we begin today's debate on Senate Joint Resolution 1, I do welcome the discussion of this amendment, because after all what this debate and the balanced budget amendment are all about is the legacy we intend to pass on to our children and our children's children. Unfortunately, as it stands today, the legacy is not one of health and prosperity, as has been the American tradition for the past two centuries; rather, the legacy we are imposing on our children is one of fiscal servitude. The debt, Mr. President, is a real threat to our children's future and to their well-being.

As I emphasized before, with our national debt standing at $5.3 trillion and going to $5.4 trillion, every child born today is born into this world trapped into a $20,000 debt. This new baby owes $20,000—$20,000. Think about that for a minute. In essence, what we are doing is handing every child who comes into the world an unsolicited and undeserved $20,000 liability. Unfortunately for our children, they are given nothing to show for that liability.

Every one of the 28 years represented by these unbalanced budgets, every one of those 28 years these unbalanced budgets in this pile, in all but one of the last 36 years what we have done is finance our own exorbitant spending habits by mortgaging our children's future. In my view, this is taxation without representation in its purest form. What is worse, unlike you or me who may take out a loan to buy a house or a car and begin to pay that loan off, not only do we not pay down any of our children's debt, we continue to refinance and finance again our children's mortgages, adding more and more debt to pay for our own protracted fiscal irresponsibility.

Let me illustrate this point, Mr. President. According to the Congressional Budget Office, by the time a child born today is 5 years old, the national debt would have risen to $6.8 trillion and his or her share of that debt will have increased from $20,000 to $24,000. By age 10, that debt will stand at $8.5 trillion, with that child shouldering approximately $29,000 of that burden. Just think about it. That is nearly a 50-percent increase of his or her debt burden in just 10 years. At that rate, by the time a child graduated from college, he or she would owe in the neighborhood of $50,000 as their share of the Nation's debt. Now that, in my view, is no way to send a young man or young woman into the world to make a living. As sincere as my good friend from Minnesota is, the fact is even if we accepted this amendment he would not vote for the balanced budget amendment, which is the only hope of helping these young children in the future, the only hope of stopping us from spending their future away and saddling them with an irresponsible debt burden.

Now our former colleague, Senator Simon, who led the fight for a balanced budget amendment on the Democrat side for many years, shared with us the words of another of our former colleagues, Senator Cohen, now Secretary of Defense, when he testified before the Judiciary Committee a few weeks ago. Senator Cohen was at one time opposed to a balanced budget amendment. And I remember those days because I have been responsible for bringing every balanced budget amendment to the floor of the U.S. Senate from the first one right on up until today. After serving in Congress for 18 years, Senator Cohen had this to say, and he was against it initially, but after 18 years, this is what he said:

> Today the ethic of self-sacrifice has been perversely inverted. Parents and grandparents borrow from their heirs so they might enjoy the comforts and pleasantries of the moment. The practice of handing our children trillions of dollars of debt with little more than a good luck wish can only be considered an unconscionable and criminal act.

Secretary Cohen is exactly right.

As I have repeatedly said, the mortgaging of our children's future is nothing short of fiscal child abuse and it must end.

As a result of our failure to exhibit fiscal restraints in setting budget priorities our children are faced with not only the looming burden of our enormous debt but also with massive annual interest payments required just to maintain the standard. This year we will pay $360 billion in gross interest to service our existing debt. That means we will spend nearly $1 billion every day of this year just on interest on the debt. Now to put this in perspective, if we take just the net interest, meaning we ignore interest paid by the Government to the various trust funds and subtract interest income received by the Government, our annual interest payment would amount to $935 for every man, woman, and child in America. Just look at this. Interest on the national debt, we could pay $340 to every man, woman, and child in Utah every day. Think about it. That is in my own State, and the interest on the debt is the fastest growing item in the Federal budget.

According to the CBO, interest on the debt will continue to rise substantially over the next 5 years, to $412 billion by the year 2002. My gosh, that is more than the total Federal budget was 20 years ago. That represents half of all projected individual income tax receipts for that year and nearly two times all corporate income taxes. By 2007, the interest on the debt is projected to reach a whopping $493 billion. That is just the interest we owe. That is not the debt. That $493 billion is just $50 billion shy of our entire discretionary budget for the current fiscal year.

Mr. President, it is outrageous to me that we would consider subjecting our children to a future where 50 percent of their hard-earned tax dollars would go to service the debt incurred by us, their parents. Just think what we could do for our children and our children's children if this money were available to be put to more productive use.

We have talked a lot about the WIC Program, Women, Infants, and Children Program. I know a lot about that. As a newly elected conservative, one of my counties said they did not want WIC funds because they did not want Federal Government strings. I thought WIC funds were pretty important because they helped lactating mothers to be able to bring the best nutritional needs to their children, and even though this was a county that really supported me I stood up and said I think the WIC Program is a good program. Today, that county and the mothers that are poor benefit from that WIC Program. It is a highly effective program and works to improve the health of the mothers and the newborn children, and also serves to reduce our Nation's overall health care costs. I have long supported the WIC Program, as has just about every Senator. We are constantly struggling to come up with the money to fully fund participation in the WIC Program. With the $360 billion we spend on interest on the debt this year not only could we fully fund participation in the WIC Program, we could afford to pay recipients nearly 100 times what they received last year.

I could go through every program affecting children in our country today and we can talk about not allowing them to be disproportionately reduced. The best way to not allow children's programs to go down the drain is to pass the balanced budget amendment and put some fiscal responsibility into the Constitution, so we have to live within our means and we do not barter away our children's future, we do not mortgage it away, so we have the money to be able to help children. These gimmicks that some on the other side want to put into the Constitution are dangerous. In the end, they will wind up hurting children and not balancing the budget. The best thing we can do for our country is to get that budget balanced and keep it balanced and start paring down the national debt, as well. If we do not start

doing that, we are going to pay the price and it will be a heavy, heavy price.

Mr. President, I am very concerned about this because if we are going to have a balanced budget amendment everybody in the world knows and everybody in Congress knows this is it. This is the last chance. This has been developed over 20 years. It is a balanced budget amendment that has been developed by Democrats and Republicans. I do not believe any single person can say they wrote it. It is an attempt by all of us to get together and do what is right. It is supported by an overwhelming majority in this body. Sixty-eight people have guaranteed to their constituents they will vote for it. We need 67. We should have one more than 67 if everybody lives up to their word. Frankly, if we pass this balanced budget amendment, it has a very excellent chance of going through the House.

Head Start is another program we have heard a lot about. I strongly support the Head Start Program. As chairman and ranking member of the Labor Committee, I was deeply involved in fighting to provide increased authorizations for Head Start, and I am proud of the fact that since I first came to the Senate, the number of children served by federally funded Head Start programs has more than doubled. And yet, given the budget constraints we face, we are still working toward the goal of fully funding the Head Start Program—a result I believe every one of my colleagues favors.

If we could recoup just a small portion of the money we will pay in interest on the debt this year, we could fully fund Head Start in a heartbeat. Not only could we fully fund the entire Head Start Program, including the new Head Start Program for infants and toddlers that was established in 1994, with this year's interest expenditures we could increase Head Start funding for every one of those children by more than 10 times what we currently spend.

There are plenty of other important programs we could improve if we were to free up the resources currently dedicated to servicing the debt. In fact, with the money we will spend in gross interest on the debt just this year, we could cover the costs of all food and nutrition assistance programs, including food stamps, for the last 14 years—$346.9 billion. This same interest payment would cover the costs of all payments for WIC and other supplemental feeding programs, child nutrition and milk programs, student assistance, and low income home energy assistance for the last 20 years—$348.2 billion.

Even in the current fiscal year, as this chart shows, with the money we will spend on gross interest payments, we could afford to double projected spending for elementary, secondary, and vocational education, higher education, research and general education aids, training and employment, housing assistance, food and nutrition assistance, social services, unemployment compensation, all health care services, and pollution control and abatement—and still increase Medicare spending by 50 percent.

Now obviously we cannot simply pay off $5.3 trillion of debt and recoup our $360 billion in annual gross interest payments overnight. But, according to CBO, moving toward a balanced budget in 2002 would reduce projected net interest costs by some $46 billion and improve economic performance enough to produce a total fiscal dividend of $77 billion over the next 5 years. This represents real savings of nearly twice the amount we spent on all food and nutrition assistance programs last year, and is nearly 10 times all earned income tax credit payments for the past 10 years combined. This is real savings we can bring about to benefit our children now just by balancing the budget.

But, if we continue to deficit spend, as we have in all but 8 of the last 66 years, we will only continue to compound our existing debt, increasing the interest payments necessary to service that debt and further exacerbating the tax burdens our children will face in future years. According to OMB and CBO, such tax burdens may equate to a lifetime net tax rate of about 82 percent for future generations in order to finance the cost of government at all levels. The 82 percent figure for our children stands in stark contrast to the 29 percent net tax rate for the generation of Americans born in the 1920's and the 34.4 percent net tax rate for the generation born in the 1960's.

But the mammoth costs of financing both the Government and our enormous national debt are not the only burdens we are creating for our children by not balancing the budget. We should also recognize the significant economic benefits that our children stand to inherit from recurring balanced budgets, but which we are withholding from future generations by failing to exercise fiscal restraint today.

As CBO reaffirms in its January report, balancing the budget in 2002 and subsequent years will lead to increased real economic growth, reduced interest rates, higher corporate profits, and increased revenues to the Federal Government. As a result, the Joint Economic Committee has estimated that a typical middle class family could easily save $1,500 each year; $1,500 every single year, Mr. President. That is like a built-in $500-per-child tax credit for a family of five—at no cost to the Government—just for passing the balanced budget amendment. I know a lot of families in Utah that could use an extra $1,500 each year to pay for food or clothing for their children, to pay for college tuition, to pay down credit card debts, or even to take a vacation and spend time with their kids.

Even a college student could save an estimated $120 each year on a $10,000 student loan if we were to pass the balanced budget amendment. And it is not the Government that must pay for that savings. It is simply the real benefit generated by the economy's reaction to long-term balanced budgets.

Mr. President, it is time for us to face reality. The single largest threat to our children's well-being is not that the Republicans and Democrats will be forced to live within their means when funding any given program. The real threat is that we will continue down the path of the last 66 years and mortgage our children's future earnings to pay for what we consider to be spending priorities today. If we do, our children will be left with no choice but to cut the very programs my colleague is talking about in ways that are unthinkable today, or drastically increase taxes on every American family to pay for the continued existence of those important programs. The balanced budget amendment is the only real assurance we have that our children will not be forced to make those choices.

Now Mr. President, it doesn't take a rocket scientist to figure out the solution to this problem. In fact, Grant Anderson, a 13-year-old young man in my home State of Utah, took the time to write a letter to me outlining how it can be done. Let me share with my colleagues what he had to say:

> Dear Orrin Hatch, I think we have a huge problem with the national budget. I have the easiest way to fix it. Do you want to hear it? Okay. Stop buying things if you don't have the money.

That about says it all, Mr. President. It's just that simple. Yet, without a balanced budget amendment, there appears to be no real end in sight to Congress' abdication of its responsibility to people like Grant Anderson and to future generations.

The fact is that after 4 years of declining deficits we have not reduced our staggering $5.3 trillion debt one penny. We have only slowed the growth in the national debt. More importantly, as my Republican colleagues and I predicted would happen during the debate on the President's 1993 budget package, CBO now predicts that annual deficits will resume their upward climb beginning this year—from an annual deficit of $124 billion in 1997, to $188 billion in 2002, and reaching a near-record $278 billion in 2007. Even OMB's estimates from the President's newly proposed budget, which predict lower deficit totals than CBO, project that gross Federal debt will top $6.6 trillion, exceeding 66 percent of our gross domestic product, by 2002.

Now I know that there are those who will say that we can solve this problem without the constraints of a balanced budget amendment—that Congress and the President are committed to balancing the budget and to putting an end to the era of deficit spending. While I can only pray that they are right, our history of deficit reduction efforts in Congress should give the American people reason to be skeptical.

Since 1978 we have adopted no fewer than five statutory regimes which promised to bring about balanced budgets. Every single one of them has failed. As this chart shows, time after time statutory fixes have been met with increased deficits. In fact, nearly 85 percent of our current national debt has accumulated while Congress has operated within statutory budget frameworks designed to ensure balanced budgets. Now, we are told, things are different. But will they really be all that different without the discipline of a constitutional amendment?

A quick look at the President's budget shows that under his plan, we will continue to have deficits that are higher than last year's budget deficit until the year 2000. Only in the last 2 years of this budget do we see the dramatic cuts necessary to bring us into balance. That's right, Mr. President, a full 75 percent of the deficit reduction planned in President Clinton's recent budget submission comes in the 2 years after President Clinton leaves office. This is reminiscent to me of the 1985 Gramm-Rudman-Hollings law, wherein we committed ourselves to balancing the budget by 1991, only to see the law slowly amended, circumvented, and the requirement for a balanced budget finally eliminated just 1 year prior to the year in which we were to achieve balance under the original law.

While I commend the President for his avowed commitment to balancing the budget and appreciate the dedication expressed by leaders of both political parties to reaching a balanced budget, I seriously doubt whether, without the weight of a constitutional requirement to balance the budget, we will achieve balance by 2002. Even if we did—and I intend to work to that end—there is nothing to prevent future Congresses from yielding to the political pressures that would lead to renewed deficit spending. We need a constitutional amendment if we are truly committed to solving this problem.

Mr. President, passing the balanced budget amendment, free of exemptions and loopholes that can be exploited by those who might not be fully dedicated to balancing the budget, is the most important thing we can do in this Congress to protect our children and the future generations that will follow. I urge my colleagues to join me in this effort by supporting the balanced budget amendment. If that happens, we will protect children like never before. To me that is worth it all. And in the end it will accomplish what the distinguished Senator from Minnesota would like to do. But if we put amendments like this in everybody and their dog will be in here with some sort of a program they want to protect because they think it is the most important program in the world. No. Let us put everything in the budget on budget. Let us have everything subject to the balanced budget amendment and let us have them compete for the available funds as it should be. Then let us make the right priority choices. And I guarantee my friend from Minnesota that ORRIN HATCH will be there with him trying to help the children of this country so that they don't suffer a disproportionate reduction in their programs. And I do not think they will as long as both he and I are here, and others as well.

Mr. President, I reserve the remainder of my time.

Mr. WELLSTONE addressed the Chair.

The PRESIDING OFFICER. The Senator from Minnesota.

Mr. WELLSTONE. Mr. President, when Senators vote on this they should not confuse two different issues. There is not anybody on the floor of the Senate that I know of who is opposed to balancing the budget. There are Senators who oppose this amendment.

My colleague keeps talking about balancing the budget or passing the constitutional amendment to balance the budget is the best thing that we can do for our children. My amendment speaks to the concerns and circumstances of the lives of poor children. Close to one out of every four children in America is poor. One out of every two children of color is poor. Every 30 seconds a child is born into poverty in our country. Every 2 minutes a child is born to a mother who has had no prenatal care. Every 12 or 13 seconds a child drops out of school, many of them children from poor families. And there is a higher correlation between high school dropout and winding up in prison than there is between cigarette smoking and lung cancer.

Mr. President, all too many of our children are rushing into the arms of the police and not into parents' arms, or teachers' arms.

My colleague used the word ''gimmick.'' This is no gimmick. This is a very serious amendment because for these children they don't have any future. How can you argue that a child who is born severely underweight and damaged and who can't do well in school is going to benefit by deficit reduction and balancing the budget 7 years from now? What about that child right now? How can you argue that the 50 percent of children or the 60 percent of children who could be given a head start but come to school without a head start not ready to learn are going to do well, if we do not make a commitment that we are going to invest in them? Balancing the budget 7 years from now does not help those children right now.

There are 10 million children who have no health care coverage, most of them from working poor families, many of them with ear infections who have lost hearing; too many. Many can't read well because they should have had an eye examination. They can't afford it. Many of them should have dental care, and they come to school with an infected tooth and abscess. They can't learn well. It is difficult for children who are in pain and discomfort to learn well.

If we do not make a commitment that in balancing this budget we will not balance this budget on the backs of those children and we proceed to do what we did in the last Congress, which is disproportionately cut programs that affect poor people and poor children in America, they don't have any future. What good does it do those children if we are going to balance the budget 6 years from now if we are going to savage them right now?

This is all about values. And if my colleague means or is sincere—and he always is. I guess it is just an honest difference that we have—that surely we are not going to make these cuts, that is what we have done in the past because these children don't hire the lobbyists. They don't march on Washington every day, and one more time they are not the big givers. Maybe there is a connection with all that we are reading about money and politics.

Mr. President, I ask all of my colleagues whether you are against this constitutional amendment to balance the budget or whether you are for it to vote for this amendment. It is all about fairness. We ought to go on record. We ought to make it clear that in our effort to balance the budget with a constitutional amendment—or the way I prefer to do it, not a constitutional amendment—that we go on record that we will not do what we have all too often done in the past—unfortunately, the evidence is clear—that we will not disproportionately cut the programs that benefit and affect the health and the nutrition and education of children.

What is the definition? Just pick out the percentage of low-income programs that are part of the entitlement programs. Pick out the low-income programs for children that are part of the discretionary spending. Pick out the percentage, and in our overall cuts, don't cut them any higher. It is simple. It does not take a rocket scientist to figure it out. Let us not weave and dodge on this question.

I hope that I can get a strong vote. It is a difficult debate because the Senator from Utah is one of the Senators whom I like the most and whom I respect the most. It is an honest disagreement.

But I hope Senators will vote for this. It is the right thing to do. This does not say we are not going to balance the budget. This does not say we should not do what the Senator from Utah believes we should do. It just says that if we are going to lock ourselves into a constitutional amendment, or, if we do not do that, we are still going to make the commitment to balance the budget, that we will not balance the budget on the backs of poor children; that we will invest in the skills, health, and character of children in America, including poor children. These are all God's children. I am telling you something, and I could argue this for 24 straight hours, the history

of the way we have done deficit reduction is that they come out on the short end of the stick.

This amendment I think is the right thing to do. It puts us on record and it makes it clear that we are going to balance this budget based upon the Minnesota standard of fairness.

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

The PRESIDING OFFICER. The Senator from Minnesota has 1 minute remaining.

Mr. WELLSTONE. I reserve the remainder of my time.

Mr. President, I yield the rest of my time.

Mr. HATCH. Mr. President, I will not take long.

I know my colleague is sincere. I know he is a very good person and that he feels very deeply about children. And I have a great regard for him. He knows that. Children have the love in this town. One of the most effective lobbyists in this town is Marian Wright Edelman. I know. She and I worked hard to get the child care bill through. That has helped millions of children all over this country.

I do not take a second seat to anybody with regard to taking care of children. In fact, Elaine and I have six. We are expecting our 16th and 17th grandchild within 2 weeks. I want them to have a future. I want them to have the care. I want there to be some money to help them. I want our country to be solvent. I do not want their futures bartered away and mortgaged away. The reason child care programs are being cut every year is because we are spending it all on interest on the national debt.

The only thing that will give children protection in the future is if we pass this balanced budget amendment. We have here 28 years of unbalanced budgets. I do not know about others, but this pile is very significant to me. Every year we have people who are of the more liberal persuasion saying we should spend more, we should just get the will to balance the budget but we should spend more. They are inconsistent.

Let me just tell you something. I think out of the mouths of children comes the greatest truths sometimes. This is a letter I received from Grant Anderson, a young boy. Here is what he said, August 5, 1996:

Dear Orrin Hatch. I think we have a huge problem with the national budget. I have the easiest way to fix it. Do you want to hear it? OK—

With an exclamation mark. And then he writes in big print the letters. He said:

Stop buying things if you don't have money—

And a bigger exclamation mark. And then he said:

Thanks for your time. Grant S. Anderson. P.S. My mom and dad voted for you.

A particularly good letter, I thought.

But the fact of the matter is Grant is right on the money. My friend Grant Anderson really calls it the way it should be. If we are going to stop spending money we do not have, we have got to get rid of all these years of unbalanced budgets. And since we have proven that we are not going to get rid of them without a balanced budget amendment to the Constitution, then, by gosh, I suggest we pass the balanced budget amendment so by the year 2002 we have the true budget that will be balanced so kids like Grant Anderson and all the kids my colleague is fighting for and I am fighting for will have a future.

Now, to me out of the mouths of young people sometimes comes the greatest truth.

Dear Orrin Hatch. I think we have a huge problem with the national budget. I have the easiest way to fix it. Do you want to hear it? OK. Stop buying things if you don't have money. Thanks for your time. Grant S. Anderson.

I am grateful to Grant. I am grateful that he took the time to write to me, and there are thousands of others who are writing to us who want us to try to put some fiscal sanity into the system. We have tried five different balance-the-budget methodologies and not one of them has worked. The distinguished Senator said his amendment is not a gimmick, but his amendment reads:

It is the policy of the United States that in achieving a balanced budget amendment—

''It is the policy of the United States.'' He is writing policy into the Constitution—

Federal outlays must not be reduced in a manner that disproportionately affects outlays for education, nutrition and health programs for poor children.

I agree with him; it is not a gimmick. It is a risky gimmick. If you start putting language into the Constitution that the distinguished Senator thinks can be easily interpreted, he does not know much about the Supreme Court if he takes that attitude. I have to tell you, we are making a great mistake. So I hope our colleagues will realize it is important to keep this amendment intact. It is the only amendment that has a chance of passing. It is a bipartisan amendment, and I hope we will support it here today.

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

The PRESIDING OFFICER (Mr. KEMPTHORNE). Is there a sufficient second?

There appears to be a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion to table the Wellstone amendment No. 3. The yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

The result was announced—yeas 64, nays 36, as follows:

[Rollcall Vote No. 8 Leg.]

YEAS—64

Abraham	Ashcroft	Bennett
Allard	Baucus	Biden
Bingaman	Graham	McConnell
Bond	Gramm	Murkowski
Brownback	Grams	Nickles
Bryan	Grassley	Reid
Burns	Gregg	Robb
Campbell	Hagel	Roberts
Chafee	Hatch	Roth
Coats	Helms	Santorum
Cochran	Hollings	Sessions
Collins	Hutchinson	Shelby
Coverdell	Hutchison	Smith, Bob
Craig	Inhofe	Smith, Gordon H.
D'Amato	Jeffords	Snowe
DeWine	Kempthorne	Stevens
Domenici	Kohl	Thomas
Enzi	Kyl	Thompson
Faircloth	Lott	Thurmond
Feingold	Lugar	Warner
Frist	Mack	
Gorton	McCain	

NAYS—36

Akaka	Ford	Lieberman
Boxer	Glenn	Mikulski
Breaux	Harkin	Moseley-Braun
Bumpers	Inouye	Moynihan
Byrd	Johnson	Murray
Cleland	Kennedy	Reed
Conrad	Kerrey	Rockefeller
Daschle	Kerry	Sarbanes
Dodd	Landrieu	Specter
Dorgan	Lautenberg	Torricelli
Durbin	Leahy	Wellstone
Feinstein	Levin	Wyden

The motion to table the amendment (No. 3) was agreed to.

Mr. CRAIG. Mr. President, I move to reconsider the vote by which the motion was agreed to, and I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. SPECTER addressed the Chair.

The PRESIDING OFFICER. The Senator from Pennsylvania.

CURRENT MILK CRISIS

Mr. SPECTER. Mr. President, I send a resolution to the desk.

The PRESIDING OFFICER. The Senator from Pennsylvania has sent a resolution to the desk which will require a unanimous-consent request at this time.

Mr. SPECTER. I understand that. I want to make a comment or two about it, and then I will make that unanimous-consent request.

Mr. President, this resolution relates to a very urgent problem on milk pricing in the country, but especially in Pennsylvania, where Senator SANTORUM and I have been working with our farmers to try to find something to grant some immediate relief. This is a problem which exists nationwide, and we believe that we have found a way to deal with this issue in the short run as it relates to the price of cheese, which is an ingredient in establishing the price of milk.

Yesterday, Secretary of Agriculture Glickman accompanied me to northeastern Pennsylvania. We have found that the Secretary has the authority unilaterally to change the price of milk if there is a different price for cheese other than that which has been established by the National Cheese Exchange in Wisconsin.

This is a matter of some urgency, Mr. President, which is why I have discussed with the leadership the prospect of offering this resolution at this time.

I ask unanimous consent that this resolution be taken up on a 20-minute time limit, 10 minutes equally divided, with the yeas and nays on the vote. I submit this resolution on behalf of myself, Mr. SANTORUM, Mr. FEINGOLD, Mr. KOHL, Mr. JEFFORDS, and Mr. LEAHY.

The PRESIDING OFFICER. Is there objection?

Mr. FORD addressed the Chair.

The PRESIDING OFFICER. The Senator from Kentucky.

Mr. FORD. Mr. President, on advice, I must object to the Senator's request——

The PRESIDING OFFICER. Objection is heard.

Mr. FORD. But I want to say why. We are attempting to clear it, and it is not something that I am objecting to lightly. So we are in the process of trying to get it cleared, and as soon as we do, we will lift the objection. So I must object at this time, Mr. President.

Mr. BYRD addressed the Chair.

The PRESIDING OFFICER. The resolution will go over——

Mr. BYRD. Reserving the right to object.

The PRESIDING OFFICER. Would the Senator withhold, please?

Mr. BYRD. Yes.

The PRESIDING OFFICER. The Senate will please come to order. All of the conversations should stop. The Senator from West Virginia has been recognized.

Mr. BYRD. Mr. President, I realize that the objection has already been heard. May I say, I have no objection to the resolution. But I hope the Senator, when he propounds his request again, will not include that provision in the request that states that there be a rollcall vote. That has to be done by a show of hands. I do not want us to get started with having rollcall votes by unanimous consent.

Mr. SPECTER. Mr. President, I thank my distinguished colleague from West Virginia for that suggestion. I shall incorporate that in my next unanimous-consent request.

I understand the reasoning of my colleague from Kentucky. We had circulated this yesterday, so I thought there had been ample time for clearance. It is my understanding that this is an issue which will not cause regional friction, as do so many issues on milk pricing. It is an adjustment on price which will benefit all regions. So it would not customarily draw the objection. I understand it has not been cleared.

I ask unanimous consent that the resolution be printed in the CONGRESSIONAL RECORD. And, the objection having been heard, I will reinstate the resolution at a time when it has been cleared.

(The text of S. Res. 52 is printed in today's RECORD under ''Submission of Concurrent and Senate Resolutions.'')

Mr. SPECTER. I thank the Chair and yield the floor.

The PRESIDING OFFICER. Is the Senator asking that all action be vitiated on this resolution?

Mr. SPECTER. I am not asking that all action be vitiated to the extent that the resolution has been sent to the desk, and that the discussion has been held. I understand that I may not proceed now except with unanimous consent, and unanimous consent has not been granted. I understand why unanimous consent has not been granted. So I do not think I can do anything further, but I do not want to withdraw anything either.

Mr. President, the fact is, I have submitted the resolution for the RECORD. I do not know that I need to do anything else since an objection was heard and I cannot proceed unless there is unanimous consent, which there is not.

The PRESIDING OFFICER. The Senator from Pennsylvania is advised this resolution will go to that section of the calendar that is entitled, ''Resolutions and Motions Over, Under the Rule.''

Mr. SPECTER. A point of information, Mr. President. Does that in any way prejudice my bringing it back to the floor when it has been cleared on both sides?

The PRESIDING OFFICER. It would require a unanimous-consent request again at that time.

Mr. SPECTER. I understand that. It requires a unanimous-consent now. It would require a unanimous-consent at that time. I just do not want to prejudice my position on bringing it back up. Whatever is the appropriate procedural call, I am prepared to accept the ruling of the Chair.

The PRESIDING OFFICER. That is understood.

BALANCED BUDGET AMENDMENT TO THE CONSTITUTION

The Senate continued with consideration of the resolution.

The PRESIDING OFFICER. The Senator from Montana is recognized.

Mr. BURNS. Mr. President, what is the order of business?

The PRESIDING OFFICER. The pending question is Senate Joint Resolution 1.

Mr. BURNS. Mr. President, I rise today to express my support for the balanced budget amendment, the constitutional amendment. I think it is properly named Senate Joint Resolution 1 because it is one of the most important acts that this Congress, I think anyway, will achieve.

My home State of Montana has had that balanced budget amendment law since its inception when it joined the Union in 1889. So, living with fiscal prudence has always been our way of life. Even though there are times when we strayed from this, and had our ups and downs, we always produced a little bit of a surplus, which we had this last time, and the State returned it to the taxpayers. The Federal Government could learn a lot just looking at the example of the States.

For example, according to the Congressional Budget Office, if we do not pass this legislation and we stay with the present trend, it has been pointed out that the deficit will be over 2½ times in 10 years what it was in the year of 1996. Using CBO's numbers, our national debt will rise from $3.7 trillion to over $6 trillion by the year 2007. Every day that goes by without a balanced budget is another step closer to financial calamity for the United States. Around 40 cents of every tax dollar you send to us goes to pay the interest on the national debt, $344 billion last year alone. That is as much as we have spent on law enforcement, education, environment, energy, transportation, agriculture, and technology combined.

I guess in order to understand what we are doing here you have to boil it down to where the average American family can make sense of it and how it relates to them. Over the life of a 30-year mortgage on a $75,000 home, it means a savings of around $71,000; savings of $1,000 on the life of a 4-year loan on an automobile worth $15,000; savings of $1,800 over the life of a 10-year student loan at $11,000. By the way, I am experiencing some of that, and that means quite a lot to this Senator. The grand total of all the savings of these loans will be around $74,000 over the lifetime. I think that is something that we cannot just overlook or ignore as a consumer.

A small State like Montana—we are small businesses, ranching, farming—uses these savings to expand our businesses, thus expanding the economy of Montana.

That is one thing that we have to do in this country. We have to continually expand the economy. If you want to do something for people to ensure jobs, job opportunity, and work opportunity, we cannot stand at the same trough and at the same side of the pie. We have to grow the pie.

In the legislative branch we have to enact this amendment because it seems that we can't rely on the current administration to furnish or enact policies that will provide for further deficit-reduction measures. Sometimes we can't even do it ourselves. The President vetoed the Balanced Budget Act of 1995, which would have led to a balanced budget by the year 2002. All told, this year the omnibus appropriations for fiscal year 1997 added back $70 billion of Federal spending because of pressure from the White House.

Finally, the President has publicly stated that he would like to see the legislation fail. In fact, the President, Secretary Rubin, and Members of this Chamber have been working overtime to ensure that this amendment does not pass.

What is wrong with passing an amendment, sending it to the States, and letting the States decide, getting closer to the people? Unfortunately, some of these individuals have been trying to undermine the balanced budget constitutional amendment by suggesting that if we include Social Security in the equation, this would

cause future harm to the Social Security trust fund and thereby the next generation of seniors. I would like to state flatly that that is exactly the opposite of what we are trying to do here. We are trying to save and strengthen Social Security.

The President has even admitted that no one could balance the budget without the Social Security funds. The President said that.

This is a false argument. It is a risky gimmick that causes undue anxiety among our people.

So my fellow Members believe that Social Security will have to fight it out with other programs if tied to the amendment. This is not the case. Money has already been allocated, and it will remain in these trust funds. We should not be needlessly scaring people into believing that their futures are uncertain. We would never cut Social Security to balance this budget.

So it is a risky business whenever you start talking about setting the Social Security trust fund off to the side and not being included in the budget process.

If you do not include Social Security in this amendment, our deficit will immediately increase by an additional $465 billion during fiscal year 1998 through the year 2002, and by another $602 billion during fiscal year 2003 to the year 2007, for a total of $1.067 trillion over a 10-year period. Excluding this provision will actually make it more difficult to choose which programs will stay and which will be cut away.

So why would anybody suggest anything different? As we know, the balanced budget constitutional amendment will force lawmakers to make some tough decisions. That is the way it should be. We have always lived in a life of priorities.

If we are to save our Nation from future heavy debt and uncertainty, hopefully we will follow the course of what the States do every day. We would hope at least to have a surplus.

I come out of county government. We maintain surpluses in every line item. We always maintain reserves. There is a reason for that because of the tax collection. It makes you maintain reserves. It is prudent to do it.

Nobody knows what the future holds. The American people look to us to provide those funds in the event of emergencies. You cannot do it without maintaining reserves.

So I maintain that to keep safe and secure the future programs like those which are meant to protect our senior citizens and our children, that we have to pass a balanced budget amendment to the Constitution of the United States. It just makes good sense.

Mr. President, I yield the floor.

Mr. CHAFEE addressed the Chair.

The PRESIDING OFFICER (Mr. GORTON). The Senator from Rhode Island.

Mr. CHAFEE. Mr. President, I would appreciate it if the desk would inform me when I have spoken for 7 minutes.

Mr. President, when I speak with Rhode Islanders I often find it very difficult to put the budget problems in perspective. Few, if any, of us understand what a billion dollars is, never mind what $1 trillion is But the current national debt of the United States is $5.3 trillion—not billion dollars, not million dollars—trillion dollars.

So we try to figure how can we put this in some form of perspective and what the national debt is. This is what we owe our children. And the national debt amounts to $20,000 for every American in our Nation, or a bill for a family of four of $80,000.

Let me give you some idea of what $5 trillion is: $5 trillion is enough money to purchase every automobile ever sold in the United States and have enough money left over to purchase every airline ticket ever sold for travel in the United States. You buy all the automobiles that have been made in the history of the United States, and then you have money left over to buy every airline ticket that has ever been sold in the United States, and then you will have used up $5.3 trillion; $5 trillion is equal to the asset value of all the U.S. stocks held by Americans. If we went out to spend a dollar every second of every day to reach the goal of $5 trillion, it would take 158,000 years at a dollar per second.

When the Federal Government spends more than it collects in tax revenue, it borrows the difference. This debt, obviously, is a liability for future generations. My children, your children, these young people here, the young people all over America are going to have to pick up the bill for what we spent that we didn't collect taxes for. And those who support a balanced budget constitutional amendment such as we have before us believe the Federal Government should do just like a family does. All families in America have to pay their bills. If they don't, they go into bankruptcy and go through a lot of extreme difficulties. But the Federal Government does not pay its bills. It does not collect enough in taxes to pay what we are buying.

The Governor of California, Earl Warren, once said—I never forgot it—the people of California can have anything they want, anything they want, as long as they are willing to pay for it. And that should be the guiding rule for us in the United States.

People might say, ''Well, sometimes you have to borrow some money.'' Sure you do. Thomas Jefferson borrowed $15 million to finance the Louisiana Purchase. And our Nation, obviously, had to borrow money during World War II in the 1940's to pay for that war. No one would argue with those decisions. But when we borrow money, we ought to pay it back and pay it back promptly. That isn't the way the Federal Government works today.

Mr. President, what this balanced budget amendment is attempting to do is to say if we want something in the United States, then we ought to levy taxes to pay for it. And if we are not willing to levy the taxes to pay for it, whether it is better parks or better education or better health care or better protective services or a stronger FBI or better facilities for our Ambassadors and officials of our Foreign Service serving abroad, all of those things, maybe they are fine. And if they are and if the decision is that they are fine, then let us levy the taxes to pay for it. That is what this amendment is all about.

Mr. President, I hope that this first step on a long road to balancing our budget will be undertaken. This, of course, does not say we are going to pay off that $5.3 trillion debt. But we will get started on it. First, we will not be adding to it every day of every year. Certainly, for the last 40 years we have spent more than we have taken in. That is why we have the $5.3 trillion deficit.

Mr. President, I think that this balanced budget amendment is a good start. I hope it will be approved.

I thank the Chair.

Mr. HELMS addressed the Chair.

The PRESIDING OFFICER. The Senator from North Carolina.

Mr. HELMS. I thank the Chair.

UNANIMOUS-CONSENT AGREEMENT—NOMINATION OF BILL RICHARDSON TO BE U.N. AMBASSADOR

Mr. HELMS. Mr. President, as in executive session, I ask unanimous consent that the majority leader, after consultation with the Democratic leader, may proceed to executive session to consider the nomination of BILL RICHARDSON to be U.N. Ambassador. I further ask that there be 30 minutes for debate on the nomination equally divided between the chairman and ranking member of the Foreign Relations Committee, and following the conclusion or yielding back of time the Senate proceed to a vote on the confirmation of the nomination. I finally ask that following the vote, the President be immediately notified of the Senate's actions, and that the Senate then return to legislative session.

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

EXECUTIVE SESSION

Mr. HELMS. Mr. President, are the papers on the nomination at the desk?

The PRESIDING OFFICER. The papers are at the desk.

The Senator from North Carolina is informed that under the unanimous-consent agreement, the nomination can be brought up by the majority leader after consultation with the minority leader, and therefore the nomination is not yet before the Senate.

Mr. HELMS. My understanding is that that consultation has occurred because I was handed this unanimous-consent request.

The PRESIDING OFFICER. Does the Senator from North Carolina ask unanimous consent that the Senate take up the nomination?

Mr. HELMS. Yes.

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

NOMINATION OF BILL RICHARDSON, OF NEW MEXICO, TO BE THE U.S. REPRESENTATIVE TO THE UNITED NATIONS

The legislative clerk read the nomination of BILL RICHARDSON, of New Mexico, to be the representative of the United States of America to the United Nations with the rank and status of Ambassador Extraordinary and Plenipotentiary, and the Representative of the United States of America in the Security Council of the United Nations.

Mr. HELMS addressed the Chair.

The PRESIDING OFFICER. The Senator from North Carolina.

Mr. HELMS. I thank the Chair.

Mr. President, today the Senate fulfills its constitutional duty on the nomination of Congressman BILL RICHARDSON to serve as our country's Permanent Representative to the United Nations.

The Senate Committee on Foreign Relations met for almost 3 hours on Wednesday, January 29, to consider the Richardson nomination. During that hearing, the committee also heard from a bipartisan group of six Members of Congress who introduced Congressman RICHARDSON.

That group included the distinguished chairman of the Senate Budget Committee, Senator DOMENICI, the junior Senator from New Mexico, Senator BINGAMAN, the distinguished chairman of the Senate Judiciary Committee, Senator HATCH, the chairman and ranking member of the House International Relations Committee, Congressmen GILMAN and HAMILTON, and Congressman ROBERT MENENDEZ of New Jersey.

During the hearing, Congressman RICHARDSON was questioned extensively by many members of the committee on a broad range of issues related to the United Nations, and other foreign policy matters.

