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# Senate

The Senate met at 10 a.m., and was called to order by the President pro tempore [Mr. THURMOND].

PRAYER

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

Andrew Jackson said, ''Every good citizen makes his country's honor his own and cherishes it not only as precious but as sacred. He is willing to risk his life in its defense and is conscious that he gains protection while he gives it.''

Gracious God, all through our history as a nation, You helped us battle the enemies of freedom and democracy. Many of the pages of our history are red with the blood of those who made the supreme sacrifice in just wars against tyranny. Those who survived the wars of the past half century are all our distinguished living heroes and heroines. They carry the honored title of veterans.

Tomorrow, we will set aside the day to express our debt of gratitude. We seek to make it a day of prayer for our Nation. Help us to commit ourselves anew to the battle for the realization of every aspect of Your vision for our Nation.

You have helped us conquer external enemies; now give us the same urgency in our internal battles against racial divisions instigated by any race or group. Renew our strength as we press on toward a truly integrated society with equal opportunity for all people. Make us one. Help us to press on in the American dream to banish vociferous expressions of hostility and hatred in our society. Make us all seasoned veterans in the daily struggle for righteousness in our land. In Your holy name. Amen.

RESERVATION OF LEADER TIME

The PRESIDENT pro tempore. Under the previous order, the leadership time is reserved.

MORNING BUSINESS

The PRESIDING OFFICER (Mr. THOMAS). Under the previous order, there will now be a period for the transaction of morning business not to extend beyond the hour of 12 noon, with Senators permitted to speak therein for not to exceed 5 minutes each.

Under the previous order, the Senator from Alaska [Mr. MURKOWSKI] is recognized to speak for up to 20 minutes.

SCHEDULE

Mr. MURKOWSKI. Mr. President, I have been asked to make a statement on behalf of the leader.

This morning the leader's time has been reserved. There will be a period for morning business until the hour of about 12 noon today.

The majority leader has stated that following morning business, the Senate may begin consideration of the continuing resolution. The Senate may also consider the debt limit extension during today's session, and all Senators can, therefore, expect rollcall votes throughout the day and a late session may be necessary in order to complete action on any or all of these items. Definite announcements on the indefinite schedule will be forthcoming throughout the day.

ARCTIC OIL RESERVE

Mr. MURKOWSKI. Mr. President, I would like to continue a series of presentations I have made in this body concerning the opening of the Arctic oil reserve in ANWR.

Before I make a reference to the specifics, let me show you a map and share with you an observation relative to this huge landmass of Alaska, which is one-fifth the size of the United States. In the Arctic region, above the Arctic Circle facing the Arctic Ocean, we have a resident population of Eskimos. The primary area where they are concentrated is in Barrow. It moves down to Wainwright, Icy Cape, Point Lay, Kaktovik, over to the Canadian border.

They are a nomadic people that to a large degree depend on subsistence for a lifestyle, but as a consequence of the oil discovery in Prudhoe Bay, they now have a tax base. They now have jobs. They are beginning to generate sewer and water facilities in the larger villages. This is brought about only because of the reality of having a tax base and activity in their area.

If I may share with you, Mr. President, the issue of opening up the Arctic oil reserve of ANWR for a quick review, it involves Congress taking action on authorizing the lease-sale of 300,000 acres out of the 19 million acres of ANWR. That is a pretty small footprint. Most of ANWR, about 17 million acres, has been set aside in perpetuity by Congress in either wilderness or refuge. That is evidenced by the area in green. Congress set aside the yellow area in 1980 for a determination at a later time, whether to allow oil and gas leasing. The area in red is the small Eskimo village of Kaktovik. This is located on the map in this far corner of Alaska near the Canadian border.

The reality is that Prudhoe Bay, which is the largest oil field in North America and has been producing about 25 percent of the total crude oil produced in the United States for the last 18 years, is now in decline. As a consequence, geologists tell us this is the most likely area for a major oil discovery to be found.

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

This happens to be Federal land. As a consequence, only the Federal Government can authorize opening it. Both the House and Senate, in the reconciliation package, have included a proposal to allow the lease-sale. It is anticipated the lease-sale will bring about $2.6 billion, funded strictly by the oil companies who would bid on these Federal leases. This would provide the largest employment, the largest concentration of new jobs that we can identify in North America, some 250,000 to 700,000 jobs over the anticipated life of the field.

Is it needed? Certainly it is needed, because the Prudhoe field is in decline, from about 2 million barrels a day to about 1.5 million barrels a day. When Prudhoe Bay was found and opened, we were about 34 percent dependent on imported oil. Today we are 51.4 percent dependent on imported oil. Much of that oil comes from the Mideast, so we are becoming more and more dependent on the Mideast. We are relying, obviously, on governments that have shown some instability—Iran, Iraq, Libya. It is still very much of a hot spot from the standpoint of stability. Yet, we are sending our dollars and sending our jobs overseas when we could be developing our own resources. The question is, can we do it safely? And the answer clearly is yes.

The problems that we have associated with opening this are emotional arguments from America's environmental community. Let me show you an ad that appeared in the Washington Post. It appeared in the Roll Call. This is an ad by the Indian Gaming Association. It shows a little native girl whose future could be affected by an act of Congress. The headline is, ''Don't Tax Her Opportunity To Get Off Welfare.''

The same situation applies to the Alaska Natives and the exploration in this area. As we look at Alaska and the large area, the idea of oil exploration in this very, very small area is the only identified job opportunity for the Eskimo people in the Arctic.

What about rural Alaska? It is an area that probably has about the highest unemployment of anywhere in the United States. Rural sanitation was virtually unknown until a few years ago. There are a few villages that have running water. Most of them still have honey buckets instead of indoor plumbing.

What we have here is a case of wealthy environmental and preservation organizations that are opposed to opening up this area to create jobs for Alaska's Eskimo and Native people. The Eskimo people want jobs. They want to have a future. They want to have an opportunity to educate their children. They live in a harsh climate. Without exception, virtually the entire Eskimo population of Alaska supports opening this area.

What does the issue consist of? Some have said, ''Well, it is big oil.'' I would suggest that we reflect for a moment and recognize that the big business associated with this issue is really the big business of America's environmental community. Where do these people live? Washington, DC; New York; Boston. They take indoor plumbing for granted. They oppose ANWR. Today a number of them are meeting down at the White House with the administration on this and a number of other environmental issues.

It has been suggested that this is going to harm the Arctic and harm the Eskimo and native way of life. The Eskimo people would not do anything to harm their environment. They want safe oil development because they want better lives. And, clearly, as I have indicated, because of our increased imports of foreign oil, America needs the oil.

Many of the professional environmentalists have never been up to the Arctic oil reserve of ANWR and have never been up to this part of Alaska. They do not really care about the Eskimos' or Natives' future. Some of them have been up and have shared some of the unique experiences in some of this area. It is a very expensive operation. It takes about a $5,000 bill to charter an aircraft and hire the comforts of life that are necessary to enjoy and experience the wilderness.

But make no mistake, we are talking about a very small footprint—authorizing 300,000 acres out of 19 million acres. And industry says, if the oil is there, they can develop it within 2,000 acres.

Mr. President, if you have ever been out to Dulles International Airport, that complex is 12,500 acres. If you compare the huge area of ANWR, it is about the size of the State of South Carolina. We are only talking about 2,000 acres, if the oil is there.

Who are these professional environmental groups? Why do they focus on an issue way up in North America that most Americans cannot see? It is far away. It is costly to get there. The answer is these organizations need a cause. A cause gives them dollars. A cause gives them membership.

Mr. President, they are now big business. The environmental movement's income, salaries, contributions, and investment patterns are extraordinary. I would like to share a report from the Center for the Defense Free Enterprise that gives us all an opportunity to review some of the executive salaries, expense accounts, the huge incomes, the big investment portfolios, the big offices, and the staff. The report says that the environmental movement is arguably the richest and most powerful pressure center in America.

So just what kind of people make up the professional environmental establishment? They are certainly better off than the Native people of Alaska. Let me share some of the executive compensations, just a few that are listed here.

The Nature Conservancy, John Sawhill, president and chief executive, salary $185,000, benefits $17,118; National Wildlife Federation, Jay Hair, executive director, salary, benefits, expense account, roughly $300,000; World Wildlife Fund, Kathryn Fuller, executive director, salary, $185,000, total with benefits, $201,650; and on down the line. Over here is the Environmental Defense Fund, Fred Krupp, executive director, salary, $193,000, with benefits $210,000. That is big business.

These 12 groups I have listed here have a net worth—not just in thousands, not hundreds of thousands, but $1.03 billion. Their combined revenue for 1 year was $633 million. Their 4-year lobbying expenses were $32 million. This is big business.

Mr. President, I ask unanimous consent that tables entitled ''Executive Compensation'' and ''Environmental Organization Incomes'' be printed in the RECORD.

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

EXECUTIVE COMPENSATION

| Organization | Executive | Title | Salary | Benefits | Expense account | Total |
|---|---|---|---|---|---|---|
| The Nature Conservancy | John Sawhill | President and Chief Executive | $185,000 | $17,118 | None | |
| National Wildlife Federation | Jay Hair | Executive Director | 242,060 | 34,155 | $23,661 | $299,876 |
| World Wildlife Fund | Kathryn Fuller | Executive Director | 185,000 | 16,650 | None | 201,650 |
| Greenpeace Fund | Barbara Dudley | Executive Director Acting | 65,000 | None | None | 65,000 |
| Greenpeace Inc | Stephen D'Esposito | Executive Director | 82,882 | None | None | 82,882 |
| Sierra Club | Carl Pope | Executive Director | 77,142 | None | None | 77,142 |
| Sierra Club Legal Defense Fund | Vawter Parker | Executive Director | 106,507 | 10,650 | None | 117,157 |
| National Audubon Society | Peter A. A. Berle | President | 178,000 | 21,285 | None | 199,285 |
| Environmental Defense Fund | Fred Krupp | Executive Director | 193,558 | 17,216 | None | 210,774 |
| Natural Resources Defense Council | John H. Adams | Executive Director | 145,526 | 13,214 | None | 158,740 |
| Wilderness Society | Karin Sheldon | Acting President | 90,896 | 22,724 | None | 113,620 |
| National Parks & Conservation Assn | Paul C. Pritchard | President | 185,531 | 26,123 | None | 211,654 |
| Friends of the Earth | Jane Perkins | President | 74,104 | 2,812 | None | 76,916 |
| Izaak Walton League of America | Maitland Sharpe | Executive Director | 76,052 | 5,617 | None | 81,699 |
| Total | | | 1,887,258 | 187,564 | 23,661 | 2,098,483 |

Source: Center for the Defense of Free Enterprise.

ENVIRONMENTAL ORGANIZATION INCOMES

| Organization | Revenue | Expenses | Assets | Fund balances |
|---|---|---|---|---|
| The Nature Conservancy (fiscal 1993) | $278,497,634 | $219,284,534 | $915,664,531 | $855,115,125 |
| National Wildlife Federation (1993) | 82,816,324 | 83,574,187 | 52,891,144 | 13,223,554 |
| World Wildlife Fund (fiscal 1993) | 60,791,945 | 54,663,771 | 52,496,808 | 39,460,024 |
| Greenpeace Fund, Inc. (1992) | 11,411,050 | 7,912,459 | 25,047,761 | 23,947,953 |
| (combined different years) | (48,777,308) | | | |
| Greenpeace Inc. (1993) | 37,366,258 | 38,586,239 | 5,847,221 | <5,696,375 |
| Sierra Club (1992) | 41,716,044 | 39,801,921 | 22,674,244 | 14,891,959 |
| Sierra Club Legal Defense Fund (1993) | 9,539,684 | 9,646,214 | 9,561,782 | 5,901,690 |
| National Audubon Society (fiscal 1992) | 40,081,591 | 36,022,327 | 92,723,132 | 61,281,060 |
| Environmental Defense Fund (fiscal 1992) | 17,394,230 | 16,712,134 | 11,935,950 | 5,279,329 |
| Natural Resources | | | | |
| Defense Council (fiscal year 1993) | 20,496,829 | 17,683,883 | 30,061,269 | 11,718,666 |
| Wilderness Society (fiscal 1993) | 16,093,764 | 16,480,668 | 10,332,183 | 4,191,419 |
| National Parks & Conservation Assn. (1993) | 12,304,124 | 11,534,183 | 3,530,881 | 769,941 |
| Friends of the Earth (1993) | 2,467,775 | 2,382,772 | 694,386 | <120,759 |
| Izaak Walton League of America (1992) | 2,036,838 | 2,074,694 | 1,362,975 | 414,309 |
| Total | 633,014,090 | 556,359,986 | 1,234,824,267 | 1,030,377,841 |

Source: Center for the Defense of Free Enterprise.

Mr. MURKOWSKI. These environmental organizations obviously make a tremendous contribution to America in many regards. But, as far as their efforts against the Eskimo people in my State, it is not a fair fight. How does this $1 billion fund with account balances and assets stack up with the Eskimo and Native people, the 7,500 Eskimo people of the North Slope, and their opportunities for a job, a lifestyle, an education, and a future for their children?

Mr. President, this list shows that the environmental community in America is bigger than many of our corporations. This group has indoor plumbing. This group has opportunities for their children and running water. They do not have to put up with honey buckets. It is not wrong to stand up for what you believe in, but it is wrong to have a double standard. The national environmental establishment operates under a double standard.

Let us look at some of the practices. They block safe development of the Arctic oil reserve of ANWR. But many of them have gone ahead and developed their own resources. John Roush of the Wilderness Society cut massive timber; clearcut on his land in Montana next to some prime Forest Service land. That is his own business, and it is fine. But it is a double standard here, if they do not practice what they preach.

Bill Arthur, Sierra Club, Northwest representative clearcut land in eastern Washington. That is fine. It is his business. He has a right to do it.

George Atiyeh of the National Audubon Society's TV show ''Rage Over Trees'' cut trees on land in the Willamette National Forest drainage that he supposedly wanted to protect near Opal Creek. The National Audubon Society allowed 37 wells to pump gas from the Paul J. Rainey sanctuary in Louisiana, $25 million in revenues; allowed grazing, gas leases in the Bernard Baker Refuge in Michigan; timber cutting at Silver Bluff Plantation sanctuary.

Well, Mr. President, I do not criticize that. But I do criticize their objections to allowing the Eskimo and Native people of Alaska to have an opportunity to participate in jobs in an area that they are going to protect. Environmental groups continue to generate funding to lobby these and other efforts that are certainly contrary to the interests of the individual people.

So who are these environmental preservation groups? Many of them are Clinton administration officials who used to work or hold positions with these national pressure groups.

Let us take a look at some of the people in the administration today, and where they came from.

The budget director, Alice Rivlin, associated formerly with the Wilderness Society; Secretary of the Interior, Bruce Babbitt, League of Conservation Voters; John Leshy, Solicitor at the Department of the Interior, National Resource Defense Council; Bonnie Cohen, Assistant Secretary of the Interior, Sierra Club; Brooks Yeager, Director of the International Office of Political Analysis, Sierra Club; George Frampton, Assistant Secretary for Fish and Wildlife, Wilderness Society; Donald Barry, Deputy Assistant for Fish and Wildlife, World Wildlife Fund; Destry Jarvis, Assistant Director of National Park Service, formerly National Park and Conservation Association; Rafe Pomerance, Deputy Assistant Secretary of State, Environmental Action; Lois Schiffer, assistant Attorney General, League of Conservation Voters.

I could go on and on and on, Mr. President. All I am suggesting to you is, obviously, these people in the administration are in policymaking positions, and they have their own point of view, which is prevailing certainly in the administration's attitude toward allowing development—not just in ANWR, in the Arctic oil reserve, but on grazing issues, on mining issues, on timber issues, and virtually every issue relative to development of resources on public lands—is opposed by the administration. And the rationale is clear. These people are in positions of making policy, and the environmental community is very supportive of most of their efforts and causes.

As a consequence, when the people in the area like the Eskimo and Native people in my State of Alaska are not given the consideration relative to their obligation to protect their own land, to protect the resources, the caribou and others, it is clearly not a fair fight.

Let me show you a picture, Mr. President, of the caribou wandering around the Prudhoe Bay oilfield. What you can see here are lots and lots of caribou. You can see the oil pipeline. You can see an oil rig under development. Once that well is drilled, that rig is gone, the caribou are still there, and the pipeline is still there. So there is a compatibility.

The conclusion, Mr. President, is that this first ad that I showed you—this is the ad that says, ''Do not tax our opportunity to get off welfare.'' This focuses our attention on the plight of some of the poorest people in America.

That includes many of the Eskimo people who live on the Arctic Ocean. Like the rest of us, they want jobs. They want education. They want a better way of life. In Alaska, my State, the Natives voted in favor of this development.

What about the rest of America? All America would stand to benefit by this. It would be the largest concentration of jobs. Most of these would be union jobs. It would relieve our dependence on imported oil. There is no way that one can make a case that this would have any detrimental effect on the environment. We have proven this in opening up Prudhoe Bay.

There is absolutely no evidence to suggest that we cannot open up this area safely. The same arguments that prevailed in 1970 against opening up Prudhoe Bay are the arguments that are being used today to try to stop opening up the Arctic oil reserve.

Today we have the advanced technology. We have a greater capability, and we can do it safely. So when you see the young girl in the advertisement, think of the natives in Alaska and tell Secretary Bruce Babbitt and some of the high-priced environmental army that he has to think twice before blocking ANWR.

As I have indicated, this is not a case of big oil. The Eskimo people are in a survival fight, as are the other Native residents of Alaska, to try and offset the tremendous momentum that the environmental community has in objecting to the opening of this area.

Do not sell American ingenuity short. We have heard the arguments before on Prudhoe Bay. We can open it up safely given the opportunity.

I am going to read into the RECORD a short account from the North Slope

Borough and the Arctic Slope Regional Corp. This is the concentration of the 7,500 Inupiat Eskimo people who live on the North Slope of Alaska. A few days ago they called Secretary Babbitt's participation in a press conference here in Washington where he proposed objecting to opening ANWR as a shameful disgrace to his office.

Those are harsh words, Mr. President, but the Eskimo people attempted to remind the Secretary that he has a legal duty to serve as a trustee for all Native Americans, and the Eskimo people think he has violated that duty as a trustee and a fiduciary to the Eskimo people. He has done so by joining a small minority, which is 1 percent, I might add, of Alaska's native people who are opposed to opening up the Arctic oil reserve.

It is rather interesting to note who funds the Gwich'ins. It is the Sierra Club and the environmental groups that put ads in the New York Times, and so forth, and inhibit, if you will, through fear tactics such as I observed when I was in one of the Gwich'in villages, an Arctic village this summer, a big, slick, Hollywood picture of the Buffalo in the tribal house. Underneath it, it said: ''Don't let happen to the Porcupine caribou herd what happened to the buffalo.'' Obviously, we were out to shoot the buffalo years and years ago when the buffalo became extinct on the ranges of the Western United States.

That is not the case with oil exploration, and we can protect the Porcupine caribou herd without a doubt, just as we have seen the tremendous growth of the central Arctic herd. Before oil, that herd was about 4,000 animals. Today there are about 20,000 animals.

Let me go on with that statement.

Furthermore, the Eskimos indicate that Alaska's 90,000 Aleut, Indian and Eskimo people support opening the coastal plain to oil and gas leasing. In a vote of the Alaska Federation of Natives in their delegation meeting, they voted 2 to 1 in support of creating jobs through development.

They further state that the Inupiat Eskimo people who reside on the Arctic Ocean of Alaska favor virtually unanimously opening the coastal plain. They indicate that they have lived with the oil industry for 25 years. The North Slope oil development is safe. It is compatible with the caribou and wildlife, and oil development has given them jobs, a tax base for essential public services and an economic opportunity for all Alaska's native people.

They further state that, properly regulated, North Slope oil development is fully compatible with the caribou, the birds, the fish, and the wildlife on which the people depend. This is the Eskimo people speaking, Mr. President.

They further state—and I think this is probably most significant as we reflect on the ad that I referred to earlier: ''Don't tax her opportunity to get off welfare''—the Eskimo people are trying desperately to work their way out of Federal dependency. And because of their success, they now find themselves opposed at nearly every turn by the Assistant Secretary for Indian Affairs, Ada Deer, who spoke in Anchorage at the convention. She opposes successful native American corporations and organizations. One concludes she wants the Eskimo people to be dependent—not independent but dependent—on the Bureau of Indian Affairs.

The Eskimos indicate that dependence kills self-initiative; it breeds a welfare society. They want to follow the American way, the way of independence, self-help, individual responsibility, family values, sense of community. This is what the Eskimo people of the Arctic want. They want this opportunity. Yet, the environmental community suggests that it is the wrong thing to do because the environmental community is trying to scare America saying we cannot open it safely.

The Eskimos indicate that it is a tragic day for the 7,500 Inupiat Eskimo people. It is the first time, they say, that the Secretary of the Interior has rejected his trust responsibilities to pursue the naked political objectives of those who are opposed to the interests of native Americans.

They indicate that the Secretary of Interior and his administration penalize hard work, penalize success. They want to champion dependency, welfare and allegiance to an incompetent Bureau of Indian Affairs. They put the commercial fund-raising interests of environmental organizations over those of the 7,500 Eskimo people who need help.

Secretary Babbitt, and, unfortunately, this administration, seem to oppose opening the coastal plain on the one hand, yet they are actively selling OCS oil and gas leases in the Arctic Ocean adjacent to the coastal plain. Well, they simply have it backwards. Oil development onshore is safe. Oil development in the isolated Arctic wind-driven waters of the ocean is risky. It is hazardous. So as a consequence the word of the Eskimo people is the word of the people who live in the area, who have a commitment to care for the animals of the area, and a realization based on their experience that this area can be opened safely if they are given the opportunity, and that is all they ask.

So I would encourage my colleagues, do not sell American technology, ingenuity, or the people of the area short as we consider opening up the Arctic oil reserves in ANWR. We can do it safely. And it is in the national interest, as well as the interest of the Eskimo people, all the Native people of Alaska, and my State of Alaska as well.

## THE PESO CONTINUES TO SLIDE

Mr. MURKOWSKI. Mr. President, I also want to add and take a brief moment to make a statement in regard to the peso, which continues to slide rather dramatically today. I would like to bring to the attention of this body that the economic crisis continues in Mexico. As we recalled yesterday, the Mexican peso fell to a record low against the dollar—7.8 pesos to the dollar. That peso evaluation is even lower than last January and February when the administration told us that the Mexican economy was in crisis and the American taxpayer had to bail out Mexico. There was a good deal of debate in this body at that time.

One of the reasons that Mexico's economy is in such deep trouble is the Government's PACTO with labor, agriculture, and business leaders. The Bank of Mexico announced some 2 weeks ago it will raise its minimum wages 10 percent by December and another 10 percent in April 1996. It will raise the price of gasoline, diesel fuel, electricity by 7 percent in December and another 6 percent next April. And there will be increases of 1.2 percent in all other months.

Think about that. These price increases follow the 35-percent oil price increase and 20 percent electricity price increase set last March. Investors Business Daily called the PACTO ''centralized economic planning at its worst—more reminiscent of Soviet style 5 year plans than of the free market.'' Still, Treasury Secretary Rubin said that ''structural reform continues to improve the long-term prospects for the—Mexican—economy, attracting both domestic and foreign investment.''

Well, I suggest, Mr. President, that the Secretary of the Treasury has it all wrong. The Mexican economy is in a free-fall. Just this Thursday interest rates on 28-day Treasury bills soared to 54 percent. Inflation is currently running at 40 percent.

Mr. President, this administration earlier this year told the Congress that by the second half of 1995 Mexico's economy would stabilize, it would stabilize only if we bailed out the speculators with American taxpayer dollars. The only thing that has happened is that the speculators in tesobonos have all been paid off 100 cents on the dollar, courtesy of the United States taxpayer, and the Mexican economy today is in shambles.

The $20 billion bailout and the economic conditions we forced on Mexico have produced, in the opinion of this Senator from Alaska, an economic disaster. I doubt that we will see Mexico pay back the American taxpayer. I fear that the economic austerity that we have forced on Mexico will lead to a political disaster south of the border.

I hope that prediction is not true. But I think it is time to go back and reassess—reassess, Mr. President—what we did earlier this year in bailing out those investors in tesobonos, most

of which were sophisticated U.S. investors. The American taxpayers bailed them out. Here today we are seeing that that effort to try to stabilize the Mexican Government apparently has failed.

Mr. President, I have concluded my remarks. I wish the President a good day, and I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

Mr. GRAHAM. Mr. President, pursuant to a previous order, I believe I have 20 minutes during morning business.

The PRESIDING OFFICER. The Senator is correct.

## MEDICAID PROGRAM

Mr. GRAHAM. Mr. President, today I conclude a series of talks on the Medicaid Program. I began a four-part presentation last Friday by debunking the myth that the Medicaid Program has been a failure. In fact, an objective review of the accomplishments of this Federal-State partnership tells us that the Medicaid Program has been an American success story.

Just a few examples: The decrease in infant mortality rate from 10.6 deaths per thousand livebirths as recently as 1985 to 8.5 in 1992, largely attributable to an expanded effort in the Medicaid Program;

The improved quality of long-term care for millions of elderly citizens in a manner befitting their human dignity;

The deinstitutionalization of 125,000 profoundly handicapped Americans.

With that record of accomplishment established, on Tuesday of this week, I examined why Federal spending on Medicaid has increased throughout its history and why it is expected to increase in the next years. I pointed to such things as the demographic changes in America, particularly the increasing longevity which has driven up the number of persons who are in need of long-term care.

I addressed the numerous programmatic expansions in Medicaid that reflected compelling policy decisions, such as the decision to reduce infant mortality. That has led to increased costs as well.

Finally, I cited the erosion of private health coverage for millions of children, an issue which has become a major subject of public concern this week with the publication of a study in the Journal of the American Medical Association on that very topic, documenting the trend that as private sector insurance abandon children and their parents, the Medicaid Program picked up the slack, helping them get immunizations, checkups, and, when needed, specialty care.

Mr. President, this is not to say that part of the increase in the cost of Medicaid was not attributable to abusive or wasteful practices. Yesterday, I spoke about the abuses in the Disproportionate Share Hospital Program, known as DSH. I decried how the Senate, by its vote on October 27, rewarded with millions, and in some cases billions, of dollars those very States that gamed the DSH program. What is worse, the Senate majority voted to fund these rewards by raiding the Social Security trust fund and by perverting sound budgetary practices.

Mr. President, with that backdrop in place, I come to the Senate floor today with a message of hope. I bring to this Chamber a proposal that recognizes the importance of maintaining the Federal-State partnership in Medicaid and restraining costs.

The Senate is not in a posture of block grants or bust. There is another way. Why should we consider an alternative? We should consider an alternative because the alleged benefits of block grants—flexibility to the States particularly—are minimal, and the costs and loss of a Federal partner in a time of need for the most vulnerable of Americans are great.

The foundation upon which the block grants have been built, that they enhance flexibility for the States, is on shaky ground—shaky ground which erodes by close examination; shaky, that is, unless you define ''flexibility'' as the freedom to raise State taxes or local property taxes, or the flexibility to pit the elderly against children as beneficiaries for the Medicaid Program. Otherwise, there is precious little flexibility the States can receive that they cannot already get under the current Medicaid program waiver.

The Department of Health and Human Services has pioneered, with willing States, extraordinary demonstration projects where statutory and regulatory requirements can be waived to permit new approaches to health care. In my State of Florida, we have been in the vanguard of this waiver movement, particularly in the area of providing community-based services for older citizens and expanding the use of managed care for poor children.

Before the Senate brought the Medicaid legislation to the floor, I met with Mr. Bruce Vladeck of the Health Care Financing Administration, generally known as HCFA. My question to him was:

What flexibility, to allow innovation, would the block grants give States that they cannot get today through the waiver program?

Here is a summary of his answer:

States today can test new approaches to publicly supported health care by obtaining waivers to statutory requirements and limitations. Waivers permit States flexibility from Federal Medicaid statutory and regulatory requirements. State Medicaid demonstrations present valuable opportunities to both State and Federal policymakers to refine and test policies that improve access to the quality of care for vulnerable Medicaid populations and to more effectively manage the cost of providing that care.

Mr. President, I ask unanimous consent that the full statement by Mr. Vladeck be printed in the RECORD following my remarks.

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

(See exhibit 1.)

Mr. GRAHAM. What do the States relinquish in exchange for the marginal new flexibility that they will allegedly receive? The Federal partnership to assist them, if they experience caseload growth, will be surrendered. The Federal partnership, during times of economic hardship or recession, will be surrendered. And the Federal partnership, if there is a natural disaster—when Hurricane Andrew hit south Florida, Mr. President, our Medicaid caseload shot up by 12,000 people. Not only had their homes been blown away, their jobs had been blown away. Therefore, people who had been employed and self-supporting needed the assistance of Medicaid during that time of crisis.

Under block grants, a State that is knocked down to its knees by a flood, earthquake, hurricane, would not find a helping hand from the Federal Government at the time it needed help to get back on its feet. No, Mr. President, acts of God and block grants do not mix.

Mr. President, this is not a new debate. In January 1982, during his State of the Union Address, on the 26th day of that month, President Reagan recognized the issue of the States and the Federal Government's partnership in Medicaid. Did President Reagan advocate that Medicaid ought to be turned back to the States in the form of a block grant? Did he advocate that the States be left alone to deal with issues of changes in their growth, changes in economic circumstances, natural disasters? No, Mr. President, that was not the position of President Reagan.

Let me quote from his State of the Union Address what President Reagan said on January 26, 1982:

Starting in fiscal year 1984, the Federal Government will assume full responsibility for the cost of the rapidly growing Medicaid Program, to go along with its existing responsibility for Medicare. As part of this financially equal swap, the States will simultaneously take full responsibility for Aid for Families with Dependent Children and food stamps.

Mr. President, that was the swap that President Reagan proposed on January 26, 1982. I believe the President's advice, in terms of a greater, not a lesser, Federal role in Medicaid, was wise then, and it is advice that we should seriously consider following today.

If block grants are as bad as I suggest they are, is the only alternative to them business as usual? No, Mr. President. There is a way to have the best of both worlds, and to contain costs while maintaining the Federal-State partnership in Medicaid.

The best of both worlds is the per capita cap proposal that is gaining momentum as the win-win answer to the block grants' lose-lose proposition.

The per capita cap approach provides that health care and coverage could be protected, and costs can be controlled by disciplining the program with an annual limit in Federal spending per beneficiary.

This approach maintains the individual guarantee to Medicaid services and creates an incentive to maintain health care coverage. Funding would follow the people in need, not some political entity.

The per capita cap approach, which I presented to the Senate 2 weeks ago, saves $62 billion over the next 7 years. It enhances State flexibility, and it reduces the rate of growth in Federal Medicaid spending to a level that is sustainable for the States, the beneficiaries, and the Federal Government.

The per capita cap assures that States with innovative demonstrations already underway can continue to operate their programs, and that other States wishing to innovate have the resources and ability to do so.

Let me briefly outline how the per capita cap approach would work.

Federal funding would be allocated to States on a per person in need basis. For example, one of those categories of per persons in need are poor children. If the cost of providing services to a poor child in California, for example, has been $1,000, then the Federal Government would continue its Federal-State matching share, which in the case of that State is 50 percent State, 50 percent Federal, and the Federal Government would continue to provide $500 per each poor child qualifying for Medicaid services in the State of California.

If needs increase because the population of poor children goes up, or if they decrease because the population goes down, or if there is a natural disaster or a public health calamity and more children become eligible for coverage, the Federal partnership and the contribution of $500 per child would be guaranteed, unlike a block grant, where a fixed sum of money is allocated regardless of change in circumstances.

The incentive is to reduce costs and not cut people off coverage because if you arbitrarily cut children off, you lose the Federal match.

Costs are what must be controlled. If, for example, California were to spend more than $1,000 per child, then the State of California would be required to make up the difference between the actual cost and what Medicaid would cover—$500 of State and $500 of Federal funds.

Again, under a per capita cap, the money follows the need and the person. As a result, during economic booms, or if health care needs decline, the Federal Government would share in the savings—also unlike a block grant which straitjackets and obligates money regardless of need.

The Federal Government would make payments to each State based on the statutory Federal matching rate or the per capita rate, whichever is lower. The cap would be stated in inflation terms.

Our proposal, Mr. President, is that that inflation term be stated at 1 percentage point below the projected rate of medical inflation in the Nation. Today it is projected that the medical rate of inflation for the next 7 years will average 7.1 percent per year per person. We would, therefore, propose to set the inflation rate under the per capita cap at 6.1 percent, thus producing the $62 billion in savings over the next 7 years.

The cap would be cumulative and thus allow States enough flexibility to apply savings under the cap from one year to the next. Caps would be applied separately to each of the four principle categories of Medicaid beneficiaries: the elderly, the disabled, children and their mothers. This separation into four distinct groups avoids the sinister zero-sum game that is endemic to block grants, where one group's interests are pitted against another.

Mr. President, on first hearing this formula, some may say it sounds very complicated. For those who have had a background in State government, it really is a clone of the way States allocate and distribute school dollars to individual school districts. In fact, with only four categories of beneficiaries to consider, it is far simpler than most per pupil school district formulas.

The per capita cap idea is not a new idea. It is one which should be familiar to many of our Republican colleagues. It is a concept that was supported in health care proposals introduced within the last year by Senators DOLE, Packwood, GRAMM, and CHAFEE.

Mr. President, among those merits, the Medicaid per capita cap approach permits the States to move toward managed care and other types of arrangements which save money without having to secure specific Federal waivers. That, Mr. President, is real flexibility.

Another advantage of the per capita cap approach is that many other detailed rules and process-oriented requirements would be phased out. States would be held accountable to performance outcomes with respect to certain quality access measures. The Federal Government would be interested in the outcomes of State health long-term care delivery systems but would not be mandating how to achieve those outcomes.

Finally, the per capita cap approach would cap and retarget future growth in the Disproportionate Share Hospital Program, referred to as DSH. My colleagues who have read about or possibly heard my remarks yesterday on the flagrant, unflinching abuse of the DSH program by some States will no doubt breathe a sigh of relief.

Mr. President, the per capita cap approach I outlined today would assure 18 million children, 8 million low-income women, 6 million disabled, and 4 million elderly Americans continued coverage for hospital, physician, and nursing home care services. This approach would cut costs, not cut people.

Mr. President, suppose for a moment that in 2 years oil prices fell as they did in the early and late 1970's, another economic recession were to strike a region of our country such as the southwestern States. Suppose the same phenomenon ensued with layoffs, real estate fire sales, and businesses start canceling health insurance coverage.

As we know from the history of the last 15 years, suppose, further, that families ran through their savings, ran out of money to care for their elders. This may sound far-fetched, but it was not that long ago that the former Governor of Texas held a garage sale and sold personal items to generate cash during those hard times.

For purposes of this discussion, we will say that the citizens of the Southwest ran out of money, so their frail elderly turned to Government for long-term care. With no help from the Federal Government in their hour of need, those States would be in a financial straitjacket under block grant.

Mr. President, this is insanity, and unnecessary insanity.

Under per capita caps, those same States would get help. The Federal Government's contribution would increase as the need increased. Most important, the elderly, the disabled, the children, and pregnant mothers would not pay for the economic downturn with their help if not with their lives.

Mr. President, this makes sense. There is a legitimate national interest in such an outcome. The $62 billion reduction in spending amounts to a surgical cut, not the meat-ax approach that the $176 billion block grant legislation that passed the Senate 2 weeks ago represents.

Further, Mr. President, the per capita cap approach would continue the Federal-State partnership in detecting fraud and punishing defrauders. Medicaid fraud, the DSH abuse and the uncontained spending amount to a cancer on our Nation's health and long-term care delivery systems. But it is treatable—not a terminal condition. In our zeal to cure this affliction, let us not kill the patient in the process; let us not kill the very Federal-State partnership that has served this Nation so well for 30 years.

For the past week, Mr. President, I have attempted to spotlight the Medicaid Program, to expose the recklessness of $176 billion in block grant cuts and the raid on the Social Security to reward DSH abusers.

Today, I propose another way, a way that maintains the Federal-State partnership while still containing costs. After all, Mr. President, behind those $176 billion in cuts are human beings who will pay the price for our freelance legislating, for our don't-ask, don't-care indifference, to the casualties of these block grants.

Mr. President, I ask unanimous consent that a column by Mr. David Broder, which appeared in the Washington Post on August 6, 1995, entitled ''Race to the Bottom?'' be printed in the RECORD at the conclusion of my remarks.

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

(See exhibit 2.)

Mr. GRAHAM. Mr. President, we will all be able to read that in addressing the Medicaid and welfare block grant debates, Mr. Broder wrote eloquently of the fear that under block grants the States will engage in a ''race to the bottom that shreds the social safety net.''

He predicted the likeliest scenario under block grants would be as follows: ''What would happen when Federal funding is reduced and Federal standards are eliminated is that 50 legislatures would become the arena, each year, in which the welfare population would have to compete against other claimants for scarce dollars.''

Mr. President, I share this view of the future in America under block grants. You cannot have a race to the bottom without casualties along the way. Along the way in the block grant race to the bottom will be eye glasses for elderly, unfilled prescriptions that used to be covered under Medicaid. They will not survive the race to the bottom.

Along the way in the race for block grants, the race to the bottom, will be families torn apart by unnecessary nursing home placements and institutionalization. Communities' care for the elderly and other Medicaid waiver services are not likely to survive the race to the bottom.

Along the way in the block grant race to the bottom will be ugly legislative sessions in 50 States, legislatures where the frail elderly will be pitted against children, and the mentally retarded against the AIDS sufferer in a battle royal for block grant money.

Is that what we want for America? Mr. President, there is another way. The race to the bottom has yet to begin and it need not begin. There is still time.

Per capita cap legislation is our way out of the race to the bottom and is our ticket to a 21st century that maintains an American Federal-State stake in the health and welfare of its citizens.

EXHIBIT 1

STATEMENT OF BRUCE VLADECK

Senator GRAHAM. What cannot be waived under this 1115 program for either legal or administrative policy reasons?

Mr. VLADECK. States can test new approaches to publicly supported health care by obtaining waivers of statutory requirements and limitations from the Secretary of the Department of Health and Human Services. Waivers permit States flexibility from the Federal Medicaid statutory and regulatory requirements that cannot be altered through the Medicaid State plan amendment process. State Medicaid demonstrations present valuable opportunities to both States and Federal policy makers to refine and test policies that improve access to, and quality of care for vulnerable Medicaid populations, and to more effectively manage the costs of providing that care.

Although, section 1115 authority is very broad, certain statutory restrictions exist for State demonstrations. In addition, HHS has made a number of policy decisions that affect statutory provisions we will and will not waive for demonstration programs.

STATUTORY PROVISIONS

FMAP Rates. The rate at which the Federal government matches States expenditures cannot be waived.

Services for Pregnant Women and Children. The obligation to cover certain women and children described in section 1902(1) cannot be waived under section 1115 authority.

Drug Rebate Provisions. Section 1902 also requires that a State provide medical assistance for covered outpatient drugs in accordance with section 1927, which also contains the drug rebate program provisions. Section 1927 excludes drugs dispensed by HMOs from the requirements of the drug rebate program. Since the drug rebate provisions are imposed on drug manufacturers, and not on the State, this provision cannot be waived through a waiver of section 1902. Only those drug rebate and best price provisions of section 1927 which apply directly to the State may be waived, not those which apply to drug manufacturers.

*Copayments and Other Cost Sharing*. Section 1916 enables States to impose deductibles, copayments and other cost sharing requirements on Medicaid beneficiaries, but also prohibits States from requiring copayments from categorically-eligible beneficiaries who are enrolled in managed care systems. The Secretary's authority to waive this restriction is limited. These limitations make it impractical to waive section 1916 to enable states to require copayments. Copayments and other cost sharing can be imposed for managed care services, however, in the case of medically needy individually and on individuals who are newly Medicaid-eligible due to the demonstration.

*Spousal Impoverishment Provisions*. Section 1924 prohibits the Secretary from waiving spousal impoverishment provisions for institutionalized individuals.

*Work Transition*. Section 1925 prohibits waiving work transition provisions extending Medicaid eligibility for certain individuals who lose their eligibility for Medicaid through their loss of eligibility for Aid to Families with Dependent Children.

*Qualified Medicare Beneficiaries, Specified Low Income Beneficiaries, and Qualified Working Disabled Individuals*. Section 1905 requires States to provide coverage to these groups of individuals regardless of an 1115 demonstration.

*Competitive Bidding*. Procurement rules in Part 74 of the Code of Federal Regulations require States and other entities to use competitive bidding ''to the extent practical''. Because the statutory basis for these rules exists outside of Title XIX, section 1115 cannot be used to waive this requirement.

POLICY POSITIONS

*Reduced Quality of Care*. Programs or policies which inappropriately reduce access, benefits, or otherwise reduce quality of care for current eligibles cannot be approved.

*Quality Assurance*. States are expected to maintain quality assurance processes (e.g., eligibility quality control, external medical review requirements, etc.).

*Budget Neutrality*. Demonstrations must be budget neutral. That is, Federal expenditures under the demonstration may not exceed the projected level of Federal payments to the State in the absence of a demonstration.

Through negotiations with the National Governors Association, HHS has agreed that States may achieve budget neutrality over the life of the project, rather than on a year by year basis.

*Unnecessary Utilization and Access Safeguards*. Section 1902 requires safeguards against unnecessary utilization of services. The statute also protects access to care by requiring States to make adequate payments to providers. Such safeguards must be maintained.

*Boren Amendment*. States must meet the Boren amendment's access and payment requirements in fee-for-service settings. Because these provisions do not apply to managed care settings, States do not need a waiver of the Boren amendment for managed care programs.

*Contract Provisions*. Most existing contract requirements for comprehensive managed care plans in section 1903(m) will continue to apply to managed care demonstrations. HCFA will consider waiving the enrollment composition requirement (the ''75/25 rule'') and disenrollment on demand if the State plans to substitute a data-oriented, quality improvement system for these statutory provisions.

*Duration*. The terms ''experiment,'' ''pilot'', and ''demonstration'' all suggest that programs authorized under section 1115 should, some point, conclude. Thus, States and health care providers potentially affected by section 1115 demonstration projects should be aware that section 1115 demonstrations are time-limited.

EXHIBIT 2

RACE TO THE BOTTOM

(By David S. Broder)

The Republicans in Congress are proposing a revolution in domestic policy and in the relationship between the federal government and the states. Last week, at their meeting in Burlington, Vt., the nation's governors tried but failed to agree whether the proposed changes would be a blessing or a disaster. The 30 Republicans, 19 Democrats and one independent could agree only to disagree.

Now the proposition is before Congress. This month the Senate is debating several alternatives to the House-passed welfare reform. After Labor Day, the House will launch a similar debate on Medicaid.

On the face of it, the fight is about money. The welfare bill was blocked for weeks in the Senate by a dispute between states like Wisconsin and Massachusetts, which have high benefits and little growth in their welfare populations, and those like Texas, which have low benefits but are experiencing rapid growth. Senate Majority Leader Bob Dole found a solution by coming up with enough money to guarantee current allocations to the first group of states while providing a bonus for the second.

That will be much harder when it comes to Medicaid, the program that provides long-term care for the indigent elderly and disabled and basic medical services for other welfare families. It is by far the biggest single federal-state program today, and the Republican budget calls for $181 billion in savings from it in the next seven years. Finding a way to distribute the pain will be difficult.

But money is just one of the dimensions of this struggle. Equally important is the question of minimum standards—and where they will be set. Until now the floors have been established in Washington for Medicaid and for the main welfare program, Aid to Families with Dependent Children (AFDC). The states have been the junior partners, both in designing and paying for these basic ''safety net'' programs.

What the Republicans want to do is reverse that. By capping the amount of money the

federal government would appropriate for these two programs and converting them from individual entitlements to state block grants, they would force the states, over time, to pay for a bigger share. In return, the states would be given much wider leeway, immediately, to redesign the programs to their own taste.

The hope is that this will encourage experimentation that may reduce costs while actually improving outcomes for beneficiaries. The Medicaid population could benefit from moving into managed-care programs, it is argued. Welfare programs could be tailored more easily to local circumstances, helping people move off the dole and into paying work.

The critics' fear is that instead of innovating, the states will engage in a ''race to the bottom'' that shreds the social safety net.

In back-to-back speeches to the governors, Dole argued that the first of those results is likeliest; Clinton said he worried that the second would be the case.

No one can be certain, but logic and experience suggest that the second scenario is more likely. What would happen when federal funding is reduced and federal standards are eliminated is that the 50 legislatures would become the arena, each year, in which the welfare population would have to compete against other claimants for scarce dollars.

The reality is that, as Clinton said, ''the poor children's lobby is a poor match'' for other interests that pressure the legislatures. Teachers, road builders, law enforcement people, county and local governments, universities all have more clout. That was demonstrated this year in states from New York to California, where welfare benefits were trimmed to avert deeper cuts in other parts of the budget.

Dole, who is shepherding the welfare bill in the Senate and who would like to challenge Clinton in next year's presidential race, cozied up to the governors by expressing his indignation at Clinton's ''race to the bottom'' charge. ''I wonder which states he thinks would participate in such a race,'' Dole said. ''Which states does he believe cannot be trusted with welfare, education and protection of their people?''

But it is not a question of trust. The political realities of the legislatures are much as Clinton described them. To ignore that reality is to court trouble—not just for the aged and the poor but for the federal system.

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

The PRESIDING OFFICER (Mr. COATS). The Clerk will call the roll.

The bill clerk proceeded to call the roll.

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

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

## LANDMINES—A DEADLY THREAT TO AMERICANS ABROAD

Mr. LEAHY. Mr. President, last night, I along with a number of our colleagues in both bodies, Republican and Democrat, those who have responsibility for foreign policy decisions, gathered with the President for nearly a couple of hours to talk about the situation in Bosnia, and whether and under what circumstance American troops might be sent there.

And in the future, when the discussions in Dayton, OH, are over, I will speak more about what I think can be and should be America's role in Bosnia, as the leader of NATO. But during the discussion last night, I could not help but think, whoever goes into the former Yugoslavia, assuming there is a peace agreement and the fighting has stopped, and the tanks are rolled back and the troops withdrawn, there is 1 killer that will remain—actually, not 1 killer, there are over 2 million killers that will remain in the former Yugoslavia. Those are, of course, the landmines that have been put there.

These landmines do not sign peace agreements. The landmines do not withdraw. The landmines do not say, ''We have agreed to stop killing.'' In fact, the landmines do not agree that they will kill and maim only combatants. They will destroy the life of whoever steps on them, civilian or combatant.

I have spoken many times about landmines on the floor of the Senate, and also in the halls of the United Nations where I had the privilege of serving as a delegate from the United States.

The immense human misery that is caused by landmines is finally becoming known. Just last week, on the CBS program ''60 Minutes,'' they showed how Cambodia has become a land of amputees from the millions of landmines that have littered the country. Tim Rieser from my office has been there and seen that, as have many others who have worked with me on the landmine problem.

Each one of those landmines waits silently. It is hidden until some unsuspecting child steps on it, loses a leg or their face or eyes or their life from loss of blood. And people who have come back from Cambodia, like so many of the countries that are strewn with landmines, and have told me that after awhile they become almost inured to walking down the street and seeing men, women, and children with a leg missing or an arm missing or their face horribly scarred and blinded, all from landmines.

We think how terrible it is in these countries, where unlike in our own country where we can walk safely almost anywhere, the people there cannot even go out to the fields to raise crops or to feed their animals, get water, or go to school. Whenever they venture outside they know that any minute could be their last.

But ours is a false sense of security, Mr. President, because landmines also maim and kill Americans, whether those are Americans in combat missions, the brave men and women of our Armed Forces who are sent into combat or on peacekeeping missions, or Americans who are on other missions overseas.

I have spoken many times about my friend Ken Rutherford of Boulder, CO. Two years ago, he lost a leg from a landmine in Somalia where he was working for the International Rescue Committee, a noncombatant on a humanitarian mission. He has undergone at least seven operations to save his other foot that was badly damaged.

Those who were in the Senate hearing room when he testified about the explosion when the landmine blew apart the vehicle he was riding in, remember the image of him sitting there in shock holding his foot in his hand trying to put it back onto his leg—an impossibility, of course—those who were there remember, as did people operating the cameras from networks who stood there with tears running down their faces, witnesses and others who had heard similar horrible stories before, were stunned into silence listening to this man.

Last June, two Americans, one from Long Island, the other from Minnesota, both in the military but on their honeymoon—on their honeymoon—were killed from a landmine in the Sinai Desert on their way to a resort on the Red Sea, even though peace had long since come to the area.

Less than 2 weeks ago, another American fell victim to a landmine in Zaire. Marianne Holtz of Seattle, WA, was working for the American Refugee Committee on the Rwanda border doing the highest of missionary and humanitarian work. She was following, really, the precepts of the Bible, of caring for these, the least fortunate of our brothers. She lost both legs, part of her face and today she is on a respirator in a hospital thousands of miles from home fighting for her life from internal injuries, because the vehicle she was riding in was blown apart by a landmine.

That is not an isolated incident. Four people have died and over 20 were injured in two separate incidents in the past 2 months in Rwanda where landmines blew up a Red Cross ambulance and a truck filled with refugees.

Mr. President, if there were a Red Cross ambulance filled with refugees and humanitarian workers, and a soldier were to fire a weapon at them and blow up that truck, we would say, ''What an outrageous thing. Don't they know this is the Red Cross? Don't they know these are noncombatants?'' It would be a war crime. But the landmine does not know that, and the landmine exploded and it is just as horrible.

This is happening, Mr. President, every 22 minutes of every day. Somebody in one of the 60 countries infested with mines loses an arm, leg, or is killed.

I have talked about four Americans who are among the tens of thousands of innocent people who have been killed or horribly mutilated by landmines in recent months. They are in addition to the 18 Americans who died from landmines in the Persian Gulf. In fact, a quarter of all the American soldiers who died in the Persian Gulf war died from landmines.

With 100 million landmines in over 60 countries, more Americans will be among their victims. Millions more landmines are being laid each year, and

sooner or later, we have to realize whatever the military utility these insidious weapons have, it is time we paid attention to the terrible human suffering it is causing indiscriminately day after day after day. It is time, as civilized nations on this Earth, to join together to end the use of these indiscriminate, inhumane weapons.

I yield the floor.

Mr. KENNEDY addressed the Chair.

The PRESIDING OFFICER. The Senator from Massachusetts is recognized. The Chair advises the Senator from Massachusetts that morning business is set to expire at 12 noon—just to advise the Senator.

## PART B MEDICARE PREMIUMS

Mr. KENNEDY. I thank the Chair.

Mr. President, in just a very short period of time, we will address the continuing resolution, and I want to bring the attention of our colleagues to a provision in there which I find objectionable and will either personally offer an amendment or will join with others to address what I consider to be an unacceptable inclusion in the proposal, and that is dealing with the part B Medicare premium.

We have had a debate on the issues of Medicare during earlier consideration, about the unjustified, I believe, cuts in the Medicare system that are being advanced by our Republican colleagues in order to justify the tax breaks for wealthy individuals. And now as a result of the actions that we have taken, we are seeing put into play the first of the results of the actions that have been taken by the Senate and the House. It is being added to this continuing resolution.

I hope that the President will veto the proposal. I join with him in rejecting the attempt to try and blackmail the President of the United States on this continuing resolution into accepting this particular provision, and I would like to outline to the Senate the reasons why I find it so objectionable.

The amendment would strike from the continuing resolution the provision increasing the part B premium by $136 next year, compared to the level provided under the current Medicare law. This proposal is a part of the overall Republican assault on Medicare, does not deserve to be enacted into law and it certainly does not belong on a continuing resolution.

If the Republican program becomes law, it will devastate senior citizens, working families and children in every community in America. It extends an open hand to powerful special interests and gives the back of the hand to hardworking Americans. It makes a mockery of the family values the Republican majority pretends to represent.

The Republican assault on Medicare is a frontal attack on the Nation's elderly. Medicare is part of Social Security. It is a contract between the Government and the people that says, ''put into a trust fund during your working years and we will guarantee good health care in your retirement years.'' It is wrong for the Republicans to break that contract, and it is wrong for Republicans to propose deep cuts in Medicare in excess of anything needed to protect the trust fund, and it is doubly wrong for the Republicans to propose those deep cuts in Medicare in order to pay for tax breaks for the wealthy.

The cuts in Medicare are too harsh and too extreme: $280 billion over the next 7 years, premiums will double, deductibles will double, senior citizens will be squeezed hard to give up their own doctors and HMO's.

The fundamental unfairness of this proposal is plain: Senior citizens' median income is only $17,750; 40 percent have incomes of less than $10,000, and because of the gaps in Medicare, senior citizens already pay too much for the health care they need. Yet, the out-of-pocket costs that seniors must pay for premiums and deductibles will rise by $71 billion over the next 7 years—$71 billion rise over the next 7 years—an average of almost $4,000 for elderly couples.

The Medicare trustees have stated clearly that $89 billion is all that is needed to protect the trust fund for a decade, not $280 billion.

The Democratic alternative provides that amount and will not raise premiums an additional dime, will not raise deductibles a dime. It will give senior citizens real choices, not force them to give up their own doctor.

The Republican Medicare plan also deserves to be rejected because of the lavish giveaways to special interest groups. In the House and Senate proposals, insurance companies got what they wanted—the opportunity to get their hands on Medicare and obtain billions of dollars in profit; the American Medical Association got what it wanted—no reduction in fees to doctors and limits on malpractice awards. The list goes on and on. Clinical labs no longer have to meet Federal standards to guarantee the accuracy of tests. Federal standards to prevent the abuse of patients in nursing homes will be eliminated. Pharmaceutical firms will be given the right to charge higher prices for their drugs.

Because of this unjust Republican plan, millions of elderly Americans will be forced to go without the health care they need. Millions more will have to choose between food on the table or adequate heat in the winter, paying the rent or paying for medical care.

Senior citizens have earned their Medicare benefits. They pay for them and they deserve them. It is bad enough that the Republicans have proposed this unjust plan, and it is worse that they have taken the single largest cost increase for senior citizens, the increase in the Medicare part B premium, and attached it to the continuing resolution.

Cuts in payments to doctors are not included in the continuing resolution. Cuts in payments to hospitals are not included in the continuing resolution. The only Medicare cut that is in this bill is a proposal to impose a new tax on the elderly and disabled.

The Republican strategy is clear: Try to rush through your unacceptable proposals because you know they cannot stand the light of day; try to blackmail the President into signing them, with the threat of shutting down the Government if he does not go along.

The part B premium increase is particularly objectionable because it breaks the national compact with senior citizens over Social Security. Every American should know about it, and every senior citizen should object to it. Medicare is part of Social Security. The Medicare premium is deducted directly from a senior citizens' Social Security check. Every increase in the Medicare premium is a reduction in Social Security benefits.

The Republican plan proposes an increase in the part B premium and a reduction in Social Security, which is unprecedented in size. Premiums are already scheduled to go up, under current law, from $553 a year today, to $730 by the year 2002. Under the Republican plan, according to the Congressional Budget Office, the premium will go up much higher, to $1,068 a year.

The PRESIDING OFFICER. The Chair reminds the Senator that the time for the period of morning business has expired.

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

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

Mr. KENNEDY. Mr. President, under the Republican plan, as I say, and under the existing law, by 2002, it will be $730. It will go up under this proposal to $1,068 a year. As a result, over the life of the Republican plan, all senior citizens will have a minimum of $1,240 more deducted from their Social Security checks. Every elderly couple will pay $2,400 more.

The impact of this program is devastating for moderate and low-income seniors. It is instructive to compare the premium increase next year to the portion of the Republican plan tucked into the continuing resolution to the Social Security cost-of-living increase that maintains the purchasing power of the Social Security check.

One-quarter of all seniors have Social Security benefits of $5,364, which is indicated here on the chart. The COLA for a senior at this benefit level will be $139 next year. The average senior citizen has a Social Security benefit of $7,874 a year. The COLA for someone at this benefit is $205.

But under the Republican plan, the premium, next year, will be $126 higher than under the current law. The average-income seniors will be robbed of almost two-thirds of their COLA. Low-income seniors will be robbed of a whopping 90 percent of their COLA. That is, with the increase of $136, which would

be the increase in the premium, they would receive the $139, which leaves them $3 and, essentially, the increase in the premiums of part B that is included in the continuing resolution will take 98 percent out of the Social Security checks of American seniors that are receiving the $5,364.

So the idea that this is somehow separated from Social Security is wrong. For those individuals who try to give assurances to our senior citizens that the increase in the Medicare is leaving Social Security alone is absolutely and fundamentally wrong. If you were receiving the average, which is $7,874 a year, your COLA increase would be $205. With the subtraction of $136, again, which is the increased Republican premium, you would have $69 left. In other words, there is a 66 percent cut in your COLA—a real cut in your quality of life—which is there to address the challenges that seniors face with the increased cost of living. If you are receiving the $10,043 per year, which is the top percentile of the seniors, you get an average of $261. They will have $125 left, and it is taking half of all of their increase—their protections under Social Security.

So the Republicans' attack on Medicare will make life harder, sicker, and shorter for millions of elderly Americans, who built this country and made it great. They deserve better from Congress. This cruel and unjust Republican plan to turn the Medicare trust fund into a slush fund for tax breaks for the wealthy deserves to be defeated.

Mr. President, I think we have outlined what I consider to be the most objectionable features of the add-ons that have been included in the continuing resolution. There are other provisions which I find objectionable. But every senior ought to know what is happening to their Medicare next year under the Republican proposal—an alleged continuing resolution, to ensure that the existing basic structure of our system of Government and our support for existing programs, so many of which our seniors depend upon, the extension of that—the Republicans have added on the increases in the part B premiums, which is going to, if enacted, have an absolutely devastating impact not just on the Medicare, but on the Social Security system.

This demonstrates how this kind of proposal of the Republicans, under the continuing resolution, which historically has never been used for a sleight of hand maneuver—which this is—to try and jam this unjustified, unwarranted and, I find, dangerous proposal to the health and well-being of our seniors, and certainly to their security, through the Senate on a Thursday afternoon prior to the Veterans Day weekend is completely unacceptable. It is wrong and unfair. When you look at why this is being done—not to preserve the basic integrity of the Medicare system, but we are adding these kinds of burdens on the seniors of our country in order to have tax breaks for the wealthiest individuals. This is not necessary. This is not right. It is wrong to take out of the pockets of our seniors this kind of protection, which the COLA provides, in order to provide tax breaks for wealthy individuals and the corporations of this country.

We know this sleight-of-hand effort by the Republicans to do this, they feel they have to do it in order to comply with the other provisions of their budget. It is unjustified and unwise.

The President has identified this as an unacceptable provision. The American people ought to understand the attempts to tinker with Social Security. This effectively reaches the basic issue of Social Security; that is, whether the cost of living, which reflects the increased cost of food and medicines and heat and shelter for our senior citizens, will effectively be emasculated.

It is particularly unfair to the neediest people on Social Security. Those that are in the lowest level of Social Security effectively are having all of their COLA wiped out. It is wrong and unfair. It is unjustified.

It is a prime reason why this sleight-of-hand maneuver by our Republican friends should be rejected by the President. He was right to identify it, and I hope it will be vetoed.

Mr. GREGG. Mr. President, I ask unanimous consent to proceed in morning business for 10 minutes.

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

Mr. GREGG. I wish to respond to the Senator from Massachusetts.

I find it a bit disingenuous that Members of the other party would come to this floor and state that it is robbing senior citizens, inappropriately treating senior citizens, for us as Republicans to be putting forward proposals which essentially assure the solvency of the Medicare trust fund, the purpose of which is to supply health insurance for our senior citizens, when no proposal—no proposal—has come from the other side of the aisle or from the President.

Furthermore, to state that allowing the percentage of premium that is paid by seniors to drop from 31.5 percent, which it is today and which it has been for a while, back to 25 percent is an action of good will or a gesture of kindness or gratitude or appropriateness that we should pursue as a nation on behalf of our senior citizens, is to ignore who pays the difference.

Under the present law for the part B premium, seniors' children, their grandchildren who are working—most seniors have children and grandchildren who are working—support 69 percent, approximately, of the cost of their seniors' health insurance. So if you happen to be a working American today and you have parents who are on Medicare, or an uncle or grandfather who is on Medicare, or just a friend who is a senior citizen who is on Medicare, you are paying as a working American 69 percent of the cost of that individual's health insurance.

We have, as a society, said that is reasonable, that is fair. We, the working generation, are willing to do that. I am happy to do it. My taxes go to support that.

If we reduce that percentage from 31.5 percent—which seniors pay; so they pay a third of the cost, and working Americans, their children, and grandchildren, are paying two-thirds of the cost—if we reduce that to 25 percent, which is the proposal of the President or the course which the President wishes to pursue and which the Senator from Massachusetts has so aggressively spoken here in behalf of, then what you are doing is you are essentially raising the taxes of working Americans of the children and the grandchildren of those seniors by an incredible amount of dollars—hundreds of millions of dollars. You are increasing the taxes on working Americans and increasing the obligation, the subsidy of working Americans, which goes to support seniors.

Now, I think the split of two-thirds/one-third—actually it is more than that—70 percent, approximately, 69 percent/30 percent is a pretty good effort made by working Americans, children of seniors and grandchildren of seniors to support the senior citizen population in this country.

I think most seniors would understand and recognize that the fact they are asked to pay 30 percent of the cost of their health insurance is a reasonable request. To reduce that to 25 percent is to skew the process to mean that their children and their grandchildren, who are trying to raise their families in these sometimes difficult economic times, who are trying to help their children go to school, who are trying to, maybe, buy their first home, maybe just make ends meet, to say we are going to raise the taxes on those people in order to further dramatically skew the process and subsidize the senior citizen population at an even higher level for their part B premium seems to me to be the height of pandering to one interest at the expense of another interest. Intergenerational pandering is what it amounts to, or extragenerational pandering.

The fact is, the differential between or the difference, the support that is now being paid by children and grandchildren of seniors, working children and grandchildren of seniors, of 69 percent of the cost of that seniors' health care insurance is a fair amount. To increase the tax on working Americans by another 6½ percent, which is what is being suggested in this proposal, is not fair.

Then there is the other issue here. We have heard a large amount of crocodile tears from the other side of the aisle about how the Republicans are helping the wealthy at the expense of the poor in our tax cuts. Of course, you might note—which is never noted by the other side of the aisle—that the President raised taxes by about $240 billion and said it was too much of a

tax increase just a few weeks ago. He raised taxes by $240 billion when he said he would not increase taxes during the first term in office, over a 5-year-period, and we are cutting taxes by $240 billion approximately over a 7-year period.

We are basically at a wash. We are getting back to the point that the President appears to want to be at now when he said he raised taxes, too. We are trying to correct that, getting taxes back to where they were when he came to office.

Independent of that we hear—the crocodile tears about it being horrible what is being done here to the poor and moderate income Americans by the Republican tax cut, and helping the wealthy—first, it is factually inaccurate. The tax cut that we are proposing, 70 percent of it flows to people, families with incomes under $75,000, and 90 percent of it flows to people with incomes under $100,000, and people with incomes up to $70,000 are not wealthy in this society.

More significantly, something that is conveniently ignored by the other side in the area of Medicare legislation and which the President appears ready to veto is the fact we are saying to the wealthy Americans who are seniors, ''Hey, you have to stop being subsidized by your working children and grandchildren.'' We do not think it is right that a working child and grandchild who is trying to raise a family should have to pay 69 percent of the cost of the insurance of the fellow who just retired from IBM last year and is making hundreds of thousands of dollars maybe—tens of thousands, anyway—in pension benefits.

It is not fair that a person who is working 40, 50, 60 hours a week trying to make ends meet on a computer assembly line in New Hampshire or at a farm in the Midwest or at some other activity—garage or a restaurant—that an individual, family, a husband and wife, working their hearts out trying to make ends meet should have to subsidize the top 100 people who retired from General Motors or Ford last year, whose incomes on pensions exceed the earnings of the people who are paying the taxes to subsidize their health benefits. It is just not right.

So, in the Republican plan, we say if you have more than $50,000 of individual income or as a husband and wife you have more than $75,000 of income, you have to start paying a higher percentage of the cost of your part B premium. Instead of being subsidized at 69 percent by the working Americans in this country, you are going to have to start to pay more. And if your income exceeds $100,000 as an individual or $150,000 as a husband and wife, then you have to pay the full cost of your part B premium. That is good policy. That is exactly what we should be doing. We should be making this more fair.

So, let us have a little integrity in the process here as we debate this issue. Let us note that, when the President says he wants to reduce the amount of the premium that seniors are paying, when he wants that 31 percent to go down to 25 percent, that is a tax increase on the people who pick up the difference, the people who pick up the cost for that tax cut to seniors. It is a tax increase on working children and grandchildren. Mr. President, 70 percent today, or 69 percent, of senior's premiums today are already subsidized and we have accepted that as a fair number. But to go to 75 percent, as the President wants, means you are going to raise the taxes on working Americans, the children and grandchildren of those seniors, by at least 6.5 percent, under the President's proposal. That is not right and it is not fair.

Let us remember also that wealthy Americans today are subsidized by working Americans who cannot afford it. It is time to change that and that is what the Republican proposal does.

As we continue this debate I think a little forthrightness on the facts would help the process.

I yield.

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

Mr. KENNEDY. Mr. President, I ask unanimous consent to be able to proceed for 5 minutes as in morning business.

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

## CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. All Senators should be notified that the period for morning business has concluded, but the request of the Senator is in order. The Senator from Massachusetts is recognized.

## THE INTEGRITY OF MEDICARE

Mr. KENNEDY. Mr. President, my good friend and colleague from New Hampshire has basically not responded to the central thrust of our amendment, and that is the cuts which are being proposed by the Republican program, according to CBO, means that there will be $50 billion in premium increases and $24 billion in increases in deductibles. We are also talking about $245 billion in tax breaks for the wealthy individuals.

He failed to explain the connection, but the connection is there for everyone to see. The Democrats offered, under the leadership of TOM DASCHLE, the proposal which would guarantee the financial integrity of the Medicare system without a single dime increase for the premiums for those under Medicare and Social Security; not a single dime. Every Democrat voted for that and only one Republican voted for it. Every other Republican voted against it. It would have preserved the integrity of the Medicare system for the next 10 years.

But, nonetheless, the Republicans wanted to move the burden over to the payment of senior citizens, to collect the $50 billion—$51 billion, according to CBO. It is right there in the chart, $51 billion. It says, ''Increase in the premiums, $51 billion.'' It is there under your proposal. It is not there under ours. What is under yours is the tax breaks for wealthy individuals that is going right along with this proposal. That is the justification and the reason for this kind of cut. We can maintain the integrity of the Medicare system without having these kinds of increases. The only reason you need these kinds of increases is to have a tax cut.

So the American people have to say why should the major tax cut, that is being proposed by the Republicans, go to the wealthy individuals and corporations, and the premium increases are coming out of people who are going to rely on $5,300 or $7,800 or, at the top, $10,000 a year to survive?

So this, the increase in premiums for our seniors over this period of time, is $12,400 more in premiums over the 7 years. That is what the seniors are going to pay under the Republican proposal.

You can complain all you like about what your proposal is going to do, but you cannot argue with the CBO figures. If you have something better on it, then address it. And that kind of wholesale increase, tax increase, the wiping out of the COLA's, the increasing of the premiums and the deductibles by that amount in order to justify a tax break is something that I find is absolutely unacceptable and I think most Americans find unacceptable. Certainly the seniors would find that unacceptable.