At the conclusion of the hearing, it was agreed to keep the record open until close of business on January 31, so that Senators could submit written questions to the nominee. Five Senators submitted 135 such questions, all of which were answered in writing by Congressman RICHARDSON. The administration also complied with a document request concerning State Department involvement with negotiations to free certain hostages in Southern Sudan.

Earlier today, after members had spent several days examining the written replies, the committee met in a business meeting to consider this nomination. By a vote of 17 to 0, the Committee on Foreign Relations reported favorably the Richardson nomination.

Mr. President, Congressman RICHARDSON has been nominated to one of the Nation's top foreign policy posts. He has been nominated at a critical time in the history of the United Nations. I believe that he could very well make history as the U.S. Permanent Representative who rolled up his sleeves and worked with Congress to bring true and lasting reform to that dysfunctional institution.

We have heard a lot of rhetoric from the administration and the international community about the need to pay arrearages to the United Nations. U.S. contributions to the United Nations have been withheld by Congress for a valid reason: to cause the U.N. bureaucracy to wake up and smell the coffee. As I told Congressman RICHARDSON, I believe Congress may be willing to pay those arrears, but only—and I repeat emphatically, only—if payments are tied to concrete reform.

Last month, the members of the Senate Foreign Relations Committee had a long and productive meeting with the new U.N. Secretary General, Kofi Annan. I believe Mr. Annan genuinely wants to reform the United Nations, and I genuinely want to help him. But like Ronald Reagan used to say: ''trust but verify.''

That is why I told Mr. Annan that I intend to introduce legislation shortly that sets benchmarks for U.N. reform, and that rewards reform with payment of the U.S. arrearage. As each benchmark is met, money will be dispensed, thus ensuring U.S. contributions will be linked to concrete accomplishments.

I have asked the Secretary General for his ideas and input, as I work with Senator GRAMS, who will chair the international operations subcommittee during this Congress, and as I work with other Senate colleagues to prepare this legislation.

Mr. President, Congressman RICHARDSON has pledged to work with the Senate Foreign Relations Committee and with the Congress as a whole, in implementing concrete reforms at the United Nations. We welcome his input.

I believe that on balance, he is well qualified for the post of U.S. Permanent Representative to the United Nations. I look forward to working with him in moving our agenda forward.

I yield the floor.

Mr. GREGG addressed the Chair.

The PRESIDING OFFICER. The Senator from New Hampshire.

Mr. GREGG. Who controls the time?

The PRESIDING OFFICER. The Senator from North Carolina controls the time on his side.

Mr. HELMS. I yield 5 minutes to the Senator.

Mr. GREGG. I thank the chairman of the Foreign Relations Committee for yielding me time on this nomination. I rise in support of this nomination of Congressman RICHARDSON to be America's Ambassador to the United Nations. I had the pleasure of serving with BILL RICHARDSON while he was in the House. We arrived at nearly the same time.

He was a joy to serve with, and I have a lot of respect for what he has done since that time, especially in the area of international affairs where he has in a number of instances been able to extricate Americans from very difficult situations.

However, on this issue of the nomination, I think we also need to address the question of the status of the United Nations and especially the relationship of this Government to the United Nations, and a few caveats need to be pointed out.

Specifically, my concern, and I think the concern of a number of Members of Congress, is with the payment of arrearages to the United Nations. The administration, we hear by rumor, is going to send to this Congress a supplemental, which supplemental will include in it a $900 million plus request for payment of arrearages to the United Nations.

There are two major issues raised by this. First, the question of whether $900 million is the correct number. There is some serious concern by those of us who have looked at this issue that that number may be too high and that the proper number should be less because we as a government have not received proper credit for costs of peacekeeping which we have incurred and should have been credited for.

Second, independent of what the right number is relative to arrearages, there is the question of what the money will be spent for in the future. The United Nations has some very serious problems in its management.

The new Secretary General, Kofi Annan, has made a commitment to try to address those problems, and we respect that commitment. But we need to go beyond verbiage. We need to go beyond language, and we need to have specifics, and we need to have enforceable and identifiable and ascertainable standards we can look to.

Specifically, we need to have from the United Nations a system to review where the money is spent. There is not now available to those who wish to review, those member countries that wish to review, an effective accounting procedure for where the money goes once it arrives at the United Nations, and we need to have that.

Second, we need to have an effective process for determining the personnel policies of the United Nations. There is not now a structure for adequately reviewing how personnel decisions are made at the United Nations. There is a legitimate concern that there are a significant number of political appointees at the United Nations, patronage, for lack of a better word, and that these appointees do vote in many instances. That is the representation. It may or may not be correct. But because there is no system to be able to review the personnel policies of the United Nations, because they do not have a systematic personnel policy system, it is impossible to evaluate the accuracy of these representations.

Third, we need to have the process for evaluating the full services delivered by the United Nations, the programmatic initiatives taken by the United Nations and whether or not they are being efficiently and effectively handled. This is a very genuine concern because there is a very significant amount of anecdotal evidence, at least, that many of the activities and dollars that have been spent to support those activities may not have produced the results sought, or in many instances the dollars may have just been misplaced in at least a few cases that have been found by the present inspector general, even misappropriated.

So until we get in place these three major accounting processes, which are typical of any major structure of government or of the private sector, an accounting structure for knowing where the money goes, an accounting structure for knowing what the personnel policies are, and an accounting structure that allows you to follow programmatic activity as to its efficiency and effectiveness, until we get something in place that shows us we are going to have those types of systems in place that allow us to review and know whether or not our dollars are being spent effectively, it is very hard for us as the fiduciaries of our citizens' dollars, as the managers of our taxpayers' hard-earned income that is sent here as taxes, to say to the United Nations you shall have this money in a carte blanche type of approach.

So there will be a significant debate in the Senate, and I suspect in the Congress generally, as to how we structure any payment on arrearages, and it is going to be my position, which I intend to aggressively pursue—and it really is a position where I follow the lead of the chairman of the committee—that we have effective accounting procedures in place and that they be ascertainable and that they be structured in a way that we are sure we are getting our dollar's worth of effective administration, personnel management and services.

The PRESIDING OFFICER. The 5 minutes yielded the Senator have expired.

Mr. GREGG. I thank the Presiding Officer for his courtesy and the chairman for his courtesy.

Mr. BIDEN addressed the Chair.

The PRESIDING OFFICER. The Senator from Delaware.

Mr. BIDEN. Mr. President, I rise in support of our colleague, Congressman RICHARDSON, to become our Ambassador to the United Nations.

Mr. President, I will very shortly yield back the remainder of the time. I understand I have 15 minutes under my control.

Mr. President, I take this opportunity to thank the chairman, Senator HELMS, for his willingness to bring this important nomination to the floor so expeditiously.

I join Chairman HELMS in endorsing the nomination of Representative BILL RICHARDSON to be the Permanent Representative of the United States of America to the United Nations, with rank of Ambassador.

I commend President Clinton for having nominated him, and I strongly urge my colleagues here today to vote to confirm this distinguished Member of Congress who already has a long list of diplomatic accomplishments to his name.

Congressman RICHARDSON has ably represented the Third District of New Mexico for 14 years, but it is his experience in successfully negotiating the release of Americans and others in some of the world's least hospitable locales that has brought his formidable diplomatic skills to light. This diplomatic experience will serve him well at the United Nations as he seeks to advance American interests in contacts with 185 other nations.

Likewise, Congressman RICHARDSON's personal background and political experience have prepared him well to represent the United States in the world body.

BILL RICHARDSON was born in California and grew up in Mexico City. He attended high school in Boston and remained there to attend Tufts University, where he earned a bachelor's degree and a Master of Arts in Law and Diplomacy.

BILL RICHARDSON then came to Washington, working in the Legislative Affairs Office at the State Department and as a staffer on the Senate Foreign Relations Committee, where, like his predecessor, Secretary of State Albright, he gained an appreciation for the role of the Senate in helping craft American foreign policy.

In 1978, BILL RICHARDSON moved to Santa Fe, and in 1982 he won election to this first term as a Member of Congress. His vast district has been described by one writer as a ''mini-U.N.,'' with a diverse population that is 35 percent Hispanic and 25 percent Native American, including members of 28 different tribes.

As a Congressman, he served on the Intelligence Committee and was a fervent advocate of the North American Free Trade Agreement.

Mr. President, I ask unanimous consent to have printed in the RECORD the official biography of BILL RICHARDSON.

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

REPORT FOR THE COMMITTEE ON FOREIGN RELATIONS, UNITED STATES SENATE

Subject: Ambassadorial Nomination: Certificate of Demonstrated Competence—Foreign Service Act, Section 304(a)(4).

Post: U.S. Mission to the United Nations.

Candidate: Bill Richardson.

Bill Richardson has served as a member of the U.S. House of Representatives, representing the state of New Mexico since 1983. He serves on the Commerce, Resources and Intelligence Committees. Mr. Richardson is active on the North Atlantic Assembly, the Helsinki Commission on Human Rights, the Congressional Hispanic Caucus, and the House Democratic Steering Committee. In addition, Congressman Richardson serves as Chief Deputy Minority Whip.

Congressman Richardson has been active in hostage negotiations in a number of countries which include the Sudan, North Korea, Cuba, and Iraq. His diplomatic skills have been instrumental in the release of a number of American hostages.

Prior to his election to the U.S. House of Representatives, Mr. Richardson served as a Staff Member of the U.S. Senate Foreign Relations Committee, a Congressional Liaison Officer as the Department of State, and a Staff Member of the Wednesday Group of the U.S. House of Representatives.

Mr. Richardson received a B.A. from Tufts University and an M.A. from the Fletcher School of Law and Diplomacy at Tufts. He is the recipient of honorary degrees from the University of the Americas in Mexico, the College of Santa Fe, and the Fletcher School of Law and Diplomacy. Mr. Richardson has published a number of articles dealing with U.S.-Mexico relations.

Born November 15, 1947, Mr. Richardson speaks Spanish and French. He has won numerous awards including the Aztec Eagle Award from Mexico Government in 1994. In 1995, he was nominated for the Nobel Peace Prize.

Mr. Richardson's dedication to public service and his strong diplomatic and leadership skills make him an excellent candidate as U.S. Representative to the United Nations.

Mr. BIDEN. Mr. President, BILL RICHARDSON has engaged in successful diplomacy with some of the world's most recalcitrant regimes and rebels. His humanitarian concern for individuals and his commitment to advance this country's interests have led him to countries like North Korea, Cuba, Iraq, Serbia, Nigeria, Burma, Haiti, and Sudan. My colleagues will recall that he negotiated the release of an American helicopter pilot in North Korea, three Red Cross workers in Sudan, and two Americans imprisoned in Iraq.

Two weeks ago, Congressman RICHARDSON came before the Senate Foreign Relations Committee and outlined how the United Nations should be used to advance American interests, while streamlining its bureaucracy and reforming its structure. I ask unanimous consent that his statement before the committee be printed in the RECORD.

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

STATEMENT BY REPRESENTATIVE WILLIAM RICHARDSON BEFORE SENATE FOREIGN RELATIONS COMMITTEE

Mr. Chairman, distinguished Members of the Committee, it is a pleasure to meet with you this morning. I would like to begin by expressing my gratitude to President Clinton for nominating me to this important and challenging position. I am deeply honored by his trust and deeply conscious of the fact that, if confirmed, I will be representing the United States, and the interests and values of its people to the world. This is a heavy responsibility that I do not undertake lightly. But I assure you that, if I am confirmed, America will have no more forceful advocate of its views and no more forceful defender of its sovereign interests.

I would also like to thank you, Mr. Chairman, as well as Senator Biden, for moving forward so expeditiously with my nomination. I was very encouraged by the calls for bi-partisan cooperation on U.S. foreign policy at Secretary Albright's confirmation

hearing, and I look forward, if confirmed, to working with you in the same spirit.

I also extend my appreciation to Senators Domenici and Bingaman, and Representatives Gilman, Hamilton and Menendez, for their kind introductions. It has been my privilege to work with these distinguished individuals. In my tenure in the Congress, I have also come to know a number of the members of this Committee. I have seen how deeply committed you are to advancing the interests of the America people. I thank all of the members of the Committee for the courtesies you have extended to me during the last few weeks.

I would like as well to express my great admiration and respect for the work of my predecessor, whose resolve, frankness, and just plain good sense made her four years at the U.N. such a resounding success. If confirmed, I hope to profit from her example and to work closely with her as a member of the President's foreign policy team.

Finally, I wonder if I might take a brief moment to introduce my wife Barbara.

Mr. Chairman, I am proud of my longstanding commitment to public service. For seven terms in the House of Representatives, I have sought to demonstrate that commitment by serving my constituents and my country to the best of my abilities. Those fourteen years of service, I believe, provide me with a perspective and a sensitivity to issues that will strengthen my working relationship with you, this Committee, and the Congress.

We share a love for our nation and a determination to preserve and strengthen America's global leadership, to promote our goals of world peace and security. We want a better world for our generation, our children's generation and all those who follow.

The good news is that we live at a time of remarkable promise. Our nation is at peace. Our economy is strong. And our most fundamental beliefs are ascendant, as more countries and peoples than ever before enjoy the advantages of open societies and open markets. But we also face a host of threats—from rogue states and the spread of weapons of mass destruction to terrorism, drug trafficking and environmental degradation—that can all too easily undermine our hardwon gains and our hopes for the next century.

I believe the U.N. is at a crossroads—and so is America's leadership in the institution. Both the U.N. and the U.S. face fundamental choices: for the United Nations, to adapt fully to new demands and changing times, or to suffer the erosion of support from nations and peoples. For the United States, the choice is to sustain our leadership in a reformed, effective U.N. or lose our voice in an institution that has helped us advance American interests for half a century. The U.N. must do its part. But we too must make the right choice. Let me explain why:

As a global power with global interests, the United States must lead in seizing the opportunities and meeting the challenges of this new era. And to lead, we must have all the tools of leadership at our disposal. Sometimes, when our vital interests are at stake, we have to be willing and able to act alone. That's why we are determined to maintain a strong military, and an assertive, well-funded diplomacy.

But the U.S. can't do everything; nor should we try. As President Clinton has put it, ''we cannot sustain our leadership or our goals for a better world alone.'' That is why the U.N. is essential: not as an independent actor on the world stage, but as an instrument that helps us mobilize the support of other nations for goals the American people support. Without it, we would face, more and more often, the stark choice between acting alone and doing nothing.

I know there are some who question whether our participation in the U.N. serves American interests. The question is a fair one—but the answer is clear: America's most fundamental interests are best served by our active, hard-headed leadership in the U.N.; they will be set back if we drop out—either in the literal sense or by failing to shoulder our fair share of responsibilities.

The values that inform the U.N. Charter are also American values; the Charter's sentiments and, in many ways, its very words echo the ideals so familiar to generations of Americans: ''to reaffirm faith in fundamental human rights, in the dignity and worth of the human person, in the equal rights of men and women.'' This should be no surprise given the role that Americans played in conceiving and drafting the U.N. Charter.

But U.S. participation in the U.N. is not merely a question of values. U.S. participation has made a positive difference in meeting an extraordinary range of challenges around the world. It enables us to build international support for our foreign policy goals at a lower price; during the Gulf War, this multiplier effect meant that the international community shared the costs and responsibility of defeating Iraq. We see peace in Cambodia, El Salvador, Angola, Namibia and Mozambique thanks in no small part to the powerful combination of effective U.S. leadership and sustained U.N. engagement.

Mr. Chairman, I have seen for myself how the United Nations can help us further America's interests: today, IAEA inspectors help to verify that North Korea is living up to its commitment not to produce nuclear weapons; in remote parts of Sudan to which Americans have little or no access, I have seen how U.N. affiliated organizations help protect and feed the innocent victims of a terrible humanitarian disaster. In Burma, I have seen how the nations of the world at the U.N. General Assembly and led by the United States, have brought hope to embattled democrats by justly condemning a repressive regime.

As the President said last week, ''our well-being at home depends on our engagement around the world.'' U.N. agencies contribute to the safety and security of Americans; they even protect U.S. jobs: the ICAO's aviation safety and security standards disproportionately benefit Americans (who make up 40 percent of all international air travelers); labor standards set by the ILO help ensure that U.S. exports remain competitive overseas; trademark and copyright protections overseen by the World Intellectual Property Organization protect billions of dollars in U.S. exports of movies, software, music, books, and industrial inventions; the FAO and the WHO set international food product safety and quality standards that benefit our agricultural exporters as well as our consumers.

Increasingly, we use U.N. bodies to gain international support for addressing such dangerous transnational scourges as terrorism, crime, and narcotics trafficking. We work with and through the U.N. to achieve our objectives on human rights, the environment, and child labor—all issues of great importance to the American people. The U.N. has helped bring the world together in caring for refugees, feeding starving children, eradicating smallpox and battling AIDS. If we can maintain our leadership within the organization, this will continue to be so.

During the last several years, Secretary Albright worked tirelessly on U.N. reform, and she produced results: a new Secretary General was appointed, committed to accelerate the pace and widen the scope of reform; the U.N. was persuaded to adopt no-growth budgets—both currently and for the foreseeable future—and to reduce the number of people working in the U.N. Secretariat by several hundred. Furthermore, we have persuaded the regional economic commissions to begin initial re-prioritizing, and we have taken at least the first steps toward streamlining the specialized agencies.

Make no mistake, the U.N. has serious problems to surmount. There should, for example, be better coordination of its activities, consolidation of related programs and bodies, and elimination of redundancies and low-priority activities. The specialized agencies must learn to live within their means. And the whole U.N. system must take a page from the business community's handbook and learn to do more with less. The High-Level Working Group on U.N. reform proposed by President Clinton at the 49th General Assembly to address key economic, social and administrative issues has made little progress, and changes so far at the specialized agencies have been ad hoc and tentative.

Secretary General Kofi Annan has publicly committed himself to achieving the kind of reform that will make the U.N. more effective. His appointment presents us with an opportunity to push for reform and solve our arrears problems. He appears receptive to changing the way the U.N. operates; in his public remarks since being appointed he has stressed the need to make the U.N. ''leaner, more efficient and more effective.'' I know his words have been applauded up here on the Hill and I was very encouraged by the series of meetings he held last week here in Washington—in particular by his meeting with you, Mr. Chairman, and members of the committee. His job will be a difficult one, but with will and effort, it can be done. If confirmed, I will press relentlessly to make sure that reforms are undertaken, both in the U.N. and the specialized agencies, and that our priorities are key factors in U.N. decision-making. At the same time, I'll ask your support for America's leadership in the U.N.—and for fulfilling the commitments that will enable us to lead.

Mr. Chairman, as a member of Congress, I know perfectly well that while our constituents want to see America involved in the world, they are not interested in seeing tax dollars wasted on programs that are inconsistent with American interests or values. A central part of my job will be to make this reality absolutely clear to the U.N. and its 184 other members.

In four years, I hope this Administration will be able to say that by working with you and other key committees in Congress we: Helped the U.N. and its specialized agencies make the transition to smaller and more efficient organizations; put our U.N. assessments on a sustainable financial footing that preserves U.S. influence within the U.N. system; paid America's debt to the U.N.; and rebuilt bipartisan support in the United States for continued American leadership within and through the U.N.

To accomplish these far-reaching changes, we envision a reform package consisting of five elements: Maintaining at least zero growth in the U.N. budget, streamlining the U.N. Secretariat in terms of personnel and organizational structure, streamlining the U.N.'s ''big three'' affiliated agencies: the Food and Agriculture Organization, the International Labor Organization, and the World Health Organization, negotiating lower U.S. scales of assessment for the U.N. regular budget, the budgets of affiliated agencies, and the U.N. peacekeeping budget, and negotiating the kind of Security Council reform that preserves its efficiency and protects the prerogatives of the current Permanent Members, while adding Germany and Japan.

To see these reforms implemented, however, I will need the help of the Congress.

The administration is prepared—even eager—to work with you to help achieve our U.N. goals. But our efforts are increasingly hampered by international resentment over our arrears. As the U.N. cleans its house, we must do our part. Our U.N. debt continues to hurt our efforts to press for reform and damages our influence in the U.N. and its affiliated agencies. The United States needs to get out of debt and stay out of debt. As the President said just last week ''We cannot expect to lead through the United Nations unless we pay what we owe.''

For that reason, at the same time as I make America's case at the U.N. I will be making the case to the Congress and the American people that a reformed, effective U.N. serves our interests in concrete ways and that our arrears have harmed our ability to press for reform. As Secretary Christopher used to say, ''we can't reform and retreat at the same time.''

Clearly, the Administration and the Congress must work together on a bipartisan basis to advance U.S. interests through a reformed United Nations. In addition to my commitment to pressing for U.N. reform, I also pledge to you to make every effort to reinforce the unfailing commitment of the American people to democracy and human rights around the world.

I believe that one of my highest responsibilities will be to confer, cooperate, and consult with the Congress across the board on the widest range of U.N.-related issues, both in Washington and in New York. If confirmed, I will welcome your advice, Mr. Chairman, and that of every member of this Committee and of the Congress. I extend to you individually and collectively a standing invitation to come to New York and see for yourselves what we are doing there. My door will always be open.

On one thing we can all agree: the U.N. can and must do better and since we are part of the U.N. we must together be part of the solution. If, with your consent, I am confirmed, I can pledge to you that you will find no one more committed to getting the job done.

Thank you very much.

Mr. BIDEN. Mr. President, Congressman RICHARDSON reminded us that while U.N. reform is important, we must never lose sight of the fundamental value of the United Nations for our national interests. We rely on the United Nations to provide humanitarian assistance to millions who otherwise would have no source of food or shelter. We rely on the United Nations to eradicate disease and improve health. We rely on the United Nations to prevent nuclear proliferation. We rely on the U.N. to facilitate and maintain peace. The United Nations allows us to combine our resources with those of others to bring about outcomes that are in our national interest.

We must pursue reform, but we should not use reform as a stalking horse to undermine the United Nations' ability to carry out tasks that serve our fundamental interests.

We must maintain our leadership in the United Nations. Doing so entails meeting our commitments to the United Nations; specifically, it means paying our back dues. We cannot expect others to fulfill their international obligations if we do not fulfill our own.

The President's request for a $921 million supplemental appropriation. to be disbursed 2 years from now, is a good place to begin a bipartisan effort to pay off our debt and encourage meaningful U.N. reform.

Mr. President, I look forward to working with Congressman RICHARDSON over the next 4 years to ensure that the United States continues to play a leading role at the United Nations so that the United Nations continues to work in America's interests.

Let me just suggest that I think since I have been here—and it has been 24 years—we have not had anyone who by temperament, experience, background, and education is any more qualified to be our Ambassador to the United Nations than Ambassador RICHARDSON. We, all of us who have served here, at least for 2 years or more, have come to know him personally or have become acquainted with his incredible record of special missions, where he has not gone off on his own but gone off under the aegis and umbrella, at least, and being told by informing administrations what he has been doing, and the remarkable negotiations that he has undertaken with such remarkable results.

The reason I mention that is not that that qualifies a man or woman to be the Ambassador to the United Nations in and of itself, but it indicates that this is a man who understands how to assess his opposition's interests and how to try to meet that interest without yielding on any principle that is important to this country. I think Madeleine Albright did that job well, as others have, and I think that BILL will do it equally as well.

I also think that he goes there equipped with a firsthand knowledge of the concerns expressed by the chairman of the committee, the Senator from North Carolina, and our distinguished colleague from New Hampshire, who just spoke. This is not something he has to divine or guess about. This is not just in terms of our arrearages. Our involvement with the United Nations—and the future relationship the United States will have with the United Nations—is something that he is personally aware of, in terms of the intensity, the extent to which the concern exists, and the detail of the concern as emanated from the U.S. Congress, both in the House and the Senate.

So, he is a man who will arrive on the scene fully aware of both sides of this equation. He is not just a very gifted academic or diplomat who will serve us there. He is not someone who has just learned academically of the concern of the Congress and the simple, basic, legitimate political concerns that we have. I don't mean partisan political, I mean political in the sense that we have to answer to our constituencies as to what we are going to do about paying arrearages, if we pay arrearages, and how we pay them. And I think that is a particularly useful background for a man to have at this moment, going to that job.

He is, as I said, academically qualified. He is qualified by temperament. He is qualified by experience. And he is qualified, uniquely qualified in what is probably the single most significant issue that has faced our relations with the United Nations, probably since the United Nations has come into existence. That is: What is the relationship and role of the President's authority to make commitments relative to the use of American dollars and forces in other parts of the world, and how does that interrelate with the Congress and the Senate, in particular, and how and under what circumstances should we be making up our arrearages and looking out for our longer term interests at the United Nations?

So for those reasons and many others which I have not mentioned here today, I think BILL RICHARDSON is the right man for the job at this moment, although I suspect he would be qualified for the job at any moment. But I think he is particularly qualified to take over this job at this time.

Mr. GRAMS. Mr. President, as the new chairman of the Subcommittee on International Operations, I am pleased to offer my support for the nomination of BILL RICHARDSON to serve as the U.S. Ambassador to the United Nations.

Many of us have followed Congressman RICHARDSON's globe-trotting missions to assist captured Americans in hostile circumstances. I want to express my personal appreciation for the successful effort he made two years ago to obtain the release of Bill Barloon in Iraq, since Mr. Barloon's brother lives in my home State of Minnesota.

We were very grateful. I have no doubt that the lessons BILL RICHARDSON has learned from these missions, which one newspaper dubbed ''daredevil diplomacy,'' will serve him well at the United Nations. Often, it seems the United States must use just the right mix of aggressive persuasion and diplomatic negotiations to convince the other 184 member states at the United Nations to go along with even minor reforms.

As a member of the Foreign Relations Committee, I have long had an interest in the reform and revitalization of the United Nations. But late last year, I was given the opportunity to become personally involved in some of the controversial issues surrounding this body when President Clinton appointed me to be a congressional delegate to the U.N. General Assembly.

From October to December, I made three trips to the United Nations to participate in its activities. These included not only meeting with a wide range of U.N. officials and representatives from other nations, but also speaking before the U.N. budget committee—known as the Fifth Committee—and also the General Assembly itself.

This experience reinforced my two key beliefs about the United Nations. First, that a properly structured United Nations can be a useful international forum and a vital tool for

American foreign policy. And second, that it is also an unbelievably complex and bureaucratic organization which is crying out for an overhaul.

Last month, I was encouraged by the visit to Washington of the new U.N. Secretary-General, Kofi Annan, and by his assertions to Congress that additional reforms are in the offing. I know many of us look forward to reviewing the reform package he has promised to develop by September of this year.

During both his public testimony and in a private meeting with me, BILL RICHARDSON pledged unprecedented consultations with Congress on U.N. issues. I deeply appreciated that promise and know that Mr. RICHARDSON, as a member of Congress himself, understands the importance of genuine interaction between the executive and legislative branches on foreign policy.

In that vein, there are some matters at the United Nations that I believe require immediate attention and I hope to begin working promptly with soon-to-be Ambassador RICHARDSON to address them.

To begin with, I am alarmed by the lack of resources currently being made available to the U.N. Inspector General, known as the Office of Internal Oversight Services, or the OIOS. This office is one that would not exist without American advocacy and, I might add, without the pressure of legislation mandating that some United States contributions to the United Nations be withheld until it was created.

The OIOS is charged with rooting out waste, fraud, abuse, and mismanagement at the United Nations. According to the Undersecretary-General who runs the office, it does not always receive the cooperation it needs from all U.N. staff and member states.

This is unfortunate because the purpose of the OIOS is to save money and make more effective use of U.N. resources. All member states should remember that money wasted is money that will not help meet the goals of programs that they themselves mandated the U.N. undertake.

My immediate concern is that the budget of the OIOS has been cut dramatically this biennium, including a reduction of $700,000 just in 1997. It also has 12 posts which have not been filled, giving it an especially high vacancy rate for U.N. offices. In fact, my understanding is that the OIOS has only about 10 trained investigators to handle the massive job of U.N. oversight.

Not only is this simply unacceptable, but it causes us to question whether the U.N. Inspector General's office is truly independent.

Now I hope one of Mr. RICHARDSON's first priorities will be to sit down with Secretary-General Annan and figure out how to bring the OIOS up to full strength.

This means not only filling vacant posts for 1997, but making sure there is funding in the 1998–99 budget outline to continue those posts into the next biennium. It also means making sure the OIOS has sufficient resources to support the activities of its investigators.

We have heard enough excuses on this issue and it's time for it to be resolved. The United States has declared that one of its reform goals is to expand the U.N. Inspector General's authority to all agencies and programs throughout the U.N. system. I strongly support this reform goal, but question how it can be accomplished when the OIOS is having great difficulty meeting its current responsibilities.

Another issue which has caused deep congressional concern is the loss of the U.S. seat on the U.N. Advisory Committee on Administrative and Budgetary Questions, known as the ACABQ.

This is the first year since the founding of the United Nations that the United States has not had a position on this crucial budget committee. Without this seat, it will be even more difficult for the United States to get access to important technical budget information at the very time we are trying to enforce fiscal restraint and a no-growth budget at the United Nations.

I would recommend Mr. RICHARDSON take three important steps with regard to the ACABQ: First, he must make sure the U.S. mission to the United Nations and Congress will continue to have access to important budget information whenever necessary.

Second, he should ensure that any matters involving the commitment or reprogramming of U.N. funds are considered in the General Assembly's Fifth Committee, on which the United States still has a seat, rather than only by the ACABQ.

Now third, it is clear the United States must regain its seat during the next elections for the ACABQ in 1998. Given the stunning loss of the last U.S. candidate, Mr. RICHARDSON and the State Department need to fully consult with Congress before nominating our next ACABQ candidate.

Mr. President, before I close, I want to say a few words about the major U.N. issue facing Congress this year, which is the President's request for $1 billion to pay United States arrears to the United Nations.

Given what I understand so far of the President's plan—and I still have yet to see anything on paper from the administration—I must express my disappointment with his U.N. reform proposal.

First of all, I am dismayed by the reluctance, if not outright refusal, of the administration to link incremental payment of U.S. arrears to specific U.N. reforms mandated by law. Clearly, this general approach has been successful on a series of reforms ranging from the creation of the U.N. Inspector General to the ongoing implementation of a no-growth budget.

Second, I am concerned the administration is focusing narrowly on simply reducing U.N. budgets and assessments to the United States. While I agree that mandating budget reductions can force U.N. bureaucrats to prioritize funding and programs, this is only part of the picture.

There are a whole series of management reforms that also deserve to have the leverage of U.S. arrears behind them. The point is that we don't just want a less expensive United Nations, but one that is more manageable and efficient.

Third, I have reservations about the President's request for $921 million as an advance appropriation for fiscal year 1999. These reservations are heightened if such funding will not be legislatively conditioned on mandatory reforms.

My personal view is that this appropriation should not be rushed through Congress just so the President can have it in his pocket for safekeeping. We should consider this funding in the normal authorization and appropriations process so that it can be examined in the context of all budget priorities.

I understand that Secretary Albright will be coming to Congress tomorrow to discuss the President's proposal so I will defer other comments until after that meeting. However, as an opening bid in the negotiations over how to resolve U.S. arrears and guarantee U.N. reform, the administration's plan seems to be falling short.

Therefore, Mr. President, I hope negotiations between Congress and the administration can proceed quickly so that we can begin discussing a serious, comprehensive U.N. reform agenda. To that end, I look forward to working with our next United States Ambassador to the United Nations, BILL RICHARDSON, on a close and productive basis to strengthen the relationship between the United States and the United Nations.

Mr. FAIRCLOTH. Mr. President, I rise in support of the nomination of BILL RICHARDSON to be U.S. Ambassador to the United Nations.

But, Mr. President, I must express my concern about the United Nations, particularly the imminent discussion about a multibillion-dollar bailout of this body.

My thoughts can best be summed up by an article which I will ask to have printed in the RECORD. This excellent opinion piece, written by Cliff Kincaid, raises serious questions about the United Nations that need to be answered.

In addition to the wasteful spending practices of the United Nations, in my opinion, the organization in recent years has begun to pose a threat to U.S. foreign policy and the command and control of the U.S. Armed Forces. It needlessly delayed the conflict in Bosnia and was partly responsible for the debacle in Somalia.

The role of the United Nations in dictating the foreign policy of this country, and its role in the military affairs must be confronted and stopped.

I hope that Mr. RICHARDSON could address these and other issues during his coming tenure as our Ambassador.

I ask unanimous consent that the article by Mr. Cliff Kincaid be printed in the RECORD.

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

[From the Washington Post, Jan. 19, 1997]

WHO'S SOAKING WHOM?

(By Cliff Kincaid)

Kofi Annan is coming to town. Unlike Santa Claus, who gives gifts, Annan wants them. The new secretary general of the United Nations is scheduled to be in Washington this week to ask members of Congress to provide another $1 billion or more for the world organization. Members of Congress may wish to ask him some tough questions about U.N. finances.

First: Why has the position of U.N. secretary general enjoyed a 70 percent increase in pay over the past six years while the United Nations has been going broke? U.N. figures show the position was paid $156,429 in gross salary in 1991, with an entertainment budget of $22,500. By May 1995, the secretary general's gross salary had risen to $280,075, with $25,000 for entertainment. If Annan is sincere about reform, he should set an example by taking a pay cut.

Second: Why is former U.N. secretary general Kurt Waldheim still getting a $102,000 annual pension? In 1986 journalists exposed his collaboration in the Nazi extermination campaign in southern Europe during World War II, and he was barred from the United States. Since Waldheim got his U.N. job under false pretenses, why is the United Nations still obligated to pay him out of its $15 billion pension fund? Moreover, doesn't it look bad for the U.N. to prosecute suspected war criminals in Bosnia and Rwanda while continuing to pay Waldheim?

Third: What is the real U.S. ''debt'' to the United Nations? The General Assembly came up with the requirement that the United States pay 25 percent of the U.N. operating budget and 31 percent of the peacekeeping budget. Over the course of the past decade, congressional appropriations for the U.N. have fallen short of these ''requirements,'' which are based on national wealth and responsibilities in world affairs. If we don't pay what the U.N. wants, its only option is to deny us a vote in the General Assembly. Members of the assembly haven't done this because they know we're still the biggest contributor to the U.N. regardless of the ''debt'' talk.

The United States makes many contributions to the world organization for which it receives no credit or reimbursement. A March 1996 General Accounting Office (GAO) report on peace operations found that, during fiscal years 1992–95, U.S. government costs in support of U.N.-backed peacekeeping operations amounted to $6.6 billion. About $4.8 billion of this amount was never counted as part of our official U.N. assessment, according to the GAO. The United Nations did reimburse the United States for about $79 million of these expenses, leaving $4.7 billion that has effectively been provided as a gift. If this sum is applied to our $1 billion-plus ''debt,'' as seems logical, then the United Nations owes us money, not the reverse.

U.N. supporters may argue that the United States is obligated to appropriate money directly to the United Nations, not just to direct U.S. agencies to support U.N. operations. But U.S. support, including housing, humanitarian supplies and other goods and services, is paid for by congressional appropriations and directly enables the United Nations to carry on its work. Why shouldn't these contributions count?

Fourth: Why are U.N. officials continuing to push global taxation? The U.S. Congress was shocked when former U.N. secretary general Boutros Boutros-Ghali endorsed international taxation schemes to fund the United Nations. Legislation to derail these plans was voted on by the Senate last year. Not surprisingly, global taxes for the United Nations went down by a 70–28 margin.

Nevertheless, officials at the United Nations Development Programme have now edited a 300-page book, titled ''The Tobin Tax,'' on how to implement a global tax on international currency transactions. (James Tobin is the Yale University economist who came up with the idea.) This tax could affect IRAs, pension funds, mutual funds and other investments of ordinary Americans. Will Annan make sure that work on these schemes stops immediately?

If the new U.N. secretary general wants to make a convincing case on Capitol Hill, he should answer these questions to the satisfaction of the U.S. Congress.

Mr. BINGAMAN addressed the Chair.

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

Mr. BINGAMAN. Mr. President, our Nation has been very fortunate over the years to have had distinguished, capable representatives serving as our Ambassadors to the United Nations. It is my honor today to speak on behalf of yet another distinguished American, BILL RICHARDSON, who has been nominated by the President to serve in that capacity.

Let me offer a few words of strong endorsement for my colleague. BILL RICHARDSON and I first campaigned together in 1982, when he was running for the House of Representatives and I was running for the Senate.

Starting with that 1982 campaign, and in the 15 years since then, I have continued to be impressed by his resourcefulness, by his energy, by his talent for winning the trust and respect from people of diverse backgrounds with widely varied points of view.

Much has been made of the successful diplomatic efforts that he has engaged in in the last few years, but I would like to say just a few words about his performance on his so-called day job, that is, his job as Congressman for the State of New Mexico.

As you know, Mr. President, New Mexico is a State of many cultures. We have a very large native American population, a very large Hispanic population, a community such as Los Alamos, which has the largest number of Ph.D.'s per capita of any city in the world.

BILL RICHARDSON has managed to gain the trust and support of each of these as well as many other groups and has been a very effective and successful Congressman receiving very large majorities each of the eight elections that he has stood for in our State.

BILL will demonstrate the same resourcefulness, energy, and skill in building trust and rapport in the United Nations that he has demonstrated in New Mexico. We in New Mexico will be losing a very capable and effective Representative in Congress, but the country will be well served by having BILL in this key position of advocacy in the world's key international institution.

Mr. President, I strongly recommend to my colleagues that they vote to confirm the nomination of BILL RICHARDSON for the U.N. Ambassador position.

Mr. BIDEN. Mr. President, I do not see any other of my colleagues seeking to speak on this nomination. Therefore, I am prepared to yield back the remainder of my time and am prepared to vote anytime the chairman deems it appropriate.

The PRESIDING OFFICER. Does the Senator from North Carolina yield back his time?

Mr. HELMS. Mr. President, the yeas and nays have not been obtained for this nomination, have they?

The PRESIDING OFFICER. They have not.

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

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. HELMS. Mr. President, the Cloakroom would do well to advise Senators that there shortly will be a rollcall vote. I will explain to the Chair, while we are delaying just a little bit, Senator DOMENICI, who is a New Mexican, as is Mr. RICHARDSON, is on his way to the floor and he wants to say a few kind words about his fellow New Mexican. So, pending the arrival of Senator DOMENICI, I suggest the absence of a quorum.

The PRESIDING OFFICER. Will time be equally divided?

Mr. HELMS. Yes.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

Does the Senator from North Carolina yield time to the Senator from New Mexico?

Mr. HELMS. Yes.

Mr. DOMENICI. Mr. President, I rise just to say a few words in behalf of my good friend, the U.S. Representative from the State of New Mexico, BILL RICHARDSON. I think I would have been remiss if I did not come to the floor today and say to soon-to-be Ambassador RICHARDSON in behalf of New Mexicans, we wish you the very best good fortune. We know that whatever you have tried, you have succeeded at it in your life. And now, through that achievement and because New Mexicans have sent you to the U.S. House in numerous elections and for a number of years, we all think you are ready for a much bigger role and a much bigger mission in behalf of our country.

Most of us who know you, and most New Mexicans who have observed you, are confident you are going to do a splendid job in behalf of our country. The fact that you came from a State that has multiple cultures, that clearly accepts the diversity that no other State in the Union has like ours, bodes

well for your work with people from all over the world.

While I could stand here and speak for a long time in your behalf, it is not necessary today because you are clearly going to be confirmed and your name is going to be sent to the President as the next Ambassador to the United Nations. But I believe I will close with just a couple of words in Spanish. Buena suerte, BILL. That's the simplest way of saying good luck and good fortune in Spanish. I have been privileged to work with you. I hope you will continue to work with those of us in the U.S. Senate and House who are interested in the United Nations succeeding. We think you have a big mission. We hope you can establish some inroads, in terms of the United Nations being a more effective and efficient body, so that the United States can truly continue to support its efforts and your efforts in behalf of our country.

I yield the floor.

The PRESIDING OFFICER. The Senator from North Carolina.

Mr. HELMS. Mr. President, I yield the remainder of my time. I suggest we go to a vote.

The PRESIDING OFFICER. All time having been yielded back, the question is, Will the Senate advise and consent to the nomination of BILL RICHARDSON, of New Mexico, to be U.S. Ambassador to the United Nations? The yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

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

The result was announced—yeas 100, nays 0, as follows:

[Rollcall Vote No. 9 Ex.]

YEAS—100

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

The nomination was confirmed.

The PRESIDING OFFICER. Without objection, the President will be notified of the action of the Senate.

LEGISLATIVE SESSION

The PRESIDING OFFICER. Under the previous order, the Senate will return to the consideration of legislative business.

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

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

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

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

Mrs. HUTCHISON. I ask unanimous consent I be allowed to speak for 5 minutes as in morning business.

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

AMERICAN AIRLINES STRIKE

Mrs. HUTCHISON. Mr. President, I am going to submit a resolution this afternoon and ask it be considered. It has not yet been cleared. I hope it will be cleared so we will be able to vote on this resolution on Thursday if we do not have a settlement of the American Airlines strike.

Mr. President, I am submitting this resolution on behalf of myself, and Senator GRAMM. Perhaps others will want to come forward as well.

But, Mr. President, we have a very serious economic crisis pending Friday about midnight. If we do not have some agreement by the two parties, American Airlines and its pilots union, we could hold up about one-fourth of the traveling public at the beginning of a holiday weekend. We could cause 75,000 other employees of American Airlines all over our country to be laid off without pay. We are causing, if that happens, other employees of rental car companies—people who sell food to airports and to airlines—all of these people who have livelihoods, who have families, to possibly be totally deprived of their ability——

Mr. CRAIG. Mr. President, the Senate is not in order.

The PRESIDING OFFICER. The Senator from Texas.

Mrs. HUTCHISON. Mr. President, we are talking about the livelihoods of hundreds of thousands of Americans, and we are talking about even international travel and commerce and goods that are going into international commerce.

Mr. President, the effects of this strike are going to be so far reaching that it will have an economic impact on this country that will be quite severe.

The pilots union is meeting with the company as we speak. The deadline before a strike is midnight this Friday. We have the opportunity with the resolution that I am introducing to have a sense of the Senate that the President would use all of his persuasive powers to get these parties to sit down, and that the President would be able to use his powers to appoint an emergency board which would automatically keep the contract in place for 30 days and then provide for another 30-day cooling-off period. This will give 60 days to these people to be able to work out their differences.

I think that the pilots union and the airline company, American Airlines, are certainly big enough people to be able to work out their differences and not cause the disruption of so many lives in our country and the economies of so many States in our country.

So I am asking that the Senate vote on this on Thursday, if nothing has happened in between. I hope the President will use all of his persuasive powers between now and Thursday to make sure that everything is being done to settle this strike. But if nothing has happened by Thursday, we want the President to use the powers that Congress has given him to call an emergency board together to give a 60-day cooling-off period so that the negotiations can continue.

This is something that Congress and the President have worked out in the past. This is the process, Mr. President. Let us step up to the line, and we hopefully will be able to work with the President to make sure that he has all of the tools necessary to do what is necessary to save this country from a real economic hit that could come within the next 3 or 4 days.

We can do something about it. The President can do something about it. And we are going to ask him to do that in this resolution.

As I said, I am going to submit this later. I am going to ask for unanimous consent to be able to vote on this on Thursday. I hope it is a moot point by that time. It is very important that the President address right away this impending crisis that can affect the lives of so many people and the families of so many people in this country and the economies of so many States in this country. The ripple effect is devastating. We can do something about it.

I hope that the President will use the powers that he has for that very purpose.

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

Mr. MURKOWSKI addressed the Chair.

The PRESIDING OFFICER. The Senator from Alaska.

Mr. MURKOWSKI. I thank the Chair.

BALANCED BUDGET AMENDMENT TO THE CONSTITUTION

The Senate continued with the consideration of the joint resolution.

Mr. MURKOWSKI. Mr. President, I counted it up the other day. This is my 17th year of having the honor to represent my State of Alaska in this body.

During that period I participated in seven separate debates on this floor on this very singular issue, and that is the amendment of our Constitution to require that the budget be balanced.

A number of years ago, several of us unloaded a big van on the steps of the U.S. Senate. In that van were mailbags. And in those mailbags were letters from our constituents in overwhelming support of an amendment to the Constitution that would mandate a balanced budget.

Mr. President, in 1982 the Senate adopted the amendment but it failed in the House. Since then, the amendment has failed in every year that we have engaged in this debate. In the intervening decade and a half annual Federal spending has increased nearly $1 trillion and our national debt has quadrupled.

Mr. President, through this debate, my colleagues on both sides of the aisle have amply demonstrated the billions and trillions that we have been spending, and the meteoric rise of our national debt. I do not intend to repeat those numbers. As the 10-foot stack of budgets standing before me on the floor clearly show, for the past 28 years the Federal Government has been living on debt. I find that rather ironic, Mr. President, in view of the fact that you and I and our constituents back home have to balance, if you will, our checkbooks. But the Government goes through a process of lengthy debate and budgetary process of seeing what its revenues are, seeing what its expenditures are, and then whatever else it seems to need it is simply added to the national debt.

Mr. President, I want to talk about the awesome responsibility that we have as stewards of this Nation to face up to the enormity of the challenge that we are facing in changing the way we govern and have been governing.

Mr. President, American Government was transformed by the Great Depression. In response to this crisis, our then President Franklin Roosevelt in 1933 ushered in the age of social activist government, one of whose tenets was that in times of economic stress the Government would actively intervene to restart the economy. Thus was born the age of peacetime deficit spending.

Unfortunately, what has ensued in the intervening 64 years is that the Federal Government has become incapable of weaning itself from this addiction to deficit spending. Whether in periods of strong growth or modest growth, the Federal Government runs deficits. In fact, in only 8 years since the Depression has the Federal Government operated with a surplus.

But even that fact is somewhat misleading for I would note that the Federal surplus in those 8 years was a mere $33 billion. Compare that with 56 years of deficits cumulating in a national debt of more than $5.2 trillion.

Let me refer to the chart here on my left. I hope that the President can view this. It covers the next 4 years of the current administration with outlays in 1997 of $1.6 trillion to the year 2000 at $1.84 trillion.

The significance of what is occurring here is we are having to pay interest on this accumulated debt. The interest is running $247 billion in 1997, $250 billion in 1998, $252 billion in 1999, and $248 billion in the year 2000.

I used to be in the banking business and I can tell you that interest is like owning a horse that eats while you are asleep. It goes on and on, night and day and holidays. No day is exempt from the accumulation of interest.

Here is our deficit, Mr. President: $125 billion, $120 billion, $117 billion, $87 billion. One can say that is good news. The deficit is declining. Let us look a little further.

But I would note that if we did not have to pay interest on this accumulated debt, if we hadn't accumulated all of these deficits, we would not have to pay nearly a trillion dollars in interest in the next 4 years and instead of running deficits for the next 4 years, we would have a surplus. We would have a surplus of $122 billion this year, $130 billion in 1998, $135 billion in 1999, and $161 billion in the year 2000.

My point is that at the end of this timeframe of 1997, through the year 2000, our outlays will have been a little over $7 trillion, our interest will have been just under $1 trillion—$997 billion. Our deficit that we are adding would be $450 billion.

So, if you look at where we are today, at the end of this year our national debt is at $5.4 trillion. By the end of the year 2000, the national debt will be $6.3 trillion.

So the increase in the national debt in the Clinton administration for roughly 8 years is projected to be $2.2 trillion.

The significance of these figures is a bit startling, but the reality is if we were not strangled by $1 trillion in interest on the national debt in the next 4 years, we could run a surplus and we could give every American family a $2,500-per-child tax credit, not the $500 that is in the Republican proposal but $2,500. Or we could give every American family a $1,500-per-child tax credit and every American citizen a 10 percent across-the-board tax cut. Or give every American a 20 percent across-the-board tax cut.

That is the significance of the necessity of this legislation which will take away deficit financing and allow us to develop a surplus, do away with the interest and get a hold of this continuing national debt which does not go away until we reduce the deficit.

Some say, well, why do we need a constitutional amendment to do it? My answer is rather simplistic, Mr. President. We have not had the self-discipline to do it ourselves. We could do it ourselves, but it has not been done.

I say to my colleagues who have any doubt about the wisdom of this amendment: The evidence is overwhelming that without the discipline of a constitutional amendment, elected officials are incapable of fiscal management of the people's business, and it has taken the last 64 years to demonstrate this fact.

Some say we can balance the budget without this amendment. I say, OK, prove it. There is nothing within our post-Depression experience to suggest that this is even remotely possible. Eight years out of 64 years with surpluses totaling $33 billion is hardly evidence that convinces me. Quite the contrary. It proves to me that we must have this amendment if we are ever going to end deficit spending as business as usual in Washington, DC.

Mr. President, the first 10 amendments to our Constitution, collectively known as the Bill of Rights, are the seminal protections afforded citizens in a free society. They were adopted against the backdrop of the 17th and 18th century tyranny that the kings arbitrarily exercised over their subjects.

The Founders knew that these rights—the freedom of speech, religion, and assembly—would not be guaranteed simply by congressional statute, for what one Congress grants, another can easily take away. That is why these fundamental rights are enshrined within our Constitution. That is why the concept of a balanced budget must also be added to the Constitution, for the evidence shows without any doubt that in this modern era of government, the President and Congress are simply incapable of balancing the budget except perhaps in rare and unique circumstances.

When future historians review the history of 20th century American Government, I fear that the legacy we will leave behind will be an enormous debt that we have passed on to the citizens of the 21st century. When this new century opens in just 3 years, we will have accumulated a debt of more than $6 trillion, the carrying costs, as I have indicated, of which will be a quarter trillion dollars annually.

Who is going to pay off that debt? Well, consider, Mr. President, that the largest surplus this Government has ever run was a mere $11 billion in 1948. In inflation adjusted dollars, that is equivalent to a surplus today of approximately $84 billion.

If, starting in the year 2000, we could replicate our 1948 experience and have an annual surplus of $84 billion, the national debt of the United States would not be eliminated until the year 2073. That gives you some idea of the legacy we are passing on.

In other words, under the most optimistic circumstances, the citizens who are alive for the first 75 years of the next century will be shackled with paying the debts their parents and grandparents and great-grandparents accumulated. And we all know it is unlikely we will sustain such large surpluses throughout the next century. More likely, it will take 100 years or more to pay off this debt, only if we start now.

Can there be anyone in this Chamber who believes that the citizens in America who will be alive in the year 2097 ought to be saddled with paying the interest on the debt that we are accumulating today—money, I might add, that is not being used to finance long-term investments or jobs or inventory in this country but money that is being used to pay interest on the national debt.

That is right; that is what we are doing.

In my view, this amendment is an economic bill of rights for future generations of this country. It is equally as important as the Bill of Rights we now take for granted as the foundation for this great Nation.

It finally will force Government to learn that it cannot borrow indefinitely. It rearranges the rules of Government as never before in our history, for it requires us to face up to the fact that we can only spend as much as we take in in revenues, as we dictate to our private citizens. And it stands for the proposition that building debt on top of debt is morally and fiscally irresponsible to Americans who have not even been born yet. That is what we are doing.

The legacy of the 105th Congress must be that we, at the end of this century, have recognized the responsibility we have to future generations, that we will no longer buy now and put off paying indefinitely. The time is now to finally stand up and change the way we have been governing for the past 60 years.

I thank the Chair for its attention.

I yield the floor.

The PRESIDING OFFICER [Mr. ALLARD]. Who seeks recognition?

The Senator from Idaho.

Mr. CRAIG. Mr. President, we are under no specific time restraints per side, are we, at this moment?

The PRESIDING OFFICER. The Senator is correct.

Mr. CRAIG. I thank the Chair. I thank my colleague, the Senator from Alaska, for making a very clear statement of what happens when a country creates the kind of debt which our country has over the last 30 years and the kind of priorities we have to shift to in funding simply to service debt.

The Senator from Alaska talked about the impact of interest on debt. Standing here or sitting here or stacked here beside me are 28 budgets, 28 consecutive budgets of the last 28 fiscal years of our Government that have been out of balance. In other words, that have had deficits that got spun into debt that have created the $5.3 trillion debt we have today.

As a result of that, in the last fiscal cycle and the one we are currently in and the one we are currently examining, this Senate and the Congress at large is going to have to consider outlays of upwards of $250 billion to $260 billion to pay the interest on this stack of books or, more clearly spoken, on the debt that was generated by the budgets that are housed in this stack of budgets.

Of these 28 budgets, 14 of them were intended to be deficit budgets, with no excuse or no apology on the part of the Congress that passed them. But there were the other 14 you would find in the language of the book that would suggest the intent was to balance in the future, or it was designed as a sequence of budgets to balance.

Interestingly enough, that is the very debate this Congress and our President are involved in at this moment. In fact, the President was here today in the President's Room just behind the Chamber discussing his budget proposal and the leaders of our Senate were there along with the leaders of the House comparing notes and deciding where they might work together to bridge the gap of the kind of impasse we have had and get to a balanced budget. But it is not a balanced budget. It is one budget of a series of budgets that promises to bring balance by a given time, in this case by the year 2002, as did 14 of these budgets.

Mr. President, 28 years later, 14 budgets in deficit and 14 intended to be balanced, we now are faced with the circumstance the Senator from Alaska has spoken about, a $5.3 trillion debt, $250 to $260 billion of interest paid on debt depending on the rate of interest and the amount our notes are negotiated under, under the 3-year cycle under which our notes get renegotiated, and here is the rest of the story.

The President, and I do not question his sincerity, presents a budget for fiscal year 1998, of the U.S. Government, that will have about 250 billion dollars' worth of net interest costs, which is about 14.8 percent of the entire Federal budget. Here is what happens in a Government like ours when we have to commit such a phenomenal amount of our resource to interest on debt. Let me give these comparatives. This is work that has been done by our policy committee as an examination of reality because, when we talk about 250 billion dollars' worth of interest on debt, to serve debt, that means that creditors, people who buy our bonds, are owed money. A fair amount of that flows to foreign countries and foreign interest, but a fair amount of it flows to our own citizens and to their stocks and to their trust accounts.

But 250 billion dollars' worth of net interest in the President's 1998 fiscal budget is something like this. It is 21 times as much on interest as we are spending on agricultural programs. In other words, our priority in budgeting today is to spend 21 times more on interest than we do on agriculture. So our priority is not agriculture, it is paying our debt. Better spoken, I should say paying our creditors who have loaned us their money to service the debt.

What about international affairs? We are the last great superpower of the cold war period. We play an important role in the decisions of the world and our presence oftentimes causes other nations to think differently about how they would conduct their business, both internally and externally. Yet, today, 17 times as much on interest is paid as on international affairs. So, for those of our constituents who say you are spending too much on foreign aid, I would say we are spending 17 times more on debt, interest on debt. Again, clearly spelling out the priorities that we have forced ourselves into as a great nation, simply because we could not control our spending appetite.

We pay 11 times as much on interest as on natural resources and the environment. This President, this administration, likes to call itself the environmental administration. And there is not a Senator on this floor who does not want to make sure that Government policy in cooperation with the private sector promotes a positive, cleaner environment. And yet, today, when it comes to priorities of dollars and cents, we pay 11 times more to service the debt created by these 28 budgets as we do on interest rates. Where are our priorities? They are to pay our creditors so we can continue to have debt.

We spend 10 times as much on interest as on the administration of justice. That is the Justice Department, that is the FBI, that is our engagement in the war on drugs, that is trying to curtail illicit activities that flow across our borders that somehow damage our citizenry. Yet, if you looked at our budget today, you would say that Congress is more preoccupied with paying interest on debt than they are with protecting our citizens against drugs, if you were to look at the actual expenditure of money. Why? Because 30 years worth of fiscal irresponsibilities have forced us to pay more attention to servicing our debt than the flow of drugs across our borders and the kind of impact they have on our citizens and our children.

We pay six times as much on interest as on benefits and services for veterans. A very large veterans group is now visiting our community, this Nation's Capitol. I was just visited by a nice contingent of Veterans of Foreign Wars. This evening, there is a large gathering of hundreds of Veterans of Foreign Wars in this city, men and women who put their lives on the line to protect our freedom. Many of them are concerned about the future of the Veterans Administration and the veterans health care delivery system, and will we honor our commitment to them and to the World War II veterans who are now reaching a peak in their need for health care services? Yet, today, this Government, by the nature of its fiscal irresponsibility of the last 28 years, is going to pay six times more on interest as on the benefits and services to veterans. Is it our priority? It has to be our priority if we are to maintain our fiscal solvency as a nation. We must progressively ignore the true interests and priorities of our country in light of paying our creditors.

Four times as much on interest as on education, training, and employment programs; yet our President, in his State of the Union, just this past week prioritized for our Nation and for the decade ahead the issue of our involvement in education at all levels. None of us disputes that priority. All of us recognize that our public schools are in need and, in many instances, they are failing. Yet, today, as we wrestle with the 1998 budget, what will be the first priority? Funding interest on debt created by irresponsible Congresses of the past that generated 5.3 trillion dollars' worth of debt. So where in all of these priorities will education fall? It is not going to be first. It cannot be first. What is first? Paying interest on debt. It has to be taken right off the top. It has to be taken right off the top of Government expenditures, just the way interest on serving the debt in the private sector is taken right off the top of all the money coming in. Because if you do not take it off the top, and you do not pay your debts or your interest on debts, if you do not service your debt you do not borrow any money. You are busted. You are bankrupt. And that, of course, is exactly what has happened to this country.

Now, nearing the largest single item in the Federal budget is interest on debt. So when our colleagues stand on the floor and say, as the President said the other night, ''Oh, gee whiz, you guys have the votes and I have the signature. You pass a balanced budget and I will sign it,'' what this President knows and what he clearly has demonstrated in the budget that he has sent to the Hill, is that it is not in balance. It is about $120 to $130 to $140 to $150 billion out of balance for the next 5 years. Then, if he really honors the tax cuts—which he does not, because he agrees in his budget that he takes them back to fund the deficit to create the balance in the outyears, because he needs more money—what he is really saying is that his budget is not in balance. Why? Partly because of interest on debt.

Where does the National Government get $250 billion to pay its interest costs? By adding together all corporate income taxes, that is only $190 billion. Believe it or not, if we choose to double corporate income tax in this country we would just get enough and a little more to pay interest on debt. And all Federal excise taxes—that is $61 billion. I think the point I am making, and the point the Senator from Alaska made, is we do not believe the Congress truly has the will. We do not believe any President, Republican or Democrat, can find the total will to work for, make the tough choices, and get to a balanced budget in the kind of timeframe and with the kind of reasonableness that the American people have demanded of us. That is why I and others so strongly believe we need the kind of constitutional framework to operate within, that creates the kind of political discipline and fiscal discipline to produce a balanced budget.

Who do we owe it to? We owe it to a lot of people. But most important, we owe it to future generations, because it is our children and our grandchildren who will pay off the debt. More important, if we continue to create debt without servicing debt, without bringing debt down in the future, more and more of the resources of our young, when they grow to maturity, will have to go to pay the creditor instead of fund the kind of Government they want, or to fund the kind of services they want from Government; but, more important, to keep some of their own money so they can have their own lives and their own families, and have their part of the American dream as our generation has had it.

There need not be any pointed finger or accusation as to whose fault these budgets have been, because, while most of them in the 28-year period could be, arguably, Democratic budgets, a fair number of them were Republican budgets.

A fair number of them were created under Republican Presidents. All of them were out of balance, and all of them had deficits, and all of them created the $5.3 trillion debt that this country experiences today.

So I really think we ought to quit chasing our tail. The arguments that we have heard for the last decade are the same arguments, and the President makes the argument today that is certainly not original that a few Presidents before him have made but all who oppose a balanced budget amendment to our Constitution make. And that is that you cannot tie the hands of Government, that this would be much too rigid, that it would cause conflict within the economy, that it might cause us to not have the priorities in Government that we want.

What they are really all saying is that nobody is willing to make the tough choices, and 28 years of budgets clearly demonstrate that. That is why I think it is important that we reflect on the words of Thomas Jefferson who said that if there is 1 more amendment to the 10, the 11th amendment he would have added was to disallow the ability of Government to borrow, because he was fearful of a representative republic being able to vote itself money, and we have done that year in and year out.

As a result of that, we are now here wrestling, as all Presidents and Congresses do, with what do we do with the debt, what do we do with the deficit, and where do we find the money to spend on some of these critical programs.

The Senator from Alaska is right. When a nation overspends itself, when a Congress no longer prioritizes as to where the limited resources of the tax dollars go, but takes $250 billion right off the top and says that has to go to interest on debt, Mr. President, it is time we change, and that is why many of us have stood on this floor and argued for years that this is the mechanism to bring that change, this is the mechanism to bring the kind of political and fiscal discipline and responsibility that this Congress must have, because there isn't a Senator on this floor who can just vote it without the real discipline that a Constitution brings.

So this is why I hope that, in the ensuing days, all of our colleagues join together to support the balanced budget amendment to our Constitution and to give the citizens of this country the right, under the Constitution, to debate the issue in the capitals of their States to determine whether they want to change the organic law of this country to discipline this Government to cause this Government to react in a way that they perceive, as I, to be a much healthier action on behalf of the economy, the citizens and future generations.

Mr. President, I yield the floor.

The PRESIDING OFFICER. Who seeks recognition?

Mr. DODD addressed the Chair.

The PRESIDING OFFICER. The Senator from Connecticut.

Mr. DODD. Mr. President, at some point, I believe a unanimous-consent request will be entered into, and we will set out the agenda for tomorrow's business, including an allocation of time for morning business, as well as an allocation of time for an amendment, which I will shortly propose, to be considered.

I gather the respective leaders are working on that. In anticipation, Mr. President, I have been asked, in order to move the process along and make sure we have some business to conduct tomorrow, to submit an amendment. I will briefly describe the amendment this afternoon and then yield the floor. Based on the allocation of time the leaders are able to agree upon, we will engage more fully in the debate tomorrow.

AMENDMENT NO. 4

(Purpose: To simplify the conditions for a declaration of an imminent and serious threat to national security)

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

The PRESIDING OFFICER. The clerk will report the amendment.

The assistant legislative clerk read as follows:

The Senator from Connecticut [Mr. DODD] proposes an amendment numbered 4.

On page 3, line 7, strike beginning with ''is'' through line 11 and insert ''faces an imminent and serious military threat to national security as declared by a joint resolution.''.

Mr. DODD. Mr. President, that is the sum and substance of the amendment.

Very briefly, the proposed language on the balanced budget constitutional amendment, section 5, reads as follows:

The Congress may waive the provisions of this article for any fiscal year in which a declaration of war is in effect. The provisions of this article may be waived for any fiscal year in which the United States is engaged in military conflict which causes an imminent and serious military threat to national security and is so declared by a joint resolution, adopted by a majority of the whole number of each House, which becomes law.

My concerns with this provision, Mr. President, are addressed, I believe, by the amendment that we will consider tomorrow. Very briefly, if one reads this section very carefully, word for word, and I emphasize in my reading of this section the language that is of particular concern to me, and that is ''is engaged in military conflict''—now the earlier language, ''a declaration of war,'' troubles me as well—it seems to mean we would have to be in the midst of a conflict before we can waive the provisions of the amendment. There have been numerous examples throughout our history in which we were very much aware that an imminent danger was on the horizon and we, in preparation of that imminent danger, were able to respond, utilizing deficit financing to do it.

If you wait until we are actually engaged in that conflict, it seems to me you are running the risk of leaving this country very, very vulnerable, particularly with weapons of mass destruction that have the capability of causing great harm to our Nation.

This amendment attempts to address that issue. If there is an imminent threat to our national security—and then allowing for the different provision here—we would have a resolution adopted by both Houses where a majority of those present and voting would be necessary in case of some emergency circumstance—I see, for example, my good friend and colleague from Idaho who has some distance to travel to get to Washington—where something may happen and Members are not able to get back here as quickly as they may need to.

We would not be able to meet that constitutional requirement if the underlying balanced budget amendment is adopted, because you would need 51 Senators. The amendment that I offer addresses both points; that is, enables a response prior to actually being engaged in military conflict and allows for a joint resolution to be adopted with less than the whole number of each House.

Again, I will wait until tomorrow, Mr. President, to discuss this further. This is an amendment, I remind my colleagues, which has been raised in very similar form on previous occasions. Regardless of whether one is for the balanced budget amendment or not, it seems to me we do not want to place ourselves in the position, obviously, of restricting our ability, particularly where our national security is in imminent danger and our Nation is in jeopardy and not able to respond.

I cannot think of a single Member who would want to be put in a position, as important as balancing the budget is, where we would be willing to risk a threat to this country on that particular altar.

So I hope Members, this evening and tomorrow, before we have time to debate this amendment, will look at it carefully and consider it in hopes that I might garner their support when we vote on this tomorrow afternoon. Again, this will depend on when the leaders are able to agree on a time for debate and a vote.

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

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. 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.

UNANIMOUS-CONSENT AGREEMENT—AMENDMENT NO. 4

Mr. CRAIG. Mr. President, I ask unanimous consent the Senate resume consideration of Senator DODD's amendment regarding national security beginning at 1:30 on Wednesday with the time between 1:30 and 5:30 equally divided in the usual form. I further ask unanimous consent that at 5:30 the Senate proceed to a vote on or in relation to the Dodd amendment and, finally, no amendment be in order to the amendment.

The PRESIDING OFFICER. Is there objection?

Mr. DODD. No objection.

The PRESIDING OFFICER. There being no objection, it is so ordered.

ORDER OF PROCEDURE

Mr. CRAIG. Mr. President, for the information of all Senators, the leadership has decided there will be no further votes this evening. 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. 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.

MORNING BUSINESS

(During today's session of the Senate, the following morning business was transacted.)

THE VERY BAD DEBT BOXSCORE

Mr. HELMS. Mr. President, at the close of business yesterday, Monday, February 10, the Federal debt stood at $5,302,292,166,231.47.

Five years ago, February 10, 1992, the Federal debt stood at $3,794,592,000,000.

Ten years ago, February 10, 1987, the Federal debt stood at $2,225,440,000,000.

Fifteen years ago, February 10, 1982, the Federal debt stood at $1,033,575,000,000.

Twenty-five years ago, February 10, 1972, the Federal debt stood at $424,269,000,000 which reflects a debt increase of more than $4 trillion ($4,878,023,166,231.47) during the past 25 years.

HONORING RALPH W. WRIGHT OF WEST POINT, KY, FOR 50 YEARS OF SERVICE TO FIREFIGHTING

Mr. FORD. Mr. President, on Saturday, February 8, 1997, the community of West Point, KY held its annual Volunteer Fire Department and EMS Appreciation Banquet. Each year, this banquet honors and celebrates those in the community who have been instrumental in supporting the mission of the volunteer fire department and EMS services. This year, the community honored one man, Ralph W. Wright, who has given 50 years of his life to the safety of the citizens of West Point.

Mr. Wright has been a member of the fire department for the last 50 years. He began as a firefighter and worked his way up through the ranks to chief, a position he held for 27 years. After a long and distinguished career in the fire department, Mr. Wright did not let retirement prevent him from fighting fires. In fact, in his retirement, Mr. Wright continues to serve as a firefighter—who still makes the first truck out of the station. In addition, to his service as a firefighter, he was a volunteer EMT on the ambulance service for several years.

Because of his tireless efforts on behalf of the citizens of West Point, today's volunteer fire department is what it is today: dedicated to the safety of all its citizens; prepared to battle fires and hazardous material spills; responding to protect the community from floods and other natural disasters.

In addition to his work on behalf of the safety of the citizens of West Point, Mr. Wright has been a strong and active supporter of the Crusade for Children. The citizens of West Point have been well served by Ralph Wright. He is an outstanding citizen and a shining example to all. I know that the community of West Point holds Ralph Wright in the highest of esteem. This is an honor that is long overdue and I am delighted to share this event with my colleagues. I extend my heartfelt congratulations to Ralph Wright and to his family on this special occasion.

HONORING THE WILLIAMS ON THEIR 50TH WEDDING ANNIVERSARY

Mr. ASHCROFT. Mr. President, families are the cornerstone of America. The data are undeniable: Individuals from strong families contribute to the society. In an era when nearly half of all couples married today will see their union dissolve into divorce, I believe it is both instructive and important to honor those who have taken the commitment of ''till death us do part'' seriously, demonstrating successfully the timeless principles of love, honor, and fidelity. These characteristics make our country strong.

For these important reasons, I rise today to honor Wade and Flo Williams of Springfield, MO who on February 10, 1997, will celebrate their 50th wedding

anniversary. My wife, Janet, and I look forward to the day we can celebrate a similar milestone. Wade and Flo's commitment to the principles and values of their marriage deserves to be saluted and recognized.

TRIBUTE TO PROCTOR JONES

Mr. KENNEDY. Mr. President, I join my colleagues in paying well-deserved tribute to Proctor Jones, who is leaving the Senate to continue working with our distinguished former colleague from Louisiana, Senator Bennett Johnston. Like Senator Johnston, Proctor will be greatly missed in the Senate.

Proctor Jones has been an outstanding staff member who has served the Senate and the American people well for almost four decades. With his vast experience on appropriations issues and his skill at weighing complex priorities, Proctor has earned the respect of the entire Senate over the years. He has also earned the deep appreciation of other staff members for his signature style—unerring graciousness and pleasantness, even under intense pressure. Proctor represents the best of Senate civility, and he will be long remembered by all of us.

It has been my particular pleasure to work closely with Proctor on a number of projects in Massachusetts which have been conducted by the U.S. Army Corps of Engineers, and which have significantly improved public safety, the environments, and the economy of our State. I am grateful for Proctor's leadership on these issues and many others. He represents the best in public service, and I wish him well in the years ahead.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Williams, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

REPORT CONCERNING THE INTERNATIONAL WHALING COMMISSION—MESSAGE FROM THE PRESIDENT—PM 13

The Presiding Officer laid before the Senate the following message from the President of the United States, together with an accompanying report; which was referred to the Committee on Commerce, Science, and Transportation.

To the Congress of the United States:

On December 12, 1996, Secretary of Commerce Michael Kantor certified under section 8 of the Fishermen's Protective Act of 1967, as amended (the ''Pelly Amendment'') (22 U.S.C. 1978), that Canada has conducted whaling activities that diminish the effectiveness of a conservation program of the International Whaling Commission (IWC). The certification was based on the issuance of whaling licenses by the Government of Canada in 1996 and the subsequent killing of two bowhead whales under those licenses. This message constitutes my report to the Congress pursuant to subsection (b) of the Pelly Amendment.

In 1991, Canadian natives took a bowhead whale from the western Arctic stock, under a Canadian permit. In 1994, Canadian natives took another bowhead whale from one of the eastern Arctic stocks, without a permit.

In 1996, under Canadian permits, one bowhead whale was taken in the western Canadian Arctic on July 24 and one bowhead whale was taken in the eastern Canadian Arctic on August 17. The whale in the eastern Arctic was taken from a highly endangered stock. The IWC has expressed particular concern about whaling on this stock, which is not known to be recovering.

None of the Canadian whale hunts described above was authorized by the IWC. Canada withdrew from the IWC in 1982. In those instances where Canada issued whaling licenses, it did so without consulting the IWC. In fact, Canada's 1996 actions were directly contrary to IWC advice. At the 1996 Annual Meeting, the IWC passed a resolution encouraging Canada to refrain from issuing whaling licenses and to rejoin the IWC. However, Canada has recently advised the United States that it has no plans to rejoin the IWC and that it intends to continue granting licenses for the taking of endangered bowhead whales.

Canada's unilateral decision to authorize whaling outside of the IWC is unacceptable. Canada's conduct jeopardizes the international effort that has allowed whale stocks to begin to recover from the devastating effects of historic whaling.

I understand the importance of maintaining traditional native cultures, and I support aboriginal whaling that is managed through the IWC. The Canadian hunt, however, is problematic for two reasons.

First, the whaling took place outside the ICW. International law, as reflected in the 1982 United Nations Convention on the Law of the Sea, obligates countries to work through the appropriate international organization for the conservation and management of whales. Second, whaling in the eastern Canadian Arctic poses a particular conservation risk, and the decision to take this risk should not have been made unilaterally.

I believe that Canadian whaling on endangered whales warrants action at this time.

Accordingly, I have instructed the Department of State to oppose Canadian efforts to address takings of marine mammals within the newly formed Arctic Council. I have further instructed the Department of State to oppose Canadian efforts to address trade in marine mammal products within the Arctic Council. These actions grow from our concern about Canada's efforts to move whaling issues to fora other than the IWC and, more generally, about the taking of marine mammals in ways that are inconsistent with sound conservation practices.

Second, I have instructed the Department of Commerce, in implementing the Marine Mammal Protection Act, to withhold consideration of any Canadian requests for waivers to the existing moratorium on the importation of seals and/or seal products into the United States.

Finally, the United States will continue to urge Canada to reconsider its unilateral decision to authorize whaling on endangered stocks and to authorize whaling outside the IWC.

I believe the foregoing measures are more appropriate in addressing the problem of Canadian whaling than the imposition of import prohibitions at this time.

I have asked the Departments of Commerce and State to keep this situation under close review.

WILLIAM J. CLINTON.

THE WHITE HOUSE, *February 10, 1997.*

REPORT OF PROPOSED RESCISSIONS OF BUDGETARY RESOURCES—MESSAGE FROM THE PRESIDENT—PM 14

The Presiding Officer laid before the Senate the following message from the President of the United States, together with an accompanying report; referred jointly, pursuant to the order of January 30, 1975, to the Committee on the Budget, to the Committee on Appropriations, to the Committee on Agriculture, Nutrition, and Forestry, to the Committee on Armed Services, to the Committee on Energy and Natural Resources, to the Committee on Banking, Housing, and Urban Affairs, to the Committee on the Judiciary, to the Committee on Governmental Affairs, and to the Committee on Finance.

To the Congress of the United States:

In accordance with the Congressional Budget and Impoundment Control Act of 1974, I herewith report nine proposed rescissions of budgetary resources, totaling $397 million, and one revised deferral, totaling $7 million.

The proposed rescissions affect the Departments of Agriculture, Defense-Military, Energy, Housing and Urban Development, and Justice, and the General Services Administration. The deferral affects the Social Security Administration.

WILLIAM J. CLINTON.

THE WHITE HOUSE, *February 10, 1997.*

MESSAGES FROM THE HOUSE

At 2:17 p.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that pursuant to section 8002 of the Internal Revenue Code of 1986, the Committee on Ways and Means designated the following Members to serve on the Joint Committee on Taxation for the 105th Congress: Mr. ARCHER, Mr. CRANE, Mr. THOMAS, Mr. RANGEL, and Mr. STARK.

That pursuant to section 161 of the Trade Act of 1974, the Committee on Ways and Means recommended the following Members to serve as official advisors for international conference meetings and negotiating session on trade agreements: Mr. ARCHER, Mr. CRANE, Mr. THOMAS, Mr. RANGEL, and Mr. MATSUI.

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–1045. A communication from the Director of the Defense Procurement, Under Secretary of Defense, transmitting, pursuant to law, a rule entitled ''Defense Acquisition Regulation Supplement'' received on February 10, 1997; to the Committee on Armed Services.

EC–1046. A communication from the Federal Register Liaison Officer, Office of Thrift Supervision, transmitting, pursuant to law, the report of a rule entitled ''Expanded Examination Cycle for Certain Small Insured Institutions,'' (RIN1550–AB02) received on February 7, 1997; to the Committee on Banking, Housing, and Urban Affairs.

EC–1047. A communication from the Secretary of the U.S. Securities and Exchange Commission, transmitting, pursuant to law, the report of a rule relative to disclosure requirements, (RIN3235–AF91) received on February 7, 1997; to the Committee on Banking, Housing, and Urban Affairs.

EC–1048. A communication from the Secretary of the U.S. Securities and Exchange Commission, transmitting, pursuant to law, the report of a rule relative to net capital, (RIN3235–AG15) received on February 7, 1997; to the Committee on Banking, Housing, and Urban Affairs.

EC–1049. A communication from the Administrator of the Food and Consumer Service, Department of Agriculture, transmitting, pursuant to law, a rule entitled ''Child and Adult Care Food Program,'' (RIN0584–AC42) received on February 7, 1997; to the Committee on Agriculture, Nutrition, and Forestry.

EC–1050. A communication from the Secretary of Transportation, transmitting, pursuant to law, the report on Performance Goals for fiscal year 1996; to the Commerce, Science, and Transportation.

EC–1051. A message from the President of the United States, transmitting, pursuant to law, the report relative to radio frequency spectrum; to the Committee on Commerce, Science, and Transportation.