To do it on a continuing resolution at this time without full discussion and debate, I think, is unjustified and unwarranted and unfair.

I yield the floor.

Mr. BRYAN addressed the Chair.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. BRYAN. Mr. President, I ask unanimous consent to speak as in morning business for a period of time not to exceed 5 minutes.

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

The Senator from Nevada is recognized.

## IMAGE-ENHANCING EFFORT AT DOE

Mr. BRYAN. Mr. President, those of us in public life are accustomed to being surprised as the morning newspaper is delivered to us each day to find extraordinary examples of bureaucratic abuse, waste, and misuse of the taxpayers' dollars. I must say, this morning the level of my outrage at this most recent abuse, which I will comment on in just a moment, has been unsurpassed in my recent memory.

As the Wall Street Journal reports this morning, the Secretary of the Department of Energy, Mrs. O'Leary, has

hired an investigative service at taxpayers' expense in the amount of $43,500.

This is not a clipping service. All of us are familiar with clipping services. I think they have a legitimate purpose in ascertaining what types of information may be being printed, broadcast, as the case may be, about the functions of an agency. But this is an image-enhancing effort in which the Secretary has engaged, again at taxpayers' expense, to the amount of $43,500, an investigative service. This outfit is known as ''Carma International.'' They were charged with not only clipping stories but doing some investigative reporting, both as to the reporters themselves and the stories. I think, if I might just share a paragraph or two very briefly with my colleagues, the flavor of this story will be very clear.

From April through August, the service, Washington-based Carma International, tracked more than two dozen individual reporters and hundreds of newspapers, magazines and newscasts. It also pored over thousands of stories, giving each one a numerical ranking based upon how favorable or unfavorable it was. It then calculated scores for how favorably or unfavorably the DOE fared on various issues, from nuclear waste to Mrs. O'Leary's own reputation. And it scrutinized sources quoted in those stories.

Then, Mr. President, it went on to compile a ''Top 25'' list of ''Unfavorable Sources.''

I must say, in a previous generation, this has a striking similarity in terms of the mentality involved of the Nixon ''Enemies List.'' This is not an attempt to gather information or ascertain what has been reported. This is a subjective analysis of ''look how the reporters from a particular news service or news organization are treating us.''

For this kind of money to be expended at taxpayers' expense is simply outrageous. I cannot conceive of a rationale or a justification to spend this kind of money.

So I am going to ask in a moment this article be printed in the RECORD, but also indicate it is my intention to call upon the Secretary to reimburse the American taxpayers at her own expense for what I believe to be a truly outrageous expenditure of taxpayers' dollars, without any public use or justification at all, primarily driven, I suspect, by the ego of the individual involved and by a paranoia that seems rampant at some levels in the agency.

Mr. President, I ask unanimous consent the article from the Wall Street Journal of this morning be printed in the RECORD.

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

TURNING THE TABLES, ENERGY DEPARTMENT REPORTS ON REPORTERS

IT PAID $43,500 IN TAX DOLLARS TO FIND ''UNFAVORABLES,'' ''A LITTLE BIT OF NIXON''

(By Michael Moss)

Energy Secretary Hazel O'Leary had an image problem. Her department seemed to be taking a drubbing in the press for everything from nuclear waste-disposal problems to its allegedly bloated bureaucracy.

Mrs. O'Leary wanted those unfortunate stories to go away. Badly. So she hit on a plan: She would ''build communication and trust,'' explains Barbara Semedo, the Department of Energy's press secretary.

And just how did she plan to build that trust?

By reporting on the reporters.

In an extraordinary tale of man-bites-dog, Mrs. O'Leary quietly hired an investigative service to poke into the reporters who were poking around the DOE. From April through August, the service, Washington-based Carma International, tracked more than two dozen individual reporters and hundreds of newspapers, magazines and newscasts. It also pored over thousands of stories, giving each one a numerical ranking based on how favorable or unfavorable it was. It then calculated scores for how favorably or unfavorably the DOE fared on various issues, from nuclear waste to Mrs. O'Leary's own reputation. And it scrutinized sources quoted in those stories, coming up with its own ''Top 25'' list of ''Unfavorable Sources.''

The result: detailed monthly reports, chock full of colorful graphics and charts, with each report culminating in favorability rankings for reporters, sources and news organizations. All for $43,500—paid for with U.S. tax dollars.

The DOE's Ms. Semedo defends the investigations, saying a reporter's unfavorable rating ''meant we weren't getting our message across, that we needed to work on this person a little.''

Some of the journalists and sources who were scrutinized aren't so sanguine. None knew about the existence of the lists before being contacted by this newspaper yesterday. It's ''an enemies' list,'' says Jerry Taylor of the Cato Institute, a libertarian think tank, who ranked No. 25 on the July list of unfavorables. ''I guess it shows you there's a little bit of Nixon in everybody in the federal government.''

BOTTOMING OUT

Carma is part of a small but growing cottage industry of firms that analyze reporters—and reporters' sources. Government agencies and corporations have long used clip searches, which find articles about them or about issues in which they are interested. But these new services go much further, coming up with pseudo-scientific methodology to rate reporters. Some of the services, not including Carma, also delve much deeper. They interview reporters' sources, their employers and their friends and colleagues, and report on information about the reporters' personal lives and activities outside of work.

The DOE provided copies of reports for two months, April and July, which make clear which reporters and news organizations were considered friendly—and which weren't. Its July report, for example, ranked the Associated Press's H. Josef Hebert dead last, with a 30.8 overall score. That month, he wrote an article that said ''sloppy'' Energy Department monitoring at weapons facilities led to radiation exposure, and another about victims of secret government-radiation tests during the Cold War.

If a reporter gets ''too good a rating, you aren't doing your job,'' Mr. Hebert said yesterday. Also scoring relatively low in July was Matthew Wald of the New York Times, who received a 46.7 for stories on plutonium storage. (The Wall Street Journal didn't appear in the reports.)

At the other end of the spectrum were several reporters for smaller newspapers, including Tony Batt of the Las Vegas Review-Journal, who got a 56 in the July report. ''I've never been rated before, especially by a government agency,'' says Mr. Batt, who works in the paper's Washington bureau. ''I'm uneasy about that.''

''SLANTED'' STORIES

DOE resorted to this latest tactic after a 1993 survey it commissioned found it to be one of the least-trusted entities around—right ''down with Congress,'' Ms. Semedo marvels. At first, the department thought it would monitor the press itself, at an estimated cost of about $80,000, she says. Then DOE officials heard about Carma, which also had done work for the Internal Revenue Service and the U.S. Postal Service.

Carma, which stands for Computer-Aided Research and Media Analysis, warns in brochures that ''stories are sometimes 'slanted.'' It boasts that if a reporter seeks an interview with a CEO, Carma can find ''if a predetermined bias has shown up in past coverage,'' thus giving the CEO ''a strategic advantage.''

For DOE, Carma went through a rather complex process to evaluate reporters and stories. Carma employees—generally former academics or people with journalism backgrounds—scrutinized close to 800 articles some months, paying close attention to captions, photos and headlines, says Albert J. Barr, president. Each employee also was armed with a list of 55 issues DOE had identified, from energy taxes to worker safety. For every article, the employee singled out which issues were discussed and assigned a score of 0 to 100 to each issue mentioned, with 50 signaling a neutral comment and 100 an extremely favorable one.

Using the individual scores of every issue in a single article, Carma employees worked out an overall score for the article. That score was then fed into a computer, which calculated a cumulative rating for the reporter involved and for each of the issues mentioned.

SURPRISE: NO SURPRISES

And with all that scientific scrutiny, what bombshells did DOE uncover?

Well, actually, none. ''It confirmed what those of us who work with these reporters daily know—who is going to write what and how are they going to cover us,'' Ms. Semedo says.

Indeed, Carma's ''Top 25'' lists of favorable and unfavorable sources hardly required sophisticated analysis. Topping the April list of ''Favorable'' sources: Mrs. O'Leary herself. And leading the pack of ''Unfavorables'': Sen. Robert Dole, a longtime critic of the agency who has suggested it should be dismantled. Also making appearances on the ''Unfavorable'' list were such obvious choices as Beatrice Brailsford, program director of Snake River Alliance, a watchdog group created in response to an Idaho DOE project; and civil-rights attorney Roy Haber, who is representing people suing over exposure to radiation beginning in 1944.

''This is wild, it's absolutely wild,'' Mr. Haber said yesterday, calling the list ''disturbing'' and ''frightening.'' He added, ''This will be investigated in great depth, and we're going to find out the genesis of who promulgated that list.''

At this point, he may no longer have to worry. If the reports are any judge, the DOE's reputation only got worse during the time Carma monitored the press, with its overall favorability steadily dropping from 52 in January to 50, or neutral, in July. Certainly, the DOE wasn't helped by its admission that cleanup of former weapons-production sites could cost at least $230 billion, or by press reports sniping about Mrs. O'Leary flying first class and patronizing expensive hotels.

Ms. Semedo, who in an earlier interview said Carma had been dropped for budgetary reasons, said yesterday, ''It wasn't particularly useful, and we stopped the service.''

Anyway, she added, Secretary O'Leary only read a few of the reports: ''She found it too complicated.''

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

If there is no Senator seeking recognition, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

Mr. HATCH. Mr. President, I ask unanimous consent that I permitted to speak as if in morning business.

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

## REMEMBERING KRISTALLNACHT

Mr. HATCH. Mr. President, tonight is the 57th anniversary of a horrible event. In Germany, 57 years ago this evening, it was ''the night of broken glass''—Kristallnacht—when throughout Nazi Germany, Jews were killed and Jewish cultural and business sites were destroyed in an organized campaign by the Nazi state.

In a little under 2 days, many Jews were murdered, and 30,000 were arrested by the Nazi authorities, sent to swell the growing populations of Dachau, Buchenwald, and the other camps already built. On the night of Kristallnacht, over 1,000 synagogues were destroyed, and their sacred texts were burned and defiled. Jewish businesses around the country were sacked. Cemeteries were desecrated. Homes were burned. The police and fire departments were instructed not to intervene.

Kristallnacht marked an escalation in kind of the Nazi persecution. It came barely 6 weeks after the infamous Munich conference, which produced the chilling declaration of peace in our time. After Kristallnacht, the world could no longer ignore the behavior of this evil regime. President Franklin D. Roosevelt said, 5 days later:

> The news of the past few days in Germany has deeply shocked public opinion in the United States * * * I, myself, could scarcely believe that such things could occur in 20th century civilization.

But within a week of Kristallnacht, Jews were banned from the German school system. Within a month, Jews were being banned from public places.

The Holocaust, as it would come to be known, was fully underway. Within less than a decade, this conflagration of historic proportions would result in the systematic murders of 6 million European Jews.

While it represented the nadir of anti-Semitism in our modern age, the destruction spawned by the Nazis' racial hatred consumed many more millions of others, including Poles, Gypsies, Jehovah's Witnesses, homosexuals, and persons with physical and mental disabilities.

Mr. President, 57 years after Kristallnacht, we are fortunate to still have survivors of the Holocaust among us. There are still some neighborhoods in this country where, tonight, survivors and their families commemorate the night of broken glass by burning candles in the windows. These flames are in memory of those who suffered the Holocaust. These flickers in the windows are the testaments of the survivors.

Mr. President, I worry about the memory of the Holocaust when the survivors will no longer be here. With each passing year, we have fewer survivors among us.

Mr. President, as the decades have passed from the dark era of the Holocaust, I have been greatly troubled by the increase in pronouncements by those who willfully disbelieve the existence of the Holocaust. These ''Holocaust deniers,'' as they have come to be known, present us with a troubling specter. They threaten our collective memory with lies, distortions, and half-truths to challenge the reality of the Holocaust.

One of America's preeminent scholars of this phenomenon, Dr. Deborah Lipstadt of Emory University, has written:

> While Holocaust denial is not a new phenomenon, it has increased in scope and intensity since the mid-1970's. It is important to understand that deniers do not work in a vacuum. Part of their success can be traced to an intellectual climate that has made its mark in the scholarly world during the past two decades. The deniers are plying their trade at a time when much of history seems up for grabs and attacks on the Western rationalist tradition have become commonplace.

Sadly, this erosion in the intellectual climate has infected our popular culture. Today, in addition to the pseudo-scholarly venues the Holocaust deniers have created, they have managed to present their injurious views on high school campuses, in the media, and, in a few cases, in the political process.

Mr. President, we are fortunate, for many reasons, that we live in a free and democratic society, and one of those reasons is that freedom preserves the ability of the scholar to study historical truth. An open society such as ours allows the student of history to apply methods of historical scrutiny and verification without bias or distortion, and thus to openly determine historical fact.

I must stress, Mr. President, that the same principles of an open and democratic society also allow for the holding of unpopular opinions, however factually incorrect or hurtful to others. A free society must protect the opinions of all, Mr. President, and that includes the contrarians and solipsists. If you choose to believe the Earth is flat, that is your right in this society.

Our freedom of expression is wide, but falsehoods must be answered with the truth. Denying the Holocaust is absurd.

Holocaust denial may be animated by ignorance and solipsism, but we cannot avoid the fact that it is often motivated by anti-Semitism and hatred. We must recognize that many of those who promote Holocaust denial do so not out of an innocent but willful ignorance, but do so to promote political agendas, anti-Semitism and hatred.

We must deplore, in the words of the scholar Kenneth Stern ''anti-Semitism masquerading as objective scholarly inquiry.''

That is why I am introducing this resolution today, along with several of my colleagues, which ''deplores persistent, ongoing and malicious efforts by some persons of this country and abroad to deny the historical reality of the Holocaust.'' This resolution also praises the U.S. Holocaust Memorial Museum for its essential work in honoring the memory of all the victims of the Holocaust, and teaching ''all who are willing to learn profoundly compelling and universally resonant moral lessons.''

Mr. President, as the last generation of Holocaust survivors fades from our midst, we are left with a chasm, a generational divide between the primary witnesses and the rest of us, who must carry their witness. Into that chasm the Holocaust deniers may throw their malicious lies.

It is our responsibility that we close that chasm with a dedication to promoting scholarship about the Holocaust. We must cultivate the history of the Holocaust in order to preserve our memory and to reinforce the lessons we learn from such horrors. We must strengthen our younger generation's weakening grasp on history.

A free and democratic society must be supported by an informed populace. And an informed populace requires a knowledge of history. As individuals with amnesia suffer degrees of disorientation, a society separated from history is bereft of its shared experience with the world.

Mr. President, we must recognize the crucial role played by education in preserving the memory of the Holocaust. In 1980, the U.S. Congress assumed this responsibility when we chartered the U.S. Holocaust Memorial Museum. Since its opening in 1993, the Museum has played a signal role in teaching the history of the Holocaust.

So powerful has the museum's message been that in it has been operating beyond capacity since its opening. Of the more than 2 million visitors each year, 80 percent have traveled more than 100 miles to visit this awesome place. As of today, 5.3 million have visited this remarkable institution, a number four times greater than expected.

People come to witness and to learn. More than 11,000 scholars and university students, more than 700 members of the media and museum community, and more than 14,500 survivors have used the museum's research institute. Through its connections to the information superhighway, 50,000 inquiries

come every week. Requests for teaching materials have come from every State in our Nation. Over 400,000 students from around the country came in school groups this year.

Mr. President, the success of the Museum demonstrates our country's interest in studying the Holocaust. It is most reassuring to note, indeed, that the desire to learn the moral lessons of the Holocaust dwarf the messages of hate perpetuated by the Holocaust deniers.

Mr. President, I wish to close with two more quotes. Again from Professor Lipstadt:

Holocaust denial . . . is not an assault on the history of one particular group. Though denial of the Holocaust may be an attack on the history of the annihilation of the Jews, at its core it poses a threat to all who believe that knowledge and memory are among the keystones of our civilization. Just as the Holocaust was not a tragedy of the Jews but a tragedy of civilization in which the victims were Jews, so too denial of the Holocaust is not a threat just to Jewish history but a threat to all who believe in the ultimate power of reason. It repudiates reasoned discussion the way the Holocaust repudiated civilized values. It is undeniably a form of anti-Semitism, and such it constitutes an attack on the most basic values of a reasoned society. Like any form of prejudice, it is irrational animus that cannot be countered with normal forces of investigation, argument, and debate.

And now, from an article by the current executive director of the Holocaust Memorial Museum, Dr. Walter Reich, who wrote a few years ago:

The devastating truth about the Holocaust is that it was a fact, not a dream. And the devastating truth about the Holocaust deniers is that they will go on using whatever falsehoods they can muster, and taking advantage of whatever vulnerabilities in an audience they can find, to argue, with skill and evil intent, that the Holocaust never happened. By being vigilant to these arguments we can all fight this second murder of the Jews—fight it, and weep not only for the victims' mortality but also for the fragility, and mortality, of memory.

Mr. President, we are nearing the end of a bloody century, littered with so many man-made catastrophes that it invites a numbing relativism. Today, on ''the night of broken glass,'' let the legacy of the victims strengthen our memories and sharpen our consciences to remain ever vigilant to the profoundly compelling and universally resonant moral lessons of the Holocaust.

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

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

## ORDER OF PROCEDURE

Mr. DOLE. Mr. President, we have been trying to reach an agreement the last couple of hours on the continuing resolution. We have not been able to do that, so I think since it may take some time and some debate—if we could get consent to go to the so-called CR—we should start as quickly as we can, because in addition to disposal of this legislation today we need to dispose of the debt ceiling extension, which will not arrive from the House until 5 o'clock.

It is my hope we could complete action on both of those. There will probably be, hopefully, not many amendments, but an amendment or two, and we have to get it back to the House yet this evening or be here tomorrow, notwithstanding the fact that it is a Federal holiday.

I hope we could have everyone's cooperation and that we can move very quickly on the continuing resolution, and then be in a position when the debt ceiling extension arrives to move quickly on that.

The President has indicated he will veto both the continuing resolution and the debt extension, which I hope is not the case because we would have very little time to act on Monday to prevent a shutdown of the Government. I hope the President would understand that and accept these very modest proposals.

## MAKING FURTHER CONTINUING APPROPRIATIONS FOR THE FISCAL YEAR 1996

Mr. DOLE. Mr. President, I ask unanimous consent that the Senate now turn to the consideration of the continuing resolution, House Joint Resolution 115, just received from the House.

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

The clerk will report.

The bill clerk read as follows:

A Joint Resolution (H.J. Res. 115) making further continuing appropriations for the fiscal year 1996, and for other purposes.

There being no objection, the Senate proceeded to consider the joint resolution.

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

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

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

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

Mr. BINGAMAN. Mr. President, I ask unanimous consent I be allowed to proceed for up to 10 minutes as in morning business.

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

## NATIONAL EDUCATION GOALS REPORT

Mr. BINGAMAN. Mr. President, I wanted to call to the attention of the Senate today the release of the fifth annual national education goals report, which was released earlier this morning by a group, a bipartisan group of Governors, myself, and several State legislators who are members of this national education goals panel.

The panel is presently chaired by Governor Bayh of Indiana, and soon it will be chaired by Governor Engler of Michigan. Governor Engler was there this morning, as were Gov. Christine Todd Whitman from New Jersey and Governor Romer from Colorado, who was the first chairman of this panel, and various others of us.

I wanted to just briefly summarize what was found in that national education goals panel report, because I do think it is important. This is the midpoint between 1990 and the turn of the century. As people will recall, in 1989, President Bush met with 50 Governors in Charlottesville, VA, to set out national education goals for the country to pursue between the year 1989 and the year 2000. Those goals were agreed upon. I think they are good goals for the country. And we began the process.

Part of what was agreed to there was that we not only had to have goals, but also had to have some standards, and we had to have a way of assessing progress, to determine whether or not the country was moving in the right direction or moving in the wrong direction. The report today says that we are moving in the right direction but at a very, very slow pace. In some States the pace is very much slower than in others. It also makes the point, strongly, that we do not have enough data to understand what is happening to the extent we would like to.

There is good news in the report. There is also bad news in the report. Let me just summarize a little bit of the good news first.

The report shows that during the period 1990 through 1992, and unfortunately we only have statistics now through 1992, but during that period math achievement at grades 4 and 8 in the United States did improve. It went up fairly significantly, I would point out. It did not do near as well in some States as it did in others. Where the national average went from 20 to 25 percent, that is 25 percent of the students who were tested measured up as being proficient in math in the eighth grade in 1992, in my home State of New Mexico, unfortunately, the figure was 14 percent. So we have a ways to go, not just in my State but throughout the country.

The same basic questions and same basic testing and proficiency measurements were used internationally as well as in this country. Where we have set a goal, and the President and Governors set a goal of being first in the world in math and science achievement by the year 2000, this set of statistics we released today shows that in fact we are substantially behind Taiwan, which is at 41 percent on this same graph. So

though there is progress to report, it is not enough progress.

Another item of progress that should be noted is that students took more of the challenging advanced placement tests in basic academic subjects—in English and math and science and history. That also is good news.

We also are able to report that, among adults, more adults took adult education classes throughout this country in 1992. A significantly larger number took adult education classes than they did in 1990. Again, that is good information and good news.

The bad news, unfortunately, is in the report as well. That is what the report's purpose is. It is to point out where we are making progress and where we are not. Unfortunately, high school graduation rates have remained at about 86 percent. That is not a change. That is not improvement. We need to make improvement in that area.

Reading achievement at grades 4 and 8 have remained about the same. Again, that is not good news.

There is a large gap that continues, between minority and white students as far as college enrollment and completion of college. Again, that large gap is not good news.

In my home State of New Mexico, as I indicated, we have not done as well as the national average in some important respects, particularly in the math criteria, but also in the reading. I think other States can also learn from this data that was released today, where they need to make progress.

The bottom line is that the work of improving educational performance in this country needs to continue. We are part way through the 10 years. We are not all the way. We have a great distance to go.

I would point out one important fact. That is, the greatest progress that is shown in all of this data is in the area of math achievement, and that is the only area where we have general agreement on the standards that we are striving to achieve. The credit for that goes to the National Council of Teachers of Mathematics. They came up with their own set of standards, which they have promulgated throughout the country and urged math teachers to adopt. Many teachers have. Many school districts have. Many States have. And I think progress in math performance is improving. Performance in math is improving to a significant extent because we have focused on that area and we have concentrated on how to, in fact, define what we want to accomplish and go about accomplishing it.

So I wanted to make the point that this effort continues. It is a bipartisan effort. I think it is a very important effort.

I know we get caught up in all kinds of political battles here in the Congress. In my opinion, this is one subject and one issue that ought to be above politics. Both Democrats and Republicans should, I believe, renew our commitment to improving education in this country. I think the Congress has a role in that, which of course we have debated. The States have the primary responsibility. I do not think anybody would argue with that. Of course, local school districts, local schools, teachers, principals, parents and students have the ultimate responsibility.

I appreciate the chance to bring these issues to the attention of my colleagues and I yield the floor.

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

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

## MAKING FURTHER CONTINUING APPROPRIATIONS FOR THE FISCAL YEAR 1996

The Senate continued with the consideration of the joint resolution.

Mr. KERREY. Mr. President, I ask the Chair, are we now on the continuing resolution?

The PRESIDING OFFICER. That is correct.

Mr. KERREY. Mr. President, there is a provision in this continuing resolution—indeed, there are many provisions in it. But there is one in particular that deals with lobbying.

Just on the face of it—I know other Senators are concerned about it; I know the Senator from Colorado was prepared to move to strike this provision—I believe it should be stricken.

Let me make, first and foremost, this point about the appropriateness of having lobbying reform on the continuing resolution. I just think it is totally inappropriate. This Congress cannot function with 70 Members of the House basically writing a letter threatening that they are not going to support the continuing resolution if it does not contain this provision.

I have an interest in impact aid. I have an interest in things relating to agriculture—things that are not likely to pass this year. I suspect that I could probably round up 15 or 20 people or so who would say, send a letter to Leader DOLE and Leader DASCHLE saying that, if this is not included, we are not going to vote for it.

I know these new Members of the Congress get quite enthusiastic about saying they have a mandate to do everything that comes to mind. But this lobbying reform provision was not in the Contract With America. It is not in any contract that I have seen. I appreciate their enthusiasm for change. But this provision—a lobbying provision changing our lobbying laws—does not belong on this bill. Indeed, I find it rather odd that the House has not taken up the lobbying reform legislation that this body has addressed already. We debated it as a freestanding bill. Those who are enthusiastic about lobbying reform did not just write a letter insisting that lobbying reform provisions be included in the continuing resolution.

I see with regret that the Speaker, the majority leader, and the President are now at loggerheads saying maybe the Government is going to be shut down on Tuesday because we cannot get a continuing resolution passed. It is tough to pass a continuing resolution, even one that is clean, even one that has some provisions that connect to the budget. I can stretch and understand that.

But when we have provisions relating to lobbying, I just think we have to take a stand on this side and say to the House that we passed lobbying reform on this side. We brought it up on the calendar. We had a lengthy debate about it. We changed the law. We propose to change the law relating to lobbying. The House should take it up over there; take up lobbying reform. If you want to add this amendment to lobbying reform legislation, do so.

I think it is a bad change. I would like to have the opportunity—if they pass that over there, go to conference on the bill and it comes back over in that fashion, I would argue against it.

But I think that Republicans and Democrats here, if this body is going to function, are going to have to take a stand against 60 are 70 Members of the House who are constantly saying, ''Do it our way or we are going to shut the place down.''

Mr. President, we all understand, for example, the rules of the Senate allow us to come down and expel large volumes of air and tie things up with repeated debate. With all kinds of conversation, we could slow this thing down, shut it down, and get nothing done, if that is what we choose to do.

I think the Senate, in this particular case, needs to take a stand. I know the Senator from Wyoming, in fact, feels strongly about this. When we took up the Treasury-Postal appropriations bill, I joined with him and allowed an amendment to be accepted. But in the Treasury-Postal conference, again we find ourselves faced with a threat. We find ourselves faced with a single individual who says in the conference committee, ''I do not care what happens to Treasury-Postal. I do not mind shutting the Government down. I insist that I get this provision accepted and changed into law.''

Mr. President, again, I do not mind sitting down here and fighting the battle over something important. But nobody is calling me from home proposing this thing. This does not come from the grassroots. This came from a couple of people who had an idea that somehow we are increasingly calling upon 501(c)(3) organizations to help us. But I suspect every Member of this body has gotten up and talked about the kind of partnerships that we need

to make our Government more efficient and effective, and we have called upon nongovernment organizations to participate in the process.

What are we doing here with this language? We are saying essentially that we are going to regulate you? After we have asked you to help, after we have said to the Red Cross, ''We would like to have you help us with disaster programs,'' after we say to the YMCA and the YWCA, ''We would like to have you help us with our violence against families efforts at the local level with the State taxpayer money,'' then we say, ''Oh, by the way, do you make any effort to influence Congress? If you do, we are going to restrict you.''

That is what Mr. ISTOOK and Mr. MCINTOSH are saying. They are unwilling to pass lobbying reform over in the House and restrict the real lobbyists that hang out here all day long. They will go after the 501(c)(3)'s because in some cases they do not like the agenda. If push comes to shove in the House, they will make an exception. We will exempt out veterans organizations. As I understand it, there may be an attempt over here to say let us take care of the Catholic Church and exempt them as well.

I say to Mr. ISTOOK and Mr. MCINTOSH that, if your principle is sound, if you really believe your own words, that we are subsidizing lobbyists, we are not. And, by the way, this legislation addresses private money, not public money. This legislation put in place extensive regulation. 501(c)(3)'s would have to prove they are in compliance. Speaker after speaker last night went down and said there are lots of organizations that are not affected. We exempted them all. Take care what you vote for around here because you may find yourself creating a problem that you did not realize you were going to create, and that is precisely what would happen with the House language.

With the House language, you may say you are exempting these organizations, but they have to prove they are in compliance. They have to show the Federal Government that they are doing the right thing. We are now saying to these organizations that we have asked to help that now you have to prove you are in compliance, and you have to keep your records for 5 years.

Again, this particular amendment is offered by individuals who repeatedly go to the floor and talk about excessive regulation and the need to reduce the cost of bureaucracy, to reduce the cost of paperwork. We asked in conference, What about the paperwork? What about the bureaucracy? There was stony silence. ''We do not think it is going to be that big of a problem.'' We hear that a lot when somebody is proposing a new regulation. ''It is not going to be that big of a problem.'' The answer is they have not really thought it through. They are trying to restrict the activities of organizations that have come to Washington and are asking that the budget be shaped a certain way, that the appropriations be shaped. They do not like these requests.

Mr. HATFIELD. Mr. President, will the Senator yield for a question?

Mr. KERREY. I am pleased to yield.

Mr. HATFIELD. The Senator knows where my position is on this particular issue.

I would like to merely say that the managers of the bill have not been able to make their opening statements at this point because a Democratic Senator arrived on the floor after it was laid down and asked for permission to go back to morning business to make 10 or 15 minutes of remarks. We had no objection to that to accommodate the Democratic Senator, and expected then to open up the issue by our opening statements—Senator BYRD and myself.

I want to say to the Senator that part of that delay also has been in trying to work out some kind of an agreement on this particular point.

I wonder if the Senator would yield in order to return to that procedure.

Mr. KERREY. Absolutely. Mr. President, I came to the floor with no idea precisely when it was that the distinguished chairman and ranking member would be coming down here to take the bill up. It was my intention to talk just briefly about this particular provision and, whenever they got here, to yield.

At this point, I yield the floor.

Mr. HATFIELD. I thank the Senator.

Mr. President, I would ask for a quorum call for a few moments.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

Mr. HATFIELD. Mr. President, the Senate now has under consideration House Joint Resolution 115, the second continuing resolution for fiscal year 1996. The current continuing resolution, Public Law 104–31, expires on Monday, November 13, and only 2 of our 13 appropriations bills have been signed into law, so another measure is necessary to provide executive branch authority to obligate funds for Government operations.

This continuing resolution has four titles. Title I is the operative part, providing that the rate of operations for activities funded in the 11 appropriations bills not yet signed into law shall be the lowest of the rates provided by the House-passed bill, the Senate-passed bill, or the current rate. Specific provision is made for programs that might be zeroed out under that formulation; namely, such programs may be maintained at a rate of 60 percent of the current rate. The existing CR pegs this minimal level at not to exceed 90 percent of the current rate.

In addition, this CR carries a provision, section 112, providing that spending rates may be adjusted to avoid any reduction in force, or RIF, at any of the affected agencies.

The expiration of this measure is Friday, December 1.

Title II of this measure is an internal housekeeping matter providing for hand enrollment of the reconciliation bill, the debt limit bill, and continuing resolutions. This provision will expedite transmittal of this legislation to the President once passed by both Houses.

Title III is the so-called Istook amendment. I expect there will be a motion to strike this title. I will vote for that motion, and I hope it will succeed.

Title IV carries two provisions within the jurisdiction of the Finance Committee. Both pertain to the Medicare Program.

Mr. President, it should be noted that this joint resolution has been brought to the floor without referral to the Appropriations Committee. I have no objection to doing so, for I recognize the need to save time. But I want to emphasize that this is not a product of the Appropriations Committee, and thus it does not necessarily represent the views of a majority of our committee. In fact, I do not believe our committee would have reported this measure in this form, and I doubt that the members of the committee will support this measure in all of its particulars.

I will now yield the floor to Senator BYRD to make whatever opening remarks he may wish to make, and then we can proceed with any amendments or motions that may be offered.

I wish to indicate again the pleasure and the efficiency that has been developed by the working relationship with Senator BYRD as the former chairman of our committee which I have enjoyed over a number of years, and now that I am chairman and he is the ranking member, reversed to what it was in previous years, I want to say that it has continued to be an unassailable partnership from which I have derived great pleasure.

I also wish once again to thank Senator KERREY of Nebraska for permitting us to return to this procedure at this time to introduce the resolution and to also assure the Senator, as he is now conversing with the Senator from Wyoming, we are attempting to work out some kind of a resolution of the title relating to the Istook amendment.

Mr. BYRD addressed the Chair.

The PRESIDING OFFICER. The Senator from West Virginia.

Mr. BYRD. Mr. President, I thank the distinguished chairman for his observations with respect to the working relationship that has existed from the beginning between the chairman, Mr. HATFIELD, and myself. He has accorded to me a great deal of courtesy and understanding, and I am proud that I share the responsibility with him of managing this measure as well as various and sundry appropriations bills that we have brought to the floor from

time to time. I enjoy that relationship with the chairman, and I cherish it.

Mr. President, as Senators are aware, the Federal Government has been operating under a continuing resolution—Public Law 104–31—since the beginning of the new fiscal year, October 1st. That continuing resolution was necessary to give Congress more time to complete its annual appropriations process on the fiscal year 1996 appropriations bills. While that measure continued essential functions of government at rates below levels allowed in the 1996 budget resolution, it nevertheless did not prejudge final budget decisions for fiscal year 1996, nor did it attempt to enact new policies into law. Instead, it was a product upon which the President and Congress agreed to continue necessary functions of the government through November 13.

It had been hoped that this six-week extension beyond the beginning of fiscal year 1996 would be sufficient to enable Congress and the President to enact most, if not all, of the 13 fiscal year 1996 appropriations bills. But, unfortunately, that has not been the case.

To date, the President has signed only two appropriations bills into law—Military Construction and Agriculture. Two others—the Energy and Water Development and Transportation appropriations bills—have been sent to the President and his signature is expected. In addition, the legislative branch appropriations bill, which the President unfortunately—and I think unwisely—vetoed, has been adopted a second time by both Houses of Congress and is ready for submission to the President for his signature, which I hope that he will put on the dotted line this time.

I have never been able to understand the curious logic that went into his veto of the legislative appropriations bill. The Constitution creates this branch, the legislative branch. It is the branch closest to the people, and we have the responsibility to fund the operations of the branch. There is no question but that the bill which was sent had been reduced in the amounts, so it was not a question of the amounts being out of line. It was just some kind of false logic on the part of those down at the White House who have, I suppose, advised the President to veto that bill. He did not garner any kudos, as far as this Senator is concerned, or any credits when he vetoed that bill. The mere fact that it was the first to reach his desk somehow must have resulted in a pique of someone down there, but it was not sent down first by calculation or design. It just turned out that way.

So I think it was silly for him to veto that bill, and I told that to the people at the White House when they called me to ask me about it. I said it was faulty logic and it could come back to create problems for you. I hope we will at this time pass that stage of sophomoric development.

All eight of the remaining appropriation bills are in various stages of completion. These bills are: Defense, Interior, Foreign Operations, Treasury-Postal, Commerce-State-Justice, VA-HUD, Labor-HHS, and District of Columbia.

As a result of these difficulties, it has become necessary to enact a second continuing resolution. Unfortunately, the second continuing resolution now before the Senate, H.J. Res. 115, is not one which I can support. It not only contains unnecessarily deep funding cuts in programs for education—and I have got to say this about education while I am on the subject; I cannot understand why we continue to spend more and more moneys for education, and turn out a lower and lower performance with respect to scholastic results that come out of the schools; I just cannot understand that—on infrastructure and other critical areas, but it also contains a number of controversial legislative provisions that have no business being included in a continuing resolution.

One such controversial provision—the so-called ''Istook amendment''—is addressed in the President's Statement of Administration Policy, dated November 8, 1995. That Statement of Administration Policy contains the following language:

> One provision of H.J. Res. 115, the so-called ''Istook amendment,'' would launch a broad attack on the right to free speech of such organizations as the Red Cross and the Girl Scouts; it would limit their ability, and that of other organizations that receive Federal funds, to participate in administrative or judicial proceedings. The Justice Department believes that the provision does not pass constitutional muster because it imposes unconstitutional penalties for the exercise of free speech rights. Among other things, the provision would impose restrictions and penalties on organizations that were involved in advocacy during the year prior to passage of the legislation—thereby violating the fundamental principle that prevents the government from retaliating retroactively against persons or organizations that have exercised free speech rights.

Another provision in this resolution would raise the contribution that beneficiaries must pay for Medicare Part B premiums to $53.50, effective in January of 1996. Without this change, those premiums would be approximately $10 less per month per person.

For these reasons, the President has indicated that he will veto H.J. Res. 115 if presented to him in its present form.

I support the President's position regarding H.J. Res. 115, as it is now drafted. I am hopeful that the Senate will adopt sufficient modifications to H.J. Res. 115 and that the House will concur in those modifications, so that the President can be presented with a measure that he can sign prior to the shutdown of the government at midnight on Monday, November 13. If such a shutdown occurs, it will not be the fault—I suppose it will be the fault of everyone to some extent. It will be due to the inability of this Congress to complete its work in a timely manner.

There are only two responsibilities that are absolutely essential for this session of Congress. Those are, one, the enactment of annual appropriations for the Federal Government for fiscal year 1996 and the raising of the debt limit to a level sufficient to enable the government to meet its financial obligations without default. Throughout the past year, we have heard the Republican majority of both Houses of Congress playing up their so-called ''Contract With America'' and touting all of the benefits that will be forthcoming to the American people as a result of that so-called ''contract.''

As I have done on previous occasions, my contract with America I keep right here in my shirt pocket. And it cost 19 cents some years ago when I first purchased it. And it is entitled, ''The Constitution of the United States.'' That is my contract with America. And I do not swear to any other contract with America.

I am one that ran also last year, and I did not receive any mandate from the voters of West Virginia. Not one voter ever asked me about the so-called Contract With America. I was never asked to sign it or support it. I do not swear to it. I never expect to bow down to it. I only bow down to the Bible, No. 1, and the Constitution of the United States, No. 2, in that order.

If one looks at what they do and not what they say, the record speaks for itself. Despite all of the rhetoric to the contrary, this is one of the poorest performances that I can recall as far as the timely enactment of appropriations bills is concerned.

I hasten to say that I do not fault the chairman of the committee, the distinguished Senator from Oregon [Mr. HATFIELD], for this delay. And I do not fault the other members of the Appropriations Committee for the delay. The major cause is the fact that a number of these appropriation bills include controversial legislative riders, such as those that are contained in the pending measure.

Therefore, it is incumbent upon Congress to enact a clean continuing resolution and a clean debt limit increase without adding unnecessary legislative provisions to either. If we are unable to do so, the blame will be properly at our doorstep for the shutdown of the operations of the Federal Government on Tuesday, November 14th, and the default on the payment of its obligations shortly thereafter.

I urge my colleagues to support amendments which I understand will be offered to this resolution which, if adopted, I believe will enhance chances that H.J. Res. 115 will be signed into law. If such amendments are not made by the Senate and agreed to by the House, then I feel sure that H.J. Res. 115 stands no chance whatsoever of becoming law.

Mr. President, I yield the floor.

Mr. CAMPBELL addressed the Chair.

The PRESIDING OFFICER. The Senator from Colorado.

Mr. CAMPBELL. Thank you, Mr. President.

AMENDMENT NO. 3045

(Purpose: To strike title III which restricts the use of private funds for political advocacy activities by nonprofit organizations.)

Mr. CAMPBELL. Mr. President, I rise today to express my opposition to what is now title III of the continuing resolution. I might say that I did vote for the original Senate language. I opposed this provision as part of the Treasury-Postal conference committee. And I will tell you why. This measure, if adopted, would effectively eliminate the ability of nonprofits throughout this Nation to express their political views to their elected representatives at every level—at the Federal level, State level, local level, and tribal level. This legislation, I think, slams the door of Congress in the face of hundreds of thousands of grassroots organizations.

In the Senate Treasury-Postal appropriations bill, this body adopted an amendment to keep large, well-financed nonprofit organizations from abusing the lobbying regulations. Certainly they should not use taxpayers' money by the millions simply to lobby to get more taxpayers' money. But the House-passed version, on the other hand, goes much further and muzzles grassroots organizations and puts roadblocks in the way of legitimate advocacy efforts.

It would affect, as I understand it, churches, Boy Scouts, tribes, art groups, chambers of commerce, water conservancy districts, and hundreds of other very diverse nonprofit groups. In effect, it would muzzle the free speech of millions of people. These groups are the same groups that as elected officials we are supposed to be here to defend and represent. I see a clear difference, as many of my colleagues do, between the high-powered, well-financed professional lobbying firms, who hire well-financed professional lobbyists, and the grassroots-based community organizations. I think my colleagues see the difference too.

For the last couple of months the Senate has focused its efforts on getting Government out of people's lives. Well, this provision would do just the opposite because it would tell the nonprofits how they could spend their private moneys. By law, these organizations cannot spend Government funds for lobbying activities, which I think makes sense.

What does not make any sense to me is that we are stepping in and legislating how nonprofits can spend their privately raised funds on advocacy efforts. It is wrong for us to do that. That is why I will offer a motion to strike title III. This provision is bad for our communities because it treats State and local organizations and their national affiliates as one. This provision is bad because the definition of advocacy is too broad. This provision is bad because it hamstrings the many organizations that, with reduced Government, we will have to rely on more heavily than ever to deliver services to our communities. It also is bad because this provision casts a net so wide it will muzzle political advocacy groups in our towns, our communities, in our States.

In short, it is bad language. The administration has already threatened to veto it, as the Chair knows. I think it is important to send a message to our constituents that we will not allow them to be silenced. We want Government out of people's lives, but we do not want to keep people out of Government.

With that, Mr. President, I would move to strike title III of the continuing resolution, and send an amendment to the desk, and ask for the yeas and nays after the motion.

I yield the floor.

The PRESIDING OFFICER. Is there a sufficient second?

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

The PRESIDING OFFICER. Is the Senator sending an amendment to the desk?

Mr. CAMPBELL. Yes.

The PRESIDING OFFICER. Then the clerk will report.

The legislative clerk read as follows:

The Senator from Colorado [Mr. CAMPBELL], for himself, Mr. KERREY, Mr. LEVIN, Mr. LIEBERMAN, Ms. MIKULSKI, and Mr. GLENN, proposes an amendment numbered 3045.

Strike Title III of the resolution.

The PRESIDING OFFICER. Did the Senator request the yeas and nays on this amendment?

Mr. CAMPBELL. I request the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. COHEN. Mr. President, the Istook amendment before the Senate today presents a difficult issue because the principles fueling both sides of the debate have some merit.

On the one hand, organizations that are subsidized by the Federal Government should not be allowed to lobby the Government or engage in unlimited grassroots political activism. When highly subsidized organizations are actively participating in political activities, the public perception is that taxpayer funds are being used for partisan purposes.

This perception if formed even if there are safeguards in place to prohibit the use of Federal funds for lobbying or political campaigning.

On the other hand, our political process would suffer if nonprofit groups were restrained from engaging in public debate. These organizations represent millions of Americans who do not have the time or ability to monitor day-to-day events in Congress or their State legislatures, but want their interests to be represented on issues ranging from environmental protection to the right to bear arms. To place severe restrictions on the ability of these organizations to analyze legislation, testify at public hearings, comment on pending regulations, and advocate their views in the political arena would not only deprive policymakers of valuable expertise, but would leave many Americans without an effective voice in the political process.

In my view, our Tax Code does a fairly good job of balancing these competing principles. Section 501(c)(3) of the Code allows taxpayers to deduct contributions to charitable organizations. Since virtually all the revenue of these 501(c)(3) organizations are federally subsidized through the Tax Code modest limitations are placed on the organizations' lobbying and grassroots activities. However, in recognition of the important role that charitable organizations play in our society, they are allowed to comment on regulations that affect them, join litigation that implicates their interests, and communicate with their members on political issues without limitation.

The Simpson-Craig amendment to the Treasury-Postal appropriations bill made an important modification to the Tax Code. The amendment applies to tax-exempt nonprofit corporations, which, under section 501(c)(4) of the Tax Code, are allowed to lobby without limitation. Under the amendment, 501(c)(4) organizations with annual revenues in excess of $10 million would no longer be permitted to both lobby without limitation and receive Federal grants. I support this change in the law because I do not believe that large organizations engaged in substantial lobbying activities should be eligible to receive taxpayer funds. If an organization wants to apply for Federal funding, it should be required to submit to the restrictions on lobbying activities contained in section 501(c)(3) of the Code.

The Istook amendment, however, would have a much more sweeping impact on nonprofit organizations. It would affect every organization that receives Federal grant money, as well as, organizations that believe they may wish to apply for grants in the future. In addition, the Istook amendment places limits on a broad category of activities that have never been regulated by the Federal Government before such as filing an amicus brief, writing a letter to the editor, or providing office space to an affiliate organization.

Most significant, the Istook amendment would impose a byzantine set of reporting requirements on nonprofit corporations. Each organization would be required to establish separate accounts to keep track of how much money it spends on lobbying and political advocacy, since the amendment imposes different monetary thresholds on each category of activity. They would also be required to determine whether any corporation or organization they do business with spends more than

percent of their funds on political advocacy, because, if so, any funds transferred to such an organization counts toward the grantee's advocacy threshold. Through this provision, the sponsors of the Istook amendment have imposed a new recordkeeping requirement on virtually every private corporation in the country.

The Istook amendment will cause many more problems than it would solve. If there are nonprofit organizations that are abusing their tax status or misusing Federal grantees, adjustments to the Tax Code such as the Simpson-Craig proposal may be necessary. But there is no reason to impose such a restrictive and burdensome new law on a sector of society that does much good work and plays an important role in our democracy.

Mrs. MURRAY. Mr. President, as an American and a Member of the Senate of the United States of America, I have certain responsibilities regarding what I say here on the floor.

But unlike thinking individuals in most other societies throughout human history, I—uniquely in my role as a U.S. Senator—can come to the Senate floor and speak my mind freely, and no one can stop me, or retaliate against me, so long as I follow the few rules of common courtesy.

If we adopt the Istook language, other American citizens, not lucky enough to be Members of this august body, are going to be told they can no longer speak freely before their Government. The Istook amendment to restrict advocacy, under consideration by the Senate will send this message loud and clear to every American citizen.

Well, almost every American citizen.

What the Istook amendment says is this: If you belong to a nonprofit group you will be restricted from lobbying Congress. If, however, you are a member of a Fortune 500 company or any other special interest constituency with money, you will have no restrictions.

If you as a senior citizen join a group to receive services designed for seniors like you, your Government has no problem with that, and might even give your group a grant to do their important work.

But if part of what your group does is relay to your Senator your wish to keep pharmaceutical prices down, your Government is no longer going to allow that to happen.

If, however, you work for a large pharmaceutical company, you can lobby Congress like there's no tomorrow for your company's needs.

I believe most Americans have a problem with this. Over half of the Members would argue with me, but I believe this Tuesday we heard at least the first rumblings among Americans about what their Government is about to do to them. I believe when America wakes up, Members of this Congress won't be able to shut out the free speech. We will hear from all of America loud and clear if this language becomes law.

Not since the days of McCarthyism has such an assault on the rights of free speech been considered. There are already protections in Federal law that restrict the use of Federal funds for lobbying activities. There are already stiff penalties for breaking the rules. There is no evidence that ladies from trailer parks in Middle America have been misusing Federal funds to buy Congress.

And if there was evidence of such a crime, then the knitting circle would be going up against the Internal Revenue Service of the United States of America. That's under current law. Surely, there are few deterrents stronger than the first-strike capabilities of our tax watchdogs.

I would like us all to remember: People mostly join nonprofits to help other people. I would like us all to remember: If the current budget cuts go through, people in this country are going to need a lot of help. And, I would like people to remember: If we do get information from a nonprofit group helping Americans at the grassroots, the information is coming from a place far closer to the needs of real people than the halls of Washington, DC.

Most of the nonprofits I hear from give me good information from people who cannot speak for themselves, and be heard 3,000 miles away. Yes, I get calls and visits from citizens in my State, but I also represent people without plane fare, telephones, and some who don't even have a roof over their head. And now we're going to tell them they can't even lobby Congress. That is not reform Mr. President, that is muzzling the citizens I represent, and I urge my colleagues to vote yes for the Campbell amendment.

Mr. KERREY addressed the Chair.

The PRESIDING OFFICER. The Senator from Nebraska.

Mr. KERREY. Mr. President, I earlier was presented substitute language by the distinguished Senator from Wyoming and the distinguished Senator from Idaho. I would be willing to accept the original language that was on the Treasury-Postal appropriations bill. This substitute language is not the same. Though it appears that it might be relatively close, it is simply not the same.

I continue to argue, for those who are wrestling with this issue and it can be a difficult issue, I believe a sufficient reason to vote to strike this should just be this does not belong on a continuing resolution. It does not belong on a continuing resolution. If I, as I indicated earlier, wanted to try to put all kinds of things on this continuing resolution, I could do so. As I said, I have interests in impact aid; I have interest in agriculture; I have interest in a variety of things that are unlikely to be addressed this year.

This amendment belongs on lobbying reform. But guess what, Mr. President? There is no vehicle in the House for lobbying reform, because they have not passed lobbying reform. They have not taken up that issue. We took up that issue. It is a very contentious issue, a very difficult issue. We passed lobbying reform that restricts lobbyists' access to Members of Congress. It passed this body. It was a long and healthy debate, but the House has not taken it up. So all their conversation about ''we are going to clean up the lobbying activity'' begs the question. If that is the case, where is your bill? The answer is, they do not have one.

So they are putting lobbying reform on a continuing resolution because they have not taken the issue up on the other side. I think it is very important for Members of this side, regardless of how you feel on this issue—you might support this language, you might feel this language is good language and ought to be enacted into law, but not on a continuing resolution, Mr. President, particularly in an environment where the House has not even taken up lobbying reform and this body has. That is where it belongs. It is highly inappropriate for it to be taken up here.

Next, the proponents of this amendment refer to grants given to 501(c)(3)'s as welfare for lobbyists. Let us be clear on this, the law says that lobbying activities are currently prohibited with the use of taxpayer-funded grants. That is the law. That is the current law. And if somebody has an instance where they think a 501(c)(3)—a church or veterans group, YMCA, the Red Cross—if they think they are in violation of the law, then they should bring a case against them. They should come and say, ''This organization is using taxpayer money in violation of the law.''

I say it for emphasis, citizens who say, ''You know, those House guys are right, we ought to change the law to make lobbying illegal with public funds,'' as I say, the law already prohibits that activity. That is not what this amendment does, propose changes in the law. It says that private money cannot be used. That is what it does. Let us be clear on that.

All conversations and statements that were made last night on the floor saying, ''We don't want to subsidize lobbyists,'' Mr. President, A, if you House Members are excited about lobbying reform, why do you not pass a bill? And, B, why do you not tell the American people that we cannot subsidize lobbyists, you cannot use tax dollars for lobbying activity?

If you have a church in mind, I say to the proponents on the House side, if there is a veterans group out there or somebody at your community level that you think is flying back here to Washington trying to influence legislation, for gosh sakes, find somebody to file a criminal charge against them, because it is illegal now.

The next thing I will say is it is odd this legislation is being proposed by people who are constantly talking

about decreasing regulation on the private sector. This increases regulation on the private sector. Again, once that is pointed out they say, ''Oh, we have written in exemptions.'' Now we have exempted veterans organizations. We have raised the threshold so it only affects a very small number. Mr. President, every 501(c)(3) would have to prove they are in compliance. Everyone would, and they would have to keep records for 5 years to prove that they are in compliance.

For Members who are wondering on the substance of the issue, if you can get over the threshold that this continuing resolution is an appropriate vehicle for lobbying reform, which I think is a pretty substantial hurdle to jump, if you can get over that hurdle and you say, ''Fine, let's do lobbying reform on a continuing resolution,'' then, first, be advised that use of public funds for lobbying is already prohibited under law and, second, be advised that this law is serious business.

You are going to hear from people out there in the community that are going to come to you a year from now, 2 years from now and say, ''Senator, did you have any idea of the paperwork I was going to have to fill out? Did you have any idea what you were doing?''

We get this all the time, whether it is leaking underground storage tanks or other regulations that we pass here that sound real good—clinical laboratory regulations—it all sounds terrific, but when the rubber meets the road out in the community, all of a sudden the citizens comes to us saying, ''I just spent 100 hours on this thing. I hope you are getting something beneficial out of it, because I am spending a lot of time.''

For a 501(c)(3) out soliciting funds and typically today struggling to get that money, I daresay that increased cost of doing business at the community level is a rather substantial burden, and we are going to hear about it. We are going to hear about it from citizens who are not going to like this change in the law.

Next, Mr. President, how many of us talk about public-private partnerships? How many of us, when we are talking about how to maximize and stretch and lengthen the use of our tax dollars, get up and say, ''The Government cannot do it all''? I cannot take tax dollars and have the Government doing it all. I have to develop partnerships, not just with State government, local governments, but I have to get the private sector engaged. What better vehicle, what better opportunity than a 501(c)(3)?

And, indeed, that is the case today. We are asking the Red Cross to do more with their money. We are asking them to help us with disaster programs. We are asking the YMCA and the YWCA and other 501(c)(3) organizations to get involved.

Mr. President, the real problem here is that some people do not like what these 501(c)(3)'s do. That is the problem.

I ask unanimous consent that a story that appeared in yesterday's Wall Street Journal be printed in the RECORD.

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

[From the Wall Street Journal, Nov. 8, 1995]

CONSUMER GROUPS ATTACK BILL CURBING POLITICAL ADVOCACY BY NONPROFIT GROUPS

(By David Rogers)

WASHINGTON.—A Republican initiative to limit political advocacy by nonprofit organizations is meeting strong resistance from consumer groups, which accuse business interests of using the bill to silence their critics on regulatory issues.

The measure, which passed the House this summer, has drawn an amalgam of conservative and industry supporters from the Christian Coalition to the National Beer Wholesalers Association. But yesterday, Mothers Against Drunk Driving accused the beer lobby of using the bill to weaken and harass its own efforts at the state level to tighten drinking laws.

The Beer Wholesalers group responded angrily that its involvement has had nothing to do with MADD but was provoked more by smaller, less-known advocacy groups that have received federal grants. But MADD officials said it and the beer wholesalers and their affiliates are frequent foes at the state level, where MADD has sought legislation to tighten blood-alcohol standards for judging when a driver is intoxicated.

''While MADD will be buried in an avalanche of red tape and paperwork, the beer industry will be free to lobby to their heart's content,'' said Katherine Prescott, MADD's national president. ''The voice of the special interest will be unimpeded, while the voices of the public interest will be silenced.''

Yesterday's attacks, in which MADD was joined by such groups as the American Lung Association, reflect a concerted effort to reframe the debate by focusing on special interests behind the GOP initiative. House Republicans, who last night attached their proposal to a stopgap spending bill that will be voted on today in the chamber, have championed the measure as ''anti-welfare'' for lobbyists; the groups yesterday cast the fight as one of public vs. private interests.

A variety of business organizations have been active in support of the initiative. The chief sponsors include Reps. David McIntosh (R., Ind.) and the Ernest Istook (R., Okla.), who have taken the lead on antiregulatory legislation favored by many of the same groups. The Beer Wholesalers, for example, have promoted House-passed legislative riders to block the Labor Department from developing new worker safety rules affecting the industry. And in general, the group has raised its profile this year in tandem with the rise of House Majority Whip Tom DeLay (R., Texas). He is a leader of the antiregulatory forces and chief proponent of the legislation now to curb advocacy by nonprofit organizations receiving federal grants.

David Rehr, the Beer Wholesalers' vice president of governmental affairs, assisted in Mr. Delay's race for the leadership, for example. But not all those involved in the fight have so welcomed the influence of business interests.

Sen. Alan Simpson (R., Wyo.) has been Rep. Istook's Senate counterpart in recent negotiations between the two chambers aimed toward striking some compromise on the issue. During one session, Mr. Simpson was apparently surprised to find outside, private interests in the room during the talks. ''I just told all of them to get the hell out,'' said Mr. Simpson yesterday.

In a statement yesterday, the Beer Wholesalers group said it shares with MADD ''a serious commitment to reduce drunk driving and end illegal underage drinking'' and had supported bills in Congress with that aim.

But at the state level, officials painted a more severe picture. New Mexico was a major battleground two years ago for legislation to curb drunken driving and tighten standards for the blood alcohol content of drivers. ''MADD has been four-square behind these efforts to toughen up the laws,'' said Kay Roybal, press secretary for the state's attorney general. ''The beer industry, and liquor industry more generally, have consistently opposed all of these efforts.''

Mr. KERREY. Mr. President, the headline on this says, ''Consumer Groups Attack Bill Curbing Political Advocacy by Nonprofit Groups.'' It points to a rather interesting confrontation with beer wholesalers and an organization called Mothers Against Drunk Driving. I know MADD well. I know this group called Mothers Against Drunk Driving. They are tough.

They come to the local level, the State level and they want these laws changed. They will bring a victim in, somebody who is disabled, someone who was injured permanently as a consequence of a drunk driver, and they will say to you, ''Senator, I understand you just attended a fundraiser with the beer wholesalers, liquor distributors,'' so forth, ''and they are telling you, ''Let the market take care of it.' I tell you, Senator, the market is not taking care of it.''

We have changed our liquor laws in the State of Nebraska as a consequence of Mothers Against Drunk Driving. They can be plenty irritating, let me tell you. They come with evidence and they come with a proposed change, and it is darn hard to say no to them. Sometimes it can have an impact upon your retail sales. It can change the behavior of people, as a consequence of the law being changed. But our streets are safer as a result, and our people are healthier as a consequence. It has produced a constructive change.

So let there be no mistake about it. One of the things motivating this proposed change in the law—particularly the feverish urgency that is attached, threatening to hold up the continuing resolution, threatening to hold up an appropriations bill, and anything that is out there. This was not in the Contract With America. If you want to do lobby reform, I say to the House, then pass it; pass lobbying reform. I quite agree that the people are sick and tired of watching lobbyists unnecessarily and unfairly influence the process around here. But if you want to change that, Mr. President, pass lobbying reform, pass campaign finance reform.

Senator MCCAIN, Senator THOMPSON, and Senator SIMPSON, I believe, have a piece of legislation to change campaign finance laws. Let us enact it and reduce the amount of money that can be spent in a campaign. Let us provide an opportunity for more people to come to

the U.S. Congress. Let us get after the special interests so that citizens can have confidence, in fact, that they will have some influence over this Government. One of the most alarming polls I have seen recently is a poll that showed that, by a 3-to-1 margin, people in the United States believe that special interests have more power than either the President or the Congress. So there is a need to change, to empower Americans so that they feel more a part of the process.

There is a need to change our lobbying laws and to change our campaign finance laws. We have to address those issues, Mr. President. This body has dealt with lobbying reform. This body is trying to develop a bipartisan movement to change our campaign finance laws. There is an urgency attached to it for the sake of representative democracy and people's confidence that they can have some influence over this. But not on a continuing resolution, Mr. President, and certainly not in this form.

This does not give citizens more power; it gives them less power. This does not tilt the balance of power in favor of the people, who are out there scratching around trying to organize these sorts of efforts. It tilts it away from them. I do not know why—frankly, I have been on 501(c)(3) boards, and I do not know why anybody, given the hurdles they have, are out there raising money all the time and holding raffles and auctions and trying to generate enthusiasm—it is darned hard work, and you sometimes scratch your head and wonder why citizens are willing to do it, and then you thank God they are. All of us have seen these organizations perform miracles and do wonderful things out there with families and young people in their communities.

For the life of me, I do not understand the vitriol attached to this legislation, to the point to saying we are willing to shut down the Government, which is what some have said—as if we do not care if Social Security checks are issued or if anything passes this body again. We do not care if it was in the contract. We want to make this change. We believe it is the most important change that can be made.

So, as I said, I was happy to accommodate the change that the distinguished Senator from Wyoming proposed on the Treasury-Postal appropriations bill. I said earlier, Mr. President—the Senator from Wyoming was not on the floor at the time. He asked that we give this proposed substitute of his some reasonable consideration. I do not know that I gave it reasonable consideration. I gave it consideration. I would be pleased to accept the precise language that the distinguished Senator from Wyoming had attached to the Treasury-Postal bill some 30 days or so ago when that appropriations bill was taken up. But I support the motion to strike made by the Senator from Colorado.

Mr. President, I yield the floor.

Mr. SIMPSON. Mr. President, I hear very clear what my friend from Nebraska is saying. I enjoy working with him. We proved up together on many issues, and we will again because the tough ones are still out there, like Social Security and Medicare, Medicaid, Federal retirement. We seem to be the only ones who are willing to leap into that cauldron. But it is because of my admiration for him in what he did on the entitlements commission—the bipartisan entitlements commission, chaired by the Senator from Nebraska and our fine friend, Jack Danforth of Missouri, that we know what we have to do. The American public, hopefully, will know, when we finish telling them, what they have to do on those issues. So that is separate and apart from this.

Let me be as brief as possible. That is quite a difficult task in itself. But there really is not a need for a lengthy debate and, yet, we must be aware of what we are doing here. I have been in the Senate a good long time, since 1978, to be exact. My role for 10 years was to learn how to count votes. If there were a motion to strike the language that came from the House, there is a question in my mind that that would carry. But in this situation, there is more to it than this.

We did some work here on this issue in the Senate. All of you were present. The Senator from Michigan was involved in that debate. Many others on both sides of the aisle also were. Questions arose: Who does this affect? Does it affect the Red Cross? Does it affect the Boy Scouts? Does it affect the Girl Scouts?

Let me share this with you, once again, until we have our eye on the rabbit. What I did was to affect only section 501(c)(4) corporations. There are a lot of them. Some of them spend nothing much, and some spend a ton because if you are a 501(c)(4)—this is all I was ever speaking of—you have the ability of unlimited lobbying. You can spend yourself to oblivion. You are able to lobby without monetary restriction.

Now, some 501(c)(4)'s love that role and perform it beautifully. Others simply have huge resources and revenues and seem to restrain themselves somewhat. But 501(c)(4) is a corporation under the tax laws that is ''nonprofit,'' if you will, in that sense, that can do unlimited lobbying. And so what we were saying was very simple: Any 501(c)(4) that receives money from the Federal Government in the form of a grant, or anything of that nature, will not be allowed to lobby; or if a 501(c)(4) loves to lobby, then they will not get Federal money. That was not directed at the AARP. I have had some interesting discussions with them, however, through months past. It was not directed at them. It was directed at any corporation, any 501(c)(4), whether it was the NRA, AARP, any other 501(c)(4) corporation in America that chooses that particular title.

The reason they choose that title is to do what they do best, in many ways, which is to lobby. It seemed incongruous that a corporation would then receive money from the Federal Government, which would help them then go lobby the Congress for more money for their members. That is exactly what some of them do. They lobby vigorously, and they will say, ''We do not keep that, we do not get that money; that goes to the citizens, to our members, to the good of society.'' But it also reduces the amount of money they have to dig out of their own coffers to do their work. So we were saying if you want to play in the big time, you want to be a 501(c)(4), and you get grant money from the Federal Government, you are not going to be able to lobby without restriction. Then that passed here by a vote of 59–37, a good, strong, bipartisan vote.

Then we went forward into the usual procedures of legislating. It went out in that fashion. As we began to try to compose our differences in the conference committee on Treasury and Postal—remember, this measure came up on the Treasury-Postal bill here when it went through the House on the Labor Committee, that appropriation—Labor, Health, Human Services.

So it ended up a little off center in the sense of jurisdiction. We agreed to try to resolve things there to make that limit, instead of $10 million, where it would apply to any organization, the original Simpson-Craig language, Senator LARRY CRAIG and I, these are the cosponsors of this measure. That was the ban on C–4's which was above $10 million. That passed the Senate by unanimous voice vote. I did not hear any objection to that. Treasury-Postal was a unanimous vote, including the $10 million threshold.

Now, we are ready to bring that down to a $3 million threshold and say that it does not apply to those under that figure. What occurred, then, with the Istook-McIntosh-Ehrlich proposal—it was a very sweeping measure; there is not any question about that. Senator CRAIG and I worked with them and said this is going to be very difficult, if not impossible, to pass in the Senate. They felt very, very strongly that they should proceed. They did.

In that proposal that the three fine House Members prepared, there was tremendous complexity. There was tremendous controversy. That was borne out again last night when the measure was discussed and debated in the House with regard to the continuing resolution. You can bet it was contentious.

There is an amendment that I will shortly propose at some appropriate time which would strike the lion's share of the language passed by the House known as the Istook amendment.

The language has been the subject of much, much controversy and excitement here in Washington these past few weeks—editorial commentary, opinion pages. It is something that the

House Members feel very strongly about. I cannot identify how passionately they feel about it. I hear that. That is why I have tried to work with them.

I find staff—and Chuck Blahaus, my legislative director, has invested innumerable hours of his day in this effort. Senator LARRY CRAIG and his fine staff person have done the same. We have been actively, all of us, involved in negotiations with the House sponsors of it.

I know that much of what has been said about it is simply not true. Now is not the time nor the place to debate the fine points of that amendment—the Istook-McIntosh-Ehrlich amendment. This amendment is too complex at this time, too cumbersome at this time, to subject to any lengthy debate here in the context of a continuing resolution. If it were any other place, it would be highly appropriate. In fact, there is a vehicle for it that is just built for it. That is lobbying reform, and lobbying reform will be up very shortly in the House of Representatives—I believe next week.

In the context of the continuing resolution, it is simply inappropriate and, more importantly, impossible to move the language that has been worked on so hard by my colleagues and friends in the House.

It is precisely because of that complexity that this language, known as that amendment, will not pass the Senate. That is reality. The votes are not there. It would be a bipartisan vote to eliminate that.

I have spoken to many of my colleagues in the House and in the Senate about the particulars of the language. I know their concerns. I know their hopes. I know their fears. I know their confusion about this language.

This is a very, very sweeping and comprehensive piece of legislation. I can understand every single reason for every bit of it because of the frustration and anguish of the political arena that gave rise to it in the House. That deserves a full airing so that the American people can understand what some 501(c)(3)'s really do with their money and how they get thoroughly involved in political activity. You can believe they do. We will deal with that. It will be a very important part of lobbying reform.

In the context of the continuing resolution, not 100 percent of it will come through, not 90 percent of it will come through, not 80 percent of it will come through. It is my intent to offer an amendment to strike out almost the entirety of it, leaving only a few components. The amendment would strike out all of the House language and leave simply the following:

It would leave the Craig-Simpson or Simpson-Craig ban for grant money for the largest 501(c)(4) lobbying organizations. This provision passed the Senate unanimously by voice vote. I would not think it would be controversial.

There would be a provision simply requiring that Federal grantees report their expenses on lobbying activity and that this report be publicly available. Simple, short, and I think uncontroversial.

Finally, a provision mandating that the current law, 501(h), limits on lobbying activities expenses apply to the Federal grantee organizations. Right now, under current law, the formula applies only to certain 501(c)(3) organizations. It would here apply to all of the grantee organizations, except that there would be no global cap of $1 million, even though current law has such a cap. And we will detail how that will be expanded. A cap is controversial so we would remove it as far as grantees would be affected.

That is it. That is it. That is the measure as it would be dealt with. If it were then to go back to the House, it would not go back into conference. There would be no further conference activity with this measure as it would leave the Senate. It would not come up on another bill. It would not come up on Treasury-Postal. It can come up later, but it would not come up under the Treasury-Postal bill, which is the other pending material floating in these last hours and days before we reach our statutory limit.

So I simply believe we regretfully have to strike all of the provisions of this legislation which are controversial in the eyes of the Senate. I could detail them all, but I think all of us know what they are. Some have been magnificently distorted by groups that have learned to love Federal largess as they do their lobbying work.

Those things will be debated at length here in private and in public. We will not settle those issues today. The Senate will not come to agreement on what kinds of reforms to make in this area today. They will not be settled in the context of the CR. This is reality. It is not the invention of Senator Simpson. It is not the invention of Senator LARRY CRAIG.