EC–1052. A communication from the Acting Deputy Assistant Administrator, National Ocean Service, National Oceanic and Atmospheric Administration, Department of Commerce, transmitting, pursuant to law, the report of a rule relative to the Florida Keys National Marine Sanctuary, (RIN0648–AD85) received on February 10, 1997; to the Committee on Commerce, Science, and Transportation.

EC–1053. A communication from the Chairman of the Surface Transportation Board, transmitting, pursuant to law, the report of a rule relative to Ex Parte No. 555, received on February 7, 1997; to the Committee on Commerce, Science, and Transportation.

EXECUTIVE REPORTS OF COMMITTEES

The following executive report of committee was submitted:

By Mr. HELMS, from the Committee on Foreign Relations:

Bill Richardson, of New Mexico, to be the Representative of the United States of America to the United Nations with the rank and status of Ambassador Extraordinary and Plenipotentiary, and the Representative of the United States of America in the Security Council of the United Nations.

Nominee: William Blaine Richardson.

Post: U.S. Representative to the United Nations.

The following is a list of all members of my immediate family and their spouses. I have asked each of these persons to inform me of the pertinent contributions made by them. To the best of my knowledge, the information contained in this report is complete and accurate.

1. Self.—While I have not made any personal contributions, the following contributions were made with my concurrence from my principal campaign committee, New Mexicans for Bill Richardson:

Amount	Date	Donee
$1,000	1–29–92	Ron Coleman for Congress
500	1–23–92	Committee to Re-elect Charlie Hayes
1,000	2–6–92	David R. Nagle for Congress
1,000	2–25–92	Russo for Congress
1,000	1–31–92	Swett for Congress
1,000	4–10–92	Jim Moody for Senate
500	5–5–92	Oakar for Congress
1,000	5–7–92	Ben Reyes for Congress
500	5–6–92	Roybal Allard for Congress
500	4–1–92	Sikorski for Congress
1,000	4–10–92	Pat Williams Campaign Committee
1,000	5–11–92	Woman's Campaign Fund
250	5–25–92	Barbara Boxer for Senate
1,000	6–28–92	Ben Campbell for Senate
1,000	5–25–92	Mel Levine for Senate
500	8–5–92	Bonker for Senate
250	8–5–92	Carol Mosely Braun for Senate
1,000	8–6–92	Bob Carr for Senate
1,000	7–11–92	DNC Victory Fund
5,000	9–6–92	DCCC
1,000	9–6–92	Democratic Leadership Council
1,000	7–13–92	Luis Gutierrez for Congress
1,000	8–5–92	Hefner for Congress
1,000	9–10–92	Kosmayer for Congress
1,000	8–4–92	Phil Schiliro for Congress
1,000	8–5–92	Dan Sosa for Congress
500	8–6–92	Friends of Harley Staggers
250	10–9–92	Friends of Byron Dorgan
500	10–9–92	Luis Gutierrez for Congress
250	10–9–92	Lucille Roybal-Allard for Congress
250	10–9–92	Sarpalius for Congress
250	10–9–92	Jim Jontz for Congress
300	10–9–92	Friends of Rosa DeLauro
500	10–9–92	Les AuCoin for Senate
500	10–6–92	Bustamante for Congress
1,000	10–23–92	Les Aspin for Congress
1,000	10–30–92	Thomas Downey for Congress
250	10–31–92	Wayne Owens for Senate
1,000	10–15–92	Harry Reid for Senate
250	4–29–93	Peter Barca for Congress
1,000	3–1–93	David Bonior for Congress
5,000	2–24–93	DCCC
500	3–29–93	Friends of Jane Harmon
500	3–4–94	C. Washington for Congress
1,000	4–1–94	Leslie Byrne for Congress
5,000	5–20–94	DCCC
1,000	10–14–96	Art Trujillo for Senate
1,000	10–7–96	Dick Durbin Committee
100	8–1–96	Coopersmith for Congress

In addition, my Leadership PAC, the Chief Deputy Whip's Fund, made the following contributions with my concurrence:

1,000	12–5–96	Ken Bentsen
500	11–4–96	Tom Allen
500	11–4–96	Rod Blagojevich
500	11–4–96	Leonard Boswell
500	11–4–96	Walter Capps
500	11–4–96	Jim Davis
500	11–4–96	Judy Hancock
500	11–4–96	Carolyn McCarthy
500	11–4–96	Loretta Sanchez
500	11–4–96	Vic Snyder
500	11–4–96	Dick Swett
500	11–4–96	Jim Turner
500	11–4–96	Bill Yellowtail
500	10–31–96	Brian Baird
500	10–31–96	Bob Coffin
500	10–31–96	Bob Etheridge
500	10–31–96	Lane Evans
500	10–31–96	Elizabeth Furse
500	10–31–96	Sam Gejdenson
500	10–31–96	Darlene Hooley
500	10–31–96	Eddie Bernice Johnson
500	10–31–96	Tim Johnson
500	10–31–96	Dale Kildee
500	10–31–96	Dennis Kucinich
500	10–31–96	Bill Orton
500	10–31–96	Steve Owens
500	10–31–96	Bill Pascrell
500	10–31–96	Steve Rothman
500	10–31–96	Adam Smith
500	10–31–96	Debbie Stabenow
500	10–31–96	Rick Weiland
500	10–31–96	Rick Zbur
500	10–17–96	John Wertheim
1,000	10–14–96	Art Trujillo
1,000	10–7–96	Dick Durbin
500	10–3–96	Julia Carson
500	10–3–96	Diana DeGette
500	10–3–96	Maurice Hinchey
300	10–3–96	Joe Keefe
500	10–3–96	Ted Little
500	10–3–96	Jim Maloney
500	10–3–96	Peter Navarro
500	10–3–96	David Price
500	10–3–96	Kevin Quigley
500	10–3–96	Loretta Sanchez
500	10–3–96	Ted Strickland
500	10–3–96	Dan Williams
500	10–3–96	Bob Wilson
500	9–30–96	George Brown
500	9–20–96	Ron Coleman
500	8–3–96	John Byron
500	8–3–96	Bill Yellowtail
2,000	8–1–96	Ed Pastor
1,000	7–26–96	Barbara Rose Collins
500	7–9–96	Sanford Bishop
500	6–18–96	Sylvester Reyes
1,000	6–13–96	Harold Ford Jr.
500	6–13–96	Bill Luther
500	6–13–96	Earl Pomeroy
1,000	6–6–96	Bart Gordon
500	5–25–96	Shirley Baca
500	5–25–96	Don Payne
500	5–25–96	Jack Reed
500	5–25–96	John Wertheim
1,000	3–5–96	Luis Gutierrez
1,000	1–23–96	Richard Durbin
1,000	1–23–96	Bob Filner
2,000	1–23–96	Richard Swett
500	11–15–95	Jerry Estruth
500	11–15–95	Jesse Jackson Jr.
500	10–11–95	Bill Luther
500	10–11–95	Karen McCarthy
500	10–11–95	Mike Ward
500	2–3–95	Mel Reynolds
500	11–8–94	Dan Glickman
500	11–8–94	Karen Thurman
500	11–2–94	Thomas Barlow
500	11–2–94	Chuck Blanchard
250	11–2–94	Gerry Brewster
500	11–2–94	Jack Brooks
500	11–2–94	John Bryant
250	11–2–94	Walter Capps
500	11–2–94	Dennis Dutremble
500	11–2–94	Elizabeth Furse
500	11–2–94	Dale Kildee
250	11–2–94	Bill Leavens
250	11–2–94	Craig Mathis
500	11–2–94	Harriet Spanel
500	11–2–94	Richard Swett
250	11–2–94	Catherine Webber
250	11–1–94	David Adkisson
500	10–28–94	Maria Cantwell
500	10–28–94	Ron Coleman
500	10–28–94	George Hochbrueckner
500	10–28–94	Joe Hogsett
500	10–28–94	Bill Luther
500	10–28–94	David Mann
500	10–28–94	Frank Mascara
500	10–28–94	Karen McCarthy
500	10–28–94	Frank McCloskey
500	10–28–94	Phil Schiliro
500	10–28–94	Jolene Unsoeld
500	10–28–94	Mike Ward
500	10–28–94	Jeff Whorley
500	10–28–94	Lynn Woolsey
250	10–27–94	Maggie Lauterer
250	10–26–94	John Galdacci
250	10–26–94	Ken Bentsen
250	10–26–94	Mike Doyle
250	10–26–94	Richard Moore
250	10–26–94	Dave Nagle
500	10–25–94	Sam Coppersmith
500	10–25–94	Alan Wheat
500	10–21–94	Lynn Rivers
500	10–20–94	James Bilbray

Amount	Date	Donee
500	10–20–94	Bill Hefner
500	10–12–94	George Brown
500	10–12–94	Elaine Peterson
500	9–30–94	Martin Frost
500	9–27–94	Tom Foley
500	9–27–94	Steny Hoyer
500	9–27–94	Mark Tokano
500	9–26–94	Jimmy Hayes
500	9–12–94	Neal Smith
500	8–4–94	John Bryant
500	8–4–94	Gary Condit
500	8–4–94	Peter DeFazio
500	8–4–94	Norm Dicks
500	8–4–94	Chet Edwards
500	8–4–94	Harold Ford
500	8–4–94	Bart Gordon
500	8–4–94	Bill Hefner
500	8–4–94	Jim McDermott
500	8–4–94	Alan Mollohan
500	8–4–94	Jim Moran
500	8–4–94	Dave Obey
500	8–4–94	Lewis Payne
500	8–4–94	David Price
500	8–4–94	Louis Stokes
500	8–4–94	James Traficant
500	8–4–94	Charles Wilson
500	8–4–94	Bob Wise
500	8–3–94	Gerry Kleczka
500	7–28–94	Howard Berman
500	7–28–94	David Bonior
500	7–28–94	Cardiss Collins
500	7–28–94	Vic Fazio
500	7–28–94	Dan Glickman
500	7–28–94	William Lipinski
500	7–28–94	Nita Lowey
500	7–28–94	Michael McNulty
500	7–28–94	Kweisi Mfume
500	7–28–94	George Miller
500	7–28–94	Norm Mineta
500	7–28–94	Sonny Montgomery
500	7–28–94	Don Payne
500	7–28–94	Pete Peterson
500	7–28–94	Charles Schumer
500	7–28–94	Richard Swett
500	7–28–94	Gene Taylor
500	7–28–94	Walter Tucker
500	7–28–94	Bruce Vento
500	7–20–94	Lloyd Doggett
500	7–20–94	Sheila Jackson Lee
500	7–20–94	Zoe Lofgren
500	7–20–94	Charles Rangel
500	7–12–94	Chaka Fattah
500	6–29–94	Eliot Engel
500	6–29–94	Martin Lancaster
500	6–29–94	Sander Levin
500	6–29–94	Tom Sawyer
500	6–29–94	Louise Slaughter
500	6–28–94	Gary Ackerman
500	6–28–94	Sam Gejdenson
500	6–28–94	Peter Hoagland
500	6–28–94	Jill Long
500	6–28–94	Frank McCloskey
500	6–28–94	Frank Pallone
500	6–28–94	David Skaggs
500	6–28–94	Pat Williams
500	6–27–94	Patrick Kennedy
250	6–23–94	Ben Chavez
500	6–23–94	John Conyers
500	6–17–94	Bill Sarpalius
500	6–15–94	Larry Larocco
500	6–13–94	George Darden
500	6–13–94	Eric Fingerhut
500	6–13–94	Sam Gibbons
500	6–13–94	George Hochbrueckner
500	6–13–94	Richard Lehman
500	6–13–94	Collin Peterson
500	6–13–94	Jolene Unsoeld
500	6–13–94	Harold Volkmer
500	6–1–94	Bennie Thompson
500	5–24–94	Peter Barca
500	5–24–94	Sherrod Brown
500	5–24–94	Maria Cantwell
500	5–24–94	Pat Danner
500	5–24–94	Elizabeth Furse
500	5–24–94	Maurice Hinchey
500	5–24–94	Tim Holden
500	5–24–94	Jay Inslee
500	5–24–94	Herb Klein
500	5–24–94	Ron Klink
500	5–24–94	Mike Kreidler
500	5–24–94	Carolyn Maloney
500	5–24–94	M. Margolies-Mezvinsky
500	5–24–94	Paul McHale
500	5–24–94	David Minge
500	5–24–94	Earl Pomeroy
500	5–24–94	Karen Shepherd
500	5–24–94	Ted Strickland
500	5–23–94	James Barcia
500	5–23–94	Nathan Deal
500	5–23–94	Karan English
500	5–23–94	Anna Eshoo
500	5–23–94	Sam Farr
500	5–23–94	Cleo Fields
500	5–23–94	Bob Filner
500	5–23–94	Dan Hamburg
500	5–23–94	Jane Harman
500	5–23–94	Don Johnson
500	5–23–94	Lynn Schenk
500	5–23–94	Bart Stupak
500	5–23–94	Karen Thurman
500	5–20–94	Dale Kildee
500	5–19–94	Thomas Barlow
500	5–4–94	David Mann
500	5–4–94	Dan Webber

Contributions, amount, date, donee:

2. Spouse: none.

3. Children and spouses names: none.

4. Parents names: William B. Richardson, deceased; Maria Luisa Zubiran, none.

5. Grandparents names: William Richardson and Vesta Richardson, Jorge Lopez Collada and Maria Marquez de Lopez Collada, all deceased.

6. Brothers and spouses names: none.

7. Sisters and spouses names: Vesta Richardson, none.

(The above nomination was reported with the recommendation that he be confirmed, subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

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. BRYAN (for himself and Mr. REID):

S. 296. A bill to amend the Nuclear Waste Policy Act of 1982 to allow commercial nuclear utilities that have contracts with the Secretary of Energy under section 302 of that act to receive credits to offset the cost of storing spent fuel that the Secretary is unable to accept for storage on and after January 31, 1998; to the Committee on Energy and Natural Resources.

S. 297. A bill to establish a Presidential commission on nuclear waste, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. D'AMATO (for himself, Mr. GRAMS, Mr. GRAMM, and Mr. BENNETT):

S. 298. A bill to enhance competition in the financial services sector, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. LAUTENBERG (for himself, Mr. DEWINE, Mr. LEVIN, Mr. INOUYE, Mr. COVERDELL, and Mr. ABRAHAM):

S. 299. A bill to require the Secretary of the Treasury to mint coins in commemoration of the sesquicentennial of the birth of Thomas Alva Edison, to redesign the half dollar circulating coin for 1997 to commemorate Thomas Edison, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. FEINGOLD (for himself and Mr. KOHL):

S. 300. A bill to prohibit the use of certain assistance provided under the Housing and Community Development Act of 1974 to encourage plant closings and the resultant relocation of employment, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. MCCAIN:

S. 301. A bill to authorize the Secretary of the Interior to set aside up to $2 per person from park entrance fees or assess up to $2 per person visiting the Grand Canyon or other national park to secure bonds for capital improvements to the park, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. CHAFEE (for himself, Mr. ROCKEFELLER, Mr. FRIST, Mr. JEFFORDS, and Ms. COLLINS):

S. 302. A bill to amend title XVIII of the Social Security Act to provide additional consumer protections for medicare supplemental insurance; to the Committee on Finance.

By Mr. ABRAHAM (for himself and Mr. LEVIN):

S. 303. A bill to waive temporarily the Medicare enrollment composition rules for The Wellness Plan; to the Committee on Finance.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

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

By Mr. SPECTER (for himself, Mr. SANTORUM, Mr. FEINGOLD, Mr. KOHL, Mr. JEFFORDS, and Mr. LEAHY):

S. Res. 52. A resolution expressing the Sense of the Senate regarding the need to address immediately the current milk crisis.

By Mrs. HUTCHISON (for herself, Mr. GRAMM, and Mr. D'AMATO):

S. Res. 53. A resolution to express the sense of the Senate concerning actions that the President of the United States should take to resolve the dispute between the Allied Pilots Association and American Airlines; to the Committee on Labor and Human Resources.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. D'AMATO (for himself, Mr. GRAMS, Mr. GRAMM and Mr. BENNETT):

S. 298. A bill to enhance competition in the financial services sector, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

THE DEPOSITORY INSTITUTION AFFILIATION ACT OF 1997

Mr. D'AMATO. Mr. President, today with the cosponsorship of my colleagues, Senators GRAMM, GRAMS, and BENNETT, I am introducing the ''Depository Institutions Affiliation Act of 1997,'' to modernize the laws governing the financial services industry in a comprehensive, progressive fashion. I am pleased that Representative RICHARD BAKER, chairman of the Housing Banking Subcommittee on Capital Markets, Securities and Government Sponsored Enterprises, will introduce similar legislation, joined by Representatives MCCOLLUM, LA FALCE, and DREIER. This legislation will promote efficiency and fair competition between all financial service providers and make U.S. financial firms stronger in global competition.

Mr. President, Congress has been struggling to modernize the financial system since before I became a member of the Banking Committee in 1981. That effort must continue and should conclude successfully in this Congress. Our existing legal framework is fundamentally outdated. The Glass-Steagall and Bank Holding Company Acts impose regulatory structures that are inadequate for today's global marketplace and the financial needs of consumers.

Mr. President, our Nation's entire financial system —including traditional banks, insurance companies, and securities firms—faces a future that is somewhat unsettled. Competitive developments in the marketplace and the

technological revolution that is well underway have brought about significant changes in the financial system, domestic and international. And these changes have already had a significant influence on all financial services providers and their customers.

Mr. President, there is widespread recognition that the United States must adopt a regulatory regime that recognizes market realities and assesses and controls risk. Our present patchwork of financial laws protects particular industries, restrains competition, prevents diversification that would limit risks, restricts potential sources of capital, and undermines the efficient delivery of financial services and the competitive position of our financial institutions in world markets.

Mr. President, Congress' reform effort in the 105th Congress must be forward-looking, not merely a reengineering of the legacy and laws from the New Deal. Our reform effort must not be limited in its design by unfounded fears and outdated philosophies. The far-reaching changes we are witnessing require a top-to-bottom examination of long-standing conventions about the way our financial system should be structured and regulated as we approach the 21st century. Already, banks and competitors from outside the conventional banking system are jockeying for position and advantage as competition heats up for control of market share and customers in a world of electronic commerce.

Existing institutions that fight for legislative restrictions to protect their markets are fighting the last war. Debate over financial modernization that focuses primarily on issues like the future of the banking franchise or gerrymandering markets through piecemeal legislation to protect a particular market segment is too narrow from a public policy standpoint. Such a narrow approach addresses questions and solves problems that existed in the 1970's and 1980's; however, the year 2000 is quickly approaching and the policy debate in Congress and among industry leaders should be oriented toward the future. Technology and new financial competitors from outside the traditional arena will now provide an important and new catalyst for meaningful change and long overdue comprehensive financial modernization.

Mr. President, in its consideration of financial modernization, the new Congress will need to explore a number of new and important issues, including:

Given all the technological changes and new players in the market, what does it mean to be a bank? Does it make sense to maintain an artificial distinction between banks and nonbanks? Does it make sense to preserve the fiction that banking and commerce are somehow separate? Does it make sense to prohibit information-driven firms from owning or affiliating with banks now that financial services are in large part information processing activities?

How will the old system of deposit insurance fit into this environment? Should more complex institutions be required to give up deposit insurance, as was suggested by one of the Federal Reserve Bank presidents?

How do we ensure that technology results in greater choice, lower fees and fair, readily available access by consumers? The experience we are having with ATM's raises questions about whether consumers will share in the benefits of technology or whether the benefits will go primarily to the owners of that technology.

How can we protect individual privacy now that computers make it so easy to collect and disseminate personal information? This is such a sensitive concern that the Congress directed the Federal Reserve to conduct a study.

I do not know the answers, but these are provocative questions which require careful study and debate.

Others are studying these issues as well.

Last year, Congress directed the Treasury Department to conduct a study of all issues relating to a common charter for all federally insured depository institutions as part of the law stabilizing and eventually merging the two Federal deposit insurance funds (BIF and SAIF) (P.L. 104–208). The Treasury Department is expected to submit that study next month.

The Treasury Department appointed a consumer electronic payments task force which will include the principal Federal agencies involved in the payments system.

In addition, the Treasury Department is completing a study on the strengths and weaknesses of our financial services system in meeting the needs of the system's users.

Most recently, Federal Reserve Chairman Greenspan announced formation of a committee that will look at the Fed's role in the payments system of the future.

Mr. President, I introduce the Depository Institution Affiliation Act as a prelude to a vigorous debate about the future of our financial system. Let me explain how the Depository Institution Affiliation Act [DIAA] will make the financial system safer, more stable, and more competitive. I will submit a more detailed section-by-section explanation of the bill at the end of my remarks. The bill is virtually identical to legislation that I have previously sponsored or cosponsored in 1987 (S. 1905) and in 1989 (S. 530). In the previous Congress, it was S. 337. With the exception of technical and conforming changes to reflect the enactment of banking laws since its original introduction, the text of the bill is unchanged.

Mr. President, comprehensive financial modernization as proposed in this reform legislation would produce many beneficial changes for all financial intermediaries.

First, the legislation will enable all financial intermediaries—commercial banks, investment banks, thrifts, and so forth—to attract financial capital and managerial expertise by eliminating existing restrictions on ownership by and affiliations among depository and nondepository firms. However, the DIAA preserves all the safety-and-soundness and conflict-of-interest protections of the present system, while providing legal flexibility for a company to meet the financial needs of consumers, businesses, and others.

Mr. President, some detractors of DIAA describe it as too radical because it permits these affiliations. However, this type of common ownership is already allowed by our laws and has existed for decades without any evidence of problems. Federal law and public policy expressly allows commercial companies to own and affiliate with a variety of federally insured banks—for example, credit card banks, limited purpose banks, trust companies, and so forth—and savings and loans. For example, unitary thrift holding companies have proven that finance and commerce can be mixed safely. In fact, the lack of ownership restrictions on thrifts has worked to expand the capital and managerial talent available to thrifts. And the successful record of unitary holding companies demonstrates that broader ownership affiliations can actually strengthen depository institutions through greater diversification and financial strength. Moreover, the reality is that nonbank organizations, including telecommunications, cable companies, and software firms are designing and delivering banklike financial services and products over the Internet and World Wide Web without owning a bank.

Second, this bill will facilitate diversification and assure fair competition by creating a new charter alternative for all companies interested in entering or diversifying in the financial services field—a financial services holding company—FSHC. These FSHC's will be authorized to engage in any financial activity through separately regulated affiliates of the holding company. The bill would permit the merging of banking and commerce under carefully regulated circumstances by allowing a FSHC to own both a depository institution and companies engaged in both financial and nonfinancial activities.

Third, this legislation will insulate insured subsidiaries—for example, banks—from the more risky business activities of its affiliates, as well as the parent holding company. It would not authorize or allow these activities to be conducted in a bank's operating subsidiary.

Mr. President, by authorizing this alternative regulatory framework, the legislation would essentially exempt a FSHC's subsidiaries and affiliates from those sections of the Glass-Steagall and Bank Holding Company Acts that restrict mixing commercial banking with other financial—securities, investment banking, and so forth—and

nonfinancial activities—retailing, technology, manufacturing. A FSHC would be able to diversify into any activity through affiliates of the holding company, with such affiliates subject to enhanced regulation.

Fourth, this bill will enhance substantially the quality and effectiveness of regulation through functional regulation. The regulation of the bank and nonbank affiliates of financial services holding companies would be along functional lines. The insured bank affiliate would be regulated by Federal and State bank regulators, the securities affiliate by the Securities and Exchange Commission, and so on. Thus, for each affiliate, existing regulatory expertise and resources will be applied to protect consumers, investors, and taxpayers. Functional regulation will also assure that competition in discrete products and services is fair by eliminating advantages attributable to current loopholes, regulatory gaps, and cost subsidies.

Finally, the bill would improve coordination and supervision of the overall financial system by permitting more effective analysis and monitoring of aggregate stability and vulnerability to severe disruptions and breakdown.

By removing unnecessary barriers to competition between providers of financial service in the United States, this legislation will permit U.S. capital markets to maintain their preeminence, and will allow U.S. financial intermediaries to respond to growing competition from foreign companies.

Mr. President, I want to underscore that the DIAA would not require existing firms to alter their regulatory structure. By permitting financial services providers to become FSHC's, such providers will have the option to phase gradually into, or expand within, the financial services industry.

Mr. President, the DIAA provides a solid platform and a sound approach to modernizing our financial structure. I recognize that this bill can be improved, and I am specifically requesting constructive and helpful comments to improve and to refine the major principles underlying the bill. As the committee proceeds to hearings and further consideration of the bill, I intend to make changes and adjustments in order to ensure competitive fairness, promote safety and soundness; achieve depositor, investor, and consumer protection; and assure effective and efficient functional regulation. Modernization of the financial services industry should not include the preemption of State consumer protection laws.

Mr. President, in the absence of congressional action, the Comptroller of the Currency and the Federal Reserve Board have acted to achieve limited modernization with results often of questionable legal authority and public policy results. Specifically, I am concerned about the OCC's action to permit a bank's operating subsidiaries to engage in activities that are not permissible for the bank. I believe this regulation is unwise. And I am deeply concerned that the Comptrollers action may subject federally insured banks to excessive risks and expose the bank insurance funds, and therefore taxpayers, to unnecessary liability. Congress can never forget the lessons of the savings and loan crisis in the late 1980's. In addition, the Fed's recent actions to increase the aggregate level of business a section 20 securities affiliate may engage in and its proposal to reduce or even eliminate important firewalls and safeguards that have existed for over a decade are also imprudent.

Mr. President, the rivalry between regulators to attempt unilaterally to set public policy and alter the competitive balance for their constituencies is not wholesome or helpful. The regulators actions will never be a substitute for comprehensive and balanced congressional action. For far too long, Congress has ceded the field to piecemeal deregulation by bank regulators and the courts. The time has come for Congress to decide on a legal and policy framework that prepares our financial institutions for the new century and the challenges of a rapidly changing global economy. The 105th Congress must address and resolve the important questions relating to the health and future of the banking industry in the broader context of a financial system that is increasingly composed of nonbank financial service providers. We must focus on the needs of our economy for credit and growth in the future and the next century. We must focus on financial stability, safety and soundness, fair competition, and functional regulation of all financial service providers—whether they are banks, investment banks, insurance companies, finance companies or even telecommunications or computer companies.

Mr. President, the benchmark provisions, principles, and purposes of DIAA, as stated above, have been tested and explored over the years. During a decade of debate several studies, including a 1991 study by the Treasury Department entitled, ''Modernizing the Financial System: Recommendations for Safer More Competitive Banks'', these principles and the framework of the bill have become the centerpiece of an emerging consensus in favor of forward-looking, balanced and prudent approach to modernization. I am hopeful that a new study underway by the Treasury Department and due to be submitted to Congress in March related to a common bank and thrift charter will reach similar conclusions.

Mr. President, by continuing to work together, as demonstrated by the BIF/SAIF bill last year, the Congress and the administration can overcome the complaints of vested interests and reform our antiquated financial services laws. We should not miss this opportunity for constructive bipartisanship. I believe that this bill provides a good starting point for the 105th Congress to act on financial modernization. Passage of this bill will be a high priority for the Banking Committee. I believe this is a realistic objective.

Mr. President, I ask unanimous consent that a more detailed section-by-section summary of the bill be reprinted in the RECORD.

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

DEPOSITORY INSTITUTION AFFILIATION ACT—SECTION-BY-SECTION ANALYSIS

Section 1: Short title

Section 1 provides that this Act be cited as the ''Depository Institution Affiliation Act''.

Section 2: Findings and purpose

The purpose of this Act is to promote the safety and soundness of the nation's financial system, to increase the availability of financial products and services to consumers, businesses, charitable institutions and government in an efficient and cost effective manner. In addition, this Act aims to promote a legal structure governing providers of financial services that permits open and fair competition and affords all financial services companies equal opportunity to serve the full range of credit and financial needs in the marketplace. This Act also aims to ensure that domestic financial institutions and companies are able to compete effectively in international financial markets. Finally, this Act aims to regulate financial activities and companies along functional lines without regard to ownership, control, or affiliation.

TITLE I—CREATION AND CONTROL OF DEPOSITORY INSTITUTION HOLDING COMPANIES

Section 101

This section creates a new type of financial company, a depository institution holding company (DIHC), and sets out the terms and conditions under which such a company can be established and must be operated.

Subsection (a) Definitions. This subsection defines terms used in this section.

Paragraph (a)(1) defines a DIHC to be any company that files a notice with the National Financial Services Committee (see Title II of this Act) that it intends to comply with the provisions of this section, and controls an insured depository institution, or, either (i) has, within the preceding 12 months filed a notice under subsection (b) of this section to establish or acquire control of a federally insured depository institution or a company owning such a federal insured depository institution, or (ii) controls a company which, within the preceding 12 months, has filed an application for federal deposit insurance, provided that such notice or application has not been disapproved by the appropriate Federal banking agency or withdrawn. Any holding company which elects to become a DIHC and which does not control any banks that are not FDIC insured, will lose its status as a bank holding company immediately upon filing the notice of its election to become a DIHC. Similarly, a savings and loan holding company that elects to become a DIHC will lose that status upon filing the notice of its election to become a DIHC. To assure that each bank controlled by a DIHC would be subject to regulation and supervision by an appropriate federal banking agency, owners of uninsured banks would not be able to avail themselves of the opportunity to become a DIHC, unless they agreed to convert such uninsured banks into federally insured depository institutions.

Paragraph (a)(2) gives the term 'bank holding company' the meaning given to it in Section 2(a) of the Bank Holding Company Act of 1956, as amended.

Paragraph (a)(3) gives the term 'savings and loan holding company' the meaning given to it in section 10(a) of the Home Owners' Loan Act.

Paragraph (a)(4) defines for this section, except paragraph (5) of subsection (f), the term 'affiliate' of a company as any company which controls, is controlled by, or is under common control with such a company.

Paragraph (a)(5) gives the term 'appropriate Federal banking agency' (AFBA) the meaning given to it in section 3 of the Federal Deposit Insurance Act.

Paragraph (a)(6) gives the term 'insured depository institution' the meaning given to it in section 3(c)(2) of the Federal Deposit Insurance Act.

Paragraph (a)(7) gives the term 'State' the meaning given to it in section 3(a) of the Federal Deposit Insurance Act.

Paragraph (a)(8) defines the term 'company' to mean any corporation, partnership, business trust, association or similar organization. However, corporations that are majority owned by the Untied States or any State are excluded from the definition of company.

Paragraph (a)(9) defines control by one company over another. For purposes of this section, the term ''control'' means the power, directly or indirectly, to direct the management or policies of a company, or to vote 25% or more of any class of voting securities of a company.

There are three exceptions from the definition of control. These pertain to ownership of voting securities acquired or held:

1. as agent, trustee or in some other fiduciary capacity;

2. as underwriter for such a period of time as will permit the sale of these securities on a reasonable basis; or in connection with or incidental to market making, dealing, trading, brokerage or other securities-related activities, provided that such shares are not acquired with a view toward acquiring, exercising or transferring control of the management or policies of the company;

3. for the purpose of securing or collection of a prior debt until two years after the date of the acquisition; and

In addition, no company formed for the sole purpose of proxy solicitation shall be deemed to be in control of another company by virtue of its acquisition of the voting rights of the other company's securities.

Paragraph (a)(10) defines the term 'adequately capitalized' with respect to an insured depository institution has the meaning given to it in section 38(b)(1) of the Federal Deposit Insurance Act.

Paragraph (a)(11) defines the term 'well capitalized' with respect to an insured depository institution has the meaning given to it in section 38(b)(1)(A) of the Federal Deposit Insurance Act.

Paragraph (a)(12) defines the term 'minimum required capital' with respect to an insured depository institution as the amount of capital that is required to be adequately capitalized.

Subsection (b): Changes in Control of Insured Depository Institutions. This subsection provides that any DIHC wishing to acquire control of an insured depository institution or company owning such insured depository institution must comply with the requirements of the Change in Bank Control Act. Failure to comply with these requirements will subject the relevant DIHC to the penalties and procedures provided in subsections (i) through (m) of this section, in addition to otherwise applicable penalties.

Subsection (c): Affiliate Transactions. This subsection authorizes supplemental regulation of the transactions of insured depository institutions controlled by DIHCs with their affiliates. These regulations would be in addition to the restrictions on interaffiliate transactions provided for under sections 23A or 23B of the Federal Reserve Act. This subsection gives each AFBA some flexibility to promulgate and adapt rules and regulations in response to changing market conditions so that the AFBA has at all times the capability to prevent insured depository institutions under its supervision that are controlled by DIHCs from engaging in transactions that would compromise the safety and soundness of such insured depository institutions or that would jeopardize the deposit insurance funds.

Moreover, other provisions of this Act assure that the AFBA will have the capability to enforce these regulations vigorously (subsection (i) of this section) and that any violations of these regulations will be more severely punished than violations of regulations applicable to insured depository institutions that are not controlled by DIHCs (subsections (i), (j), (k) and (l) of this section).

Subparagraph (c)(1)(A) empowers the AFBA to develop rules and regulations to prevent insured depository institutions under its supervision that are also controlled by a DIHC from engaging in unsafe or unsound practices involving the DIHC or any of its affiliates, including unsafe and unsound practices that may arise in connection with transactions covered by sections 23A and 23B of the Federal Reserve Act.

Subparagraph (c)(1)(B) empowers the AFBA to create certain exceptions to the provisions of the preceding subparagraph, if the AFBA deems that such exceptions are reasonable and in the public interest and not inconsistent with the purposes of this Act. These exemptions may relate to certain institutions or classes of institutions, or to certain transactions or classes of transactions, including transactions covered under Sections 23A or 23B of the Federal Reserve Act.

Paragraph (c)(2) provides that any rules adopted under subparagraph (c)(1)(A) shall be issued in accordance with normal rulemaking procedures and shall afford interested parties the opportunity to comment in writing and orally on any proposed rule.

Paragraph (c)(3) grandfathers specific interaffiliate transactions approved by a Federal regulatory agency prior to the enactment of this Act, exempting them from rules and regulations promulgated under subparagraph (c)(1)(A).

Paragraph (c)(4) makes it clear that sections 23A and 23B of the Federal Reserve Act will apply to every insured depository institution controlled by a depository institution holding company.

Paragraphs (c)(5) and (c)(6) prohibit any insured depository institution in a DIHC from extending credit to or purchasing the assets of a securities affiliate and providing other types of financial support to that DIHC's securities affiliate except for daylight overdrafts that relate to U.S. government securities transactions if the daylight overdrafts are fully collateralized by U.S. government securities as to principal and interest.

Paragraph (c)(7) prohibits insured depository institutions in a DIHC from issuing various guarantees for the enhancement of the marketability of a securities issue underwritten or distributed by a securities affiliate of that DIHC.

Paragraph (c)(8) prohibits insured depository institutions in a DIHC from extending credit secured by or for the purposes of purchasing any security during an underwriting period of for 30 days thereafter where a securities affiliate of such institution participates as an underwritten or member of a selling group.

Paragraph (c)(9) prohibits insured depository institutions in a DIHC from extending credit to an issuer of securities underwritten by a securities affiliate for the purpose of paying the principal of those securities or interest for dividends on those securities.

Paragraph (c)(10) defines ''securities affiliate'' for the purposes of paragraphs (c)(5), (6), (7), (8) and (9).

Subsection (d): Capitalization. This subsection regulates the capitalization of insured depository institutions that are controlled by a DIHC.

Paragraph (d)(1) requires that insured depository institutions controlled by a DIHC be well capitalized.

Paragraph (d)(2) provides that if the AFBA finds that an insured depository institution subsidiary of a DIHC is not well capitalized, the DIHC shall have thirty days to reach an agreement with the AFBA concerning how and according to what schedule the insured depository institution will bring its minimum capital back into conference with requirements. During that time the insured depository institution shall operate under the close supervision of the AFBA.

In the event that the DIHC does not reach an agreement within thirty days with the AFBA on how and according to what schedule the capital of the insured depository institution will be replenished, the DIHC will be required to divest the insured depository institution in an orderly manner within a period of six months, or such additional period of time as the AFBA may determine is reasonably required in order to effect such divestiture.

Paragraph (d)(3) states that in view of the enhanced regulatory control over insured depository institutions controlled by DIHCs, no AFBA may regulate the capital of the DIHC. Thus, no AFBA may require the DIHC itself to enter into any other agreement regarding the maintenance of capital in its insured depository institution affiliates. The capital of the DIHC would, however, be regulated by any other agency having jurisdiction over it. For example, if the DIHC were also a registered broker/dealer, it would have to conform to the minimum capital requirements mandated by the SEC.

Subsection (e): Interstate Acquisitions and Activities of Insured Depository Institutions. This subsection subjects interstate acquisitions of an insured depository institution by a DIHC to the same restrictions as those applicable to bank holding companies under section 3(d) of the Bank Holding Company Act of 1956, as amended, and it subjects interstate acquisitions of savings associations by a DIHC to the same restrictions as those applicable to savings and loan holding companies.

Subsection (f): Differential Treatment Prohibition; Laws Inconsistent with this Act. This subsection does two things. First, it prohibits adversely differential treatment of DIHCs and their affiliates, including their insured depository institution affiliates, except as this Act specifically provides. Second, this subsection ensures that state and federal initiatives do not undermine achievement of the purposes of this Act. Whether couched as affiliation, licensing or agency restrictions or as constraints on access to state courts, such laws effectively perpetuate market barriers and deny consumers the opportunity to choose between different financial products and services.

Paragraph (f)(1) notwithstanding any other federal law, prohibits states from enacting laws that discriminate against DIHCs or against their affiliates, including their insured depository institution affiliates. This paragraph also prohibits, notwithstanding any other federal law, federal and state regulatory agencies from discriminating by rule, regulation, order or any other means against DIHCs or against their affiliates, including

their insured depository institution affiliates, except as this Act specifically provides. This is intended to assure that the primary purpose of this Act—the enhancement of competition in the depository institution sector—will be fulfilled.

Paragraph (f)(2) finds that certain State affiliation and licensing laws restrain legitimate competition in interstate commerce, deny consumers freedom of choice in selecting an insured depository institution and threaten the long-term safety and soundness of insured depository institutions by limiting their access to capital.

Accordingly, with the exception of certain laws related to insurance and real estate brokerage which are treated in Subsection (g), this paragraph preempts any provision of federal or state law, rule, regulation or order that is expressly or impliedly inconsistent with the provisions of this section. The preempted statutes include state banking, savings and loan, securities, finance company, retail or other laws which restrict the affiliation of insured depository institutions or their owners, agents, principals, brokers, directors, officers, employees or other representatives with other firms. Similarly, laws prohibiting cross marketing of products and services are preempted insofar as such cross marketing activities are conducted by DIHCs, their affiliates, or by any agent, principal, broker, director, officer, employee or other representative. By contrast, nondiscriminatory state approval, examination, supervisory, regulatory, reporting, licensing, and similar requirements are not affected.

Paragraph (f)(3) removes a common uncertainty under state licensing and qualification to do business statutes, which leaves an out-of-state insured depository institution's access to another state's courts unresolved. Under this provision, so long as such an insured depository institution limits its activities to those which do not constitute the establishment or operation of a ''domestic branch'' of an insured depository institution in that other state, it can qualify to maintain or defend in that state's court any action which could be maintained or defended by a company which is not an insured depository institution and is not located in that state, subject to the same filing, fee and other conditions as may be imposed on such a company. This paragraph is not intended to grant states any power that they do not currently have to regulate the activities of out-of-state insured depository institutions.

Paragraph (f)(4) makes clear that a state, except subject to the provisions of this Act, may not impede or prevent any insured depository institution affiliated with a DIHC or any DIHC or affiliate thereof from marketing products and services in that state by utilizing and compensating its agents, solicitors, brokers, employees and other persons located in that state and representing such a insured depository institution, company, or affiliate. However, to the extent such persons are performing loan origination, deposit solicitation or other activities in which an insured depository institution may engage, those activities cannot constitute the establishment or operation of a ''domestic branch'' at any location other than the main or branch offices of the insured depository institution.

Paragraph (f)(5) contains a special definition of ''affiliate'' and ''control'' for purposes of paragraphs (2) through (4) this subsection only. Control is deemed to occur where a person or entity owns or has the power to vote 10% of the voting securities of another entity or where a person or entity directly or indirectly determines the management or policies of another entity or person. Unlike the definition of affiliate set forth in paragraph (4) of subsection (a), this definition encompasses not only corporate affiliations but affiliations between corporations and individuals.

Subsection (q): Securities, Insurance and Real Estate Activities of Insured Depository Institutions. In order to facilitate functional regulation of the activities of DIHCs this section prohibits insured depository institutions controlled by DIHCs from conducting certain securities, insurance and real estate activities currently permissible for some insured depository institutions.

Subparagraph (g)(1)(A) provides that no insured depository institution controlled by a DIHC shall directly engage in dealing in or underwriting securities, or purchasing or selling securities as agent, except to the extent such activities are performed with regard to obligations of the United States or are the type of activities that could be performed by a national bank's trust department (12 U.S.C. 92a).

Subparagraph (g)(1)(B) provides that no insured depository institution controlled by a DIHC shall directly engage in insurance underwriting.

Subparagraph (g)(1)(C) provides that no insured depository institution controlled by a DIHC shall directly engage in real estate investment or development except insofar as these activities are incidental to the insured depository institution's investment in or operation of its own premises, result from foreclosure on collateral securing a loan, or are the type of activities that could be performed by a national bank's trust department.

Paragraph (g)(2) clarifies that nothing in this subsection shall be construed to prohibit or impede a DIHC or any of its affiliates (other than an insured depository institution) from engaging in any of the activities set forth in paragraph (1) or to prohibit an employee of an insured depository institution that is an affiliate of a DIHC from offering or marketing products or services of an affiliate of such an insured depository institution as set forth in paragraph (1).

Paragraph (g)(3), however, contains significant limits on DIHC entry into the businesses of insurance agency and real estate brokerage. No DIHC could enter these fields de novo. Rather, they would have to purchase either an insurance agency or real estate brokerage business which had been in business for at least five years prior to passage of the Act.

Paragraph (g)(4) provides that nothing in this subsection will require the breach of a contract entered into prior to enactment of this Act.

Subsection (h): Tying and Insider Lender Provisions. This section subjects DIHCs to the tying provisions of section 106 of the Bank Holding Company Act Amendments of 1970 and to the insider lending prohibitions of section 22(h) of the Federal Reserve Act. These sections prohibit tying between products and services offered by insured depository institutions and products and services offered by the DIHC itself or by any of its other affiliates. Note, however, that these tying provisions do not apply to products and services that do not involve an insured depository institution. The insider lending provisions severely limit loans by an insured depository institution to officers and directors of the insured depository institution. For purposes of both provisions, the AFBA will exercise the rulemaking authority vested in the Federal Reserve with regard to these limitations.

Subsection (i): Examination and Enforcement. This subsection provides that the AFBA shall use its examination and supervision authority to enforce the provisions of this section, including any rules and regulations promulgated under subsection (c). In particular, it is intended that each AFBA should structure its examination process so as to uncover possible violations of the provisions of this section and that the agency should not hesitate to make full use of its cease-and-desist powers or to impose as warranted the special penalties discussed below, if it believes that an insured depository institution under its supervision that is controlled by a DIHC is in violation of any provisions of this section.

This subsection also grants the AFBA authority to examine any other affiliate of the DIHC as well as the DIHC itself in order to ensure compliance with the limitations of this section or other provisions of law made applicable by this section such as sections 23A and 23B of the Federal Reserve Act.

In addition, this subsection grants each AFBA the right to apply to the appropriate district court of the United States for a temporary or permanent injunction or a restraining order to enjoin any person or company from violation of the provisions of this section or any regulation prescribed under this section. The AFBA may seek such an injunction or restraining order whenever it considers that an insured depository institution under its supervision or any DIHC controlling such an insured depository institution is violating, has violated or is about to violate any provision of this section or any regulation prescribed under this section. In seeking such an injunction or restraining order the AFBA may also request such equitable relief as may be necessary to prevent the violation in question. This relief may include a requirement that the DIHC divest itself of control of the insured depository institution, if this is the only way in which the violation can be prevented.

This injunctive power will enable the AFBA to move speedily to stop practices that it believes endanger the safety and soundness of an insured depository institution under its supervision that is controlled by a DIHC. If necessary to protect the depositors and safeguard the deposit insurance funds, the AFBA may request that the injunction proceedings be held in camera, so as not to provoke a run on the insured depository institution.

Subsection (j): Divestiture. This subsection states that an AFBA may require a DIHC to divest itself of an insured depository institution, if the agency finds that the insured depository institution is engaging in a continuing course of action involving the DIHC or any of its affiliates that would endanger the safety and soundness of that insured depository institution. Although the DIHC would have the right to a hearing and to judicial review and have one year in which to divest the insured depository institution, it should be emphasized that the insured depository institution would operate under the close supervision of the AFBA from the date of the initial order until the date the divestiture is completed. This is intended to safeguard the insured depository institution in question, its depositors and the deposit insurance funds.

Subsection (k): Criminal Penalties: This subsection provides for criminal penalties for knowing and willful violations of the provisions of this section, even if these violations do not result in an initial or final order requiring divestiture of the insured depository institution. For companies found to be in violation of the provisions of this section the maximum penalty shall be the greater of (a) $250,000 per day for each day that the violation continues or (b) one percent of the minimum required capital of the insured depository institution per day for each day that the violation continues, up to a maximum of 10% of the minimum capital of the insured depository institution—a fine that

could amount to tens of millions of dollars for a large insured depository institution. Such a fine is designed to be large enough to deter even large insured depository institutions from violating the provisions of this section.

For individuals found to be in violation of the provisions of this section the penalty shall be a fine and/or a prison term. The maximum fine shall be the greater of (a) $250,000 or (b) twice the individual's annual rate of total compensation at the time the violation occurred. The maximum prison sentence shall be one year. In addition, individuals violating the provisions of this section will also be subject to the penalties provided for in Section 1005 of Title 18 for false entries in any book, report or statement to the extent that the violation included such false entries.

A DIHC and its affiliates shall also be subject to the Criminal penalties provisions of the Financial Institutions Reform, Recovery and Enforcement Act of 1989 and the Comprehensive Thrift and Bank Fraud Prosecution and Taxpayer Recovery Act of 1990 to the same extent as a registered bank holding company, savings and loan holding company or any affiliate of such companies.

Subsection (1): Civil Enforcement, Cease-and-Desist Orders, Civil Money Penalties. This subsection provides for civil enforcement, cease-and-desist orders and civil money penalties consistent with subsections (b) through (s) and subsection (u) of section 1818 of Title 123 for any company or person that violates the provisions of this section in the same manner as they apply to a state member insured bank, and grants the AFBA the power to impose such penalties after providing the company or person accused of such violation the opportunity to object in writing to its finding.

Subsection (m): Judicial Review. This subsection provides for judicial review of decisions reached by an AFBA under the provisions of this section. This right to review includes a right of judicial review of statutes, rules, regulations, orders and other actions that would discriminate against DIHCs or affiliates controlled by such companies.

Section 102: Amendment to the Bank Holding Company Act of 1956

This section contains a conforming amendment to the definition of the term ''bank'' in the Bank Holding Company Act to ensure that a DIHC owning an insured depository institution will be regulated under this Act rather than the Bank Holding Company Act.

Section 103: Amendments to the Federal Reserve Act

This section clarifies the application of Section 23A of the Federal Reserve Act to certain loans and extensions of credit to persons who are not affiliated with a member bank. Section 23A contains a provision that was intended to prevent the use of ''straw man'' intermediaries to evade section 23A's limitations on loans and extensions of credit to affiliates. Contrary to its original purpose, the provision may also be literally read to restrict a bona fide loan or extension of credit to a third party who happens to use the proceeds to purchase goods or services from an affiliate of the insured depository institution; such a loan could occur, for example, if a customer happened to use a credit card issued by an insured depository institution to buy an item sold by the insured depository institution's affiliate. This section clarifies that such loans and extensions of credit are not covered by section 23A as long as (i) the insured depository institution approves them in accordance with substantially the same standards and procedures and on substantially the same terms that it applies to similar loans or extensions of credit that do not involve the payment of the proceeds to an affiliate, and (ii) the loans or extensions of credit are not made for the purpose of evading any requirement of section 23A.

Section 104: Amendments to the Banking Act of 1933

Subsection (a) amends section 20 of the Glass-Steagall Act so that it does not apply to member banks that are controlled by DIHCs.

Subsection (b) amends section 32 of the Glass-Steagall Act so that it does not apply to officers, directors and employees of affiliates of a single depository institution holding company.

Section 105: Amendment to the Federal Deposit Insurance Act

This section amends the Change in Bank Control Act to provide that an acquisition of a DIHC controlling an insured depository institution may only be accomplished after complying with that Act's procedures. It also modifies the definition of ''control'' in the Change in Savings and Loan Control Act to conform it to the definition in section 101(a)(9) of this Act.

Section 106: Amendment to the Securities Exchange Act of 1934

This section amends the Securities Exchange Act of 1934 to provide for the registration and regulation of Broker Dealers.

Section 107: Amendment to the Home Owners' Loan Act

This section amends section 11 of the Home Owners' Loan Act in order to apply Section 101(c)(1)(B) of this section to savings associations.

Section 108: Amendment to the Community Reinvestment Act

This section amends the Community Reinvestment Act to make it applicable to acquisitions of insured depository institutions by DIHC's.

TITLE II—SUPERVISORY IMPROVEMENTS

Section 201: National Financial Services Committee

This section establishes a standing committee, the National Financial Services Oversight Committee (Committee), in order to provide a forum in which federal and state regulators can reach a consensus regarding how the regulation of insured depository institutions should evolve in response to changing market conditions. In addition, the Committee also provides a mechanism through which various federal regulatory agencies could coordinate their responses to a financial crisis, if such a crisis were to occur. The Committee comprises all federal agencies responsible for regulating financial institutions or financial activities, and it is structured to allow state regulators to participate in its deliberations.

The Committee consists of the Chairman of the Secretary of the Treasury, who is also the Chairman of the Committee, the Chairman of the Board of Governors of the Federal Reserve System, the Chairman of the FDIC, the Director of the Office of Thrift Supervision, the Comptroller of the Currency, the Secretary of Commerce, the Attorney General, the Chairman of the SEC, and the Chairman of the CFTC.

The Committee is directed to report to Congress within one year of enactment of this Act on proposed legislative or regulatory actions that will improve the examination process to permit better oversight of all insured depository institutions. It is also directed to establish uniform principles and standards for examinations.

TITLE III

Section 301: Effective date

The Act will become effective on the date of enactment.

Mr. GRAMS. Mr. President, I rise today in support of the Depository Institution Affiliation Act, which has been drafted by Senate Banking Committee Chairman ALFONSE D'AMATO. This landmark piece of legislation will modernize the archaic laws that govern our financial services industry. Passage of this legislation will benefit consumers, increase the availability of venture capital for job creation, and bolster the international competitiveness of America's financial services industry.

There is a clear need to modernize the outdated laws that govern America's financial services industry, because financial services play a vital role in our daily lives. We take out loans to go to college, to buy a car, and to purchase a home. We buy insurance to provide greater security to ourselves and our families. We make investments throughout our life so that we may retire in comfort and dignity.

Today, technological advancements and increased innovation in the delivery of financial services make it easier than ever for consumers to get loans, purchase insurance, and invest their earnings. Unfortunately, our archaic and burdensome laws governing financial institutions continue to discourage, rather than encourage, such advancement and innovation.

The laws to which I am referring are not those governing the safety and soundness of financial institutions, such as setting minimum capital requirements or requiring periodic oversight by Federal or State regulators. Safety and soundness laws and regulations are beneficial and necessary, as they enhance the security of the consumer whenever he or she deposits money in a bank or purchases an insurance policy.

The outdated laws to which I am referring are the laws that create barriers to competition by artificially compartmentalizing the three major sectors of financial services—banking, securities, and insurance. For example, under the Banking Act of 1933, more commonly known as the Glass-Steagall Act, banks are generally barred from directly investing in corporate securities, underwriting new corporate issues or sponsoring mutual funds. Under the Bank Holding Company Act of 1956, securities underwriters, insurance underwriters, and nonfinancial companies are generally prohibited from owning banks or being owned by a bank holding company.

These outdated financial institution laws hurt consumers by artificially increasing the costs of financial services, reducing the availability of financial products, and reducing the level of convenience in the delivery of financial services. These laws hurt small businesses—an engine of job growth in the American economy—by artifically limiting the amount of equity capital available for expanded activity. These

laws weaken the international competitiveness of America's financial institutions by prohibiting them from offering the range of financial services that foreign financial institutions may offer.

It should be noted that the Glass-Steagall Act—which created the compartmentalized structure of financial services that we have today—was based upon the false premise that the massive amount of bank failures that occurred during the Great Depression was caused by the securities activities that these banks conducted. However, just the opposite is true: Diversification in financial services actually increased the safety and soundness of the banks. Between 1929 and 1933, 26.3 percent of all national banks failed. However, the failure rate for those banks that conducted securities activities was lower. Of the national banks in 1929 that either had securities affiliates or had internal bond departments, only 7.2 percent had failed by 1933. The message from these statistics is clear: We should encourage competition and diversification, not discourage it.

Last year, Congress passed a bipartisan and comprehensive legislative initiative to reform the Telecommunications Act and stimulate competition and innovation in the telecommunications industry. Similar action is needed this year to stimulate the growth and global competitiveness of our financial services industry.

The Depository Institution Affiliation Act creates a new Financial Services Holding Company structure that will permit banks, thrifts, securities companies and insurance companies to affiliate and cross-market their products. This structure will do this while maintaining consumer protections and the safety and soundness of the Federal deposit insurance system.

This legislation will greatly benefit consumers. The D'Amato bill's termination of affiliation restrictions will significantly increase competition in the financial services industry. Consumers' costs in the purchase of insurance, securities and banking products will be lowered. The bill's termination of crossmarketing restrictions will increase consumer convenience, as consumers will be able to do one-stop shopping for all of their financial services needs. The D'Amato bill does all of this while maintaining the statues and regulations that protect consumers from fraud and discrimination.

This legislation will maintain the safety and soundness of the Federal deposit insurance system. The D'Amato bill protects banks from being affected by affiliate and holding company insolvency by implementing firewalls that prohibit affiliates from raiding the insured bank. As added protection, it requires that if a bank becomes anything less than satisfactorily capitalized, the Financial Services Holding Company must immediately divest of the bank.

This legislation will provide for competitive equality among all financial services providers. Its provisions have been carefully crafted to provide a level playing field for banks, thrifts, securities companies and insurance companies. This charter up approach will permit all of these companies to become Financial Services Holding Companies, and will not prevent current financial institutions from conducting any activities that they currently conduct.

In closing, I look forward to supporting Chairman D'AMATO in his efforts to pass financial modernization legislation. It is my hope that 1997 will be the year that we join together and create a bipartisan bill that will reform our laws so that America's financial institutions will be able to compete, innovate and grow to meet the challenges of the 21st century.

By Mr. LAUTENBERG (for himself, Mr. DEWINE, Mr. LEVIN, Mr. INOUYE, Mr. COVERDELL, and Mr. ABRAHAM):

S. 299. A bill to require the Secretary of the Treasury to mint coins in commemoration of the sesquicentennial of the birth of Thomas Alva Edison, to redesign the half dollar circulating coin for 1997 to commemorate Thomas Edison, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

THE THOMAS ALVA EDISON SESQUICENTENNIAL COMMEMORATIVE COIN ACT

Mr. LAUTENBERG. Mr. President, I rise on behalf of Senators DEWINE, LEVIN, INOUYE, COVERDELL, ABRAHAM, and myself, to introduce legislation that would direct the Secretary of the Treasury to mint coins commemorating the 150th anniversary of Thomas Alva Edison's birth. The introduction of this legislation today, February 11, is significant because Thomas Edison was born 150 years ago.

Mr. President, few Americans have had a greater impact on our Nation, and our world, than Thomas Edison. He produced more than 1,300 inventions, including the incandescent light bulb, the alkaline battery, the phonograph, and motion pictures.

In 1928, the Congress saw fit to award to Mr. Edison a Congressional Gold Medal ''for development and application of inventions that have revolutionized civilization in the last century.'' The legislation I am introducing today would once again honor one of the world's greatest inventors by issuing both commemorative and circulating coins with Mr. Edison's likeness.

These coins not only would honor the memory of Thomas Edison, they would also raise revenue to support organizations that preserve his legacy. The two New Jersey Edison sites, the ''invention factory'' in West Orange and the Edison Memorial Tower in Edison, are both in need of repair. Irreplaceable records and priceless memorabilia are in danger of being destroyed because of moisture damage and structural problems. Each year, 9,000 young students visit the West Orange site to learn about the great inventor. Our legislation, at no cost to the Government, would provide the funds necessary to protect these and five other historical sites so that generations of schoolchildren can continue to visit them.

Let me emphasize that this legislation would have no net cost to the Government. In fact, because circulating coins are a source of Government revenue known as seigniorage, this bill would reduce Government borrowing requirements, thereby lowering the annual interest payments on the national debt. An Edison commemorative coin program also has strong support among America's numismatists, whose interest is crucial to the success of any coin program.

Mr. President, I introduced similar legislation at the end of the 104th Congress. I introduce it again on the 150th birthday of this great American inventor with the anticipation that my colleagues will join me in honoring the memory of Thomas Alva Edison while providing sorely needed funds to important historical sites.

I urge my colleagues to support this legislation and ask unanimous consent that a copy 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. 299

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 ''Thomas Alva Edison Sesquicentennial Commemorative Coin Act''.

SEC. 2. FINDINGS.

The Congress finds that—

(1) Thomas Alva Edison, one of America's greatest inventors, was born on February 11, 1847, in Milan, Ohio;

(2) the inexhaustible energy and genius of Thomas A. Edison produced more than 1,300 inventions in his lifetime, including the incandescent light bulb and the phonograph;

(3) in 1928, Thomas A. Edison received the Congressional gold medal ''for development and application of inventions that have revolutionized civilization in the last century''; and

(4) 1997 will mark the sesquicentennial of the birth of Thomas A. Edison.

TITLE I—COMMEMORATIVE COINS

SEC. 101. COIN SPECIFICATIONS.

(a) DENOMINATIONS.—In commemoration of the sesquicentennial of the birth of Thomas A. Edison, the Secretary of the Treasury (hereafter in this Act referred to as the ''Secretary'') shall mint and issue—

(1) not more than 350,000 $1 coins, each of which shall—

(A) weigh 26.73 grams;

(B) have a diameter of 1.500 inches; and

(C) contain 90 percent silver and 10 percent copper; and

(2) not more than 350,000 half dollar coins, each of which shall—

(A) weigh 12.50 grams;

(B) have a diameter of 1.205 inches; and

(C) contain 90 percent silver and 10 percent copper.

(b) LEGAL TENDER.—The coins minted under this title shall be legal tender, as provided in section 5103 of title 31, United States Code.

(c) NUMISMATIC ITEMS.—For purposes of section 5134 of title 31, United States Code, all coins minted under this title shall be considered to be numismatic items.

SEC. 102. SOURCES OF BULLION.

The Secretary shall obtain silver for minting coins under this title only from stockpiles established under the Strategic and Critical Materials Stock Piling Act.

SEC. 103. DESIGN OF COINS.

(a) DESIGN REQUIREMENTS.—

(1) IN GENERAL.—The design of the coins minted under this title shall be emblematic of the many inventions made by Thomas A. Edison throughout his prolific life.

(2) DESIGNATION AND INSCRIPTIONS.—On each coin minted under this title there shall be—

(A) a designation of the value of the coin;

(B) an inscription of the years ''1847–1997''; and

(C) inscriptions of the words ''Liberty'', ''In God We Trust'', ''United States of America'', and ''E Pluribus Unum''.

(3) OBVERSE OF COIN.—The obverse of each coin minted under this title shall bear the likeness of Thomas A. Edison.

(b) DESIGN COMPETITION.—Before the end of the 3-month period beginning on the date of enactment of this Act, the Secretary shall conduct an open design competition for the design of the obverse and the reverse of the coins minted under this title.

(c) SELECTION.—The design for the coins minted under this title shall be—

(1) selected by the Secretary after consultation with the Commission of Fine Arts; and

(2) reviewed by the Citizens Commemorative Coin Advisory Committee.

SEC. 104. ISSUANCE OF COINS.

(a) QUALITY OF COINS.—Coins minted under this title shall be issued in uncirculated and proof qualities.

(b) MINT FACILITY.—Only 1 facility of the United States Mint may be used to strike any particular quality of the coins minted under this title.

(c) COMMENCEMENT OF ISSUANCE.—The Secretary may issue coins minted under this title beginning on and after the date of enactment of this Act.

(d) TERMINATION OF MINTING AUTHORITY.—No coins may be minted under this title after July 31, 1998.

SEC. 105. SALE OF COINS.

(a) SALE PRICE.—The coins issued under this title shall be sold by the Secretary at a price equal to the sum of—

(1) the face value of the coins;

(2) the surcharge provided in subsection (d) with respect to such coins; and

(3) the cost of designing and issuing the coins (including labor, materials, dies, use of machinery, overhead expenses, marketing, and shipping).

(b) BULK SALES.—The Secretary shall make bulk sales of the coins issued under this title at a reasonable discount.

(c) PREPAID ORDERS.—

(1) IN GENERAL.—The Secretary shall accept prepaid orders for the coins minted under this title before the issuance of such coins.

(2) DISCOUNT.—Sale prices with respect to prepaid orders under paragraph (1) shall be at a reasonable discount.

(d) SURCHARGES.—All sales of coins minted under this title shall include a surcharge of—

(1) $14 per coin for the $1 coin; and

(2) $7 per coin for the half dollar coin.

SEC. 106. GENERAL WAIVER OF PROCUREMENT REGULATIONS.

(a) IN GENERAL.—Except as provided in subsection (b), no provision of law governing procurement or public contracts shall be applicable to the procurement of goods and services necessary for carrying out this title.

(b) EQUAL EMPLOYMENT OPPORTUNITY.—Subsection (a) shall not relieve any person entering into a contract under the authority of this title from complying with any law relating to equal employment opportunity.

SEC. 107. DISTRIBUTION OF SURCHARGES.

(a) IN GENERAL.—Subject to section 5134(f) of title 31, United States Code, the first $7,000,000 of the surcharges received by the Secretary from the sale of coins issued under this title shall be promptly paid by the Secretary as follows:

(1) MUSEUM OF ARTS AND HISTORY.—Up to 1/7 to the Museum of Arts and History, in the city of Port Huron, Michigan, for the endowment and construction of a special museum on the life of Thomas A. Edison in Port Huron.

(2) EDISON BIRTHPLACE ASSOCIATION.—Up to 1/7 to the Edison Birthplace Association, Incorporated, in Milan, Ohio, to assist in the efforts of the association to raise an endowment as a permanent source of support for the repair and maintenance of the Thomas A. Edison birthplace, a national historic landmark.

(3) NATIONAL PARK SERVICE.—Up to 1/7 to the National Park Service, for use in protecting, restoring, and cataloguing historic documents and objects at the ''invention factory'' of Thomas A. Edison in West Orange, New Jersey.

(4) EDISON PLAZA MUSEUM.—Up to 1/7 to the Edison Plaza Museum in Beaumont, Texas, for expanding educational programs on Thomas A. Edison and for the repair and maintenance of the museum.

(5) EDISON WINTER HOME AND MUSEUM.—Up to 1/7 to the Edison Winter Home and Museum in Fort Myers, Florida, for historic preservation, restoration, and maintenance of the historic home and chemical laboratory of Thomas A. Edison.

(6) EDISON INSTITUTE.—Up to 1/7 to the Edison Institute, otherwise known as ''Greenfield Village'', in Dearborn, Michigan, for use in maintaining and expanding displays and educational programs associated with Thomas A. Edison.

(7) EDISON MEMORIAL TOWER.—Up to 1/7 to the Edison Memorial Tower in Edison, New Jersey, for the preservation, restoration, and expansion of the tower and museum.

(b) EXCESS PAYABLE TO THE NATIONAL NUMISMATIC COLLECTION.—After payment of the amounts required under subsection (a), the Secretary shall pay the remaining surcharges to the National Museum of American History in Washington, D.C., for the support of the National Numismatic Collection at the museum.

(c) AUDITS.—Each organization that receives any payment from the Secretary under this section shall be subject to the audit requirements of section 5134(f)(2) of title 31, United States Code.

SEC. 108. FINANCIAL ASSURANCES.

(a) NO NET COST TO THE GOVERNMENT.—The Secretary shall take such actions as may be necessary to ensure that minting and issuing coins under this title will not result in any net cost to the United States Government.

(b) PAYMENT FOR COINS.—A coin shall not be issued under this title unless the Secretary has received—

(1) full payment for the coin;

(2) security satisfactory to the Secretary to indemnify the United States for full payment; or

(3) a guarantee of full payment satisfactory to the Secretary from a depository institution whose deposits are insured by the Federal Deposit Insurance Corporation or the National Credit Union Administration Board.

TITLE II—CIRCULATING COINS

SEC. 201. AUTHORITY TO REDESIGN HALF DOLLAR CIRCULATING COINS.

Section 5112(d) of title 31, United States Code, is amended by inserting after the 6th sentence the following: ''At the discretion of the Secretary, half dollar coins minted after December 31, 1996, and before July 31, 1998, may bear the same design as the commemorative coins minted under title I of the Thomas Alva Edison Sesquicentennial Commemorative Coin Act, as established under section 103 of that Act.''.

By Mr. FEINGOLD (for himself and Mr. KOHL):

S. 300. A bill to prohibit the use of certain assistance provided under the Housing and Community Development Act of 1974 to encourage plant closings and the resultant relocation of employment, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

THE PROHIBITION OF INCENTIVES FOR RELOCATION ACT OF 1997

● Mr. FEINGOLD. Mr. President, I introduce legislation to address an important and timely issue for the citizens of my State of Wisconsin, and for others all over our Nation—the issue of job piracy.

Last month, officials in the State of Michigan announced a new initiative designed to lure businesses from other States into their own borders. Businesses are provided a tempting incentive to relocate there, tax-free status for 15 years, if they relocate to select regions of the State. The communications director for the Michigan Jobs Commission, Jim Tobin, was quoted in the Wisconsin State Journal as saying that the new so-called renaissance zones program ''will aggressively pursue Wisconsin companies for relocation into Michigan.'' Presumably, other States bordering Michigan will be targeted as well.

I was extremely disappointed to hear that my neighboring State had chosen to blatantly target Wisconsin jobs, rather than focusing its energies on creating new jobs for its residents. In my opinion, economic development ought not be thought of as a zero-sum game. We live in an era of increasing economic interdependence, and responsible elected officials should be focusing on regional and national solutions to the crises in our States' most economically distressed areas, not on raiding each others' jobs.

Upon hearing of the new Michigan initiative, my colleagues Senator KOHL and Congressman TOM BARRETT and I requested investigations from several Federal agencies in order to ascertain whether and to what degree Federal funds are being used to finance the renaissance zones initiative. We feel strongly that our constituents' tax dollars should not have to help finance the efforts of those across State lines who attempt to steal their jobs.

Fortunately, most Federal economic development grant programs, such as those funded by the Small Business Administration and the Economic Development Administration, currently include antipiracy language. However,

this important anti-piracy provision is conspicuously absent in the Community Development Block Grant [CDBG] Program and several other small programs administered by the Department of Housing and Urban Developmen [HUD].

Today, Senator KOHL and I are introducing the Prohibition of Incentives for Relocation Act of 1997, a bill we have introduced previously, in both the 103d and 104th Congresses. It would simply make the CDBG, HUD special purpose grants, and HUD economic development grants consistent with other domestic economic development grant programs, by prohibiting HUD funds from being used for activities that are intended, or likely to facilitate, the closing of an industrial or commercial plant, or the substantial reduction of operations of a plant; and result in the relocation or expansion of a plant from one area to another area. Identical legislation is being introduced in the House by Representative BARRETT and Representative KLECZKA.

We became aware of this problem in the way the CDBG language is currently drafted several years ago. In 1994, Briggs and Stratton, one of Wisconsin's major employers, announced that its Milwaukee plant would be closing. As a result, over 2,000 jobs at the plant were lost. The total economic impact on the community was even worse: For every four Briggs jobs lost, an estimated one additional job from a supplier or other business that relied on Briggs was lost.

At the same time as the Milwaukee closing, Briggs and Stratton expanded two of its plants in other States. I do not dispute its right to do so. But what I find objectionable, Mr. President, is that Federal dollars, CDBG funds, were used to facilitate the transfer of these jobs from one State to another. This was, in my opinion, a completely inappropriate use of Federal funds. The Community Development Block Grant Program is designed to expand employment opportunities and economic growth, not simply move jobs from one community to another. There is no way to justify to my constituents that they are sending their tax dollars to Washington to be distributed to other States in order to attract jobs out of our State, leaving behind communities whose economic stability has been destroyed.

Mr. President, it is not clear if CDBG dollars are being used by the State of Michigan to finance their piracy of jobs from my State and from our other Midwestern neighbors. But in any event, the statute should be revised to prohibit such usage. It is an issue of fairness, and it deserves our attention. 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. 300

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

SECTION 1. PROHIBITION OF USE OF CERTAIN ASSISTANCE TO ENCOURAGE PLANT CLOSINGS AND RESULTANT RELOCATION OF EMPLOYMENT.

(a) AUTHORIZATIONS.—Section 103 of the Housing and Community Development Act of 1974 (42 U.S.C. 5303) is amended—

(1) by inserting ''(a)'' before ''The Secretary''; and

(2) by adding at the end the following new subsection:

''(b) PROHIBITION OF USE OF ASSISTANCE TO ENCOURAGE PLANT CLOSINGS AND RESULTANT RELOCATION OF EMPLOYMENT.—

''(1) IN GENERAL.—Notwithstanding any other provision of law, no amount from a grant made under section 106 shall be used for any activity that is intended or is likely to—

''(A) facilitate the closing of an industrial or commercial plant or the substantial reduction of operations of a plant; and

''(B) result in the relocation or expansion of a plant from one area to another area.

''(2) NOTICE.—The Secretary shall, by notice published in the Federal Register, establish such requirements as may be necessary to implement this subsection. Such notice shall be published as a proposed regulation and take effect upon publication. The Secretary shall issue final regulations, taking into account public comments received by the Secretary.''.

(b) SPECIAL PURPOSE GRANTS.—Section 107 of the Housing and Community Development Act of 1974 (42 U.S.C. 5307) is amended by adding at the end the following new subsection:

''(g) PROHIBITION OF USE OF ASSISTANCE TO ENCOURAGE PLANT CLOSINGS AND RESULTANT RELOCATION OF EMPLOYMENT.—

''(1) IN GENERAL.—Notwithstanding any other provision of law, no amount from a grant made under this section shall be used for any activity that is intended or is likely to—

''(A) facilitate the closing of an industrial or commercial plant or the substantial reduction of operations of a plant; and

''(B) result in the relocation or expansion of a plant from one area to another area.

''(2) NOTICE.—The Secretary shall, by notice published in the Federal Register, establish such requirements as may be necessary to implement this subsection. Such notice shall be published as a proposed regulation and take effect upon publication. The Secretary shall issue final regulations, taking into account public comments received by the Secretary.''.

''(c) ECONOMIC DEVELOPMENT GRANTS.—Section 108(q) of the Housing and Community Development Act of 1974 (42 U.S.C. 5308(q)) is amended by adding at the end the following new paragraph:

''(5) PROHIBITION OF USE OF ASSISTANCE TO ENCOURAGE PLANT CLOSINGS AND RESULTANT RELOCATION OF EMPLOYMENT.—

''(A) IN GENERAL.—Notwithstanding any other provision of law, no amount from a grant made under this subsection shall be used for any activity that is intended or is likely to—

''(i) facilitate the closing of an industrial or commercial plant or the substantial reduction of operations of a plant; and

''(ii) result in the relocation or expansion of a plant from one area to another area.

''(B) NOTICE.—The Secretary shall, by notice published in the Federal Register, establish such requirements as may be necessary to implement this paragraph. Such notice shall be published as a proposed regulation and take effect upon publication. The Secretary shall issue final regulations, taking into account public comments received by the Secretary.''.●

By Mr. McCAIN:

S. 301. A bill to authorize the Secretary of the Interior to set aside up to $2 per person from park entrance fees or assess up to $2 per person visiting the Grand Canyon or other national park to secure bonds for capital improvements to the park, and for other purposes; to the Committee on Energy and Natural Resources.

NATIONAL PARKS LEGISLATION

Mr. McCAIN. Mr. President, I introduce legislation that would allow us to make desperately needed improvements within America's national parks.

The National Parks Capital Improvements Act of 1997 would allow private fundraising organizations to enter into agreements with the Secretary of the Interior to issue taxable capital development bonds. Bond revenues would then be used to finance park improvement projects. The bonds would be secured by an entrance fee surcharge of up to $2 per visitor at participating parks, or a set-aside of up to $2 per visitor from current entrance fees.

Our national park system has enormous capital needs—by last estimate, over $3 billion for high priority projects such as improved transportation systems, trail repairs, visitor facilities, historic preservation, and the list goes on and on. The unfortunate reality is that even under the rosiest budget scenarios our growing park needs far outstrip the resources currently available.

A good example of this funding gap is at Grand Canyon National Park. The park's recently approved park management plan calls for over $300 million in capital improvements, including a desperately needed transportation system to reduce congestion. Despite this enormous need for funding, the Grand Canyon received only $12 million from the Federal Government last year for operating costs. The gap is as wide as the Grand Canyon itself. Clearly, we must find a new way to finance park needs.

Revenue bonding would take us a long way toward meeting our needs within the national park system. Based on current visitation rates at the Grand Canyon, a $2 surcharge would enable us to raise $100 million from a bond issue amortized over 20 years. That is a significant amount of money which we could use to accomplish many critical park projects.

I want to emphasize, however, the Grand Canyon would not be the only park eligible to benefit from this legislation. Any park unit with capital needs in excess of $5 million is eligible to participate. Among eligible parks, the Secretary of the Interior will determine which may take part in the program.

I also want to stress that only projects approved as part of a park's general management plan can be funded through bond revenue. This proviso eliminates any concern that the revenue could be used for projects of questionable value to the park.

In addition, only organizations under agreement with the Secretary will be authorized to administer the bonding, so the Secretary can establish any rules or policies he deems necessary and appropriate.

Under no circumstances, however would, investors be able to attach liens against Federal property in the very unlikely event of default. The bonds will be secured only by the surcharge revenues.

Finally, the bill specifies that all professional standards apply and that the issues are subject to the same laws, rules, and regulatory enforcement procedures as any other bond issue.

The most obvious question raised by this legislation is: Will the bond markets support park improvement issues, guaranteed by an entrance surcharge? The answer is yes, emphatically. Americans are eager to invest in our Nation's natural heritage, and with park visitation growing stronger, the risks would appear minimal. For example, a recent Washington Times editorial printed on December 8, 1996, noted that park visitation has increased to nearly 280 million since 1983, so that now more than a quarter of a million people visit our national parks every year. That editorial went on to point out that attendance is expected to further increase to well over 300 million by the turn of the century.

Are park visitors willing to pay a little more at the entrance gate if the money is used for park improvements? Again, yes. Time and time again, visitors have expressed their support for increased fees provided that the revenue is used where collected and not diverted for some other purpose devised by Congress.

With the fee demonstration program currently being implemented at parks around the Nation, an additional $2 surcharge may not be necessary or appropriate at certain parks. Under the bill, those parks could choose to dedicate $2 per park visitor from current entrance fees toward a bond issue.

Finally, I want to point out that the bill will not cost the Treasury any money? On the contrary, it will result in a net increase in Federal revenue. First, the bonds will be fully taxable. Second, making desperately needed improvements sooner rather than later will reduce total project costs.

Mr. President, this legislation seeks to use park entrance fees to their fullest potential through bonds. I appreciate that some details may remain to be worked out in this bill and I encourage the administration and other interested groups to work with me to fine tune this legislation. But, I believe that use of revenue bonds to pay the staggering costs for capital improvements within our parks is an idea whose time has come.

America has been blessed with a rich natural heritage. The National Park Service Organic Act, which created the National Park Service, enjoins us to protect our precious natural resources for future generations and to provide for their enjoyment by the American people. The National Parks Capital Improvements Act must pass if we are to successfully fulfill the enduring responsibilities of stewardship with which we have been vested. I urge my colleagues to support me in this important effort.