I hope my colleagues will look at the text of our amendment closely and will give their full support. There are no tricks, nothing up the sleeve as to getting it before you. It is extended as an effort to try to resolve a very vexatious issue and try to recognize clearly the fine work of three able Congresspersons in the U.S. House of Representatives.

AMENDMENT NO. 3046

Mr. SIMPSON. I send to the desk an amendment.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Wyoming [Mr. Simpson] proposes an amendment numbered 3046 to amendment No. 3045.

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

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

(The text of the amendment is printed in today's RECORD under ''Amendments Submitted.'')

AMENDMENT NO. 3047 TO AMENDMENT NO. 3046

(Purpose: Perfecting)

Mr. CRAIG. Mr. President, I send an amendment in the second degree to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Idaho [Mr. CRAIG] proposes an amendment numbered 3047 to amendment No. 3046.

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

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

The amendment is as follows:

At the end of the amendment add the following:

(e) Nothing in this title shall be construed to affect the application of the internal laws of the United States.

The PRESIDING OFFICER. The Senator from Wyoming.

AMENDMENT NO. 3048 TO AMENDMENT NO. 3045

(Purpose: Perfecting)

Mr. SIMPSON. Mr. President, I submit an additional amendment to the desk and ask it be read.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Wyoming [Mr. SIMPSON] proposes an amendment numbered 3048 to language proposed to be stricken by amendment No. 3045.

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

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

(The text of the amendment is printed in today's RECORD under ''Amendments Submitted.'')

Mr. CRAIG addressed the Chair.

The PRESIDING OFFICER. The Senator from Idaho.

AMENDMENT NO. 3049 TO AMENDMENT NO. 3048

(Purpose: Second-degree perfecting)

Mr. CRAIG. I send an additional amendment to the Simpson amendment to the desk.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Idaho [Mr. CRAIG] proposes an amendment numbered 3049 to amendment No. 3048.

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

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

The amendment is as follows:

In the pending amendment:

Page 2, lines 1–2, strike all between ''Code'' and '', unless'', and insert: ''of 1986, except that, if exempt purpose expenditures are over $17,000,000 then the organization shall also be subject to a limitation on lobbying of 1 percent of the excess of the exempt purpose expenditures over $17,000,000''.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from Michigan.

Mr. LEVIN. Mr. President, I listened to the Senator from Wyoming very

carefully about all the reasons why the so-called Istook amendment should not be before us on the continuing resolution. The problem is, it is before us on the continuing resolution and it is a big problem. We ought to dispose of this amendment by striking it. I very much support the amendment of Senator CAMPBELL.

The Istook language is the most intrusive intervention of Government into the free speech rights of private organizations that I have ever seen in my 17 years in the U.S. Senate.

We have talked a lot recently about trying to reduce the Federal Government intervention in the lives of private people and private organizations. This amendment, this Istook language, represents a massive intervention into rights, under the first amendment, of private organizations to use private money—I emphasize private money, not Government money—for political expression.

It has been characterized as being aimed at welfare for lobbying. It has nothing to do with lobbying reform. I know about lobby reform. I was a sponsor, along with a number of others in this body, of lobbying reform legislation. The Istook language is not anything to do with lobbying reform. It has everything to do with placing restrictions on rights of citizens of this country to use their own funds to express their own political views, not just to this Congress and not just to the Federal Government, but to the State and local governments as well.

This is an unprecedented intrusion, for reasons I will get into in a moment. What the Istook language does is place a limit on what percentage of funds can be used by a private entity, if that entity is either the recipient of a Federal grant or, indeed, may be a recipient in the future of a Federal grant—because there is a throwback of 5 years. Anybody applying for a Federal grant cannot have used more than a fixed percentage of its own private funds for political advocacy in the previous 5 years.

So, even though you do not have a Federal grant, if you think maybe in the next 5 years you might want to apply for a Federal grant, you have to watch how much of your own privately raised funds are going to express your own political opinion during that 5-year period.

Then there is this percentage cap that is placed on grantees. Mind you, it is not placed on people who are seeking to sell the Government B–2 bombers. They can spend all of their own funds, otherwise raised, on lobbying, that they want. The restriction here is on nonprofits.

So, if the Cancer Society or the Alzheimer's Society or the Mothers Against Drunk Driving or any of the other nonprofits apply for a grant or are the recipients of a grant, they are restricted even though they are not using grant funds for lobbying. They cannot come to the Congress and lobby us for legislation to try to reduce the number of drunk drivers on the road or the purity of our drug supply, or of our blood supply. They cannot come and do that, even with their own funds.

But there is no restriction on contractors receiving public funds. If you want to come and sell B–2 bombers to the U.S. Government there is no restriction on you. But if you were providing a service to the U.S. Government such as getting a grant to deliver lunches to seniors or getting a grant in order to provide a reduction in the number of drunk drivers that we face out on the road, or a whole host of other things that we obtained through our grants—then the restrictions apply to you. That is a distinction which does not make any sense to begin with.

And it goes way beyond that. Because, not only are you restricted in the percentage of your expenditures that you can spend on political advocacy, not only does this go back 5 years before you ever got a grant, but what is also counted in this is if you purchase something from another entity which spends more than 15 percent of its funds on political advocacy. Let us just think through the massive intrusion in that one. You have the American Cancer Society. It obviously cares about health care reform. It cares about research dollars for cancer. But it is told it cannot use its non-Federal funds beyond a certain limit for that. And what counts against that limit is not only the funds that it spends on advocacy, what counts against that limit is the money in excess of 15 percent that any people it purchases anything from spend on political advocacy.

Now the American Cancer Society wants to buy a new computer. They are thinking maybe they will buy an IBM computer, let us say. They have to check with that vendor under this language to find out if that vendor, IBM, has spent in the preceding year more than 15 percent of its expenditures on political advocacy. Nobody can comply with this kind of monstrous paperwork requirement. And nobody in their right mind can ever apply for a Federal grant under this requirement because they have to certify to the U.S. Government that not only have they not in the last 5 years spent more than 5 percent, but they would have to check what moneys were spent by everybody it bought anything from in the last year to make sure that its suppliers—people that it bought its hardware from, its office supplies from, and its electricity from, I assume too—to make sure that they did not go over the 15-percent level.

I cannot think of anything this intrusive which has been seriously proposed to this Congress during the 17 years that I have been here. I have gone back. I have looked to see if anything comes close to do this, and it does not.

Why do I refer to the 15-percent rule? Because under the definition of political advocacy, it says that ''political advocacy includes disbursing any monetary support to any organization whose expenditures for political advocacy for the previous Federal fiscal year exceeded 15 percent of its total expenditures.'' That is what it says. If you spend money, and provide money to any organization that is for the purchase of supplies, you have to check out that organization's contributions to political advocacy.

The person or the entity that has a Federal grant—or that is applying for a Federal grant—not only has to certify that these limits have not been exceeded, but it has to do so by clear and convincing evidence. Preponderance of the evidence here is not enough, folks. This is clear and convincing evidence. That is subsection 301(b)(1)(c)—clear and convincing evidence. That is the certification. And any taxpayer can take you to court, too, not just the Government, under this legislation as proposed. Under the Istook language, any taxpayer can stand to take any grantee to court who has made such a certification.

That is the kind of extreme measure that is before us in this language.

Does it have any place in the continuing resolution? No. It does not. Does it have any place in any other legislation? No. It does not. It does not have any place in a country which relishes its first amendment and its free speech right. It does not have any place in a democracy.

We should not place this kind of restriction on people who are using their own funds to lobby their own Government. I want to emphasize this point. We have a law already which prohibits the use of Federal grant funds to lobby, and we should. We should not be using taxpayers' funds to lobby. People though should not be limited in the way they are in this language as to how they are going to use their own privately raised funds in terms of their own political expression.

We have received a lot of letters, as I am sure everybody else has, on this issue. I would like to read some excerpts from just a few of these letters.

The first one is dated November 2, and goes to Speaker GINGRICH and Majority Leader DOLE. This letter comes from the Adventists, from the American Jewish Conference, from the Church World Service, from Catholic Charities, from the National Council of Churches of Christ in the United States, National Council of Jewish Women, the Archdiocese of Philadelphia, the Council of Jewish Federations, the Lutheran World Relief Network, the Presbyterian Church, and World Vision. This is what they say about the Istook language:

> We strongly believe that advocacy on behalf of justice and the common good are an important part of our calling in the world, and an important part of this Nation's democratic tradition. Do not allow this Congress to establish a dangerous precedent by restricting both our imperative to service and our Nation's traditional respect for a variety of viewpoints. Do not allow Congress to tie our hands or stifle our voices.

The American Baptist Churches wrote the following:

By expanding the Federal funds restriction to include private funds and broadening the definition of advocacy, the Istook amendment would severely limit the extent to which nonprofits can speak on public policy issues. The amendment would require the Federal Government to monitor political activity and would threaten the freedom of expression protected by the first amendment.

So, Mr. President, I hope that we are going to strike the Istook language. Again, it has no place on this continuing resolution. It is inappropriate on this continuing resolution. I believe it should not be passed on any vehicle, and should not be passed standing on its own because it represents such a massive intrusion on the rights of citizens of this country using their own privately raised funds to express themselves.

Last year, a question was raised on the lobby reform bill which was a lobby reform bill. It had to do with paid professional lobbyists, and making certain that those who are professional lobbyists register and disclose how much money they are being paid by whom to lobby Congress and the executive branch. There was language in that bill which some argued might have a chilling effect on grassroots lobbying. That language was stricken, although many of us felt it did not have that effect at all. Nonetheless, it was stricken from the bill which we have recently passed. That language pales by comparison to this language. On a scale of 1 to 100, in terms of the chilling effect on first amendment rights and political advocacy, that language was a 1. This language is 100.

I doubt very much that this language could possibly pass constitutional muster, if it were tested in a court, because of its restrictions on the rights of private entities relative to the use of their own funds. But whether it ever got that far is what we are going to decide today. In the first instance, what we are going to do is decide whether or not we want this restriction, this kind of a massive intrusion on the rights, this kind of a monstrous bureaucratic paperwork requirement, or whether we want this to go any further. That is our job. This should never get to a court because this should never get past the Senate of the United States which has shown on a bipartisan basis over the years tremendous respect for the first amendment to the Constitution.

This is not a partisan issue. The amendment that has been offered by the Senator from Colorado is a bipartisan amendment to strike this language. There is going to be strong support to strike the Istook language on both sides of this aisle. And what that reflects is the historic reality of this Senate, that this Senate is, has been, and I hope always will be a strong bastion in the defense of the rights of free speech and political expression.

Mr. President, I hope we adopt the Campbell amendment, and I yield the floor.

Mr. SIMPSON addressed the Chair.

The PRESIDING OFFICER (Mr. THOMPSON). The Senator from Wyoming.

Mr. SIMPSON. I hope that everyone hears that. That was magnificent work by my friend from Michigan, and he is addressing the language that I am striking. Everything the Senator from Michigan has said is what I have taken out. He has debated the Istook amendment, and we have stripped that. This is startling to me, because there is not anyone more adroit in this body than my old friend from Michigan, who came here when I did. Every single bit of the debate in these last minutes by the Senator from Michigan has addressed the Istook-McIntosh-Ehrlich amendment, and I and Senator CRAIG have struck it.

Mr. LEVIN. I wonder if my friend from Wyoming will yield for a question.

Mr. SIMPSON. Indeed.

Mr. LEVIN. Has the language yet been stricken?

Mr. SIMPSON. There is a motion to strike. The motion to strike is amended by the series of amendments to fill the tree, as the Senator knows, of the Senator from Idaho and myself, to strike completely the Istook amendment and leave only behind something that passed here unanimously by voice vote, passed the Senate unanimously. It was called a restriction on 501(c)(4), and it had to do with a 501(c)(4) receiving Federal grants. And if they received Federal grants, they could not do unlimited lobbying. That passed here unanimously.

Mr. LEVIN. Will my dear friend from Wyoming answer another question?

I gather the answer to the first question is that the language is still in the bill before us and has not yet been stricken, but that under both the Campbell amendment and under the Simpson amendment the Istook language would be stricken?

Mr. SIMPSON. Under the Simpson amendment, which would come to the attention of the Senate first, the Istook language would be stricken, if it passes the Senate.

Mr. LEVIN. I wonder if my friend will yield for another question.

Does the language being offered by the Senator from Wyoming go beyond the language previously adopted by the Senate or is it precisely the same as the previous language?

Mr. SIMPSON. It has this additional matter. It retains fully the Simpson-Craig, or Craig-Simpson ban on grants to large 501(c)(4)'s. The definitions section has no expansion whatsoever, but it defines lobbying activities as passed by the Senate, in the lobbying reform bill of which the Senator from Michigan was very instrumental, and, of course, adds the definition of ''grant'' in that section. And then there is a reporting requirement.

These are the only things added, so I want the Senator from Michigan to know—a bare-bones reporting requirement, which is that grantees must simply say whether they spent less than $25,000 on lobbying activities or estimate the amount if they spent more, and finally it also applies the 501(h) formula for lobbying to Federal grantees, not just 501(c)(3)'s, and that is it.

It also says that if you will—I know the Senator from Michigan well. We want to remember that these groups, some of them, are huge. One of them is a $5.5 billion operation. They filed their returns, and they are not public. And we are saying that those returns will be public—501(c)(4)'s only. That is what this amendment does. That is all that it does.

Mr. LEVIN. If my friend again will yield, and I thank him for the answer, these are significant differences between what the Senator is offering today and what the Senate has previously considered and for no other reason than the language being offered today by my good friend from Wyoming covers all Federal grantees whereas the previous language did not.

Without getting into the complexities or the details of it —and this is a 17-page amendment that the Senator has filed—I do not think that the continuing resolution is a place for the Senate to be moving into significant new ground relative to a very important area, which is the free speech, first amendment rights of organizations. This comes as additional new matter, different from what has previously been adopted by the Senate in the ways that my friend from Wyoming has just described, but those are significant differences because this would apply to all Federal grantees, this language, whereas the language previously adopted by the Senate did not.

So I do not think this is the place to be debating and considering and deliberating on an amendment which has this kind of major differences from previously adopted language.

I thank my friend.

Mr. SIMPSON. Mr. President, it is very important to hear this. Most of the 17 pages of definitions the Senator speaks of are the Senator's creation. These are definitions taken from Senator LEVIN's lobbying reform bill and maybe two or three paragraphs of the substance—nothing dramatic.

We are not talking about the first amendment, I submit to my friend. We are not talking about the chilling effect. We are talking about responsibility, and what is the responsibility of the Federal Government in handing out grants to groups that then use the money to lobby the Federal Government for more money—using Federal money for that purpose, and that we ought not to have public moneys administered by political organizations in some cases, and that is exactly what this is about. It is not about the first amendment.

Mr. LEVIN. Will the Senator yield on that?

Is the Senator suggesting that these organizations have used Federal grant

money to lobby the Federal Government despite the fact that the law prohibits the use of Federal grant money for that purpose?

Mr. SIMPSON. If I might direct my comments through the Chair, I say to the Senator, it must be evident to many that these groups get Federal money, and then they lobby us for more Federal money, for Medicare, Medicaid—you name it—Social Security. That is what they do. And as 501(c)(4)'s, they have unlimited ability to lobby and unlimited amounts of money to spend in that process.

Mr. LEVIN. If the Senator will yield, is he suggesting that those organizations are using Federal grant money for that purpose in violation of existing law which prohibits the use of Federal grant money?

Mr. SIMPSON. Under current law, the groups can count Federal money toward allowed expenses for lobbying.

Mr. LEVIN. My question to my good friend is, is the Senator from Wyoming suggesting that Federal grant money, which is given to an organization, for instance, to provide a cleaner blood supply or to provide lunches in a neighborhood or whatever the grant is for, is my friend from Wyoming suggesting that that Federal grant money is being used for lobbying purposes despite the current law that prohibits Federal grant money from being used in that way?

Mr. SIMPSON. I would say to my friend from Michigan, a 501(c)(3)—and that is what most of these are, that do good works out in the land—can spend more on lobbying if they get grant money. So we are not talking about those that serve the commonweal. We are talking about groups that come in before us in our offices and say we want to see more money for this program or that program or that program or that program. If they get Federal money, it frees up, it frees up—it is fungible, and they can go out and use more to do their lobbying after they offset that. Some have said, ''Well, if you take away the Federal money, we'll be able to do less for people.''

Mr. LEVIN. My final question, if my friend would yield for an additional question, is, one of the key changes that is being proposed here that has not been adopted by the Senate, as I understand it, is that for the first time restrictions would be applied to any organization—or these additional restrictions would be applied to Federal grantees who are receiving, in the aggregate, grants of more than $125,000. That is an additional group that would be covered here that was not previously covered. Is that correct? That is the section 301(a) on page 1. That is new language?

Mr. SIMPSON. That is the language that has to be identified from your previous legislation and the language of the two or three paragraphs of substantive legislation. Under that section we are applying to Federal grantees what is currently applied to 501(c)(3).

Mr. LEVIN. That is new language, not previously in the Senator's——

Mr. SIMPSON. That is described in that way, yes. As I say, we are going to apply to all Federal grantees what is currently applied to 501(c)(3).

I would now yield to my friend from Idaho, who has been absolutely superb in assistance with this matter, and I commend him greatly.

Mr. CRAIG addressed the Chair.

The PRESIDING OFFICER. The Senator from Idaho.

Mr. CRAIG. Mr. President, I hope that our colleagues here in the Senate are listening to the debate and the colloquies that are going on at this moment on this very, very important issue. For if one is to assume that after we deal with the amendments offered by my colleague from Wyoming and my second-degree amendment and a third or a fourth, or filling up the tree, we are debating the whole McIntosh issue, that would be an inaccurate assumption.

We are returning to the language that the Senate has already voted on unanimously. And, as the Senator from Michigan has appropriately pointed out, there are some slight adjustments in it. But those slight adjustments are something that are not first amendment issues, not in any sense of the word. When it comes to spending Federal dollars, that is not a first amendment issue, never has been, most assuredly never will be.

Thomas Jefferson made that very clear to us in many of his writings when he said that, ''No man should be lobbied with his own tax dollar.'' What we are saying here is very clear. We are simply taking the Internal Revenue Code rules, the lobbying of nonprofit charitables, the 501(c)(3) groups, and make that formula a little more generous and apply it to all organizations that do both lobbying and receive grants.

The Senator from Michigan is absolutely right, the threshold is $125,000. But then what we say is there is a formula of a sliding scale that is simple and very easy to understand until you arrive at a certain level, and beyond that you can take that first million that you can lobby with, and if you are above the $17 million, then you apply 1 percent, and if you stay within those categories, you report.

I believe the taxpayers of this country have a right to know how their money is being spent. And it is not, nor was it ever, the intent of the Senator from Wyoming or the Senator from Idaho, who joined with him in the original Simpson-Craig amendments on the floor that all of us unanimously supported, that we would stifle anybody's right to speak or to express their concern.

But we also said something very clearly. What are you going to be? Are you going to be a lobbying organization or are you going to be an organization that takes grants and applies them for the meaningful purpose for which they are given? You cannot be dominantly both, nor should you be under the law, because you are given a very special tax-exempt status to do certain things.

If you are taking grants, for whatever purpose they are allowed, you are given that opportunity. But if you have decided to lobby with it to generate more money, to do exactly what the Senator from Michigan knows can be done—and the term is called fungibility—then you can get increasingly larger and larger and larger to lobby a specific point of view.

I will not suggest that our colleagues in the House went too far in one form or another. But I will agree that some of those organizations that the Senator from Michigan mentions—or I might agree—ought not to play by these rules—they clearly are the charitables of our country that have served this country and its interested parties well—ought not have these kinds of restrictions. That is what this Senate recognized. That is why we have come back to change the language in this continuing resolution to deal with it as we had originally attempted to deal with it here in the Senate, because I think all of us recognize that it is time that we do a course correction, and that is, frankly, all that these amendments are, is a course correction from those very large multihundred million dollar organizations that have become very powerful in their skillful use of Federal grant dollars for their specific and very directed interests.

All we are saying to them is that there is going to be a criteria from now on, and we are going to apply the 501(c)(3) formula with a greater generosity to the 501(c)(4)'s. They have been misled, I think, stampeded by Washington special interests into suggesting that we are doing something tragic, different.

You have to remember, those who are lobbying against this have a special interest. Their special interest is access through the grant process to the Federal Treasury. And we are saying to them, ''You can still have access because many of you do very worthwhile things. But what you cannot have is a free and open rein to lobby unless you meet certain criteria.'' We think that is important.

Why should we use tax dollars to lobby to get more tax dollars to lobby to get more tax dollars to get larger and larger and more powerful and powerful for political purposes, in some instances, instead of to meet the needs of the grants as we originally saw them? And as the activities of Government suggested, these agencies in a quasi-private manner could better administer them. That is what we wanted. And that is what has been our intent all along.

But what the Congress has failed to do over the last decade is take a serious look at how some organizations have recognized the unique ability to

misuse the IRS Code for their particular advantage. And, frankly, we think that is just wrong. We want to adhere to the simple approach to deal with the larger organizations that we felt it was necessary to deal with.

Those who do not lobby do not have a problem. Their first amendment rights in the use of their own dollars are not questioned. Those who do lobby and take $125,000 or more of grant dollars have to adhere to a reporting process and a percentage of limitation. And they can choose to do that. Many organizations already have because they did not want to violate the rules or they did not want to misuse the congressional intent of that particular area of the IRS Code.

That is why the legislation was before us. That is why Senator SIMPSON and I have come back to amend the language in this CR because we understand what the Senator said. We can count votes. And we thought it was important that we deal at least with this segment of the code and the particular organizations that identify with that segment of the code.

I think most groups——

Mr. CHAFEE. I wonder if the Senator would yield for a question?

Mr. CRAIG. I will be happy to.

Mr. CHAFEE. Mr. President, my question is this: Apparently there seems to be agreement—I certainly concur in that—that the language that came over from the House is not acceptable. Now, it seems to me we ought to leave well enough alone, take it out, strike it. It has to go back to the House, and then we go on with our business when it comes back from the House. Hopefully, it would be without that language. And then we could proceed with the passage of the continuing resolution.

What the distinguished Senator from Idaho and the distinguished Senator from Wyoming are proposing is that in lieu of the language that was objectionable in the House, that we insert other language. Now, it is my understanding, having listened to the debate, that this language is not exactly the same as the so-called Simpson language that was adopted unanimously by voice vote.

There are variations to it. What they are, I am not sure. But my question to the Senator from Idaho is as follows: Why are we doing this? Why get involved at this point, when we are trying to pass a continuing resolution, with an extraneous bill that the Senators indicate is extremely popular and, if so, it ought to be able to pass on its own.

Why bog down this legislation with that and tie us up in something as we are, as I understand it, near unanimity that we do not want the language that came out from the House?

So let us strike it and go on with a clean CR. Frankly, I am in favor of a clean continuing resolution. All of us can think of nice things that ought to be added on it. Why, we can do something about Social Security for the senior citizens being able to earn more money——

Mr. CRAIG. May I respond to the Senator's question? I reclaim my time for the purpose of responding to the question. The Senator makes a good point, and I am not going to try to dispute him on his logic. He and I may disagree on clean CR's and the use of vehicles like CR's to move legislation, but the fact is, the House did act, and they acted by putting in the McIntosh-Istook language.

If we strike it, will they agree to that? I do not know. What I do believe they might agree to is the fact that we have changed their language to conform to the language that the Senate voted on by a unanimous vote with some very slight changes that we have already expressed to the Senators that are not changes in the intent. They clearly are clarifying provisions, the kind Senator CHAFEE and others spoke of with some concern in the earlier legislation.

I think we stand a greater chance of moving the CR and the House accepting it as we send it back to them with the amendments provided by the Senator from Wyoming and myself to clarify this issue, for we at least address it. The House has addressed it. They spoke to it last night, and I am not at all convinced that if we send back a clean CR with this stricken from it that we can deal with it in that manner. That is why we came with this approach. We think it is important, and it does conform with the Senate's wishes earlier expressed.

Mr. CHAFEE. Mr. President, my own view——

Mr. CRAIG. Mr. President, I hold the time, thank you very much. I will simply yield the floor at this point. I made my points. I know the Senator wishes to speak. At the moment, I yield the floor.

Mr. CHAFEE addressed the Chair.

The PRESIDING OFFICER. The Senator from Rhode Island.

Mr. CHAFEE. Mr. President, my own view on this is, if after long, continuous debate—and I do not know when it will be we finally get to vote, whether the Simpson language is included or not, I do not know—but my own belief is, if it is included and goes back over there, it will be a slice of salami. Then they will come back with some variations to it, and back and forth we go with the House in deciding just how far we want to go.

They have staked out a big measure. Instead of us saying ''No, we don't want any part of it, we will take that up at another time,'' it is very popular here, we can do our version any time we want, we will do that within the next several weeks, we send this back with the variations, as the distinguished Senator from Idaho and the distinguished Senator from Wyoming have proposed, then back it comes with a small alteration, and on and on it goes. I think it is a mistake, Mr. President.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from Wyoming.

Mr. SIMPSON. Mr. President, let us be very clear here, that will not happen. The House leadership told us, and I hold it not in any sense a directive or anything else, but the House leadership has told us whatever comes out of here in the form of the Craig-Simpson amendment will be acceptable to the House. There will be no slicing of salami. There will be no slicing of anything.

In addition, that measure will not come up on Treasury-Postal. That is a critical thing. We cannot continue to delay the program because certain people have certain things they want. But there are certain things that are critical, not in the eyes of three Members of the House, but by the entire House, or at least a majority of the House. So that is why we have altered—altered?—we have slashed the measure to shreds and leave now the basic element of what we did in the Senate unanimously and the issue of the 501(h), which is a minimal, tremendously minimal requirement.

This is not going to go back into the grinder. It is not going to come forward. But if you are looking for clarity and simplicity and speed, I can tell you, it will not come with a motion to strike, because the motion to strike will create a most horrendous reaction in the House which, again, is destructive of the process.

So we are trying to get a crumb when we cannot get a loaf, and all of us who legislate know that. This is not any dramatic thing. The principal substance of it passed here on a voice vote, so it cannot be that bad.

Mr. LEVIN. Will the Senator yield on that point, on that issue for a question?

Mr. SIMPSON. Yes.

Mr. LEVIN. Both the Senator from Wyoming and the Senator from Idaho said there is a slight difference. There are significant differences. To put the question in the form of a question: Can the Senator from Wyoming tell us what percentage of current Federal grantees, approximately, would be covered by the new language where there is at least three significant changes from the old Simpson language? What percentage of Federal grantees would be covered by the new language in certification requirements and reporting requirements that were not covered by the original Simpson language?

For instance, would this double the number of grantees that are covered by certification and paperwork requirements? Would it triple it? Quadruple it? What are called slight differences here I think, indeed, are major differences. Can the Senator give us approximately what multiple of Federal grantees would be brought into this net for the first time?

Mr. SIMPSON. Mr. President, I am presented with figures, and remember,

too, that not a single 501(c)(3) is, by our figures, spending more than $1 million on lobbying. Not one. Not one single 501(c)(3) is spending, according to our records, more than $1 million on lobbying, and that is most of the grantees. So I think——

Mr. KERREY. Will the Senator yield for a follow-on to that?

Mr. LEVIN. I wonder if we can get the answer to that question, because I included reporting requirements, paperwork requirements. If the Senator can tell us what percentage, what multiple of Federal grantees would be covered by the paperwork and certification and reporting requirements that were covered under the original Simpson language, is it twice as many, three times as many? About what percentage more?

Mr. SIMPSON. Mr. President, I have no ability to discern that. The paperwork requirement, however, if we can get this in perspective, is about less than an I–9 form that you would furnish with Immigration. It requires ID, name and amount spent on lobbying.

So it is not something they are going to have to hire a battalion of accountants to do or management officials. It is name, amount spent.

I can only tell you, I hope some of you will begin to look at some of the forms that the nonprofits file. Some of them are huge. Often the bigger the nonprofit in the (c)(4) area, the more they are done in handwriting. They are not typed, because if you do it in handwriting, it makes you look like one of the little guys. So you do it in handwriting, and you can almost miss the commas.

I cite on that one, on the 501(c)(4), the AARP. Their huge report, where they report $314 million in the bank in T-bills, where they get $106 million a year from Prudential life insurance, getting 3 percent of every premium, where they have $26 million in yield on their investments, where they get money from New York Life, Scudder-Stevens, RV Insurance, and all the rest, and get $86 million from the Federal Government. I think any group that can do that and can lease their downtown headquarters for $17 million a year on a 20-year lease, while they are raising bucks from the little people for $8 a pop, do not need Federal funding to do unlimited lobbying.

These are the (c)(4)'s. That is who I was after when I started. And their report is done by, I think, ''Edna the Enforcer,'' down in some basement in California. It is written in commas—you cannot tell. You are not to disclose that to anyone. I had to search out that form. And this is a nonprofit organization. I had to search that out. When I received it—and I kept my promise—they said, ''We do not want anyone to have access to this, or the public, to see this report.'' Got that? This does say that, from then on, this will be presented to the public. That is a change in this procedure, in the reporting requirement. They do not have to talk about where they spent it or who gave it to them—just a total amount spent; the total amount expended, which they are already entrusted, I think, to keep track of. We are not giving them a new item to keep track of. We are using current law definitions for lobbying expenses. I hope that might answer the question. At least that is the intent.

Mr. LEVIN. If the Senator will yield, under what law are all Federal grantees required to keep track of all their expenditures so they can determine how much spending on lobbying there is. This covers all grantees. You are not limiting this the way it was before. I wonder whether the law requires all grantees to keep track, as the Senator just said, of how much money they are spending and what percentage of dollars is spent on lobbying, of their own funds. We are talking about their own funds.

Mr. SIMPSON. Currently, I simply say, Mr. President, all grantees do not, and we think they should.

Mr. LEVIN. There is a new requirement?

Mr. SIMPSON. I explained that fully when we started, that there would be a reporting requirement. I said that when I began the debate.

Mr. CRAIG. Will the Senator from Wyoming yield?

Mr. SIMPSON. I yield to my friend from Idaho.

Mr. CRAIG. Mr. President, I appreciate the Senator for yielding. I would like to address the question the Senator from Michigan just spoke to.

All organizations keep books. All organizations have to report to the IRS. We are not asking that they do anything differently. We say that if you meet certain criteria, you have to make a certain amount of decisions.

Mr. President, $39 billion worth of tax money goes out in grants every year. You mean you are saying that you do not want the taxpayers of this country to have a right to have accountability for that money? Absolutely, we do. And we do. The 501(c)(3)'s are accountable, and they report. That is a very large chunk of the money. So, right now, the Senator from Michigan and the Senator from Idaho are saying that it is OK under the law, under the IRS Code, for 98 percent of everybody to play by the rules and file the forms. That is what we are saying, is that not?

Now we are talking about a window which several billion dollars slides through, in which there is no accountability. Why should those who do not account today not be under the same rules as the 98 percent who do? You and I both understand that giving the privilege of tax exempt in this society is a very large Federal subsidy. That is a unique privilege. All we are saying is, to retain that privilege, to do the special things that you should be wanting to do under your organization, we are saying that these are the requirements, which are very limited, and 98 percent play by those rules; why not the other 2 percent?

Mr. KERREY. Parliamentary inquiry. Did the Senator from Wyoming yield for a question?

Mr. SIMPSON. I yielded to the Senator for a question.

Mr. CRAIG. I yield back to the Senator from Wyoming.

Mr. SIMPSON. I yielded the floor to my friend from Idaho. I am glad to yield for a question and have a spirited debate.

Let me, if I can, read the language as to what is required. It is very short. Here is what we are requiring of people who get money from the Federal Government. We call them ''taxpayer-subsidized grantees.'' It may not be a term of art, but that is what we call them. They get money from the Federal Government. They use the money to go out and do things with it—lots of times, trying to get more money from the Federal Government for things they strongly believe in. Here is what we would require of them. It is on page 16 of this amendment. We require—

> . . . a statement that the taxpayer-subsidized grantee spent less than $25,000 on lobbying activity in the grantee's most recent taxable year, or the amount or value of the taxpayer-subsidized grant, including all administrative and overhead costs awarded, a good faith estimate of the grantee's actual expenses on lobbying activities in the most recent taxable year, and a good-faith estimate of the grantee's allowed expenses on lobbying activities under section 301 of this act.

That is all the reporting there is.

Mr. LEVIN. I wonder if my friend will yield for a question?

Mr. SIMPSON. Yes, indeed.

Mr. LEVIN. The Office of Management and Budget wrote the following:

> We have looked for any evidence regarding violations of prohibitions on use of Federal grant dollars for lobbying. We know of none. We have also contacted inspectors general at DOD, HHS, HUD, and the Department of Labor. They are not aware of any cases of violations.

I am wondering whether the Senator from Wyoming has evidence of violations of the prohibitions on the use of Federal grant dollars for lobbying. That is in existing law—prohibiting the use of Federal grants. Both the Senator from Wyoming and the Senator from Idaho have suggested that Federal grant dollars are being used to lobby. They may not be so used under current law. For instance, the Senator from Idaho suggested that there is a current use of Federal grant money to lobby for more grant money, despite the existing prohibition in Federal law against doing that.

So my question is: The Office of Management and Budget does not know of any violations of the prohibitions on the use of Federal grant dollars for lobbying. Does the Senator from Wyoming have a list of violations of those prohibitions?

Mr. SIMPSON. Mr. President, we are going to be here a long time, and I have eaten well and refreshed myself, and I will be glad to stay here for as long as it takes.

My language does not seek to apply any penalties to anyone. It is not to strike at the first amendment. It is not to weave the web of a chilling effect. My question was the one I started on many weeks ago right here in this Chamber, which must have been somewhat acceptable to my colleagues, since the first vote on it was 57–20 or 30, whatever. The next time it passed unanimously. The rub is, should this Government give money—and I was, at that time, speaking of the AARP, which is a 501(c)(4) corporation, which has the power of unlimited lobbying expenditure—unlimited. I said, ''Why should the taxpayers of the United States cough up $86 million a year to the AARP or—listen carefully—to the NRA?

I hope that people are listening to this. I am talking about every single 501(c)(4) corporation or the Heritage Foundation or the Christian Coalition—you name it; any one organization that gets Federal money, when they have the ability of unlimited lobbying activity—that is who I am after.

You can decide what you wish to do with that. You can bring up every nuance of question, every shading of meaning.

I hope—strange, wonderful thing that drives us around here—that you realize that 96 percent of all 501(c)(3)'s spend less than $25,000 on lobbying; 96 percent of all 501(c)(3)'s spends less than 25,000 bucks on lobbying. I can furnish those statistics.

That may not answer your question. It may be a great diversion. I can tell you who we are after. I think I have explained that for the last several weeks.

The Senator from Michigan was on the other side then. He will be on the other side tomorrow. He will be on the other side the day after tomorrow. So we should at least realize what it is we are addressing. We are talking about the big guys.

That is why we put in the $125,000 provision. That is why we have done this, done that. We are after the big guys. We are not after the little guy. We are not after the soup kitchen people. We are after people who really ought to be addressed—and we will have hearings on it—on business activities, untaxed business activity.

I hope the Senator from Michigan will help me on that, and I think he will because there is serious abuse with huge organizations that bring in unrelated business income. We will have some hearings on that. That is big time, big ticket. That is where we start. Where we will end, only the Senate knows.

Mr. KERREY. Mr. President, the most important question for the Senators to answer as they prepare to vote for the amendment offered, the substitute offered by the Senator from Wyoming and the Senator from Idaho: Is this body going to get held up every time we do a CR?

We have three people in the House of Representatives saying, ''We are willing to shut the Government of the United States of America down—whatever the consequences are, we do not care—because we want this provision attached to the continuing resolution.''

To be clear, they did not even have a majority in the appropriations subcommittee, Treasury-Postal, and I am a ranking member. They did not have a majority on that committee to pass the Istook language.

Even the Senator from Wyoming, the Senator from Idaho, acknowledge that the Istook language would be rejected by the Senate. So what we are trying to do is compromise with a minority in the House of Representatives which is basically saying, ''We will hold our breath until we get our way. We do not care if our face turns blue. We do not care if the Government shuts down. We are mad at a few organizations that campaigned against us, and we will pay them back.''

Mr. President, the net is big. The Senator from Wyoming talked about his amendment earlier on Treasury-Postal. I would have supported that. It would have affected approximately 409 501(c)(4)'s. Even by raising—we voted at that time on a $10 million threshold. This drops it down to $3 million. You will jack it up to some 700 additional 501(c)(4)'s.

Far more troubling, Mr. President, is the language. This is not a change to the earlier proposal of the Senator from Wyoming. This is an attempt to compromise with a group of people in the House who are saying, ''We will shut the Government down—not for a balanced budget, not to do something to strengthen the U.S. economy, not for the future. None of that. We think a couple 501(c) (3)'s or (4)'s were negative in our campaigns, and we want to get them.''

That is what is driving this whole thing. This is revenge, the motive of a handful of people who are now saying, ''We will shut the Government of the United States of America down if we do not get revenge.''

I believe this body needs to say to those folks ''No, that is not how we are going to operate a CR.''

Last week, the distinguished Senator from Wyoming—and I supported him strongly—made a motion to put back into committee an amendment that the distinguished Senator from Arizona offered that would have raised the earnings test on people who get Social Security. We sent that to committee, this body did. We sent that issue to committee.

We said to one of our colleagues, a Member of this body, ''No, this needs to go to committee. We need to evaluate this a little bit.''

Now, I have folks—and one was on the floor earlier; I thought he would grab a microphone and try to get recognized—they are saying to us, ''Unless we get our way on welfare, we will shut the Government down.'' We need to say to them, ''No.'' We need to say to that little small group of people, ''No.''

It is not in the Contract With America. It has not been heard. We have not had an opportunity to evaluate this.

Colleagues say I will go along with Senator SIMPSON—normally I go along with Senator SIMPSON, the distinguished Senator from Wyoming. This is 17 pages of changes, Mr. President, that Members ought to understand could have a heck of an impact.

It might be fine for Mr. Istook or Mr. McIntosh, but all of us understand we will be held accountable for this vote. I think the most important, perhaps the only question, rather than getting into the details of what this will do: Will it make life better? Will it make life worse?

This does not belong on a continuing resolution. This body ought to stand unified against a relatively small group of people who say this year it is going after 501(c)(4)'s and trying to get some reform for the purpose of getting revenge.

What will it be next year, Mr. President? What will it be next time we try to get a continuing resolution so we can do the work of the Appropriations Committee? Who knows what it will be?

This is an act essentially of political terrorism where they are saying, ''We will hold you hostage unless you give us what we want.'' They will hold us hostage. Give us what we want. Give us an airplane, give us this, give us that, and we will go along.

We ought to say, ''No, don't negotiate with terrorists, Mr. President. Do not negotiate with a relatively small handful of people that are involved in this process.''

It is difficult enough to get a continuing resolution with all the problems in the budget and all the disagreements and the various problems that we have in the budget, to be held up here on this continuing resolution, get held up and require us to come down on the floor and argue a piece of legislation.

I understand the Senator from Wyoming has made a good-faith effort to try to reach agreement. We ought to say no to a person, to these folks, and say, ''You do not have a majority even in the Treasury-Postal Subcommittee in Appropriations. You lost the battle. We are not going to allow you to hold us, we will not allow you to hold the people of the United States of America hostage to your desire for revenge.''

Mr. SIMPSON. Mr. President, I thank my friend from Nebraska. I hear him clearly. I was kind of reviewing the continuing resolution and who did what to who—a good thing to do in political combat from time to time. I remember how those on the other side of the aisle would hang their laundry on the continuing resolutions in days of yore.

I ask unanimous consent to have it printed in the RECORD.

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

WHIP MEMORANDUM

To: TL.
From: Alison Carroll.
Subject: History of Riders on Continuing Resolutions.
Date: November 3, 1995.

This memo lists the most notable riders (substantial legislative items outside the jurisdictions of the Appropriations Committees) on Continuing Resolutions since 1984. Continuing Resolutions are attractive vehicles for such provisions because they are considered must-pass legislation over which the President and Congress eventually must reach agreement.

Vetoes of Continuing Resolutions have been extremely rare—only five Continuing Resolutions have been vetoed since World War II. All vetoes occurred between 1974 and 1990, and none were overridden. The vetoes of FY82 and FY91 measures led to brief shutdowns of some federal agencies.

FY84 CONTINUING RESOLUTION

International Security and Development Assistance Authorization Act
Establishment of National Board for Food Distribution and Emergency Shelter
Penalty for Forging Endorsements on Treasury Checks or Bonds
Taxes on Reimbursements for Travel Transportation, and Relocation Expenses of Employee

FY85 CONTINUING RESOLUTION

Comprehensive Crime Control Act of 1984 (over 200 pages long)
President's Emergency Food Assistance Act
Child Abuse Prevention

FY86 CONTINUING RESOLUTION

Export-Import Bank
Denial of MFN Status to the Products of Afghanistan
Federal Salary Act Amendments
Child Care Services for Federal Employees
Ethics in Government Act Amendments

FY87 CONTINUING RESOLUTION

Contained all 13 appropriations bills
Defense Acquisition Improvement Act
Paperwork Reduction Reauthorization Act
Human Rights in Romania
School Lunch and Child Nutrition Amendments
Aviation Safety Commission Act
Metropolitan Washington Airports

FY88 CONTINUING RESOLUTION

Contained all 13 appropriations bills (3 of 10 had not been considered previously by the Senate)
Cancellation of FY88 Sequester Order
Special House and Senate procedures for considering funding requests for the Nicaraguan Resistance (Contra Aid)
Agriculture Aid and Trade Missions Act

FY91 CONTINUING RESOLUTION

Extension of Certain Medicare Hospital Payment Provisions
Acceptance of Contributions for Department of Defense
Extension of Temporary Increase in the Public Debt

FY92 CONTINUING RESOLUTION

Extension of Sections 8012 and 8013 of the Omnibus Budget Reconciliation Act of 1990

Mr. SIMPSON. In fiscal year 1985, we had hung on the CR the Comprehensive Crime Control Act of 1984, emergency food assistance, child abuse prevention. In 1986, we had hung on the CR Export-Import Bank, denial of MFN status to products in Afghanistan—that was a ripper; that kept us up for a couple of days—Federal Salary Act amendments, child care services for Federal employees, Ethics in Government Act—that was a riotous occasion.

In 1987, the CR—and we were not in power here—we had all 13 appropriations bills tacked in there: Defense Acquisition Improvement Act, Paperwork Reduction Reauthorization Act, human rights in Romania, school lunch and child nutrition amendments, Aviation Safety Commission Act, Metropolitan Washington airports—all of it hung on the CR by those of the other faith.

So I just wanted to touch upon that lightly, and as far as I know what is being hung on this CR is one amendment, and we are debating it. And we should.

Mr. LEVIN addressed the Chair.

The PRESIDING OFFICER. The Senator from Michigan.

Mr. LEVIN. Mr. President, for all the reasons given by the Senator from Nebraska and a lot of other Senators, both on the floor and from remarks in other places, this CR is not the place to make major changes in terms of the restrictions that are placed on the use of non-Federal funds by private organizations. It is a complicated area, and the changes that have been made by the Senator from Wyoming from his previous language are significant changes. We believe they will include a multiple—not just a small percentage more of the organizations and entities out there—but a large percentage not covered by the previous language which would be covered by the new proposed Simpson language.

But, I must say, when I am trying to understand the Senator's language, I wonder if I could ask for the Senator from Wyoming to help me understand his language here. I would like to work through it with him because it seems to me it is not only the wrong place to do this legislating, but this is a complicated issue and it is very unclear as to what he is trying to do. So, if the Senator from Wyoming might help me through this, on page 1 of his amendment on line 11, at the last line it says that any grantee receiving more than $125,000——

Mr. SIMPSON. What page, Mr. President?

Mr. LEVIN. One. Any grantee receiving more than $125,000 should be subject to the limitations on lobbying activity expenditures under section 4911(c)(2)(B) of the Internal Revenue Code.

When I look at 4911(c)(2)(B) of the Code, what I see are restrictions in the amount of lobbying activity for an organization to retain eligibility under their 501(c)(3) status. And it looks as though you spend—for instance, if your exempt purposes expenditures are between $500 and $1,000 but not over $1 million, that you are allowed lobbying nontaxable expenditures of $100,000.

Just to give one example, so, under 4911, a 501(c)(3) that has exempt purposes expenditures between half a million and a million dollars can retain that 501(c)(3) status and still spend $100,000 on lobbying—plus a certain percentage of the excess, but at least $100,000.

But, then, when I look at the Senator's language on page 16 of his amendment, line 6, here—although previously we were told that a 501(c)(3) can spend as much on lobbying as is allowed under 4911, suddenly we are told on line 6 that the chief executive officer of this entity must certify that the grantee spent less than $25,000 on lobbying activities in the grantee's most recent taxable year.

So, on page 1 we are told follow the 4911 rules, which permit up to $225,000, in some cases, plus 5 percent of the excess. It is complicated but it is obviously more than $25,000. We are told on page 1 of this complicated amendment that the 501(c)(3) which is being covered here now, the other grantees which are being covered here now, are permitted to spend the amounts permitted under 4911. And then, lo and behold, a few pages later we are told the chief executive officer has to certify that the grantee spent less than $25,000 on lobbying activity.

My question of my friend from Wyoming is, which is it? Is it the 4911 limit or is it the $25,000 limit?

Mr. SIMPSON. Mr. President, the Senator from Michigan and I know each other too well. I enjoy the spirited energy that he conveys.

I want to say that what the Senator is speaking of here and bringing up is what I am intending to do. There is no mystery. You cannot misread two sections. If they spend less than $25,000 they do not have to report. That is what this says. The word ''or'' is there on that line, ''or,'' line 8. They have options.

Page 16 just gives the exemption. Page 16 just gives the exemption. It says ''or,'' and then it goes on to say if you spend more, you will estimate it. That is what it says.

So, to go back—I can go back into the code. We can do that, as I say, into the night. I am perfectly prepared. I might have to run off and get some light snack or something, but I am ready to do that.

The section of the Internal Revenue Code on that section, at the bottom of section 4911(c) page 630(C) of the 1986 Code, subtitle (d), chapter 40 is quite clear. It talks about the exemptions and lobbying expenditures and what they are. Expenditures for the purpose of influencing legislation: The nontaxable amount, the net purpose, the exempt purpose. All of those things are there.

It says, simply, in this bill, in sum, if you spent less than $25,000 you just have to say so. If you spent more than that, you have to estimate it. That is sole purpose of the amendment.

Mr. LEVIN. I thank the Senator for that clarification. I take it that the records, of course, would have to be kept so that certification could be made. But I think at least that clarification helps on that one point.

I am wondering, both the Senator from Wyoming and Idaho said, at least

I believe that both have said, there is no question being raised about the limit on private funds which will be spent for lobbying. Is that correct? Or is this in fact not restricting the limit of non-Federal funds that can be spent for lobbying?

Mr. SIMPSON. Mr. President, the Senator mentioned an individual? Was that not your words?

Mr. LEVIN. Entity. No, the entity.

Mr. SIMPSON. Because individuals are not covered in any way.

Mr. LEVIN. No, I am talking about the entity.

Mr. SIMPSON. There are no restrictions—no new restrictions of any nature. We are simply describing grantees. We are including the phrase ''grantees.'' That is a word of, I think, some substance. A grantee, that is somebody receiving taxpayers' money. And there are no new restrictions, only—the only difference is that Federal grantees, those receiving taxpayers' money, would be subject to the formula governing 501(c)(3).

Mr. LEVIN. To clarify this further, we are adding a new class of people covered by a restriction on the use of private funds for lobbying, and the unanswered question, so far that is, is how many additional people—or entities to be more precise—how many additional entities would be covered by the restrictions than were previously covered?

On that I gather we do not have an estimate, in terms of a percentage such as 50 percent more or 100 percent more or 2 times as many or whatever; is that a fair conclusion? That we do not have an estimate as to the multiple or percentage increase in the number of entities covered by the restrictions that previously were in the Simpson language?

Mr. SIMPSON. Mr. President, I would have no estimation of that. When we started our work months ago, I recall that it took us quite a while to find out how many 501(c)(4)'s there were, and how many of them really got into this lobbying game, and how many did not. But, we have not said, here, in this amendment, that only non-Federal funds are counted. We leave the formula to apply to Federal and non-Federal funds received, as is the current law.

(Ms. SNOWE assumed the chair.)

Mr. THOMPSON. Madam President, will the Senator yield for a question?

Mr. SIMPSON. Yes, indeed.

Mr. THOMPSON. As I listen to the debate, it appears that there are large organizations with millions of dollars of assets that make millions of dollars a year and they are receiving substantial amounts of money from the Federal Government, and you are seeking to place some requirements on them with regard to their lobbying activities. As I listen to this, there is a question that perhaps has been answered or addressed before, which I would think anybody listening to this would raise, and that is, Why is the Federal Government subsidizing these large organizations to start with?

Mr. SIMPSON. Madam President, I am very pleased that question has been asked. That is the nub. Why? Why should an organization that receives tremendous amounts of money in dues, tremendous amounts of money in unrelated business activities, a tremendous benefit by mailing through the Federal postal authority—and I asked for only one when I started. But this amendment and my work pertains to every single one of these, whether from the Christian right to the evil left. I hope people are hearing this exactly because that is exactly what we are talking about. And the Senator from Tennessee is absolutely correct.

What is the purpose of allowing that to occur when they receive money from the Federal Government, when in a sense they are awash in money and have an awesome power, which is called the unlimited lobbying expense? They can raise as much as they want and they can spend as much as they want without any limitation whatsoever, and then take the Federal grant money and make it fungible, which gives them more ability to try to get more money out of the Federal Government.

I have a question that I might ask of the Senator from Michigan, since it is question time. Does the Senator from Michigan, Madam President, believe that the existing limits on lobbying by 501(c)(3) corporations are improperly restrictions of use of private funds?

Mr. LEVIN. Madam President, in those cases, the people who contribute to those organizations get a tax deduction. So there is a true tax subsidy. But what the Senator from Wyoming is doing is then saying that every organization that gets a grant should be treated the same way, that every organization that is doing our work—where we give them a grant to deliver a meal, or to reduce the amount of drunk driving, or to clear up our blood supply, or to do the hundreds of other things that we want people to do for us—should be treated in the same way.

These are people that are performing services that we want private entities to perform. I thought we were trying to get away from having Federal employees perform all these services. So we make grants to entities to perform these services for us. Those are grantees. They are not spending that grant money to lobby. That is a violation of existing law. And the OMB has said they cannot find one violation; not one.

The problem with this proposal is that now we are treating those entities in the same manner as we previously treated entities for whom a tax contribution was tax deductible where there really is at least arguably a tax subsidy. So there is a very big difference.

But, if I may say to my friend from Wyoming, whether or not the Senator agrees with me, there surely is a major change in this legislation from the legislation previously adopted by the Senate. To now include all grantees is a significant substantive change. This is not a slight change, and it has no place on the CR.

Mr. SIMPSON. Madam President, I still would ask the question. It has not yet been answered. Does the Senator from Michigan believe that the presently existing limits on lobbying by 501(3)(c)'s are improper restrictions of use of private funds? That is the question I am asking—not about children or vaccinations or things that I believe in, too. That is what I am asking.

Mr. LEVIN. For the funds which those organizations have spent with tax deductible funds, people who contributed those funds received a tax deduction. That is a very significant difference and, it seems to me, represents a very different situation in terms of the restriction on lobbying because there was a true tax subsidy.

But, by definition, the Federal grantees that we are talking about are using private funds for lobbying purposes, and that is a very different kind of an animal. I think the arguments that apply to it are very different. But, again, whether or not this Senator is right in his conclusion, whether or not the Senator from Wyoming is right, or the Senator from Michigan is right, surely this represents a significant change in policy. And that is to be argued, it seems to me, properly in a legislative arena on a legislative bill and not on a continuing resolution.

Mr. SIMPSON. Madam President, I will not go further. The Senator and I will visit together and break bread and resolve this one. But there are existing limits on lobbying, on 501(c)(3) corporations, and everyone should hear that. And there have not then been improper restrictions of the use of private funds. No one is alleging violations. What is objectionable to me about the spending limits under 501(h) is why should they not cover those who are administering public money? I am interested in people who are administering public money. That is what I am interested in. And these people that give to the 501(3)(c)'s are called taxpayers. And in the case of Federal grantees, the taxpayer is contributing to them. They have no choice. Should they then be forced to support the various activities of those organizations that they do not concur with?

Mr. CRAIG addressed the Chair.

The PRESIDING OFFICER. The Senator from Idaho.

AMENDMENT NO. 3049, AS MODIFIED

Mr. CRAIG. Madam President, I send a modification of my amendment No. 3049 to the desk.

The PRESIDING OFFICER. The Senator has the right to modify the amendment. The amendment is so modified.

So, the amendment (No. 3049), as modified, is as follows:

In lieu of the language in amendment 3048, insert the following:

III

PROHIBITION ON SUBSIDIZING POLITICAL ORGANIZATIONS WITH TAXPAYER FUNDS

SEC. 301. (a) LIMITATIONS.—(1) Notwithstanding any other provision of law, any organization receiving Federal grants in an amount that, in the aggregate, is greater than $125,000 in the most recent Federal fiscal year, shall be subject to the limitations on lobbying activity expenditures under section 4911(c)(2)(B) of the Internal Revenue Codes of 1986, except that, if exempt purpose expenditures are over $17,000,000 then the organization shall also be subject to a limitation on lobbying of 1 percent of the excess of the exempt purpose expenditures over $17,000,000 unless otherwise subject to section 4911(c)(2)(A) based on an election made under section 501(h) of the Internal Revenue Code of 1986.

(2) An organization described in section 501(c)(4) of the Internal Revenue Code of 1986 that engaged in lobbying activities during the organization's previous taxable year shall not be eligible to receive Federal funds constituting a taxpayer subsidized grant. This paragraph shall not apply to organizations described in section 501(c)(4) with gross annual revenues of less than $3,000,000 in such previous taxable year, including Federal funds received as a taxpayer subsidized grant.

(b) DEFINITIONS.—For the purposes of this title:

(1) AGENCY.—The term ''agency'' has the meaning given that term in section 551(1) of title 5, United States Code.

(2) CLIENT.—The term ''client'' means any person or entity that employs or retains another person for financial or other compensation to conduct lobbying activities on behalf of that person or entity. A person or entity whose employees act as lobbyists on its own behalf is both a client and an employer of such employees. In the case of a coalition or association that employs or retains other persons to conduct lobbying activities, the client is the coalition or association and not its individual members.

(3) COVERED EXECUTIVE BRANCH OFFICIAL.—The term ''covered executive branch official'' means—

(A) the President;

(B) the Vice President;

(C) any officer or employee, or any other individual functioning in the capacity of such an officer or employee, in the Executive Office of the President;

(D) any officer or employee serving in a position in level I, II, III, IV, or V of the Executive Schedule, as designated by statute or Executive order;

(E) any member of the uniformed services whose pay grade is at or above O–7 under section 201 of title 37, United States Code; and

(F) any officer or employee serving in a position of a confidential, policy-determining, policy-making, or policy-advocating character described in section 7511(b)(2) of title 5, United States Code.

(4) COVERED LEGISLATIVE BRANCH OFFICIAL.—The term ''covered legislative branch official'' means—

(A) a Member of Congress;

(B) an elected officer of either House of Congress;

(C) any employee of, or any other individual functioning in the capacity of an employee of—

(i) a Member of Congress;

(ii) a committee of either House of Congress;

(iii) the leadership staff of the House of Representatives or the leadership staff of the Senate;

(iv) a joint committee of Congress; and

(v) a working group or caucus organized to provide legislative services or other assistance to Members of Congress; and

(D) any other legislative branch employee serving in a position described under section 109(13) of the Ethics in Government Act of 1978 (5 U.S.C. App.).

(5) EMPLOYEE.—The term ''employee'' means any individual who is an officer, employee, partner, director, or proprietor of a person or entity, but does not include—

(A) independent contractors; or

(B) volunteers who receive no financial or other compensation from the person or entity for their services.

(6) FOREIGN ENTITY.—The term ''foreign entity'' means a foreign principal (as defined in section 1(b) of the Foreign Agents Registration Act of 1938 (22 U.S.C. 611(b)).

(7) GRANT.—The term ''grant'' means the provision of any Federal funds, appropriated under this or any other Act, to carry out a public purpose of the United States, except—

(A) the provision of funds for acquisition (by purchase, lease, or barter) of property or services for the direct benefit or use of the United States;

(B) the payments of loans, debts, or entitlements;

(C) the provision of funds to, or distribution of funds by, a Federal court established under Article I or III of the Constitution of the United States;

(D) nonmonetary assistance provided by the Department of Veterans Affairs to organizations approved or recognized under section 5902 of title 38, United States Code; and

(E) the provision of grant and scholarship funds to students for educational purposes.

(8) LOBBYING ACTIVITIES.—The term ''lobbying activities'' means lobbying contacts and efforts in support of such contacts, including preparation and planning activities, research and other background work that is intended, at the time it is performed, for use in contacts, and coordination with the lobbying activities of others.

(9) LOBBYING CONTACT.—

(A) DEFINITION.—The term ''lobbying contact'' means any oral or written communication (including an electronic communication) to a covered executive branch official or a covered legislative branch official that is made on behalf of a client with regard to—

(i) the formulation, modification, or adoption of Federal legislation (including legislative proposals);

(ii) the formulation, modification, or adoption of a Federal rule, regulation, Executive order, or any other program, policy, or position of the United States Government;

(iii) the administration or execution of a Federal program or policy (including the negotiation, award, or administration of a Federal contract, grant, loan, permit, or license); or

(iv) the nomination or confirmation of a person for a position subject to confirmation by the Senate.

(B) EXCEPTIONS.—The term ''lobbying contact'' does not include a communication that is—

(i) made by a public official acting in the public official's official capacity;

(ii) made by a representative of a media organization if the purpose of the communication is gathering and disseminating news and information to the public;

(iii) made in a speech, article, publication or other material that is distributed and made available to the public, or through radio, television, cable television, or other medium of mass communication;

(iv) made on behalf of a government of a foreign country or a foreign political party and disclosed under the Foreign Agents Registration Act of 1938 (22 U.S.C. 611 et seq.);

(v) a request for a meeting, a request for the status of an action, or any other similar administrative request, if the request does not include an attempt to influence a covered executive branch official or a covered legislative branch official;

(vi) made in the course of participation in an advisory committee subject to the Federal Advisory Committee Act;

(vii) testimony given before a committee, subcommittee, or task force of the Congress, or submitted for inclusion in the public record of a hearing conducted by such committee, subcommittee, or task force;

(viii) information provided in writing in response to an oral or written request by a covered executive branch official or a covered legislative branch official for specific information;

(ix) required by subpoena, civil investigative demand, or otherwise compelled by statute, regulation, or other action of the Congress or an agency;

(x) made in response to a notice in the Federal Register, Commerce Business Daily, or other similar publication soliciting communications from the public and directed to the agency official specifically designated in the notice to receive such communications;

(xi) not possible to report without disclosing information, the unauthorized disclosure of which is prohibited by law;

(xii) made to an official in an agency with regard to—

(I) a judicial proceeding or a criminal or civil law enforcement inquiry, investigation, or proceeding; or

(II) a filing or proceeding that the Government is specifically required by statute or regulation to maintain or conduct on a confidential basis,

if that agency is charged with responsibility for such proceeding, inquiry, investigation, or filing;

(xiii) made in compliance with written agency procedures regarding an adjudication conducted by the agency under section 554 of title 5, United States Code, or substantially similar provisions;

(xiv) a written comment filed in the course of a public proceeding or any other communication that is made on the record in a public proceeding;

(xv) a petition for agency action made in writing and required to be a matter of public record pursuant to established agency procedures;

(xvi) made on behalf of an individual with regard to that individual's benefits, employment, or other personal matters involving only that individual, except that this clause does not apply to any communication with—

(I) a covered executive branch official, or

(II) a covered legislative branch official (other than the individual's elected Members of Congress or employees who work under such Members' direct supervision),

with respect to the formulation, modification, or adoption of private legislation for the relief of that individual;

(xvii) a disclosure by an individual that is protected under the amendments made by the Whistleblower Protection Act of 1989, under the Inspector General Act of 1978, or under another provision of law;

(xviii) made by—

(I) a church, its integrated auxiliary, or a convention or association of churches that is exempt from filing a Federal income tax return under paragraph 2(A)(i) of section 6033(a) of the Internal Revenue Code of 1986, or

(II) a religious order that is exempt from filing a Federal income tax return under paragraph (2)(A)(iii) of such section 6033(a); and

(xix) between—

(I) officials of a self-regulatory organization (as defined in section 3(a)(26) of the Securities Exchange Act) that is registered with or established by the Securities and Exchange Commission as required by that Act or a similar organization that is designated by or registered with the Commodities Future Trading Commission as provided under the Commodity Exchange Act; and

(II) the Securities and Exchange Commission or the Commodities Future Trading Commission, respectively;

relating to the regulatory responsibilities of such organization under that Act.

(10) LOBBYING FIRM.—The term ''lobbying firm'' means a person or entity that has 1 or more employees who are lobbyists on behalf of a client other than that person or entity. The term also includes a self-employed individual who is a lobbyist.

(11) LOBBYIST.—The term ''lobbyist'' means any individual who is employed or retained by a client for financial or other compensation for services that include more than one lobbying contact, other than an individual whose lobbying activities constitute less than 20 percent of the time engaged in the services provided by such individual to that client over a six month period.

(12) MEDIA ORGANIZATION.—The term ''media organization'' means a person or entity engaged in disseminating information to the general public through a newspaper, magazine, other publication, radio, television, cable television, or other medium of mass communication.

(13) MEMBER OF CONGRESS.—The term ''Member of Congress'' means a Senator or a Representative in, or Delegate or Resident Commissioner to, the Congress.

(14) ORGANIZATION.—The term ''organization'' means a person or entity other than an individual.

(15) PERSON OR ENTITY.—The term ''person or entity'' means any individual, corporation, company, foundation, association, labor organization, firm, partnership, society, joint stock company, group of organizations, or State or local government.

(16) PUBLIC OFFICIAL.—The term ''public official'' means any elected official, appointed official, or employee of—

(A) a Federal, State, or local unit of government in the United States other than—

(i) a college or university;

(ii) a government-sponsored enterprise (as defined in section 3(8) of the Congressional Budget and Impoundment Control Act of 1974);

(iii) a public utility that provides gas, electricity, water, or communications;

(iv) a guaranty agency (as defined in section 435(j) of the Higher Education Act of 1965 (20 U.S.C. 1085(j))), including any affiliate of such an agency; or

(v) an agency of any State functioning as a student loan secondary market pursuant to section 435(d)(1)(F) of the Higher Education Act of 1965 (20 U.S.C. 1085(d)(1)(F));

(B) a Government corporation (as defined in section 9101 of title 31, United States Code);

(C) an organization of State or local elected or appointed officials other than officials of an entity described in clause (i), (ii), (iii), (iv), or (v) of subparagraph (A);

(D) an Indian tribe (as defined in section 4(e) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450b(e));

(E) a national or State political party or any organizational unit thereof; or

(F) a national, regional, or local unit of any foreign government.

(17) STATE.—The term ''State'' means each of the several States, the District of Columbia, and any commonwealth, territory, or possession of the United States.

DISCLOSURE REQUIREMENTS

SEC. 302. (a) IN GENERAL.—Not later than December 31 of each year, each taxpayer subsidized grantee, except an individual person, shall provide (via either electronic or paper medium) to each Federal entity that awarded or administered its taxpayer subsidized grant an annual report for the previous Federal fiscal year, certified by the taxpayer subsidized grantee's chief executive officer or equivalent person of authority, setting forth—

(1) the taxpayer subsidized grantee's name and grantee identification number;

(2) a statement that the taxpayer subsidized grantee agrees that it is, and shall continue to be, contractually bound by the terms of this title as a condition of the continued receipt and use of Federal funds; and

(3)(A) a statement that the taxpayer subsidized grantee spent less than $25,000 on lobbying activities in the grantee's most recent taxable year; or

(B)(i) the amount or value of the taxpayer subsidized grant (including all administrative and overhead costs awarded);

(ii) a good faith estimate of the grantee's actual expenses on lobbying activities in the most recent taxable year; and

(iii) a good faith estimate of the grantee's allowed expenses on lobbying activities under section 301 of this Act.

PUBLIC ACCOUNTABILITY

SEC. 303. (a) PUBLIC AVAILABILITY OF LOBBYING DISCLOSURE FORMS.—Any Federal entity awarding a taxpayer subsidized grant shall make publicly available any taxpayer subsidized grant application, and the annual report of a taxpayer subsidized grantee provided under section 302 of this Act.

(b) ACCESSIBILITY TO PUBLIC.—The public's access to the documents identified in subsection (a) shall be facilitated by placement of such documents in the Federal entity's public document reading room and also by expediting any requests under section 552 of title 5, United States Code, the Freedom of Information Act as amended, ahead of any requests for other information pending at such Federal entity.

(c) WITHHOLDING PROHIBITED.—Records described in subsection (a) shall not be subject to withholding, except under the exemption set forth in subsection (b)(7)(A) of section 552 of title 5, United States Code.

(d) FEES PROHIBITED.—No fees for searching for or copying such documents shall be charged to the public.

(e) The amendments made by this title shall become effective January 4, 1996.

Mr. CRAIG. Madam President, I think the colloquy that has gone on this afternoon between our colleagues from Wyoming and Michigan has been extremely valuable. It has established very clearly that 501(c)(3) organizations in this country that receive a very large share, the lion's share, of the Federal grant dollars comply with the Federal law, and the IRS, too. In fact, the Senator from Michigan said that OMB has reported no violations.

Madam President, the reason there are not any violations is because there is a reporting requirement, and if they spend more than $25,000 worth of lobbying, they are in trouble. So they do not. They are limited by law, and there is a reporting process. There is a mechanism to hold them accountable. In that accountability, they perform those kinds of activities that they choose to under the privilege that the Congress of the United States and the taxpayers have granted them—tax-exemption. That is very simple. That is very clear. That has been established here today. That is the law.

They are required to keep books, but any organization that handles money is required to keep books by either their board or by the IRS, and in all instances the IRS. And so that is nothing new.

There are no new accounting requirements. They have to keep their books. But now there is a requirement, and that is the requirement of accountability, on another group—the same requirement we put on 90-plus percent of those who accept the Federal grants. It is not prohibitive to the clean blood supply, to the vaccinations, to the feeding. What is prohibitive is that if that group chooses to lobby, they have limits. They must decide whether they are going to be tax exempt and carry out the mandate of their grants and the goal of their organization or whether they are going to aggressively get involved in lobbying. It is a matter of either/or, of choice. It is not prohibitive in that sense. It is a matter of choice, decisionmaking. If they want to lobby and they have an interest to lobby, they ought to go create another organization with separate books so that the money does not cross spend, it is not fungible, so that the taxpayers do not find themselves subsidizing.

That is what the debate is about. We are taking the law that currently governs 90-plus percent of these organizations and putting it to the others with the same requirements and then a formula. In fact, we are even more liberal. We say that if you get above a certain amount, you can spend a certain amount. And until that time there is a very simple sliding formula that says here is the limitation—nothing more and nothing less. It is a mirror in which to look at themselves and to decide if they need to decide that they may be doing something wrong and would want to change. Or if they want to be all grant and no lobby or no advocacy, then that is what they ought to be.

I suggest that those who are providing feeding, who are interested in a clean blood supply and do that work in the private sector that the Senator from Michigan talks about that we have decided can be done better there, they are going to choose to do their job and not to lobby. But if there is a need for them to express an advocacy role, they can form a 501(c)(3) to get it done. That is a separate bookkeeping system, and that is called accountability because we have extended them a very special form of treatment under the law—tax-exempt status. That means they are by definition subsidized by the taxpayers of this country. Therefore, the taxpayers of this country have the right to ask for accountability under the law, and that is what we ask for.

I yield back the remainder of my time.

The PRESIDING OFFICER. Is there further debate on the amendment?

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

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

Mr. WELLSTONE. I thank the Chair.

We are on the Simpson amendment; is that correct?

The PRESIDING OFFICER. That is correct.

Mr. WELLSTONE. Madam President, let me speak briefly on this amendment.

Let me make three central points, not as an expert on all of the technical detail but I think I speak for the State of Minnesota, or a vast majority of people in my State when I say, first of all, this amendment really is an obvious effort to gag nonprofit organizations. I do not think it makes any sense. Day after day, we have been hearing from a majority in the House and some of my other colleagues about the importance of voluntarism and the value of the private sector in our society.

We talk about James Madison, and we talk about Thomas Jefferson, and I can think of the Alex de Tocqueville classic about America, the importance of mediating institutions. That is what these nonprofits are all about. They are the key to an effective civil society. They are ones who get people to participate in a democracy. They are ones who represent the interests of the middle class, of workers and poor people.

By the way, all too often they are the only voices for the voiceless.

So it does seem to me that this provision—and I have not seen exactly all that is in this modification—would make it very difficult for these groups to fully participate in the democratic purposes of this society. And to the extent that is true, I think it is a loss.

Moreover, I think it is a bit deplorable that those who are talking about these kinds of restrictions and are talking about the nonprofit sector, when it comes to others who feed the most from the public trough, the defense contractors and the big businesses, if we want to talk about people who are receiving hundreds of billions of dollars a year, do not gag them at all.

I would not be in favor of that anyway, because I think it is a violation of the first amendment to the Constitution, but it does seem to me that there is a sleight of the hand here that we ought to understand.

On the one hand, we go after these nonprofits that are all too often, as I said, the only voice for the voiceless, organizations that do wonderful work, that contribute greatly to the civil society, that do a lot of effective social service work and charity work and all of the rest. On the other hand, when it comes to big military contractors, big companies that receive all sorts of benefits, contracts, money from the Federal Government, when it comes to all sorts of large corporations which receive all of these various tax breaks, we do not have any such restrictions on them.

It seems to me that this is a double code. It is the same double code—those big contractors, they have the big bucks; they are the heavy hitters; they have the lobbyists. This is not lobbying reform. I have been involved in lobbying reform and the gift ban. This is nothing more than an effort to gag nonprofit organizations.

I must say to my colleagues that I find this even more troubling. I was at a press conference today. The Office of Management and Budget released a study—Dr. Rivlin deserves a lot of credit for her intellectual honesty—that what we passed that we called welfare reform will, in fact, on the House side, lead to over 2 million more children being impoverished in America; on the Senate side, a little over 1 million children will be impoverished as a result of legislation that we passed that we called ''welfare reform.''

At the time that we do that we now want to gag these nonprofit organizations which are quite often the only voice for those citizens, including the children. It is a bit outrageous.

Finally, Madam President—and I will be relatively brief because I imagine we have a vote coming up soon—I think the definition of political advocacy is such a broad definition, and we are not talking about lobbying, which is restricted. We are not talking about narrow partisan activity. We are saying that if an organization, a nonprofit organization wants to testify before the legislature, somebody wants to write an op-ed piece, somebody wants to do an educational forum, you name it, they may not be able to do that.

I think it is transparent what this is all about. I think it has already had a chilling effect in this country. And this is an amendment that ought to be voted down.

In any case, even if I was for it—and I am not—it is a gag order. It is an absolutely outrageous double code, with no such effort focused toward military contractors, big corporations. Such an effort should not be focused on them anyway; I would not be in favor of that because of basic first amendment guarantees, but, in addition, it should not be on this continuing resolution.

We are talking about whether or not the Government is going to continue to function, for God's sake. We are talking about whether or not we can govern here in Washington. I think people are sick and tired of these games and these amendments that get put on this kind of legislation.

Let me conclude by talking about another issue, since I think I have a little bit more time, about which I am deeply troubled.

And that has to do with my concern about the low-income energy assistance program which, Madam President, I know is very important to a State like Maine.

This program, the low-income energy assistance program—and I was tempted to do an amendment on this continuing resolution; I will not at this time because I think this is very, very serious business—but this is a 6-month heating season program, it is not really a 1-year program. And it is extremely important that the cold weather States get this funding and get this funding out to people.

It is true that some LIHEAP funds are used for cooling in places like nursing homes, but in the vast majority of the cases it is cold-weather States. And this money is used to help low-income people pay for furnace repairs and replacements, for fuel and propane tanks being filled, and for emergency assistance to avoid utility shutoff.

Madam President, I will tell you what we are doing right now. By not getting the money out to these communities, by having it essentially 30 percent of what it should be, we are basically forcing people to freeze on an installment plan.

Madam President, as I said before, this is a stopgap budget bill. If we continue to allocate these dollars, small in amount, for emergency heating assistance for elderly people, people with disabilities, people with children in this fashion, we are going to have some citizens who are going to freeze to death in this country. And then we will be ashamed. Then we will take the action.

But, my God, Madam President, I do not want to wait until that point in time. I want to make it clear to my colleagues that we cannot continue to fund programs like the low-income energy assistance program on an ad hoc, partial basis without doing serious harm to millions of families, some of the most vulnerable citizens in this country, who depend upon this program for their very survival during the winter.

Madam President, I was considering an amendment to this bill to provide additional LIHEAP funding for the States. But I am not going to do it because we are on the brink of a Government shutdown. I think that would be irresponsible. But I am not going to continue to let this go on month after month, allowing people to freeze on the installment plan. Is that what we want? Do we want to have vulnerable elderly people freeze, some perhaps even freeze to death, before we act to provide adequate low-income energy assistance funding? I do not think so. And I do not think that is what people voted for last year.

I do not think we can let this happen. I think we are going to have to do something soon. And if we do not do something soon, that is exactly what is going to happen. It could happen in

North Dakota, it could happen in Alaska, it could happen in Maine, it could happen in Michigan, it could happen in Minnesota, it could happen in any number of the cold weather States in this country.

Madam President, this Low-Income Energy Assistance Program has been cut already by 25 percent this past year, and the House of Representatives urged its elimination altogether. The total cost of low-income energy assistance for citizens across this country does not equal one B–2 bomber, and in the House of Representatives they want to eliminate the program.

This program right now is down $1.2 billion from 10 years ago, and the need is growing. I have just said to my colleagues that I am extremely worried about what is going to happen. What I am hearing in my State is the funds are going to be depleted in the coming weeks.

What is going to happen during the rest of the winter in Maine or in Minnesota or in West Virginia, you name it? What happens in February? What happens in March or later if a cold snap occurs and people are held up without fuel oil or propane or electricity to run their thermostats? What then are we going to do?

Madam President, the Low-Income Energy Assistance Program in my State of Minnesota serves about 110,000 households, over 300,000 people. These are poor people. These are elderly people, people with disabilities, families with children. This year we are expecting to provide a supplement of an average of only $200 for the whole winter. The average fuel bill in Minnesota for the vulnerable elderly is between $1,800 and $2,000 a year. So people are carrying most of these costs.

The continuing resolution which the House passed last night and upon which we are going to act today provides that only a small percentage of the funds requested by the States in the first quarter, the funds that they need to run the program, are going to be there.

Madam President, I just simply have to say one more time that I am concerned. We have this only at about 30 percent of the normal rate. Minnesota is planning cuts of about 50 percent in benefit levels and will be unable to provide assistance to all eligible applicants under the current circumstances. In addition, many programs had to turn away recipients from the crisis program because of this erratic Federal funding. As a result, there are 900,000 households who have empty fuel tanks or who need electric utility connections who have not been served under LIHEAP, and the number is growing.

Madam President, one final point. There have been criticisms of this program, many of them coming from warm weather States. But let me just say to my colleagues, this is an effective, highly targeted program that serves 6 million low-income families and helps them pay their energy bills. More than two-thirds of these LIHEAP households have annual incomes of less than $8,000 a year, and one-half of these households have annual incomes below $6,000 a year.

I just simply ask my colleagues this question, because I have seen this happen before: Are we going to continue to not provide the funding? Are we going to continue to do this on this ad hoc, sporadic basis? What is going to happen?

I already know what is going to happen. Congress diddles, a few sad stories of vulnerable elderly people without heat appear, and then a few more, constituents contact their Members of Congress as the cold worsens, and then a couple of people are found dead in their apartments in the upper Midwest, or in New England, because they were knocked off LIHEAP or were otherwise unable to get their electricity or fuel bills paid and got shut off, or because they were too ashamed, too weak, or unable to bring themselves to ask their families to pay for the bills.

And then Congress acts. That is the scenario. That is what is going to happen. We are not providing what is not an income supplement, but a survival supplement. People are not going to be able to afford to pay their heating bills, and people are going to go without. And they are going to be too ashamed to ask or they are going to be too ashamed to turn to their families if their families can provide them with the support, and then they are going to freeze to death. That is not how this process should work. Americans deserve better.

That is not what we are about, letting the vulnerable elderly freeze to death on an isolated farmstead or in an urban high rise. We can do much better. And we should start now. We should not continue to provide pitifully inadequate LIHEAP funding to bleed the program for months while Congress struggles to get its work done, to allow people to freeze to death on the installment plan. We can do better. Americans insist on it.

I do not think I should do this amendment today, but if this goes on to December—and I know what this is going to mean to people in my State and a whole lot of other States—I am going to bring this amendment to the floor, and I am going to insist that we provide this funding for this program because I will be darned if on my watch as a U.S. Senator from Minnesota, people are going to freeze to death in the United States of America.

What are we about? Where is our compassion? Where are our priorities? Where are our values? When are we going to get real again? Madam President, that is where we are heading right now in this Nation, and we have got to do better, and the sooner the better. I yield the floor.

Mr. CRAIG addressed the Chair.

The PRESIDING OFFICER. The Senator from Idaho.

Mr. CRAIG. Madam President, have the yeas and nays been called for on the pending issue?

The PRESIDING OFFICER. The yeas and nays have not been ordered.

Mr. CRAIG. I call for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be a sufficient second.

The yeas and nays were ordered.

Mr. CRAIG. I believe it is important to explain the important principles underlying this effort.

I am pleased to have been working with my colleague—and my good friend—the Senator from Wyoming [Mr. SIMPSON], to try and craft a consensus proposal in this area. This is one of the most important efforts going on in the 104th Congress. This is a truly critical issue. This effort already is known by various names: ''Ending Welfare to Lobbyist,'' ''Advocacy and Lobbyist Reform,'' ''Defunding Political Advocacy,'' ''Prohibiting Grants for Political Activity,'' and a ''Taxpayers Declaration of Independence from the Special Interests,'' among others.

It's been joked that the hype used in describing any given issue is inversely proportional to its true importance. That is not the case with today's topic. In terms of forcing the Government to focus on its true and proper constitutional purposes, this effort may be second only in importance to passage of the balanced budget amendment to the Constitution. Both of those efforts remain work-in-progress at this point.

JEFFERSONIAN PRINCIPLES

Earlier this year, the Senate, by a single vote, put on hold the most important legislation to come before it in decades, the balanced budget amendment. Speaking to that very idea 200 years ago, Thomas Jefferson said, if ''it were possible to obtain a single amendment to our constitution * * *'' he wanted that to be an article ''taking from the federal government the power of borrowing.''

As timely as today's newspaper, Jefferson anticipated the Simpson-Craig and Istook-Ehrlich-McIntosh amendments when he said:

> To compel a man to furnish funds for the propagation of ideas he disbelieves and abhors is sinful and tyrannical.

I want to make a distinction here: Sometimes, the Government uses tax dollars for actions that someone may disagree with. That's the nature of majority rule and the nature of decisionmaking in a republic. But it's a totally different thing to confiscate tax dollars from one person and use them to subsidize the lobbying and political advocacy on behalf of someone else's private-interest views.

I am not alone in believing that this practice flies in the face of the first amendment. The Supreme Court in its Beck decision said as much when it prohibited unions from using agency fees from nonmembers to pay for political activities.

GENERAL PRINCIPLES

Both the Simpson-Craig and the Istook-McIntosh-Ehrlich initiatives are efforts to enact a badly-needed taxpayers declaration of independence from the special interests. They both serve the same set of general principles:

Public money should be spent on the public interest, and not on the political agendas of special interests.

The Government should not give special interests money to pay for lobbying for more money.

Taxpayers should not be compelled to fund special interest lobbying that is against their own interests. To force them to do so really does amount to a violation of their first amendment rights.

Our efforts are about ensuring Government integrity and responsible stewardship of taxpayer dollars.

This is not an issue of left-versus-right: It's about rules that should apply across the board.

Left, right, and center, service or social organizations, they'd simply have to decide: Take the taxpayers money or lobby the taxpayers representatives—but you can't do both. To do both is a conflict of interest.

Our goal simply is to erect a solid wall between lobbying and advocacy activities, on the one hand, and other activities funded in whole or in part by the taxpayers, on the other hand.

LEGISLATIVE STATUS

Very briefly, here's what the action on this issue has been in recent weeks, and where it's headed:

Senate Action: On July 24, the Senate adopted, 59–37, the Simpson-Craig amendment to the lobbying reform bill, S. 1060. That amendment would prohibit Federal funds going to nonprofit groups covered by Internal Revenue Code section 501(c)(4) that engage in lobbying activities.

On August 5, the Senate adopted, by voice vote, the Simpson-Craig amendment to Treasury-Postal appropriations H.R. 2020, which was modified: Instead of all Federal funds, the prohibition extended only to awards, grants, loans; the effective date was set at January 1, 1997; and groups with gross annual revenues less than $10 million were exempted.

While watered down, the August 5 amendment put the Senate on record on a second vehicle in favor of the principle that fungible Government funds should not be used directly or indirectly to subsidize interest group lobbying, and prompted consideration of this issue in the Treasury-Postal appropriations conference committee, an appropriate venue because of its coverage of general Government activities.

Frankly, I would not have supported these modifications to our amendment if I thought this were the final product. I saw it, and I believe ALAN SIMPSON saw it, as our way to raise the issue on one of the legislative vehicles most likely to become law this year.

House Action: On August 3, the House rejected, 187–232, an amendment to strike the Istook-McIntosh-Ehrlich language in the Labor-HHS-Education appropriations bill, H.R. 2127. The reform language prohibits Federal grants to any groups including both nonprofit and for-profits, that engage in lobbying or political advocacy; pass-through funding to related groups is also covered; groups are exempt if they spend less than 5 percent of their first $20 million of non-Federal revenues and 1 percent of additional revenues on lobbying or advocacy.

CURRENT STATUS

House conferees sought to incorporate the Istook-McIntosh-Ehrlich amendment into the Treasury-Postal conference report. ALAN SIMPSON and I have been working with the House principals to try and forge the strongest possible combination of the best of both of the Senate and House provisions.

Sixty Republicans House Members sent a letter to the Speaker saying they will oppose the Treasury-Postal conference report unless the Istook-McIntosh-Ehrlich amendment is included.

In the Senate we sent a letter, with 25 cosignors, to urge the Treasury-Postal conferees to consider the full range of issues addressed by both versions and to blend the Simpson-Craig and Istook-McIntosh-Ehrlich amendments into the strongest possible combination.

Twenty-five Senators last month wrote the Senate conferees on the Treasury-Postal appropriation bill urging they support the strongest possible language that reflects the best of both the Simpson-Craig and the Istook-McIntosh-Ehrlich amendments.

Unfortunately, that conference deadlocked. That's one reason we are here today, debating this amendment. Another reason is that both the Senate and House have voted for these principles twice, by significant majorities. We are just trying to work out the details of the precise language.

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

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

U.S. SENATE,
*Washington, DC, October 24, 1995.*

Hon. RICHARD SHELBY,
*Chairman, Subcommittee on Treasury, Postal Service, and General Government, U.S. Senate, Washington, DC.*

Three times in recent months, the Senate has voted for the principle that federal grants should not be used, directly or indirectly, to subsidize lobbying and political activity by special interest groups. Versions of the Simpson-Craig Amendment were added to the Lobbying Reform bill and the Treasury-Postal Service-General Government Appropriations bill. The House took a different approach to the same problem, passing the Istook-McIntosh-Ehrlich Amendment. The two bodies passed their respective amendments by solid, bipartisan majorities.

We are writing to urge the conferees on the Treasury-Postal Appropriations bill to consider the full range of concerns addressed by both the House and Senate proposals. We urge you to adopt in conference the strongest possible language that reflects the best of both the Simpson-Craig and the Istook-McIntosh-Ehrlich amendments. The Treasury-Postal bill, which covers ''general government'' functions, is a most appropriate vehicle to carry this reform.

The Senate approach applied a stronger funding ban to a narrower range of recipients. It also reflected Senate recognition that some groups exist for the purpose of charitable pursuits and some groups are really veiled lobbying and advocacy organizations. The House approach applied to all organizations, non-profits and for-profits, with a flexible approach that still allows federal grantees to engage in significant lobbying and advocacy activities with their non-federal funds. It also recognized that regulating some types of organizations to the exclusion of others may result in ''shell game'' reorganizations. Both approaches recognized the problem of the fungibility of federal dollars.

Like you, we have promised our constituents that we would work to balance the budget and change the way Washington does business. Continuing to subsidize lobbying and advocacy by large, special interest organizations runs counter to this purpose. It also runs counter to First Amendment principles by forcing taxpayers to subsidize political activities with which they disagree.

Therefore, we urge the conferees to combine the best of both proposals into a strong, effective, workable reform that would rein in public financing of lobbying and political advocacy. Thank you in advance for your consideration.

Sincerely,

Larry E. Craig, Alan K. Simpson, Jesse Helms, Mitch McConnell, Strom Thurmond, Slade Gorton, Trent Lott, Kay Bailey Hutchison, Orrin G. Hatch, Spencer Abraham, Bob Smith, Conrad Burns, Craig Thomas, Larry Pressler, Don Nickles, Lauch Faircloth, Bill Frist, Paul D. Coverdell, Dirk Kempthorne, James M. Inhofe, Frank H. Murkowski, Rick Santorum, Phil Gramm, John McCain, Rod Grams.

Mr. CRAIG. Madam President, many groups who claim to speak for grassroots members or large groups of Americans actually use Federal dollars inappropriately to amplify the voices of a few.

Organizations which receive funding, in spite of major lobbying activities, include:

The American Association of Retired Persons, who received more than $73 million in a 1-year period;

The Environmental Defense Fund, which has benefited from more than $500,000 in taxpayer funding;

The World Wildlife Fund, which received $2.6 million in Federal funding between July 1993 and June 1994;

The National Council of Senior Citizens, which receives 96 percent of its funding from the Federal Government, to the tune of $71 million in 1 year;

Families USA, which received $250,000 from the taxpayers between July 1993 and June 1994, and tried to mobilize last-ditch support for President Clinton's health care plan last year through a nationwide bus tour;

The Child Welfare League of America, which received more than $250,000 in Federal funds and launched an ad campaign opposing the Contract With

America's welfare reform bill, saying, ''More children will be killed. More children will be raped.''

Our reforms would prevent Federal subsidies of lobbying by conservative groups, too. It would apply to groups like the National Rifle Association and the Christian Coalition, too, if Congress and the bureaucrats ever were tempted to fund them.

DOLLARS ARE FUNGIBLE

It is already supposed to be illegal to spend Federal funds directly on lobbying the Federal Government.

However, organizations still can draw on a combined pool of vast amounts of private and public money.

Having many pipelines into one pool still allows a group to use the entire pool in such a way that it maximizes its lobbying muscle.

Federal money can supplant other funding to other activities that still support lobbying, such as overhead and travel.

This means the Federal Government is indirectly subsidizing millions of dollars of lobbying by special interest groups each year. All the groups need to accomplish this is creative accounting.

Our amendments simply would not allow both activities to continue within the same organization.

We need to prevent Federal funding from indirectly subsidizing lobbying activities by being used to free up other funds, and, as recognized in the Istook-McIntosh-Ehrlich amendment, prevent one organization, like a 501(c)(3), from being able to pass through, essentially to launder, the money through to another organization, like a 501(c)(4).

Our amendments would not prohibit an organization from conducting educational or charitable operations under 501(c)(3) status and conducting lobbying through a related, but completely separate, independently financed, 501(c)(4) organization.

The key here is to ensure the total separation of funds, with an impenetrable wall between taxpayers' dollars and dollars for private-interest lobbying and political advocacy.

REAL LOBBYING REFORM

In July, the Senate recognized that this kind of amendment is about—real lobbying reform, integrity in the grant, loan, and award process, and clean government, and good government.

Congress and the public have been correctly focused on lobbyist and gifts to legislators.

We also need to do something about Government's gifts to lobbyists.

There has been a growing phenomenon of more and more Federal tax dollars going to advocacy groups, which then allows them to use these taxpayer dollars to argue their maybe very narrow point of view.

Federal grants to private grantees now totals an estimated $39 billion, with no effective accountability. This contrasts with the way that Congress has enacted a complex set of controls to make sure contractors can not use contract proceeds for improper purposes.

This practice of sending billions of fungible dollars into the coffers of lobbying groups undermines the people's confidence in their government.

BALANCING THE BUDGET

This reform is a good place to look for help in balancing the budget.

With nearly a $5 trillion debt, a $200 billion deficit, and the very real concern that this year for the first time this Congress is going to establish increasingly narrow and tighter public priorities as to where taxpayer dollars get spent, it is high time we do the same in this area.

FREE SPEECH

I opened with a discussion of Thomas Jefferson and the Constitution. Opponents of our reforms have tried to use the first amendment against us. Their arguments simply don't hold up.

We should never restrict the right of the citizen, or the group, or the organization to be an advocate before their Government.

At the same time, the Government is under no obligation to promote, and should not be subsidizing, directly or indirectly, their activity as an advocacy group.

There is a difference between free speech and sponsorship. The American people have a clear, intuitive understanding of that difference. Unfortunately, too many Members of Congress, bureaucrats, lobbyists, and special interest groups have lost that understanding. These proposals seek to restore that distinction. As a matter of fundamental rights and constitutional law, we want to protect free speech. Lobbying and political advocacy are speech. But we are under no obligation at all to subsidize anyone's lobbying or political agenda.

No one reveres the personal liberties of the Bill of Rights more than the two Senators standing before you today. One of the most impressive accomplishments of the Istook-McIntosh-Ehrlich team is that they had their proposal thoroughly reviewed by constitutional scholars. We are comfortable that our reforms not only are consistent with the first amendment—they would promote first amendment principles.

CONCLUSION

I am optimistic that we will make progress, and ultimately enact legislation, in this area. The time is right, the supporters are dedicated, and, most importantly of all, critical principles of good government are at stake.

Madam President, I ask unanimous consent to have printed in the RECORD some research information that shows that over 70 percent of the American people agree with us on the Simpson-Craig amendment.

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

WHAT THE AMERICAN PEOPLE HAVE TO SAY ABOUT WELFARE FOR LOBBYISTS

On September 26–30, 1995, the Luntz Research Companies conducted a national study of 1,000 adults on a number of important national issues, including public funding of special interest groups that lobby the government. The results were:

*Tax dollars should not be provided to nonprofit organizations which, directly or indirectly, use these funds to lobby federal state or local officials for their special interest agenda.*

Agree: 70 percent.
Disagree: 26 percent.
Don't Know: 4 percent.

*Would you be more likely or less likely to vote for your Member of Congress if he or she did not support a law to stop federal funding of nonprofit organizations which, directly or indirectly, use these funds to lobby government officials for their special interests.*

More Likely: 31 percent.
Less Likely: 56 percent.

Mr. CRAIG. Madam President, I ask unanimous consent to have printed in the RECORD a copy of a legal opinion obtained by our assistant majority leader and the majority leader of the other body, from a constitutional expert.

This explains why the House-passed Istook-Ehrlich-McIntosh amendment is constitutional.

Since the Simpson-Craig amendment is more lenient in its treatment of grantees who lobby, it is even more obviously constitutional.

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

TIMOTHY E. FLANIGAN, Esq.,
*Washington, DC, November 1, 1995.*

Re Recent Changes to Proposed Limits on Political Advocacy by Recipients of Federal Grants.

Hon. TRENT LOTT,
*Majority Whip, U.S. Senate, Washington, DC.*
Hon. RICHARD K. ARMEY,
*Majority Leader, House of Representatives, Washington, DC.*

DEAR SENATOR LOTT AND REPRESENTATIVE ARMEY: You have asked that I supplement a letter dated July 19, 1995, in which I addressed the constitutionality of proposed legislation, sponsored by Representatives Istook, McIntosh, and Ehrlich, that would impose limitations on political advocacy by recipients of federal grants. (A similar proposal has been advanced in the Senate by Senators Simpson and Craig.) In particular, you have asked whether any of the various changes made to the proposed legislation since my initial letter would affect my conclusion that the legislation is constitutional. These changes, which are currently reflected in a proposed revision to H.R. 2020 (the ''bill''), include clarifying the ability of affiliates of federal grantees to engage in political activity, loosening the restrictions on political activity by federal grant recipients within certain dollar limits, and clarifying that the bill places no restrictions on an individual's use of non-federal funds. The changes merely reinforce the view expressed in my previous letter that the proposal is constitutional.

Opponents of the proposal have leveled only three constitutional arguments against the proposal: (1) that it establishes unconstitutional conditions on the receipt of federal grants; (2) that it violates the equal protection component of the Fifth Amendment's Due Process Clause by discriminating against federal grantees vis-a-vis federal contractors; and (3) that its disclosure provisions violate a purported constitutional

right to engage in anonymous speech. Each of the arguments rests on a selective and inaccurate reading of Supreme Court decisions which, when fairly read, provide clear support for the proposal.

First, as discussed in more detail in my letter of July 19, the bill does not establish an unconstitutional condition because it expressly permits political activity by affiliated organizations that receive no federal funds. Indeed, the current bill goes even further than the previous version to make clear that affiliate organizations that do not receive federal grants are not affected by the limitations on political advocacy.

The Supreme Court has expressly upheld such a mechanism as a method to avoid constitutional difficulties. In *FCC v. League of Women Voters*, 68 U.S. 364 (1984) (Brennan J., writing for the Court), the Court observed—and indeed appeared to recommend to Congress—that Congress could prohibit public broadcasting stations that received as little as 1% of their funds from the federal government from engaging in any editorializing so long as the statute allowed those entities to create affiliates who were not barred. *See id.* at 400.[1] By expressly affording federal grantees that option, therefore, the bill is valid under the Court's unconstitutional conditions analysis.

Opponents of the bill have sought to avoid the effect of *League of Women Voters* by taking out of context a single sentence from the Court's opinion in *Rust v. Sullivan*, 111 S.Ct. 1759 (1991). That sentence draws a general distinction between restrictions directed against ''entities'' rather than simply ''programs.'' Their references, however, derived not from the Constitution but from the regulations challenged in that case, which applied only to Title X programs. Thus the *Rust* Court had no occasion to revisit its analysis of prohibitions on ''entities'' in *League of Women Voters*. Moreover, this narrow reading of *Rust* collapses completely when the sentence is read together with the remainder of the paragraph in which it appears. Barely four sentences later, the Court specifically reaffirmed its conclusion in *League of Women Voters* that a flat prohibition on certain speech activities by recipients of federal funds ''would plainly be valid'' if Congress permitted the recipients to establish affiliates to engage in that activity with non-federal funds. *See Rust* 111 S.Ct. at 1774 (quoting *League of Women Voters*, 468 U.S. at 400).

*Rust* also made clear that the Constitution by no means bars restrictions on the use of non-federal funds. The Court specifically rejected the argument that the application of the Title X regulations to non-federal funds used in Title X programs was unconstitutional because they penalized privately funded speech. *See Rust*, 111 S.Ct. at 1775, n. 5. The Court moved that a party wishing to engage in the prohibited speech could ''simply decline the subsidy.''

The ''equal protection'' argument against the bill also fails. The gravamen of this argument is that Congress may not treat grantees differently from federal contractors without a compelling reason for doing so. This argument, however, is not supported by the relevant case law. Congress is simply not constitutionally prohibited from controlling grants and contracts through different regulatory schemes.[2]

The Constitution does not forbid Congress from making a rationally based, content-neutral distinction between contractors and grantees. Strict scrutiny would not, as some opponents have claimed, apply to the distinction between contractors and grantees. It is ''not at all like distinctions based on race or national origin'' that are subject to strict scrutiny under an equal protection analysis. *Regan v. Taxation With Representation,* 461 U.S. 540, 548 (1983) (rejecting equal protection challenge to limitations on political activities by organizations exempt under Section 501(c)(3) of the Internal Revenue Code). Moreover, strict scrutiny does not apply merely because the restrictions on recipients of federal grants might affect the exercise of their First Amendment rights: ''[A] legislature's decision not to subsidize the exercise of a fundamental right does not infringe the right, and thus is not subject to strict scrutiny.'' *Id.* at 549. Rather, the distinction between contractors and grantees must only rest on a rational basis. There is no reason that Congress could not rationally determine that the nature of a contract, involving a bargained-for exchange and judicially enforceable rights, presents a less serious risk of misuse of federal funds than a federal grant.

The third argument—that the bill's disclosure requirements violate a generalized right to engage in anonymous political activity—fails because no such right exists. The Court has never articulated such a right and the case law relied on by the bill's opponents merely serves to underscore the constitutionality of the bill's modest disclosure requirements.

The bill's disclosure provisions are significantly less burdensome than others on lobbying and campaign activities that have been upheld by the Supreme Court. For example, Congress has for many years imposed extensive disclosure requirements on those who lobby it. The Federal Regulation of Lobbying Act, for example, requires of any person or organization who solicits or accepts money to lobby Congress to submit a detailed quarterly disclosure of the name and address of any contributor of more than $500 and the name and address of the recipient of every expenditure greater than $10. *See* 2 U.S.C. §264. The Supreme Court held that that statute did not violate the First Amendment, stating, in an opinion by Chief Justice Warren, that Congress ''is not constitutionally forbidden to require the disclosure of lobbying activities,'' *United States v. Harriss*, 347 U.S. 612, 623 (1954).

The present bill is far less restrictive. It requires a ''brief description of the taxpayer subsidized grantee's political advocacy,'' together with good faith estimates of the grantee's expenditures on political advocacy and political advocacy threshold. *See* §702(a)(3)(B)(vi) and (vii). Indeed, the Federal Regulation of Lobbying Act, which the Court has upheld against First Amendment challenge, goes well beyond the bill by applying to anyone who lobbies Congress, regardless of whether they receive any public funds at all.

The Supreme Court only last term reaffirmed that such disclosure requirements do not violate the First Amendment. In *McIntyre v. Ohio Elections Comm.*, 115 S.Ct. 1511 (1995), the Court struck down a state law which prohibited anonymous political pamphleteering. In reaching that conclusion, however, the Court specifically distinguished and reaffirmed its earlier holding (in *Buckley v. Valeo*, 424 U.S. 1 (1976)) that upheld disclosure requirements for ''independent expenditures,'' i.e., the use of private funds. *McIntyre,* 115 S.Ct. at 1523. The Court emphasized that ''[d]isclosure of an expenditure and its use, without more, reveals far less information'' than the requirement before the Court in *McIntyre* that political leaflets identify their author. *See McIntyre,* 115 S.Ct. at 1523. While noting that the information required to be disclosed in *Buckley* ''may be information that the person prefers to keep secret, and undoubtedly often gives away something about the spender's political views,'' the Court reaffirmed that such disclosure requirements are not barred by the First Amendment. *Id.*

For these reasons, I believe that the bill's limitation on federal grantees' political advocacy and its accompanying disclosure requirements would likely withstand constitutional scrutiny.

Very truly yours,

TIMOTHY E. FLANIGAN.

FOOTNOTES

[1] The Court stated:

''Of course, if Congress were to adopt a revised version of [the statute] that permitted noncommercial educational broadcasting stations to establish 'affiliate' organizations which could then use the station's facilities to editorialize with nonfederal funds, *such a statutory mechanism would plainly be valid* under the reasoning of *[Regan v. Taxation With Representation*, 461 U.S. 540 (1983)]. Under such a statute, public broadcasting stations would be free, in the same way that the charitable organization in *Taxation With Representation* was free, to make known its views on matters of public importance through its nonfederally funded, editorializing affiliate without losing federal grants for its noneditorializing broadcast activities.''

*League of Women Voters,* 468 U.S. at 400 (emphasis supplied). The bill expressly adopts the same structure approved by the Court in *League of Women Voters*. Organizations receiving federal funds could create lobbying affiliates to engage freely in political advocacy, but without federal funds.

[2] It is important to note that the bill applies to *all* grantees, corporate or non-profit. To the extent that corporations receive grants, they would be subject to the same restrictions as any ''public interest'' organization receiving grants. Moreover, although the bill applies only to federal grantees, federal contractors are already subject to regulatory regimes restricting their lobbying activities. *See, e.g.*, Federal Acquisition Regulation, 48 C.F.R. §3.803 (requiring disclosure of lobbying activities), §31.205–22 (restricting lobbying costs allocable to federal contracts).

[1] Footnotes follow at end of article.

Mr. CRAIG. Madam President, a few moments ago a Senator speaking said we are trying to gag the nonprofits.

How clearly can I make myself to say no, no, no, it ain't true. This is the for-profits, too. These are the organizations that both lobby and receive grants and are for profit. They are included now. This is a matter of reporting. This is a matter of choice. This is a matter of establishing your priorities of what you are. This is not about gagging.

Are we gagging the 501(c)(3)'s? They do not believe so, because they are doing what they are supposed to do under the law. That is all we are establishing here is a priority and a criteria that we have already established in a variety of areas in the IRS Code of our country. There is absolutely nothing wrong with that approach.

If there is an organization that feels they are being gagged, I might suggest that that organization is misusing the current law and find themselves embarrassed because they got caught misusing the Federal dollar.

I yield the floor.

Mr. LEAHY. Mr. President, imagine the 4–H Club being banned from receiving any Federal grants because it spent too much money letting people in the hard-to-reach areas of rural America know about changes to agricultural laws. Imagine Planned Parenthood being forced to spend millions of dollars defending itself against suits filed by anyone ideologically opposed to their mission.

Well, if House Republicans have their way, you have to imagine much longer—you will be able to see it for yourself.

The authors of the so-called Contract With America would have you believe that they want to get government out of people's lives. Apparently that commitment does not extend to people who disagree with them. The Istook language is a thinly veiled attempt to gag non-profit organizations, to bind them up in bureaucratic red tape and prevent them from letting Congress or the public know about the impacts of Federal legislation.

It is no wonder that the American people hold such a low opinion of Congress. Today, more than 5 weeks into the fiscal year, only 2 of the 13 appropriation bills needed to run the Government have been signed into law. But instead of making a serious attempt to pass a continuing resolution that will keep Federal workers at their desks, House Republicans have chosen to send to the Senate a resolution sprinkled with items from their ideological wish list.

There are 800,000 Federal employees who have bills to pay and families to support, who will not be paid starting Tuesday if a continuing resolution is not passed. The Istook amendment has no place in the continuing resolution, it has no place in law. I urge my colleagues to strike the Istook language and send the President a continuing resolution that he can sign.

Mr. LIEBERMAN. Mr. President, I join in support of the motion to strike the so-called Istook amendment from the continuing resolution. I will not speak long because, as a Congress, we have spent far too much time on this already and there is so much more we need to accomplish.

The Istook amendment is in my view nothing more than a solution in search of a problem.

Who could argue with this solution's ostensible justification—prohibiting Federal grantees from using tax dollars to lobby the Government. No one, I suspect. My evidence: this practice is already illegal, and has been for a long time.

If charities or other nonprofits are violating that law and all the regulations that govern how they account for and spend Federal grants they may receive—and I have not heard persuasive evidence that they are—no new law and its accompanying regulatory burdens and bureaucracy should be adopted before examining whether better enforcement of the existing laws and regulations wouldn't address the problem. I though that we had evolved as a Congress where our first response to a problem or a perceived problem was not slapping yet another layer of laws and bureaucracy on top of an already complicated regulatory structure. Using Government funds to lobby is already illegal and charities are already limited in what they can spend overall on lobbying and still retain their charitable tax status.

In my view, this proposal has a curious old government feel to it—despite the revolutionary credentials of this amendment's proponents.

Similarly, the Istook provision has a Federal bias that I thought was no longer fashionable. It extends the Federal Government's regulatory reach into the affairs of local, private organizations, even affecting the way they may spend their own, privately raised dollars. For example, it defines political advocacy so broadly that local charities will have to measure and document the time and resources they spend trying to influence the decisions of local administrative bodies because they may be affiliated with national charities. Under the Istook provision, national charities and nonprofits must include the political advocacy expenses of any of its local affiliates in calculating whether it has exceeded its threshold limit.

At year's end, will the Hartford, CT, chapter of the Boys & Girls Clubs have to calculate whether the time and resources it would like to spend seeking permission from the local zoning board to expand its building tip the national Boys & Girls Club operations over the Istook threshold edge and put all Boys & Girls Clubs grants at risk?

I have to assume that the supporters of this amendment did not intend that effect. But they have cobbled together such a complicated, layered regulatory scheme regulating so-called political advocacy at all levels of government, that absurd consequences are inevitable.

For example, the amendment limits the ability of Federal grantees to purchase or secure any goods or services from any other organization whose expenditures for political advocacy for the previous Federal fiscal year exceeded the greater of $25,000 or 15 percent of the other organization's total expenditures. So not only will the charities and nonprofits that are subject to this provision have to keep detailed records concerning how much they spend on their own broadly defined political advocacy, but they will have to make sure that the local stationery or computer stores from which they are buying their supplies are documenting their expenditures for political advocacy.

In most cases, of course, those businesses won't likely be spending anywhere near 15-percent of their revenues on traditional lobbying, but it is not inconceivable that in a particular year, a small business might spend that much in a combination of litigation challenging a State or Federal law or seeking a zoning variance or pursuing other local or State administrative challenges. Under Istook, all those activities are considered political advocacy and would have to be included in the calculus of whether that small business has reached the 15-percent threshold.

And, regardless of whether that 15-percent threshold is reached, the small businesses and others will still have to keep records if they want to sell computers, furniture, or other products and services to Federal grantees like the A.S.P.C.A., the American Foundation for the Blind, CARE, World Vision or the American Lung Association, and MADD.

In summary, this solution will only succeed in wasting the time, resources, and energy of everyone that must comply with it and every government agency that must implement it. It will enrich the lawyers and accountants who inevitably will be hired to decipher its byzantine regulatory structure. And, it will do all this, while not incidentally, impinging upon the constitutional rights of millions of citizens across the country to make their views known to their Federal, State, and local officials.

To quote from the executive director of the Litchfield, CT chapter of Mothers Against Drunk Driving, which has received small NHTSA grants to conduct lifesaving highway safety programs, MADD has spent the last 15 years trying to make drinking and driving socially unacceptable by the American public and this outcry from the public has resulted in more effective laws, stronger enforcement and lives saved. I cannot believe that the Senate would want to silence the voices of these drunk driving crash victims and concerned citizens whose sole purpose is to save lives just because the organization they support with their donations receives a small grant from the Federal Government to do good work.

Don't we have enough real problems to deal with without manufacturing artificial ones? Do we really want to adopt a convoluted new law on a continuing resolution that will do little other than get in the way of the people who, on a day-to-day basis, are doing some of the most important work in our society—the Red Cross, the American Cancer Society, the Boy Scouts of America, Catholic Charities. I urge my colleagues to support the motion to strike.

Mr. BIDEN. Madam President, I am pleased to see that Senator SIMPSON has proposed to remove the so-called Istook amendment from this bill.

This is a bad idea. It is unconstitutional, and raises a host of important questions for which we have heard no adequate answers. It is clear to me right now that it must be stripped from this continuing resolution.

I fully agree with my friend and colleague from the Judiciary Committee, the distinguished Senator from Wyoming, that there is no way this proposal will pass the Senate, and there is no reason for this proposal to be under debate here today.

We have not had a single hearing in the Senate on the impact of this radical rewriting of the laws covering the speech and freedom of association of

thousands of charitable, non-profit organizations—not to mention the millions of other organizations that would be caught in its net.

It adds new, unexamined restrictions on the activities of this country's most valuable and honored local and national charitable organizations.

From my own State of Delaware, I have heard from the YMCA, from the Boys' and Girls' Clubs, from the Delaware Nature Society, from Delaware Easter Seals, the Delaware Chapter of the Multiple Sclerosis Society, from Mothers Against Drunk Driving, from virtually all of the non-profit organizations that serve my State.

Madam President, all of them have told me that this proposal would strike at the heart of their most critical functions—to administer, at the local level, grants to keep our kids off drugs, or to educate the public about life-threatening diseases.

The Istook provision threatens these groups with legal action if they run afoul of an Orwellian web of restrictions, spending rules, reporting requirements—limits on whom they can associate with, and what they can say.

Madam President, this proposal would create a thought police of private citizens—who, for a 25 percent share of the treble damages levied against, say, the Mothers Against Drunk Driving, would have the incentive to drag them into court to prove that they did not purchase—with their own funds—office supplies from a business that spent 16, instead of 15, percent of its own funds for political advocacy the previous year.

This proposal extends the long arm of Federal Government restrictions to the very local charitable organizations we are told should really be doing the jobs now done by Federal bureaucrats.

What hypocrisy, Madam President! On the one hand, we are told that decentralized, local, community-based groups should take up the burden of supporting those hit hardest by cuts in Federal assistance programs.

But on the other hand, it is those very groups that this proposal would threaten if they trip over any number of arcane reporting requirements or ambiguous limits on ''political advocacy.''

And let us not kid our selves, Madam President—this is intended to trip them up. That is why they removed Veterans from the coverage of the bill—because enough of us complained about it.

That is a clear admission that the bill will hurt non-profits. The problem is that they have only protected one group—not all of the others equally deserving of protection, instead of the vindictive harassment of this proposal.

The groups still affected by this proposal are those who have been chosen to fulfill public policy goals through grants to engage in outreach, education, and other activities.

Those grants purchase a service—from the Boys' and Girls' Clubs, from the YMCA, from the Easter Seal Society—to promote public policy goals. Those goals include healthier, drug free kids, cleaner air—goals that are indeed well-served by local, decentralized groups.

Take one example of how this could work. Imagine a local non-profit group in Dover, DE, like the Big Brothers and Big Sisters—a group that receives Federal grant funds and engages in the activities restricted under this proposal—advocating and encouraging others to advocate for policies that help children.

Anyone looking for a 25 percent share of the treble damages—three times the amount of the grant—would have the incentive to find some shortcoming in the reporting, some illegal association, some proscribed expression on an issue of public policy, that would expose the group to litigation.

The burden of proof would be on them to prove that they were in compliance.

Imagine what well-funded corporate interests could do with a few well-placed lawsuits that kept those pesky non-profits tied up in court and in legal costs instead of engaging in government-restricted ''political advocacy.''

Today's Wall Street Journal chronicles the fight between Beer Wholesalers and Mothers Against Drunk Driving, focusing on the impact of the Istook proposal on non-profit groups. I am sure we can imagine many other ways this provision could be used to chill the advocacy work of groups that some people might find inconvenient.

Madam President, the American people certainly want reform in the way we do business around here. But this is not what they want—a tool in the hands of powerful special interests to silence non-profit charities.

This is a nightmare, a page out of the play book of every petty, small-minded despot who tried to stamp out inconvenient opinions.

It puts every organization of any kind—every business that receives anything of value from the Federal Government—on notice that they not only are under restrictions on their own political activities, but must monitor the activities of those they do business with.

It recruits a thought police with a financial incentive to seek out every misstep by every local chapter of every national charity.

Madam President, this proposal has no business on this bill. It has no business on the floor of the Senate today or any other day.

Mr. KERREY addressed the Chair.

The PRESIDING OFFICER. The Senator from Nebraska.

Mr. KERREY. Madam President, again, colleagues are trying to figure out how to vote on this thing. This is significant change in law. It is significantly more than what was passed, and I supported the Senator from Wyoming when he had an amendment earlier. This is 17 pages long. This is not a little modification. This is 17 pages long. It is not clear to me at all what the impact of this is going to be. I know it expands considerably from what this body voted on before.

But what I object to most of all is that we are being told that a continuing resolution to allow the appropriations process to go forward is not going to pass in the House of Representatives unless the Senate agrees to this provision. That is what we are being told.

Last week, the distinguished Senator from Wyoming—and I supported him—raised a point of order against an attempt to lift the earnings cap on Social Security income and reference it to a committee. That should be referenced to a committee. In this particular case, we are saying no, this is so important, we have to attach it to the continuing resolution.

We are being held up, Madam President, by a small group of people, and I urge colleagues, I know there will be a lot of them coming down here and saying, ''Well, I guess I have to vote for the Simpson amendment, it probably is all right.'' It probably is not all right. There are 17 pages in there.

I know there are more 501(c)(4)'s because we lowered the floor from $10 to $3 million, and the language in here looks to me to be pretty ambiguous in a couple of areas. What we are basically doing is changing the Internal Revenue Service Code. This is a change in the law as relates to the Internal Revenue Service Code, and all these organizations are going to have to ask themselves the question: How am I going to make sure I am in compliance?

In order to demonstrate they are in compliance, they are going to have to do things they currently do not do. The Senator from Wyoming came down and targeted a few 501(c)(4)'s that are a problem. Using public money to lobby is illegal now, so if there is a problem, if I have a 501(c)(3) or 501(c)(4) that is lobbying in an illegal fashion, let us file a charge against them, for gosh sakes. That is typically the conservative approach.

For gosh sakes, let us not just change the law to apply to everybody if I have a few bad apples out there. Let us target it and make sure we make those organizations that are receiving public money, if they are using the public money to lobby, let us file a criminal or civil charge against them.

No, that is not what we do. We have a couple of people over in the House of Representatives who were opposed by some 501(c)(3) or 501(c)(4) and they are on a vendetta, and they say, ''I don't care if I shut the Government down.'' That is their position. They said it publicly. Mr. Istook said: I do not care if the Government shuts down. I do not care what happens to the country. I want to get my revenge. I want to get my little pound of flesh here.

The next thing I want to say is this is a substantive thing. All of us are out there at the community level and trying to figure out what do I do about

child support problems; what do I do out there with programs dealing with domestic violence; what do I do with child care, and so forth?

Guess what? We hold a meeting out there and who do we meet with? We meet with 501(c)(3)'s and 501(c)(4)'s. We are asking them to take on more responsibility as we cut back and try to balance our budget. That is what we are doing.

The very moment that occurs, we are passing legislation that—as I said, I do not know what the impact is going to be, but I know from the IRS evaluation that they are going to request a lot more information than they are currently requesting from hundreds—I am not going to say it is every 501(c)(3) and 501(c)(4), but it is dramatically more than what this body voted on in the Treasury-Postal appropriations.

Make no mistake, the reason we are taking it up here is the group that supported it over in the House could not even get a majority in the Treasury-Postal appropriations bill. They are willing to shut it down. They are willing to say, ''I know I don't have a majority. I know I don't have the votes to get this thing done. I don't care. But I'm going to threaten and I am going to use the threat, if possible, to try to get this thing done,'' even though, as I said, most of us have not even had the chance to evaluate what this is going to do.

I supported the effort of the Senator from Wyoming to put restrictions on 501(c)(4)'s, a $10 million limitation. This drops that down to $3 million. It has some language in there.

I am not saying every 501(c)(3) is going to be affected, but it certainly appears to me that a number of them, if not a large number of them, are. The IRS is going to at least have to ask the question, if that is the case.

I believe that we should vote no on this amendment. The Senator from Wyoming and the Senator from Idaho have made a good-faith effort to try to produce something that would be a compromise with this minority in the House, 70 of whom have written a letter saying, ''We're not going to vote for a continuing resolution unless we get this done.''

One more thing. The American people want us to reform our lobbying laws and campaign finance reform laws. Madam President, this is very significant. I know some disagree. Some on my side said this really is not lobbying reform. I see it as at least tangentially lobbying reform. The House has not passed lobbying reform. These very Members that are offering this language, why do they not force their leadership to pass lobbying reform? This body passed lobbying reform. This body passed legislation.

I ask them, you are out there talking about lobbyists interfering with the process, you are out there talking about the special interests doing this or that and the other thing, why do you not enact the Senate legislation, let us conference that and change the law having to do with lobbying?

Let us do the same thing with campaign finance reform. I endorsed the proposal of Senator MCCAIN, Senator THOMPSON, and Senator SIMPSON last week. We have to change the law so people feel more power and greater opportunity to participate in democracy. Far too many people believe that the special interests control the process around here, but very few of us honestly would say, we understand special interests around here, but who are the dominant special interests?

Come to mind the dominant special interests, the YMCA? Come to mind, when you are trying to think of the dominant special interest hanging out in the rotunda out here that have the greatest money influence, the Red Cross? Did they spend a lot of money on the telecom bill? I do not think so. I do not see any full-page ads from the Red Cross saying, ''Support disaster relief appropriations.'' They have a relatively small amount of impact.

If you really want to clean this process up, pass lobbying reform along the lines of what the Senate did. Pass campaign finance reform in a bipartisan way. It is long overdue that this body does it. For far too long, we have acted as if we are more concerned about covering our rear ends and keeping our jobs than we are in seeing that democracy functions in a fashion and the taxpaying citizens feels they have an opportunity to influence what we do.

This amendment should be rejected and we should, furthermore, as we reject it say to the House of Representatives, ''When it is time to do a continuing resolution, we are going to do a continuing resolution. We are going to keep the Government going, and we are not going to kowtow to a relatively small number of people who want to change our laws.''

Moreover, for those who look at the detail of the legislation, once you get beyond that, we have to say this just goes too far. It goes too far. It goes too far. Where have I heard that before? I hear it almost every time I go home.

This is not in the Contract With America. This was not asked for when the so-called mandate was given last November. I hope that my colleagues, for a whole range of reasons, will reject this amendment.

Mr. DORGAN addressed the Chair.

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. DORGAN. Madam President, I intend to vote against this amendment. The Senator from Nebraska, I think, makes a persuasive and compelling case. I want to stand up and discuss a little bit the process that has brought us to this point.

How many deadlines have been missed? How many dates have been ignored? How many circumstances that are required of us in law have been essentially disregarded with respect to the budget process, the reconciliation process?

We now have a continuing resolution on the floor of the Senate. Why do we have that? It is because the Congress has not done its business. The fact is, we did not meet budget deadlines; we did not meet the reconciliation deadline; we did not meet appropriations bills deadlines.

Now, the Republicans control the Congress. They won the last election. They have an agenda called the Contract With America. Some of it has made some sense. I voted for some of it. Some of it is totally goofy, totally off the wall, and is never going to get passed and never should be passed. But because they have a lot of new people who brag about the little experience they have in legislating, and because we now find ourselves with a contract that includes proposals that make no sense—you know, to go sell our lakes so that we can get some short-term money in to reduce the deficit.

I do not understand some of this thinking. Sell the dams and lakes so we can jack up electric power rates and sell them to the private utility companies. Sell the fishing lakes. This makes no sense at all. There are a whole series of proposals that make no sense. But because that is the agenda, and we have those folks bragging about how little experience they have legislating, we now find ourselves with this record.

One party controls all of Congress and presumably has the votes to do what it wants to do. Well, on April 1, the Senate Budget Committee is required, by law, to report a budget resolution to the Senate. That was 45 days late. It did not get here on April 1. Nobody was stopping them from doing their work. It just did not get here. So 45 days later it got to the Senate.

On April 15, the law says that the Congress should complete action on its budget resolution. Well, 75 days later that happened. It did not happen on April 15; it happened on June 29.

The House Appropriations Committee is to report its bills out by June 10. Well, that did not happen on June 10; it happened on October 26—138 days later.

The law says that on June 15, the Congress should complete action on the budget reconciliation. Well, that is 5 months and still counting. We have not completed action on that. That is why we are here today on the floor of the Senate on a Thursday talking about a continuing resolution, which has now been amended by some people who want to talk about lobbying reform on a CR that is necessary because the majority party has not been able to do its work for 5 months to get a reconciliation bill, as required by law, on the floor by June 15.

I do not understand this notion of efficiency or effectiveness from a party that is supposed to do something by June 15, and now, as a result of not doing it, requires us to debate a CR, and then they bring to us some last-minute 15- or 20-page amendment on lobbying reform—a position they say is required because the new people in the

House will not accept anything less, despite the fact that the House has not passed lobbying reform.

Forgive me, my school was a small one—a high school class of nine—and I thought I graduated near the top, but I just do not understand what we are talking about here. Congress is to pass all appropriations bills by September 30.

The fact is, in times past, when the Democrats controlled the Congress, we did not always get all these bills passed by September 30. But you cannot find a much worse record than you will find this year. You cannot find a record that is much worse than what happened this year on appropriations bills. Virtually none of them have gotten through this process.

First of all, we are talking about 5 months—we missed, by 5 months, the requirements in law for the reconciliation process. And because of that, we have to do a continuing resolution and also a debt extension.

Now we find ourselves here, on the eve of all of this, doing a tap dance with a bunch of folks who brag that they can shut the Government down, they can cause a default. They might want to brag about that, but I do not know who they would want to brag to. It is not much of an accomplishment in my book.

The American people ought to expect us to decide to do what we should do by law—pass these bills, meet and do the compromises that are necessary. You can think of, over a couple of hundred years, some pretty difficult circumstances that created wide divisions between people in this Chamber and in the House of Representatives, wide divisions between the parties, and the requirements of a democracy, even though it is not very efficient, is that somehow, in some way, at some appropriate point you come together and compromise and reach a conclusion. Presumably, you do it with the best interest of the country in mind.

We have a circumstance now where we are told that, well, we cannot reach a conclusion. We have a Contract With America, they say, and this contract with America says the center pole of our tent is a big tax cut. It is true, we are in debt up to our neck. It is also true that every dollar of the tax cut will be borrowed during the next 7 years. It is also true that we will add hundreds and hundreds of billions of dollars to the Federal debt. But we need a tax cut. If we do not get this tax cut, half of which will go to families earning over $100,000 a year or more, then we are prepared to shut the Government down. We are prepared to decide that we will not meet our debt obligations. The American Government will default on its debts. That is what they say.

I hope that Members of the House and the Senate, on both sides of the political aisle, will decide that this is not the time to offer amendments. Let us pass the continuing resolution. Let us do what we are required to do—provide a bridge by which we then seriously negotiate away the differences in the reconciliation package, pass the reconciliation bill, tell the American people that we understand what concerns them. We are spending more than we are taking in, and we are charging the bill to the kids in the future, and we have to stop that. So they have not thoughtfully tried to compromise our way through this process. And we are reducing the budget deficit, we are going to balance the budget, and we are going to do it the right way.

But it ought not be a source of pride for anyone to decide that they can, by themselves—or a group of like-minded people—decide to shut this Government down in the coming day or two.

I guess my hope is that we can decide in the next few hours here, in the next couple of days as well, that this kind of amendment does not belong on this. The Senator from Idaho knows this does not belong on this CR. He knows that. Everybody on that side of the aisle knows that. This is not a place to stick these amendments.

The Senator from Minnesota stood here and spoke about people freezing in the winter. I can think of 100 people who would like to offer an amendment to a CR because they have something that just gnaws at them, which they know is wrong and they want to fix. You know that a President would have to sign a CR at some point to keep the Government open. So everybody in this Chamber could stand up and insist that, ''On my watch, I intend to do this, and I can care less whether it is inefficient or dilatory.'' Everybody has that right.

The fact is, that is not the right way to do it. This amendment does not belong here. This is a continuing resolution, a short-term continuing resolution, a bridge to get from here to there, a bridge that creates a time during which, hopefully, both parties can come together and resolve these differences.

I do not think there ought to be a tax cut. Further, I do not happen to think we ought to add $7 billion to military spending or to build star wars, and I do not think we ought to buy 20 new B–2 bombers at $32 billion each. I do not think we ought to kick 55,000 kids off of Head Start, or that we ought to take disabled veterans and say, ''We do not think you should have health care.''

I think what we ought to do is decide where we disagree and see if we can think through this clearly and patiently, over a period of days, and reach a solution. I know there is a lot of politics involved—probably on all of our parts here—when we talk about these things. But in the final analysis, a default is not about politics; it is about the failure of all of us to do what we ought to do. A shutdown of Government services is not about politics. That is about failure.

Shame on everyone in this Chamber and in the House Chamber if this Government defaults. Shame on everybody in politics if there is a default on the debt obligations, or if there is a shutdown of Government. It ought not happen, it should not happen, and every single person serving in Congress ought to work to prevent it from happening.

We can, through some basic level of cooperation, decide to start at this moment, especially on a continuing resolution—yes, even on a short-term bridge with respect to the debt—get from here to there so we can negotiate away these differences and reach an acceptable compromise that is good for this country. That is what the American people require of us. That is what the American people expect of us.

Now, I am sure the Senator from Idaho and the Senator from Wyoming, both of whom I have great respect for, they are both good legislators, I am sure they feel they are offering this amendment because there is leverage on another side, and this is the right public policy anyway so we should respond to it.

The fact is, I can think of, as I said, 100 different people who want to offer something that they think will advance their interests or the interests of the country on this very legislation, but it ought not be advanced on this legislation.

We ought to pass this short-term CR and we ought to pass a short-term debt extension. We ought to get the leaders of both political parties in the House and the Senate together, pronto, to sit down and address these questions in a thoughtful way and come to a conclusion that the American people expect.

Madam President, I will have more to say on the CR later. I wanted to make the point that I made when I started. We have been subject to a lot of criticism—we Democrats. I understand that. Part of it, incidentally, is well deserved.

I understand we were in charge for some long while. There were times when we did not do the right things. We overspent, we were too programmatic; every national ache we put a quarter in the vending machine, and go on to address another problem before we determine if that program worked.

I understand it is our fault and I accept that. But we have made life a lot better for a lot of Americans.

I say to those who are now running the Congress and who are now responsible for meeting these deadlines, this is not much of a record. We find ourselves toward the end of the year and we have a circumstance where a reconciliation bill that was supposed to have been passed over 5 months ago is nowhere near being passed—not even out of conference; a CR that is necessary to get us over the hump is now on the floor of the Senate and being tortured with amendments.

That is no way to run a railroad and no way to run a Senate. I hope we can meet deadlines and meet our responsibilities, solve problems and advance

the interests of this country, and I hope we can start doing that in the next couple of days. I yield the floor.

Mr. CRAIG. Madam President, I will be brief. I think the Senator from Ohio wants to speak.

I have been listening to my colleague, and what I am hearing, does that meet the straight-face test? Well, it did not. I tried it on and it did not work because continuing resolutions under some other party's control—let me talk about 1986, after the Senate had been regained.

Continuing resolution: Export-Import Bank, denial of MFN status for products to Afghanistan, Federal Salary Act amendments, child care services, Federal employees, Ethics in Government Act, all on a continuing resolution.

I know the Senator from North Dakota and I prefer a clean continuing resolution but it has not happened very often in the Congress of the United States. So it really does not mean a great deal to come to the floor and argue that when in 1987 we brought a continuing resolution over it contained all 13 appropriations bills. That is reality. That is real.

It contained a Defense Acquisition Improvement Act, it contained Paperwork Reduction Reauthorization Act, human rights for Romania, school lunch and child nutrition amendments, Aviation Safety Commission Act, metropolitan Washington airport—all things, very important, that got stuck on a continuing resolution.

In 1988—as I think back, I think his party was in control of the Senate; he might well have been here at that time—contained all 13 appropriations bills once again. Cancellation of fiscal year 1987 sequestration order. Special House and Senate procedures for considering funding requests, and so on and so forth. In 1991, extension of certain Medicare hospital payments provisions.

The point is made, Madam President, the point is made that continuing resolutions have been and remain vehicles to move legislation on in this Congress.

What is important for our colleagues tonight as I think we are very close to voting on these amendments, Madam President, is to remember if you want to strike the Istook amendment you vote for the Simpson-Craig amendment. Several of our colleagues have said that is what they want to do. But they want to retain the essence of the language that they voted for some weeks ago. That is exactly what the amendments of the Senator from Wyoming and my amendments do.

If you want to pass Istook and fail to pass our amendments, what will the House do to the CR? I am not sure. I do not understand what might happen. I do understand what could happen.

That is, if we take the simple amendments that bring us back to where we were, the majority of the Senators, a unanimous vote of the Senators with some modifications now, placed us some weeks ago with a substantial assurance if we do that we will pass the CR as we have it before us, that is how we ought to vote. That vote means that you vote for the Simpson-Craig amendments.

Madam President, we are well behind on the work of the Congress. Again, I think of the straight-face test on those arguments. The Senator from North Dakota knows about 60 votes. He knows it well. He knows what has happened here, on the floor and in committee, and the very clear obstructionist tactics that have occurred on occasion on this floor that put us where we are today—needing to use a continuing resolution.

The majority leader and the Speaker of the House for 25 hours were with the President of the United States just the last week and the President never once wanted to discuss the very critical nature of the budget, the debt limit, and the continuing resolution in that unique opportunity.

Now, I wish the President would come to the table, but he stays in the White House and all he talks about is veto, veto, veto.

Well, the Senator from North Dakota talks about the urgency of this CR. How urgent is it if the President is now saying, ''I will veto it''? It does not seem to be very urgent. It appears this President wishes to play the political game. He, too, has a responsibility for running the Government of this country.

I say, Mr. President, come out of the White House, get away from your veto game, come to the table. We are trying to move substantive legislation to deal with the priorities of this Congress and the responsibilities of managing this Government.

I hope we could pass the CR. I hope we could pass it with the Simpson-Craig amendments. Mr. President, I hope you sign it.

I yield the floor.

Mr. GLENN. Madam President, I will yield in a moment to the Senator from North Dakota, but I ask my distinguished colleagues who made the remarks about the trip and the President not being willing to discuss things, it is my understanding when that chart was made from people that were there, sitting with Senator DOLE and Speaker GINGRICH, that the President was back half a dozen times or so, had lengthy discussions with him about things and was told that they still did not have their side together on some of these issues and did not want to discuss them.

I was told that by a person who was present, right there, at the time. I think as far as the President not coming out of the White House, that is not true.

Mr. CRAIG. Will the Senator allow me to respond very briefly?

Mr. GLENN. Yes.

Mr. CRAIG. I can only state what the majority leader told me as it relates to him having been there. That is not secondhand. That is firsthand.

Mr. GLENN. The firsthand was a person sitting beside him at the same time.

I yield to the Senator without losing my time.

Mr. DORGAN. I heard this and read it in the newspaper and I have talked to someone who was there with the President.

I do not know that we need to discuss it at great length, but the fact is the story the Senator from Idaho recounts is not true. The Senator from Idaho was not there, but we have heard from people who were and I do not know that we need to discuss that much further.

I can only charitably describe the Senator from Idaho's argument that because something was done in 1986 to the CR, ''I am justified in offering amendments now,'' I can only characterize that argument as pursuing business as usual. It is the same response I got on the issue of Social Security, the trust fund and so on. Business as usual is not what the American people expect.

I already admitted that we did not always move this agenda the way we should have. You look a long while before you find us 5 months late on a reconciliation bill, and it is a little specious to suggest that the reason the reconciliation bill is not on the floor of the Senate is because Democrats offered 30 amendments. Everybody knows that is not the case. Everybody knows that is not the case. The reason the reconciliation bill did not get here is because the majority party could not get its work done.

It is one thing to want to drive the train. It is another thing to drive it on time. The circumstance we find ourselves in now is a reconciliation bill that was supposed to be here and done by June 15, was not done, was not here, and it was not our fault. It was the people who were running this place who could not get agreement among their own troops.

I guess the point I want to make is, I think the defense I heard is, ''We are for business as usual.'' That is what the Senator from Idaho is saying. Business as usual is not good enough, not good enough for the American people and not good enough for us. And I hope business as usual, one of these days, is dead and buried, and reform and change is the notion of the day. That would include, in my judgment, all of us deciding to pass a clean CR, create a bridge during which, in the next several days, we can resolve these issues on behalf of the American people and move forward.

I appreciate the indulgence of the Senator from Ohio.

Mr. GLENN. I believe Senator JEFFORDS wished to give his statement. I yield to him without losing my right to the floor.

The PRESIDING OFFICER. The Senator from Vermont.

Mr. JEFFORDS. Mr. President, I rise today in support of Senator CAMPBELL'S motion to strike from the continuing resolution the language restricting political advocacy with private funds. I am opposed to the inclusion of this language in the continuing resolution, and in any bill. This provision is nothing more than a political slogan in search of a problem.

There is probably not a Member of Congress that has not been on the receiving end of criticism from a group or groups that receive Federal funds. It is irritating at times, but it is hardly cause for closing down the Government.

Nor is it sufficient justification for forcing organizations to choose between seeking grants to do work on behalf of the Federal Government and saying how they think that Government, or any government for that matter, can be improved.

It seems to me that we should invite such criticism rather than discourage it. Instead, this provision is designed to dampen debate from some of the parties that are in the best position to add to it.

Apart from being questionable public policy, I think this provision is of questionable legality. Everybody has a lawyer's opinion to buttress his or her position, but it seems strange to me how this provision can withstand judicial scrutiny. It must have seemed strange to its proponents as well, because they felt constrained to include section 306, which states that ''Nothing in this title shall be deemed to abridge any rights guaranteed under the First Amendment.''

I doubt this is a novel approach, but I cannot off the top of my head think of a similar situation where we have attempted to anticipate and decide a near certain legal challenge. I have my doubts how much deference the courts will give this provision.

The Supreme Court has long held that it is an important first amendment right for individuals to be able to freely talk to their elected representatives. While the Federal Government is allowed to place restrictions on the use of the Federal money it grants, the Supreme Court has expressed concerns in the past with the Federal Government placing restrictions on the use of purely private money to talk to their elected representatives.

The provision before us would change dramatically how private funds could be used by Federal grantees. Under current law, tax exempt groups do face limits on the amount of lobbying they may conduct. But those limits would undergo a wholesale transformation. Not just lobbying of Congress would be restricted, but so, too, would be lobbying of city councils, State agencies, and State legislatures. As a result, if your State chamber of commerce has an employee or two that lobbies in the State house, the executive branch or enters into judicial or agency proceedings, it might well be barred from seeking Federal funds to promote economic development or tourism.

Further, the imposition of these restrictions will create a whole new practice for lawyers. This language provides incentives for lawyers to sue organizations by rewarding them with a substantial share of recovered dollars. Organizations could be sued for up to 10 years, further clogging up the American courts. In a time when the Congress is trying to reduce the number of frivolous lawsuits, creating this new boon for lawyers is counter productive.

There are many small organizations in my State of Vermont that receive Federal funds that would be unable to effectively communicate with their local officials because of the limits that these restrictions will place on them. These restrictions will keep my constituents from discussing such local issues as the school board, property taxes, and paving roads with their local or State representatives. I would like to include for the RECORD a brief description of some programs in my State of Vermont that will be affected by these restrictions if they are enacted.