I ask unanimous consent that copies of letters supporting this legislation from the Environmental Defense Fund, the National Trust for Historic Preservation, the Grand Canyon Fund, the National Park Foundation, the Grand Canyon Trust, the Friends of Acadia, Mount Rainier, North Cascades & Olympic Fund and the Rocky Mountain National Park Associates, Inc., be included in the RECORD.

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

ROCKY MOUNTAIN NATIONAL PARK ASSOCIATES, INC.,
Estes Park, CO, February 3, 1997.

Senator JOHN MCCAIN,
U.S. Senate,
Washington, DC.

DEAR SENATOR MCCAIN, Permit me to add a voice of support for the bill you are reintroducing known as the National Parks Capital Improvement Act.

Many of us affiliated as non profit and philanthropic partners working to improve and enhance America's National Park System are searching for innovative solutions to address the pressing needs of our parks. The concept of the National Parks Capital Improvements Act may be innovative within the context of national parks, but it is clearly a well-tested tool in the private sector and it is needed now for our park fix-up kits. It is my understanding that it permits bonds to be issued at our parks—at least those areas having special long-term needs and those adept at revenue generation. This legislation is not designed to address every need of the maintenance backlog which is fast accumulating within the National Park System. But in specific parks—like that of Grand Canyon or others with carefully defined Master Plans—this authority to issue bonds could be put to beneficial use immediately, addressing critically important infrastructure and visitor services improvement programs.

I hasten to add that not many parks have non profit partnerships as strong as Grand Canyon National Park has with its affiliates, the Grand Canyon Association and the Grand Canyon Fund. The key to making this bond issuance authority work effectively is the leadership and managerial competence coming from these non profit partners. The National Park Service is fortunate to have such strong non profit friends who are able to both create and manage this financing plan within the context of our National Park System.

I applaud your foresight and your leadership in reintroducing the National Parks Capital Improvements Act in this current session of Congress. I heartily endorse your concern and your continued efforts in seeking new solutions to help our national parks.

Kindest regards,

C.W. BUCHHOLTZ,
Executive Director.

NATIONAL TRUST FOR HISTORIC PRESERVATION,
Washington, DC, February 3, 1997.

Hon. JOHN MCCAIN,
U.S. Senate,
Washington, DC.

DEAR SENATOR MCCAIN: On behalf of the more than 250,000 members of the National Trust for Historic Preservation, I am writing to express our support for the National Parks Improvements Act of 1997. This legislation creates, in the form of revenue bonds, an innovative mechanism for funding the backlog of capital investment and deferred maintenance needs in our National Park System.

Recently, Senator Craig Thomas, the new Chairman of the Subcommittee on Parks, Historic Preservation and Recreation, expressed the view that the challenges facing the National Parks System—specifically the backlog of deferred maintenance, repair and restoration needs—must be addressed outside that normal annual appropriation process. The National Trust for Historic Preservation has a particular interest in finding sources of funding for the $1 to $2 billion backlog of restoration and rehabilitation needs for the 20,000 historic structures in our National Parks. The National Parks Improvement Act of 1997 provides a solution to the complex problem, and we look forward to working with you on this legislation.

Sincerely,

EDWARD M. NORTON, Jr.

GRAND CANYON FUND, INC.,
Grand Canyon, AZ, January 31, 1997.

Hon. JOHN MCCAIN,
U.S. Senate,
Washington, DC.

DEAR SENATOR MCCAIN: We are very pleased to offer our enthusiastic support of your new legislation, which will enable the National Park Service and private partners to use taxable revenue bond funding for the benefit of our irreplaceable national parks. We understand the new legislation incorporates the necessary changes to accommodate the recreation fee demonstration project and other interests.

Revenue bonding is an additional tool for private partners to utilize in assisting the National Park Service with meeting the overwhelming backlog of unfunded capital needs. We appreciated your support of the parks with your bill S. 1695 (National Parks Capital Improvements Act of 1996) and were very pleased to testify before the United States Senate Subcommittee on Parks, Historic Preservation and Recreation last September. We stand ready to assist you in any appropriate way.

Sincerely,

EUGENE P. POLK,
Chairman.
ROBERT W. KOONS,
President.

FRIENDS OF ACADIA,
Maine, February 3, 1997.

Re S. 1695—National Parks Capital Improvements Act of 1997.

Senator JOHN MCCAIN,
Senator BEN NIGHTHORSE CAMPBELL,
Subcommittee on Parks, Historic Preservation, and Recreation.

DEAR SEN. MCCAIN, SEN. CAMPBELL AND COMMITTEE MEMBERS: Friends of Acadia enthusiastically supports S. 1695, the National Parks Capital Improvements Act of 1997. Please add these comments directly to the record.

The bill would allow as much as a $2.00 user surcharge for visitors to Grand Canyon National Park and allow the issuance of bonds by a nonprofit park cooperator. The bill can apply to other, unspecified parks as well.

Friends of Acadia endorses this resourceful idea and thinks it may be applicable to Acadia National Park, which has an approved general management plan and currently has capital needs exceeding $5 million.

We respectfully request that, based on conditions unique to a given park, an individual park may be allowed to set the surcharge within or above the fee demonstration amount, if it is a fee demonstration park.

Friends of Acadia is an independent nonprofit organization whose mission is to protect and preserve Acadia National Park and the surrounding communities. We recently raised $4 million in private funds to leverage a $4-million park capital appropriation.

This was a model private-public partnership. Its success demonstrates that federal dollars can be effectively multiplied by innovative use of philanthropic nonprofits, as is envisioned in this bill.

Friends of Acadia urges passage of S. 1695.

Thank you for your consideration of and support for this effort.

Sincerely,

HEIDI A. BEAL,
Director of Programs.

NATIONAL PARK FOUNDATION,
Washington, DC, February 3, 1997.

Hon. JOHN MCCAIN,
U.S. Senate, Washington, DC.

DEAR SENATOR MCCAIN: Last year the National Park Foundation enjoyed working with you on several pieces of legislation, including a bill you authored which would have allowed the use of taxable bonds to finance long-term capital improvements within the National Park System. This bill, the National Parks Capital Improvements Act, would have generated additional revenue for America's natural, cultural and historic treasures through an innovative public-private partnership.

As the 105th Congress begins, we look forward to working closely with you and your staff on legislation designed to help conserve and protect National Parks.

Thank you for your consistent, thoughtful support of Grand Canyon National Park and the leadership you have shown in developing solutions to help the entire National Park System.

Sincerely,

JIM MADDY,
President.

GRAND CANYON TRUST,
February 6, 1997.

Hon. JOHN MCCAIN,
Washington, DC.

DEAR SENATOR MCCAIN: I am writing to express Grand Canyon Trust's support for the National Parks Capital Improvements Act of 1997, legislation to authorize a $2.00-per-person surcharge on entrance fees at Grand Canyon and other national parks to secure bonds for capital improvements.

We believe the proposed legislation will greatly assist the efforts of the National Park Service and other entities to generate the additional funding so urgently needed to maintain, repair and enhance the infrastructure of Grand Canyon National Park and others in the National Park System. We support the proposed use of the $2.00-per-person surcharge to generate incremental revenue for park capital projects.

Grand Canyon Trust shares your concerns that the park system's, and particularly Grand Canyon National Park's, pressing infrastructure and resource management needs will not be met unless Congress acts to provide the new authority proposed in this legislation. If those needs are not met, the environment in the parks and visitors' experiences will continue to deteriorate, an unacceptable and unnecessary fate for America's ''crown jewels,'' the national parks.

We look forward to working with you to achieve passage of this important legislation.

Sincerely,

GEOFFREY S. BARNARD,
President.

MOUNT RAINIER, NORTH CASCADES & OLYMPIC FUND,
Seattle, WA, January 31, 1997.

Senator JOHN MCCAIN,
Washington, DC.

DEAR SENATOR MCCAIN: On behalf of the Mount Rainier, North Cascades & Olympic Fund, I would like to state our strong support for the upcoming bill that is replacing S. 1695.

The Fund is a non-profit organization, dedicated to the preservation and restoration of Washington's National Parks. Organizations such as the Fund, have been created throughout the United States to help fill the increasing gap between national park needs and funds. In 1995, these non-profits contributed approximately $16 million dollars to national parks throughout the nation. However, even this impressive figure is only scratching the surface of the National Park Services needs.

''The National Park Service was created in 1916, with a mandate to manage the national parks in such a manner . . . as will leave them unimpaired for the enjoyment of future generations.'' As financial pressures have mounted, it has become increasingly difficult for the parks to fulfill this mission.

I believe that passage of the National Parks Capital Improvements Act, will help parks such as the Grand Canyon, fulfill their mission to protect our national treasures for present and future generations.

Thank you for your efforts to preserve and protect our natural heritage.

Sincerely,

KIM M. EVANS,
Executive Director.

ENVIRONMENTAL DEFENSE FUND,
Boulder, CO, February 9, 1997.

Hon. JOHN MCCAIN,
U.S. Senate,
Washington, DC.

DEAR SENATOR MCCAIN: In a recent report, the General Accounting Office told the United States Congress that ''the national park system is at a crossroads.'' The General Accounting Office confirmed what many of us have known for some time: while the national park system is growing and visitation is increasing, the resources available to manage and protect these resources are falling far short of what is needed to preserve America's natural and historical heritage. As a result, the backlog of repairs and maintenance needed throughout the national park system has grown to $4 billion.

Last year, you proposed legislation that would have authorized a limited number of not-for-profit entities to issue taxable bonds, the proceeds of which would have been used to make critically needed investment in units of the national park system. Without creative and innovative approaches such as this, we very likely will never close the gap between the financial resources that are needed to manage and protect our national park system, and the resources that are available.

I understand that you plan to introduce a similar bill in the 105th Congress, and I am writing to offer the Environmental Defense Fund's support for this undertaking. While no one piece of legislation will solve all of the problems confronted by the national park system, your legislation is a big step in the right direction.

I look forward to working with you as your proposal works its way through the legislative process.

Respectfully,

JAMES B. MARTIN,
Senior Attorney.●

By Mr. CHAFEE (for himself, Mr. ROCKEFELLER, Mr. FRIST, Mr. JEFFORDS, and Ms. COLLINS):

S. 302. A bill to amend title XVIII of the Social Security Act to provide additional consumer protections for Medicare supplemental insurance; to the Committee on Finance.

THE MEDIGAP PORTABILITY ACT OF 1997

Mr. CHAFEE. Mr. President. Last year, the President signed into law bipartisan legislation that provides greater portability of health insurance for working Americans. Today, I join with my colleagues, Senator ROCKEFELLER, Senator FRIST, Senator JEFFORDS, and Senator COLLINS, in the introduction of a bipartisan bill that will provide some of the same guarantees for Medicare beneficiaries who buy Medicare supplemental insurance or MediGap policies.

Of the 38 million Medicare beneficiaries, about 80 percent, or 31 million, have some form of Medicare supplemental insurance, whether covered through an employer-sponsored health plan, Medicaid or another public program, or a private MediGap policy. Our bill does several important things for Medicare beneficiaries who have had continuous coverage:

First, it guarantees that if their plan goes out of business or the beneficiary moves out of a plan service area, he or she can buy another comparable policy. These rules also would apply to a senior who has had coverage under a retiree health plan or Medicare Select if their plan goes out of business.

Second, it encourages beneficiaries to enroll in Medicare managed care by guaranteeing that they can return to Medicare fee-for-service and, during the first year of enrollment, get back their same MediGap policy if they decide they do not like managed care. Under current law, if a senior wishes to enroll in a Medicare managed care plan, he or she has two options. The MediGap policy may be dropped if the senior chooses a managed care program, or the individual can continue to pay MediGap premiums in the event that the policy is needed again some day—a very costly option for those on fixed incomes. Many seniors fear that if they lose their supplemental policy after entering a managed care plan, it may be financially impossible for them to reenroll in MediGap.

Third, it bans preexisting condition exclusion periods for Medicare beneficiaries who obtain MediGap policies when they are first eligible for Medicare. Under current law, any time insurers sell a MediGap policy, they can limit or exclude coverage for services related to preexisting health conditions for a 6-month period.

Fourth, it establishes a guaranteed open enrollment period for those under

65 who become Medicare beneficiaries because they are disabled. Under current Federal law, Medicare beneficiaries are offered a 6-month open enrollment period only if they are 65. There are approximately 5 million Americans who are under 65 years of age and are enrolled in the Medicare program. Currently, they do not have access to MediGap policies unless State laws require insurers to offer policies to them. Our bill provides for a one-time open enrollment period for the current Medicare disabled, which will guarantee access to all MediGap plan options for almost 5 million disabled Americans.

It is true that this bill does not go as far as some would like. Our bill leaves to the states more controversial issues, such as continuous open enrollment and community rating of MediGap premiums. I believe, however, that this legislation will provide seniors similar guarantees to those that we provided to working Americans under the Kassebaum-Kennedy legislation.

Mr. FRIST. Mr. President, I rise to speak in support of the MediGap Portability Act of 1997. The importance of this legislation is best expressed by the many stories of individuals who have unsuccessfully tried to obtain adequate Medicare supplemental coverage. Therefore, I would like to share with you the experience of one of my constituents—Gary Purcell, a 60-year-old retired professor from the University of Tennessee.

To say the least, Dr. Purcell's health status has been a challenge for him. Despite a history of multiple illnesses including lupus, hypertension, diabetes, severe heart and kidney disease, and recurrent life-threatening skin infections, this man kept working. Even after suffering a stroke, he kept working. Dr. Purcell fought to remain productive, but as his condition deteriorated, he was forced to retire on disability. He subsequently developed prostate cancer and recently suffered an amputation of the left leg.

One day last fall, he received a letter saying he was eligible for Medicare due to disability. In fact, the situation was a little more complicated than that. Since he had not yet reached his 65th birthday, Dr. Purcell was actually being reassigned to Medicare, thus losing his private health insurance coverage. Due to the fact he is eligible for Medicare because of disability and not age, and because of preexisting medical conditions, Dr. Purcell could not obtain MediGap coverage and he had no other insurance options. As a result, he will incur high out-of-pocket costs to fill the many gaps in Medicare's coverage. Although Dr. Purcell will be eligible for supplemental coverage at age 65, 5 years from now, until then he will have to spend $500 per month or 25 percent of his income on medications to make up for what Medicare does not cover.

Dr. Purcell explored other options—ways of obtaining less expensive drugs, but the bottom line is, he will still have to pay massive sums of money for his medications, money which he does not have. Unfortunately, his situation is not unique. Many seniors, as well as other individuals with disabilities, are suffering as well.

How did this happen? What is the real issue? MediGap insurance policies offer coverage for Medicare's deductibles and coinsurance and pay for many services not covered by Medicare. However, for several reasons, the current MediGap laws do not always meet the needs of Medicare beneficiaries—especially individuals with disabilities.

First, under current law, individuals with disabilities who qualify for full Medicare benefits before the age of 65 must wait to purchase MediGap coverage until they reach that age. At that time, they are given a 6-month period of open enrollment. This means that unlike the elderly, they cannot obtain MediGap insurance when they become eligible for Medicare.

Second, even when obtainable, MediGap coverage may be limited. During the open enrollment period, insurers may not use a preexisting condition to refuse a policy for an individual. However, coverage for a specific preexisting condition can be delayed for up to 6 months. This is called underwriting. Even though alternative policies which do not use the underwriting process are available, they do not necessarily offer comparable coverage. Further, Federal law does not guarantee that these alternatives will continue in the future. Thus, individuals with disabilities on Medicare may not receive the same choices of MediGap plans as their senior counterparts.

Third, such stringent requirements hinder the efforts of seniors who wish to try a Medicare managed care option. They are afraid of not being able to receive comparable supplemental coverage should they decide to return to the traditional fee-for-service Medicare. Accordingly, they do not take the risk of changing. This is perhaps one reason that enrollment in Medicare managed care lags far behind the rest of the population. We must encourage this transition if we are to slow the growth of Medicare costs.

Fourth, those Medicare beneficiaries whose employer-provided wrap-around plans are reducing or dropping benefits after they become eligible for Medicare will have difficulties purchasing additional coverage.

Finally, we must consider those who have enrolled in Medicare managed care plans which terminate contracts with Medicare or whom move outside the service area of their plan. In these circumstances, beneficiaries often need to return to the traditional Medicare program and may again wish to obtain supplemental coverage.

To summarize, although our current policies may encourage many members of the aging population to obtain continuous coverage, they are deficient in encouraging the same for individuals with disabilities who are unable to obtain supplemental coverage even if they have had continuous insurance coverage. They also limit the choices of seniors who wish to switch plans or whose retiree plans terminate or limit coverage. The situation is simply unfair.

Last fall, the President signed the Health Insurance Portability and Accountability Act of 1996 (the ''Kassebaum-Kennedy'' bill) which addressed health insurance portability for the small group market. The Medigap Portability Act addresses similar issues for seniors and individuals with disabilities.

First, seniors will now have more choices than were available before. They will be able to explore the managed care options now available, yet still return to their original Medigap plans if they change their minds.

Second, if their retiree health plans terminate or substantially reduce benefits, seniors will still have access to supplemental health insurance without regard to previous health status.

Finally, if their insurance plans should go out of business, seniors will still have Medigap options.

In other words, it guarantees choice and security for senior citizens on Medicare.

In addition, the bill guarantees access to the same coverage available to seniors for individuals with disabilities in three ways:

First, it insures that anyone will be able to enroll in a Medigap plan of their choosing without discrimination during the first 6 months of their eligibility for full Medicare benefits, regardless of age.

Second, the bill guarantees that the disabled will still have the same access to the array of Medigap choices that are available to seniors after the enrollment period ends, although restrictions may apply.

And, third, individuals with disabilities who are currently enrolled in the Medicare program will have a one-time open enrollment period to guarantee their access to all Medigap plan options.

Dr. Purcell is a responsible middle income American who fell through the safety net. He lost both rights and choices. In his own words, ''I find it so frustrating that I had really planned for the retirement period and had tried to prepare myself as prudently as possible * * * Yet, I had no idea that my comprehensive coverage would cease after only 2 years. Even though I have always done my best to be a good worker and to provide for my family, the rug was pulled out from under me anyway. I feel so helpless.''

Dr. Purcell went on to say, ''I thought the issue through and tried to determine where I might have the most impact just as one person * * * I felt that my best option was to go to the people who represent me * * * in the national legislature.''

Dr. Purcell and the 4 million other disabled Americans he represents have legitimate concerns. So do the 34 million senior citizens who are also affected by this issue. They are only asking for the same rights given to working Americans. They are coming to us, their elected representatives, for help. Mr. President, I challenge my colleagues and the insurance industry to respond to these beneficiaries. This bill will provide freedom of choice for seniors and individuals with disabilities. It is a step forward in our battle to improve health care access for all of our citizens and I give it my full support.

Mr. ROCKEFELLER. Mr. President, I am pleased to be reintroducing a bill with my colleague from Rhode Island, Senator CHAFEE, to improve the security and protection of Medicare supplemental policies, so-called MediGap policies. I am especially pleased that Senator JEFFORDS, both the new chairman of the Labor and Human Resources Committee and one of the newest members of the Finance Committee, Senator FRIST, and Senator COLLINS have joined us this year as original cosponsors of our legislation. And I continue to be pleased that similar legislation has been introduced in the House of Representatives by the bipartisan team of Representatives NANCY JOHNSON and JOHN DINGELL.

When enacted, our bipartisan, bicameral bill will make MediGap policies more portable, more reliable, and more accessible for almost 40 million Medicare beneficiaries, including 5 million disabled Medicare beneficiaries.

Last year, when we introduced this bill, we were not terribly optimistic that it would get enacted before the end of the 104th Congress. But we put forward our legislation anyway to share our proposal and objectives, begin building momentum for changes we feel are necessary, and to preview the fact that we would be back in the 105th Congress with a concerted effort to make this a legislative priority. As it turns out, having identified MediGap improvements as an area of bipartisan concern, President Clinton has responded directly by adding the same goal of new MediGap protections as a priority he shares and included it in his recently submitted budget proposal. We are very happy that our bipartisan support for improved MediGap protections got noticed by the President and will be pursued by his administration in the upcoming budget process.

Mr. President, too many Americans are falling through the gaps in our health care system. For example, consider the situation of a 44-year-old disabled man from Capon Bridge, WV. He earns too much money to qualify for Medicaid and is unable to buy a private MediGap policy because of his medical condition. And, there is the 47-year-old woman from Slanesville, WV, who is in a similar situation. She was uninsured before qualifying for Medicare because of kidney disease. She and her husband have too many assets to qualify for Medicaid and they can't afford the $300-a-month health insurance policy offered by her husband's employer. They have not been able to find an insurer willing to sell them a MediGap policy to help with Medicare's hefty cost-sharing requirements. A MediGap policy would be more affordable for them than the insurance policy offered by her husband's employer which duplicates, rather than supplements, Medicare's benefits. Many of the 50,000 disabled West Virginians who qualify for Medicare are in a similar situation. This is wrong and we can do better.

Mr. President, almost 8 in 10 older Americans have opted to purchase policies through private insurance companies to fill gaps in their Medicare benefits. This MediGap insurance commonly covers the $756 deductible required for each hospital stay, the part B deductible for doctor visits and doctor copayments. MediGap policies also cover copayments for nursing home care, extended rehabilitation, or for emergency care received abroad. Some MediGap policies cover prescription drugs.

But even MediGap policies have gaps because of insurance underwriting practices which prevent beneficiaries from switching MediGap insurers or, as in the case of the Medicare disabled, from even initially purchasing MediGap protection.

Employers, looking to lower their health care costs, are increasingly cutting back on retiree health benefits. In just 2 years, employer-sponsored retiree health benefits has dropped by 5 percent. These retirees are forced to go out on the private market and purchase individual MediGap coverage. Those lucky enough to find insurance will find their coverage compromised by preexisting condition limitations. Some won't find an insurer willing to sell them a policy at any price.

In 1990, I worked with Senator CHAFEE, the minority leader, Senator DASCHLE, and the then-chairman of the Finance Committee, Senator Bentsen, On enacting a number of measures to improve the value of MediGap policies. We also successfully enacted legislation that standardized MediGap policies so that seniors could more easily compare the prices and benefits provided by MediGap insurers.

At that time, Congress also mandated that insurers must sell a MediGap policy to any senior wishing to buy coverage when that person first becomes eligible for Medicare, without being subject to medical underwriting. At the time, there was a worry that including the Medicare disabled population in this open enrollment period would escalate premiums for current MediGap policyholders. As a result, the disabled were not included in this guaranteed issue requirement. Since then, 12 States have moved ahead and required insurers to issue policies to all Medicare beneficiaries in their States, including the disabled. To my knowledge, not one State has reported large hikes in premiums as a result of their new laws.

We have also asked the American Academy of Actuaries for an independent analysis of our legislation. We are confident that their evaluation of our bill will lay to rest any concerns about wild hikes in MediGap premiums because of our provision to end the current law discrimination against the disabled.

Mr. President, our bill would protect all Medicare beneficiaries by guaranteeing them MediGap coverage if they are forced to change their MediGap insurer, or if their employer stops providing retiree health benefits. Specifically, our bill would require MediGap insurers to sell Medicare beneficiaries a new MediGap policy without any preexisting condition limitations if an individual moves outside the State in which the insurer is licensed, or the health plan goes out of business; if an individual loses their employer-sponsored retiree health benefits; if an individual enrolled in a health maintenance organization [HMO] or Medicare Select policy moves outside of a health plan's service area, or if the HMO's contract is canceled; or if an individual enrolled in a HMO or a Medicare Select policy decides during their first 12 months of enrollment to return to a MediGap fee-for-service policy.

Mr. President, our bill gives Medicare beneficiaries an opportunity to try out a managed care plan without worrying about losing their option to return to fee-for-service medicine. Understandably, many seniors worry about enrolling in a managed care organization if it means losing access to their lifelong doctor. Our bill would encourage Medicare beneficiaries to try out a managed care plan to see if it suits them, but our bill gives them a way back to fee-for-service medicine, if that ends up being their personal preference.

Our legislation bans insurance companies from imposing any preexisting condition limitation during the 6-month open enrollment period for MediGap insurance when a person first qualifies for Medicare. This change from current law makes the rules for MediGap policies consistent with the recently enacted Kassebaum-Kennedy bill for the under-65 population, and with Medicare coverage which begins immediately, regardless of any preexisting conditions.

Mr. President, our bill also includes a section to help seniors choose the right health plan for them by ensuring that they get good information on what plans are available in their area. It allows them to compare different health plans based on results of consumer satisfaction surveys, and will include information on benefits and costs.

Our bill does not directly address affordability. And, even since we introduced our original bill last September, there is growing evidence that MediGap premiums are skyrocketing. I am hopeful that the Finance Committee will take a closer look at this issue

during its deliberations on other Medicare reform initiatives. Between 1995 and 1996, large numbers of seniors received double-digit increases in their MediGap premiums. These increases were far in excess of Social Security cost-of-living increases and varied dramatically across States. In my own State of West Virginia, MediGap policies sold by the Prudential Insurance Co. increased by 17 percent between 1995 and 1996. In Ohio, premiums increased by 30 percent and in California by 37 percent.

Congress has considerable history in trying to guarantee at least a minimal level of value across all MediGap policies. Under the current law, individual and group MediGap policies must spend at least 65 and 75 percent, respectively, of all premium dollars collected, on benefits. If a MediGap plan fails to meet these minimum loss ratios, they must issue refunds or credits to their customers.

Mr. President, while Federal loss ratio standards help assure a minimum level of value, they do not prevent insurance companies from annually upping premiums as a senior ages. This practice, known as attained age-rating, results in the frailest and the lowest income seniors facing large, annual premium hikes as they age. I would hope that more States would follow the lead of the 10 States that have already banned attained age-rating. This would vastly improve the affordability of MediGap for the oldest and frailest of our seniors.

Mr. President, to repeat what I said last year, our bill is a targeted, modest, proposal. But it would provide very real and very significant help to millions of Medicare beneficiaries who, year in and year out, pay out billions of dollars in premiums to have peace of mind when it comes to the cost of their health care. It is wrong and unfair when senior and disabled citizens in West Virginia and across the country are suddenly dropped by insurers or denied a MediGap policy just because they move to another State, or their employer cuts back on promised retiree health benefits, or because they're disabled.

Mr. President, it is always a pleasure to be working on legislation with the Senator from Rhode Island. Senator CHAFEE has a long, impressive, and, more important, successful record in enacting legislation that has helped millions of seniors, children, and disabled. I urge my colleagues to join Senators JEFFORDS, FRIST, and COLLINS in cosponsoring this bill, and to help us extend more of the health care peace of mind that older and disabled Americans ask for and deserve.

By Mr. ABRAHAM (for himself and Mr. LEVIN):

S. 303. A bill to waive temporarily the Medicare enrollment composition rules for the Wellness Plan; to the Committee on Finance.

MEDICARE WAIVER FOR THE WELLNESS PLAN OF DETROIT, MI

Mr. ABRAHAM. Mr. President, at the end of the last Congress I expressed my disappointment at the unwillingness of this body and the other Chamber to move legislation that I believe is important to the health care of the people of Michigan. Today I rise along with my colleague from Michigan, Senator LEVIN, to reintroduce our legislation providing a Medicare 50/50 enrollment composition rule waiver for the Wellness Plan of Detroit, MI.

The Wellness Plan is a federally certified Medicaid health maintenance organization located in Detroit, MI. It has approximately 150,000 enrollees—roughly 140,000 of whom are Medicaid, while only about 2,000 are Medicare beneficiaries. Since 1993, the Wellness Plan has had a health care prepayment plan contract with Medicare. However, technical changes enacted by Congress effective January 1, 1996, unintentionally prevent the Wellness Plan from enrolling additional Medicare beneficiaries under the HCPP contract. So the Wellness Plan is positioned to become a full Medicare risk contractor, it currently is precluded from doing so due to the 50/50 Medicare enrollment composition rule.

Mr. President, it is important to note that even the Health Care Financing Administration has supported the Wellness Plan receiving this plan-specific 50/50 waiver. We also expect a companion bill to be introduced in the other Chamber shortly, and we expect it to be cosponsored by the entire Michigan delegation.

Because this legislation is essentially noncontroversial, affects only the State of Michigan, and is supported by the entire State delegation, it is our earnest hope that the Senate will act on this measure as expeditiously as possible. There is no rational justification for preventing the Wellness Plan from enrolling new Medicare beneficiaries into its health plan. If our goal is to allow a wider variety of options and choices of health care plans for our seniors, a good place to start is to allow those Michigan residents who wish to join this particular health maintenance organization to be able to do so.

Mr. President, I wish to thank my friend and colleague from Michigan, Senator CARL LEVIN, for once again supporting and helping me with this effort. I look forward to working with him to see that this measure which has such broad support in Michigan becomes enacted in the very near future.

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. 203

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

SECTION 1. WAIVER OF MEDICARE ENROLLMENT COMPOSITION RULES FOR THE WELLNESS PLAN.

The requirements of section 1876(f)(1) of the Social Security Act (42 U.S.C. 1395mm(f)(1)) are waived with respect to Comprehensive Health Services, Inc. (doing business as The Wellness Plan) for contract periods through December 31, 2000.

● Mr. LEVIN. Mr. President, today I am joining with my colleague Senator ABRAHAM in introducing legislation that would provide the Wellness Plan of Michigan with a Medicare 50/50 enrollment composition rule waiver. I was disappointed that Congress did not enact this waiver last session as the Wellness Plan is the prototype for the type of health maintenance organization into which many Medicare beneficiaries will want to enroll. It is my hope that the Senate will act expeditiously on this legislation so that Michigan Medicare beneficiaries may have the opportunity to enroll in this well-established, quality plan.●

ADDITIONAL COSPONSORS

S. 206

At the request of Mr. REID, the name of the Senator from Louisiana [Mr. BREAUX] was added as a cosponsor of S. 206, a bill to prohibit the application of the Religious Freedom Restoration Act of 1993, or any amendment made by such act, to an individual who is incarcerated in a Federal, State, or local correctional, detention, or penal facility, and for other purposes.

S. 251

At the request of Mr. SHELBY, the name of the Senator from Nebraska [Mr. HAGEL] was added as a cosponsor of S. 251, a bill to amend the Internal Revenue Code of 1986 to allow farmers to income average over 2 years.

S. 277

At the request of Mr. COCHRAN, the name of the Senator from North Carolina [Mr. FAIRCLOTH] was added as a cosponsor of S. 277, a bill to amend the Agricultural Adjustment Act to restore the effectiveness of certain provisions regulating Federal milk marketing orders.

S. 294

At the request of Mrs. HUTCHISON, the names of the Senator from Arizona [Mr. MCCAIN], the Senator from Missouri [Mr. ASHCROFT], the Senator from Alaska [Mr. STEVENS], the Senator from New Hampshire [Mr. SMITH], and the Senator from North Carolina [Mr. FAIRCLOTH] were added as cosponsors of S. 294, a bill to amend chapter 51 of title 18, United States Code, to establish Federal penalties for the killing or attempted killing of a law enforcement officer of the District of Columbia, and for other purposes.

SENATE RESOLUTION 52—CONCERNING THE NEED TO ADDRESS THE CURRENT MILK CRISIS

Mr. SPECTER (for himself, Mr. SANTORUM, Mr. FEINGOLD, Mr. KOHL,

Mr. JEFFORDS, and Mr. LEAHY) submitted the following resolution; which was ordered to lie over, under the rule:

S. RES. 52

Whereas, during the last few months farm milk prices have experienced substantial volatility, dropping precipitously from $15.37 per hundredweight in September, 1996 to $11.34 per hundredweight in December, 1996, while simultaneously there have been record high costs for cattle feed;

Whereas, there is a strong sense of financial crisis in the dairy industry;

Whereas, many dairy farmers have looked to the Federal government for relief because minimum milk prices under the Milk Marketing Orders are established by the Department of Agriculture;

Whereas, the price of cheese at the National Cheese Exchange in Green Bay, Wisconsin influences milk prices paid to farmers because of its use in the Department of Agriculture's Basic Formula Price under Federal Milk Marketing Orders;

Whereas, less than one percent of the cheese produced in the United States is sold on the National Cheese Exchange and the Exchange acts as a reference price for as much as 95 percent of the commercial bulk cheese sales in the nation;

Whereas, there has been some concern among dairy producers that the prices at the National Cheese Exchange may have been manipulated downward, benefiting processors at the expense of dairy farmers;

Whereas, it is in the national interest to ensure that market prices for milk, cheese, and other dairy products are determined by a fair and competitive marketplace; Now, therefore, be it

Resolved, That it is the Sense of the Senate of the United States that the Secretary of Agriculture should act immediately pursuant to his legal authority to modify the Basic Formula Price for dairy by replacing the National Cheese Exchange as a factor to be considered in setting the Basic Formula Price and to establish in its place an equivalent pricing mechanism more reflective of the actual market conditions for cheese and other dairy products nationally.

SENATE RESOLUTION 53—RELATIVE TO A DISPUTE

Mrs. HUTCHISON (for herself, Mr. GRAMM, and Mr. D'AMATO) submitted the following resolution; which was referred to the Committee on Labor and Human Resources:

S. RES. 53

Whereas a strike by the Allied Pilots Association, the union of the pilots of American Airlines, could lead to a severe disruption in air service;

Whereas such a strike could result in the loss of employment by tens of thousands of individuals in the United States;

Whereas such a strike would affect approximately 20 percent of the domestic airline traffic in the United States;

Whereas such a strike would cause more than 75,000 American Airlines employees to be idle;

Whereas such a strike would affect—

(1) the livelihood of thousands of other workers employed in airline and airport supply industries; and

(2) commerce relating to tourism, logistics, and business requiring travel;

Whereas such a strike would cause substantial adverse economic effects in communities of the United States;

Whereas such a strike could jeopardize the largest order made in history for the production of civilian aircraft; and

Whereas because ¼ of the air traffic of American Airlines is in foreign air commerce (as that term is defined in section 40102 of title 49, United States Code), a strike would have an adverse effect with respect to—

(1) the expansion of the market of United States goods and services in foreign countries; and

(2) the trading partners of the United States: Now, therefore, be it

Resolved, That it is the sense of the Senate that—

(1) the President should work in conjunction with the National Mediation Board to facilitate a resolution of the labor dispute between the Allied Pilots Association and AMR, the parent company of American Airlines; and

(2) the President should—

(A) encourage—

(i) the settlement of the issues that are the subject of the labor dispute through the use of the services of the National Mediation Board established under section 4 of the Railway Labor Act (45 U.S.C. 154) before midnight on February 15, 1997 (which is the date specified by the Allied Pilots Association as the deadline for averting a strike); or

(ii) the achievement, by the date specified in clause (i), of an agreement by the parties to the dispute to arbitrate the issues that are the subject of the labor dispute through the National Mediation Board; and

(B) if necessary, establish a board under section 10 of the Railway Labor Act (45 U.S.C. 160) to serve as an emergency board to investigate the matter relating to the labor dispute and to make a report to the President in the manner prescribed in that section.

AMENDMENTS SUBMITTED

THE BALANCED BUDGET CONSTITUTIONAL AMENDMENT

DODD AMENDMENT NO. 4

Mr. DODD proposed an amendment to the joint resolution (S.J. Res. 1) proposing an amendment to the Constitution of the United States to require a balanced budget; as follows:

On page 3, line 7, strike beginning with ''is'' through line 11 and insert ''faces an imminent and serious military threat to national security as declared by a joint resolution.''.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY

Mr. HELMS. Mr. President, I ask unanimous consent that the Committee on Agriculture, Nutrition, and Forestry be allowed to meet during the session of the Senate on Tuesday, February 11, 1997, at 9 a.m. in SR–328A to discuss reform to the Commodity Exchange Act.

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

COMMITTEE ON ARMED SERVICES

Mr. HELMS. Mr. President, I ask unanimous consent that the Committee on Armed Services be authorized to meet at 10 a.m. on Tuesday, February 11, 1997, in closed session, to receive a briefing on the situation in Bosnia and the status of U.S. military forces participating in the stabilization force [SFOR].

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

COMMITTEE ON FOREIGN RELATIONS

Mr. HELMS. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Tuesday, February 11, 1997, immediately after the first rollcall vote to hold a business meeting to vote on pending items.

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

COMMITTEE ON LABOR AND HUMAN RESOURCES

Mr. HELMS. Mr. President, I ask unanimous consent that the Committee on Labor and Human Resources be authorized to meet for a hearing on the Health Insurance Portability and Accountability Act, during the session of the Senate on Tuesday, February 11, 1997, at 9:30 a.m.

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

COMMITTEE ON VETERANS' AFFAIRS

Mr. HELMS. Mr. President, the Committee on Veterans' Affairs would like to request unanimous consent to hold a joint hearing with the House Committee on Veterans' Affairs to receive the legislative presentation of the Veterans of Foreign Wars. The hearing will be held on February 11, 1997, at 9:30 a.m., in room 345 of the Cannon House Office Building.

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

ADDITIONAL STATEMENTS

TRIBUTE TO ERICA MICHELLE PITTS

• Mr. MCCONNELL. Mr. President, each fall, Senators and Congressmen turn to the enjoyable task of submitting nominations to the U.S. Service Academies. This year, like every other, my office was flooded with applications from qualified young men and women—students with excellent academic records, students whose extracurricular activities would drive the most patient parent crazy, students who donate endless hours to community service projects. However, rarely do I see a young person possessing all of this and more.

This year I proudly nominated Erica Michelle Pitts, of Louisville, KY, to the U.S. Military Academy, as did Senator WENDELL FORD and then-Congressman Mike Ward. There are many adjectives that can be used to describe Erica—poised, accomplished, brave, athletic, energetic, but even combined they do not adequately portray her. A senior at Saint Francis High School, Erica's headmaster Thomas Pike describes her as ''a delightfully different young person.'' Counselor Kit Llewellyn sees her as a ''risk-taker'' and admires her integrity.

Erica's military career dreams began at the age of 6 when her stepfather took her for a tank ride. At the tender young age of 8 she began working for her mother's boss formatting computer disks for $5 an hour. Entering as a seventh-grader at the respected Saint Francis, she was immediately placed in the freshman class, where, lacking a girls basketball team, Erica played on the boy's team. She has participated in a Russian exchange program, the Duke University Talent Identification Program, and served on the Courier-Journal High School Round Table. And, amidst her participation on the academic team and the yearbook staff, Erica works part-time at the Louisville Science Center yearround.