Mr. President, let me again reiterate my strong opposition to the inclusion of this language in the continuing resolution, and strongly urge my colleagues to support Senator CAMPBELL's motion to strike.

I ask unanimous consent a brief description of the programs be printed in the RECORD.

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

VERMONT

Addison County Parent Child Center uses a part of their federal grant money to maintain a program for young fathers who have been disenfranchised from the education system and from business. Many of these young men have had problems in the judicial system as well. This program teaches them not only parenting skills, but includes a job training component. The Center serves over 150 families in Addison County.

The Center also helps these families learn to have a voice in their local and state governments. As a part of their family empowerment program, they take these low income young families with them to the state legislature to teach them about their government and how their voices can be heard.

Vermont Development Disabilities Council is funded by a federal grant authorized under the Developmental Disabilities Act (P.L. 103–230). A significant portion of the grant dollars are used to teach parents how to protect their rights and improve the availability of services. Federal money is also used to fund the publication of a newspaper. The Independent, which reports on issues of concern to the disabled and the elderly.

The Council has also worked to change Vermont building access standards to comply with those of the Americans with Disabilities Act. Currently, the state of Vermont uses antiquated building access codes that provide less than adequate access for the disabled and the elderly.

The Vermont Public Transportation Association receives federal money in part through Medicaid and the Federal Highway State Fund, a large portion of which they use to provide public transportation for people to and from doctors' offices and hospitals. Many of these people are elderly and disabled. The Association has 1,300 volunteer drivers who make over 420,000 one way trips a year transporting people to hospitals which, in some cases, are as far as 50 miles away.

The Association advocates on behalf of the elderly and disabled in these rural communities on a variety of transportation issues.

The American Heart Association in Willston, Vermont receives federal money through the State Department of Health, some of which they use to form community based anti-smoking coalitions for youth. Their federal dollars are used to teach children not to smoke. They also advocate on behalf of these children in order to pass legislation that would keep cigarettes out of the hands of minors.

Mr. GLENN. Mr. President, I want to add my voice to those in opposition to the Istook amendment which the House has added to this continuing resolution.

Advocates, if I can use that term, of this provision have clothed it in rather attractive language. It has been presented as ending ''Welfare for Lobbyists,'' as they call it. If this were truly the case, in fact, if this were a commercial product, I reckon that the FTC would be investigating it for false claims. It is a real misnomer.

For one truly expert in this area, turn to the distinguished senior Senator from Michigan [Mr. LEVIN]. He and I spent many years on legislation to achieve real lobbying reform, which we finally passed this summer. That measure truly brings sunshine and accountability into the netherworld of lobbying by special interest groups. The public finally will be able to know who is paying what to whom to lobby Congress and the administration on which issue. Whether it is a dubious project or a special tax loophole.

That is real and substantive lobbying reform. I find it curious that many of the proponents of the Istook amendment—and their outside allies—have been so strangely silent—almost invisible—about pushing this bill on the House side. If they had spent half as much time on true lobbying reform legislation as this assault on nonprofit and charitable organizations, dare I say this reform would have already been signed into law by the President. So while I do not doubt their sincerity, I do question their motives.

One Member whose motives and sincerity I do not question is the senior Senator from Wyoming. I know that he has attempted to explore some of these issues through the committee hearing process, as it should be done. I also know that he has worked hard in trying to negotiate an acceptable compromise.

The amendment offered by Mr. ISTOOK will have a profound and chilling effect on the ability of nonprofit and charitable organizations to continue advocating on the behalf of people and issues. It will have a devastating effect on the whole nonprofit sector, particularly small community-based organizations.

It will impose severe burdens and mounds of paperwork on nonprofit groups. This, at a time when we are asking them to provide more public services while we provide less money. ''Try to privatize things,'' so we are told here, yet we are making it more difficult to do exactly that. Again, I find it very ironic that many of the ardent proponents in this ill-conceived endeavor have been leaders in the effort to cut out regulatory red tape and reduce the costs of paperwork on businesses and industry. But for these nonprofits we will be creating more rules, more bureaucracy, and more court litigation. We will just drown them in a sea of paperwork and audits.

This legislation is also unnecessary. It restricts the amount of privately raised funds a Federal grantee can use to do advocacy and lobbying. But current law already metes out harsh penalties if such Federal funds are used by nonprofits and charitable groups to pay for such lobbying activities. And my understanding is that there is no orchestrated pattern of such organizations misusing Federal funds to lobby.

So if we peel away this veneer, it is not quite what you do with the money, it is what you say. And just maybe, who you say it to, which, in turn, raises a constitutional issue. For the Supreme Court has ruled it violates the first amendment to condition the receipt of Federal funds on relinquishing protected rights of speech. This amendment will have a chilling effect on the right of citizens—individuals and associations alike—to petition their Government.

I also have concerns with the definition used for ''political advocacy.''

It is so broad that almost any public role assumed by a nonprofit or charitable group on an issue or matter before Federal, State, or local governments would be covered. Moreover, individuals receiving some form of public assistance—such as WIC, disaster relief funds, NIH research grants, LIHEAP grants, you name it—could also be regulated.

Now if a Federal grantee spends more than the specified threshold on advocacy, it will be barred from receiving Federal grants. Grantees will also be limited in who they associate or do business with. They will need certification from all of their vendors that they—the suppliers—are within the specified limits on how they use their own money for political advocacy.

Mr. President, it is my understanding that one of the original requirements which has since been changed in the amendment as now proposed would have sent some of the complaints over to GAO for further investigation. That in its original form points out some of the weaknesses in some of our budget cutting here today because you talk about the potential of sheer frivolous lawsuits, and one of the things they were going to do with the original version of this as the main enforcement mechanism was going to be through what could be called a bounty hunter provision where any citizen could have taken their complaints regarding the use of such funds by these organizations directly to an agency inspector general, or the General Accounting Office.

While I want to point out in the original version of this we have already cut GAO by 25 percent in 2 years, at the same time we are going to assign them an additional tax. I know this has now been cut out. I wanted to point that out—that this is what we are doing in one piece of legislation after another; requiring some of these agencies to do more at the same time we cut their budgets.

We have been dealing in complex, substantive, constitutional, philosophical, and policy terms. But where is the impact going to be felt the most? The impact will be on real people; people with real problems, people who need help, who need society's help the most. These are the people most vulnerable in today's world, and who will depend so much on the nonprofit groups for essential services as Federal funding gets slashed.

I have received many letters from Ohioans on the Istook amendment. These are people helping the homeless, caring for the sick, providing shelter to abused women and children, and treating the mentally impaired. Listen to their voices. Hear their pleas, at least while they're allowed to make them known to us. They are on the frontlines—we need their input, we need their help.

Mr. President, their pleas are just heartrending, some of them. They are trying their level best to give people help, and this would cut back on their ability to do exactly that. Here is what they are saying:

OHIOANS SPEAK OUT ON ISTOOK AMENDMENT

The Columbus YWCA Interfaith Hospitality Network has a volunteer base of over 7,000 individuals and 100 religious congregations attempting through grassroots efforts to provide comfort and short-term hospitality to homeless families. During 1994 we served over 2000 individuals of which over 1200 were children. We are concerned about our guests and their futures, and want assurance that our voices, and theirs, will always have the opportunity to be heard.—YWCA, Columbus.

Faith Mission is dedicated to providing life saving and live improving services to homeless women, children and men and anyone in need. People come to our door, at times, with nothing but the clothes on their back and are in desperate need of not only basic life support, (food, clothes), but also services to help them regain self-sufficiency and move on to become contributing citizens to their community. If this bill passed, Faith Mission would be restricted from effectively providing these services, like job referral, medical services, mental health care referrals and support groups from chemical dependency and domestic violence.—Faith Mission, Columbus, Ohio.

Berea Children's Home and Family Services provides healing and nurturing care to over 8,000 children and families who reside in Ohio. These abused and neglected children have no public voice of their own. In addition to the therapy they receive from our residential treatment and in-home therapy programs, they look to us to also be their advocates. We will be unable to adequately serve these victimized children if the Istook Amendment is introduced in a Senate bill and eventually approved by Congress.—Berea Children's Home and Family Services, Berea, Ohio.

Through the last several decades, an effective partnership has been built between government and private, non-profit organizations to address many of the social problems of the day. One of the major reasons this has worked has been the ability of non-profits to inform legislators about what programs work and advise them about more effective ways to address problems. With the severe budget cuts to social programs currently being considered and passed, churches and non-profit organizations are being asked to do more with less. We have a responsibility to not only serve, but to stand up for the poor and vulnerable. This plan appears to muzzle the concerns of many of your constituents.—Catholic Charities, Diocese of Toledo.

The amendment will restrict Family Services' ability to help community groups become politically active in regard to matters that would improve their neighborhoods and the community at large. We would not be able to discuss with legislators the need for funding of important service programs to pregnant and parenting teenagers, the deaf and battered women.—Family Services, Akron, Ohio.

If these unprecedented restrictions go through, organizations like ours will be forced to choose between providing services to people in need and providing a voice for the people we represent. Vital community services will be jeopardized and government will be cut off from the insights of the very organizations that are closest people government is trying to serve.—Caracole, Inc., Cincinnati, Ohio.

I fear that publicly funded agencies, which deal with issues of drug abuse, domestic violence, sex abuse, etc., will find themselves in positions where they will have to forfeit their ability to impact on future legislation or public interest litigation, because they received any federal funds, regardless of amount.—Mental Health Services East, Inc., Cincinnati.

The Achievement Center for Children provides a comprehensive array of services for children with physical disabilities and their families. These children have already been dealt a difficult hand in life through no fault of their own. Their issues and concerns need to be heard and understood.—Achievement Center for Children, Cuyahoga County.

Vital Community services could be lost because organizations would not be able to share their knowledge of people in need and types of services needed with legislators and others in the position to provide assistance. the Istook Amendment would impose restrictions only on federal grants which go primarily to non-profit organizations. It would not impose restrictions on federal contracts which go primarily to for-profit organizations. These corporations would continue to be able to lobby the government.—Alcohol, Drug Addiction, and Mental Health Service Board, Lima, Ohio.

Every Woman's House realizes that the commitment by Congress to addressing the issue of domestic violence is meaningless if vital programs, such as those offered by our agency, are not funded. The Istook Gag Order may eliminate any political advocacy on any governmental level and make the acceptance of any federal money subject to stricter reporting requirements, therefore limiting the available funding to domestic

violence agencies.—Every Woman's House, Wooster, Ohio.

It is the small independent non-profit organization that does most of the social service work in your district. Almost all of them get some money from the federal government and depend on it to survive. Most are too busy trying to help people have time to communicate with you on a regular basis, but do work closely with local officials as collaboration among agencies and departments create private/public partnerships. These efforts would come to a halt if the Istook Amendment goes into effect.—Ohio Parents for a Drug Free Youth.

Lobbying with federal dollars is already illegal and penalties for violating the rules are severe. Our organization is well aware of this. Nonprofit groups speak for the public interest and represent large numbers of ordinary citizens and vulnerable populations who lack the skill/resources to assert their basic rights. This type of legislation limits not just lobbying, but free speech as well. Indeed, we view it as an assault on the First Amendment rights we now enjoy.—League of Women Voters of Oxford, Ohio.

As a parent of a 13 year old mentally retarded son who has no speech, I know how important speech is. Please do not take away my voice. I need to use it for my son's many needs and other children/adults like him.—N.K., Parma, Ohio.

When Alexis de Tocquerville visited the United States, he marveled at the natural tendency of Americans to form voluntary organizations to carry out the will of the people.

Our vast non profit system is the result of that tendency. The present Congress, in its mindless rush to take government out of involvement in society, looks to the non profit world to pick up the shattered pieces. And, now, through the Istook Amendment, that same Congress is trying to silence the very groups that society will need to depend upon to survive.''—Cleveland Institute of Art.

To be fair, I have received a few letters from Ohioans. I am always glad to have the benefit of their views, too, although in this particular case we do disagree.

But I was struck by the fact that the vast majority of those supporting the Istook amendment indicated they were involved in the beer wholesale or retail business. Their letters were almost identical and so many contained the following phrase:

Moreover, the Center for Substances abuse Prevention (CSAP), working with their Neo-Prohibitionist allies, regularly promotes political activism, pushes anti-beer wholesaler legislation at the federal, state, and local level, and they pursue these activities with taxpayer dollars.

Mr. President, the Center for Substance Abuse Prevention is under the Substance Abuse and Mental Health Services Administration of the Department of Health and Human Services. Yes, it is federally funded. But what does it do? It supports hundreds of nonprofit groups, financing after-school and summer activities for youths, counseling for pregnant women, drug-free workplace programs, education efforts and good-health workshops. It also offers training, manages a clearing house for prevention information, and develops anti-drug education and promotion campaigns.

I happen to think this is a worthy goal, and one that most Americans heartily support. The ravages of drug and alcohol rip apart our families, break up marriages, and destroy lives. Real lives and real people.

Whatever we can do to prevent such abuse and educate people—particularly our young adults—should be encouraged. The Federal Government does have a legitimate role in this area. The key is to make sure alcohol products are used responsibly. I don't consider myself a prohibitionist and would oppose efforts to do just that. But in this particular case, what concerns me is the fact that some in the beer and alcohol industry fear that by promoting efforts aimed at moderation and responsibility, the Federal Government is a threat to their livelihood. Their ultimate fear is that first comes moderation, next comes prohibition. So the real interest here is how much they sell, the bottom line, and their overall profits. It is not about policy.

I also have received a letter from the Mothers Against Drunk Driving [MADD]. That organization receives a small Federal grant from the Department of Transportation to conduct workshops on highway safety and impaired driving. They also get a grant from the Department of Justice for serves and assistance to victims of drunk drivers.

Again, I would bet most Americans would applaud their efforts. But for some, apparently, the message is too much. They don't want to hear it. Why? Because MADD has been involved in State initiatives to curb drunken driving and tighten blood alcohol content levels for drivers. You would think this would be in the public interest—getting drunk drivers off the road and imposing harsh penalties. But MADD has attracted the ire of the beer and liquor industry. Let me quote from MADD's letter:

MADD takes pride in the role we have played to combat drunk driving and serve its victims and we resent the suggestion that we have been the recipient of ''welfare for lobbyists''. Most of these so-called lobbyists have paid for the right for their voices to be heard with their blood and tears or the lives of their loved ones.

Mr. President, I like free and fair debate. Let us make policy decisions on the merits and the public's interest. But what galls me even further is the fact not only were these industry groups—along with the Heritage Foundation and the Christian Coalition—spearheading the Istook effort, they were in the back rooms to write it. Talk about lobbying reform. According to an article in the November 8, 1995, Wall Street Journal, during one negotiating session the able senior Senator from Wyoming noticed these parties in the room and told them, appropriately, to get out, or at least words to that effect.

I notice that these groups have worked with some of the primary House leaders who have been all too happy to attach individual, specific interest riders to appropriations measures. Is this how the game is gong to be played? Where is the real reform here? Who is doing whose bidding?

Mr. President, This amendment is ill-conceived, constitutionally impaired, and just plain un-American. It will stifle the efforts of those on the frontlines who are trying to deal with so many of the tragic problems in today's society. We cannot run from those problems, we cannot pretend they do not exist, though I suppose there are some who who would like that. Let us help those who are helping those most in need by defeating this hostile, chilling, and burdensome amendment.

VOTE ON AMENDMENT NO. 3049

The PRESIDING OFFICER. Is there further debate on the amendment numbered 3049? If not, the question is on agreeing to the amendment of the Senator from Idaho [Mr. CRAIG]. On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The bill clerk called the roll.

Mr. LOTT. I announce that the Senator from Idaho [Mr. KEMPTHORNE] and the Senator from Indiana [Mr. LUGAR] are necessarily absent.

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

I also announce that the Senator from New Jersey [Mr. BRADLEY] is absent because of illness in the family.

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

The result was announced—yeas 46, nays 49, as follows:

[Rollcall Vote No. 564 Leg.]

YEAS—46

| | | |
|---|---|---|
| Abraham | Frist | McConnell |
| Ashcroft | Gorton | Murkowski |
| Bennett | Gramm | Nickles |
| Bond | Grams | Pressler |
| Brown | Grassley | Roth |
| Burns | Gregg | Santorum |
| Chafee | Hatch | Shelby |
| Coats | Hatfield | Simpson |
| Cochran | Helms | Smith |
| Cohen | Hutchison | Stevens |
| Coverdell | Inhofe | Thomas |
| Craig | Kassebaum | Thompson |
| D'Amato | Kyl | Thurmond |
| DeWine | Lott | Warner |
| Domenici | Mack | |
| Faircloth | McCain | |

NAYS—49

| | | |
|---|---|---|
| Baucus | Ford | Mikulski |
| Biden | Glenn | Moseley-Braun |
| Bingaman | Graham | Moynihan |
| Boxer | Harkin | Murray |
| Breaux | Heflin | Nunn |
| Bryan | Hollings | Pell |
| Bumpers | Inouye | Pryor |
| Byrd | Jeffords | Reid |
| Campbell | Johnston | Robb |
| Conrad | Kennedy | Rockefeller |
| Daschle | Kerrey | Sarbanes |
| Dodd | Kerry | Simon |
| Dole | Kohl | Snowe |
| Dorgan | Lautenberg | Specter |
| Exon | Leahy | Wellstone |
| Feingold | Levin | |
| Feinstein | Lieberman | |

NOT VOTING—4

| | |
|---|---|
| Akaka | Kempthorne |
| Bradley | Lugar |

So, the amendment (No. 3049), as modified, was rejected.

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

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. KENNEDY. Parliamentary inquiry. I make a point of order——

The PRESIDING OFFICER. I inform the Senator the Senate is conducting a quorum call.

Mr. KENNEDY. I make a point of order that there is a quorum present.

The PRESIDING OFFICER. It is too late for that. The clerk will continue to call the roll.

The assistant legislative clerk continued to call the roll.

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

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

Mr. DOLE. Mr. President, I think we have reached some agreement to expedite things. I know many of my colleagues have a lot of things to do, and we would like to finish fairly early this evening if we can. I ask amendments 3037 and 3047, 3046, and 3045 be laid aside to recur at the hour of 6:45.

I put the question on the motion to reconsider.

The PRESIDING OFFICER. Is there further debate?

The question is on agreeing to the motion to reconsider the vote.

The motion was agreed to.

Mr. DOLE. The vote then on 3049, following the vote on a Medicare provision at 6:45; that vote would occur at 6:45.

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

Mr. DOLE. Immediately following that vote between now and 6:45, the debate occur on an amendment to strike the Medicare provision offered by the Democratic leader, Senator DASCHLE, and that the votes occur back to back.

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

Mr. DOLE. I say to my colleagues, we hope we can expedite this. That would mean we might be able to finish action on the CR by 7 o'clock. By that time, hopefully, the debt ceiling will be here. We have to deal with that yet tonight, and therefore we can be expected to be in session until we finish that.

It may be there will only be a couple of amendments. In any event, we would like to finish that this evening.

Mr. DASCHLE. Just to clarify one technical point. As I understand it, we have an agreement there would be no intervening action on my amendment.

Mr. DOLE. That is correct.

Mr. KENNEDY. Further, does the Senator understand the time will be divided equally?

Mr. DOLE. Yes.

AMENDMENT NO. 3050

(Purpose: To strike the provision for the determination of the Medicare part B premium for 1996)

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

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from South Dakota [Mr. DASCHLE], FOR HIMSELF, MR. KENNEDY, and Mr. ROCKEFELLER, proposes an amendment numbered 3050.

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

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

The amendment is as follows:

On p. 36:

Strike section 401.

Mr. DASCHLE. How much time would either side have in the debate on this amendment?

The PRESIDING OFFICER (Mr. BENNETT). There is 35 minutes until the vote is ordered. That will be divided equally—17½ minutes.

Mr. DASCHLE. Mr. President, there are a number of problems with this continuing resolution. We have been dealing in the last couple of hours with one of the more egregious problems having to do with the Istook amendment.

But something more critical and more important and deeply troubling to us is the fact that there is a premium hike for Medicare beneficiaries incorporated in this continuing resolution.

I want to take just a couple of minutes to explain what it is we are referring to and talk briefly about why it is so important that we deal with this problem.

In 1974, Congress recognized that seniors should not be subjected to Medicare premiums whose growth outpaced the growth of Social Security income. As a result, back then we voted to limit the percentage increase in part B premiums to no more than the percentage increase in Social Security benefits.

Then, in 1982, Congress voted to suspend the COLA limitations and instead limit premium increases to 25 percent of Part B program costs. Congress voted to continue to limit the premiums to 25 percent of Part B costs in 1984 and again in 1987.

In 1990, Congress intended to cap the part B premium at 25 percent by setting in law specific dollar amounts for the premium for each year from 1991 through 1995. This was done to protect seniors from potentially higher than anticipated rates of health care cost growth. However, the projections upon which these dollar amounts were based have now been calculated as too high. Thus, the 1995 premium covers slightly more than 31 percent of program costs despite congressional intent to limit the beneficiary burden to 25 percent.

Consequently, in the law that we passed in 1993, Congress reset the premium at a percentage equal to 25 percent of program costs for 1996 to 1998.

That will change if this legislation passes.

Next year, if nothing happens, part B premiums return to covering 25 percent of Part B costs. Clearly, the 31.5 percent premium that beneficiaries had to absorb this year is due to an unintended glitch in the law.

There was no design to put it at 31 percent. The design was to stipulate a dollar amount so that we did not have to stipulate a percentage. The Republican majority is now attempting to lock in that glitch, by statute, for all perpetuity. The Congressional Budget Office says the monthly premiums, which are currently $42.50, will go to $53.50 under this continuing resolution. This is an increase of more than 25 percent in the dollar amount of the premium.

Mr. President, I think it is very clear that this is going to be extraordinarily difficult for many seniors. Seniors' average income today is under $18,000. Forty percent of seniors have incomes under $10,000. Seniors now spend more than 20 percent of their income on health care. Rural seniors—who are typically older, poorer, and sicker—will be disproportionately hurt by this policy. And, because the money for these premiums is taken directly out of Social Security checks, this premium increase also amounts to a Social Security cut.

Mr. President, this is not the place, regardless of whether or not one would view this to be the right thing to do, to consider such a proposal. This is not the time to debate whether or not we are willing to increase premiums by $11 a month for every participating senior across this country and to lock-in an inadvertent percentage increase. Today the questions are: Is this the right vehicle? Is this the right time? Should we be doing it outside the context of Medicare reform? Outside of a debate on deductibles and other issues that relate to what seniors are going to be asked to absorb?

There is absolutely no reason why this needs to be in a short-term continuing resolution. It is unrelated to continued Government financing. It has no impact on the hospital insurance trust fund. It does not protect and preserve Medicare, as some of our Republican colleagues claim they want to do. It has nothing to do with attacking fraud and abuse. It does not provide seniors with more choices. It does not cut Medicare costs. It simply shifts costs directly from the Federal budget onto the backs of seniors. That is wrong. There is no reason why seniors should be singled out. It leaves all other parts of Medicare untouched.

Why? To create the pool of resources necessary to fund the Republican tax break package for the wealthy, provided the Republican majority has their way. This is going to hurt seniors.

We do not need to do that. This ought not be done in this bill. This is the wrong time, the wrong place, the wrong approach, and the wrong effort directed entirely at those who can least afford it.

So, Mr. President, for all those reasons, I urge my colleagues to join with us in support of this amendment. I am

pleased that the distinguished Senator from Massachusetts and Senator from West Virginia have agreed to cosponsor this legislation. They have been in the forefront of this legislative effort from the very beginning. I applaud them for their cooperation, their help, and their dedication to ensuring that seniors are protected from unfair policies.

With that, I yield such time as he may consume to the distinguished Senator from West Virginia.

The PRESIDING OFFICER. The Senator from West Virginia.

Mr. ROCKEFELLER. I thank the minority leader, Mr. President.

Mr. President, I thank the Presiding Officer.

Mr. KENNEDY. Mr. President, how much time remains on our side?

The PRESIDING OFFICER. Ten minutes forty seconds.

Mr. ROCKEFELLER. Mr. President, I will just take 5 minutes.

Mr. President, this amendment is a no-brainer. We are giving every Senator a chance to separate him and herself from a truly dumb idea concocted in the other body. Before us is a continuing resolution—the legislation that pays the bills for the Federal Government to function starting on Tuesday—now being used as a freight train for baggage that does not belong on this train. With this amendment, we are saying throw the Medicare premium increase over the side before it is too late. With this amendment, vote for tossing out the provision to increase the monthly premiums that 30 million senior citizens pay to receive Medicare's part B coverage, otherwise known as physician care and services.

No matter what you think seniors should pay for the Medicare, the continuing resolution is not the bill to hitch onto. If you want seniors to pay 100 or 2 percent of the costs of their Medicare, this bill is not the time, the place, or the vehicle for setting the price tag of Medicare premiums.

In fact, I am incredulous that anyone would want to increase Medicare premiums ahead of doing a single thing to improve, save, or reform Medicare.

The Members on the other side of the aisle told Americans they should be in the majority of Congress. They won the elections last November to do that.

But Mr. President, being in charge also means being responsible. Being in charge means making sure that on Tuesday, the Federal Government can open national parks, enforce law and order, answer the phones when veterans are calling about their benefits or try to visit a VA hospital, process student loans and passport requests, and perform thousands of other responsibilities that Members of Congress are supposed to be here watching over. Being in charge does not mean throwing the kitchen sink onto the basic piece of legislation to fund the Government. And it sure does not mean throwing in a Medicare price increase for senior citizens, hoping it just slips through. Can someone explain the sudden rush to raise Medicare premiums?

The cost of seniors' Medicare premiums should be determined when Congress decides Medicare's overall future. Vote for this amendment to take this issue off of the CR, and put it back where it belongs—in the discussion of Medicare's future, what is a fair share of costs for seniors to bear, and whether Medicare should be cut to save Medicare or cut to pay for tax breaks for the rich. That all still needs to be settled, and it is going to take some more work, I assure everyone listening.

Instead, here we are faced with an absolutely critical bill for Congress to get enacted in the next 48 hours, with an 11th-hour addition designed to make sure senior citizens pay more for their Medicare beginning in January 1996. How ridiculous can you get?

Let me be very clear: Unless you vote to strip this bill of the Medicare baggage, you will vote to send senior citizens on Medicare a total annual bill for their part B premium of $642—$1,284 a year for couples—starting in January 1996. The provision misplaced into this bill will charge seniors an extra $11 more a month, an extra $132 more a year, in order to keep getting Medicare coverage for physician care. This bill is not the place to approve a Medicare price increase for seniors.

We already know why so many Republicans want to increase the cost of Medicare premiums for 37 million seniors. In fact, we already know why the Republican budget calls for $270 billion in Medicare cuts. It is simple. The same Republican budget spends $245 billion on new tax breaks for the wealthiest Americans and all kinds of corporations. Raiding Medicare is the idea, ignoring the fact that only $89 billion is needed to keep the trust fund solvent for 10 years.

It is that simple and it is that wrong. This is not about preserving and protecting Medicare. And the provision in this continuing resolution is not about making sure the U.S. Federal Government will still function on Tuesday. This provision is a premium hike designed to collect more from Medicare beneficiaries in January, money to pay for tax breaks for someone else.

The provision in this bill will put a new burden on seniors who already spend more than one-fifth of their income on insurance, prescription drugs, long-term care services and other health care needs not covered by Medicare. It is wrong to burden seniors with more costs so that there will be money to pay for tax breaks for the wealthy.

This Medicare premium provision does expose a basic truth. Cutting Medicare by $270 billion—that is $181 billion more than the Medicare trustees call for to protect the Medicare trust fund—is not needed to preserve the Medicare program. How do you preserve today's Medicare program by insisting that seniors pay higher premiums than would occur under current law?

You do not. This is not about preserving anything, improving anything, or protecting anything. This is about targeting seniors as a financing source for the Republicans' budget that is going to hurt seniors, not help them in the least.

Increasing costs for Medicare beneficiaries as part of a bill to keep the Federal Government up and running does not make any sense at all. It is a rifle shot aimed at the millions of seniors who rely on Medicare.

It should be struck from this bill and I ask my colleagues to vote for our amendment to get it out of this absolutely vital bill that must be passed now, must be clean of debris completely, totally, and immediately.

I thank the Chair.

Mr. DASCHLE. Mr. President, how much time remains on our side?

The PRESIDING OFFICER. Seven minutes ten seconds.

Mr. KENNEDY. On the other side?

The PRESIDING OFFICER. Seventeen minutes thirty seconds.

Mr. DASCHLE. Does the Senator desire some time at this point?

Mr. KENNEDY. Please.

Mr. DASCHLE. I yield 5 minutes to the distinguished Senator from Massachusetts.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KENNEDY. Mr. President, the bottom line on this particular proposal is that it is a $51 billion tax increase on seniors, and 83 percent of that tax increase will effectively go on people who are making $25,000 or less.

So you are taking $50 billion out of the pockets and the pocketbooks of senior citizens. That does not surprise me about the Republican proposal. Since we know that the tax increase in the Republican budget will hurt those who make less than $30,000 a year—51 percent of all Americans—their taxes will be increased. This is going right along with it. They will be taking effectively $51 billion out of our seniors.

What does that mean for the average family? It means that they will have a reduced Social Security check.

This chart indicates how these premiums are going to be taken out of the Social Security COLA in this next year and the hardship it is going to have, particularly on the lowest percentile. Those that make $5,300 a year will find out that with a $136 Medicare premium increase, they will only have $3 of that COLA left to them. And so it goes right down through the rest of the middle income.

This premium increase will reduce the COLA's for those senior citizens at the lowest level by 98 percent, by 66 percent for those receiving the average benefit and over half for those that are getting $10,000 a year. And we have to ask ourselves why? The reason for it, as the minority leader and Senator ROCKEFELLER pointed out, is to pay for the $245 billion tax break for wealthy individuals.

If you did not have that tax break, Mr. President, you would not need to have this tax increase for those on Social Security. That is the bottom line.

If you are going to have the $245 billion in tax breaks for wealthy people, you have to get $51 billion in this particular continuing resolution, and the way that you do it is to wipe out the Social Security COLA for those at the lowest level. I think it is unjustified. Senator DASCHLE had offered the amendment to ensure the integrity of the Medicare trust fund. That was rejected by all the Republicans except one. That would have ensured the integrity of Medicare and the Social Security System and it would have meant not one dime increase in premiums, not one dime increase in deductibles. We ought not permit this back-door attempt of the Republicans to add this kind of an additional tax on the senior citizens of this country.

Earlier today I spoke of my intention to join with my colleagues in introducing this amendment. The Republican proposal to increase the Medicare part B premium included in the continuing resolution is unacceptable on any vehicle—and it is particularly unacceptable on a continuing resolution designed simply to keep the Government operating.

This proposal is a part of the broader Republican assault on Medicare—a proposal that will devastate senior citizens, working families, and children in every community in America. It extends an open hand to powerful special interests and gives the back of the hand to hard-working Americans. It makes a mockery of the family values the Republican majority pretends to represent.

The Republican assault on Medicare is a frontal attack on the Nation's elderly. Medicare is part of Social Security. It is a contract between the Government and the people that says, ''Pay into the trust fund during your working years, contribute to the growth of your country by working hard, supporting your family, and educating your children, and we will guarantee good health care in your retirement years.''

It is wrong for Republicans to break that contract. It is wrong for Republicans to propose deep cuts in Medicare in excess of anything needed to protect the trust fund. And it is doubly wrong for Republicans to propose those deep cuts in Medicare in order to pay for tax breaks for the wealthy. You don't need a degree in higher mathematics to know what is going on. The $270 billion in Medicare cuts; $245 billion in new tax breaks disproportionately targeted at the wealthiest individuals and companies in America.

The cuts in Medicare are harsh and they are extreme—$280 billion over the next 7 years. Premiums will double. Deductibles will double. Senior citizens will be squeezed hard to give up their own doctors and join private insurance plans.

The fundamental unfairness of this proposal is plain. Senior citizens' median income is only $17,750. Forty percent of all senior citizens have incomes less than $10,000 a year. Because of gaps in Medicare, senior citizens already pay to much for the health care they need, especially prescription drugs and long-term care. But under the Republican budget, elderly Americans will pay $71 billion more out of their own pockets over the next 7 years—an average of almost $4,000 for each elderly couple.

The Medicare trustees have stated clearly that $89 billion is all that's needed to protect the trust fund for the next 10 years—$89 billion, not $280 billion.

Our Democratic alternative provides that amount of savings. We don't need to raise premiums an additional dime. We don't need to raise deductibles a dime. We need to give senior citizens real choices, not force them to give up their own doctor.

The Republican Medicare plan also deserves to be rejected because of the lavish giveaways to special interest groups in the House and Senate proposals.

The insurance industry got what it wanted—the chance to get their hands on Medicare and make billions of dollars in additional profits.

The American Medical Association got what it wanted—no reduction in fees to doctors, and strict limits on malpractice awards.

The list goes on and on. The clinical laboratory industry got what it wanted—their labs no longer have to meet strict Federal standards to guarantee the accuracy of results. The nursing home industry got what it wanted—Federal standards to prevent abuse of patients in nursing homes will be eliminated. The pharmaceutical industry got what it wanted—the right to charge higher prices for their drugs.

Because of this unjust Republican plan, millions of elderly Americans will be forced to go without the health care they need. Millions more will have to choose between medical care and food on the table, adequate heat in the winter, or paying the rent.

Senior citizens have earned their Medicare benefits. They've paid for them, and they deserve them.

It is bad enough that the Republicans have proposed this unjust plan. It is worse that they have taken the single largest cost increase for senior citizens—the increase in the Medicare part B premium—and attached it to this continuing resolution.

Cuts in payments to doctors are not included in the continuing resolution. Cuts in payments to hospitals are not included in the continuing resolution. The only Medicare cut in this bill is a proposal to impose a new tax on the elderly and disabled.

The Republican strategy is clear. Try to rush through their unacceptable proposals—because they know that they cannot stand the light of day. Try to force the President to sign them into law—with the threat of shutting down the Government if he refuses to go along.

The part B premium increase is especially objectionable, because it breaks the national commitment to senior citizens in Social Security. Every American should know about it. Every senior citizen should reject it.

Medicare is part of Social Security. The Medicare premium is deducted directly from a senior citizen's Social Security check. Every increase in the Medicare premium means a reduction in Social Security benefits.

The Republican plan proposes an increase in the part B premium and a reduction in Social Security which is unprecedented in size. Premiums are already scheduled to go up under current law, from $553 a year today to $730 by 2002. Under the Republican plan, the premium will go up much higher—to $1,068 a year.

As a result, over the life of the Republican plan, all senior citizens will have a minimum of $1,240 more deducted from their Social Security checks. Every elderly couple will pay $2,480 more.

The impact of this program is devastating for moderate- and low-income seniors. It is instructive to compare the premium increase next year—the portion of the Republican plan tucked into the continuing resolution—to the Social Security cost-of-living increase that maintains the purchasing power of the Social Security check. One-quarter of all seniors have Social Security benefits of $5,364 a year or less. The COLA for a senior at this benefit level will be $139 next year.

The average senior has a Social Security benefit of $7,874. The COLA for someone at this benefit level is $205.

But under the Republican plan the premium next year will be $126 higher than under current law. Average-income seniors will be robbed of almost two-thirds of their COLA. Low-income seniors will be robbed of a whopping 90 percent of their COLA.

Senior citizens have earned their Social Security and Medicare through a lifetime of hard work. They built this country and made it great. Because of their achievements, America has survived war and depression. Tonight is the eve of Veterans Day, when we honor those who sacrificed for our country. Many of those veterans depend on Medicare. It is wrong to take away their benefits, and it is especially wrong to do so to pay for an underserved tax break for the wealthiest individuals and corporations in America.

The Republicans' attack on Medicare will make life harder, sicker, and shorter for millions of elderly Americans. They deserve better from Congress. This cruel and unjust Republican plan to turn the Medicare trust fund into a slush fund for tax breaks for the wealthy deserves to be defeated.

The PRESIDING OFFICER. Who yields time?

Mr. ROTH. Mr. President, I yield 5 minutes to the distinguished Senator from Rhode Island.

The PRESIDING OFFICER. The Senator from Rhode Island.

Mr. CHAFEE. Mr. President, there are two horses the Democrats like to ride. One is Social Security, and the other is Medicare.

They like to ride both of them at the top of their lungs, as has been indicated here this evening.

Let us talk about Medicare, which is the subject before us. There are a lot of deceptive statements being made here this evening in connection with Medicare. One is that you are increasing the premiums. First, let us make clear what we are talking about. Under Medicare, there is part A. There is a trust fund and that pays for the hospitalization. Part B is an insurance program. It is a voluntary insurance program that senior citizens can take if they so choose, and about 99-plus percent choose the part B insurance program.

What does the part B insurance program do? It covers the cost after the deductible for physicians. That is what part B is.

Let us look at a little bit of history. When part B was set up under Medicare in the early 1960's, the thought and, indeed, the plan was that the beneficiary, the insured, would pay 50 percent of the premium and the Federal Government would pay the other 50 percent of the premium.

However, due to the fact that it was set in dollars and medical inflation came along, what started out as a dollar premium that equaled 50 percent soon slid down, down, down and became less than 25 percent, something like 18 percent. So then we changed the law, and we provided that it be 25 percent as a minimum. But over the past several years that rose, and it currently is at 31.5 percent. That is what it is now. And so this idea that by staying at 31.5 percent we are increasing the premium is absolute, total nonsense.

It is important to remember this. The Federal Government is now paying, for the total part B premiums, as its share, namely the 69 percent that it pays, with the insured paying 31.5 percent, $42 billion a year, and we believe that the 31.5 percent premium that is currently being paid is a fair premium. It is not 50 percent, as the authors of the legislation originally provided, and it is not 40 percent, but it is 31.5 percent. That is what the Republicans have provided.

The argument is, well, do not do it on this bill. Do it on something else. The problem is that unless we provide on this bill that it be at 31.5 percent, due to the mechanics of the machinery for Social Security and the withholding, and so forth and so on, because this is a premium that is deducted from the benefit of the Social Security recipients—in other words, when they choose to have the insurance, they provide that the premium be deducted from their Social Security income, and in order to keep it at this particular figure, 31.5 percent, it is required that legislation be enacted. That is why we are here this evening.

Mr. DASCHLE. Will the Senator yield on that point?

Mr. CHAFEE. That is right. Yes.

Mr. DASCHLE. Will the Senator indicate what it will revert back to if this legislation is not passed?

Mr. CHAFEE. It will revert to the 25 percent that we have long since bypassed. It is now at 31.5 percent. Who set it at 31.5 percent?

Mr. DASCHLE. But the Senator does confirm it reverts back to 25 percent.

Mr. CHAFEE. A Democratic Congress—a Democratic House of Representatives, a Democratic Senate—provided that it be at the 31.5 percent. And to say this is an increase when that is what is being paid now is just plain not so.

Now, Mr. President, you could say, well, it ought to go to 25 percent. Well, why not have it go to 10 percent or, indeed, more attractive and more appealing I suppose is no charge. Have the Federal Government pay it all. But we believe that when we look at these programs, when we look at the cost of $42 billion, for the beneficiary to continue paying at the same percentage he or she is currently paying is fair.

Now, they do not say, well, it is unfair to pay 31.5 percent. Is that the viewpoint of the Senator from Massachusetts, I wonder?

The PRESIDING OFFICER. The Senator's 5 minutes has expired.

Mr. KENNEDY. I will answer in 30 seconds. What is completely unfair is to raise $51 billion, according to CBO, from low-income people in order to pay for a tax break for the wealthiest individuals. That is what is unfair. I wish the Senator had addressed the issue of the tax break for the wealthy. The Senator has not even referred to it. This provision raises $51 billion, I say to the Senator, here it is, right here in the chart. And you are using that $51 billion as part of your $245 billion tax break for the wealthy. The Senator has not even talked about that in his explanation.

Mr. CHAFEE. Now, Mr. President——

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

Mr. CHAFEE. I would ask that I have 2 more minutes.

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

Mr. CHAFEE. Mr. President that is what you call a syllogism. Does he believe that the premium should not be 31.5 percent? Suddenly we get talking about tax breaks for the rich. There is no tax break for the rich provided in this legislation. What we are saying is——

Mr. KENNEDY. I will take——

Mr. CHAFEE. Let me finish.

Mr. KENNEDY. I will be glad to answer the question.

Mr. CHAFEE. We are on my time.

Mr. KENNEDY. I will be glad to answer the question.

The PRESIDING OFFICER. The Senator from Rhode Island has the floor.

Mr. CHAFEE addressed the Chair.

The PRESIDING OFFICER. The Senator from Rhode Island has the floor. Does he yield the floor?

Mr. CHAFEE. I know I am against sturdy competition, particularly in the volume level, but I would like to finish.

We believe that a beneficiary paying 31.5 percent is fair. As you know, under the current law, when an individual is unable to pay the premium, then Medicaid can step in. That is the current law of the land. Medicaid is there to cover the deductibles. Medicare is there to pay the part B premium. But we believe that it is fair for the beneficiary to pay 31.5 percent with the Federal Government paying 68.5. That is a pretty good deal.

So that is what this is all about this evening. It has nothing to do with the rich. You can read the language, and there is no tax cut for the rich. I do not know where they get that from. It has nothing to do with that. It is whether it is fair to say to the beneficiaries you are getting a very good deal here.

And you cannot beat it for paying not the entire premium. Indeed, there is no means testing here. There is no suggestion, as we have proposed and subsequently presumably it will come along in later days, that the more affluent pay more. That is not included here. I would be happy if it were. But that is not in this particular program.

So, because of the mechanics that have to take place, it is important that this legislation be approved.

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

Mr. KENNEDY. Could I have just 30 seconds to respond?

The PRESIDING OFFICER. Who yields time?

Mr. DASCHLE. I yield 1 minute to the distinguished Senator.

Mr. KENNEDY. I want to make it clear that I do think the raising to 31 percent, which this proposal does, is unfair. And I want to tell you why. Because it was a guarantee to the seniors, ''Work hard, pay your taxes, and you are going to have affordable health care.'' Under the Republican proposal, you will be adding some $2,400 to the cost of health care to every senior citizen in this country. You are going to be denying them access to health care. And you are doing it to have the tax breaks for the wealthy.

And that, I say to the Senator, is unfair. And at the 31 percent, the premium will emasculate the cost-of-living adjustment under Social Security. The Republicans said, ''We aren't going to touch Social Security,'' and yet they are effectively wiping out the COLA for the poorest of our elderly people.

I yield the remainder of the time.

Mr. DOMENICI addressed the Chair.

Mr. ROTH. I yield 4 minutes to the Senator.

Mr. DOMENICI. Mr. President, let me say to the senior citizens of the United States, ''The Federal Government is paying for your insurance, everything except hospitalization which you paid for in trust from your salary. We have decided to pay a premium for your health insurance. And we pay it for nobody else in America.''

There are families with a husband and wife, and four kids, making $22,000 a year, working hard, trying to get ahead. We do not pay any health insurance premium for them, but because we want to take care of our seniors, we pay for theirs. How much do we pay, and how much does the senior pay? At this point in time, the senior citizen pays 31.5 percent and the taxpayers of America, because we want to take care of seniors, pay 68.5 percent.

That is the fact. All this amendment says is that it is going to stay at 31.5 percent. It is not going down to 25 percent or 20 percent or 10 percent. We say to the seniors, ''Is it not fair that you pay 31.5 percent''—that is what it has been for awhile—''while the taxpayers pay all the rest, while we try to get a balanced budget for the United States, so that our children and grandchildren will have a chance at making a decent living and increasing their standard of living?''

By the way, we do not pay the health insurance premium for a husband and wife and four children. They may have insurance; they may not. We do not pay it from the taxpayers of America. So what we did is say, ''Let's get a balanced budget on this score. Let's just leave the premium at 31.5 percent, with the taxpayers paying all the rest.'' When we were finished with all of this, we found we had an economic dividend. That dividend said you have a surplus in the budget of the United States. All we said to the seniors of the United States is, ''We would like to give that money back to the taxpayers.'' Ninety percent of that economic dividend is going back to the taxpayers of America who earn $100,000 or less a year.

Everything I have said is fact. Now, you can turn it around however you would like, but I do not believe there are going to be very many senior citizens who are going to be angry at us when we say, ''We will keep on paying 68.5 percent of the cost of your insurance, but we would like to give the American people a tax break, with most of it going to men and women who have children, by way of a tax credit and a little tiny bit so that we can have the economy grow.''

What is the matter with that? It seems to me that is the best thing we can do for seniors and by far the best thing we can do for their children and grandchildren. And that is the way it is.

The PRESIDING OFFICER. Who yields time?

The Senator from Delaware.

Mr. ROTH. Mr. President, I yield myself such time as I may use.

The PRESIDING OFFICER. The Senator from Delaware has 7 minutes.

Mr. ROTH. Mr. President, I rise in opposition to the amendment. This legislation sets the part B monthly premium for 1996 at 31.5 percent of part B costs, the exact same percentage of cost beneficiaries cover today through their premiums. I might point out that the Senate has already approved this change in the budget reconciliation bill.

Mr. President, if we do not make a change in the part B premium, the percentage of part B spending that beneficiaries cover through their premiums will drop on January 1. And as I said, beneficiaries now pay for 31.5 percent of part B spending through premiums, and as of January 1 of this next year it would drop to 25 percent. If we do not pass this legislation by next week, the Social Security Administration tells us it cannot change the premium for another 4 months because of the time it needs to reprogram its computers.

This part B premium change is a downpayment on restoring fiscal security to part B. I might point out that part B is strictly voluntary on the part of our senior citizens as to whether or not they enroll in it. A lot of attention has been focused on the need to restore solvency to the part A trust fund. But part B spending is also a major problem.

The Medicare trustees, trustees appointed by President Clinton, in their 1995 report on the part B trust fund, pointed out that part B costs have increased 53 percent in the last 5 years and costs grew 19 percent faster than the economy as a whole. In my view, it simply does not make sense to let the part B premium go down when, in fact, part B costs are exploding.

Let us remember where the rest of part B spending comes from. It comes from taxes, taxes paid for by the American people. And even under the reconciliation bill, the taxpayer subsidy of part B will be almost 70 percent of part B costs. The public trustees—again, the same trustees appointed by President Clinton—of the Medicare program termed the part B subsidy a major contributor to the fiscal problems of the Nation. In other words, this subsidy is a direct contribution to our deficit.

Some will undoubtedly claim that this premium change will burden American seniors. We do not think so. The premium change, as I said, simply continues the current level of beneficiary cost-sharing among 36 other Medicare beneficiaries. We think this is fair. We urge the Members of this Chamber to defeat this amendment.

I yield the floor, reserving the remainder of my time.

Mr. GRAHAM. Mr. President, would the Senator from Delaware yield for a question?

Mr. ROTH. Not right now. First I want to yield time to the distinguished Senator from Wyoming.

Mr. SIMPSON addressed the Chair.

The PRESIDING OFFICER. The Senator has 2 minutes 44 seconds remaining.

Mr. SIMPSON. Mr. President, I do not know how much has been covered here, but if ever we are going to get anything done with regard to these programs, this is it. I do not want anyone to forget in this body that when this remarkable program was put together—and, remember, it is voluntary—it was never part of any contract. This is voluntary.

This is an income transfer; 69 percent of the premiums on part B are paid by the people who maintain this building and 29 percent are paid by the beneficiaries regardless of their net worth or their income. This is absurd.

If we cannot even means test part B premiums, which are simply voluntary, we will never get anything done, period. But here is the key. Remember when this program started, I say to my colleagues—do not miss this—under the 1965 law, this was to be a split of 50–50. Everyone in this body knows it, 50 percent was to be paid by the Government, the taxpayers, and 50 percent by the beneficiary. Everybody who is in this debate knows that.

How did it then get to 25 percent? It got to 25 percent by people who knew they could get reelected by simply coming to the floor and saying, ''Oh, you shouldn't have to pay 50 percent of that premium; you should pay 45 percent.''

Mr. FORD. Mr. President, can we have order in the Chamber? It seems we have some visitors. We need decorum here.

Mr. SIMPSON. I thank my friend from Kentucky. ''No, no, you should not have to pay 50 percent, you are beleaguered, tortured.''

Bosh, it is a voluntary program. It is $46.10 a month; $46.10 a month to people who are floating in a golden parachute. This is absolutely bizarre, when the thing was originally 50–50 and now we have it to 25–75 and now we want to say 31 is too much? Ask the people who are called ''Joe Six-Pack'' how they feel about paying 70 percent of the premium for somebody who is loaded. This is crazy.

Mr. GRAHAM. Will the Senator from Wyoming yield for a question?

Mr. SIMPSON. Yes.

Mr. GRAHAM. In the Finance Committee, you offered an amendment which would have the effect of causing high-income Medicare beneficiaries to pay a larger percentage of the cost to the program; is that correct?

Mr. SIMPSON. That is correct.

Mr. GRAHAM. That was adopted by the Finance Committee.

Mr. SIMPSON. It was a very fine bipartisan vote of 15–5.

Mr. GRAHAM. Would this proposal of setting the percentage at 31.5 percent obviate your amendment which would have set a higher percentage for high-income Medicare beneficiaries?

Mr. SIMPSON. Obviously, it would. If we cannot maintain the current level of 31.5 percent, we are in deep trouble, to go back to 25, to strike everything we are trying to do in means testing.

Mr. GRAHAM. What I am saying is, if we retain the provisions in the continuing resolution, it appears to mandate that we set the computers at 31.5 percent for all beneficiaries, the rationale being if we do not act now, it will be too late to adjust those computers.

Would that not have the effect of eliminating the opportunity to do what your amendment calls for, which is to have a different percentage for high-income beneficiaries?

The PRESIDING OFFICER. All time has expired.

Mr. SIMPSON. I do not know how better to explain the situation. If you are going to change this formula, obviously the means testing or affluence testing, as I call it, of part B premiums cannot be done properly if you are going to give more of a break to people regardless of their net worth or income.

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

Mr. DASCHLE. How much time remains on our side?

The PRESIDING OFFICER. Two minutes, 10 seconds.

Mr. DASCHLE. I yield 30 seconds to the Senator from West Virginia.

The PRESIDING OFFICER. The Senator from West Virginia.

Mr. ROCKEFELLER. Mr. President, I thank the Democratic leader.

The Republicans are asking seniors to pay more than Congress intended because they want seniors to pay more. They think they should pay more, and this, I warn my colleagues, is the beginning of the Republican plan to ask seniors to pay more for their health care coverage.

Mr. DASCHLE. Mr. President, let me associate myself with the remarks of both our Democratic Senators. The Senator from Florida and the Senator from West Virginia have made a point I was going to make in response to the Senator from Wyoming. The fact remains that seniors pay more for their health care than any other group of people in the country. That is not disputable. They pay more than anyone else. Yet, this amendment requires them to pay even more than they pay today. That is what this issue is about and no one ought to be misled about that.

I want to make two final points, reiterating what I said earlier about the importance of this legislation and confirming what the distinguished Senator from Rhode Island said earlier.

Current law dictates that 1996 premiums will revert back to the 25 percent level. The continuing resolution seeks to change this and lock-in the premium at 31 percent. We have debated this, we have discussed it, we have analyzed it, we have consulted and we have concluded over a long period of time that 25 percent is the figure that we ought to lock-in for seniors to pay their fair share, given the fact that they already pay more in out-of-pocket costs and in higher deductibles than any other segment of the population.

Mr. President, we made a commitment 30 years ago that seniors would get health care, and it would be affordable. That commitment is now jeopardized if this amendment is not adopted. I hope Senators on both sides of the aisle will recognize that and support it as this legislation comes before us tonight.

I yield the floor.

The PRESIDING OFFICER. All time has expired.

Mr. DASCHLE. 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.

VOTE ON AMENDMENT NO. 3049, AS MODIFIED, UPON RECONSIDERATION

The PRESIDING OFFICER. The question recurs on amendment No. 3049, as modified, offered by the Senator from Idaho [Mr. CRAIG]. The yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

Mr. LOTT. I announce that the Senator for Indiana [Mr. LUGAR] is necessarily absent.

Mr. FORD. I announce that the Senator for Hawaii [Mr. AKAKA] is necessarily absent.

I also announce that the Senator from New Jersey [Mr. BRADLEY] is absent because of illness in the family.

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

The result was announced—yeas 49, nays 47, as follows:

[Rollcall Vote No. 565 Leg.]

YEAS—49

| | | |
|---|---|---|
| Abraham | Faircloth | McCain |
| Ashcroft | Frist | McConnell |
| Bennett | Gorton | Murkowski |
| Bond | Gramm | Nickles |
| Brown | Grams | Pressler |
| Burns | Grassley | Roth |
| Campbell | Gregg | Santorum |
| Chafee | Hatch | Shelby |
| Coats | Hatfield | Simpson |
| Cochran | Helms | Smith |
| Cohen | Hutchison | Stevens |
| Coverdell | Inhofe | Thomas |
| Craig | Kassebaum | Thompson |
| D'Amato | Kempthorne | Thurmond |
| DeWine | Kyl | Warner |
| Dole | Lott | |
| Domenici | Mack | |

NAYS—47

| | | |
|---|---|---|
| Baucus | Glenn | Mikulski |
| Biden | Graham | Moseley-Braun |
| Bingaman | Harkin | Moynihan |
| Boxer | Heflin | Murray |
| Breaux | Hollings | Nunn |
| Bryan | Inouye | Pell |
| Bumpers | Jeffords | Pryor |
| Byrd | Johnston | Reid |
| Conrad | Kennedy | Robb |
| Daschle | Kerrey | Rockefeller |
| Dodd | Kerry | Sarbanes |
| Dorgan | Kohl | Simon |
| Exon | Lautenberg | Snowe |
| Feingold | Leahy | Specter |
| Feinstein | Levin | Wellstone |
| Ford | Lieberman | |

NOT VOTING—3

| | | |
|---|---|---|
| Akaka | Bradley | Lugar |

So the amendment (No. 3049), as modified, was agreed to.

Mr. SANTORUM. I move to reconsider the vote.

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

The motion to lay on the table was agreed to.

AMENDMENTS NOS. 3045, 3046, 3047, AND 3048

Mr. DOLE. In light of the vote, I now ask that the amendment 3048 be agreed to, and amendments 3047, 3046 and 3045 be withdrawn.

The PRESIDING OFFICER. Is there objection?

Mr. BYRD. Mr. President, reserving the right to object, I wish Senators would just stop and look around. I wish Senators would just take a look at what is going on on the floor.

Mr. President, I will not object, but I want to retain the floor briefly on a reservation of objection.

I wish Senators would just look around this Chamber. If you have not looked around, do it. I do not mean to be discourteous to our colleagues from the House. They have the privilege of the floor. I would defend their privilege, their right to the privilege, as long as it is in that book. And it is in there—the book on Senate Rules. But it is a little disconcerting to see them down in the well, buttonholing Members of the Senate. I resent that. I resent that. If there is ever a time when they want my vote, where they would like to see me vote a certain way, such conduct would turn me the other way.

All the while I have been speaking, a House Member has been standing over there laughing and grinning. I do not mean to be discourteous to House Members, but to me that comes with very poor grace.

I have been in this Senate now 37 years. I used to be a Member of the House. Not once have I ever gone over there and attempted to buttonhole Members of the other body during a vote.

I hope that the Chair will insist on better order in the Senate. That might go for some of our own Members, as well.

I try to sit in this chair here most of the time. I know that we all are prone to forget and chat with colleagues as they come in on the floor because we have not seen them. They have been in committee meetings and so on. If that Chair will make that gavel heard, here is a Senator who would sit down. I respect that Chair and I respect that gavel.

I hope that House Members will show a little respect for this body and for the privilege of the floor which they have been accorded. And I hope that we Senators will help the Chair to insist on that.

Mr. President, I thank the Chair.

I remove my reservation.

The PRESIDING OFFICER. Is their objection to the request of the majority leader?

Without objection, it is so ordered.

So the amendment (No. 3048) was agreed to.

So the amendments (Nos. 3045, 3046, and 3047) were withdrawn.

Mr. DOLE. Mr. President, what is the pending business?

AMENDMENT NO. 3050

The PRESIDING OFFICER. Under the previous order, the question occurs

now on amendment No. 3050 offered by the minority leader, Mr. DASCHLE. On this question, the yeas and nays have been ordered.

Mr. DOLE. I move to table, and I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. DOLE. Mr. President, I think most of our colleagues are here and have been notified, if we might have consent that this be a 10-minute vote, and then, following that, there will be a rollcall vote on final passage of 10 minutes.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

The question is on agreeing to the motion of the Senator from Kansas to lay on the table the amendment of the Senator from South Dakota. On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. LOTT. I announce that the Senator from Indiana [Mr. LUGAR] is necessarily absent.

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

I also announce that the Senator from New Jersey [Mr. BRADLEY] is absent because of illness in the family.

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

The result was announced—yeas 52, nays 44, as follows:

[Rollcall Vote No. 566 Leg.]

YEAS—52

| | | |
|---|---|---|
| Abraham | Frist | McCain |
| Ashcroft | Gorton | McConnell |
| Bennett | Gramm | Murkowski |
| Bond | Grams | Nickles |
| Brown | Grassley | Pressler |
| Burns | Gregg | Roth |
| Campbell | Hatch | Santorum |
| Chafee | Hatfield | Shelby |
| Coats | Helms | Simpson |
| Cochran | Hutchison | Smith |
| Cohen | Inhofe | Snowe |
| Coverdell | Jeffords | Stevens |
| Craig | Kassebaum | Thomas |
| D'Amato | Kempthorne | Thompson |
| DeWine | Kerrey | Thurmond |
| Dole | Kyl | Warner |
| Domenici | Lott | |
| Faircloth | Mack | |

NAYS—44

| | | |
|---|---|---|
| Baucus | Ford | Mikulski |
| Biden | Glenn | Moseley-Braun |
| Bingaman | Graham | Moynihan |
| Boxer | Harkin | Murray |
| Breaux | Heflin | Nunn |
| Bryan | Hollings | Pell |
| Bumpers | Inouye | Pryor |
| Byrd | Johnston | Reid |
| Conrad | Kennedy | Robb |
| Daschle | Kerry | Rockefeller |
| Dodd | Kohl | Sarbanes |
| Dorgan | Lautenberg | Simon |
| Exon | Leahy | Specter |
| Feingold | Levin | Wellstone |
| Feinstein | Lieberman | |

NOT VOTING—3

| | | |
|---|---|---|
| Akaka | Bradley | Lugar |

So, the motion to lay on the table the amendment (No. 3050) was agreed to.

Mr. DOLE addressed the Chair.

The PRESIDING OFFICER. The Senate will be in order.

The majority leader is recognized.

Mr. DOLE. I would ask that we have 1 minute before the next vote so the chairman of the committee, the Senator from Oregon, may offer a technical amendment which has been agreed to.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. HATFIELD addressed the Chair.

The PRESIDING OFFICER. The Senator from Oregon is recognized.

AMENDMENT NO. 3051

Mr. HATFIELD. Mr. President, I have two technical amendments that have to be offered, and they have been cleared on the other side of the aisle by Senator BYRD. They relate to a technical amendment for the U.S. Information Agency and in relation to the DC amendment. So I send these to the desk and ask for their immediate consideration.

The PRESIDING OFFICER. The clerk will report the amendment.

The assistant legislative clerk read as follows.

The Senator from Oregon [Mr. HATFIELD] proposes an amendment numbered 3051.

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

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

The amendment is as follows:

In Sec. 101. (a) after Educational Exchange Act of 1948, insert: ''section 313 of the Foreign Relations Authorization Act, Fiscal Years 1994 and 1995 (Public Law 103–236),''.

On page 10 at line 19, after the period insert the following: ''Included in the apportionment for the Federal Payment to the District of Columbia shall be an additional $15,000,000 above the amount otherwise made available by this joint resolution, for purposes of certain capital construction loan repayments pursuant to Public Law 85–451, as amended.''

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

So the amendment (No. 3051) was agreed to.

The PRESIDING OFFICER. The joint resolution is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment of the amendments and third reading of the joint resolution.

The amendments were ordered to be engrossed and the joint resolution to be read a third time.

The joint resolution (H.J. Res. 115) was read the third time.

The PRESIDING OFFICER. The question is, Shall the joint resolution pass?

Mr. DOLE. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second. The yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

Mr. LOTT. I announce that the Senator from Indiana [Mr. LUGAR] is necessarily absent.

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

I also announce that the Senator from New Jersey [Mr. BRADLEY] is absent because of illness in the family.

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

The result was announced—yeas 50, nays 46, as follows:

[Rollcall Vote No. 567 Leg.]

YEAS—50

| | | |
|---|---|---|
| Abraham | Frist | McCain |
| Ashcroft | Gorton | McConnell |
| Bennett | Gramm | Murkowski |
| Bond | Grams | Nickles |
| Brown | Grassley | Pressler |
| Burns | Gregg | Roth |
| Campbell | Hatch | Santorum |
| Chafee | Hatfield | Shelby |
| Coats | Helms | Simpson |
| Cochran | Hutchison | Smith |
| Coverdell | Inhofe | Specter |
| Craig | Jeffords | Stevens |
| D'Amato | Kassebaum | Thomas |
| DeWine | Kempthorne | Thompson |
| Dole | Kyl | Thurmond |
| Domenici | Lott | Warner |
| Faircloth | Mack | |

NAYS—46

| | | |
|---|---|---|
| Baucus | Ford | Mikulski |
| Biden | Glenn | Moseley-Braun |
| Bingaman | Graham | Moynihan |
| Boxer | Harkin | Murray |
| Breaux | Heflin | Nunn |
| Bryan | Hollings | Pell |
| Bumpers | Inouye | Pryor |
| Byrd | Johnston | Reid |
| Cohen | Kennedy | Robb |
| Conrad | Kerrey | Rockefeller |
| Daschle | Kerry | Sarbanes |
| Dodd | Kohl | Simon |
| Dorgan | Lautenberg | Snowe |
| Exon | Leahy | Wellstone |
| Feingold | Levin | |
| Feinstein | Lieberman | |

NOT VOTING—3

| | | |
|---|---|---|
| Akaka | Bradley | Lugar |

So the joint resolution (H.J. Res. 115), as amended, was passed.

Mr. MOYNIHAN. Mr. President, I move to reconsider the vote by which the joint resolution was passed.

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

The motion to lay on the table was agreed to.

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

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

Mr. DOLE. Mr. President, has H.R. 2586 arrived?

The PRESIDING OFFICER. It has.

## DEBT LIMIT EXTENSION

Mr. DOLE. Mr. President, I ask unanimous consent that the Senate now turn to H.R. 2586, the debt limit; that there be two amendments in order, the

first to strike the Department of Commerce elimination, to be offered by the Senator from Michigan [Mr. ABRAHAM], and the second, a clean debt limit to be offered by Senator MOYNIHAN, or his designee, and that following the disposition of those amendments, the bill be advanced to third reading and final passage, to occur all without any further action or debate.

The PRESIDING OFFICER. Is there objection?

Mr. DASCHLE. Reserving the right to object, and I do not intend to object, I wonder if the majority leader would have any interest in entering into a time agreement to give our colleagues some indication of what the schedule might hold. I know there is very little disagreement on the first amendment. And while there may be disagreement on the second amendment, it is not our intention to debate it for a great deal of time. So we might be able to enter into a time agreement on that one and stack the three votes to accommodate Senators tonight.

Mr. DOLE. On the first amendment to strike the Department of Commerce elimination, I will just ask that there be a motion to strike and a voice vote, without debate. That will not take any time. I do not think the second will take long. I have talked to the Senators from New York and Delaware.

Mr. DASCHLE. I suggest 20 minutes, 10 minutes per side.

Mr. DOLE. On the Moynihan amendment?

Mr. DASCHLE. Yes.

Mr. HOLLINGS. Reserving the right to object, Mr. President, I have seen a lot of remarkable things occur, and when they occur in our favor, I do not want to object. But the distinguished Senator from Michigan is the one that wants to get rid of this Department.

Mr. DOLE. He still does, but not tonight.

Mr. HOLLINGS. That is why, if he is going to make a motion, I want to make sure we are not playing games.

Mr. DOLE. It is coming out.

Mr. HOLLINGS. I will join him in the motion to strike then. We have unlimited time right now, is that correct?

Mr. DOLE. We hope that if we proceed on this basis, it will be a very quick disposal of that provision in this particular bill.

Mr. HOLLINGS. You are going to voice vote it?

Mr. DOLE. Yes.

Mr. HOLLINGS. That would suit this Senator, if we can have 5 minutes.

Mr. DOLE. On a side?

Mr. HOLLINGS. Well, at least for me.

Mr. DASCHLE. How about 20 minutes on a side for both amendments.

Mr. DOLE. Twenty minutes equally divided on each amendment.

Mr. COHEN. Reserving the right to object, Mr. President. As I understand it, then, after the one motion to strike the Commerce Department provision, which will take very little time, there will be one other motion to strike everything else, so that those of us—at least myself—would not have an opportunity to express my support for including a balanced budget within a 7-year timeframe and a prohibition against delving into any Social Security and pension funds, and limited to that, I would have to accept the other provision added by the House. In other words, it is either all or nothing after we delete the Commerce Department provision.

Mr. DOLE. Then it goes back to the House, and there will probably be some negotiations. Some would say there would be progress. I hope the Senator from Maine can support progress.

Mr. DASCHLE. I am told that we have a request for an additional 10 minutes on our side on the Commerce Department, so that would require 20 minutes on our side on Commerce.

We would be satisfied with 10 minutes on the second amendment.

Mr. DOLE. So there would be 10 minutes additional time for Senator BYRD on the Commerce Department?

Mr. DASCHLE. That is right.

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

Mr. DASCHLE. Mr. President, is it then in order that we would have three votes stacked—two amendments and final passage?

Mr. DOLE. Part of the agreement is we dispose of the first amendment by voice vote. The other two would be rollcalls.

The PRESIDING OFFICER. That would be 50 minutes on the agreement. The yeas and nays have not yet been ordered.

Mr. DOLE. I ask for the yeas and nays on the Moynihan amendment and on final passage.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. DOLE. I ask unanimous consent that the first vote at 8:50 be a regular 15-minute vote; final passage will be a 10-minute vote.

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

The clerk will report.

The assistant legislative clerk read as follows:

A bill (H.R. 2586) to provide for a temporary increase in the public debt limit, and for other purposes.

There being no objection, the Senate proceeded to consider the bill.

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

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

AMENDMENT NO. 3052

(Purpose: To preserve the Department of Commerce)

Mr. ABRAHAM. Madam President, I send to the desk an amendment to strike title II of the bill.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Michigan [Mr. ABRAHAM] proposes an amendment numbered 3052.

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

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

The amendment is as follows:

Strike title II.

Mr. ABRAHAM. Madam President, the section of the bill which I am moving to strike is quite an important section and quite an important policy issue to me and to a number of Members of this body. It pertains to the Department of Commerce. It pertains to efforts a number of us have launched this year in separate legislation to basically eliminate the umbrella we call Department of Commerce and reassign a number of the programs and functions of that Department to other areas of Government, but dramatically reduce the overhead and the bureaucracy by eliminating the umbrella called the Department of Commerce.

Obviously, I am a strong advocate of this legislation in that I am the chief sponsor of the freestanding bill which was introduced earlier this year. I support very much the effort to dismantle the Department and reassign its relevant functions.