As you can see, Erica's childhood has been far from average. Notwithstanding, she has grown into a graceful young woman whose lofty dreams have been realized. Hoping to enter the Judge Advocate General's Corps after her years at West Point, Erica aspires to serve on the Supreme Court or be elected President. Both goals are well within her grasp.

Mr. President, please join me in honoring this outstanding young Kentuckian who has a bright future in the U.S. military. I ask that an article which recently appeared in the Louisville Courier-Journal be printed in the RECORD. The author does a wonderful job of capturing Erica's charm and enthusiasm.

The article follows:

GETTING TO THE POINT

(By C. Ray Hall)

At first blush, the most interesting thing about Erica Pitts is this: Barely 17, she is headed for the United States Military Academy to join West Point's legendary long gray line.

It will probably be the grayest thing that has ever happened to her. So far, her life has been like a colorsplashed, abstract work of art in progress.

Erica Pitts has been interesting for a long time. She was interesting even in the womb.

''I was named after a soap-opera character,'' she said. ''Because I was trouble. My mom went into labor and so she went to the hospital.''

False alarm.

''They sent her back home. Then I was about ready to pop out so they called the ambulance. I was almost born in the ambulance. I was almost born outside on the way into the hospital. I was almost born in the lobby. I was almost born in the elevator, but finally they got her to a delivery room and I was born. I made life a little difficult for her.''

Hence the name, Erica: ''Yeah, Erica Kane. Because I was trouble.''

Not even a minute old, and her life was already a cliffhanger.

Next scene in Erica's life: the beginning of an unlikely romance. At Fort Knox, of all places. In a tank, of all things.

''It started when I was about 6. My mom had married my stepdad. He was in the Army and he took me for a tank ride one day and I just thought that was the coolest thing. I admired the discipline in the Army.''

Next scene: Erica gets her first paying job, earning $5 an hour to format computer disks for her mom's boss at the Internal Revenue Service. She is 8.

Next scene: Erica is stepfatherless, owing to divorce. She and her mom, Pamela Scott, are living in Louisville. Erica masters public school effortlessly. ''I was so used to just showing up for class, reading the newspaper during first period and not doing any work all day and still getting an A in every single class I took.'' So her mom takes Erica to St. Francis, a downtown school of high academic reputation and equally stratospheric cost (tuition up to $8,140).

Headmaster Thomas Pike recalled, ''I remember her and her mom coming in and her talking about not being academically challenged, talking about being an environmental lawyer or biochemist. This is a seventh-grader. Just a really bright, lively 13-year-old, and she has been lively and bright ever since . . . a delightfully different young person.''

St. Francis took her and let her skip from the seventh to the ninth grade. (''A double bonus,'' Erica said.)

''Her life has always been action-packed,'' said school counselor Kit Llewellyn. ''She's a skateboarder, a volleyball player, a basketball player. She volunteers regularly. . . . She has worked on literary magazines, so her literary analysis is strong and indepth. . . .

''She's kind of a risk-taker. She likes to start things. She participated in crew (rowing) when it was founded. She's the first female from this school to entertain the idea of applying to a military academy.''

And yet, somewhere in that swirl of action, there's a cerebral center.

''I guess what stands out with me for Erica is her integrity,'' Llewellyn said. ''I was her sponsor at Calvary Episcopal Church when she went through the confirmation. For her age (then 15), her questions and her depth of understanding, what she was pursuing in her belief and in her spiritual self, was very strong. Well-thought-out and very, very calm in her approach.''

Oh. And did we mention she wants to be president?

Of the United States. Like the current occupant of the Oval Office, she likes lawyering. And, like Bill Clinton, she went to Russia at a tender age, as part of an exchange program.

Erica was nominated to West Point last year by then-Congressman Mike Ward. For the physical test, she returned to Fort Knox, the scene of her first infatuation with the Army. She passed the exam, which includes running, throwing a basketball while on your knees and hanging on a chin-up bar. Some girls immediately drop off the bar. She held on for 31 seconds.

The audience included Lt. Col. Don Miller, an Army reservist who serves as a West Point liaison (and, in another life, helps run a Louisville brokerage). After interviewing her, he wrote to the academy, ''Erica is a very goal-oriented young lady with aspirations of becoming president someday. . . . Erica has excellent people skills and appears to possess good leadership traits. Her mother raised Erica alone and this has resulted in sacrifice, and yet has developed her sense of commitment.''

So this is a 17-year-old of greater complexity than most. During her trip to Russia, she bought a fur hat. She felt bad about it when she realized rabbits had died to decorate her head. She thinks the country spends too much on defense. She clashed openly with a 10th-grade teacher, but she has a kind word even for Adolf Hitler. (''He was psycho, but he was a brilliant, brilliant ruler.'')

This is not your father's West Point cadet.

''She's a free spirit,'' said Bryan Walde, the man who teaches her calculus, chemistry and basketball at St. Francis. In her graduating class of 38, the animal-loving, defense-cutting, coffeehouse-and-concert habitue might have been voted least likely to go to West Point.

''I heard that a lot,'' she said.

'''You were the last person I thought would ever go there.' A lot of the people I know are not really anti-government, but they don't like people telling them what to do. I don't really like it myself, but I do need the discipline. I would love to have the discipline. And it's one of the best schools in the country. Who would turn that down?''

West Point told her the price of the education awaiting her. ''They valued it as $200,000, which I wouldn't doubt, because I think West Pointers can easily top people who go to Harvard.''

That's obviously the kind of talk they like to hear on the cliffs overlooking the Hudson River. Not that they actually like to hear much talk at all from first-year cadets, or ''plebes.'' For a while at West Point, she will speak only when bidden. Too bad, for she has lots to say. To wit:

On her willowy yet well-fed frame of 5 feet 10 inches, 120 pounds:

''I eat a lot. This morning for breakfast, I had a cheeseburger, two pancakes and a cinnamon roll. . . .

On love, sex and all that:

''I manage to stay friends with all of my ex-boyfriends. It's really strange. I think partially because there's never any reason for either of us to be really bitter. I don't sleep with anybody. I just decided no sex before marriage. So I never had to worry about sleeping with somebody and then the next morning they just totally ditch me. There's never any big thing to get really mad about. It's just a bunch of little things that lead up to you saying, 'You know, maybe we shouldn't be together.' So you can just go back to being friends.''

On her idea of cool wheels:

''I want a big Dodge Ram truck as soon as I can get a car.'' (She calculates that that will be three years hence, with the down payment saved from her West Point stipend of $6,600 a year.)

On her mixed parentage, the result of a college romance that never led to marriage. A delicate matter?

''It never has been. People have asked me about that for a long time. They've asked me if I was mixed and it's never bothered me. I've never really worried about it. Yeah, my dad's white, my mom's black. . . . It's never been a big deal to me.''

On her twin ambitions, of being a lawyer and a psychologist:

''I love to argue. That's what appeals to me about being a lawyer. And I love using words . . . to get a point across. I want to be a psychologist because I'm so used to doing that: There are so many people with problems. My friends always come to me for advice.''

What's the best advice anyone gave her?

''You've got to learn to choose your battles and not fight every single one. That's some good advice I got from my mother. . . . For a while, every time somebody did something I didn't like, I was ready to argue with them. I didn't get into fistfights or anything, but I kind of verbally berated my teacher sophomore year, sometimes in front of his class. He didn't like that very much. That's when I learned to start controlling my temper. I felt kind of bad, although I think he kind of deserved some of that, although in front of his class was really mean.''

On the prospects of harassment or hazing from macho military males:

''The sexual harassment thing, I think I would have the guts to just stand up and say, 'Hey, I don't like it. Stop.' Being hazed and stuff like that, once it got to a dangerous point where people were setting me on fire, I would just have to like fight back, period. I would not allow somebody to set me on fire

as part of a hazing ritual. I think I'm strong enough to handle anything that might be thrown at me as a hazing ritual.''

Hazing? Been there, done that, in a non-incendiary way. On a basketball court, of all places.

''My favorite moment came freshman year,'' she said. ''We didn't have a girls' team yet, so I had to play on the boys' team. We were playing against a team that was very, very, very chauvinist. . . . I got in with about a minute 40 left, and they were not treating me very well. At first my teammates wouldn't even pass me the ball, and finally one of 'em did. I just stood back behind the three-point line, shot and it went right in. Swish. It was perfect. We still lost the game, but I felt better.''

Next scene in Erica's life: November 1996. The IRS transfers Erica's mom to Nashville. ''She and her mother have been a team through the years—her mom with pretty high expectations and Erica living up to them,'' said Llewellyn, the St. Francis counselor.

Erica stays behind to graduate from her school. She lives with her grandma, Ellen Pitts. ''She's been pretty great. I have my own loft, and it's really nice. It's not very big, but it's nice. I've got a computer and a desk and my futon up there, and that's all I really need.''

For now, at least, she dreams in a loft. But soon enough, the dreams will be aloft. And Erica Pitts' life will get even more interesting.●

THE 75TH ANNIVERSARY OF THE CITY OF HAMTRAMCK

● Mr. LEVIN. Mr. President, I am honored today to pay tribute to the city of Hamtramck, MI, which is celebrating its 75th anniversary this year. The people of Hamtramck call their city a ''Touch of Europe in America,'' and indeed it is truly a unique community. Hamtramck is a city within a city, whose boundaries on all sides are with the city of Detroit. Yet Hamtramck maintains its own identity, an identity rooted in its diversity.

The history of Hamtramck predates its incorporation as a city by more than 100 years. It is named for Col. John Francis Hamtramck, who served as the first American commander of Fort Detroit after it was surrendered by Great Britain in 1796. Originally a township larger in size than the present-day city of Detroit, Hamtramck was organized as a village in 1901.

The village of Hamtramck began with 500 people but changed dramatically with the birth of the automobile industry. A Dodge Bros. auto plant was established in 1914, attracting skilled and unskilled workers from around the Nation and the world. Between 1910 and 1920, Hamtramck boasted the greatest population growth of any community in the United States, going from 3,589 to 46,615 residents in a single decade.

While Hamtramck was originally settled by the same French colonists who had settled Detroit, and later farmed by German immigrants, the automobile industry attracted huge numbers of Polish workers. Since 1910, Hamtramck's Polish population has grown so rapidly that today, 80 percent of its residents stem from first, second, or third generation Polish origin.

Many of the remainder of Hamtramck's residents are from Central and Eastern Europe. Having received the warm and generous hospitality of Michiganite themselves, in 1946 the Polish-American residents of Hamtramck began welcoming displaced people from Central Europe and the Balkans. More recently, Hamtramck has seen a substantial number of Ukrainians join the community. All of these groups have maintained their cultural heritage and identity, while embracing the ideals and Government of their new country.

On any street or in any restaurant in Hamtramck, one can hear any of 25 different languages being spoken, which is especially impressive in a city of slightly more than 2 square miles. Hamtramck is renowned for the best Polish food outside Poland, and the hospitality to match, as President Clinton discovered on a trip to Michigan in 1996 where he thoroughly enjoyed lunch at Polish Village Cafe.

Mr. President, Hamtramck's blend of cultures has produced a city which truly feels like a ''Touch of Europe in America.'' Under the steady leadership of Mayor Robert Kozaren, Hamtramck is prepared to enter the 21st century with a confidence rooted in the varied traditions and fervent unifying patriotism of its citizens. I commend the residents and leaders of Hamtramck for the community they have built, and am proud to represent them in the U.S. Senate. I hope my colleagues will join me in congratulating the people of Hamtramck on the occasion of the city's 75th anniversary. ●

JOHN D. MCALISTER: IN MEMORIAM

● Mr. GORTON. Mr. President, it is with sorrow that I recognize the passing of a good man and a fine citizen, Mr. John D. McAlister, who died yesterday.

John worked at Tree Top in Yakima, WA, where he served as director of government affairs. In this capacity he became a great friend of the Washington State congressional delegation and a magnificent voice for the agricultural industry. John's activities were not only confined to his work—he also served the Yakima community as a member of many agricultural industry organizations and of the Goverment Affairs Council of the Association of Washington Businesses, where he sat on the board of directors.

I am honored to have known John McAlister, and am grateful for his service to Washington State agriculture and to his community in Yakima.

John is survived by his wife, Patricia, to whom I extend my condolences.●

COMMENDING SENATOR SANTORUM'S SEARCH FOR COMMON GROUND IN THE ABORTION DEBATE

● Mr. ABRAHAM. Mr. President, I rise to commend my colleague, Senator SANTORUM, for the article he recently had published in the Washington Times concerning partial birth abortion.

All too often, Mr. President, debates over public policy issues degenerate into uncivil attacks on each side's motives. Mr. SANTORUM's article does an excellent job of showing how this bickering can be avoided even when the issue is as serious and sensitive as abortion. How can we reach common ground on partial birth abortion? By realizing that this procedure has nothing to do with the Supreme Court's decision in Roe versus Wade or the subsequent decision in Doe versus Bolton. By realizing that partial birth abortion is simply unacceptable.

Whatever one's view of abortion, one should recognize this procedure as one that is, as Senator DANIEL PATRICK MOYNIHAN phrased it, ''just too close to infanticide.''

We are a civilized society, Mr. President. I hope that our debates over this contentious issue can be made more civil. I also hope that we can reach common ground in banning partial birth abortion.

Mr. President, I ask that Senator SANTORUM's article from the Washington Times be printed in the RECORD.

The article follows:

[From the Washington Times, Jan. 22, 1997]

PARTIAL BIRTH ABORTION: THE ART OF AGREEMENT

(By Rick Santorum)

A wide spectrum of individuals has coalesced around the recent effort to ban partial birth abortions. These varied individuals and groups have raised their voices in support of a ban both because of the brutality of partial birth abortions and because they recognize that this debate is not about Roe vs. Wade, the 1973 Supreme Court decision legalizing abortion. It is not about when a fetus becomes a baby. And it is certainly not about women's health. It is about virtual infanticide, it is about killing a child as he or she is being born, an issue that neither Roe vs. Wade nor the subsequent Doe vs. Bolton addressed.

During the Senate debate last year, many traditionally pro-choice legislators voted in support of legislation to ban this particular procedure. Among them was my colleague Sen. Arlen Specter who stated on the floor of the Senate, ''In my legal judgment, the issue is not over a woman's right to choose within the constitutional context of Roe versus Wade . . . The line of the law is drawn, in my legal judgment, when the child is partially out of the womb of the mother. It is no longer abortion; it is infanticide.'' He was joined in these sentiments by other such consistently pro-choice members as Sen. Daniel Patrick Moynihan and Sen. Ben Nighthorse Campbell.

Such coalescence with pro-choice proponents suggests the enormous scope of the tragedy that this procedure represents. This broad coalition further confirms that extraneous considerations, such as the anticipation of a disabled child, or a mother's broadly-defined health concerns, were just that—

extraneous to the debate. And for those who may still be unclear what a partial birth abortion procedure is, it is this: a fully formed baby—in most cases a viable fetus of 23–26 weeks—is pulled from its mother until all but the head is delivered. Then, a scissors is plunged into the base of the skull, a tube is inserted and the child's brains are suctioned out so that the head of the now-dead infant collapses and is delivered.

Partial birth abortion is tragic for the infant who loses his or her life in this brutal procedure. It is also a personal tragedy for the families who choose the procedure, as it is for those who perform it—even if they aren't aware of it. But partial birth abortion is also a profound social tragedy. It rips through the moral cohesion of our public life. It cuts into our most deeply held beliefs about the importance of protecting and cherishing vulnerable human life. It fractures our sense that the laws of our country should reflect long-held, commonly accepted moral norms.

Yet this kind of tragedy—can be an unexpected catalyst for consensus, for new coalitions and configurations in our public life. The partial birth abortion debate moves us beyond the traditional pro-life/pro-choice lines of confrontation to hollow out a place in the public square where disparate individuals and groups can come together and draw a line that they know should not be crossed.

The stark tragedy of partial birth abortion can be the beginning of a significant public discussion, where we define—or redefine—our first principles. Why is such a discussion important? Precisely because it throws into relief the fundamental truths around which a moral consensus is formed in this country. And, as John Courtney Murray reminds us in We Hold These Truths, Catholic Reflections on the American Proposition, a public consensus which finds its expression in the law should be ''an ensemble of substantive truths, a structure of basic knowledge, an order of elementary affirmations . . .''

If we do not have fundamental agreement about first principles, we simply cannot engage one another in civil debate. All we have is the confusion of different factions locked in their own moral universe. If we could agree publicly on just this one point—that partial birth abortion is not something our laws should sanction, and if we could then reveal the consensus—a consensus that I know exists—against killing an almost-born infant, we would have significantly advanced the discussion about what moral status and dignity we give to life in all its stages. Public agreement, codified by law, on this one prohibition gives us a common point of departure, a common language even, because we agree, albeit in a narrow sense, on the meaning of fundamental terms such as life and death. And it is with this common point of departure and discourse—however narrow—that we gain a degree of coherence and unity in our public life and dialogue.

I truly believe that out of the horror and tragedy of partial birth abortions, we can find points of agreement across ideological, political and religious lines which enable us to work toward a life-sustaining culture. So, as hundreds of thousands of faithful and steadfast citizens come together to participate in this year's March for Life let us remember that such a culture, the culture for which we hope and pray daily, might very well be achieved one argument at a time.●

PRESIDENT'S BUDGET PROPOSAL FOR AVIATION

● Mr. MCCAIN. Mr. President, I rise today to express my deep disappointment in the President's 1998 budget request for critical aviation safety and infrastructure purposes. Most notably, the administration proposes to fund the Airport Improvement Program [AIP] at only two-thirds of its current level. This represents a drastic cut to our Nation's airport grant program, which supports airport safety, security, and capacity programs.

Mr. President, the administration has assured the American public of its commitment to a safe and secure aviation system. Without adequate resources, this assurance rings hollow.

For instance, the White House Commission on Safety and Security is due to report tomorrow on a number of steps we should take to enhance the security of the aviation system. I expect the Commission will offer valuable insight on where we should go from here to implement additional security enhancements. How we pay for these enhancements is a significant issue.

In addition, Congress approved and the President signed into law the Federal Aviation Reauthorization Act of 1996. Administration officials hailed the importance of the bill's safety and security initiatives. We all joined together at the signing ceremony in praise of the legislation's security improvements. However, these improvements are meaningless without adequate financial support. For politicians to praise their own efforts in a press conference and yet fail to provide sufficient resources is cynical, at best.

Again, I want to be clear. The administration's actions and assurances are only as good as the resources allocated to implement them. Unfortunately, the administration submitted a budget request significantly short on aviation capital improvements, so that he can use these resources elsewhere in the budget to support his spending initiatives. Meanwhile, he knows he can count on Congress to step up to the plate and restore funding for vital aviation initiatives. Such budget chicanery is neither serious nor responsible.

Past experience bears out this point. When President Clinton took office, the Airport Improvement Program was a $1.9 billion program. Every year, Congress has funded the program at a level higher than the request. For example, in fiscal year 1996, the AIP request was for $1.3 billion, and Congress enacted a $1.45 billion level. In fiscal year 1997, the administration requested $1.35 billion and Congress responded with a $1.46 billion appropriation. At the same time, the administration claimed record-level investments in transportation infrastructure improvements.

The AIP funds more than just airport construction projects, which make airports safer and enhance the system's ability to handle ever increasing levels of air traffic. Airports also use these funds to support their security programs and purchase security-related equipment.

The Administration's budget request also proposes reduced funding for the FAA facilities and equipment account. This account is the principal resource for modernizing and improving the air traffic control system, providing enhanced baggage screening equipment, and enhanced weather detection programs.

I recognize that the Administration has made efforts to bolster its safety and security work force. Even so, a significant funding source for FAA operations depends on an unspecified user fee for which the FAA has no statutory authority to collect.

Mr. President, this is not a serious budget proposal. The Administration should back up its safety and security recommendations with enough funding to put them in place. The Nation's air travelers have paid taxes dedicated to support the aviation system. They rightfully expect the Government's commitment to spend these funds on their intended purpose.●

RESTORING INCOME AVERAGING FOR FARMERS

● Mr. HAGEL. Mr. President, today I am cosponsoring S. 251, a measure that will provide farmers and ranchers with a valuable tool—income averaging—to help manage their agricultural operations, improve profitability, and reduce the tax burden on a crucial Nebraska livelihood. I commend Senator SHELBY, the bill's principal sponsor, for his leadership on this matter.

Today's Federal Tax Code is hardly a friend to the family farmer.

For example, farmers and ranchers do not have access to company or government pensions and retirement plans, in which many other Americans have the ability to participate. Farmers and ranchers will receive fewer Social Security benefits than workers in most other careers since they plow much of their income back into the farm And, as self-employed workers, farmers and ranchers are charged with payroll taxes that are nearly double that of most any other private business employee. Even retirement can be a painful proposition for agricultural producers who have spent their lives building a security nest egg only to be faced with onerous capital gains tax rates and, later, with a confiscatory estate tax when they want to pass their farm along to their children.

The American consumer still enjoys the most plentiful food supply at the lowest cost in the developed world—thanks to our Nation's agricultural might. Population growth, rising per capita incomes, expanded trade opportunities, along with new production and marketing technologies, are a few of the reasons why the future of American agriculture is so bright. However, flexibility in our U.S. Tax Code is still needed to strengthen our position as the world's leader in production agriculture.

Before 1986, agricultural producers were allowed to average their income over a 2-year period, which allowed greater flexibility in both profit potential and management decisions. This

tax management tool was repealed in the 1986 tax reform bill, but the need for this instrument to reduce the farm tax burden still remains.

A fairer and more equitable tax policy will also have a profound effect upon the creation and sustainment of jobs in rural America. The economic vitality of our rural communities continues to hinge on the success of our agricultural industry. A prosperous rural economy means greater opportunities for the local men and women who sell the farm implements, drive the grain and livestock trucks, deliver the feed and fuel, market the seed and fertilizer, and process the fruits of our harvest so as to maintain our position as the world's most efficient and reliable food supplier.

As we continue to move toward a more market-oriented farm program, farm and ranch producers will need to derive a greater proportion of their income from the marketplace—and to retain a greater proportion of their hard-earned income through tax relief. Income averaging is clearly a practice that will bring some degree of fairness to the U.S. Tax Code.

The current Tax Code adds up to higher taxes, more regulatory burdens, and added retirement worries for Nebraska farmers who labor year in and year out in order to feed and clothe the world. This simply must change. Income averaging is one tool that agricultural producers can utilize to enhance profits and keep rural dollars in rural communities. It's time that Congress properly recognizes the contributions of the family farmers by reducing rather than raising their taxes.●

RULES OF THE COMMITTEE ON FOREIGN RELATIONS

● Mr. HELMS. Mr President, pursuant to the requirements of paragraph 2 of Senate rule XXVI, I ask to have printed in the RECORD the rules of the Committee on Foreign Relations for the 105th Congress adopted by the committee on January 30, 1997.

The rules follow:

RULES OF THE COMMITTEE ON FOREIGN RELATIONS

(Adopted January 30, 1997)

RULE 1—JURISDICTION

(a) Substantive—In accordance with Senate Rule XXV.1(j), the jurisdiction of the Committee shall extend to all proposed legislation, messages, petitions, memorials, and other matters relating to the following subjects:

1. Acquisition of land and buildings for embassies and legations in foreign countries.
2. Boundaries of the United States.
3. Diplomatic service.
4. Foreign economic, military, technical, and humanitarian assistance.
5. Foreign loans.
6. International activities of the American National Red Cross and the International Committee of the Red Cross.
7. International aspects of nuclear energy, including nuclear transfer policy.
8. International conferences and congresses.
9. International law as it relates to foreign policy.
10. International Monetary Fund and other international organizations established primarily for international monetary purposes (except that, at the request of the Committee on Banking, Housing, and Urban Affairs, any proposed legislation relating to such subjects reported by the Committee on Foreign Relations shall be referred to the Committee on Banking, Housing, and Urban Affairs).
11. Intervention abroad and declarations of war.
12. Measures to foster commercial intercourse with foreign nations and to safeguard American business interests abroad.
13. National security and international aspects of trusteeships of the United States.
14. Ocean and international environmental and scientific affairs as they relate to foreign policy.
15. Protection of United States citizens abroad and expatriation.
16. Relations of the United States with foreign nations generally.
17. Treaties and executive agreements, except reciprocal trade agreements.
18. United Nations and its affiliated organizations.
19. World Bank group, the regional development banks, and other international organizations established primarily for development assistance purposes.

The Committee is also mandated by Senate Rule XXV.1(j) to study and review, on a comprehensive basis, matters relating to the national security policy, foreign policy, and international economic policy as it relates to foreign policy of the United States, and matters relating to food, hunger, and nutrition in foreign countries, and report thereon from time to time.

(b) Oversight.—The Committee also has a responsibility under Senate Rule XXVI.8, which provides that ''. . . each standing Committee . . . shall review and study, on a continuing basis, the application, administration, and execution of those laws or parts of laws, the subject matter of which is within the jurisdiction of the Committee.''

(c) ''Advice and Consent'' Clauses.—The Committee has a special responsibility to assist the Senate in its constitutional function of providing ''advice and consent'' to all treaties entered into by the United States and all nominations to the principal executive branch positions in the field of foreign policy and diplomacy.

RULE 2—SUBCOMMITTEES

(a) Creation.—Unless otherwise authorized by law or Senate resolution, subcommittees shall be created by majority vote of the Committee and shall deal with such legislation and oversight of programs and policies as the Committee directs. Legislative measures or other matters may be referred to a subcommittee for consideration in the discretion of the Chairman or by vote of a majority of the Committee. If the principal subject matter of a measure or matter to be referred falls within the jurisdiction of more than one subcommittee, the Chairman or the Committee may refer the matter to two or more subcommittees for joint consideration.

(b) Assignments.—Assignments of members to subcommittees shall be made in an equitable fashion. No member of the Committee may receive assignment to a second subcommittee until, in order of seniority, all members of the Committee have chosen assignments to one subcommittee, and no member shall receive assignments to a third subcommittee until, in order of seniority, all members have chosen assignments to two subcommittees.

No member of the Committee may serve on more than four subcommittees at any one time.

The Chairman and Ranking Minority Member of the Committee shall be ex officio members, without vote, of each subcommittee.

(c) Meetings.—Except when funds have been specifically made available by the Senate for a subcommittee purpose, no subcommittee of the Committee on Foreign Relations shall hold hearings involving expenses without prior approval of the Chairman of the full Committee or by decision of the full Committee. Meetings of subcommittees shall be scheduled after consultation with the Chairman of the Committee with a view toward avoiding conflicts with meetings of other subcommittees insofar as possible. Meetings of subcommittees shall not be scheduled to conflict with meetings of the full committee.

The proceedings of each subcommittee shall be governed by the rules of the full Committee, subject to such authorizations or limitations as the Committee may from time to time prescribe.

RULE 3—MEETINGS

(a) Regular Meeting Day.—The regular meeting day of the Committee on Foreign Relations for the transaction of Committee business shall be on Tuesday of each week, unless otherwise directed by the Chairman.

(b) Additional Meetings.—Additional meetings and hearings of the Committee may be called by the Chairman as he may deem necessary. If at least three members of the Committee desire that a special meeting of the Committee be called by the Chairman, those members may file in the offices of the Committee their written request to the Chairman for that special meeting. Immediately upon filing of the request, the Chief Clerk of the Committee shall notify the Chairman of the filing of the request. If, within three calendar days after the filing of the request, the Chairman does not call the requested special meeting, to be held within seven calendar days after the filing of the request, a majority of the members of the Committee may file in the offices of the Committee their written notice that a special meeting of the Committee will be held, specifying the date and hour of that special meeting. The Committee shall meet on that date and hour. Immediately upon the filing of the notice, the Clerk shall notify all members of the Committee that such special meeting will be held and inform them of its date and hour.

(c) Minority Request.—Whenever any hearing is conducted by the Committee or a subcommittee upon any measure or matter, the minority on the Committee shall be entitled, upon request made by a majority of the minority members to the Chairman before the completion of such hearing, to call witnesses selected by the minority to testify with respect to the measure or matter during at least one day of hearing thereon.

(d) Public Announcement.—The Committee, or any subcommittee thereof, shall make public announcement of the date, place, time, and subject matter of any hearing to be conducted on any measure or matter at least one week in advance of such hearings, unless the Chairman of the Committee, or subcommittee, determines that there is good cause to begin such hearing at an earlier date.

(e) Procedure.—Insofar as possible, proceedings of the Committee will be conducted without resort to the formalities of parliamentary procedure and with due regard for the views of all members. Issues of procedure which may arise from time to time shall be resolved by decision of the Chairman, in consultation with the Ranking Minority Member. The Chairman, in consultation with the Ranking Minority Member, may also propose special procedures to govern the consideration of particular matters by the Committee.

(f) Closed Sessions.—Each meeting of the Committee on Foreign Relations, or any subcommittee thereof, including meetings to conduct hearings, shall be open to the public, except that a meeting or series of meetings by the Committee or a subcommittee on the same subject for a period of no more than fourteen calendar days may be closed to the public on a motion made and seconded to go into closed session to discuss only whether the matters enumerated in paragraphs (1) through (6) would require the meeting to be closed followed immediately by a record vote in open session by a majority of the members of the Committee or subcommittee when it is determined that the matters to be discussed or the testimony to be taken at such meeting or meetings—

(1) will disclose matters necessary to be kept secret in the interests of national defense or the confidential conduct of the foreign relations of the United States;

(2) will relate solely to matters of Committee staff personnel or internal staff management or procedure;

(3) will tend to charge an individual with crime or misconduct; to disgrace or injure the professional standing of an individual, or otherwise to expose an individual to public contempt or obloquy, or will represent a clearly unwarranted invasion of the privacy of an individual;

(4) will disclose the identity of any informer or law enforcement agent or will disclose any information relating to the investigation or prosecution of a criminal offense that is required to be kept secret in the interests of effective law enforcement;

(5) will disclose information relating to the trade secrets or financial or commercial information pertaining specifically to a given person if—

(A) an Act of Congress requires the information to be kept confidential by Government officers and employees; or

(B) the information has been obtained by the Government on a confidential basis, other than through an application by such person for a specific Government financial or other benefit, and is required to be kept secret in order to prevent undue injury to the competitive position of such person, or

(6) may divulge matters required to be kept confidential under other provisions of law or Government regulations.

A closed meeting may be opened by a majority vote of the Committee.

(g) Staff Attendance.—A member of the Committee may have one member of his or her personal staff, for whom that member assumes personal responsibility, accompany and be seated nearby at Committee meetings.

Each member of the Committee may designate members of his or her personal staff, who hold a Top Secret security clearance, for the purpose of their eligibility to attend closed sessions of the Committee, subject to the same conditions set forth for Committee staff under Rules 12, 13, and 14.

In addition, the Majority Leader and the Minority Leader of the Senate, if they are not otherwise members of the Committee, may designate one member of their staff with a Top Secret security clearance to attend closed sessions of the Committee, subject to the same conditions set forth for Committee staff under Rules 12, 13, and 14. Staff of other Senators who are not members of the Committee may not attend closed sessions of the Committee.

Attendance of Committee staff at meetings shall be limited to those designated by the Staff Director or the Minority Staff Director.

The Committee, by majority vote, or the Chairman, with the concurrence of the Ranking Minority Member, may limit staff attendance at specified meetings.

RULE 4—QUORUMS

(a) Testimony.—For the purpose of taking sworn or unsworn testimony at any duly scheduled meeting a quorum of the Committee and each subcommittee thereof shall consist of one member.

(b) Business.—A quorum for the transaction of Committee or subcommittee business, other than for reporting a measure or recommendation to the Senate or the taking of testimony, shall consist of one-third of the members of the Committee or subcommittee, including at least one member from each party.

(c) Reporting.—A majority of the membership of the Committee shall constitute a quorum for reporting any measure or recommendation to the Senate. No measure or recommendation shall be ordered reported from the Committee unless a majority of the Committee members are physically present. The vote of the Committee to report a measure or matter shall require the concurrence of a majority of those members who are physically present at the time the vote is taken.

RULE 5—PROXIES

Proxies must be in writing with the signature of the absent member. Subject to the requirements of Rule 4 for the physical presence of a quorum to report a matter, proxy voting shall be allowed on all measures and matters before the Committee. However, proxies shall not be voted on a measure or matter except when the absent member has been informed of the matter on which he is being recorded and has affirmatively requested that he or she be so recorded.

RULE 6—WITNESSES

(a) General.—The Committee on Foreign Relations will consider requests to testify on any matter or measure pending before the Committee.

(b) Presentation.—If the Chairman so determines, the oral presentation of witnesses shall be limited to 10 minutes. However, written statements of reasonable length may be submitted by witnesses and other interested persons who are unable to testify in person.

(c) Filing of Statements.—A witness appearing before the Committee, or any subcommittee thereof, shall file a written statement of his proposed testimony at least 48 hours prior to his appearance, unless this requirement is waived by the Chairman and the Ranking Minority Member following their determination that there is good cause for failure to file such a statement.

(d) Expenses.—Only the Chairman may authorize expenditures of funds for the expenses of witnesses appearing before the Committee or its subcommittees.

(e) Requests.—Any witness called for a hearing may submit a written request to the Chairman no later than 24 hours in advance for his testimony to be in closed or open session, or for any other unusual procedure. The chairman shall determine whether to grant any such request and shall notify the Committee members of the request and of his decision.

RULE 7—SUBPOENAS

(a) Authorization.—The Chairman or any other member of the Committee, when authorized by a majority vote of the Committee at a meeting or by proxies, shall have authority to subpoena the attendance of witnesses or the production of memoranda, documents, records, or any other materials. When the Committee authorizes a subpoena, it may be issued upon the signature of the Chairman or any other member designated by the Committee.

(b) Return.—A subpoena, or a request to an agency, for documents may be issued whose return shall occur at a time and place other than that of a scheduled Committee meeting. A return on such a subpoena or request which is incomplete or accompanied by an objection constitutes good cause for a hearing on shortened notice. Upon such a return, the Chairman or any other member designated by him may convene a hearing by giving 2 hours notice by telephone to all other members. One member shall constitute a quorum for such a hearing. The sole purpose of such a hearing shall be to elucidate further information about the return and to rule on the objection.

(c) Depositions.—At the direction of the Committee, staff is authorized to take depositions from witnesses.

RULE 8—REPORTS

(a) Filing.—When the Committee has ordered a measure or recommendation reported, the report thereon shall be filed in the Senate at the earliest practicable time.

(b) Supplemental, Minority and Additional Views.—A member of the Committee who gives notice of his intentions to file supplemental, minority, or additional views at the time of final Committee approval of a measure or matter, shall be entitled to not less than 3 calendar days in which to file such views, in writing, with the Chief Clerk of the Committee, with the 3 days to begin at 11:00 p.m. on the day that the Committee has ordered a measure or matter reported. Such views shall then be included in the Committee report and printed in the same volume, as a part thereof, and their inclusion shall be noted on the cover of the report. In the absence of timely notice, the Committee report may be filed and printed immediately without such views.

(c) Rollcall Votes.—The results of all rollcall votes taken in any meeting of the Committee on any measure, or amendment thereto, shall be announced in the Committee report. The announcement shall include a tabulation of the votes cast in favor and votes cast in opposition to each such measure and amendment by each member of the Committee.

RULE 9—TREATIES

(a) The Committee is the only Committee of the Senate with jurisdiction to review and report to the Senate on treaties submitted by the President for Senate advice and consent. Because the House of Representatives has no role in the approval of treaties, the Committee is therefore the only congressional committee with responsibility for treaties.

(b) Once submitted by the President for advice and consent, each treaty is referred to the Committee and remains on its calendar from Congress to Congress until the Committee takes action to report it to the Senate or recommend its return to the President, or until the Committee is discharged of the treaty by the Senate.

(c) In accordance with Senate Rule XXX.2, treaties which have been reported to the Senate but not acted on before the end of a Congress ''shall be resumed at the commencement of the next Congress as if no proceedings had previously been had thereon.''

(d) Insofar as possible, the Committee should conduct a public hearing on each treaty as soon as possible after its submission by the President. Except in extraordinary circumstances, treaties reported to the Senate shall be accompanied by a written report.

RULE 10—NOMINATIONS

(a) Waiting Requirement.—Unless otherwise directed by the Chairman and the Ranking Minority Member, the Committee on Foreign Relations shall not consider any nomination until 6 calendar days after it has been formally submitted to the Senate.

(b) Public Consideration.—Nominees for any post who are invited to appear before the Committee shall be heard in public session, unless a majority of the Committee decrees otherwise.

(c) Required Data.—No nomination shall be reported to the Senate unless (1) the nominee has been accorded a security clearance on the basis of a thorough investigation by executive branch agencies; (2) in appropriate cases, the nominee has filed a financial disclosure report and a confidential statement with the Committee; (3) the Committee has been assured that the nominee does not have any interests which could conflict with the interests of the government in the exercise of the nominee's proposed responsibilities; (4) for persons nominated to be chief of mission, ambassador-at-large, or minister, the Committee has received a complete list of any contributions made by the nominee or members of his immediate family to any Federal election campaign during the year of his or her nomination and for the 4 preceding years; and (5) for persons nominated to be chiefs of mission, a report on the demonstrated competence of that nominee to perform the duties of the position to which he or she has been nominated.

RULE 11—TRAVEL

(a) Foreign Travel.—No member of the Committee on Foreign Relations or its staff shall travel abroad on Committee business unless specifically authorized by the Chairman, who is required by law to approve vouchers and report expenditures of foreign currencies, and the Ranking Minority Member. Requests for authorization of such travel shall state the purpose and, when completed, a full substantive and financial report shall be filed with the Committee within 30 days. This report shall be furnished to all members of the Committee and shall not be otherwise disseminated without the express authorization of the Committee. Except in extraordinary circumstances, staff travel shall not be approved unless the reporting requirements have been fulfilled for all prior trips. Except for travel that is strictly personal, travel funded by non-U.S. Government sources is subject to the same approval and substantive reporting requirements as U.S. Government-funded travel. In addition, members and staff are reminded of Senate Rule XXXV.4 requiring a determination by the Senate Ethics Committee in the case of foreign-sponsored travel. Any proposed travel by Committee staff for a subcommittee purpose must be approved by the subcommittee chairman and ranking minority member prior to submission of the request to the Chairman and Ranking Minority Member of the full Committee. When the Chairman and the Ranking Minority Member approve the foreign travel of a member of the staff of the committee not accompanying a member of the Committee, all members of the Committee shall be advised, prior to the commencement of such travel of its extent, nature, and purpose.

(b) Domestic Travel.—All official travel in the United States by the Committee staff shall be approved in advance by the Staff Director, or in the case of minority staff, by the Minority Staff Director.

(c) Personal Staff.—As a general rule, no more than one member of the personal staff of a member of the Committee may travel with that member with the approval of the Chairman and the Ranking Minority Member of the Committee. During such travel, the personal staff member shall be considered to be an employee of the Committee.

(d) Personal Representatives of the Member (PRM).—For the purposes of Rule 11 as regards staff foreign travel, the officially-designated personal representative of the member (PRM) shall be deemed to have the same rights, duties, and responsibilities as members of the staff of the Committee on Foreign Relations. Furthermore, for the purposes of this section, each Member of the Committee may designate one personal staff member as the ''Personal Representative of the Member.''

RULE 12—TRANSCRIPTS

(a) General.—The Committee on Foreign Relations shall keep verbatim transcripts of all Committee and subcommittee meetings and such transcripts shall remain in the custody of the Committee, unless a majority of the Committee decides otherwise. Transcripts of public hearings by the Committee shall be published unless the Chairman, with the concurrence of the Ranking Minority Member, determines otherwise.

(b) Classified or Restricted Transcripts.—

(1) The Chief Clerk of the Committee shall have responsibility for the maintenance and security of classified or restricted transcripts.

(2) A record shall be maintained of each use of classified or restricted transcripts.

(3) Classified or restricted transcripts shall be kept in locked combination safes in the Committee offices except when in active use by authorized persons for a period not to exceed 2 weeks. Extensions of this period may be granted as necessary by the Chief Clerk. They must never be left unattended and shall be returned to the Chief Clerk promptly when no longer needed.

(4) Except as provided in paragraph 7 below, transcripts classified secret or higher may not leave the Committee offices except for the purpose of declassification.

(5) Classified transcripts other than those classified secret or higher may leave the Committee offices in the possession of authorized persons with the approval of the Chairman. Delivery and return shall be made only by authorized persons. Such transcripts may not leave Washington, DC, unless adequate assurances for their security are made to the Chairman.

(6) Extreme care shall be exercised to avoid taking notes or quotes from classified transcripts. Their contents may not be divulged to any unauthorized person.

(7) Subject to any additional restrictions imposed by the Chairman with the concurrence of the Ranking Minority Member, only the following persons are authorized to have access to classified or restricted transcripts.

(i) Members and staff of the Committee in the Committee rooms;

(ii) Designated personal representatives of members of the Committee, and of the Majority and Minority Leaders, with appropriate security clearances, in the Committee's Capitol office;

(iii) Senators not members of the Committee, by permission of the Chairman in the Committee rooms; and

(iv) Members of the executive departments involved in the meeting, in the Committee's Capitol office, or, with the permission of the Chairman, in the offices of the officials who took part in the meeting, but in either case, only for a specified and limited period of time, and only after reliable assurances against further reproduction or dissemination have been given.

(8) Any restrictions imposed upon access to a meeting of the Committee shall also apply to the transcript of such meeting, except by special permission of the Chairman and notice to the other members of the Committee. Each transcript of a closed session of the Committee shall include on its cover a description of the restrictions imposed upon access, as well as any applicable restrictions upon photocopying, note-taking or other dissemination.

(9) In addition to restrictions resulting from the inclusion of any classified information in the transcript of a Committee meeting, members and staff shall not discuss with anyone the proceedings of the Committee in closed session or reveal information conveyed or discussed in such a session unless that person would have been permitted to attend the session itself, or unless such communication is specifically authorized by the Chairman, the Ranking Minority Member, or in the case of staff, by the Staff Director or Minority Staff Director. A record shall be kept of all such authorizations.

(c) Declassification.—

(1) All restricted transcripts and classified Committee reports shall be declassified on a date twelve years after their origination unless the Committee by majority vote decides against such declassification, and provided that the executive departments involved and all former Committee members who participated directly in the sessions or reports concerned have been consulted in advance and given a reasonable opportunity to raise objections to such declassification.

(2) Any transcript or classified Committee report, or any portion thereof, may be declassified fewer than twelve years after their origination if:

(i) the Chairman originates such action or receives a written request for such action, and notifies the other members of the Committee;

(ii) the Chairman, Ranking Minority Member, and each member or former member who participated directly in such meeting or report give their approval, except that the Committee by majority vote may overrule any objections thereby raised to early declassification; and

(iii) the executive departments and all former Committee members are consulted in advance and have a reasonable opportunity to object to early declassification.

RULE 13—CLASSIFIED MATERIAL

(a) All classified material received or originated by the Committee shall be logged in at the Committee's offices in the Dirksen Senate Office Building, and except for material classified as ''Top Secret'' shall be filed in the Dirksen Senate Building offices for Committee use and safekeeping.

(b) Each such piece of classified material received or originated shall be card indexed and serially numbered, and where requiring onward distribution shall be distributed by means of an attached indexed form approved by the Chairman. If such material is to be distributed outside the Committee offices, it shall, in addition to the attached form, be accompanied also by an approved signature sheet to show onward receipt.

(c) Distribution of classified material among offices shall be by Committee members or authorized staff only. All classified material sent to members' offices, and that distributed within the working offices of the Committee, shall be returned to the offices designated by the Chief Clerk. No classified material is to be removed from the offices of the members or of the Committee without permission of the Chairman. Such classified material will be afforded safe handling and safe storage at all times.

(d) Material classified ''Top Secret,'' after being indexed and numbered shall be sent to the Committee's Capitol office for use by the members and authorized staff in that office only or in such other secure Committee offices as may be authorized by the Chairman or Staff Director.

(e) In general, members and staff undertake to confine their access to classified information on the basis of a ''need to know'' such information related to their Committee responsibilities.

(f) The Staff Director is authorized to make such administrative regulations as may be necessary to carry out the provisions of these regulations.

RULE 14—STAFF

(a) Responsibilities.—

(1) The staff works for the Committee as a whole, under the general supervision of the Chairman of the Committee, and the immediate direction of the Staff Director; provided, however, that such part of the staff as is designated Minority Staff, shall be under the general supervision of the Ranking Minority Member and under the immediate direction of the Minority Staff Director.

(2) Any member of the Committee should feel free to call upon the staff at any time for assistance in connection with Committee business. Members of the Senate not members of the Committee who call upon the staff for assistance from time to time should be given assistance subject to the overriding responsibility of the staff to the Committee.

(3) The staff's primary responsibility is with respect to bills, resolutions, treaties, and nominations. In addition to carrying out assignments from the Committee and its individual members, the staff has a responsibility to originate suggestions for Committee or subcommittee consideration. The staff also has a responsibility to make suggestions to individual members regarding matters of special interest to such members.

(4) It is part of the staff's duty to keep itself as well informed as possible in regard to developments affecting foreign relations and in regard to the administration of foreign programs of the United States. Significant trends or developments which might otherwise escape notice should be called to the attention of the Committee, or of individual Senators with particular interests.

(5) The staff shall pay due regard to the constitutional separation of powers between the Senate and the executive branch. It therefore has a responsibility to help the Committee bring to bear an independent, objective judgment of proposals by the executive branch and when appropriate to originate sound proposals of its own. At the same time, the staff shall avoid impinging upon the day-to-day conduct of foreign affairs.

(6) In those instances when Committee action requires the expression of minority views, the staff shall assist the minority as fully as the majority to the end that all points of view may be fully considered by members of the Committee and of the Senate. The staff shall bear in mind that under our constitutional system it is the responsibility of the elected Members of the Senate to determine legislative issues in the light of as full and fair a presentation of the facts as the staff may be able to obtain.

(b) Restrictions.—

(1) The staff shall regard its relationship to the Committee as a privileged one, in the nature of the relationship of a lawyer to a client. In order to protect this relationship and the mutual confidence which must prevail if the Committee-staff relationship is to be a satisfactory and fruitful one, the following criteria shall apply:

(i) members of the staff shall not be identified with any special interest group in the field of foreign relations or allow their names to be used by any such group;

(ii) members of the staff shall not accept public speaking engagements or write for publication in the field of foreign relations without specific advance permission from the Staff Director, or, in the case of minority staff, from the Minority Staff Director. In the case of the Staff Director and the Minority Staff Director, such advance permission shall be obtained from the Chairman or the Ranking Minority Member, as appropriate. In any event, such public statements should avoid the expression of personal views and should not contain predictions of future, or interpretations of past, Committee action; and

(iii) staff shall not discuss their private conversations with members of the Committee without specific advance permission from the Senator or Senators concerned.

(2) The staff shall not discuss with anyone the proceedings of the Committee in closed session or reveal information conveyed or discussed in such a session unless that person would have been permitted to attend the session itself, or unless such communication is specifically authorized by the Staff Director or Minority Staff Director. Unauthorized disclosure of information from a closed session or of classified information shall be cause for immediate dismissal and may, in the case of some kinds of information, be grounds for criminal prosecution.

RULE 15—STATUS AND AMENDMENT OF RULES

(a) Status.—In addition to the foregoing, the Committee on Foreign Relations is governed by the Standing Rules of the Senate which shall take precedence in the event of a clear inconsistency. In addition, the jurisdiction and responsibilities of the Committee with respect to certain matters, as well as the timing and procedure for their consideration in Committee, may be governed by statute.

(b) Amendment.—These Rules may be modified, amended, or repealed by a majority of the Committee, provided that a notice in writing of the proposed change has been given to each member at least 48 hours prior to the meeting at which action thereon is to be taken. However, Rules of the Committee which are based upon Senate Rules may not be superseded by Committee vote alone.●

AUTHORIZING CORRECTION OF THE ENGROSSMENT OF SENATE RESOLUTION 10

Mr. CRAIG. Mr. President, I ask unanimous consent that in the engrossment of Senate Resolution 10, the Secretary of the Senate be authorized to make the following corrections which are at the desk.

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

ORDERS FOR WEDNESDAY, FEBRUARY 12, 1997

Mr. CRAIG. 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 Wednesday, February 12. I ask unanimous consent that on Wednesday immediately following the prayer, the routine requests through the morning hour be granted. I further ask unanimous consent that there be a period of morning business until the hour of 11 a.m., with the following Senators to speak during the designated time: From 9:30 until 10, Senator ASHCROFT for 15 minutes and Senator DORGAN for 15 minutes; from 10 to 10:30, Senator DASCHLE or his designee; from 10:30 to 11 o'clock, Senator THOMAS or his designee.

I further ask unanimous consent that at 11 a.m., the Senate resume consideration of Senate Joint Resolution 1 and Senator BYRD be recognized at that time.

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

PROGRAM

Mr. CRAIG. Mr. President, for the information of all Senators, the Senate will resume consideration of Senator DODD's amendment to the balanced budget amendment beginning at 1:30 tomorrow. By unanimous consent, the vote will occur on or in relation to the Dodd amendment regarding national security at 5:30 on Wednesday. Additional votes can be expected during Wednesday's session in relation to amendments to Senate Joint Resolution 1, on any nominations that are available, or possibly on one or two Senate resolutions that we are attempting to clear at this time.

Again, I thank my colleagues for their cooperation as we attempt to adjourn on Thursday for the Presidents' Day recess.

ADJOURNMENT UNTIL 9:30 A.M. TOMORROW

Mr. CRAIG. Mr. President, if there is no further business to come before the Senate, I now ask unanimous consent that the Senate stand in adjournment under the previous order.

There being no objection, the Senate, at 5:57 p.m., adjourned until Wednesday, February 12, 1997, at 9:30 a.m.

NOMINATIONS

Executive nominations received by the Senate February 11, 1997:

NATIONAL FOUNDATION FOR ARTS AND HUMANITIES

TRACEY D. CONWELL, OF TEXAS, TO BE A MEMBER OF THE NATIONAL MUSEUM SERVICES BOARD FOR A TERM EXPIRING DECEMBER 6, 2001, VICE FAY S. HOWELL, TERM EXPIRED.

DEPARTMENT OF JUSTICE

JOAQUIN L. G. SALAS, OF GUAM, TO BE U.S. MARSHAL FOR THE DISTRICT OF GUAM AND CONCURRENTLY U.S. MARSHAL FOR THE DISTRICT OF THE NORTHERN MARIANA ISLANDS FOR THE TERM OF 4 YEARS, VICE JOSE R. MARIANO.

THE JUDICIARY

MARY ANN GOODEN TERRELL, OF THE DISTRICT OF COLUMBIA, TO BE AN ASSOCIATE JUDGE OF THE SUPERIOR COURT OF THE DISTRICT OF COLUMBIA FOR THE TERM OF 15 YEARS, VICE RICHARD STEPHEN SALZMAN, TERM EXPIRED.

PATRICIA A. BRODERICK, OF THE DISTRICT OF COLUMBIA, TO BE AN ASSOCIATE JUDGE OF THE SUPERIOR COURT OF THE DISTRICT OF COLUMBIA FOR THE TERM OF 15 YEARS, VICE HARRIETT ROSEN TAYLOR, TERM EXPIRED.

IN THE COAST GUARD

THE FOLLOWING REGULAR OFFICERS OF THE UNITED STATES COAST GUARD FOR THE APPOINTMENT TO THE GRADE OF REAR ADMIRAL:

ROBERT C. NORTH
TIMOTHY W. JOSIAH
FRED L. AMES
RICHARD M. LARRABEE III
JOHN T. TOZZI
THOMAS H. COLLINS
ERNEST R. RIUTTA

MARINE CORPS

THE FOLLOWING-NAMED OFFICERS FOR REGULAR APPOINTMENT TO THE GRADES INDICATED IN THE U.S. MARINE CORPS UNDER TITLE 10, UNITED STATE CODE, SECTION 531:

To be major

NEITA A. ARMSTRONG, 0000
MATTHEW A. BARBATO, 0000
BRIAN K. BARTON, 0000
MICHAEL R. BROWN, JR., 0000
FRANCIS X. CARROLL, 0000
DOUGLAS W. EDWARDS, 0000
SUSAN L. EDWARDS, 0000

JEFFERSON D. HOLDEN, 0000
MICHAEL J. JACKSON, 0000
NEAL A. JACOB, 0000
ANNETTE R. JACOBSEN, 0000
ROBERT B. MORRISON, 0000
TERRY D. OWENS, 0000
RANDOLPH A. PETERSON, 0000
RONALD B. PINER, 0000
MARK L. ROBERTS, 0000
RICHARD G. RUTTER, JR., 0000
KENNETH D. WHITE, 0000
PAUL R. WILSON, 0000

To be captain

BURNELL H. AGE, JR., 0000
CHRISTOPHE W. ALLEN, 0000
ILYA R. AMMONS, 0000
ERIC D. ANDERSON, 0000
JOHN R. ANDERSON, 0000
GREGORY D. ANDERSON, 0000
SAMEUL J. ANTCLIFFE, 0000
MICHAEL P. ANTONIO, 0000
DANA I. ARENSON, 0000
JOSEPH L. ASHBAKER, JR., 0000
STEPHEN H. ASHLEY, 0000
PAUL H. ATTERBURY, 0000
ROBERT B. BABCOCK, 0000
KENDALL D. BAILEY, 0000
RAYMOND G. BAKER, 0000
AHMAD BANDANI, 0000
STEPHEN S. BARRANCO, JR., 0000
ERIC E. BATTLE, 0000
PAUL M. BECKWITH, 0000
JAMES D. BELSON, 0000
DAVID BERNATOVICH, 0000
DAVID P. BERRY, 0000
CHAD A. BLAIR, 0000
ARNOLD D. BLANKENSHIP II, 0000
RUSSELL A. BLAUW, 0000
BRANTLEY A. BOND, 0000
ANTHONY W. BOWN, 0000
STEPHEN E. BROOKS, 0000
CHARLES L. BROWN, 0000
AUSTIN D. BRYANT, 0000
WILLIAM T. BUFKIN II, 0000
BRIAN E. BUFTON, 0000
WAYNE M. BUNKER, 0000
CARL D. BURTNER, JR., 0000
RUSSELL C. BURTON, 0000
DAVID W. BUSSEL, 0000
GREGORY E. BUTCHER, 0000
KELLY D. CAILLOUET, 0000
MARKHAM B. CAMPAIGNE, JR., 0000
MICHEL C. CANCELLIER, 0000
DAVID CARBONERO, 0000
CHRISTOPHE U. CARR, 0000
JOHN R. CASTILLO, 0000
JAMES C. CHAPMAN, 0000
CHRISTIAN P. CHARLEVILLE, 0000
MELVIN L. CHATTMAN, 0000
ERIK L. CHRISTENSEN, 0000
J.E. CHRISTIANSEN, 0000
BENJAMIN R. CLATTERBUCK, 0000
JOSEPH M. CLOWDSLEY, 0000
DOUGLAS W. COCHRAN, 0000
MICHAEL J. COCO, 0000
STEPHEN C. COHN, 0000
JAIME O. COLLAZO, 0000
JAMES L. COMBS, 0000
KEVIN M. CONSOLE, 0000
CHAD J. CONYERS, 0000
IAN D. COURTNEY, 0000
GERRY R. COX, 0000
WAYNE O. COX II, 0000
BRADLEY W. CRABTREE, 0000
SCOTT N. CRADER, 0000
JOSEPH A. CRAFT, 0000
MARK A. CRAWFORD, 0000
THOMAS W. CRECCA, 0000
MATTHEW A. CROCE, 0000
MICHAEL S. CUNINGHAM, 0000
KEVIN G. CUNNANE, 0000
BRET R. CURTIS, 0000
ERIC B. DAILEY, 0000
THOMAS C. DAMES, 0000
EARL W. DANIELS, 0000
JAMES G. DAVIDSON, 0000
DOUGLAS B. DAVIS, 0000
MATTHEW A. DAY, 0000
DEVIN C. DELL, 0000
MICHAEL P. DELMAS, 0000
JOHN B. DELUCA, 0000
DOUGLAS B. DENNIS, 0000
KENNETH R. DEVERO II, 0000
THOMAS E. DEVINE, 0000
DANIEL J. DEWHIRST, 0000
OSSEN J. DHAITI, 0000
JOHN W. DIEDENHOFEN IV, 0000
MARK D. DIETZ, 0000
JOHN E. DOBES, 0000
JAMES K. DORIS, 0000
KEVIN B. DOTY, 0000
DOUGLAS G. DOUDS, 0000
TIMOTHY M. DOUGHERTY, 0000
LY T. DRUMMOND, 0000
ROBERT M. DUKES, 0000
DAVID P. DUMA, 0000
TERENCE J. DUNNE, 0000
EDWARD C. DURANT, 0000
ANDREW L. EAST, 0000
JEFFREY R. EBERWEIN, 0000
GOSCH L. EHLERS III, 0000
ERIC J. ELDRED, 0000
LEGRAND ELEBASH, 0000
THOMASMORE J. EPISCOPIO, 0000
THOMAS C. EULER III, 0000
PAUL C. FAGAN, 0000
BRIAN E. FAGAN, 0000
JOHN P. FARNAM, 0000
MICHAEL FARRELL, 0000
SHAWN S. FARRINGTON, 0000
DANIEL E. FENNELL, 0000
MATTHEW P. FERGUSON, 0000
ROBERT A. FIFER, 0000
DONALD R. FINN, 0000
ALAN D. FOUST, 0000
RICHARD F. FUERST, 0000
ROBERT M. FUHRER, 0000
FRANK T. FULLER, 0000
BRIAN R. FULLER, 0000
MATTHEW K. GALLAGHER, 0000
MICHAEL GANTE, JR., 0000
STEPHEN A. GASSNER, 0000
TYSON B. GEISENDORFF, 0000
CHRISTIAN GHEE, 0000
MICHAEL P. GILBERT, 0000
GREGORY O. GLAESER, 0000
GREGORY N. GLASSER, 0000
IV HERMAN GLOVER, 0000
MICHAEL F. GOGOLIN, 0000
GARY J. GOLEMBISKI, 0000
DAVID R. GOODELL III, 0000
VIRGILIO GONZALEZ, 0000
JOHN M. GRAHAM, 0000
JEFFERY S. GREENWOOD, 0000
JUSTIN T. GREINER, 0000
CHARLES G. GRIFFIN II, 0000
CHRISTOPHE R. GUILFORD, 0000
STEVE D. HAGERTY, 0000
ANDREW W. HALL, 0000
SEAN V. HALPIN, 0000
DAN HANKS, 0000
GREGORY J. HANVILLE, 0000
JAMES W. HARGUS, JR., 0000
JAMES F. HARP, 0000
BRIAN D. HARRELSON, 0000
MARK S. HARRINGTON, 0000
WESLEY D. HART, 0000
PETER W. HART, 0000
EUGENE K. HARTER III, 0000
BRIAN W. HAVILAND, 0000
EVAN B. HAYMES, 0000
MATTHEW K. HAYS, 0000
ANTHONY M. HENDERSON, 0000
ELAINE M. HENSEN, 0000
RICHARD L. HILL, 0000
HUNTER H. HOBSON, 0000
WILLIAM M. HOFMANN, 0000
MICHAEL T. HOLMES, 0000
GEORGE N. HOUGH, 0000
RICHARD B. HOWELL, 0000
KEVIN M. HUDSON, 0000
DANIEL C. IRCINK, 0000
SAMUEL E. JACKSON, 0000
JOHN B. JENSEN II, 0000
JAMES E. JENNINGS, 0000
ALLEN K. JOHNSON, 0000
RONALD I. JOHNSON, 0000
CARROLL J. JOUBERT, JR., 0000
DONALD P. JULIAN, 0000
KIRIAKOS KALOGIANNIS, 0000
JOHN F. KELLIHER III, 0000
CHARLES B. KELLY, 0000
TRENTON E. KENAGY, 0000
JAMES R. KENNEDY, 0000
PETER F. KIELTY, 0000
CRAIG M. KILHENNY, 0000
CRAIG T. KILLIAN, 0000
LAWRENCE E. KILLMEIER, JR., 0000
MICHAEL G. KING, 0000
FORREST D. KNOWLTON, 0000
KEVIN S. KRETZSCHMAR, 0000
HENRY T. KUEHN, 0000
ROBERT A. KUROWSKI, 0000
ROBERT M. LACK, 0000
RHETT B. LAWING, 0000
BEAU M. LAWRENCE, 0000
TREVOR A. LAWS, 0000
HEATH A. LAWSON, 0000
MICHAEL J. LEAMY, 0000
JACK T. LEDFORD, JR., 0000
IV CARL LEHRKIND, 0000
BLAKE E. LEMAIRE, 0000
MARK J. LENNERTON, 0000
COBY G. LEUSCHKE, 0000
DARIN E. LIERLY, 0000
PATRICK A. LINDAUER, 0000
THOMAS M. LOEHLE, 0000
MATTHEW W. LOTZ, 0000
JAMES I. LUKEHART, JR., 0000
THOMAS P. MACAULEY, 0000
DANIEL W. MAC DONALD III, 0000
SEAN R. MADDEN, 0000
JOHN E. MADES, 0000
SCOTT D. MAGIDSON, 0000
FRANK W. MAJDAN, JR., 0000
STEVEN P. MANBER, 0000
DAMIEN M. MARSH, 0000
JOHN J. MARTIN, 0000
GREGORY R. MARTIN, 0000
KENDALL A. MARTINEZ, 0000
SEAN P. MATTINGLY, 0000
JAMES H. MATTS, 0000
GEORGE J. MAUTZ, 0000
WILLIAM B. MAYBERRY, JR., 0000
DAVID B. MC CANN, 0000
JOSEPH T. MC CLOUD, 0000
PAUL R. MC CONNELL, 0000
PAUL H. MC CONNELL, 0000
DAVID G. MC CULLOH, 0000
KATHERINE M. MC DONALD, 0000
DANIEL B. MC DYRE, JR., 0000
JASON S. MC FARLAND, 0000
JOHN G. MC GINNIS, 0000
ARTHUR B. MC KEEL, 0000
CHRISTOPHER A. MC PHILLIPS, 0000
KEVIN T. MC TARSNEY, 0000
HALSTEAD MEADOWS III, 0000
THOMAS M. MEANEY, 0000
MICHAEL W. MELSO, 0000
SANDER H. MELVIN, 0000
JACK D. MERKEL, 0000
JAMES L. MILLER, 0000
PAUL R. MOGG, 0000
JONATHAN S. MOONEYHAM, 0000
MARCUS A. MOORE, 0000
DAVID B. MORGAN, 0000
JUSTIN S. MORO, 0000
DARIN S. MORRIS, 0000
ANDREW J. MOYER, 0000
DAVID J. MURPHY, 0000
JOSEPH M. MURRAY, 0000
LIONEL R. NEDER, 0000
SEAN W. NESTLER, 0000
JOHN G. NEWHALL, JR., 0000
MARK R. NICKLES, 0000
ERIK R. NIELSEN, 0000
HARRY D. OAKLEY, 0000
JAMES E. OHARRA, 0000
BRIAN R. OLEARY, 0000
DUANE A. OPPERMAN, 0000
LYNN W. OYLER, 0000
RONALD L. PACE, 0000
MICHAEL L. PAGANO, 0000
JAY B. PARKER, 0000
DAVID B. PARKS, 0000
PATRICK C. PATTERSON, 0000
TRACY L. PEACOCK, 0000
JEFFREY P. PFANNENSTEIN, 0000
WILLIAM C. PIELLI, 0000
JOHN C. POEHLER, 0000
GREGORY A. PREWITT, 0000
FRANK R. PROKUP, 0000
JOSEPH F. QUINLAN III, 0000
JOSEPH N. RAFTERY, 0000
MATTHEW R. RAJKOVICH, 0000
FRANK E. RAUCH II, 0000
JOEL R. RAUENHORST, 0000
TIMOTHY A. RAYNOR, 0000
LOWELL F. RECTOR, 0000
WESLEY C. REED, 0000
BRENDAN REILLY, 0000
ROBERT J. REYNOLDS, 0000
WILLIAM D. RICE, 0000
RICHARD R. RIERSON, 0000
MICHAEL R. RIES, 0000
THOMAS E. RINGO, 0000
TIMOTHY S. ROBERTS, 0000
HOWARD G. ROBINSON, 0000
DANIEL J. RODMAN, 0000
GREGG B. ROGERS, 0000
JERRY R. ROGERS II, 0000
PAUL S. ROLLIN, 0000
THOMAS J. ROMUALD, 0000
CHARLES D. ROSE, JR., 0000
STEVEN A. ROSS, 0000
WILLIAM R. RUSSELL, 0000
SHAUN L. SADLER, 0000
SEAN M. SALENE, 0000
BRENT E. SANDERS, 0000
ANDREW J. SAUER, 0000
JOHN M. SCHAAR, 0000
CHRISTOPHE W. SCHARF, 0000
GRANT W. SCHNEEMANN, 0000
JONATHAN B. SCRABECK, 0000
THOMAS R. SEIFERT, 0000
GEORGE R. SEWELL, 0000
BRIAN L. SHATT, 0000
SANJEEV SHINDE, 0000
PAUL A. SIMMONDS, 0000
JOHN T. SIMPSON, 0000
THOMAS R. SIMS, 0000
STEPHEN D. SIZEMORE, 0000
BRUCE K. SIZEMORE, 0000
ROBERT B. SKANKEY, 0000
GEORGE J. SLYER III, 0000
LARRY J. SMITH, 0000
ROBERT J. SMULLEN, 0000
MICHAEL L. SNAVELY, 0000
JON E. SPAAR, 0000
PAUL L. STARITA, 0000
SCOTT F. STEBBINS, 0000
RICHARD G. STEELE, 0000
MICHAEL S. STEGELMAN, 0000
BENNETT L. STEINER, 0000
NOEL C. STEVENS, 0000
ANDREW V. STICH, 0000
MICHAEL A. STOLZENBURG, 0000
DOUGLAS D. STUMPF, 0000
DAVID A. SUGGS, 0000
PATRICK C. SULLIVAN, 0000
JOHN D. SWAIN, 0000
KURT A. SWANICK, 0000
ERIK H. SWENSON, 0000
DOUGLAS K. SWITZER, 0000
MICHAEL D. TENCATE, 0000
CHARLES C. TERRASSE, 0000
MICHAEL C. TERREL, 0000
ADAM C. THARP, 0000
BRIAN M. THAYER, 0000
ALAN D. THOBURN III, 0000
MATTHEW R. THOMAS, 0000
PATRICK M. TIMOTHY, 0000
PETER C. TITCOMB, JR., 0000
MARK D. TOBIN, 0000
MATTHEW E. TOLLIVER, 0000
JOHN R. TOMCZYK, 0000
WILLIAM P. VANZWOLL, 0000
WILLIAM A. VARGO, 0000
JEFFREY M. VERRANT, 0000

GANPAT V. WAGH, 0000
THOMAS A. WAGONER, JR., 0000
GAINES L. WARD, 0000
MICHAEL T. WARRING, 0000
ROBERT B. WEHNER, 0000
DOUGLAS S. WEINMANN, 0000
ERIC S. WEISSBERGER, 0000
AARON S. WELLS, 0000
BRIAN H. WIKTOREK, 0000
ANTHONY C. WILLIAMS, 0000
GARY M. WILLIAMS, 0000
CHRISTOPHE J. WILLIAMS, 0000
MARCUS W. WILLIAMS, 0000
STEVEN L. WILSON, 0000
ALFRED J. WOODFIN, 0000
PATRICIA L. WOODS, 0000
MALCOLM J. WOOLFOLK, 0000
BRUCE D. YOUNGBLUTH, 0000
WILLIAM A. ZACHARIAS, JR., 0000

To be first lieutenant

DANA A. AHRENS, 0000
ANTHONY L. ALLEN, 0000
CHARLES M. ANDREWS, JR., 0000
ERIC M. ARBOGAST, 0000
WILLIAM L. BABCOCK, JR., 0000
JAMES H. BAIN, 0000
ROBERT S. BAKER, 0000
DAVID G. BARDORF, 0000
MARTIN L. BARTLETT, 0000
DAVID A. BECKER, 0000
HAYNESLY R. BLAKE, 0000
DEVIN T. BLEA, 0000
STEVEN R. BOWERS, 0000
SCOTT H. BRAHIN, 0000
PAUL B. BRICKLEY, 0000
MARK W. BUIE, 0000
TIMOTHY J. BURCH, 0000
KENNETH A. BURGER, 0000
KERRY A. CAMPBELL, 0000
DANIEL T. CANFIELD, JR., 0000
CORBY S. CARBONE, 0000
WILLIAM P. CARROLL, 0000
STEPHEN L. CASTORA, 0000
MARC A. CESARIO, 0000
ADAM L. CHALKLEY, 0000
BENJAMIN D. CHAPMAN, 0000
TROY L. CLARK, 0000
DARIN J. CLARKE, 0000
GREGORY J. CLARKE, 0000
JOSEPH R. CLEARFIELD, 0000
JEFFREY L. CONLEY, 0000
CARL E. COOPER, JR., 0000
ERIC M. CORCORAN, 0000
KEVIN F. COUGHLIN, 0000
JOHN H. COVINGTON, JR., 0000
PATRICK W. COX, 0000
DARYL G. CRANE, 0000
MCCARRELL A. CRUMRINE, 0000
NICHOLAS E. DAVIS, 0000
NEAL L. DEFORD, 0000
PAMELA J. DEMORAT, 0000
TIMOTHY B. DENTRY, 0000
JORGE DIAZ, 0000
DAVID C. DICKEY, 0000
NICHOLAS L. DITTLINGER, 0000
ROSWELL V. DIXON, 0000
DARRYL W. DOTSON, 0000
CRAIG R. DOTY, 0000
LANCE A. DOWD, JR., 0000
ROBERT D. DOZIER, 0000
KARI DRABICK, 0000
BRIAN W. ECARIUS, 0000
JEFFREY A. EICHHOLZ, 0000
CHRISTIAN T. ELLINGER, 0000
KYLE B. ELLISON, 0000
DOUGLAS J. ENGEL, 0000
MONTGOMERY C. ERFOURTH, 0000
DAREN J. ERICKSON, 0000
MANUEL ESCARCEGA, JR., 0000
PETER C. FARNUM, 0000
PHILIP B. FARR, 0000
RONALD M. FARRIS, JR., 0000
CHRISTOPHE M. FEARS, 0000
WALKER M. FIELD, 0000
SHAUN M. FITZSIMMONS, 0000
DOMINIC FOSTER, 0000
TYRONE R. FRANKLIN, 0000
MACEO B. FRANKS, 0000
WESLEY A. FRASARD, JR., 0000
KEITH A. FRY, 0000
JOHN R. GABBARD, 0000
SEAN C. GALLAGHER, 0000
SYLVESTER GAVINS, 0000
PAUL J. GEARY, 0000
DANIEL W. GEISENHOF, 0000
MAX GORALNICK, 0000
MICHAEL T. GREENO, 0000
THOMAS C. GRESSER II, 0000
JOHN C. GRISDALE, 0000
DARYL E. GRISSOM, 0000
DONG K. HAN, 0000
ALEXANDER H. HART, 0000
PATRICK J. HARTNETT, 0000
CHAD T. HEDLESTON, 0000
RAPHAEL HERNANDEZ, 0000
TYLER R. HOLMQUIST, 0000
JEFFREY C. HOLT, 0000
LAWRENCE E. HUGGINS, JR., 0000
KENNETH E. HUMPHREY, 0000
LAWRENCE K. HUSSEY, 0000
DENISE M. HYDE, 0000
CHRISTOPHE B. JACKSON, 0000
THOMAS C. JARMAN, 0000
BRIAN E. JONES, 0000
ROBERT A. KAMINSKI, 0000
STEPHEN M. KAMPEN, 0000
MARVIN B. KETTLE, 0000
DAVID E. KINKAID, 0000
SCOTT J. KINNER, 0000
HEIDI E. KINNER, 0000
STEVEN J. KOTANSKY, 0000
BRYAN K. KRAMER, 0000
DAVID E. LANE II, 0000
WENDELL B. LEIMBACH, JR., 0000
RODNEY L. LEWIS, 0000
RICHARD J. LUCIER, 0000
ERIC M. MARTIN, 0000
COLLEEN D. MARSHALL, 0000
ERIC M. MARTINEAU, 0000
CURTIS A. MASON, 0000
MELISSA I. MC CAMISH, 0000
JAMES M. MC GIVNEY, 0000
HEIDI J. MC KENNA, 0000
MICHAEL E. MC WILLIAMS, 0000
ELDON E. METZGER, 0000
RALPH B. MEYERS, 0000
MICHAEL T. MILLER, 0000
JAMES A. MISTRETTA, 0000
JOHN F. MOORE, 0000
JUAN J. MORENO, 0000
CHRISTOPHE D. MORTON, 0000
THOMAS J. NAUGHTON, JR., 0000
BRIAN W. NEIL, 0000
ERIK P. NELSON, 0000
JULIE L. NETHERCOT, 0000
MATTHEW J. NOBLE, 0000
SEAN M. NOEL, 0000
KEVIN A. NORTON, 0000
EDWARD W. NOVACK, 0000
JOHN E. ORILLE, 0000
JOHN J. OTOOLE III, 0000
KEITH E. OWENS, 0000
MARTIN J. PALLOTTA, 0000
TODD E. PERRY, 0000
TOLAN M. PICA, 0000
RAYMOND J. PLACIENTE, 0000
MICHAEL J. PROUTY, 0000
JAVIER T. RAMOS, 0000
CHARLES C. RANDOLPH II, 0000
RICHARD J. REILLY, 0000
GREGORY F. RHODEN, 0000
CARLOS R. RODRIGUEZ, JR., 0000
JOSEPH J. RUSSO, 0000
RONALD J. RUX, 0000
MICHAEL E. SCHUTTE, 0000
DOMINIC A. SETKA, 0000
WILLIAM D. SHANNON, 0000
MARK W. SHELLABARGER, 0000
JOHN H. SORENSON, 0000
ANTHONY M. SPARAGNO, JR., 0000
ROBERT T. STANFORD, 0000
MICHAEL C. STARLING, 0000
KIMBERLY A. STASTNY, 0000
MICHAEL J. STEELE, 0000
GREGG L. STIMATZE, 0000
JAMES B. STONE IV, 0000
BRIAN L. STROBEL, 0000
KEITH A. SYKES, 0000
DAVID S. SYLVESTER, 0000
MICHAEL J. TARGOS III, 0000
BRADFORD J. TENNEY, 0000
JOHN W. THAYER, 0000
CLAY C. TIPTON, 0000
KRIS A. TLAPA, 0000
ERIC H. TRAUPE, 0000
GLENN C. VOGEL, 0000
DEAN J. VRABLE, 0000
CHARLENE M. WALTERS, 0000
BRADLEY E. WHITE, 0000
SEAN B. WHITEHOUSE, 0000
KEVIN W. WINTER, 0000
BRYAN K. WOOD, 0000
JOSEPH A. WRONKOWSKI, 0000
VINCENT J. YASAKI, 0000

To be second lieutenant

MICHAEL R. ALEXANDER, 0000
TIMOTHY M. BAIRSTOW, 0000
RONI R. ELMORE, 0000
MATTHEW T. GOOD, 0000
BRYAN E. HILL, 0000
STEVEN M. JACONETTI, 0000
GILBERT D. JUAREZ, 0000
MATTHEW R. MC GATH, 0000
JASON S. PERRY, 0000
JOHN S. POSTORINO, 0000
KENNETH C. POTTER, 0000
THOMAS R. PRZYBELSKI, 0000
ALAN B. ROWE, 0000
EDWARD T. RUSH, JR., 0000
MATTHEW P. SEGREST, 0000

CONFIRMATION

Executive nomination confirmed by the Senate February 11, 1997:

DEPARTMENT OF STATE

BILL RICHARDSON, OF NEW MEXICO, TO BE THE REPRESENTATIVE OF THE UNITED STATES OF AMERICA TO THE UNITED NATIONS WITH THE RANK AND STATUS OF AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY, AND THE REPRESENTATIVE OF THE UNITED STATES OF AMERICA IN THE SECURITY COUNCIL OF THE UNITED NATIONS.

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.