It had been my hope—and it remains my hope—to find the right time and the right vehicle to pursue this objective. Indeed, in the Senate Governmental Affairs Committee, the bill, which was initially my bill, has gone through hearings, and it has been marked up and reported out of committee with favorable report to the full Senate.

It is my hope that at another time—hopefully very soon—we will have the opportunity to look either at the package that came out of the Governmental Affairs Committee as a freestanding bill or some combination of that package and the one that was included in the bill that I am seeking to strike tonight.

Madam President, the simple fact is that this is not the right time and this is not the right vehicle for us to consider this important question of the Department of Commerce. There are many compelling arguments, some of which I will make during our brief time tonight to discuss this issue. But I think the purpose of giving concentration of focus of the Senate on this very vitally important issue tonight is not the right time. For that reason, I send this motion to the desk.

I yield the floor. I retain the remainder of our time.

Mr. HOLLINGS addressed the Chair.

The PRESIDING OFFICER. The Senator from South Carolina.

Mr. HOLLINGS. Madam President, there is a saying that a man's opinion is still a man's opinion. I wonder. My

colleague from Michigan has a motion to strike title II, which I agree with. But in all candor, I believe his sincerity and that it is still his intent that we abolish or repeal the Department of Commerce. I, though, want to see that title II is stricken from this bill and any other measure.

I have never seen legislation and Congress itself reach such a ludicrous position of trying to rid itself of one of the most formative departments. I never say that lightly. Under article I, section 8, the first designated duty to the National Congress is to collect taxes, the second one is to borrow money, and the third one is to regulate commerce.

You will not find the Department of Agriculture, you will not find the Department of Energy, you will not find Housing in these measures in the National Government's Constitution. You find commerce.

Here, right in the midst of what you might call the economic war, we want to dismantle the front line entity that is really waging the battle to rebuild the economic strength of the United States of America, and Secretary Ronald Brown is doing an outstanding job. To dismantle or strike or eliminate this particular Department at this hour would be like in the middle of the Cold War getting rid of the Pentagon.

Madam President, you just could not understand the history of the United States if you did not go back into the original debates with respect to the Declaration and the Constitution itself and the exchange taking place soon after between the Founding Fathers and the former mother country, and especially with what corresponded at that particular time with Secretary Alexander Hamilton. The British said, now that you have became a little fledgling nation, you trade with us what you produce best and we trade back with you what we produce best. That nonsense that you continually hear to this day—''free trade, free trade.''

Alexander Hamilton wrote his views on that suggestion in a booklet called Report on Manufactures. It is over in the Library of Congress. And without reading that, I only say that it can be summed up in two words: ''Bug off.''

Hamilton told the British that we are not going to sit and remain your colony, shipping back our natural resources, our grain, our iron, our foodstuffs, and bringing in the manufactured products. It carries me immediately to Akio Morito, the founder of Sony, some years ago before his death, in Chicago where he was lecturing about emerging nations. He said emerging nations must build up a strong manufacturing sector, and that power that loses its manufacturing power ceases to be a world power.

That is the position we are in at this particular moment. At this particular moment, we have come from having at the end of World War II 50 percent of our work force in manufacturing down to, 10 years ago, 26 percent, and now today at 13 percent. We are going out of business.

The thrust of eliminating the Department of Commerce is nothing more than the thrust that America go the way of England —specifically, a delightful Parliament, debating each other with scandal sheets and everything else to read but losing, generally speaking, its influence.

And we do. If we lose our economic power, we lose our international foreign policy power, if you please. No one cares today any longer about the 7th Fleet or the threat of a nuclear attack. Money talks in the global competition and in global politics.

Madam President, I rise in strong opposition to these proposals to dismantle the Department of Commerce [DOC].

To begin with, I strongly object to the process being used. A major piece of authorizing legislation does not belong on the debt limit bill. Moreover, the version before us now has been available to Senators only since this morning. The House Republican leadership rewrote the bill and only published it last night—38 densely-packed pages of the RECORD that no one here has had time to review. Finally, no version of the DOC dismantling legislation has ever been presented to the Senate for full and regular debate. In short, adding this dismantling proposal to the debt limit bill is the worst possible way to consider major legislation.

Second, I strongly disagree with the substance of this proposal. It is astounding that in the middle of the global economic fight some of our colleagues propose to abolish the Federal agency that promotes exports, enforces our trade laws, works with industry to create new job-creating breakthrough technologies, and otherwise does so much to promote economic growth. I know that many of our Republican colleagues do not like the current Secretary of Commerce, since he helped the President win the White House in 1992. And I know that some Republicans want a trophy, and have therefore gone after the Cabinet department with the smallest budget.

But to abolish the Commerce Department in the middle of the economic fight is like abolishing the Pentagon at the height of the cold war. This is the last department we should abolish in this post-cold war world. The proposal is utter nonsense, and it is nonsense that will hurt every American company and worker.

The bottom line is that in today's global economy almost every American job is at risk. Nearly every company, and nearly every worker, faces growing foreign competition. Millions of jobs depend on exports, and millions in the future will depend on whether the United States stays at the cutting edge of new technologies. These are bread-and-butter issues to American families, and we need to strengthen—not weaken—American exports and competitiveness.

According to the November 6, 1995, issue of Business Week, a new report compiled by the U.S. intelligence community for the Trade Policy Coordinating Committee, chronicles the bare knuckles brand of capitalism employed by our competitors. Here are some examples:

The French Government warned an African government that it would withdraw government guarantees on outstanding loans if Acatel did not win a $20 million telecommunications switching equipment contract.

A Japanese company won a $30 million supercomputer order from Brazil after the Bank of Japan said it would credit the purchase against Brazilian debt to Tokyo.

Officials at Airbus Industries threatened to block Turkey and Malta from entry into the European Union unless they purchase Airbus jets rather than jets from Boeing or McDonnell-Douglas.

In the face of this brutal competition, some of our colleagues in the House want U.S. business to walk down this dark alley unarmed and unaided.

We need a Cabinet department, and a Cabinet Secretary, whose job is to fight for exports, fight to keep America's lead in technology, and provide important support services to business. The proposal before us, however, is a giant step backwards.

We also should note that this proposal does not reduce bureaucracy. It creates bureaucracy. House and Senate Republicans have discovered that many of DOC's functions are important after all, so while they abolish the Department they create several new independent agencies. Of course, each new agency has to have its own budget office, personnel office, congressional relations office, and inspector general. The result is more bureaucracy. It would be much cheaper and more effective to keep these functions where they are, in the Commerce Department.

Finally, major government reorganizations should not be done piecemeal. This House-passed proposal is ad hoc box-shuffling, with no great attention to either today's national priorities or the functions of other departments and agencies. Just blowing up one department without attention to all the others is a poor and backward way to reorganize our Federal Government.

SOME BACKGROUND

Madam President, before we consider abolishing the department that does the most to promote American jobs and profits, we should remind ourselves of some important history.

For 45 years we were engaged in a life and death struggle against the forces of totalitarianism. Through steadfast commitment and sacrifice we emerged triumphant. During the cold war we willingly subordinated our economic interests to sustain the western alliance. Now, in the post cold war era we must channel the same energy and

commitment into rebuilding our economic strength. With the fall of the Berlin Wall and the collapse of Communism, this nation has entered into a new era of competition, one in which the exercise of power and influence will be determined by economic strength.

Madam President, our strength as a Nation is analogous to a three legged stool. One leg is our military strength, which remains preeminent. One leg is our values as a Nation. From feeding the hungry in Somalia to supporting democracy in Haiti, our values as a nation remain strong. When we look at our economic strength, however, that leg is fractured. A recent OECD report discovered that the United States has the worst income distribution in the industrialized world. Three-quarters of our citizens in the age group of 18 to 25 cannot find a job that pays more than the official poverty level. We have one of the lowest savings rates in the industrialized world. In private sector capital spending, the United States lags behind our competitors.

We have fallen behind in key technologies including flat panel displays, laser diodes, and ceramic packages for the semiconductor industry. We have a $9.9 billion trade deficit in computers and peripherals and $3.7 deficit in telecommunications equipment. Over the last decade we have posted nearly $1.4 trillion worth of trade deficits. The reason for this is clear. For too long we have been held back by slavish adherence to an outmoded 19th Century view of capitalism. This view was appropriate for David Ricardo's British Empire but has no place in an era of ''high tech'' competition where government provides the comparative advantage for industry. This ''hands off'' notion of economic development flies in the face of our own history. From Alexander Hamilton's Report on Manufactures, to Henry Clay's ''American System'' of manufacturing, to Lincoln's development of the American rail system, to NASA's technological breakthroughs, the government has played a crucial role working with industry to stimulate economic development.

While some in Congress foolishly propose dismantling DOC, our economic competition around the world does not share our shortsighted desire to tear down government. The dynamic economies in Asia have evolved into economic powerhouses by developing close links between business and government with one goal in mind, to become export super powers. The invisible hand of the market did not develop Korea's world class semiconductor industry. Instead, the iron fist of decrees laid down by Korea's Ministry of Trade kept out foreign competition unless they licensed their technology to Korean companies. That iron fist was complemented by the largesse of Korea's Treasury which provided subsidies in the form of below market loans and closed the markets to United States computer chips while Korean manufacturers dumped chips into the United States market below the cost of production.

Europe is nurturing the information technology industry courtesy of billions in subsidies from the European Community for massive research projects like JESSI, ESPRIT, and EUREKA. The law of comparative advantage no longer applies in America's top export industry where Airbus captured 30 percent of the market by flaunting international trade rules, and China forced Boeing to build planes in the Guan Zhao province rather than Seattle, Washington.

This is the competition we face. In today's new world economy, it makes absolutely no sense to eliminate the one cabinet department that looks out for the business community and for one of our Nation's most important functions—interstate and foreign commerce. We need to strengthen the Department of Commerce, not blow it up into ineffective fragments. Strong U.S. Government backing for U.S. companies and workers in trade, technology, and other areas is vital if the United States and our constituents are to prosper. The facts show that the Department of Commerce is working, fighting for American business. Today, in fact, DOC is more successful at promoting exports and other activities than we have seen in decades. Its various units support and benefit each other, making the Department's total much more than the sum of its parts. It would be a grave mistake to break up this winning team of business and Government working together. If we retreat now, we will lose exports, we will lose much of our technological edge, and we most assuredly will lose jobs.

Article I, section 8, of the Constitution says that Congress shall have the power to regulate commerce with foreign nations, and among the several States. Our Founding Fathers knew the importance of a Federal role in support of commerce. In the first days of our Republic, Alexander Hamilton wrote his famous Report on Manufactures and called for Government policies to assist U.S. industry. Theodore Roosevelt created the Commerce Department, and in the 1920's, Secretary of Commerce Herbert Hoover turned the Department into an export powerhouse.

COMMERCE DEPARTMENT SUCCESSES

Today, the Commerce Department provides the needed tools for helping Americans to succeed in the new global, high-technology world. Consider a few of its successes:

The Department's export promotion efforts have been a huge success, helping American companies over the past 2 years to sell over $24 billion in American goods and services, and creating or saving over 300,000 jobs. Its export control program will allow billions more in export sales while successfully preventing the sale of sensitive technologies to unfriendly governments. Yet the House-passed dismantling bill would downgrade these export efforts, eliminating the Cabinet officer responsible for export promotion and burying these functions under an official whose main responsibility is trade negotiations, not exports.

In technology, the central economic battleground of the future, DOC supports industry's own efforts. DOC-supported manufacturing extension centers, begun under the Reagan Administration, have helped over 15,000 small firms to improve their operations and profits, leading the firms themselves to calculate that each $1 of DOC investment leads to $8 in company revenues or savings. The House-passed DOC dismantling legislation abolishes the centers program.

The Advanced Technology Program, started under the Bush administration and still new, is already helping dozens of companies, most of them small businesses, to develop new breakthrough technologies that the private capital markets will not finance because they are not guaranteed to make short-term profits. New developments will reduce the costs of computer chips, lead to cheap compact color TV displays, and create machines that can safely hold human bone marrow cells outside the body and use that bone marrow to create new blood cells. The House-passed bill would terminate the ATP.

The National Institute of Standards and Technology (NIST) laboratories have existed since Theodore Roosevelt established them in 1901. They help the FBI and the Nation's law enforcement crime labs ensure accuracy in drug analyses and DNA fingerprinting. They help industry with a wide range of new measurement techniques which help many companies improve precision and quality and cut costs. Yet the House-passed language would reduce the NIST labs to first 75 percent, and then 65 percent, of their fiscal year 1995 funding.

The National Oceanic and Atmospheric Administration [NOAA] is steadily improving the warning time and accuracy of weather and climate forecasts, with economic and safety benefits ranging from improved flood forecasts to safer airline flights.

NOAA also assists the Nation's $50-billion-a-year commercial fishing industry and $70 billion-a-year marine recreational fishing industry by monitoring fishery harvests and collecting management information. Yet the House DOC dismantling language would reduce NOAA's budget drastically—first to 75 percent of its fiscal year 1995 appropriation, and then to 65 percent the second year after enactment and in all subsequent years. These draconian reductions will affect weather and fisheries services throughout the country.

The Economic Development Administration is one of the few Federal programs that give rural areas a chance to share in economic growth.

The Bureau of Economic Analysis is now substantially improving economic and trade statistics, to give both business and government a more accurate

picture of where America stands in the new world economy.

A DEPARTMENT THAT IS WORKING

Madam President, contrary to what some may believe, these various parts of the Department work closely together and reinforce each other. NIST, for example, works with the International Trade Administration [ITA] and U.S. industry to monitor new product standards in other countries. They identify when foreign product standards are used not to protect local safety but as nontariff barriers against American products. Similarly, the Patent and Trademark Office advises ITA when foreign governments appear to use their patent policies in ways which hurt U.S. technology companies.

There are other examples. NIST and ITA's United States and Foreign Commercial Service are working closely with several friendly countries, including Saudi Arabia, to ensure that their new product standards are compatible with American goods and services.

NIST and NOAA, in turn, are developing new measurement techniques for helping the fishing industry to locate fish stocks. The Census Bureau regularly provides important information on the state of U.S. manufacturing to companies and the trade and technology units of the Department.

The National Telecommunications and Information Administration [NTIA] performs a critical role in forcing government users to become more efficient in their use of spectrum radio frequency and overseeing the governmental uses of the spectrum. NTIA has played a critical role in identifying frequency bands for reallocation to the private sector, which ultimately led to auctions that brought in over $9 billion to the U.S. Treasury.

In this era of economic competition, the Commerce Department is the arsenal of business. It is the Commerce Department through the ITA that rings up sales for U.S. business—from Boeing and McDonnell Douglas airplanes in Saudi Arabia to Raytheon radars in Brazil. It is the Commerce Department that enforces the trade laws that enabled the steel and semiconductor industries to beat back predatory trade practices.

In the critical technologies that are the battleground of the 21st Century, it is the Commerce Department that is leading the way in developing and commercializing new and emerging technologies. While the Commerce Department is at the cutting edge of technological development, its Export Administration is walking the fine line between promoting U.S. exports and keeping our critical technology out of the hands of terrorists. Finally, it is the Commerce Department's economic statistics that provide the date which drive America's financial markets.

This Department is not only working. Its units are working effectively together and with American business to save and create jobs.

A PIECEMEAL APPROACH

Madam President, finally we should oppose this proposal not only because it does not belong on the debt limit extension and because it is substantively wrongheaded. We should also oppose it because it is a piecemeal approach to government reorganization, a proposal written without apparent attention to the rest of the government's operations.

In the 1950's, I had the privilege sitting on one of President Hoover's commissions on government reorganization. Believe me, there is a right way—a comprehensive, thoughtful way—to consider government reorganization. And the proposal before us is not the result of a comprehensive, thoughtful process. It is far too piecemeal.

INDUSTRY VIEWS

Madam President, these objections to the House language are not just my views or the those of other Senators. They also are the views of a very large portion of the American business community. For example, I have letters from the National Association of Manufacturers, the Chamber of Commerce, and a major ad hoc industry coalition consisting of over 60 major corporations and trade associations. Let me quote from the NAM letter:

> We feel equally strongly that the goal of such a reduction [in the size of government] should be a government that can deal effectively with the demands of the 21st century global economy. We agree with Peter Drucker's observation that the government should be giving ''primacy to the country's competitive position in an increasingly competitive world economy.''
>
> The Congress will not be able to meet this challenge if it tries to do so in a piecemeal fashion, taking on one agency or program at a time with the hope that everything will fit together in the end.

I ask unanimous consent that at the conclusion of these remarks these three letters be printed in the RECORD, as well as a copy of the Business Week article I cited earlier.

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

(See exhibit 1.)

WHAT ARE OUR PRIORITIES?

Mr. HOLLINGS. Madam President, the choice before the Senate is actually very simple and stark. It is a matter of priorities. Either we back our companies and workers, or we do not. Either the United States gets into the global economic fight, or we do not.

DOC supporters believe that our Government, like every other major government in the world, should take prudent steps to support its industries and workers—to help win at exports, technology, and other areas. This Department is fighting every day for American business, and it is succeeding. We should not break up the cooperative effort of business and government that has developed in recent years.

Opponents of the Commerce Department would leave American business out there with no backing, no assistance, and fewer economic prospects. It makes one wonder whether or not export jobs and high-tech jobs are a priority with these opponents.

In the final analysis, does anyone really believe that the American people want the Government to do less to promote American exports and export-related jobs? Does anyone really think that the American people want less effort to enforce our laws against unfair trade practices? Does anyone really believe that the American people want none of the Government's $72 billion annual research budget used to help create new breakthrough technologies that will create the industries and jobs of the future? Does anyone really believe that the American people want to call a halt to modernizing our weather stations, or completing economic development projects in hard-hit rural communities across the land? Of course not. It is time that we get past trophy-hunting and start thinking about the economic interests of our people.

I urge our colleagues to strip this provision from the debt limit legislation now before us, and I urge them, as well, to drop the entire idea of killing the Commerce Department.

We should want to win in the global economy, not quit the field. If Senators and Representatives feel they must kill a cabinet department, let them pick one whose elimination will not leave our companies and workers more vulnerable to economic competition. Let them not break faith with the millions of Americans who want Government to promote their economic interests in this harsh new world economy, not abandon them. As for myself, I will continue to oppose this foolish and destructive proposal.

EXHIBIT 1

NATIONAL ASSOCIATION OF MANUFACTURERS,
*Washington, DC, November 8, 1995.*

Hon. ROBERT J. DOLE,
*U.S. Senate, 141 Senate Hart Office Building, Washington, DC.*

DEAR BOB: The effort to bring the federal budget into balance by reducing the size of government is one that the NAM strongly supports. We feel equally strongly that the goal of such a reduction should be a government that can deal effectively with the demands of the 21st century global economy. We agree with Peter Drucker's observation that the government should be giving ''primacy to the country's competitive position in an increasingly competitive world economy.''

The Congress will not be able to meet this challenge if it tries to do so in a piecemeal fashion, taking on one agency or program at a time with the hope that everything will fit together in the end. A coalition of companies and associations sent the entire Congress a letter on November 7 making this same point. The NAM is in broad agreement with the views expressed in this letter. A piecemeal approach to restructuring will yield fewer satisfactory results—and less budget savings—than a comprehensive approach that maps out where we're going from the start.

This is why the NAM supports the establishment of a bipartisan commission to recommend how to restructure the government, particularly in those areas dealing with our international economic interests and responsibilities. The key to the success of such a

commission is to make sure that something happens once its work is finished. There must be event-forcing mechanisms to ensure that its recommendations are acted upon. Accordingly, the NAM believes that the Congress should explore ways to provide a government reform commission with powers similar to those provided to commissions dealing with the closing of military bases.

Combined with the significant steps already taken in 1995 to reduce departmental and agency budgets, the establishment of such a commission would underline the continuing commitment of this Congress to downsize the government and increase its effectiveness. The efforts to accomplish this goal come at a time when the global economy and our role in it are increasing. In restructuring the federal government, we need a long-term plan to be implemented over the next several years that reconciles these complex and conflicting trends. The NAM believes that a bipartisan commission could develop such a plan and that this could be done in such a fashion to ensure that the work of the commission is acted upon and not just buried. We urge you to support this recommendation.

Sincerely,

JERRY J. JASSNOWSKI.

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AD HOC INDUSTRY COALITION,
*November 7, 1995.*

Hon. ROBERT J. DOLE,
*Senate Hart Office Building, U.S. Senate, Washington, DC.*

DEAR SENATOR DOLE: We would like to convey our strong support for a thorough and comprehensive review of the federal government's organization and functions. We consider this an essential step in the development of a successful strategy to reduce the federal budget deficit and increase the overall effectiveness of government.

We are greatly concerned, however, by present congressional efforts to effect budgetary savings through the dismantlement of a single department. Our concerns about this approach rest primarily on two factors. First, adverse competitive effects are likely to arise from the splintering and/or elimination of several important functions presently performed by the Commerce Department. Second, such a piecemeal approach to restructuring will likely encounter more serious hurdles—and ultimately yield less cost savings—than a more comprehensive approach to such an important task.

We are not writing to defend the status quo. The many changes that have occurred in the international economy in recent years justify a review of the structure and functions of the federal government to ensure that the United States is well-prepared to compete in the 21st century. There are undoubtedly various activities now performed by the U.S. government that require streamlining, consolidation and, in some instances, elimination. At the same time, there may be other functions in which increased activity may be justified.

These matters have an impact on the ability of the United States to create jobs, sustain its economic growth, and participate effectively in the international marketplace. It is, therefore, vital that any moves to restructure or reorganize the federal government be undertaken only after a thorough and careful analysis of all of the functions performed by government. A hastily crafted or piecemeal approach to such an important task is bound to yield a sub-optimal result and could even have unintended adverse effects.

Questions regarding the role of the federal government in sustaining our nation's economic growth and international competitiveness demand a comprehensive review through a process that is open to all who have a stake in the outcome, and such matters involve more than a single department's functions. Accordingly, we urge you to refrain from moving forward in the present manner and to work instead toward the establishment of a non-partisan commission whose task would be to develop within a specified timeframe recommendations on how to restructure the Federal Government overall to best support the Nation's competitive and strategic needs in the coming decades.

Together with present steps to trim existing agencies' budgets, such a review process would clearly reflect a seriousness of intent to tackle Federal Government spending while also ensuring that all who have a stake in the outcome have the opportunity to be heard in the course of a thoughtful and rational debate.

We stand ready to work with you toward this end. We believe there is much to be gained from such an approach. In the meantime, we appreciate your consideration of our views and would welcome the opportunity to discuss this with you further in the coming days.

Sincerely,

ABB Inc., Aerospace Industries Association, Aetna Life and Casualty Company, AlliedSignal Inc., American Iron and Steel Institute, American Textile Manufacturers Institute, ARCO, Armstrong World Industries, Inc., AT&T, Bedell Associates, Bethlehem Steel Corporation, The Boeing Company, Burlington Industries, Inc., Computer & Communication Industry Association, Corning, Incorporated, Cray Research, Inc., Dresser Industries, Inc., Economic Strategies Institute, Enron Corp., ENSERCH Corporation, FED Corporation.

Floral Trade Council, Florida Partnership of the Americas, Fluor Corporation, Footwear Industries of America, General Electric Company, Guilford Mills, Inc./Guilford International, Honeywell, Inc., Hughes Electronics Corporation, IBM Corporation, Institute of Electrical & Electronics Engineers—United States Activities, Institute for Interconnection and Packaging Electronics, International Business-Government Counsellors, Inc., Litton Industries, Inc., Loral Corporation, LTV Steel Company, McDermott Incorporated, Mission Energy Company, Motorola, Inc., Nelson Communications Group.

NPES The Association for Suppliers of Printing and Publishing Technologies, Occidental Petroleum Corporation, Oracle Corporation, Pro Trade Group, Raytheon Company, Rockwell International Corp., Samsonite Corporation, Semiconductor Equipment and Materials Institute, Small Business Exporters Association, Software Publishers Association, Springs Industries, Stone & Webster Engineering Co., Stratus Computer Inc., Summa Four, Inc., Tandem Computers Inc., Tenneco Inc., Textron Inc., The Timken Company, Torrington Company, United Technologies Corporation, U.S.-Mexico Chamber of Commerce, USX Corporation, Varian Associates, Inc., Western Atlas, Inc., Westinghouse Electric Co.

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STATEMENT OF U.S. CHAMBER OF COMMERCE ON INTERNATIONAL COMMERCE AND TRADE REORGANIZATION

The U.S. Chamber reaffirms that enactment of legislation to achieve a balanced federal budget by 2002 is among the most important tasks facing the 104th Congress. All actions to restructure or reorganize U.S. agencies and programs, including those relating to U.S. competitiveness in international commerce and trade, must be taken in a manner that is consistent with the U.S. Chamber's balanced-budget objective.

The U.S. government should approach the task of restructuring the international commerce and trade sector by considering what its objectives are before determining how best to proceed. Any reorganization of such government functions should only be initiated after a careful and thorough analysis that includes consideration of inputs from involved officials and potentially affected private parties.

The U.S. Chamber believes that the U.S. government should avoid a piecemeal approach to restructuring and should consider instead the full range of issues relating to any reorganization. Such a comprehensive approach will facilitate achievement of greater streamlining and reduction in overhead costs through the consolidation or elimination of duplicative functions than would occur under an approach that addresses selected portions of U.S. government activity affecting international commerce and trade.

To this end, Chamber supports the bipartisan establishment of a process to (1) examine comprehensively the matter of restructuring and reorganizing all of the international commerce and trade functions of the U.S. government, and (2) within a specific time frame, make recommendations on how to proceed in a manner that ensures the enhanced effectiveness of U.S. government functions critical to U.S. competitiveness in the international marketplace while contributing to the achievement of U.S. budget-balancing objectives.

To determine what, if any, consolidation, streamlining and/or elimination of programs/functions is appropriate, this process should adhere to the following objectives:

Approach this task with no preconceived notion about the outcome, but rather, should weigh all available information in making its recommendations.

Maintain a strong voice for U.S. commercial interests at all levels within the U.S. government alongside those of labor, human services, foreign policy, national security and other critical elements of our society and government. The U.S. government cannot afford to relegate commercial interests to secondary status.

Recognize and give high visibility to both the role of advocacy of U.S. commercial interests within the U.S. government and abroad and the coordination/balancing of U.S. policy among the several affected U.S. government agencies within and without the international commerce and trade sector.

Require a cost-benefit analysis and justification of all U.S. government international commerce and trade functions. This should include an analysis of whether the programs/functions can be made available by the private sector.

Avoid consolidation of programs into government entities whose missions are not dedicated primarily to the advancement of U.S. commercial interests at home and abroad.

Harmonize Congressional oversight to correspond to the international trade and competitiveness-related functions.

Maintain a strong relationship among all entities engaged in international trade and competitiveness-related functions and strengthen private-sector consultative mechanisms.

Maintain and improve the independent credit management integrity of all financial service functions within the U.S. international commerce and trade sector.

Recognize the importance of the strong enforcement and implementation of trade agreements and laws.

*Background.*—The U.S. Chamber, since 1983, has advocated a focused, cost-effective, coherent U.S. government international trade policy and infrastructure. Such a policy and

infrastructure does not now exist. U.S. government international commerce and trade functions are presently administered and/or supported by more than fourteen agencies driven by often conflicting policy objectives and, while costing more than $3.5 billion per year, without a singularly focused budget discipline.

The national interest requires the attainment of a ''level playing field'' for the commercial interests of the U.S. in global markets. That interest can best be served while addressing the national interest of balancing the federal budget if the President and the senior advisors and officials of that office are supported by a cost effective, focused infrastructure. Such an infrastructure must put the U.S. government in a position to:

Negotiate and enforce trade agreements that require the reduction or elimination of unfair foreign trade barriers and distortions;

Use access to the U.S. market as leverage to obtain access to foreign markets; and

Enforce U.S. trade laws to remedy the adverse effects of foreign dumping, subsidization and other unfair trade practices;

Provide appropriate export development services and advocacy to counter foreign government-supported competitors;

Limit the imposition of export and other trade controls to those absolutely necessary to achieve legitimate U.S. national security objectives.

The President and Congress, with the support of the private sector, should articulate an international trade policy and create a responsive supporting infrastructure that will.

Provide support services that are critical to a competitive U.S. commercial position internationally, but are not available from the private sector;

Subject federal export-oriented programs and/or activities to quantifiable cost-benefit evaluation featuring the U.S. employment consequences, the dollar-value of exported U.S. goods and services, and the ''value-added'' content of exported U.S. goods and services.

Maintain the capacity, where appropriate, to effectively match subsidization and other forms of assistance offered by our major trade competitors on a selective basis;

Provide assistance to capital projects in other countries that have enduring value to the host country and are distinguished by substantial U.S. company participation.

More specifically, a successful U.S. commerce and trade infrastructure should incorporate programs and activities that:

Recognize the importance of a strong voice for commercial interests in the development of U.S. policies. The commercial interests of the U.S. must not be relegated to secondary status. The nation cannot afford to reduce the effectiveness of U.S. international trade programs that are a linchpin of the competitiveness of U.S. industry.

Recognize the crucial role that only the U.S. government can play in providing in-country support to American exporters of goods and services. U.S. government support in the form of foreign market information-gathering and official advocacy in necessary if U.S. exporters are to enjoy a level playing field in competing for a share of these emerging growth markets.

Provide competitive financial services, e.g., financing and insurance that are not otherwise available but are required to help U.S. companies remain competitive and penetrate foreign markets. To maintain a broadly competitive position, the United States must preserve or expand the contribution of those federal agencies that help U.S. exporters compete and prosper.

Recognize that as part of the U.S. government's strategic plan to selectively match the subsidization assistance offered by our major competitors, the U.S. government should be prepared to fund project-related feasibility studies and planning activities.

Recognize that the U.S. government must be prepared to take meaningful actions to provide American companies an opportunity to compete fairly in the global marketplace. Negotiation and enforcement of trade agreements to remove trade barriers and open markets, and enforcement of U.S. trade laws against dumping, subsidization, intellectual property violations and other unfair trade practices are necessary complements to a successful export promotion and job growth strategy.

Recognize that to the extent that there is a requirement for U.S. export controls, such controls should not deter the export of U.S. products when other nations are freely marketing competitive products.

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A WORLD OF GREASED PALMS—INSIDE THE DIRTY WAR FOR GLOBAL BUSINESS

Intrigue fairly leaps off the pages of the classified U.S. government report. A German electronics giant pays bribes to win export sales. France demands 20% of Vietnam's telecommunications market in exchange for aid. A European aerospace company threatens to block European Union membership for Turkey and Malta unless their national airlines purchase its planes.

It's all part of a nasty, multibillion-dollar war being waged over global markets. A secret Commerce Dept. study, newly prepared with the help of U.S. intelligence agencies, catalogs scores of incidents of bribery, aid with strings attached, and other improper inducements by America's trading partners. In the case of strings-attached foreign aid, the deals may violate international trade pacts. And the cost of such practices to the U.S. economy appears enormous. In 1994 alone, U.S. intelligence tracked 100 deals worth a total of $45 billion in which overseas outfits used bribes to undercut U.S. rivals, the study says. The result: Foreign companies won 80% of the deals.

SANCTIMONIOUS?

Among the main culprits are some of America's staunchest political allies: France, Germany, and Japan. The corporations involved aren't cited by name in the study, which has been in the works for months and key parts of which were reviewed by Business Week. But government sources identify premier European hightech companies—including Germany's Siemens, France's Alcatel Alsthom, and the European airframe consortium Airbus Industrie—as among the major practitioners. Foreign governments and companies, of course, gripe that the Clinton Administration has been doing lots of aggressive advocacy of its own to win deals for U.S. business. ''Each time we win a deal, it's because of dirty tricks,'' says an Airbus official with bitter sarcasm. ''Each time Boeing wins, it's because of a better product.''

Indeed, many officials overseas view the U.S.'s holier-than-thou attitude about shady business practices as naive and hypocritical. As word of the report's contents gradually leaks (some 50 copies recently were distributed to Congress and key agencies), U.S. trading partners may be angered to learn how closely American spies are tracking their dealings. Indeed, the growing role of the CIA and its sister shops in commercial information-gathering already is controversial, with critics contending that the spies are inappropriately trying to justify $28 billion budget in the post-cold-war era. But former CIA General Counsel Elizabeth J. Rindskopf says the CIA is simply responding to demands from other U.S. government agencies for information to help level the global playing field.

There's more to it than that. ''As the importance of geopolitical struggle has declined, conflict has found a new home,'' says Edward N. Luttwak, senior fellow at the Center for Strategic & International Studies. ''Commercially, the atmosphere has become envenomed.'' Economic trends tell the tale: The U.S. is more dependent than ever on exports to fuel its economic growth. Europe and Japan are saddled by slow growth.

Heightened global competition adds to the temptation to seek advantages through questionable tactics—particularly in key sectors such as aerospace, where demand is weak, ''Companies and governments are more willing to resort to unconventional methods to make a sale because any sale is precious,'' says Joel Johnson, international vice-president for Aerospace Industries Assn. of America.

During the next decade, the pervasiveness of such practices spells trouble for U.S. companies girding to compete for an estimated $1 trillion worth of overseas infrastructure projects. American business already is handicapped by the U.S.'s comparatively puny spending on export promotion. The Commerce report, which also reviews legitimate competitive practices such as trade missions and financial aid to exporters, revels a stark gap. In 1994, for every $1,000 of gross domestic product, France spent more than 17¢ on export-promotion programs; Japan, more than 12¢. In contrast, the U.S. spent 3¢.

Even so, Republican trade hawks on Capitol Hill want to slash funds for Commerce's trade programs. Commerce officials hope the competitive-practices report will help derail those moves. It's certainly a timely showcase for Commerce Secretary Ronald H. Brown to reemphasize his role as roving advocate for American business. ''The findings are alarming,'' Brown told BUSINESS WEEK. ''There is no question that we have been dramatically outgunned by our global competitors, and many of those competitors use, to be kind, unsavory practices.''

WADS OF CASH

But to some European executives, the Clinton Administration doesn't shy away from questionable arm-twisting. An Airbus official calls President Clinton's 1993 phone call to King Fahd of Saudi Arabia to lobby for Boeing Co. and McDonnell Douglas Corp. a ''blatant'' disregard for the rules. ''The power of the American government is far greater than any European government,'' the official says. Too bad, retorts one U.S. official: ''If we're going to provide a security umbrella for a country, it's reasonable to expect our companies to get treated fairly.''

Certainly, not all U.S. companies have clean hands. In October, a former vice-president at Lockheed Martin Corp. was sentenced to 18 months in prison and a $125,000 fine for bribing a member of the Egyptian Parliament to win an order for three C–130 cargo planes. The case is surprising because Lockheed was at the center of a bribery scandal in Japan nearly 20 years ago and has signed a consent decree to refrain from such practices. That paved the way for the 1977 Foreign Corrupt Practices Act, which bars U.S. companies from paying bribes to win business.

Some U.S. companies find creative ways to skirt the law. To secure a mining venture in a developing nation, an American company recently flew officials from the country to the U.S., put them up in a fancy hotel for a week, and gave them a wad of cash for a shopping spree. A U.S. intelligence source says the trip is problematic: ''What's the difference between giving an official shopping money and handing him an envelope of cash in his office?''

But U.S. and other trade experts have little doubt that overseas companies are more

likely to offer bribes because their cultures and legal systems permit it. In France, foreign payments to middlemen are considered legitimate business tax deductions. Germany has similar rules, though officials in Bonn say they might junk them if there were an international accord to outlaw bribery.

Even so, there's little U.S. support for easing antibribery laws. Instead, many American executives are urging the Administration to mount an aggressive campaign to get foreigners to play more by U.S. rules. For starters, open up to public scrutiny the contracting process for projects funded by multilateral development banks, says Calman J. Cohen, vice-president of the Emergency Committee for American Trade, a group of 60 chief executives of America's leading exporters.

U.S. officials vow to fight for reform. And foreign trading partners may find that a good idea. As long as everyone—including the U.S.—promises to play by the rules.

Mr. BOND. Mr. President, I join my colleagues in expressing opposition to including this provision to eliminate the Commerce Department on this measure.

Regardless of the position one takes on the issue of eliminating the Commerce Department, I do not believe it is proper for it to be included in the measure before us today.

Personally, I have strong concerns about one section of this proposal to eliminate Commerce—that is the section which reorganizes the trade functions.

I take a second seat to no one in my desire to cut government spending and eliminate the budget deficit. Removing this huge burden from the backs of our children and grandchildren should be our top priority.

I believe that one way to reduce the deficit is to eliminate and downsize agencies—and there are several agencies which I have suggested for elimination.

Certainly, the Commerce Department can stand some severe downsizing and reorganization. No one can argue that it is a well-thought-out, streamlined agency. That does not, however, mean we ought to do that trimming with a meat-axe.

Instead, we must do it carefully—in a way that ensures we do not destroy programs critical to our national or economic security. I am concerned that the proposal before us today will have just such an impact—that is, it will harm our economic security and it will cost jobs.

Exports are absolutely critical to our Nation's economic health and security, and they will become even more so in the global economy of the 21st century. If we are to maintain our place as the world's leading economy, we will have to increase our share of the world market. The competition will be tough and other companies will come to the field armed with a wide array of tools provided by their governments—from high-level sales assistance to concessional financing, and even in some cases, outright bribes.

American firms need at least a helping hand if they are to remain able to compete in this rough atmosphere. Providing that edge is the job of our trade promotion and finance agencies, led by the International Trade Administration of the Commerce Department.

Generally, I would be the last one to argue that government ought to be playing a more active role in any aspect of business. As chairman of the Senate Small Business Committee, I hear daily from business owners who have suffered at the hands of government bureaucracy and overregulation. The fact is, however, that if smaller firms are to enter and be successful in the global marketplace, they will, in many cases, need the support and encouragement of the government. Companies entering the international marketplace are vying with foreign competitors who have the active assistance and involvement of a wide range of government agencies and officials. Without the support of agencies such as the U.S. & Foreign Commercial Service, the Export-Import Bank, OPIC, and TDA, American firms would often be left behind.

I would note, however, that it is not only small firms that need this assistance. Even huge companies cannot compete if their foreign competitors are getting special assistance from their home governments in terms of financing and marketing help.

In many parts of the world, customers are used to dealing with government officials and private firms need the added help of a senior official—such as the Secretary of Commerce—to win sales.

And it is important to remember that the support of government is critical in other areas, as well—ensuring a level playing field in trade with other countries, for example, as we saw earlier this year with the Japanese auto parts talks; and in the type of hands-on, high-level marketing we have seen by Commerce Secretary Ron Brown and President Clinton. Government can also play a role by ensuring that our laws and regulations do not impede exports. For example, in the International Finance Subcommittee which I chair, we are working on a rewrite of the Export Administration Act, a step which is badly needed to eliminate outdated and unnecessary controls and ensure that controls are doing the job they were intended to do—keeping critical technology out of the hands of our enemies, rather than keeping U.S. firms from being competitive.

Certainly, government cannot—and should not—do it all. But it is clear these agencies can provide the extra little bit needed to turn a near loss into a win.

Unfortunately, the debate in Washington this year has not focused on the importance of exports or the importance of ensuring that American firms remain competitive. Instead the debate has turned to the need to eliminate ''corporate welfare,'' and unfortunately—and I believe wrongly—these programs have been labeled corporate welfare.

Members can criticize these programs, but the fact is they are responsible for creating and saving thousands of good-paying American jobs that would otherwise go to Paris, Ottawa, London, or Osaka. I don't want to see that happen, and I am certain most other Senators do not either.

This is not just an abstract argument I am making—we are talking here about real contracts and real jobs.

Earlier this year, Secretary Brown testified before my subcommittee in a closed session to present a classified report detailing some of the activities that other countries are using to win deals for their companies. The report noted activities that are widely accepted such as high-level marketing. However, it also detailed questionable and illegal activities such as threats of aid cutoffs and outright bribes.

It is a fascinating report, and I urge my colleagues to go to S–407 and read it before voting to weaken our trade promotion and finance agencies which I would note, are funded at the lowest level of any major trading nation.

The proposal before us today is significantly better than proposals that were offered earlier this year, at least with regard to the trade portions.

Instead of eliminating huge parts of the trade promotion and finance staff, it eliminates only a portion, and consolidates them into a single agency—the new Office of the Trade Representative.

This new organization would bring together the existing Office of the Trade Representative, the Trade and Development Agency and the Commerce Department's International Trade Administration and Bureau of Export Administration. It would be headed by the U.S. Trade Representative, who would be designated a Cabinet officer by this administration. It would not, however, be a department.

There are a number of problems I see with this proposal. First, it brings together under one roof our good cop and bad cop on trade. I believe it will be very difficult for the head of this agency to do both jobs—to travel to a country and beat up on them at one meeting for not buying enough U.S. automobiles and then turn around and offering to sell them American built airplanes. It just does not seem like it will work as well as the current system where Mickey Kantor negotiates and enforces, and Ron Brown sells.

Second, this proposal would downgrade the status of many of our trade official which will have significant consequences in other countries where rank and face are important.

Third, this provision mandates spending cuts that would have a devastating impact on our export agencies. Already this year, I had to fight off an attack on the funding for these trade agencies—cuts that would have brought 600 layoffs out of the International Trade Administration alone

and which would have forced us to close nearly half of all domestic offices, and which would have left us without Commercial Officers in many parts of the world. There was overwhelming support for restoring the money when the bill was considered on the floor.

I would note that the funding cuts would also hit the Bureau of Export Administration—the agency charged with enforcing our export control laws on high-tech exports. That is a problem for two reasons. First it will mean U.S. firms selling computers, telecommunications equipment, machine tools and other high-tech products will likely have to wait longer for licensing—likely losing sales as a result. Just as important, however, it is likely to result in poorer enforcement of the export laws designed to prevent the proliferation of weapons of mass destruction. That is precisely the wrong way to go at a time when we are seeing the growth of groups such as the AUM sect in Japan.

Perhaps we ought to be considering reorganization of our trade agencies. If we do, however, I think it should be with a clear understanding of what we are doing. And, I for one, am not convinced that we have that understanding.

Thus, I urge my colleagues to reject this provision and to allow the Senate to get on with the pressing business at hand.

Mr. LIEBERMAN. Mr. President, I oppose the attachment of the House Commerce dismantling bill to the debt limit bill. This is not the way to consider how to organize trade and technology functions. The President has requested a clean debt limit bill without extraneous, unrelated bills attached to it. Clearly the inclusion of the Commerce dismantling legislation weighs down the debt limit bill and should not be considered as part of it.

This is a backdoor attempt to make economic growth the victim of our budget axe. Trade, telecommunications, technology, weather services. That is what is at risk. The House's intent to eliminate this department is just not rational. In our enthusiasm to make cuts to balance the budget we are losing sight of the reason we want to balance the budget in the first place—to make our economy stronger. The irony is that by cutting the trade and technology programs we are cutting programs that are already making our economy stronger. We will be defeating our own purpose.

I am particularly concerned about keeping the technology and trade functions integrated in the Department of Commerce. Within the Department of Commerce there are programs that work with the private sector to foster new ideas that may underpin the next generation of products. This is one of the few places where there are information channels that ensure that the ideas generated in our world class research institutions find their way into the marketplace. Previous administrations had the foresight to realize that we are entering a new era, an era where economic battles are as fiercely fought as any previous military actions. New kinds of technology programs were begun with bipartisan support to make sure that the United States was well armed for these economic battles. I do not want to see us lose our technology edge in the marketplace, because this edge translates directly into jobs for our work force, new markets for American business, improvements in our balance of trade, and from this economic success, needed revenues for our treasury. The home of technology is with our trade programs where they will have the most impact and do the most good for our economy. The Technology Administration is a critical component of the Department of Commerce and we need to make sure its key functions are maintained. Yet the pending legislation would scatter Commerce agencies and slash technology spending.

Making changes in technology and trade functions at this juncture in time must be done extremely carefully. New markets are emerging in developing countries. Conservative estimates suggest that 60 percent of the growth in world trade will be with these developing countries over the next two decades. The United States has a large share of imports in big emerging markets currently, in significant part because of the efforts of the Department of Commerce. While we are making changes in the Department of Commerce, our foreign competitors are increasing their investment in their economies. Competing advanced economies are just waiting for us to make a move that will weaken our economic capacity. We cannot afford to dismantle successful programs that are making and keeping the United States competitive. We should be sure that changes we make will be improving the Government's efficiency and improving the taxpayer's return on investment.

The kind of technology programs that I am advocating are not corporate welfare. I find the term in this context not only inaccurate, but offensive. American industry is not looking for a handout. Quite the contrary. These programs are providing incentives to elicit support from the private sector for programs that are the responsibility of the government. Times are tough and the government needs to cut back, so we are looking for the handout from private industry, not the other way around. Let me explain.

Our goal should be, not to try and categorize research, but to make investments that are appropriate, and that strengthen our economy. I believe that there is an important and legitimate role for government to play in technology research. The National Association of Manufactures has spoken out strongly in favor of the kind of technology programs that are run by the Department of Commerce. I would like to read some quotes from their statement about Federal technology programs:

The NAM is concerned that the magnitude and distribution of the R&D spending cuts proposed thus far would erode U.S. technological leadership.

A successful national R&D policy requires a diverse portfolio of programs that includes long- and short-term science and technology programs, as well as the necessary infrastructure to support them. The character of research activities has changed substantially in the past decade, making hard and fast distinctions between basic and applied research or between research and development increasingly artificial. R&D agendas today are driven by time horizons not definitions. In short, rigid delineations between basic and applied research are not the basis on which private sector R&D strategies are executed, not should they be the basis for Federal R&D policy decisions.

The NAM believes the disproportionate large cuts proposed in newer R&D programs are a mistake. R&D programs of more recent vintage enjoy considerable industry support for one simple fact: They are more relevant to today's technology challenges. For example, ''bridge'' programs that focus on the problem of technology assimilation often yield greater payoff to a wider public than programs aimed at technology creation. Newer programs address current R&D challenges for more effectively than older programs and should not fall victim to the ''last hired, first fired'' prioritization.

In particular, partnership and bridge programs should not only not be singled out for elimination, but should receive a relatively greater share of what Federal R&D spending remains. These programs currently account for approximately 5 percent of Federal R&D spending. The NAM suggests that 15 percent may be a more appropriate level . . .

Given the critical importance of R&D, far too much is being cut on the basis of far too little understanding of the implications. The world has changed considerably in the past several years, and R&D is not different. Crafting a Federal R&D policy must take stock of these changes; to date this has not happened.

As the major funder and performer of the R&D in the U.S., industry believes its voice should be heard in setting the national R&D agenda. The Congress and the Administration should draw on industry's experience and expertise in determining policy choices. For example, as a guide to prioritizing Fedeal R&D programs, the NAM would favor those programs that embody the following attributes: Industry-led; cost-shared; relevant to today's R&D challenges; partnership/consortia; deployment-oriented; and dual use.

We believe these criteria provide the basis for creation of a template for prioritizing federal R&D spending.

In sum, the NAM remains firmly committed to a balanced federal budget. But we also firmly believe that the action taken thus far in downsizing and altering the direction of U.S. R&D spending is tantamount to fighting hunger by eating the seed corn. We urge the Congress to consider carefully the impact of R&D on U.S. economic vitality and to move forward in crafting an R&D agenda that will sustain U.S. technological leadership far into the future.

I would like to describe two programs in which I have taken a particular interest, the Advanced Technology Program [ATP] and the Manufacturing Extension Program [MEP], both eliminated by the pending bill.

ATP

Dr. Alan Bromley, President Bush's Science Advisor in 1991, determined a list of 20 technologies that are critical to develop for the United States to remain a world economic power. There has been very little disagreement among analysts and industry about the list. No one company benefits from these technologies, rather a variety of industries would benefit with advances in any one of these areas. These are the kinds of areas that form the focus areas of the ATP. The focus areas are determined by industry, not by bureaucrats, to be key areas where research breakthroughs will advance the economy as a whole not single companies.

There is no doubt that industry benefits from partnering with the Government. The nature of the marketplace has changed, and technological advances are a crucial component in maintaining our stature in the new world marketplace. Product life cycles are getting more and more compressed, so that the development of new products must occur at a more and more rapid pace. The market demands products faster, at higher quality and in wider varieties—and the product must be delivered just in time. Innovative technological advances enhance speed, quality, and distribution, to deliver to customers the product they want, when they want it. Ironically, the competitive market demands that companies stay lean and mean, diminishing the resources that are available for R&D programs that foster the kind of innovation necessary to stay competitive. Because of all of these pressures, industrial R&D is now focused on short-term product development at the expense of long-term research to generate future generations of products.

The conclusion is clear. This short-term focus will lead to technological inferiority in the future. Our economy will suffer. Some of my colleagues in Congress believe that basic research will provide the kind of innovation necessary to generate new generations of high tech products. On the contrary, we have seen historically that basic research performed in a vacuum, that is without communication with industry, is unlikely to lead to products.

In this country, we have the best basic research anywhere in the world. There is no contest. Yet, we continue to watch our creative basic research capitalized by other nations. We must improve our ability to get our brilliant ideas to market. Basic research focuses on a time horizon of 10 to 20 years. Product development focuses on a time horizon of less than 5 years, and sometimes much shorter than that. It is the intermediate timescale, the 5 to 15 year timeframe that is critical to develop a research idea into a product concept.

We have a responsibility to make sure that our private sector does not fall behind in the global economy. Diminishing our technological preparedness is tantamount to unilateral disarmament, in an increasingly competitive global marketplace. Government/industry partnerships stimulate just the kind of innovative research that can keep our technological industry at the leading edge. These partnerships help fill the gap between short term product development, and basic research.

American companies no longer survive by thinking only about the national marketplace. They must think globally. Familiar competitors like Japan and Germany, continue to compete aggressively in global markets. New challenges are coming from India, China, Malaysia, Thailand, some of the leading Latin American nations and more. We cannot afford to let jobs and profits gradually move overseas to these challengers, by resting on our laurels, complacent in our successes. Other countries, seeing the success of the ATP, are starting to imitate it, just as we are considering doing away with it. Our competitors must be chuckling at their good fortune, and our short-sightedness. We simply cannot afford to eliminate ATP, as the bill proposes.

MEP

The state of manufacturing in this country is mixed. On the one hand our manufacturing productivity is increasing, but on the other hand we are losing manufacturing jobs by the millions. Manufacturing which once was the life blood of our economy is bleeding jobs overseas. We need to provide the infrastructure that insures that our manufacturing industry flourishes.

As I look at our manufacturing competitors, I am struck by how little we do to support this critical component of our economy. In the United States we are sued to being the leaders in technologies of all kinds. Historically, English words have crept into foreign languages, because we were the inventors of new scientific concepts, technology, and products. Now when you describe the state-of-the-art manufacturing practices you use words like kanban and pokaoke. These are Japanese words that are known to production workers all over the United States. Kanban is a word which describes an efficient method of inventory management, and pokaoke is a method of making part of a production process immune from error or mistake proof thereby increasing the quality of the end product. We have learned these techniques from the Japanese, in order to compete with them.

In a global economy, there is no choice, a company must become state-of-the-art or it will go under. We must recognize that our policies must change with the marketplace and adapt our manufacturing strategy to complete in this new global marketplace. The Manufacturing Extension Program [MEP] is a big step forward in reforming the role of Government in manufacturing. This forward looking program was begun under President Reagan, and has received growing support from Congress since 1989.

The focus of the MEP program is one that historically has been accepted as a proper role of government: education. The MEP strives to educate small and mid-sized manufacturers in the best practices that are available for their manufacturing processes. With the MEP we have the opportunity to play a constructive role in keeping our companies competitive in a fiercely competitive, rapidly changing field. When manufacturing practices change so rapidly, it is the small and mid-sized companies that suffer. They cannot afford to invest the necessary time and capital to explore all new trends to determine which practices to adopt and then to train their workers, invest in new equipment, and restructure their factories to accommodate the changes. The MEP's act as a library of manufacturing practices, staying current on the latest innovations, and educating companies on how to get the best results. At the heart of the MEP is a team of teachers, engineers, and experts with strong private sector experience ready to reach small firms and their workers about the latest manufacturing advances.

Another benefit of the MEP is that is brings its clients into contact with other manufacturers, universities, national labs and any other institutions where they might find solutions to the problems. Facilitating these contacts incorporates small manufacturers into a manufacturing network, and this networking among manufacturers is a powerful competitive advantage. With close connections, suppliers begin working with customers at early stages of design and engineering. When suppliers and customers work together on product design suppliers can provide the input that makes manufacturing more efficient, customers can communicate their specifications and timetables more effectively, and long-term productive relationships are forged. These supplier/customer networks are common practice in other countries, and lead to more efficient and therefore more competitive, design and production practices.

The MEP is our important tool in keeping our small manufacturers competitive. We are staying competitive in markets that have become hotbeds of global competition, and we are beginning to capture some new markets. More importantly, companies that have made use of MEP are generating new jobs rather than laying off workers or moving jobs overseas. These companies are growing and contributing to real growth in the U.S. economy. For each Federal dollar invested in a small or mid-size manufacturer through the MEP, there has been $8 of economic growth. This is a program that is paying for itself by growing our economy.

Each MEP is funded after a competitive selection process, and currently there are 44 manufacturing technology centers in 32 States. One requirement

for the centers is that the States supply matching funds, ensuring that centers are going where there is a locally supported need. In summary, the MEP provides the arsenal of equipment, training, and expertise that our small and mid-sized manufacturers need to keep them in the new global economic battlefield.

The ATP and the MEP are critical technology investments. They are both run under the auspices of the National Institutes of Standards and Technology, NIST. This legislation would completely cut these programs. In addition to these NIST programs, NIST itself is at risk. NIST would be renamed to its previous title, National Bureau of Standards and merge with NOAA. The research programs at NIST would be drastically cut. I would like to bring to my colleagues' attention, a recent letter sent by 25 American nobel prize winners in physics and the presidents of 18 scientific societies. As the New York Times put it ''Budget cutters see fat where scientists see a national treasure''. These scientists are shocked and appalled that we could think of making major cuts in NIST and its programs. According to the scientists ''It is unthinkable that a modern nation could expect to remain competitive without these services'' and they continue ''We recognize that your effort to balance the budget is forcing tough choices regarding the Department of Commerce, however the laboratories operated by NIST and funded by the Department of Commerce are a vital scientific resource for the Nation and should be preserved in the process of downsizing the Federal Government.'' These scientists are the leaders of the scientific community and we should not ignore their advice.

The rush to obliterate the Department of Commerce is senseless. In an attempt to streamline government function, the House proposal takes one agency and creates three: OUSTR [Office of US Trade Representative], the Patent and Trademark Office, which becomes a separate government-owned corporation, and NSOAA [National Science, Oceanic and Atmospheric Administration]. This dismantlement effort in the end is box shuffling. It will scatter a consolidated agency among a long series of other agencies and cost money to enact, not save money. Creating such chaos only to achieve fragmented programs is irresponsible. Investments in the trade and technology functions in Department of Commerce are investments in our future economic health, in high wage jobs for our workers, in the American dream. To dissolve or reorganize it should not be taken lightly.

Mr. LEVIN. Mr. President, this debt ceiling legislation also includes an entirely new regulatory reform overhaul, language which we have not seen before it was sent over from the House today. The effort to force a comprehensive and complex proposal through on a debt ceiling bill is irresponsible.

We have been working on regulatory language for months in the Senate. As much as I am a strong proponent of regulatory reform, I cannot understand how we can be asked to legislate language dropped upon us under the time pressure of a bill which is necessary to protect the full faith and credit of the United States. Such an effort is unprecedented and unwarranted. Its inclusion in the debt limit legislation threatens this necessary bill and does not advance the cause of regulatory reform.

No responsible Member of Congress should be playing Russian roulette with the full faith and credit of the United States, but that's exactly what's going on here today.

By sending us a bill loaded with proposals that the House knows the President will find unacceptable, it is asking the Senate to join it in forcing the President to play the game of Russian roulette. The House has handed the Senate a loaded gun and dared us to send it on to the President.

It is Russian roulette with five bullets in the six chambers.

We should not do it. We should unload the bullets and send a clean bill to the President that does nothing more than provide the debt limit increase needed to meet this country's financial obligations.

The bill sent to us by the House makes default more likely. It risks not only our credit around the world, but also people here at home. This is a game that could blow up in our faces, with tighter credit, higher rates for business, higher mortgage and car loan rates for consumers. No responsible legislator should play this game with the American economy.

Besides playing with the full faith and credit of the United States, the bill includes legislative bullets that are unrelated to debt management. The debt ceiling legislation is merely used as a means to wall these provisions off from thoughtful debate and amendment. These measures are unprecedented and extreme proposals to change the way we issue Federal regulations, promote business through the Commerce Department, and limit access to the courts.

Mr. President, I support the motion to strike from the debt ceiling bill the provisions that would dismantle the Department of Commerce.

Dismantling cost-effective programs that support U.S. trade and industry defies common sense. It is foolhardy. It is bad for the country and bad for my home State of Michigan.

The Department of Commerce is the Federal agency that is in the trenches, on a day-to-day basis, fighting for American business and American jobs in the global trade wars.

These trade wars are ones we can't afford to lose. Trade means growth, profits and jobs. U.S. exports, 90 percent of which are manufactured goods, provide many of the high-wage jobs American families need to survive.

The Commerce Department advances U.S. trade by helping U.S. firms meet export requirements, find new market lower manufacturing costs and develop new technologies. Its programs provide practical, cost effective and proven ways to increase U.S. trade. Slashing these programs strikes at the heart of American competitiveness.

The bill's proponents claim that ending this agency would shrink government and save money. In reality, this bill would replace one agency with two, cut trade programs by 25 percent eliminate successful industry programs, and dictate a raft of bureaucratic box-shuffling that would cost money rather than save it.

The Commerce Department is a Federal agency whose mission isn't to regulate business, but to assist American firms build exports, profits and American jobs. This bill threatens each and every one of the Department's trade and industry programs.

When legislation to dismantle the Department of Commerce was first referred to the Senate Governmental Affairs Committee, on which I sit, I went to businesses across my State of Michigan to ask how they felt about it. The business community let me know in no uncertain terms how foolhardy they think dismantlement is.

Michigan is the third largest exporting State behind California and Texas. Last year, $35 billion in exports supported 100's of 1000's of Michigan jobs. Ninety-eight percent of Michigan's exports were manufactured goods. Literally thousands of Michigan companies use Department of Commerce trade and industry programs to increase their exports, improve their operations and grow their businesses.

These trade and industry programs don't proved handouts, but cost-effective support for some of the hardest working companies in our State—companies providing the high-wage jobs Michigan families need.

The chorus of praise for these programs from the Michigan business community include terms not often applied to government programs. Here are a few samples taken from letters.

''I cannot begin to comprehend the thought processes behind the abolishment of the one governmental agency that is so in tune and involved with the United States taking its rightful place in the * * * global economy,'' wrote Second Chance Body Armor of Central Lake, MI.

''[O]pponents to the Department of Commerce must have their heads in the sand * * *'' wrote Electro-Wire Products of Dearborn, MI.

''(Abolition) would not save any tax dollars and would result in less effective enforcement of U.S. unfair trade laws,'' wrote Medusa Cement of Charlevoix, MI.

''[Dismantling programs to develop U.S. and international industry standards] is misguided and completely detrimental to the future of the entire manufacturing sector,'' wrote Redco Corporation of Troy, MI.

Letters supporting Department of Commerce programs have flowed in from a wide variety of businesses and organizations, including the World Trade Club of the Greater Detroit Chamber of Commerce; Ann Arbor Area Chamber of Commerce; The Right Place Program in Grand Rapids; Michigan Quality Council in Rochester; Perceptron in Farmington Hills; Whirlpool Corp. in St. Joseph; Masco in Taylor; and more.

That's just a few from Michigan. The Department of Commerce has thousands of letters from businesses across the country opposing dismantlement of its trade and industry programs.

Right now, the United States is dead last among its major trading partners in spending to build exports. Germany, for example, spends twice as much as we do. Japan currently invests 35 percent more than the United States on a per capita basis in civilian technology and plans to double the country's R&D spending by 2000. But this bill would slash U.S. spending on exports, manufacturing, and technology development by significant amounts.

The bill would slash 25 percent from all trade programs, for example, endangering enforcement of unfair trade laws, export assistance for small business, and trade negotiations. Export assistance offices in four Michigan cities that help thousands of Michigan companies break into foreign markets and build exports, might be lost.

The bill would eliminate altogether the Manufacturing Extension Partnership Program that helps small- and mid-sized manufacturers get lean and mean enough to compete globally. It would close centers like the Michigan Manufacturing Technology Center which helps 1,000 small- and mid-sized Michigan manufacturers each year. Earlier this year, when asked to eliminate funding for this program, the House and Senate refused on a bipartisan basis to do so.

The bill would eliminate the Advanced Technology Program which encourages research into state-of-the-art, cross-cutting technologies critical to future exports. Since 1990, this program has pumped over $73 million into Michigan firms, promising competitiveness gains, new markets, and new high-wage jobs. Under this bill, that investment in our future would be seriously diminished.

The bill would also play havoc with the National Institute of Standards and Technology, a little known but key agency in the fight to lower trade barriers to U.S. goods by negotiating international industry standards and winning acceptance of U.S. standards. The bill would transfer it to a new agency, give it new responsibilities and then cut its budget by 25 percent. The end result would be nothing less than a serious blow to the technical infrastructure supporting U.S. industry, research, trade, and competitiveness.

We've spent weeks here on the Senate floor talking about the need for cost-effective Federal programs. Well, here's an agency that has them, and we're being asked to cut them by a fourth or eliminate them altogether.

The export assistance offices targeted for 25-percent cuts, for example, cost $27 million annually. Studies show that for every dollar spent, new exports generate $10 in new tax revenue. In 1994, this $27 million investment generated $25 billion in new U.S. exports and $2.5 billion in new tax revenues. Not to mention the jobs and income generated for U.S. workers.

The Manufacturing Extension Partnership targeted for elimination cost $71 million in fiscal year 1994. A study of just 500 manufacturing companies that used the program to modernize their operations found that these companies had experienced $167 million in new sales, investments, and cost savings and generated 3,400 new jobs. Taxpayers are getting an 8 to 1 return on every dollar spent on this program.

The Advanced Technology Program, also targeted for extinction, has been in operation for only a few years, but initial data shows the program is accelerating technology development, encouraging productive partnerships between American firms, and producing new jobs at 90 percent of the small firms surveyed. Why eliminate this effective spur to American competitiveness?

The Commerce Department trade and industry programs represent a small percentage of the Department's entire budget, yet produce enviable results and the praise of business and community members alike. These are exactly the low-cost, high customer satisfaction programs that we want from government. So why are these the programs on the chopping block?

Dismantling these programs is not the only problem with the bill provisions in this area. There are many more, including abolishing the Economic Development Administration, eliminating a whole host of marine and Great Lakes research programs, fundamentally changing the Patent and Trademark Office, eliminating important telecommunications and broadcasting programs, alerting a key NAFTA implementation office; the list goes on.

The bill impacts a very large number of programs and agencies. It proposes, in effect, a fundamental restructuring of our trade agencies, the National Oceanic and Atmospheric Administration, key statistics agencies, and others. I don't disagree with all of the changes being proposed. The problem is that these changes would be made without the benefit of an overall government reorganization plan, a plan that is a key part of the Senate bill that passed the Governmental Affairs Committee on this topic. Making the fundamental changes called for in this bill before an overall reorganization plan has been devised is putting the cart before the horse. It's a mistake.

The final point I would like to make is to repeat what I have said elsewhere. The proposal to dismantle the Commerce Department has no business on the debt ceiling bill. It has nothing to do with ensuring that the United States is able to meet its financial obligations, and it is being presented in a context that shortcircuits both debate and amendment.

For reasons of both policy and process, I urge my colleagues to reject this bill's unthinking and short-sighted demolition of trade and industry programs important to American business, American workers, and American jobs.

Mr. President, the habeas corpus provisions added to this bill in the House of Representatives have no place in a continuing resolution either.

Under current law, an unconstitutional State court decision may be overturned in Federal court. For a violation of the Federal Constitution, there is a Federal court remedy. Under the bill before us, that would no longer be true.

Under this bill, the Federal courts would be powerless to prevent unconstitutional State court actions unless the Supreme Court has already ruled on the specific type of violation at issue—even if every single Federal Circuit Court of Appeals had already ruled that such actions violate the plain words of the Constitution.

Under this bill, the Federal courts would be powerless to grant a constitutional claim that was wrongly denied by a State court, as long as the State court acted in a ''reasonable'' manner. This standard establishes a whole new concept—the ''reasonable'' violation of the U.S. Constitution.

Under this bill, the Federal courts would be powerless even to help those who were found guilty because the prosecution withheld evidence proving their innocence. In its simplest terms, this bill would render Federal courts powerless to defend the U.S. Constitution and to protect the innocent from imprisonment or even execution.

Mr. HOLLINGS. Madam President, how much time do I have?

The PRESIDING OFFICER. Four minutes fifty-two seconds.

Mr. HOLLINGS. I yield 2 minutes 50 seconds to my distinguished colleague from West Virginia.

The PRESIDING OFFICER. The Senator from West Virginia is recognized.

Mr. ROCKEFELLER. I thank my good friend, the Senator from South Carolina, who has fought for these issues for a long time.

I am very glad that the Senator from Michigan does not want to eliminate the Department of Commerce because, as the Senator from South Carolina says, it seems to me that is the closest thing to unilateral disarmament as this country could accomplish. There is an enormous battle going on right now, and we are not winning. Just exactly at the time that the United States is reducing our defense civilian research and development, the Japanese—whose

economy is not in particularly good shape—are doubling their nondefense research and development. Either we are going to be training the next generation of engineers who will manufacture products which will in fact be the kind of products that give high wages—in fact, if you look at 1992 and the high-technology products, those wages in the manufacture of those products were $41,000, and other wages that did not relate to that were closer to the upper 20's. So are we going to be producing the next generation of engineers, or is it going to be the Japanese?

One of the arbiters of that—not the entire arbiter of that, but one—is the work done by the Department of Commerce. The concept of eliminating the Department of Commerce is just so fundamentally shocking to me, because it works every day with small businesses and large businesses in very creative ways.

Mr. President, this is an amendment to clean off what I call the graffiti that has been scrawled onto the debt ceiling measure before us. In the other body, something called Department of Commerce Dismantling legislation was tossed onto this debt limit bill. This is an embarrassing way to deal with something as profoundly important as the full faith and credit of the United States of America. The amendment to erase the Commerce Department Dismantling part from this bill should be adopted; and I truly hope it will be delivered with the kind of strong, bipartisan signal that I am convinced exists among us.

Everyone in the Senate knows that Americans want us to insist on a more effective, better-managed, better-organized federal government. I would not even try tonight to recite how I believe both the Administration and many of us here in the Senate have pursued that goal in the past several years.

But Americans are not asking us to insult them. If you look at what the Commerce Department Dismantling bill would actually end up costing us—and how much it would end up hurting us—this idea is one to stop, and stop now.

Actually, the elimination of the Department of Commerce is a terrific way to strengthen our foreign competitors and weaken the United States economically. The supporters of such a move may not intend to do that—but the effect would be the same. The Department of Commerce is the agency that day-in and day-out is working with America's businesses—from the smallest in size to our major corporations—to research the latest technologies, export our products to every conceivable market, enforce our laws against unfair and destructive trade practices that hurt American workers and businesses, and perform a series of other missions that we cannot afford to abandon for a single minute.

Look at what happened in the other body when they took the Department of Commerce into their operating room. They did not simply wipe out an agency. They were forced to take division after division and actually create new agencies with new addresses and new bureaucracies to make sure the work still gets done. The legislation in this debt limit bill would waste taxpayers' money and many years' effort on taking apart many parts of the Commerce Department only to transplant them someplace else.

The dismantling legislation does try to eliminate completely a few aspects of the Commerce Department's work. Among the major targets are the programs that invest in technology and represent a significant part of this country's commitment to research and development.

Mr. President, this is exactly the wrong time to back away from R&D, especially in the emerging technologies that determine whether this is the country that will make the new type of computer chip or whether it will be Japan * * * whether ours will be the country to stay ahead in telecommunications or whether we just hand our competitive edge and markets over to Europe. Will we continue to manufacture the products that pay our people higher wages and support a middle-class, or will we trade places with other countries scrambling to claim our place in an increasingly competitive world—and watch wages in America go down and down?

A report just released by the President's Council of Economic Advisors rang some clear warning bells about this country's economic future. They are warnings, they are not a death notice—yet. The Council looks at the budget cuts being proposed this year in Federal non-defense research, amounting to a 30-percent cut by the year 2002, and flashes a glaring red light to alert us of the danger we face. As we speak, Japan is planning to double its government support of non-defense R&D. We simply cannot retreat from investing in science, in technology, in innovation, and expect to produce the prosperity and standard of living that supports the American way and the American dream. It is just not possible.

This country has such a proud, long history of innovation and optimism about the future through our commitment to education, to research, and to knowledge. When we think of ourselves as a nation, we think of ourselves as intellectual pioneers and entrepreneurs. We think of Alexander Graham Bell, Thomas Edison, the Wright Brothers, the space program, and, now, the new pioneers like Bill Gates. American support of technology and research has led to the success of the airplane, the jet engine, computers, and even the Internet.

This is what the Department of Commerce is about—it operates a series of programs that do everything from working as a partner with industry to developing new path-breaking technologies, to running a series of manufacturing extension centers that exist to help small- and medium-sized businesses in every single State learn how to take advantage of technology. These are the programs that generate jobs, exports, and opportunity in West Virginia and in every other State of the Union.

The Commerce Department is the missionary agency for exporters, small, medium, and large. Anyone who has worked with the U.S. & Foreign Commercial Service knows how hard they fight for the best interests of American firms abroad. They have done yeoman's work on trade missions I have led for West Virginia companies in Japan and Taiwan. It is my strong belief that we were so effective in those missions, in large part, because FCS officers put business first. The dismantling legislation would eliminate their presence in this country and merge the foreign offices with the United States Trade Representative's office. USTR does not want or need to be burdened with having to negotiate on the one hand and promote and enforce on the other.

This dismantling is not about better government. It is not about improving our trade promotion. It is not about making the enforcement of our trade laws work more efficiently. And it is certainly not about making it easier for our trade negotiators to do their jobs.

If this were about better government, we would not be burdening the U.S. Trade Representative with a big and unfamiliar bureaucracy. If this were about better government we would not be creating a bunch of new agencies. If this were about better government, we would not be asking our trade agency to balance trade negotiation, trade law enforcement, and trade promotion. If this were about better government, we would not be relegating our Nation's trade agenda to a lower level, taking it out of the Cabinet, and moving the business of American business off the Nation's agenda.

Again, abolishing the Department of Commerce is an excellent way to strengthen our foreign competitors and weaken the United States economically. I find it hard even to conceive how the proponents concocted such a notion.

At a time when our country has to compete with more than 120 other nations for markets and jobs, where is the logic in eliminating the single agency dedicated, day-in and day-out, to outdoing our competitors in exports and trade?

At a time when technology is the proven key to America's economic growth, to success in selling products in foreign markets, and to defining our national belief in progress and innovation, where is the sense in killing off our already-modest support for American technology? The Department of Commerce provides a set of useful and necessary tools to help small and medium-sized businesses get a better handle on technology and to invest in longer-term R&D aimed at making

major technological advances and ensuring that the U.S.—not our competitors—will have the high-wage jobs and high-tech industries.

When we are fortunate to have one agency focused on American business and industry, with a voice in the Cabinet, a direct link to the President, and proven clout in the world, how does one come up with the idea of getting rid of it?

If I believed in conspiracies, I would find myself thinking that this back door effort, this attempt to attach a lame piece of legislation to the debt ceiling—a piece of legislation that could not get through the Congress on its own—was some kind of foreign plot to steal American jobs, break our trade laws, and force a technological and economic surrender. That is what this bill is—surrender on the field of economic and technological competition—and that is why proponents know that if they tried to ride this broken down horse of legislation through on its own, the Senate in its good sense would put it out of its misery.

I say to my colleagues, resist the temptation to flash in front of the American people an easy symbol of your commitment to deficit reduction and shrinking government. Resist making a vague ideological point at the expense of your Nation's best interests. Think of what you would feel about abolishing the Department of Defense at the height of the cold war. This legislation before you is the same lunacy—suggesting economic disarmament at the very time when the United States should be beefing up our arsenal of trade enforcement, export promotion, technology investment, and local economic development.

So I am glad that the Senator from Michigan is going to wait until another day to try to do this. I will be here at that time to try to defeat that effort. But I am glad it is not taking place this evening.

I thank the Presiding Officer.

Mr. HOLLINGS. I yield a minute to my distinguished chairman, Senator MOYNIHAN.

Mr. MOYNIHAN. Madam President, almost as an aside but a serious one, I note that a part of the provision that we are about to strike would combine the Bureau of the Census with the Bureau of Labor Statistics. And as the Senator from South Carolina knows, in article I, section 2 of the Constitution, we provide for a decennial census and that has been our great strength and source of data for this country. But there has come a time when consolidating makes sense. The Canadians have done this, with Statistics Canada, at considerable success, something I think in time we ought to do. I simply make that observation.

I yield back the remainder of our time.

The PRESIDING OFFICER. Who seeks recognition?

Mr. ABRAHAM addressed the Chair.

The PRESIDING OFFICER. The Senator from Michigan is recognized.

Mr. ABRAHAM. I yield myself such time as I need.

I appreciate some of the points that have been made. We have had these discussions in the context of committee debates and so on on this issue, but I think it is important to make two points.

First, my position with respect to the Department of Commerce has not changed. As the prime sponsor of this legislation, I remain committed to it. Tonight is just not the night I think this debate should occur.

There are a lot of arguments made which suggest that somehow the Department of Commerce makes the engine of this country's free enterprise system function. I have talked to business people in my State and business people across the country. They do not share that opinion. In fact, a recent poll that was conducted by the Chamber of Commerce of Detroit, MI, which is a very bipartisan organization, indicated 47 percent of those polled supported eliminating the Department of Commerce, only 6 percent were opposed, and the rest just did not have an opinion.

The fact is that the Department of Commerce as currently comprised is not a Department that deals exclusively with, or for that matter in large measure with, commerce and creating jobs and opportunities. In fact, the largest operation within the Department is NOAA, the National Oceanic and Atmospheric Administration. It is, indeed, the largest subunit of the Department of Commerce, and while it has some connection with activities relating to commerce, not much of it does. In addition, a large part of the Department of Commerce is what I guess we would term duplicative of other aspects of the Federal Government.

In fact, a GAO study recently indicated that the Department of Commerce shares its mission with at least 71 Federal Departments, Agencies, and offices. Indeed, that overlap is what we should be trying to eliminate in Washington, and the purpose of the bill which I have introduced is designed to eliminate that duplication, to save the taxpayers' money while retaining those parts of the Department of Commerce that make the most sense.

Indeed, as former Secretary of Commerce Bob Mosbacher has indicated, ''The Department is nothing more than a hall closet where you throw in everything that you don't know what to do with.''

Indeed, that is what the Department of Commerce has become. It was not intended to be that type of a department, but that is what we find. We find trade functions in the same place as the weather bureau. And while many Americans, I think with justification, complain about what is going on here in Washington, as I tell people what the various functions of the Department of Commerce are, they scratch their heads in total puzzlement: Why would you be putting all these different, diverse, unconnected, and unrelated activities under one roof? The answer is that the Department has survived simply as the catchall of things that do not seem to fit in other places.

The legislation which I will be bringing back to the floor finds the right place for the different functions of Commerce that ought to be retained and eliminates those that do not.

Let me just speak about one special area because I know it is one of concern to people on both sides of the aisle, and that is the trade responsibilities of the Department of Commerce or more broadly the trade activities of the Federal Government.

Much has been made of the role that Commerce plays with regard to trade. Indeed, it does play a role. But interestingly enough, only 8 percent of the total Federal spending on trade promotion in this country is actually directed by the Department of Commerce. The other 92 percent falls under other Agencies of Government and other Departments. So, in fact, as with many other things in the Commerce Department, Commerce is not in charge of trade. It just plays one of a number of governmental roles with respect to trade.

Our legislation is designed to try to bring these trade functions together under one roof where there can be coherence and strategy, people pulling together to try to help our country be more effective. Indeed, I would say to those who would say we have to have the Department of Commerce because of the great trade deficit, if that is the case, why are we running these huge deficits?

One of the goals I have is to bring these trade functions together more coherently so that we can try to address trade issues not just in the competition sense, not just in the ways the U.S. Trade Representative's office does, but also in the strategic sense as I think can better be done where the trade functions are comprised in one area of Government rather than across many, many different areas.

Finally, the people in my State think all the bureaucracies in Washington are too large, but they especially find it puzzling as to why we have to have the Commerce Department with 37,000 employees making an average salary of, I think it is about $42,000 a year. That is more than the average salary of the families in Michigan; 37,000 people represents more people than live in cities such as Traverse City, MI; Port Huron, MI, Jackson—almost all the cities of Michigan. It is a huge bureaucracy that is a very well-paid bureaucracy, and while many of the people there are doing good jobs, some of these functions are no longer needed and many would run more efficiently and effectively and help produce in fact more positive results if they were better assigned than is currently the case.

Later we will get to these issues in more detail, and I look forward to that debate at a future point.

I reserve the remainder of my time.

The PRESIDING OFFICER. Who yields time?

Mr. HOLLINGS. How much time do I have remaining?

The PRESIDING OFFICER. One minute, 30 seconds.

Mr. HOLLINGS. I yield to the Senator from Ohio.

Mr. GLENN. Madam President, I rise in strong opposition to dismantling of the Commerce Department as part of the debt limit.

First of all, as a matter of process, the debt limit should be kept clean, and strictly limited to its purpose—to provide the Federal Government legal authority for a specified period so that it can meet its debt obligations. We should not be considering Commerce dismantlement as part of the debt limit. Nor should it be part of some ''catch-all'' bill like the continuing resolution or reconciliation bill.

In taking this action, I believe that the republican majority is engaging in a high-stakes poker game where the fate of our economy and the Federal Government's ability to pay its debts is being wagered in an effort to win the prize of shutting down the Commerce Department. This is precisely the type of political brinkmanship that leaves the American people with such a sour taste about Congress and about government. It is completely and utterly irresponsible to use the threat of a Federal default to force the shuttering of a Cabinet Department. This proposal represents a total perversion of the legislative process.

I also object to it on substantive grounds as well.

We live in a economically inter-dependent world—a world in which trade and technology—the two primary missions of the Commerce Department—are playing an increasingly important role. I am a strong supporter of the current Commerce Department for those reasons. We need a strong advocate for U.S. business at the Cabinet table, and I believe that Secretary Brown has been very effective in playing that role. During the 2 days of hearings before the Committee on Governmental Affairs, he was praised by both Republicans and Democrats alike for his performance. The Majority even notes in the Committee report that Secretary Brown ''has received high marks for his active promotion of American exports.'' Under his leadership, the Commerce Department has been transformed from a bureaucratic backwater into an export promotion dynamo. For example, the Wall Street Journal reported just over a month ago how he and the Department made an all-out effort to secure a $1.4 billion contract in Brazil for a consortium of U.S. companies. If you ask the executives in those companies, they will tell you that they would have lost that contract to foreign competition if it had not been for the personal efforts of the Secretary.

The Department spends about $250 million a year in trade promotion, which in 1994 yielded $20 billion in exports for U.S. companies. That amount supports about 300,000 U.S. jobs. The Department's International Trade Administration has done an outstanding job back in our home States—it has a network of 73 U.S. offices and 130 offices overseas—and ITA estimates that for every taxpayer dollar it spends on export promotion, $10.40 is returned to the Federal treasury through tax revenues generated by exports. Also, the Department has very capably assisted the USTR in our Uruguay Round and NAFTA trade negotiations on issues ranging from auto parts, to textiles, to international copywrite law. Not surprisingly, these efforts, combined with a sound Clinton administration economic policy, have helped lead to a 17 percent increase in U.S. exports for the first 5 months of this year.

We are entering the information age, spurred by rapid changes in information technology. It is an exciting time. The private sector is leading the way into the information economy. And that is as it should be. But are our colleagues aware that the Federal Government established the first computer information network? It was developed by the Department of Defense and was called the ARPAnet. The ARPAnet was the predecessor to today's Internet. In so many other areas of technological advancements that we readily take for granted, the Federal Government took the initial role of funding the R&D for technologies that later ended up powering our economy and improving our way of life. The Commerce Department is playing a key part in this development. NIST's Advanced Technology Program has been funding R&D in a cooperative partnership with the private sector to develop the technologies of tomorrow. The National Telecommunications Information Administration has been providing grants to develop the National Information Infrastructure, the so-called Information Superhighway. And the Technology Administration is coordinating interagency R&D on building the automobile of the 21st century. But this measure rejects the approach in investing in the technologies of the future by cutting and terminating a number of technology programs. These cuts and terminations reflect 19th century ''know nothing'' or Luddite thinking, not 21st century wisdom and foresight. They disregard the fact that our most competitive industries, from computers to agriculture to aerospace, were developed with Federal R&D assistance. And they fail to recognize that Japan, our foremost competitor, is planning to double its non-defense R&D spending by 2000 and will surpass the U.S. in total nondefense R&D spending by 1997. I can imagine that Tokyo's leaders are raising toasts of sake as they watch us on CSPAN today.

This is not to say that the Commerce Department could not be reorganized so as to strengthen its mission and improve its effectiveness. I have sponsored legislation in the past to reorganize the trade and technology functions of the Federal Government, to bring them together under one roof in a Department of Industry and Technology. However, I did not propose destruction of the Department and the scattering of its component parts.

I am an advocate of looking at the need to restructure and reorganize the entire Federal Government, and to do it carefully and in an integrated way, not just on a piecemeal basis. That is why I favor the establishment of a bipartisan commission to design the government of the 21st Century. The basic structure of the Federal Government really has not changed much over the last 25 years. And I do not believe its current structure reflects the changes that our economy and society has undergone recently. So it needs to be examined and a bi-partisan, expert commission is really the best approach to take. Two years ago the Committee on Governmental Affairs supported the creation of such a commission to submit legislative recommendations on restructuring the Federal Government that Congress would have to consider on a ''fast-track'' basis. I still support this approach, and I offered an amendment in markup to establish such a commission as a substitute to the Commerce dismantling bill. Unfortunately, that amendment lost on a party-line vote.

If this legislation were about reorganizing the Commerce Department, or about implementing a rational downsizing plan for the Department, then I believe that we could work together with the majority to produce good legislation. But this legislation is not about reorganizing the Federal Government's trade and technology programs to better coordinate them and improve their efficiency. Nor is this legislation about a rational downsizing of the Department. That is underway now. The Department is reducing its 35,000 person workforce in line with the President's plan to reduce the overall Federal workforce by 272,000 positions by 1999. Under the leadership of the National Performance Review, the Department is examining the privatization of the National Technical Information Service, parts of NOAA, as well as other programs. It is phasing out the Travel and Tourism Administration and modernizing Census collection.

What this debate is about is the elimination of a Cabinet Department for purely symbolic and political reasons. It is about tacking a hide on the wall, putting a trophy on the mantle.

Further, this proposal applies a blowtorch to $1 billion worth of Federal agencies and programs in the Department, melts them down and terminates them. Agencies that survive will be hobbled by a large cut.

Most of that cut will fall on NOAA, at $1.9 billion the largest remaining agency and the home of the National Weather Service. And we are considering these draconian cuts at a time when the Florida coast continues to be battered by hurricanes. That is just plain foolish. The House Bill also ends many of the Great Lakes programs important to the midwest. Further, both House and Senate Appropriations Committees have rejected such deep cuts in NOAA's budget. Those Committees also preserved the Economic Development Administration, recognizing its value to economically-distressed regions of the Nation, especially those that have been negatively impacted by base closing. Yet this measure terminates the EDA.

This measure transfers some of the Federal Government's trade agencies into the U.S. Trade Administration, consolidations that I have supported in past legislation. But unfortunately these agencies are being transferred into an administration and not a Cabinet Department. When our companies are fighting for large government contracts overseas and are competing against a Team Japan, or a Team Germany, I think it makes a difference when the respective foreign government gets the call from a U.S. Cabinet Secretary, as opposed to a lower ranking administrator.

In the Committee report on the Senate bill, the majority discusses how downsizing and streamlining has been taking place in the private sector. I believe that an examination of the restructuring undertaken by the private sector is relevant in this context. Independent studies of private sector restructuring efforts show that their success is a hit or miss proposition and depends on several factors. A 1993 survey of over 500 U.S. companies by the Wyatt Company revealed that only 60 percent of the companies actually were able to reduce costs in their restructuring efforts. Both the Wyatt Survey and a similar one conducted by the American Management Association concluded that successful restructuring efforts must be planned carefully with a clear vision of their goals and objectives, and that proper attention be given to maintaining employee morale and productivity. Otherwise, the costs of reorganization may outweigh its benefits.

I believe that government reorganization is a complicated task that cannot be successfully accomplished without serious study and deliberation, especially if it is going to achieve the dual goal of improving government efficiency and reducing costs. That means Commerce reorganization should follow, not precede the recommendations of a bipartisan commission. We should not be reorganizing the Commerce Department first and then forming a government commission to restructure the rest of government, as has been proposed. That does not make any sense. My hope is that the majority will abandon its narrow focus on the Commerce Department and focus instead on the more important issue of reorganizing and streamlining the Federal Government to improve the efficiency and cost-effectiveness. Until then, I will continue to oppose this legislation.

Mr. HOLLINGS. I thank the distinguished Senator from Ohio, the former chairman of our Governmental Affairs. He lead the sober consideration of this particular issue in the committee, and we are all indebted to him.

Specifically, the Department of Commerce gives the businessman Cabinet-level status and voice at the Cabinet table.

What the Senator wants to do with this academic percentage argument and otherwise is say, yes, Labor should have a voice. No one has intimated we should do away with the Department of Labor. The farmer, he should have it. No one has intimated we should do away with the Department of Agriculture. But the businessman in the global competition should lose his voice and leadership.

I do not know where the Senator got the 8 percent, but I can tell you 90 percent of the job creation has come through Secretary Ronald Brown. He has traveled tirelessly the world around getting different deals for the manufacturing jobs here in the United States of America. I wish I just had more time to go down the list—the International Trade Administration, which was recommended and instituted by President Nixon; the National Oceanic and Atmospheric Administration is nothing more than the extension of the Environmental Science Services Administration.

I believe the Chair is indicating that my time is up. But I have been handling the financing part for 25 years on the Appropriations Committee. We have cut back because the pressure has been brought in State, Justice, Commerce for a great endeavor in law enforcement, and as a consequence we have been cutting back on State's budget and particularly in the Department of Commerce.

Do I have any time remaining?

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

Mr. HOLLINGS. Let us voice vote.

Mr. ABRAHAM. Madam President, could I inquire how much time we have remaining?

The PRESIDING OFFICER. The Senator from Michigan has 2 minutes, 25 seconds.

Mr. ABRAHAM. I yield as much time as he may need to the Senator from Delaware.

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

Mr. ROTH. First, Madam President, I congratulate my distinguished colleague from Michigan for the leadership he has demonstrated in helping develop this most important piece of legislation to dismantle the Commerce Department. This basic legislation is important, and I think it is also workable.

During my tenure as chairman of the Governmental Affairs Committee, I held hearings to determine the best way to prepare the Federal Government for the 21st century, the best way to streamline and make it more efficient and effective. Our hearings came to two certain conclusions: First, that the Federal Government is obsolete in its present form, a 50-year old relic that is structurally incapable of meeting the needs of the 21st century. And it is so rife with duplication and fragmentation that, according to the GAO, some six agencies perform each major mission.

Our second conclusion was that the Commerce Department is a microcosm of almost everything that is wrong with the Federal Government as a whole. There is no better place to begin eliminating wasteful bureaucracy and restructuring core missions to meet the needs of the 21st century.

This proposal contains restructuring actions with broad bipartisan support. The bill transfers the Census Bureau and the Bureau of Economic Analysis to the Department of Labor, Bureau of Labor Statistics, as a first step toward creating a single Government statistics agency. It unifies critical trade functions within a single Cabinet-level agency, the Office of the United States Trade Representative.

For almost two decades now, I have personally advocated the elimination of Commerce and the creation of a trade agency. The Governmental Affairs Committee has passed similar bills to achieve this same purpose in previous sessions of Congress.

This provision also creates a bipartisan ''Citizens Commission on the 21st Century Government'' to move from Commerce to the bigger picture of what the government of the future should look like and how it should perform. The Commission is directed to reexamine missions and functions of the Federal Government in the 21st Century, and fundamentally restructure the bureaucracy to improve productivity and service delivery. The Commission will produce its first report by July 31, 1996, for fast-track consideration before the end of the 104th Congress. This time frame is ambitious, but it must be kept to meet the public's mandate for change.

The issues to be addressed by the Commission will require bold, bipartisan action. The Governmental Affairs Committee has reported restructuring commission bills in previous sessions of Congress. The last one, sponsored by Senators GLENN, LIEBERMAN and myself, passed the Committee nearly unanimously in 1993.

It preserve important funding authorities of the Economic Development Administration and the Minority Business Development Agency by transferring them to other agencies which perform very similar functions.

This will allow us to meet our budget targets while eliminating wasteful bureaucracy. It will also allow the best programs from EDA and MBDA the chance to compete for continued life within new agencies.

What we have before us this evening is an excellent starting point for the comprehensive, government-wide restructuring the public demands. Today's government is characterized by huge, hierarchical bureaucracies. As we heard from GAO, during our hearings, there is wholesale duplication, overlap, and fragmentation in functions and spending.

In a nutshell, the taxpayers are paying for one agency to set a policy or perform a function, another agency to contradict that agency, plus several other agencies who receive funding to perform some related role. As a result, an extensive patchwork of coordinating committees has been created to prevent the bureaucracy from grinding to a halt.

The Commerce Department has been described as a loosely knitted ''holding company'' of agencies pursuing unrelated missions. Its management systems and controls are on GAO's high risk list.

It directly serves only a small number of favored American firms and industries. Many in the business community have serious doubts that it adds sufficient value to justify its continued existence. Almost all of the experts agree: Commerce should be restructured to eliminate wholesale duplication and fragmentation and bring coherence to the management of its important functions.

Let me be clear about one thing, with this provision we are not on a warpath to arbitrarily terminate agencies. We are not out to collect scalps to mount in a trophy case.

Nor are we engaged in a superficial shell game which merely redraws boxes on an organization chart. Our objective is to reduce costs and improve services throughout our government

Commerce has no single mission or function as an exclusive province. The GAO found that it shares its four major functions with 70 other federal organizations. We must change this organization structure, if we are to give the taxpayers efficient and effective performance of the functions now being performed by Commerce.

Sadly, the Commerce Department is typical of the waste and inefficiency that pervades our government. That is why it makes an ideal starting point in the government wide restructuring that is necessary to prepare America for the next century.

The PRESIDING OFFICER. All time having expired, the question occurs on agreeing to amendment No. 3052.

The amendment (No. 3052) was agreed to.

Mr. HOLLINGS. I move to reconsider the vote.

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

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. Under the previous order, the Senator from New York is recognized.

AMENDMENT NO. 3053

(Purpose: To provide for a temporary increase in the public debt limit)

Mr. MOYNIHAN. I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from New York [Mr. MOYNIHAN] proposes an amendment numbered 3053.

Strike all after the enacting clause and insert the following:

**SECTION 1. TEMPORARY INCREASE IN PUBLIC DEBT LIMIT.**

During the period beginning on the date of the enactment of this Act and ending on the later of—

(1) December 12, 1995, or

(2) the 30th day after the date on which a budget reconciliation bill is presented to the President for his signature,

the public debt limit set forth in subsection (b) of section 3101 of title 31, United States Code, shall be temporarily increased to $4,967,000,000,000, or, if greater, the amount reasonably necessary to meet all current spending requirements of the United States (and to ensure full investment of amounts credited to trust funds or similar accounts as required by law) through such period.

Mr. MOYNIHAN. Madam President, I ask that the measure be read in its entirety to define and illustrate its brevity and its purpose, which is to send to the President a clean extension of the debt ceiling.

There can be no question in my mind that we put in jeopardy the interests of the United States if we restrict the ability of the Treasury to redeem its debts. One of the greatest assets we have is that the U.S. Treasury bond is the firmest, most solid debt instrument in the world.

I have a letter from Alan Greenspan, our distinguished, revered Chairman of the Board of Governors of the Federal Reserve System, saying, ''Our word is among our most valuable assets.'' It is essential that we honor our obligations in order to make our securities the keystone of world financial affairs.

I ask unanimous consent that Chairman Greenspan's letter be printed in the RECORD.

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

FEDERAL RESERVE SYSTEM,
*Washington, DC, November 8, 1995.*

Hon. ALFONSE D'AMATO,
*Chairman, Committee on Banking, Housing, and Urban Affairs, Washington, DC.*

DEAR MR. CHAIRMAN: You have asked me about the effects of a default on U.S. Treasury obligations should the Treasury run out of cash as a consequence of the debt ceiling not being raised in a timely manner.

As I stated before your Committee in September, I do not think the issue of default should be on the table. Without question, the federal government must take steps to assure that its budget will be in balance by early the next century. The vitality of our economy depends on accomplishing this goal. If, for some unforeseen reason, the political process fails and agreement is not reached, it would signal that the United States is not capable of putting its house in order and would have serious adverse consequences for financial markets and economic growth.

Nonetheless, there are many avenues to an agreement, and the full faith and credit of the United States need not be part of the process. The United States has always honored its obligations. Our word is among our most valuable assets. It is an essential element in making our securities the keystone of world financial markets. A failure to make timely payment of interest and principal on our obligations for the first time would put a cloud over securities that would dissipate for many years. Investors would be wondering when we would next allow our credit worthiness to become embroiled in controversy. Breaking our word would have serious long-term consequences. There are much better ways to bring our budget credibly into balance.

Sincerely,

ALAN GREENSPAN,
*Chairman.*

Mr. MOYNIHAN. I also ask unanimous consent that an excerpt from a report by the Congressional Budget Office stating that the debt ceiling is an extraneous issue as regards Federal spending in a day when entitlement spending comprises two-thirds of our outlays, be printed in the RECORD.

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

THE ECONOMIC AND BUDGET OUTLOOK: AN UPDATE

(From the Congressional Budget Office)

* * * At one time, the debt ceiling may have been an effective control on the budget when most spending was subject to annual appropriations. But discretionary spending is now a much lower proportion of total spending, amounting to only 36 percent in 1995. Under the recently adopted budget resolution, discretionary outlays will continue to fall further to 27.5 percent by 2002. The rise in mandatory spending and growth of the trust fund surplus has turned the statutory limit on federal debt into an anachronism. Through its regular budget process, the Congress already has ample opportunity to vote on overall revenues, outlays, and deficits. Voting separately on the debt is ineffective as a means of controlling deficits because the decisions that necessitate borrowing are made elsewhere. By the time the debt ceiling comes up for a vote, it is too late to balk at paying the government's bills without incurring drastic consequences.

As a result, because raising the debt ceiling is considered to be ''must pass'' legislation, the debt limit is frequently used as a device to force action to obtain some other legislative goal. For example, in 1990, the Congress voted seven times on the debt limit between August 9 and November 5 as the budget summit meetings progressed and the Congress considered the resulting budget resolution and reconciliation bill.

WHAT ARE THE CONSEQUENCES OF NOT RAISING THE DEBT LIMIT?

Financial markets find the debt limit a periodic source of anxiety. The government has never defaulted on its principal and interest payments, nor has it failed to honor its other checks. However, even a temporary default—that is, a few days' delay in the government's ability to meet its obligations—

could have serious repercussions in the financial markets. Those repercussions include a permanent increase in federal borrowing costs relative to yields on other securities as investors realize that Treasury instruments are not immune to default.

Failing to raise the debt ceiling would not bring the government to a screeching halt the way that not passing appropriation bills would. Employees would not be sent home, and checks would continue to be issued. If the Treasury was low on cash, however, there could be delays in honoring checks and disruptions in the normal flow of government services. Carried to its ultimate conclusion, defaulting on payments would have much graver economic consequences—such as loss of confidence in government and a higher risk premium on Treasury borrowing—than failing to enact discretionary appropriations by the start of a fiscal year.

Mr. MOYNIHAN. Finally, Madam President, I call attention to one of the many extraordinary measures we are adding to this bill—the repeal of habeas corpus. The great writ of habeas corpus ad subjiciendum, ''produce the body before the court,'' is the foundation of our legal system of liberties.

I have commented that if I had to live in a country which had habeas corpus but not free elections, or vice versa. I would take habeas corpus every time. It is article I, section 9, of the U.S. Constitution.

The privilege of the writ of habeas corpus shall not be suspended, unless when in cases of rebellion or invasion the public safety may require it.

Nothing in our circumstances requires the suspension of habeas corpus, which is in effect what this provision would do. To require a Federal court to defer to a State court judgment unless the State court's decision is ''unreasonably wrong'' will effectively preclude Federal review in these matters. This it seems to me is appalling. It would transform our State courts—not the Federal courts established under article III of the Constitution—into the ultimate arbiters of constitutionality. Very few Senators share that view. We had a vote in this regard last summer. There were eight of us who voted against the Comprehensive Terrorism Prevention Act of 1995, which contained an almost identical habeas corpus provision.

In addition to the other extraneous matter that has been added to this legislation, we also have before us a provision to radically alter the ancient writ of habeas corpus ad subjiciendum. One would have hoped it would be self-evident that the U.S. Congress should not pass a major revision to the Great Writ of Liberty in the form of an amendment to a bill to temporarily extend the Government's borrowing authority.

Five months ago, I was one of eight Senators to vote against the Comprehensive Terrorism Prevention Act of 1995. I voted against that bill because it contained the same habeas corpus provision that is attached to the legislation before us. For unrelated reasons, the terrorism bill was never enacted, and so we are again presented with this undesirable proposal.

Fortunately, one does not need to be a lawyer to understand why this habeas corpus provision is such an awful idea. Article I, section 9 of the U.S. Constitution provides that:

The Privilege of the Writ of Habeas Corpus shall not be suspended, unless when in Cases of Rebellion or Invasion the public Safety may require it.

For well over a century—since the Habeas Corpus Act of 1867—we have honored the right of State prisoners to challenge in Federal District Court the constitutionality of their imprisonment. The habeas corpus amendment before us departs from that tradition by requiring our Federal courts to defer to State court judgments unless a State court's application of Federal law is unreasonable. Under this new standard of review, our Federal courts will be powerless to correct State court decisions—even if a State court decision is wrong. The new standard will require deference by the Federal courts unless a State court's decision is unreasonably wrong. This is a standard that will effectively preclude Federal review.

Senators need not take my word for this, for I have it on the best available legal advice. Last summer, prior to the Senate's consideration of the terrorism legislation, I received a letter from the Emergency Committee to Save Habeas Corpus, a group of 100 of the Nation's most distinguished attorneys, scholars, and civic leaders. The co-chairs of the Emergency Committee are four former Attorneys General of the United States, two Republicans and two Democrats. They are Benjamin Civiletti, Edward H. Levi, Nicholas DeB. Katzenbach, and Elliott L. Richardson. They strongly oppose this proposal and have labeled it ''extreme.''

This proposal will in many cases transform the State courts—not the Federal courts established under Article III of the U.S. Constitution—into the arbiters of Federal constitutionality. It will eviscerate the writ of habeas corpus, and that is something this Senator in good conscience must again oppose. I need hardly add that the debt limit legislation is obviously the wrong vehicle for such a proposal.

Madam President, I ask unanimous consent that the letter from the Emergency Committee to Save Habeas Corpus, and the list of its members, be printed in the RECORD.

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

EMERGENCY COMMITTEE
TO SAVE HABEAS CORPUS,
*Washington, DC, June 1, 1995.*

Hon. DANIEL PATRICK MOYNIHAN,
*Senate Russell Office Building,*
*Washington, DC.*

DEAR SENATOR MOYNIHAN:

We understand that the Senate may act next week on the habeas corpus provisions in Senator Dole's terrorism legislation. Among these provisions is a requirement that federal courts must defer to state courts incorrectly applying federal constitutional law, unless it can be said that the state ruling was ''unreasonably'' incorrect. This is a variation of past proposals to strip the federal courts of the power to enforce the Constitution when the state court's interpretation of it, though clearly wrong, had been issued after a ''full and fair'' hearing.

The Emergency Committee was formed in 1991 to fight this extreme proposal. Our membership consists of both supporters and opponents of the death penalty, Republicans and Democrats, united in the belief that the federal habeas corpus process can be dramatically streamlined without jeopardizing its constitutional core. At a time when proposals to curtail civil liberties in the name of national security are being widely viewed with suspicion, we believe it is vital to ensure that habeas corpus—the means by which all civil liberties are enforced—is not substantively diminished.

The habeas corpus reform bill President Clinton proposed in 1993, drafted in close cooperation with the nation's district attorneys and state attorneys general, appropriately recognizes this point. It would codify the long-standing principle of independent federal review of constitutional questions, and specifically reject the ''full and fair'' deference standard.

Independent federal review of state court judgments has existed since the founding of the Republic, whether through writ of error or writ of habeas corpus. It has a proud history of guarding against injustices born of racial prejudice and intolerance, of saving the innocent from imprisonment or execution, and in the process, ensuring the rights of all law-abiding citizens. Independent federal review was endorsed by the committee chaired by Justice Powell on which all subsequent reform proposals have been based, and the Supreme Court itself specifically considered but declined to require deference to the states, in Wright v. West in 1992.

We must emphasize that this issue of deference to state rulings has absolutely no bearing on the swift processing of terrorism offenses in the federal system. For federal inmates, the pending habeas reform legislation proposes dramatic procedural reforms but appropriately avoids any curtailment of the federal courts' power to decide federal constitutional issues. This same framework of reform will produce equally dramatic results in state cases. Cutting back the enforcement of constitutional liberties for people unlawfully held in state custody is neither necessary to habeas reform nor relevant to terrorism.

We are confident that the worthwhile goal of streamlining the review of criminal cases can be accomplished without diminishing constitutional liberties. Please support the continuation of independent federal review of federal constitutional claims through habeas corpus.

Sincerely,

BENJAMIN CIVILETTI.
EDWARD H. LEVI.
NICHOLAS DEB.
KATZENBACH.
ELLIOT L. RICHARDSON.

Mr. MOYNIHAN. Madam President, I ask unanimous consent that the tally on the vote to repeal habeas corpus indicating the eight Senators who voted ''no'' be printed in the RECORD.

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

Democrats: Feingold, Moseley-Braun, Moynihan, Pell, Simon, and Wellstone.

Republicans: Hatfield and Packwood.

Mr. MOYNIHAN. Madam President, I yield the remainder of my time to our gallant and distinguished sometime

chairman of the Committee on Government Operations, the Senator from Ohio.

The PRESIDING OFFICER. The Senator from Ohio is recognized.

Mr. GLENN. I thank my distinguished colleague from New York. I will be brief because I know the hour is late, but I cannot help but comment on one part of this debt limit bill that came over to us, and that is on regulatory reform.

I am somewhat dismayed, Madam President, to report that the debt limit bill passed by the House contains an amendment by Representative Walker that, if enacted, could end up removing the protections for the American people on health and safety and the environment that have been painstakingly built up over decades. The amendment takes up 13 pages in the CONGRESSIONAL RECORD, new proposals, many of them, sprung on us, being introduced over there, just came out in the RECORD today, not time enough to really analyze these things, and purports to be a regulatory reform bill. It is not regulatory reform. It is regulatory dismantlement. It is regulatory elimination.

The amendment does contain all the buzzwords associated with reg reform like cost-benefit analysis, risk assessment, judicial review and the like. But this amendment is not meant to reform anything. It is, in fact, an extremist approach to regulation. And I do not use that word lightly. It is an extremist approach to regulation that would overturn existing environmental law and tie up in endless litigation the agencies whose missions are to ensure we have clean air, clean water, and safe food.

Madam President, the documented deaths of innocent children and adults from E. coli poisoning that would have been prevented if there had been tough standards and regulation provides stark and deadly evidence of what the stakes are with respect to this issue.

I am in favor of regulatory reform, fought for it, fought for it in committee, fought for it here on the floor, as all my colleagues will remember. And I worked hard in committee and on the floor to get a reasonable regulatory reform bill before the Senate. We passed a reasonable bill out of the Governmental Affairs Committee with more Republican support than Democrats because it was a unanimous vote of our 8–7 committee. And on the floor we almost passed it. It got 48 votes.

But this amendment, the Walker amendment, is not reform. The Walker amendment borrows from the original House bill that many of my colleagues on the other side of the aisle could not stomach either. They did not like it either. It also borrows from the Dole-Johnston bill that we debated for weeks, which is a seriously flawed bill itself. The Walker amendment contains, for instance, a supermandate that the proponents of the Dole-Johnston bill said they were opposed to. That provision would override existing health, safety, and environmental laws by prohibiting the issuance of health-based standards that may not meet harsh cost tests.

The Walker amendment would make it difficult to issue health-hazard assessments and would create new defenses for lawyers to use to prevent enforcement over Federal health and safety laws.

The Walker amendment would repeal the difficult Delaney clause without providing any appropriate substitute.

Finally, the Walker amendment contains judicial review provisions that are applicable to the detailed procedural steps of the amendment that amount to a lawyer's dream. The lawyers' full-employment bill is what this Walker bill should be called. And anyone concerned about tort reform would find the judicial review procedures in this amendment truly a nightmare.

Madam President, when the Dole-Johnston bill was being debated both privately and on the floor, it was frequently claimed that if the Senate passed a moderate reg reform bill, the House would go along with it in conference. Well, the Walker amendment certainly gives lie to that idea. It gives us a measure of the validity of that claim. The House in this case took a not-so-moderate Senate bill which is seriously flawed in many respects and could not resist turning it into an extremist proposition. I use that word not ill-advisedly. It is an extremist proposition that is riddled with special interest provisions harmful to the American people.

Madam President, I repeat, I want reg reform, but not at the expense of the health and the safety of the American people or of the environment. There is no justification for the Walker amendment, particularly on this particular debt limit bill that is so important. If it survives in the Senate, the President will just have to veto the debt limit bill on this ground alone, and we will fight that battle another day.

I reserve the remainder of our time.

The PRESIDING OFFICER. Who yields time?

Mr. MOYNIHAN. Madam President, I believe we have used up our time.

The PRESIDING OFFICER. The Senator has 1 minute 43 seconds.

Mr. MOYNIHAN. We will withhold and reserve that for purposes of rebuttal.

Mr. ROTH. I yield 4 minutes to the distinguished Senator from Georgia.

The PRESIDING OFFICER. The Senator from Georgia is recognized.

Mr. COVERDELL. Madam President, I have just had an opportunity to look at the amendment of the good Senator from New York. This is essentially to make moot the entire exercise. He makes moot the shifting of the date to December 12. The language reads, ''or * * * the 30th day after the date on which a budget reconciliation bill is presented to the President for his signature * * *''

And then he makes moot the cap in the extension of the debt limit which reads, ''$4,967,000,000,000,'' but then it says—here is another one of these famous words—''or, if greater, the amount reasonably necessary to meet all current spending requirements of the United States.''

You have, in effect, made moot the concept that we would extend it to the 12th, and then we would set a fixed amount and then it would snap back. This is totally unacceptable.

It then proceeds to say bring in the Social Security trust fund, as if this making moot what we are trying to achieve here is necessary to protect the fund.

The extension or the resolution that has come to us from the House specifically sets a date, specifically sets an amount and specifically says that you may not use the trust funds to deal with this issue—protecting.

This is just a totally unacceptable amendment, and I encourage all of our colleagues to oppose it. I think given the circumstances that we are faced with that the date should be specific and the amount should be specific and we should not be moving to this clever technique of adding ''or,'' ''except.''

There has been a lot of discussion about the cooperation between the Senate and the House and the President over this issue. The President has alluded to the fact we have not cooperated. I just have to say the President has not been here long enough to cooperate. He is getting ready to leave the country right in the midst of this to go to Japan, and then he comes back and turns around and goes to Europe.

This administration is going to have to come to the table and deal with the Congress on balancing the budget, on welfare reform, on the tax policy and on the Medicare questions. I just think he has failed to do so, and I do not believe the amendment of the Senator from New York helps to bring that real collaboration together.

I yield back my time to the Senator from Delaware.

Mr. ROTH addressed the Chair.

The PRESIDING OFFICER. The Senator from Delaware.

Mr. ROTH. Madam President, I yield such time as I may use.

The temporary debt increase we propose this evening will allow the Treasury to make benefit and interest payments for another month. It will allow the Government to meet its obligations and that, I believe, is the right decision. For that reason, I must oppose the Moynihan amendment.

I oppose the Moynihan amendment because, first, it would strike provisions that would protect the Social Security, Medicare and other trust funds. Not only would it strike those provisions, but it provides discretion, as my distinguished colleague from Georgia pointed out, it provides discretion to the administration to exceed even the temporary debt limit for amounts reasonably necessary to meet current spending requirements.

To sum it up, there is really no dollar limitation under this temporary increase as provided under the Moynihan amendment, nor is it clear as to what period of time it would cover.

Madam President, beyond this, I want to emphasize our legislation would protect the integrity of trust funds, like Social Security and Medicare, by requiring the Treasury to automatically invest FICA receipts.

Further, it would only allow the disinvestment of these trust funds for benefits paid. In other words, the Treasury will not be allowed to use these protected funds to discharge other financial obligations of the Government. In the past, Treasury has allowed these trust funds to be underinvested. This will no longer happen, and our legislation will ensure that Social Security benefits are paid on time. This is important. The right decision is to keep the obligations Government has made. The right decision is to protect the integrity of these trust funds.

The Secretary of the Treasury will not be allowed to sell or redeem securities, obligations or other assets of the trust funds and special accounts during this period. The only exception will be when it is necessary to pay benefits and administrative expenses of the cash benefit programs, and these programs not only include Social Security, but Federal Civil Service and military requirements, as well as unemployment insurance.

Again, these are important contracts Government has made with the people. As an added measure of security for those who depend on these programs, this legislation requires the Secretary of the Treasury to report to Congress and the GAO 3 days before making a sale or redemption of securities from the trust funds or special accounts during this period of debt limitation, and it would also require the GAO to monitor compliance with these provisions and report its findings.

Madam President, we must pass this legislation. We must increase the debt limit on a temporary basis. This is the only way to let the Federal Government continue its smooth operation. It is the only way we can follow through with our historic work of getting a balanced budget without disrupting financial markets.

I point out, there are other provisions included in this legislation, but time does not permit me to speak about each of these at this time. However, because of the importance of these provisions, especially those that restrict the authority of the Secretary of the Treasury to underinvest or to disinvest trust funds, I oppose the amendment of the Senator from New York.

I yield the balance of my time to the distinguished Senator from New Mexico.

The PRESIDING OFFICER. The Senator from New Mexico has 1 minute 30 seconds.

Mr. DOMENICI. Might I inquire, after this time has expired, is there any time left on other amendments, or are we finished for the evening?

The PRESIDING OFFICER. All time will have expired but for the 1 minute 40 seconds left for the Senator from New York.

Mr. DOMENICI. Madam President, I wanted to talk about the comments of the Secretary of the Treasury today. They bear on what we are talking about here. The Secretary is doing his dead level best to make the markets respond adversely to what is going on in Washington, even though there is no reason for them to do that. I was glad to read in the papers this morning that many of the bond people—those who sell bonds, and the like, in New York City are up to him; they decided that is what he is trying to do—to scare the market into reacting adversely, so that, in turn, he will scare the Republicans so they will not react so tough on the President in terms of insisting that we get a balanced budget and some negotiations out of this President. That is what this is all about.

So now they are going to veto this bill, and the principal reason must be that we are saying you cannot disinvest funds in the Social Security trust fund and in the civil service retirement fund and use that to pay our debt as it comes due. If it is not that, why else were they going to veto the bill that the Finance Committee reported out? The only thing on it of substance was that.

So it seems to me that in saying, ''We are going to veto it because it ties our hands,'' they are acknowledging there is no problem with default. If we do not tie his hands, he has all those other moneys to use to pay the debt, so there will not be a default. So who is he kidding? He is not kidding us. We want them to get serious about negotiating for a balanced budget. That is what he ought to be doing. Instead of planning to close the Government, he ought to be planning with us how to keep it open.

I yield the floor.

Mr. MOYNIHAN. Madam President, to conclude the discussion on this succinct and, I hope persuasive proposal, I plead with my fellow Senators to understand what my friend of so many years, the chairman of the Budget Committee, has just said. The President will veto this measure. He has to do it for the reasons set forth by the Senator from Ohio about regulatory reform, the repeal of habeas corpus, a horrendous measure, and so on. He will veto it, and then we will have a crisis and put in jeopardy the credit worthiness of the United States. The great asset that Alexander Hamilton secured for us in the end of the 18th century will have been squandered for no purpose whatever.

Can we not simply get on with our reconciliation bill, work out these issues there instead of on the debt ceiling? Or do we need a crisis in midweek? Surely, Madam President, we do not.

I plead with the Senate, do not create a crisis. Let us govern as the orderly body that we have been for two centuries. It is far beyond the realm of the imagination what we might do.

I understand the yeas and nays have been ordered.

Mr. ROTH. Madam President, I move to table the Moynihan amendment and ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion to table amendment No. 3053.

The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. LOTT. I announce that the Senator from Indiana [Mr. LUGAR] is necessarily absent.

Mr. FORD. I announce that the Senator from Hawaii [Mr. AKAKA] and the Senator from California [Mrs. BOXER] are necessarily absent.

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

The result was announced—yeas 49, nays 47, as follows:

[Rollcall Vote No. 568 Leg.]

YEAS—49

| | | |
|---|---|---|
| Abraham | Gorton | McConnell |
| Ashcroft | Gramm | Murkowski |
| Bennett | Grams | Nickles |
| Bond | Grassley | Pressler |
| Brown | Gregg | Roth |
| Burns | Hatch | Santorum |
| Campbell | Hatfield | Shelby |
| Coats | Helms | Simpson |
| Cochran | Hutchison | Smith |
| Coverdell | Inhofe | Snowe |
| Craig | Jeffords | Stevens |
| D'Amato | Kassebaum | Thomas |
| DeWine | Kempthorne | Thompson |
| Dole | Kyl | Thurmond |
| Domenici | Lott | Warner |
| Faircloth | Mack | |
| Frist | McCain | |

NAYS—47

| | | |
|---|---|---|
| Baucus | Feinstein | Lieberman |
| Biden | Ford | Mikulski |
| Bingaman | Glenn | Moseley-Braun |
| Bradley | Graham | Moynihan |
| Breaux | Harkin | Murray |
| Bryan | Heflin | Nunn |
| Bumpers | Hollings | Pell |
| Byrd | Inouye | Pryor |
| Chafee | Johnston | Reid |
| Cohen | Kennedy | Robb |
| Conrad | Kerrey | Rockefeller |
| Daschle | Kerry | Sarbanes |
| Dodd | Kohl | Simon |
| Dorgan | Lautenberg | Specter |
| Exon | Leahy | Wellstone |
| Feingold | Levin | |

NOT VOTING—3

| | | |
|---|---|---|
| Akaka | Boxer | Lugar |

So the motion to lay on the table the amendment (No. 3053) was agreed to.

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

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

The motion to lay on the table was agreed to.

Mrs. MURRAY. Mr. President, I rise to speak against the pending bill to increase the debt limit.

I think it is fair to say this session of Congress has been as partisan as any in history. We have had a lot of disagreement, and there have been a lot of games. Fortunately, in this Chamber, there have been occasional demonstrations of rational bipartisan consensus. I am pleased when that happens, because it means we are taking care of the peoples' business.

Well, if there is one issue that should be above partisanship, it the Federal debt limit. This issue goes to the very core of our economy.

A couple years ago, I was a housewife and a mother living on the west coast, so I have a pretty good sense of how most people view issues like this. Most of my friends and family know this is a pretty complicated issue. They may not know how to completely explain it, but they do know it makes our economy work. And because of that, we have a responsibility as elected officials to deal with this issue clearly and decisively.

As a member of the Senate Banking Committee, I have listened to the complex issues that affect the ups and downs of our economy. The debt limit issue affects the Treasury Department's ability to buy and sell bonds, to pay interest, and to manage the economy in the most positive direction possible.

Nearly everything that happens on Wall Street, or in the real estate markets, is pegged to Government bond rates. Nearly every low-risk investment portfolio, every adjustable rate mortgage, every savings plan in the country is tied to Government bonds and interest paid on those bonds.

Every single person in this country—from the average working family, to the top-flight stock broker—has an interest in seeing this issue held above partisan bickering, and protected from the kind of political shenanigans we have seen all year long.

We should be considering a straight, clean debt limit extension to keep the economy going, and to allow the Treasury Department to meet its obligations to bond holders. But unfortunately, we are not.

We are considering a Christmas tree, Mr. President. This bill is loaded down with provisions that have nothing to do with Treasury bonds. Everyone on this floor is aware of it.

This bill has reg reform provisions, something the Senate has defeated three times before. It eliminates the Commerce Department, when export promotion is more important than ever. And it changes the law to loosen up death penalty guidelines.

What does any of this have to do with Treasury bonds and the economy? Nothing.

This bill is simply another in a long line designed solely to score partisan political points. It makes a mockery of commonsense; at best, it amounts to political extortion, wit an increasingly healthy economy held hostage. At worst, it is reckless endangerment of the national economy and the household budget.

Mr. President, it is time for us to put aside hot-button political agendas, and start focusing on solving the Nation's problems.

This Senate passed a bill to balance the budget almost 3 weeks ago. And nothing has happened since then. We have had no debate. No conferees have been appointed. No progress has been made. Why? So the majority can back us up against the debt limit, and play an elaborate political game with the President, with the economy at stake.

What happens if we pass this bill? With so much unnecessary baggage attached, this bill will be vetoed. And rightly so, in my opinion. And unless we can get our act together by Monday, the Government will default on its loans for the first time in history.

At the end of the day, the people will feel worse about Congress than ever, and with good reason. All because partisan politicians could not get together to solve problems, but had to play politics instead. It's a pretty sad scenario.

I have heard my colleagues say the Senate is the saucer that cools the cup. Well, we need a little cooling off. We need a clean debt limit extension, and then we need to return to the budget debate. In short, we need to take care of the peoples' business. But with this bill, we are not even close. I yield the floor.

Mrs. FEINSTEIN. Mr. President, I want to address an issue of tremendous importance to our Nation. It does not involve the arcane details of the Federal budget, but does touch directly the lives of every one of our citizens.

Mr. President, it is the issue of personal safety. It is the issue of reducing crime on our streets by imposing swift and appropriately strong punishment on those who prey on our streets.

Last June, I spoke to my colleagues in support of the habeas corpus provisions included in the anti-terrorism bill. I think it is unfortunate that I must say again, five months later, that habeas corpus reform is still needed, now, just as much as it was then, in the immediate aftermath of the tragic and reprehensible bombing in Oklahoma City.

Habeas corpus reform is still needed because our streets are still unsafe and those who commit the most heinous crimes still abuse the court system to prevent their sentences from being carried out.

It is needed because swift punishment—including the death penalty where appropriate—is critical in our efforts to ensure the personal safety of all of our citizens.

It is needed because the deterrent effect of the death penalty is weakened when it cannot be imposed swiftly after a verdict has been reached in a fair trial.

Mr. President, habeas corpus reform is needed because since the death penalty was reinstated in California in 1978, more prisoners on death row have died of natural causes than have been executed.

Let no one doubt the magnitude of this problem. For example, in California there are currently 428 convicted criminals on death row—that is 18 more than when I last spoke to the Senate on the immediate need for habeas reform.

This problem is not unique to California, however. According to the Administrative Office of the U.S. Courts, during the year ending June 30, 1995, there were 14,637 prisoner petitions for habeas corpus review in U.S. district courts alone. 156 of these cases were death penalty cases.

On June 7, on the same day the Senate overwhelmingly passed habeas corpus reform as part of the anti-terrorism bill, the longest serving member of California's death row population, Andrew E. Robertson, marked the 17th anniversary of his incarceration. Five months later, he still avoids punishment. Mr. President, that is unconscionable.

Another case deserves scrutiny as well. Seventeen years ago, Keith Daniel Williams was convicted of fatally shooting Miguel and Salvadore Vargas and Lourdes Meza in Merced, CA while stealing a $1,500 check that he and his friends had used to buy a car from Miguel Vargas.

Williams was found guilty of planning the killings and, after shooting the two men, raping Lourdes Meza in the back of the car before shooting her and leaving her naked body in a field.

This vicious killer told a psychiatrist that after one of his accomplices broke down when Williams had ordered him to shoot the woman, Williams intended to kill him, too, but decided not to when, and I quote, ''the dude started sniveling and crying.''

Keith Daniel Williams admitted killing these three innocent people, but 18 years of courtroom maneuverings have kept this cold-blooded murderer from receiving the punishment he deserves for his horrible crimes.

Just last spring, the 9th U.S. Circuit Court of Appeals said Williams was not denied a fair trial by the actions of his lawyer—who failed to hire a psychiatrist, obtain Williams' medical records or present any favorable evidence at the penalty phase.

Following this decision, his lawyer said he would seek a rehearing before an 11-judge panel and, if that failed to stop the execution, appeal to the U.S. Supreme Court. According to California's Deputy Attorney General, those appeals could take a year to 18 months, even if no new hearings are granted.

A newspaper article on this case published 7-months ago was titled, ''Triple Killer a Step Closer to Execution''. Mr. President, that final step may take another year. That is just plain wrong.

Sadly, there are many other cases similar to the one I just described and their crimes are among the most horrific imaginable. I will not burden my

colleagues with the gruesome details, but I do believe the Senate, and the American people, need to know of the abuse of the legal system by individuals convicted in courts of law for the most vile and violent crimes and I think it necessary to mention one more example.

Bernard Hamilton murdered a woman—the mother of two boys, one of whom was only 3 weeks old—in San Diego in May 1979. His victim disappeared on her way to class. She was last seen in her van in the parking lot of the school she attended.

Her body was later found with the head and hands removed; they have never been recovered. The body was clothed only in bra, underpants, and socks.

Bernard Hamilton was arrested in Oklahoma in possession of his victim's van and had been using her credit cards. He was convicted of first degree murder for this brutal crime.

After his first State habeas petition was denied he went to Federal court and last year two judges on the 9th Circuit ordered the sentence vacated on a claim that was rejected by six Justices on the California Supreme Court and one dissenting judge on the 9th Circuit.

This cold-blooded killer is now in the midst of a new penalty trial—more than 16 years after the murder.

To add insult to injury, Hamilton represented himself at his penalty retrial and blamed the victim's husband, who never recovered emotionally from the death of his wife before his own death last year.

For the victims of the kind of violent crimes I've just described, justice will not fully have been done until those responsible have been tried, convicted and the death penalty imposed and swiftly carried out.

I am very pleased to say that the habeas provision included in the bill currently under consideration by the Senate is designed to do just that. The habeas corpus provision is identical to those included in the anti-terrorism bill passed the Senate by a vote of 91 to 8 last June, and one I believe which strikes an appropriate balance between the need to assure due process to those convicted of both capital and non-capital crimes and the need of any rational judicial system to bring cases to closure.

Indeed, Mr. President, that is particularly important not only the integrity of our judicial system, but for the victims of capital cases.

Most importantly, Mr. President, this bill provides habeas petitioners with ''one bite at the apple.'' It assures that no one convicted of a capital crime will be barred from seeking habeas relief in Federal court, and appropriately limits second and subsequent habeas appeals to narrow and suitable circumstances.

Furthermore, Mr. President, the bill requires States which provide for counsel that habeas appeals must be filed within 6 months of when a State prisoner's conviction becomes final, or in States where standard for the adequacy of counsel are not adopted, such appeals must be filed within 1 year.

Third, Mr. President, time limits are also imposed upon courts. The bill requires that Federal courts must act promptly on habeas appeals and establishes a mechanism by which courts of appeals will screen habeas petitions before they are permitted to go to a Federal District Court for resolution.

Finally, Mr. President, unlike the crime bill proposals that I and the Nation's law enforcement officials opposed two years ago, this bill does not dictate to the States precisely what counsel competency standards are adopted. Rather, it properly provides states with an incentive to formulate their own plans by making expedited time tables I have just described available for states to do so.

Mr. President, the time for habeas corpus reform is long overdue. Too many of our streets are dangerous, too many of our citizens are scared, too many of our courts are clogged with endless, meritless prisoner appeals. I urge my colleagues to support the habeas corpus reform provisions in this bill.

I yield the floor.

The PRESIDING OFFICER (Mr. GORTON). The question is on the engrossment of the amendment and third reading of the bill.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read a third time.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall the bill pass? On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. LOTT. I announce that the Senator from Indiana [Mr. LUGAR], is necessarily absent.

Mr. FORD. I announce that the Senator from Hawaii [Mr. AKAKA], and the Senator from California [Mrs. BOXER], are necessarily absent.

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

The result was announced—yeas 49, nays 47, as follows:

{Rollcall Vote No. 569 Leg.}

YEAS—49

| | | |
|---|---|---|
| Abraham | Frist | Murkowski |
| Ashcroft | Gorton | Nickles |
| Bennett | Gramm | Pressler |
| Bond | Grams | Roth |
| Brown | Grassley | Santorum |
| Burns | Gregg | Shelby |
| Campbell | Hatch | Simpson |
| Chafee | Hatfield | Smith |
| Coats | Helms | Snowe |
| Cochran | Hutchison | Specter |
| Coverdell | Inhofe | Stevens |
| Craig | Kempthorne | Thomas |
| D'Amato | Kyl | Thompson |
| DeWine | Lott | Thurmond |
| Dole | Mack | Warner |
| Domenici | McCain | |
| Faircloth | McConnell | |

NAYS—47

| | | |
|---|---|---|
| Baucus | Ford | Levin |
| Biden | Glenn | Lieberman |
| Bingaman | Graham | Mikulski |
| Bradley | Harkin | Moseley-Braun |
| Breaux | Heflin | Moynihan |
| Bryan | Hollings | Murray |
| Bumpers | Inouye | Nunn |
| Byrd | Jeffords | Pell |
| Cohen | Johnston | Pryor |
| Conrad | Kassebaum | Reid |
| Daschle | Kennedy | Robb |
| Dodd | Kerrey | Rockefeller |
| Dorgan | Kerry | Sarbanes |
| Exon | Kohl | Simon |
| Feingold | Lautenberg | Wellstone |
| Feinstein | Leahy | |

NOT VOTING—3

| | | |
|---|---|---|
| Akaka | Boxer | Lugar |

So the bill (H.R. 2586), as amended, was passed.

Mr. ROTH. I move to reconsider the vote.

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

The motion to lay on the table was agreed to.

Mr. DOLE addressed the Chair.

The PRESIDING OFFICER. The majority leader.

## ORDER OF PROCEDURE

Mr. DOLE. Mr. President, there will be no more votes this evening. There will be a number of votes on Monday.

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. DOLE. 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—H.R. 2491

Mr. DOLE. Mr. President, I ask unanimous consent that at 10 a.m. on Monday, November 13, the Chair lay before the Senate a message from the House on H.R. 2491, the reconciliation bill.

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

Mr. DOLE. Mr. President, I ask unanimous consent that the Senate then insist on its amendment, agree to the House request for a conference, and prior to the Chair being authorized to appoint conferees on the part of the Senate, that there be four motions to instruct the conferees, which under the statute are limited to 1 hour each, and that the time to be divided: 40 minutes for the offeror of the motion; 20 minutes for Senator DOMENICI or his designee. Those motions are as follows: A motion to instruct regarding Social Security; a motion to instruct regarding health care; a motion to instruct regarding Medicare tax cuts; a motion to instruct regarding nursing standards.

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

Mr. DOLE. Mr. President, I further ask unanimous consent that following disposition of the motion to instruct,

the Chair be authorized to appoint conferees on the part of the Senate, without any further debate or action.

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

## UNANIMOUS CONSENT—H.R. 927

Mr. DOLE. Mr. President, I ask unanimous consent that the Chair lay before the Senate a message from the House on H.R. 927, the Cuba sanctions bill, for the appointment of conferees at 2 p.m. on Monday, November 13, and any votes ordered will commence at 5:30 p.m. on Monday.

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

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

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

## MORNING BUSINESS

Mr. LOTT. Mr. President, I ask unanimous consent that there now be a period for the transaction of routine morning business with Senators permitted to speak therein for up to 5 minutes each.

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

## THE CONTINUING RESOLUTION AND THE LABOR, HHS AND EDUCATION APPROPRIATIONS BILL, H.R. 2127

Mr. SPECTER. Mr. President, as chairman of the Labor, HHS and Education Appropriations Subcommittee, I wanted to take a minute to update the Senate on the status of the Labor, HHS and Education appropriations bill, H.R. 2127 as it relates to the continuing resolution and the implications of the Senate's inaction on the bill for programs of the Departments of Labor, HHS and Education.

As Senators know, the Labor, HHS and Education Appropriations bill for fiscal year 1996 is still on the calendar. Efforts to bring it up in the Senate have been met with a filibuster due to the ''striker replacement'' provision. I opposed that provision being added to the bill in committee, because of the view that controversial legislative riders do not belong on an appropriation bill, but should be considered through the authorization process. In the case of the Labor, HHS and Education Appropriations bill, the legislative riders included by the House have stalled action on this important bill in the Senate, and indefinitely postponed funding for education, health, job training, and social service programs in this fiscal year.

While the continuing resolution will ensure that some funding will be available for these programs, it is only on a short-term basis and at a minimal level. For example, a central difference between the House passed and the committee reported bills involves funding for the Low Income Home Energy Assistance Program [LIHEAP]. LIHEAP provides funds to states to help low income households meet their fuel bills during the winter months when costs soar due to cold weather. A high percentage of the program's beneficiaries are elderly and disabled people who need help in paying their fuel bills.

Mr. President, it is already getting very cold in many parts of the Nation, with a major Canadian cold front making early November feel like winter in much of the midwest and northeast. Under the terms of the continuing resolution, less than $200 million will have been made available to the States. This is far short of the $600 million requested by the States to get through the first quarter of the fiscal year. This comports with the historic average of 60 percent of the annual appropriation for LIHEAP being allocated to the States in the first quarter.

Many States have begun receiving requests for assistance, and under normal circumstances would begin distributing funds to participants at this time. However, because of the present stalemate in the Senate on the Labor, HHS and Education Appropriations bill, States have no idea how to plan for this winter's program, and hundreds of thousands of low income families are left wondering how they will be able to meet their winter heating bills. Low income households, as well as Governors and local officials across the country are waiting to learn whether, and how much, funding will be appropriated for this winter's LIHEAP program.

Funding for education programs also are held hostage to the stalemate on H.R. 2127. Education program funding levels recommended by the House fall almost $3.6 billion below the fiscal year 1995. The Senate bill, as reported by the Appropriations Committee on September 15, includes funding for education programs which is $1.6 billion above the House passed levels. Under the terms of the CR, however, the lower levels of the House bill become the funding levels for the upcoming period of the CR. Absent action on the Senate bill, and a conference with the House, future funding levels for these education programs likely will continue at House passed levels.

Finally, Mr. President, the terms of the CR maintain funding for medical research supported by the National Institutes of Health at the 1995 level of $11.3 billion. But, there is clear consensus between the Congress and the President that medical research is a priority, deserving of increased funding in fiscal year 1996. Despite a 7-percent reduction in the subcommittee's allocation, the President's budget, the House passed bill, and the Senate reported bill, nonetheless recommended increases for NIH of no less than $300 million. Without Senate action on the Labor, HHS and Education appropriations bill, medical research funding will be frozen indefinitely, thereby stalling new discoveries for understanding the causes and cures of diseases.

I will support this continuing resolution because it provides critical short-term funding for Federal activities. But I also want to make clear, it is time for the Senate to act on the Labor, Health and Human Services, and Education appropriations bill. Let us stop the filibuster, agree to bring up the bill, debate it, and let the Senate work its will. The critical programs in this bill deserve the attention and debate of the Senate. The American people are waiting for the Congress to complete its work.

## EPA ENFORCEMENT NEEDS SCRUTINY

Mr. DORGAN. Mr. President, I have supported policies to protect our country's environment, and I have backed the Environmental Protection Agency's efforts to enforce environmental laws. It is not a coincidence that we now use twice as much energy in America than we did 20 years ago and yet we have both cleaner air and cleaner water. That results from the determination by our country and the Congress to place limitations on those who are dumping pollutants into our rivers, streams, and lakes, and into our air.

This is a success story. We have made real progress in our fight to clean up our environment.

I am proud of my support for those efforts. But, Mr. President, I have come to the floor of the Senate today to discuss a couple of cases dealing with environmental protection that concern me. There are occasions, I am certain, where enforcement actions taken by those who are given police powers to make sure our environment is protected, become unfair, unreasonable and, in some cases, downright punitive.

Two such legal actions have been filed against two North Dakota manufacturing companies and I want to discuss them today. Because they involve an important matter of public policy, I want to offer my opinions on them.

Both of these examples are enforcement proceedings involving the EPA and now also entail filings in court. As a result, I am unable to pursue the matter further directly with the Agency. I regret that because I would like the opportunity to sit down in person and review in detail, with officials at EPA and with the officials in the two North Dakota companies, EPA's justifications for taking the kind of action it has taken against these firms.

So my alternative is to discuss these cases on the floor of the Senate and use information that is on public file in the two court actions and information that

has been provided me by the companies as well as information that was provided to my staff from the Environmental Protection Agency prior to the final enforcement action being taken. I will use that information today to discuss the actions that have been taken against these two companies and ask whether this represents fair enforcement of our environmental protection regulations and whether it represents the routine kind of enforcement actions that the EPA has been taking against other companies around our country.

If these cases are judged by the EPA to be fair, and if these are representative of the enforcement actions taken around the country against other companies, then I understand much, much better the anger that exists in America against the bureaucracy because I think the action taken in these two cases is just plain unfair and punitive beyond reason.

Mr. President, let me describe the two EPA cases in North Dakota as I understand them. Once again, this description comes from the information filed in court actions against the two companies which is public information, information provided my office by the two companies, as well as information offered by the EPA during the process of its development of an enforcement action against the companies.

First, there is the Sheyenne Tooling and Manufacturing Co. which produces farm implements and steel parts in Cooperstown, ND. The second case is the Melroe Division of the Clark Equipment Co. which produces the Bobcat skidsteer utility loader in Gwinner, ND.

Both cases are remarkably similar. They began several years ago—in 1992 for Melroe and 1993 for Sheyenne Tooling—when EPA sent the two firms compliance orders instructing them to sample and test their wastewater. That testing has been a Clean Water Act requirement since 1986. When the sampling turns up excess contaminants, the wastewater must be pretreated before it is discharged into a sewer system. Unfortunately, neither firm was aware of those aspects of the law. There was an assumption that the treatment requirements were being handled by the city sewage plants into which the wastewater flowed.

The companies had received no communications from EPA on the requirements and no problems in that area had been pointed out during regular visits from the State Health Department. Though neither company was aware of the requirements, when they learned of them, they took steps to comply immediately.

Upon the notification by EPA that they had the responsibility to sample and test their wastewater, both companies immediately tested. When that testing determined that there were occasions when the wastewater did not meet EPA standards, both firms then acted quickly to take steps so that their discharges were brought within permissible limits. In every way, they worked cooperatively, promptly, and successfully to fix the problem.

Months later, however, EPA stunned them by demanding the payment of huge penalties—$1.9 million in the case of Melroe and $320,000 from Sheyenne Tooling. EPA said the fines were punishment for the companies' failure to sample, test, and treat their wastewater ever since the implementation deadline of 1986.

When the firms resisted fines of that amount, the Justice Department filed suit in Federal court to demand the money. Expensive and exhausting court actions now face both firms. The court action against Sheyenne Tooling only began in April, but in the action against Melroe, which has been going on for 18 months, the Justice Department has already secured 1,000 pages of depositions and required Melroe to turn over more than 5,000 documents.

In the case of Sheyenne Tooling, a small firm of just 60 employees, its problem was with an excess of zinc in its wastewater. Its zinc electroplating department is an insignificant part of the company, accounting for only 2 or 3 percent of its sales and an even smaller share of its profits.

As a result, it offered to eliminate its plating operation. However, EPA discouraged that and suggested ways to bring the operation into compliance. EPA did not tell the firm that for every day it continued out of compliance it could be fined $25,000. If Sheyenne Tooling had known that, it would have ended its zinc plating immediately. Instead, however, it spent $12,000 for equipment and took care of the problem.

Despite its forthright and good faith work to correct the situation, Sheyenne Tooling has ended up faced with this $320,000 penalty. The fine is of such a size that it will devastate the company, a major blow to the employees and to Cooperstown, a rural community of only 1,300 people.

In the situation at Melroe, the firm is said to have discharged excess amounts of lead, copper and, most significantly, zinc. A key part of the problem as it worked toward a solution was that it had trouble even identifying the source of the zinc. It suspected a paint, but the paint's ingredients label did not list that metal and, when the paint manufacturer was quizzed about the matter, it initially denied zinc was in the paint. Eventually, it was determined that the paint did indeed contain the metal and the supplier was required by Melroe to reformulate it to eliminate the zinc.

Melroe had several wastewater streams that flowed into the city sewer system. In one of the two key streams, the only problems were from the questionable paint. The other stream discharged just 17 gallons of wastewater a day. An important point to note is that manufacturers are allowed to combine their wastestreams before allowing them to flow into the public sewers.

If Melroe had done that, the combined volume of water would have been such that the metal contaminants would have been diluted enough so that Melroe would not have had any excessive discharges of pollutants except for the sporadic and unusual zinc paint phenomenon.

In addition to switching, as I have already noted, to a paint that was definitely zinc free, Melroe also installed almost $200,000 worth of equipment which completely eliminated all its problems. Despite that, EPA sought the $1.9 million fine. Melroe has offered to pay a $200,000 penalty, but EPA remains determined to hold out for a substantially larger amount.

EPA believes that these punishing penalties are necessary to deter potential offenders and to recoup any possible savings the firms might have accrued by not performing the sampling and pretreatment in earlier years. It argues, in addition, that there was a risk of environmental harm, even though no harmful impacts have been documented.

In similar cases I am aware of in North Dakota, EPA sought penalties of $60,000, $40,000, $25,000 and $15,000 and generally settled for less. I am at a loss to understand why it now wants penalties of $1.9 million and $320,000 in the two cases I am discussing.

Mr. President, those are the facts about these two cases as I know them. As I indicated, because of the enforcement action initiated by the EPA and now the court action by the Justice Department to collect civil penalties against these two companies, I am constrained from intervention with EPA.

But I want the record to show that I think this represents terrible judgment, inappropriate sanctions, and an unreasonable punishment for these companies.

I have no sympathy for a rogue company that, knowing the rules, violates those rules and pollutes the air and the water. I have no sympathy for companies that refuse to cooperate with the EPA. I have no sympathy with repeat offenders whose record demonstrates a disregard for our environment. They should be punished.

But I have no fondness for a Government agency that goes to companies that have an excellent record and that willingly cooperate in every respect and who demonstrate a desire to do the right thing and then say to them: ''You're guilty of an oversight and you are going to pay dearly for it.'' That kind of heavy-handed, bureaucratic misjudgment is what is causing a relentless anger in the American people that is directed at their Federal Government.

I have spent most of my 15 years in Congress taking on the big economic interests. I have fought to shut down the S&L junk bond scandal, opposed the corporate raiders on Wall Street, fought the drug companies for pricing

abuses, taken on foreign corporations for tax avoidance, and opposed tax subsidies for oil companies. So I find myself in an unaccustomed role today bringing to the floor a case of two corporations, one large and one small, who I think have been wronged by the EPA.

Originally, when I reviewed the complaint of these two companies, both of which have an excellent reputation, both of which the North Dakota Health Department considers cooperative and responsible firms, I concluded that they were treated unfairly.

But because my hands are tied in an enforcement matter such as this, there has not been much I could do beyond simply commiserating with them and telling them that I thought they were treated unfairly. But, if we legislators who created the EPA, and who wrote these environmental protection laws, are unwilling to stand up and ask the policy questions that we should be asking in circumstances like this, then we deserve all the ill will that is directed toward the Federal Government.

Unless we are prepared to point out the cases of bureaucratic excess and unfair consequences and then try to do something about them, we should not be surprised by a citizenry that is justifiably angry.

I hope those in the Federal Government who read these examples will understand that they hold the power to enforce the laws of this country in an appropriate, fair, even-handed manner, but they also have the responsibility to rein in those who would use that power in ways that are not fair and not even-handed. That is what we expect and that is what the American people demand.

## ACDA DIRECTOR HOLUM GOES TRICK-OR-TREATING

Mr. HELMS. Mr. President, I suppose that I am supposed to be discouraged, or at least surprised, that the Director of the Arms Control and Disarmament Agency overspoke himself—again—on Halloween by calling me an isolationist and by falsely asserting that I am holding both the Chemical Weapons Convention and this country's national security hostage. Perhaps he was playing trick-or-treat, and if he had stopped by our house, Dot Helms would have placed several pieces of candy in his bag.

Seriously Mr. President, I had assumed that Mr. Holum had better control of himself than that—but I suppose he is so concerned about losing his place on the Federal bureaucratic totem pole that he is suffering a case of nervous jitters.

His holding hostage outburst on Halloween is ludicrous on its fact. The Chemical Weapons Convention was first submitted as a treaty in the 103d Congress, and Congress refused to ratify it at that time because a number of questions on issues such as verification and cost had gone unanswered. They are still unanswered, and any reasonable prudent American is likely to agree that the convention's approval must wait until the Senate can be certain what it will cost and the degree of risk in premature approval of it.

Mr. President, I also find very sad Director Holum's strange assertion that the effort to consolidate ACDA's functions within the Department of State is what he called an isolationist attack on arms control. That one, as the saying goes, is off the wall—and Mr. Holum knows it.

The first suggestion about abolishing ACDA was proposed by the Clinton administration in 1993; the State Department even drafted a comprehensive plan to absorb ACDA personnel and funds. Unfortunately, that proposal by Secretary of State Christopher was debated and defeated—not on its merits, but by the same kind of bureaucratic obstructionism that has impeded S. 908, the Foreign Relations Revitalization Act of 1995, every step of the way.

So it comes as little surprise, Mr. President, that the plan to reorganize arms control has stirred up a hornet's nest. In testimony before the Foreign Relations Committee, one of ACDA's previous Directors, Dr. Fred Ikle, endorsed the plan to abolish ACDA, but warned that:

> Any effort to trim, or to abolish, a bureaucratic entity hurts the pride and prestige of the affected officials, jeopardize job security, and mobilizes throngs of contractors, captive professional organizations, and other beneficiaries of the threatened agency.

When you get right down to it, at the heart of all these protestations regarding the plan to eliminate ACDA are, in fact, no more than a host of self-serving, bureaucratic interests. While nearly every aspect of government is being downsized and streamlined, ACDA's budget request for fiscal year 1996 was increased by 44 percent over the 1995 fiscal year budget. Director Holum's ACDA crowd, you see, proposes to spend fare more of the taxpayer's money and to hire more people. They even tried to commandeer one of the Department of Defense's radar systems in Alaska.

Mr. President, when faced with possible elimination, there's nothing the ACDA crowd will not do or say. It is incredible that anyone will try to argue, with a straight face, that arms control will suffer if ACDA is eliminated. Nonsense, there are today more than 3,100 arms control experts working in more than 25 offices scattered throughout the Federal Government. ACDA employs about 250 of the 3,100, only 8 percent of the total number of arms control experts in the Federal Government. Even the Commerce Department has more people assigned to nonproliferation and arms control. Simply put, arms control is big business, and ACDA is small potatoes, and almost irrelevant. That prompted ACDA Director Holum's outburst on Halloween.

The truth of the matter is that the State Department and the National Security Council are responsible for arms control policy coordination and negotiation, not ACDA. One of ACDA's inspectors general put it best a few years ago, stating that:

> Once arms control became important presidential business . . . Secretaries of State and Defense and national security advisers became the dominant figures in arms control.

Implementation and verification of arms control are conducted by the Department of Defense and the intelligence community. Since 1989 it has been the on-site inspection agency, not ACDA, that had performed on-the-ground verification for all major arms control agreements. Of all the personnel involved in START inspections so far, fewer than 1 percent were supplies by ACDA. In short, abolishing ACDA will not hurt the conduct of this Nation's arms control one iota. It is not an obvious anachronism—and it is time to bid farewell.

By incorporating ACDA's handful of experts in a new, more efficient State Department, Congress can give arms control a comprehensive purview. After all the effectiveness and desirability of arms control depend upon its consideration in the broader foreign policy context. Just as importantly, doing this will save U.S. citizens at least $250 million over the next 10 years. Consolidation makes good business sense and will reduce waste, duplication, and silly bureaucratic turf battles.

Finally, any plan that has been endorsed by five former Secretaries of State, from Henry Kissinger to James Baker, can hardly be labeled isolationist. Director Holum should dispense with is schoolboy name-calling. Let the issue of consolidation be debated on its merits.

## WREATH LAYING CEREMONY AT THE NATIONAL LAW ENFORCEMENT OFFICERS MEMORIAL

Mr. THURMOND. Mr. President, in recent months, there have been some disturbing accounts from throughout the Nation about police officers conducting themselves in an inappropriate manner while performing their duties. Regrettably, some members of the media, and people who wish to malign the efforts of law enforcement officers, choose to believe that the actions of a handful of rogue individuals are representative of the entire law enforcement community. That is simply not the case.

As we all know, the job that lawmen and women do is not easy, as a matter of fact, it is one that is extremely dangerous, as well as physically and mentally demanding. It is a job that requires ordinary men and women to commit extraordinary acts on an almost daily basis. In many cases, the situations to which they are dispatched result in injury to officers, and in increasingly frequent cases, the lives of officers are lost.

While law enforcement officers across America labor tirelessly and

largely without thanks, the National Law Enforcement Officer Memorial, appropriately located at Judiciary Square, guarantees that those who fall in the line of duty will never be forgotten. Each year, the names of the men and women killed while doing their jobs—keeping us safe—are added to the Memorial. This past October 19th, the names of the 157 officers who were killed last year were placed on the grey Canadian Marble walls which form this solemn Memorial.

As I have done many times in years past, I attended the wreathlaying ceremony held at the Memorial when the names of those killed over the past year were added to the rolls of their fallen comrades. During that ceremony, the Chairman of the National Law Enforcement Officers Memorial, Craig Floyd, and Sharon Felton, the widow of a police officer and a trustee of Concerns of Police Survivors [COPS], made some remarks that I thought were particularly poignant, in that they paid tribute to those police officers who made the ultimate sacrifice, while also reminding everyone in the audience of the challenges and difficulties facing an officer in this day and age. I ask unanimous consent that a copy of Mr. Floyd's and Ms. Felton's remarks be placed in the RECORD following my remarks, so that my colleagues will have the opportunity to read and consider what they said that day.

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

(See exhibit 1.)

Mr. THURMOND. Mr. President, it is sometimes easy to forget just what an enormous task we ask of those who work in law enforcement. It is very easy, from the comfort of an office or a living room, to second guess the decision a police officer was required to make in a split second. I hope that people will take a moment to read and think about what Mr. Floyd and Ms. Felton said last month, and to reflect on the fact that being a police officer is not only difficult, it can be deadly.

EXHIBIT 1.—WREATHLAYING CEREMONY REMARKS

(By CRAIG W. Floyd, NLEOMF Chairman)

Good afternoon ladies and gentlemen. Thank you for joining us as we commemorate the fourth anniversary of the National Law Enforcement Officers Memorial.

My name is Craig Floyd and I am the chairman of the National Law Enforcement Officers Memorial Fund. On behalf of our board of directors, I want to welcome all of you here today.

Nearly a year ago, three law enforcement officers were murdered at D.C. Police headquarters, just one block from this hallowed ground. It was a horrible tragedy that will not soon be forgotten.

Shortly afterwards, Tony Daniels, who was then in charge of the FBI's Washington metropolitan field office, reflected on the shooting in a poignant commentary that was printed in the Washington Post. He said:

''There is no easy way to absorb the events of November 22, 1994. For all of us, I'm sure, the most difficult part of dealing with this tragedy is trying to find a reason for its occurrence—trying to make some sense out of a senseless act . . . We will never know what causes people to do the things they do; we are only left with the aftermath. Yet it is an inescapable fact that the law enforcement community lives in the shadow of death.''

Sadly, those words echoed over and over again this past year as we buried one police officer after another. Already this year, we know of 127 law enforcement officers across this country who have been killed in the line of duty. That represents an 11 percent increase over last year's figure for the same period.

On average, one police officer is killed somewhere in America every 52 hours. One out of every nine officers is assaulted and one out of every 25 officers is injured in the line of duty. Across this country, there are nearly 700,000 law enforcement officers who put their lives on the line daily for the protection and safety of others. This memorial is a richly deserved tribute to that extraordinary level of police service and sacrifice.

When this memorial was dedicated 4 years ago, these marble walls that embrace us here today contained the names of 12,561 fallen police officers. Since that time, we have added nearly 1,300 more.

We could have simply allowed those fallen heroes to be buried and then forgotten. But, this nation valued the service and sacrifice of those officers far too much to cast their memories to the winds of time.

We knew that, if given the chance, the voices of those fallen heroes need not be silenced by death. . . . Their deeds might even have more meaning. . . . And their lives would become the example for others. This monument gives them that chance to be heard, to be understood, to inspire.

Each time a single corrupt or bigoted police officer is exposed, come here and listen to the condemnation expressed by thousands of fallen police heroes.

Each time the resolve of our law enforcement officers is challenged, come here and understand just how much our officers are willing to sacrifice for the well being of others.

Each time the constant criticism and second-guessing causes our police officers to think twice about the profession they have chosen, come here and be reminded that you are following in the footsteps of some of the bravest and finest individuals ever to walk the face of this earth.

INTRO TO WREATHLAYING

In a moment, a wreath will be placed here at the memorial to commemorate the fourth anniversary of this monument, and to honor the nearly 14,000 law enforcement officers who have died in the line of duty.

But, before we do that I want to take a moment to recognize all of the police survivors who have honored us with their presence here today. While we cannot undo their loss, we can remind them that they have not been forgotten. Their welfare is important to us all.

At this time, I would like to ask all of the survivors of a fallen officer here today to please rise and be recognized.

Since the last time we met to commemorate the anniversary of this monument one year ago, nine law enforcement officers have been killed in the Washington, D.C. Area. That matches the highest number of local police fatalities ever recorded in a 12-month period.

Three of them died in a single incident. Last November 22, Metropolitan Police Sergeant Henry Joseph Daly, and FBI Special Agents Martha Dixon Martinez and Michael John Miller were savagely murdered in an unprovoked ambush at D.C. Police headquarters.

On February 7, off-duty D.C. Police officer James McGee attempted to stop a robbery in progress. In a few terror-filled seconds, Officer McGee was accidentally shot and killed in a tragic case of mistaken identity.

On April 26, Prince George's County Police Corporal John Novabilski was assassinated by a crazed killer while sitting in his marked patrol car.

Less than 2 months later, that same killer murdered FBI Special Agent William Christian. Agent Christian, who was also gunned down while sitting in his car, was on a stakeout to arrest the man who killed him.

On August 22, Loudoun County Deputy Sheriff Charles Barton was killed in an aircraft accident on the way to pick up a wanted felon. He was the first officer to be killed while on duty in the history of the Loudoun County Sheriff's Department.

And, of course, the two latest fatalities occurred this month. D.C. Police Officer Scott Lewis was gunned down on October 6 in an unprovoked attack while aiding a burglary victim.

Maryland state trooper Edward A. Plank was shot and killed just three days ago after stopping a motorist for a traffic violation.

We have asked the immediate family members of these fallen officers, along with their agency escorts, to assist us with the presentation of the wreath. They have graciously accepted our invitation and will serve as representatives of all police survivors and law enforcers across the Nation.

Leading our procession, we are very pleased to have the Assistant Attorney General of the United States Andrew Fois, who will be joined by members of the U.S. Park Police honor guard.

CLOSING REMARKS

I would like to close today's ceremony with a poem. It was written by a 16-year-old girl named Megan Hogan. Her father was a Minnesota police officer who was shot and killed six years ago. Megan's poem offers comfort to all of us here today:

My father is now at rest
For a safer place he remains
A world of goodness and beauty
A world without worry or pain.
No fear will he encounter
For a better place he'll be
A place where the sick are healed
And a place where the blinded eyes can see.
My world has forever changed
My life is not the same
But close within my heart
His precious face remains.
I give him my tears
And my prayers I send above
I cherish all our memories
Filled with happiness and love.
He'll have someone to depend on
His helping hand is there to lend
For the Father shall be watching
And in heaven he'll have a friend.
The battle is faced head on
Many obstacles yet to overcome
But in the end, together
This battle will be won!

For the next six hours, a rotating police honor guard will stand vigil here at the memorial as a special salute to America's fallen officers. A reception will be held immediately following today's ceremony at the memorial visitors center at 605 E Street —two blocks to the right. Everyone is invited to attend.

Ladies and gentlemen, that concludes today's ceremony. Thank you all for coming. May God bless you and all of our Nation's police officers.

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WREATHLAYING CEREMONY, NLEOM, OCTOBER 19, 1995—SPEECH BY SHARON AJ FELTON, WIDOW/1989 NORTHERN SEABOARD TRUSTEE, COPS

Friends, officers, fellow survivors, special guests—Good afternoon. I am honored to

stand before you today and participate in this wreathlaying ceremony to commemorate the fourth anniversary of the National Law Enforcement Officer's Memorial.

I once had the honor of watching a young man's dream come true as he graduated the police academy in Petersburg, VA, on December 7, 1986. He had dreamed of being a police officer since the age of five, and his academy graduation was one of the happiest days of his life.

Just a few years later, I watch that same young man leave the safety of his home to back up a fellow deputy with a routine burglary call. Just a few minutes later, less than a mile from his home, that young 23 year-old officer died in the line of duty. His name was Thomas Felton, Jr., a Sussex County Virginia deputy sheriff. And he was my husband.

Tom did not die as most cops expect to die. There was no hail of gunfire—no dramatic rescue—not even a highspeed car chase. There was only Tom, his patrol car, a freight train, and a terrible twist of fate that brought them all to the same place at 6:37 am on April 29, 1989. He died in an accident. He died in the line of duty.

What became evident in the days to follow his death, was just how many lives Tom had touched as hundreds of friends, family, and fellow officers came to honor his life. Reflecting on his life, they used words like Honesty, Respect, Love, and Honor. And they called him a Hero—not because of the way he died—but because of the way he lived. And they were proud to have known him—as I was.

Today, we are here to honor other officers who have made the same sacrifice in the line of duty—and we use words such as Honesty, Respect, Love, and Honor. Yes, we are here because each of these officers has given his or her life in the line of duty, but I am here to tell you that there are living words, describing the way they each lived, not the way they each died.

Today, we live in a world where ''COP'' has become a bad word—where law enforcement is unappreciated and where police officers are chastised because of the actions or beliefs of a few who disgrace the badge. I submit to you that these rogue cops are not a true representation of America's law enforcement officers. They are the exception, not the rule.

I ask you today to look at the names engraved in the panels that make up this memorial. Look deep into the names that line this Pathway of Remembrance. These men and women exemplify the true attributes of America's law enforcement officer—Honesty, Respect, Love, and Honor. These are the best of the best—the noblest of the noble—and Yes—law enforcement Is Still a Noble Profession!

We are here today to honor these men and women—who placed themselves along the Thin Blue Line that separate us from total chaos and lawlessness. We are here to mourn their deaths, and in doing so, we celebrate their lives.

This memorial was built for those officers whose names are engraved here. It is for those officers whose names are yet been added, such as DC Metro Officer Scott Lewis and Lynn, MASS Police Officer Gary Twyman who dies just last week. And it is for Maryland State Trooper Edward Plank, Jr. who died just two days ago.

It is for those officers who still walk that Thin Blue Line each day in America. And it is for you, the survivors—the families and friends who have also made the ultimate sacrifice—you are the Names Beyond the Wall.

For some of you here today, your grief is very new. Maybe your officer died last year, last month, last week. Just being here may be a struggle for you and the pain may seem to be too much to bear. For others who are further into your grief, the sight of seeing your officer's name may again reopen some of those old wounds as memories flood your minds. Our reactions to this memorial are as different as our losses, but we are still the same. We are survivors. Our officers died and we are left to tell their stories.

This is our place—a place where we come to grieve, to cry, to laugh, to heal, to grow. We bring flowers—we bring letters—we make rubbings of those precious names so we can take a piece of this memorial home with us. We come to remember—and we use words such as Honesty, Respect, Love, and Honor. And we call them Heroes—not because of manners in which they each died, but because of the manners in which they each lived. And we are each better for having known them.

In closing, I would like to share a poem with you entitled ''The Names Beyond the Wall.''

THE NAMES BEYOND THE WALL

All for God and Country, they walked the Thin Blue Line.
With honor and with valor they lost their fight with time.
We are their survivors—the names beyond the Wall
Our loved ones lost their lives, but we have lost it all.
We are mothers; we are fathers. Brothers, sisters, children, too.
We are wives and we are husbands. We are partners wearing blue.
A gunman killed his brother—A drunk driver killed his wife
A child will miss her Daddy for the rest of her life.
A father's little girl has died—a car crash in the rain.
A widow cries for days now gone—a collision with a train.
A mother lost her son—a daughter lost her dad.
Just another day in America when good has lost to bad.
Forever and a day was stolen from our grip
And now we must forward on a long and lonely trip.
With pride they wore their badge. With glory, gave their lives.
Now names engraved upon this wall are all that's left behind.
Our pride was for their service our joy now turned to tears
the heartache that we suffer will last for many years.
We are their survivors—the names beyond the Wall
Our loved ones lost their lives, but we have lost it all.
We are mothers; we are fathers. Brothers, sisters, children, too.
We are wives and we are husbands. We are partners wearing blue.
All for God and Country, they walked the Thin Blue Line.
With honor and with valor they lost their fight with time.

Good bless you all.

## THE BAD DEBT BOXSCORE

Mr. HELMS. Mr. President, more than 3 years ago, I began these daily reports to the Senate to make a matter of record the exact Federal debt as of close of business the previous day.

As of the close of business Wednesday, November 8, the Federal debt stood at exactly $4,984,440,555,073.81. On a per capita basis, every man, woman and child in America owes $18,921.02 as his or her share of the Federal debt.

It is important to recall, Mr. President, that the Senate this year missed an opportunity to implement a balanced budget amendment to the U.S. Constitution. Regrettably, the Senate failed by one vote in that first attempt to bring the Federal debt under control.

There will be another opportunity in the months ahead to approve such a Constitutional amendment.

## THE DEATH OF YITZHAK RABIN

Mr. THURMOND. Mr. President, for centuries, the Middle East has been a region plagued with strife, a land where days of violence are often more common than moments of peace, and a place where tragedy is almost routine. This past weekend, when a young Jewish extremist assassinated the Prime Minister of Israel, Yitzhak Rabin, he committed an act that managed to shock a region and a world that long ago became almost numbed to the seemingly eternal struggle between Jews and Arabs and the death and loss that animosity creates.

By any standard, Yitzhak Rabin served his nation admirably. He was a patriot and a warrior who fought against the Axis powers during World War II, fought for the freedom of Israel, and fought against those who sought to destroy that nation in the years after its creation. He rose to high positions in the Israeli government, serving as Chief of Staff of the Army, Ambassador to the United States, Minister of Labor, Minister of Defense, and was in his second term as Prime Minister at the time of his death. Those accomplishments alone would have been more than sufficient to earn him the accolades of his fellow countrymen, but the journey he led his nation on for peace was one which justifiably earned him the gratitude of the world.

It surely could not have been easy for a man who dedicated much of his life to defending his homeland to sit down with the man who had spent much of his life vowing to overthrow Israel. Nor could it have been easy for Yasir Arafat to sit down with a man who represented the government that the P.L.O. blamed for oppressing the Palestinian people. Yet, these two old adversaries recognized that the time for peace in the Middle East had arrived, and that it was necessary for them to set aside their differences and to forge an agreement that would allow their two peoples to co-exist. It was a courageous decision by both men, and one for which they were strongly criticized, but as Prime Minister Rabin pointed out, you do not have to make peace with your friends.

I suppose that it is not surprising that a man who was a soldier, would die a violent death, but it is surprising that he would die at the hands of one of his own citizens, and it is perversely ironic that his death would come at a

peace rally. While the death of the Prime Minister is nothing less than a tragedy that people throughout the world deeply mourn, his passing is an event that must not stand as an obstacle to the peace process. Yitzhak Rabin was a man who was willing to give his life so that the Middle East would be a stable and peaceful land. It is a legacy that all would do well to try and honor.

## MESSAGES FROM THE PRESIDENT

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

## EXECUTIVE MESSAGES REFERRED

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

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

## REPORT OF THE FEDERAL LABOR RELATIONS AUTHORITY FOR FISCAL YEAR 1994—MESSAGE FROM THE PRESIDENT—PM 92

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 Governmental Affairs.

*To the Congress of the United States:*

In accordance with section 701 of the Civil Service Reform Act of 1978 (Public Law 95–454; 5 U.S.C. 7104(e)), I have the pleasure of transmitting to you the Sixteenth Annual Report of the Federal Labor Relations Authority for Fiscal Year 1994.

The report includes information on the cases heard and decisions rendered by the Federal Labor Relations Authority, the General Counsel of the Authority, and the Federal Service Impasses Panel.

WILLIAM J. CLINTON.

THE WHITE HOUSE, *November 9, 1995.*

## REPORT OF THE COMMODITY CREDIT CORPORATION FOR FISCAL YEAR 1993—MESSAGE FROM THE PRESIDENT—PM 93

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 Agriculture, Nutrition, and Forestry.

*To the Congress of the United States:*

In accordance with the provisions of section 13, Public Law 806, 80th Congress (15 U.S.C. 714k), I transmit herewith the report of the Commodity Credit Corporation for fiscal year 1993.

WILLIAM J. CLINTON.

THE WHITE HOUSE, *November 9, 1995.*

## REPORT OF THE NATIONAL CORPORATION FOR HOUSING PARTNERSHIPS AND THE NATIONAL HOUSING PARTNERSHIP FOR FISCAL YEARS 1993 AND 1994—MESSAGE FROM THE PRESIDENT—PM 94

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 Banking, Housing, and Urban Affairs.

*To the Congress of the United States:*

I transmit herewith the annual report of the National Corporation for Housing Partnerships and the National Housing Partnership for fiscal years 1993 and 1994, as required by section 3938(a)(1) of title 42 of the United States Code.

WILLIAM J. CLINTON.

THE WHITE HOUSE, *November 9, 1995.*

## MESSAGES FROM THE HOUSE

At 10:45 a.m., a message from the House of Representatives, delivered by Mr. Hays, one of its reading clerks, announced that the House has passed the following joint resolution, in which it requests the concurrence of the Senate:

H.J. Res. 115. Joint resolution making further continuing appropriations for the fiscal year 1996, and for other purposes.

ENROLLED BILL SIGNED

The message also announced that the Speaker has signed the following enrolled bill:

H.R. 1103. An act to amend the Perishable Agriculture Commodities Act, 1930, to modernize, streamline, and strengthen the operation of the Act.

The enrolled bill was subsequently signed by the President pro tempore (Mr. THURMOND).

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At 1:59 p.m., a message from the House of Representatives, delivered by Mr. Hays, one of its reading clerks, announced that the House disagrees to the amendment of the Senate to the bill (H.R. 956) to establish legal standards and procedures for product liability litigation, and for other purposes, and asks a conference with the Senate on the disagreeing votes of the two Houses thereon; and appoints the following Members as the managers of the conference on the part of the House:

From the Committee on the Judiciary, for consideration of the House bill and the Senate amendment, and modifications committed to conference: Mr. HYDE, Mr. SENSENBRENNER, Mr. GEKAS, Mr. INGLIS of South Carolina, Mr. BRYANT of Tennessee, Mr. CONYERS, Mrs. SCHROEDER, and Mr. BERMAN.

As additional conferees from the Committee on Commerce, for consideration of the House bill and the Senate amendment, and modifications committed to conference: Mr. BLILEY, Mr. OXLEY, Mr. COX of California, Mr. DINGELL, and Mr. WYDEN.

The message also announced that the House disagrees to the amendment of the Senate to the bill (H.R. 2546) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of said District for the fiscal year ending September 30, 1996, and for other purposes, and agrees to the conference asked by the Senate on the disagreeing votes of the two Houses thereon; and appoints Mr. WALSH, Mr. BONILLA, Mr. KINGSTON, Mr. FRELINGHUYSEN, Mr. NEUMANN, Mr. LIVINGSTON, Mr. DIXON, Mr. DURBIN, Ms. KAPTUR, and Mr. OBEY as the managers of the conference on the part of the House.

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At 7:53 p.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that the House has passed the following bill, in which it requests the concurrence of the Senate:

H.R. 2586. An act to provide for a temporary increase in the public debt limit, and for other purposes.

## REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. CHAFEE, from the Committee on Environment and Public Works, with an amendment in the nature of a substitute:

S. 640. A bill to provide for the conservation and development of water and related resources, to authorize the Secretary of the Army to construct various projects for improvements to rivers and harbors of the United States, and for other purposes (Rept. No. 104–170).

By Mr. PRESSLER, from the Committee on Commerce, Science, and Transportation, without amendment:

S. 470. A bill to amend the Communications Act of 1934 to prohibit the distribution to the public of violent video programming during hours when children are reasonably likely to comprise a substantial portion of the audience (Rept. No. 104–171).

By Mr. HATCH, from the Committee on the Judiciary, with an amendment in the nature of a substitute:

H.R. 660. A bill to amend the Fair Housing Act to modify the exemption from certain familial status discrimination prohibitions granted to housing for older persons (Rept. No. 104–172).

By Mr. HATCH, from the Committee on the Judiciary, without amendment:

H.J. Res. 79. A joint resolution proposing an amendment to the Constitution of the United States authorizing the Congress and the States to prohibit the physical desecration of the flag of the United States.

S.J. Res. 38. A joint resolution granting the consent of Congress to the Vermont-New Hampshire Interstate Public Water Supply Compact.

## EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. HATCH, from the Committee on the Judiciary:

Sidney R. Thomas, of Montana, to be United States Circuit Judge for the Ninth Circuit.

Todd J. Campbell, of Tennessee, to be United States District Judge for the Middle District of Tennessee.

P. Michael Duffy, of South Carolina, to be United States District Judge for the District of South Carolina.

Kim McLane Wardlaw, of California, to be United States District Judge for the Central District of California.

E. Richard Webber, of Missouri, to be United States District Judge for the Eastern District of Missouri.

(The above nominations were reported with the recommendation that they be confirmed.)

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

Ernest J. Moniz, of Massachusetts, to be an Associate Director of the Office of Science and Technology Policy.

George D. Milidrag, of Michigan, to be a Member of the Advisory Board of the Saint Lawrence Seaway Development Corporation.

Nancy E. McFadden, of California, to be General Counsel of the Department of Transportation.

Charles A. Hunnicutt, of Georgia, to be an Assistant Secretary of Transportation.

Jane Bobbitt, of West Virginia, to be an Assistant Secretary of Commerce.

Gail Clements McDonald, of Maryland, to be Administrator of the Saint Lawrence Seaway Development Corporation for the remainder of the term expiring March 20, 1998.

IN THE COAST GUARD

The following officers of the U.S. Coast Guard Permanent Commissioned Teaching Staff at the Coast Guard Academy for promotion to the grade of commander: Kurt J. Colella, George J. Rezendes.

The following cadet of the U.S. Coast Guard Academy for appointment to the grade of ensign: Jordan D. Isaac.

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

James E. Bussey III
Andrew T. Moynihan
Timothy R. Quinton
Curtis J. Ott
Mark J. Burrows
Michael P. Rand
Steven D. Hardy
Kevin E. Dale
James M. Obernesser
Patrick T. Keane
Johnny L. Hollowell
Paul D. Jewell
Earle G. Thomas IV
Jack V. Rutz
Jon D. Allen
Robert C. Thomson
John E. Frost
Dennis M. Holland
Michael A. Jett
William D. Baumgartner
Larry R. White
Tracy S. Allen
Stephen E. Mehling
Michael C. Ghizzoni
Daniel N. Riehm
William R. Marhoffer
Brandt R. Weaver
David S. Hill
James D. Maes
Craig M. Jucknies
Michael A. Neussl
George H. Heintz
Joseph W. Brubaker
Jeffrey H. Barker
Michael D. Hudson
Gregory A. Mitchell III
Paul J. Reid
Gregory L. Shelton
Robert J. Wilson IV
Kevin J. Cavanaugh
George A. Asseng, Jr.
Daniel L. Wright
Kathy A. Hamblett
Michael R. Linzey
Christine J. Quedens
Jeff R. Brown
Leroy A. Jacobs, Jr.
Joseph C. Lichamer
Christopher D. Mills
Daniel C. Whiting
Neal J. Armstrong
Robin D. Orr
Kevin L. Maehler
Tinmothy V. Skuby
Patrick J. Dietrich
Harry E. Haynes III
Joseph E. Rodriguez
David J. Regan
Jonathon P. Benvenuto
James A. McEwen
Michael P. Nerino
Tamera R. Goodwin
Douglas S. Taylor
Jean M. Butler
Franklin R. Albero
Robert A. Ball, Jr.
Gary M. Smialek
Robert E. Day, Jr.
Robert E. Acker
Michael E. Raber
Michael D. Inman
Sharon W. Fijalka
Monyee T. Kazek
Austin P. Callwood
Steven P. How
Ian Grunther
Jeffrey R. Freeman
Frederick D. Pendleton
Mark S. Palmquist
Adolfo D. Ramirez, Jr.
Margaret E. Jones
Peter M. Keane
Blaine H. Hollis
John C. Williams
Gregg W. Stewart
Stephen D. Austin
Derek H. Rieksts
Chris Oelschlegel
Thomas D. Hooper
James D. Bjostad
Kevin M. Robb
Margaret F. Thurber
Robert L. Kaylor
Robert M. O'Brien
Paul A. Francis
John A. McCarthy
Donald E. Ouellette
Terrence W. Carter
Davalee G. Norton
Joe Mattina, Jr.
Michael C. McCloughan
Sergio D. Cerda
Paul W. Langner
Edwin M. Stanton
Steven M. Doss
Stephen C. Nesel
Gail A. Donnelly
Roger H. Deroche
Joseph M. Jacobs
Gilbert E. Sena
Stanley M. Douglas
Matthew B. Crawley
Douglas A. McCann
Jay G. Manik
James C. Howe
Judith E. Keene
Philip H. Sullivan
Lance L. Bardo
Eric B. Brown
David W. Kranking
Jonathan S. Keene
Stephen C. Duca
Darrell E. Milburn
Scott L. Krammes

Subject to qualifications provided by law, the following for permanent appointment to the grades indicated in the National Oceanic and Atmospheric Administration.

*To be captains*

Andrew M. Snella
Evelyn J. Fields
Kenneth W. Perrin
Terrance D. Jackson

*To be commanders*

Marlene Mozgala
Eric Secretan
Robert W. Maxson
Gary D. Petrae
James C. Gardner, Jr.
Richard R. Behn
Daniel R. Herlihy
Gary P. Bulmer
David J. Kruth
Dennis A. Seem
Paul E. Pegnato
George E. White
Jonathan W. Bailey
Timothy B. Wright
Bradford L. Benggio
Richard S. Brown
Michael W. White
Grady H. Tuell
Paul T. Steele
Garner R. Yates, Jr.
Craig N. McLean
Philip M. Kenul

*To be lieutenant commanders*

Michael R. Lemon
Jeffrey A. Ferguson
Philip S. Hill
William B. Kearse
John E. Herring
James S. Verlaque
Wiltie A. Creswell III
James D. Rathbun
Matthew H. Pickett
Christopher A. Beaverson
Brian J. Lake
Carl R. Groeneveld
Guy T. Noll

*To be lieutenants*

Wilbur E. Radford, Jr.
James A. Illg
Steven A. Lemke
Douglas G. Logan
Christopher J. Ward
Michael J. Hoshlyk
Denise J. Gruccio
Michele A. Finn
Matthew J. Wingate
Cynthia M. Ruhsam
Philip A. Gruccio
Barry K. Choy
Michael D. Francisco
Ralph R. Rogers
Mark P. Moran
Kimberly R. Cleary
Pamela K. Haines
Geoffrey S. Sandorf
Katharine A. McNitt
Alan C. Hilton
Richard R. Wingrove
Bjorn K. Larsen
Harold E. Orlinsky
Michael S. Weaver
Douglas D. Baird, Jr.
Thomas R. Jacobs
Graham A. Steward
Stephen C. Tosini
James S. Bosshardt
Juliana Pikulsky
Stephen S. Meador
Lawrence E. Greene
Daniel S. Morris, Jr.
Carrie L. Hadden
Kelly G. Taggart
John C. George
Patrick V. Gajdys
Karl F. Mangels
Dante B. Maragni
Heidi L. Johnson
David A. Score
Stephen F. Beckwith
Kenneth A. Baltz
Victor B. Ross III
Mark S. Hickey
Randall J. TeBeest
Mark J. Boland
Heather A. Parker
Carolyn M. Sramek
James E. Davis-Martin
Stephen J. Thumm
Kurt F. Shubert
Jonathan M. Klay
Joseph G. Evjen
Anita L. Lopez
Anne K. Nimershiem
Ricardo Ramos
Michael Williamson
Neil D. Weston
Jennifer A. Young

*To be ensigns*

Jeffrey C. Hagan
Eric J. Sipos
Peter C. Fischel
William R. Odell
James M. Crocker
Jeremy M. Adams
Christopher E.H. Parrish
Joel R. Becker
Jessica J. Walker
Joel T. Michalski
Dawn M. Welcher
Christine M. Shibley
Leslie A. Redmond
Richard H. Aldridge
Raymond A. Santos
Kurt A. Zegowitz
Mark A. Sramek
Natalie G. Bennett
Eric J. Christensen
Russell C. Jones
Jennifer D. Garte

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

John D. Cook
Michael J. Pierce
Robert E. Young
Ronald R. Weston
James L. House
Peter K. Mitchell
Thomas W. Sechler
Lawrence I. Kiern
Richard A. Koehler
Mark A. Fisher
David M. Loerzel
Daniel F. Ryan II
Marcus E. Jorgensen
Michael E. Saylor
Gary Krizanovic
Stefan G. Venckus
Scott W. Allen
James M. Garrett
Joseph A. Conroy
Joseph P. Brusseau
James C. Vansice
Albert F. Suchy IV
Dana A. Goward
John T. O'Connor
Richard S. Hartman, Jr.
Robert M. Wicklund
Gary W. Palmer
Walter E. Hanson, Jr.
Arthur E. Brookds
Charles L. Miller
Joseph C. Bridger III
Myles S. Boothe
Thomas D. Johns
Harvey E. Johnson, Jr.
Dale G. Gabel
Robert A. Hughes
Michael J. Chaplain
Domenico A. Diiulio
Kenneth A. Ward
Richard A. Huwel
David W. Reed
Steven G. Hein
Thomas C. King, Jr.
David W. Mackenzie
Jerzy J. Kichner
Stephen J. Harvey
Richard J. Formisano
James Rutkovsky
Raymond J. Brown
Thomas J. Mackell
Walter J. Brawand III
Allen L. Thompson, Jr.
Dan Deputy
Robert J. Papp, Jr.
Derek A. Capizzi
Robert G. Stevens
Dean W. Kutz
Gerald Bowe
Bradford W. Black
John E. Williams
Roger B. Peoples
Michael J. Hall
Thomas G. Gordon
Billy R. Slack
Roger A. Whorton
Ben R. Thomason III
Lawrence A. Eppler
Gary T. Blore
Lawrence A. Hall
Dennis J. Ihnat
Fred M. Rosa, Jr.
Craig L. Schnappinger
John E. Crowley, Jr.
Thomas J. McDaniel
Harlan Henderson
Charles T. Lancaster

(The above nominations were reported with the recommendation that they be confirmed.)

## INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

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

By Mr. NICKLES:

S. 1406. A bill to authorize the Secretary of the Army to convey to the city of Eufaula, Oklahoma, a parcel of land located at the Eufaula Lake project, and for other purposes; to the Committee on Environment and Public Works.

By Mr. HARKIN:

S. 1407. A bill to amend the Food Security Act of 1985 and the Agricultural Act of 1949 to permit the harvesting of energy crops on conservation reserve land and conservation use acreage for the purpose of generating electric power and other energy products,

and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. HATCH:

S. 1408. A bill to amend the Internal Revenue Code of 1986 to provide that the amount of an overpayment otherwise payable to any person shall be reduced by the amount of past-due, legally enforceable State tax obligations of such person; 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. HATCH (for himself, Mr. LAUTENBERG, Mr. D'AMATO, Mr. MURKOWSKI, Mr. MCCONNELL, Mr. SPECTER, Mr. PELL, Mr. SIMON, Mr. KOHL, Mr. ABRAHAM, and Mr. MOYNIHAN):

S. Res. 193. A resolution deploring individuals who deny the historical reality of the Holocaust and commending the vital, ongoing work of the United States Holocaust Memorial Museum; considered and agreed to.

By Mr. DOLE:

S. Res. 194. A resolution to authorize representation by the Senate Legal Counsel; considered and agreed to.

## STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. HARKIN:

S. 1407. A bill to amend the Food Security Act of 1985 and the Agricultural Act of 1949 to permit the harvesting of energy crops on conservation reserve land and conservation use acreage for the purpose of generating electric power and other energy products, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

THE ENERGY CROP PRODUCTION ACT OF 1995

● Mr. HARKIN. Mr. President, I introduce a bill which will provide a broad range of natural resource and energy related benefits to our country. This bill provides support for the development of processes which utilize renewable resources for generation of electricity and other energy products. It lessens our county's dependence on imported oil, supports development of new markets for farmers producing energy crops utilized in this process, and provides positive environmental benefits to the soil, water, and air components of our Nation's natural resources. This bill provides the Secretary of Agriculture authority to permit the production and harvesting of energy crops for the purpose of generating electricity and other energy products on land enrolled in the various acreage reduction programs as well as specifically designated demonstration project areas containing land enrolled in the Conservation Reserve Program.

The future of utilizing renewable resources such as energy crops as a fuel for producing electric power and other energy products is bright. However, as in any emerging technology, support is often needed to develop its full potential. The 1992 Energy Policy Act authorized a Renewable Energy Production Program in support of this concept. The bill I am introducing today complements this effort by not only permitting the production of energy crops on land enrolled in various government programs, but also providing an cost-share incentive to establish these energy crops.

One relatively new scientific finding is the benefit of energy crops with regard to carbon sequestration. Colorado State and Washington State Universities have developed protocols to assess the impact of land enrolled in the Conservation Reserve Program specifically on carbon sequestration. Their initial findings indicate that America's grazed land and Conservation Reserve Program lands offer an extremely important environmental benefit of extracting carbon from the air in an amount equivalent to America's forests. Encouraging the production of energy crops as I am suggesting in this bill will help sustain and expand this natural process enhancing air quality.

With regard to land enrolled in the various acreage reduction programs, this legislation would: (1) authorize the Secretary to permit production and harvesting of energy crops in accordance with a conservation plan, and (2) provide a cost share component for the establishment of these crops.

With regard to land enrolled in the Conservation Reserve Program, this bill would: (1) provide the Secretary of Agriculture authority to permit production and harvesting of energy crops in designated demonstration project areas not exceeding an aggregate of one million acres based on competitive joint industry/landowner proposals, (2) provide a cost share component for the establishment of energy crops, (3) provide for a process by which landowners could identify the level of reduction in their annual CRP rental payments in exchange for the opportunity to participate in this program, and (4) an opportunity for Conservation Reserve Program participants, utilizing these provisions, to extend their contracts.

I am proud to be introducing this bill today and welcome other Senators to cosponsor this beneficial environmental and energy legislation.

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

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

S. 1407

*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 ''Energy Crop Production Act of 1995''.

**SEC. 2. FINDINGS.**

Congress finds that energy crops—

(1) provide many of the soil and water conservation and wildlife habitat benefits associated with cover already planted on land enrolled in the conservation reserve program;

(2) can be harvested using best management practices without compromising the conservation benefits being achieved by the conservation reserve program;

(3) can maintain and enhance farm income while allowing land to remain in the conservation reserve program at a reduced cost to the Federal government;

(4) can supply a significant proportion of the energy needs of the United States using domestic resources that are renewable, sustainable, and environmentally beneficial; and

(5) can effectively trap carbon from the atmosphere and provide air quality benefits.

**SEC. 3. HARVESTING OF ENERGY CROPS ON CONSERVATION RESERVE LAND.**

Section 1232 of the Food Security Act of 1985 (16 U.S.C. 3832) is amended by adding at the end the following:

''(f) ENERGY CROPS.—

''(1) DEFINITION OF ENERGY CROP.—In this subsection, the term 'energy crop' means a herbaceous perennial grass, a short rotation woody coppice species of tree, or other crop, that may be used to generate electric power or other energy product, as determined by the Secretary in consultation with the State technical committee for a State established under section 1261.

''(2) HARVESTING OF ENERGY CROPS IN DESIGNATED DEMONSTRATION AREAS.—In not more than 10 demonstration project areas not exceeding a total of 1,000,000 acres (based on an evaluation by the Secretary of joint industry and landowner proposals to designate areas as demonstration project areas)), the Secretary shall permit an owner or operator of land, located within a demonstration project area, that is subject to a contract entered into under this subtitle to harvest an energy crop on the land if the owner or operator—

''(A) carries out appropriate conservation measures and practices on the land;

''(B) harvests energy crops in accordance with this subsection on not more than 75 percent of the land that is subject to the contract, in accordance with a conservation plan and in a manner and at times of the year that ensure that soil, water, and wildlife habitat subject to the conservation reserve program as a whole are not compromised;

''(C) if harvesting of energy crops on the land is discontinued, maintains grasses or trees on the land for the duration of the contract; and

''(D) submits a bid under paragraph (3) that is accepted by the Secretary.

''(3) BIDS.—To carry out this subsection, the Secretary shall establish a bid system under which an owner or operator of land that is subject to a contract entered into under this subtitle may offer to reduce the rental payments that would otherwise be payable under the contract in exchange for permission to harvest an energy crop on the land.

''(4) COST-SHARING.—The Secretary shall pay an owner or operator of land described in paragraph (2) 50 percent of the cost of converting land under the contract that is planted to grasses not identified as an energy crop to the production of an energy crop.

''(5) DURATION.—The Secretary shall permit an owner or operator described in paragraph (2)—

''(A) to extend a contract entered into under this subtitle for not to exceed 5 years; and

''(B) on expiration of a contract entered into under this subtitle, obtain a priority, at an appropriate rental rate, for reenrollment of the land subject to the contract.''.

**SEC. 4. HARVESTING OF ENERGY CROPS ON CONSERVATION USE ACREAGE.**

Section 503 of the Agricultural Act of 1949 (7 U.S.C. 1463) is amended—

(1) in subsection (c)—

(A) in paragraph (7), by striking ''and'' at the end;

(B) in paragraph (8), by striking the period at the end and inserting ''; and''; and

(C) by adding at the end the following:

''(9) any acreage on the farm that is planted to an energy crop in accordance with subsection (i).''; and

(2) by adding at the end the following:

''(i) ENERGY CROPS.—

''(1) DEFINITION OF ENERGY CROP.—In this subsection, the term 'energy crop' means a herbaceous perennial grass, a short rotation woody coppice species of tree, or other crop, that may be used to generate electric power or other energy product, as determined by the Secretary in consultation with the State technical committee for a State established under section 1261 of the Food Security Act of 1985 (16 U.S.C. 3861).

''(2) PLANTING OF ENERGY CROPS.—For purposes of this Act, acreage on a farm that is planted to an energy crop shall be considered devoted to conservation uses if the producers on the farm carry out appropriate conservation measures and practices on the acreage, in accordance with a conservation plan that is approved by the Secretary.

''(3) COST SHARING.—The Secretary shall pay the producers on a farm 50 percent of the cost of establishing an energy crop if the producers agree to maintain the crop for at least 3 crop years.''.●

By Mr. HATCH:

S. 1408. A bill to amend the Internal Revenue Code of 1986 to provide that the amount of an overpayment otherwise payable to any person shall be reduced by the amount of past-due, legally enforceable State tax obligations of such person; to the Committee on Finance.

STATE TAX REFUND OFFSET LEGISLATION

Mr. HATCH. Mr. President, I rise to today to introduce legislation to enhance the tax administration cooperation between the Federal Government and the States. In particular, this bill would provide for more efficient cooperation between the U.S. Treasury and the various State tax agencies in the collection of unpaid taxes. Representative ANDREW JACOBS has introduced similar legislation in the House as H.R 757.

Mr. President let me explain how the law currently stands on this issue, why the bill is needed, and what this bill do.

Currently, the Federal Government maintains a program that allows for a Federal tax refund to be withheld from a taxpayer if he or she has a past due Federal debt. Debts that are eligible for offset under this program include prior year tax debts, child support, student loans, VA housing payments, and others. The refund is used to offset the past due debt. Many States have similar programs to apply State tax refunds against other States debts of a taxpayer.

Under current law, the Internal Review Service [IRS] has the authority to levy or to seize State income tax refunds to satisfy Federal tax debts of taxpayers in the 41 States that have a broad-based individual income tax. Further, the IRS has the authority to enter into reciprocal agreements with State taxing authorities to more efficiently collect tax revenues. One are of cooperative agreement between the IRS and the States in the authority under current law to offset taxpayers' Federal tax debts with a State tax refund. In other words, pursuant to these agreements, if a taxpayer owes a tax liability to the Federal Government and, at the same time, is due a refund from the State taxing authority, that State can withhold the refund allow it to be offset against the past due Federal debt. Currently, there are 31 States and the District of Columbia that have voluntarily agreed to sign cooperative agreements to allow the IRS to satisfy Federal liabilities with State refunds. In 1993, the States offset about $61 million in debts on behalf of the IRS under these agreements.

Curiously, there is no authority under current law that allows the IRS to enter into additional agreements that would provide for a program to offset State tax debts with Federal tax refunds. Yet, allowing such agreements would save both the Federal Government and the States millions of dollars in lost tax revenue each year.

Mr. President, under this bill the Treasury would be granted the authority to enter into agreements with State tax agencies to offset State tax debts with Federal tax refunds. The effect of this legislation would be better tax compliance and the payment of delinquent tax debts. The bill provides that taxpayers who are due a Federal tax refund and also have a past due legally enforceable debt to a State taxing authority would have 60 days notice to satisfy the past due State debt before the IRS is authorized to release the Federal refund to satisfy the State tax debt.

Mr. President, I am aware that there have been no formal hearings in the Senate on this issue. I also understand that the chairman of the Committee on Finance may have some technical concerns with the administration of this legislation. This is understandable. Technical agreements between the Federal Government and the various States can be complex. I am open to comments and suggestions on the implementation of this new authority. I look forward to working with the Senate Finance Committee on this issue. However, I want to get a bill introduced in the Senate to begin the formal discussions on how we can best satisfy the problems that arise when a taxpayer is due a Federal tax refund while at the same time owing a State taxing authority delinquent taxes.

I want to inform my colleagues that I am aware that the opportunity may arise for States to offset so-called source taxes under the provisions of this bill. I am supportive of legislation to eliminate source taxes. It is not my intention to allow the proposed refund offset program to be used for the purposes of collecting these source taxes. To my understanding, the State of California has conceded on this issue and is also a strong supporter of this bill. If the source tax language is dropped from the budget reconciliation bill not pending before the Congress, then I am willing to modify the bill to prevent States from this offset program for the collection of sources taxes.

Mr. President, we are entering a more advanced era of computer technology. We should help facilitate the most efficient methods of collecting and administering Federal and State tax revenues. Allowing the Treasury to enter into reciprocal agreements with State moves us closer to this goal. The Nation's Governors have asked for this and I think we should help them in this area. The Federation of Tax Administrators estimates that this program would allow the States to recover between $150 and $200 million in tax debts. in addition, the Joint Committee has scored H.R. 757 to raise $8 million in additional tax revenues over 5 years.

## ADDITIONAL COSPONSORS

S. 939

At the request of Mr. SMITH, the name of the Senator from Tennessee [Mr. FRIST] was added as a cosponsor of S. 939, a bill to amend title 18, United States Code, to ban partial-birth abortions.

S. 1028

At the request of Mrs. KASSEBAUM, the name of the Senator from Illinois [Ms. MOSELEY-BRAUN] was added as a cosponsor of S. 1028, a bill to provide increased access to health care benefits, to provide increased portability of health care benefits, to provide increased security of health care benefits, to increase the purchasing power of individuals and small employers, and for other purposes.

S. 1166

At the request of Mr. LUGAR, the names of the Senator from Louisiana [Mr. JOHNSTON] and the Senator from Kentucky [Mr. MCCONNELL] were added as cosponsors of S. 1166, a bill to amend the Federal Insecticide, Fungicide, and Rodenticide Act, to improve the registration of pesticides, to provide minor use crop protection, to improve pesticide tolerances to safeguard infants and children, and for other purposes.

S. 1228

At the request of Mr. D'AMATO, the name of the Senator from Nevada [Mr. REID] was added as a cosponsor of S. 1228, a bill to impose sanctions on foreign persons exporting petroleum products, natural gas, or related technology to Iran.

S. 1340

At the request of Mr. DASCHLE, the name of the Senator from New Mexico [Mr. BINGAMAN] was added as a cosponsor of S. 1340, a bill to require the President to appoint a Commission on Concentration in the Livestock Industry.

S. 1377

At the request of Mr. LUGAR, the name of the Senator from Vermont [Mr. LEAHY] was added as a cosponsor of S. 1377, a bill to provide authority for the assessment of cane sugar produced in the Everglades Agricultural Area of Florida, and for other purposes.

S. 1399

At the request of Mr. DORGAN, the name of the Senator from South Dakota [Mr. DASCHLE] was added as a cosponsor of S. 1399, a bill to amend title 49, United States Code, to ensure funding for essential air service programs and rural air safety programs, and for other purposes.

SENATE RESOLUTION 146

At the request of Mr. JOHNSTON, the names of the Senator from Hawaii [Mr. INOUYE], the Senator from Virginia [Mr. WARNER], the Senator from New York [Mr. D'AMATO], the Senator from New Jersey [Mr. LAUTENBERG], the Senator from Maryland [Mr. SARBANES], the Senator from Idaho [Mr. CRAIG], the Senator from New York [Mr. MOYNIHAN] and the Senator from Rhode Island [Mr. PELL] were added as cosponsors of Senate Resolution 146, a resolution designating the week beginning November 19, 1995, and the week beginning on November 24, 1996, as ''National Family Week,'' and for other purposes.

## SENATE RESOLUTION 193—RELATIVE TO THE HOLOCAUST

Mr. HATCH (for himself, Mr. LAUTENBERG, Mr. D'AMATO, Mr. MURKOWSKI, Mr. MCCONNELL, Mr. SPECTER, Mr. PELL, Mr. SIMON, Mr. KOHL, Mr. ABRAHAM, and Mr. MOYNIHAN) submitted the following resolution; which was considered and agreed to:

S. RES. 193

Whereas the Holocaust is a basic fact of history, the denial of which is no less absurd than the denial of the occurrence of the Second World War;

Whereas the Holocaust—the systematic, state-sponsored mass murders by Nazi Germany of 6,000,000 Jews, alongside millions of others, in the name of a perverse racial theory—stands as one of the most ferociously heinous state acts the world has ever known; and

Whereas those who promote the denial of the Holocaust do so out of profound ignorance or for the purpose of furthering anti-Semitism and racism: Now, therefore, be it

*Resolved,* That the Senate—

(1) deplores the persistent, ongoing and malicious efforts by some persons in this country and abroad to deny the historical reality of the Holocaust; and

(2) commends the vital, ongoing work of the United States Holocaust Memorial Museum, which memorializes the victims of the Holocaust and teaches all who are willing to learn profoundly compelling and universally resonant moral lessons.

## SENATE RESOLUTION 194—TO AUTHORIZE REPRESENTATION BY THE SENATE LEGAL COUNSEL

Mr. DOLE submitted the following resolution; which was considered and agreed to:

S. RES. 194

Whereas, in the case of *Office of the United States Senate Sergeant at Arms* v. *Office of Senate Fair Employment Practices,* No. 95–6001, pending in the United States Court of Appeals for the Federal Circuit, the Office of the Sergeant at Arms has sought review of a final decision of the Select Committee on Ethics which had been entered, pursuant to section 308 of the Government Employee Rights Act of 1991, 2 U.S.C. §1208 (1994), in the records of the Office of Senate Fair Employment Practices;

Whereas, pursuant to sections 703(a) and 704(a)(1) of the Ethics in Government Act of 1978, 2 U.S.C. §§288b(a) and 288c(a)(1)(1994), the Senate may direct its counsel to defend committees of the Senate in civil actions relating to their official responsibilities;

Whereas, pursuant to section 303(f) of the Government Employee Rights Act of 1991, 2 U.S.C. §1203(f)(1994), for purposes of representation by the Senate Legal Counsel, the Office of Senate Fair Employment Practices, the respondent in this proceeding, is deemed a committee within the meaning of sections 703(a) and 704(a)(1) of the Ethics in Government Act of 1978, 2 U.S.C. §§288b(a), 288c(a)(1)(1994): Now, therefore, be it

*Resolved,* That the Senate Legal Counsel is directed to represent the Office of Senate Fair Employment Practices in the case of *Office of the Senate Sergeant at Arms* v. *Office of Senate Fair Employment Practices*.

## AMENDMENTS SUBMITTED

## THE CONTINUING APPROPRIATIONS JOINT RESOLUTION FOR FISCAL YEAR 1996

### CAMPBELL (AND OTHERS) AMENDMENT NO. 3045

Mr. CAMPBELL (for himself, Mr. KERREY, Mr. LEVIN, Mr. LIEBERMAN, Ms. MIKULSKI, and Mr. GLENN) proposed an amendment to the joint resolution (H.J. Res. 115) making further continuing appropriations for the fiscal year 1996, and for other purposes; as follows:

Strike title III of the resolution.

### SIMPSON AMENDMENT NO. 3046

Mr. SIMPSON proposed an amendment to amendment No. 3045 proposed by Mr. CAMPBELL to the joint resolution, House Joint Resolution 115, supra; as follows:

In lieu of the language proposed to be stricken insert the following:

TITLE III

PROHIBITION ON SUBSIDIZING POLITICAL ORGANIZATIONS WITH TAXPAYER FUNDS

SEC. 301. (a) LIMITATIONS.—(1) Notwithstanding any other provision of law, any organization receiving Federal grants in an amount that, in the aggregate, is greater than $125,000 in the most recent Federal fiscal year, shall be subject to the limitations on lobbying activity expenditures under section 4911(c)(2)(B) of the Internal Revenue Code 1986, but shall not be subject to the limitation under section 4911(c)(2)(A), unless otherwise subject to section 4911(c)(2)(A) based on an election made under section 501(h) of the Internal Revenue Code of 1986.

(2) An organization described in section 501(c)(4) of the Internal Revenue Code of 1986 that engaged in lobbying activities during the organization's previous taxable year shall not be eligible to receive Federal funds constituting a taxpayer subsidized grant. This paragraph shall not apply to organizations described in section 501(c)(4) with gross annual revenues of less than $3,000,000 in such previous taxable year, including Federal funds received as a taxpayer subsidized grant.

(b) DEFINITIONS.—For the purposes of this title:

(1) AGENCY.—The term ''agency'' has the meaning given that term in section 551(1) of title 5, United States Code.

(2) CLIENT.—The term ''client'' means any person or entity that employs or retains another person for financial or other compensation to conduct lobbying activities on behalf of that person or entity. A person or entity whose employees act as lobbyists on its own behalf is both a client and an employer of such employees. In the case of a coalition or association that employs or retains other persons to conduct lobbying activities, the client is the coalition or association and not its individual members.

(3) COVERED EXECUTIVE BRANCH OFFICIAL.—The term ''covered executive branch official'' means—

(A) the President;

(B) the Vice President;

(C) any officer or employee, or any other individual functioning in the capacity of such an officer or employee, in the Executive Office of the President;

(D) any officer or employee serving in a position in level I, II, III, IV, or V of the Executive Schedule, as designated by statute or Executive order;

(E) any member of the uniformed services whose pay grade is at or above O–7 under section 201 of title 37, United States Code; and

(F) any officer or employee serving in a position of a confidential, policy-determining, policy-making, or policy-advocating character described in section 7511(b)(2) of title 5, United States Code.

(4) COVERED LEGISLATIVE BRANCH OFFICIAL.—The term ''covered legislative branch official'' means—

(A) a Member of Congress;

(B) an elected officer of either House of Congress;

(C) any employee of, or any other individual functioning in the capacity of an employee of—

(i) a Member of Congress;

(ii) a committee of either House of Congress;

(iii) the leadership staff of the House of Representatives or the leadership staff of the Senate;

(iv) a joint committee of Congress; and

(v) a working group or caucus organized to provide legislative services or other assistance to Members of Congress; and

(D) any other legislative branch employee serving in a position described under section 109(13) of the Ethics in Government Act of 1978 (5 U.S.C. App.).

(5) EMPLOYEE.—The term ''employee'' means any individual who is an officer, employee, partner, director, or proprietor of a person or entity, but does not include—

(A) independent contractors; or

(B) volunteers who receive no financial or other compensation from the person or entity for their services.

(6) FOREIGN ENTITY.—The term ''foreign entity'' means a foreign principal (as defined in section 1(b) of the Foreign Agents Registration Act of 1938 (22 U.S.C. 611(b)).

(7) GRANT.—The term ''grant'' means the provision of any Federal funds, appropriated under this or any other Act, to carry out a public purpose of the United States, except—

(A) the provision of funds for acquisition (by purchase, lease, or barter) of property or

services for the direct benefit or use of the United States;

(B) the payments of loans, debts, or entitlements;

(C) the provision of funds to, or distribution of funds by, a Federal court established under Article I or III of the Constitution of the United States;

(D) nonmonetary assistance provided by the Department of Veterans Affairs to organizations approved or recognized under section 5902 of title 38, United States Code; and

(E) the provision of grant and scholarship funds to students for educational purposes.

(8) LOBBYING ACTIVITIES.—The term ''lobbying activities'' means lobbying contacts and efforts in support of such contacts, including preparation and planning activities, research and other background work that is intended, at the time it is performed, for use in contacts, and coordination with the lobbying activities of others.

(9) LOBBYING CONTACT.—

(A) DEFINITION.—The term ''lobbying contact'' means any oral or written communication (including an electronic communication) to a covered executive branch official or a covered legislative branch official that is made on behalf of a client with regard to—

(i) the formulation, modification, or adoption of Federal legislation (including legislative proposals);

(ii) the formulation, modification, or adoption of a Federal rule, regulation, Executive order, or any other program, policy, or position of the United States Government;

(iii) the administration or execution of a Federal program or policy (including the negotiation, award, or administration of a Federal contract, grant, loan, permit, or license); or

(iv) the nomination or confirmation of a person for a position subject to confirmation by the Senate.

(B) EXCEPTIONS.—The term ''lobbying contact'' does not include a communication that is—

(i) made by a public official acting in the public official's official capacity;

(ii) made by a representative of a media organization if the purpose of the communication is gathering and disseminating news and information to the public;

(iii) made in a speech, article, publication or other material that is distributed and made available to the public, or through radio, television, cable television, or other medium of mass communication;

(iv) made on behalf of a government of a foreign country or a foreign political party and disclosed under the Foreign Agents Registration Act of 1938 (22 U.S.C. 611 et seq.);

(v) a request for a meeting, a request for the status of an action, or any other similar administrative request, if the request does not include an attempt to influence a covered executive branch official or a covered legislative branch official;

(vi) made in the course of participation in an advisory committee subject to the Federal Advisory Committee Act;

(vii) testimony given before a committee, subcommittee, or task force of the Congress, or submitted for inclusion in the public record of a hearing conducted by such committee, subcommittee, or task force;

(viii) information provided in writing in response to an oral or written request by a covered executive branch official or a covered legislative branch official for specific information;

(ix) required by subpoena, civil investigative demand, or otherwise compelled by statute, regulation, or other action of the Congress or an agency;

(x) made in response to a notice in the Federal Register, Commerce Business Daily, or other similar publication soliciting communications from the public and directed to the agency official specifically designated in the notice to receive such communications;

(xi) not possible to report without disclosing information, the unauthorized disclosure of which is prohibited by law;

(xii) made to an official in an agency with regard to—

(I) a judicial proceeding or a criminal or civil law enforcement inquiry, investigation, or proceeding; or

(II) a filing or proceeding that the Government is specifically required by statute or regulation to maintain or conduct on a confidential basis,

if that agency is charged with responsibility for such proceeding, inquiry, investigation, or filing;

(xiii) made in compliance with written agency procedures regarding an adjudication conducted by the agency under section 554 of title 5, United States Code, or substantially similar provisions;

(xiv) a written comment filed in the course of a public proceeding or any other communication that is made on the record in a public proceeding;

(xv) a petition for agency action made in writing and required to be a matter of public record pursuant to established agency procedures;

(xvi) made on behalf of an individual with regard to that individual's benefits, employment, or other personal matters involving only that individual, except that this clause does not apply to any communication with—

(I) a covered executive branch official, or

(II) a covered legislative branch official (other than the individual's elected Members of Congress or employees who work under such Members' direct supervision),

with respect to the formulation, modification, or adoption of private legislation for the relief of that individual;

(xvii) a disclosure by an individual that is protected under the amendments made by the Whistleblower Protection Act of 1989, under the Inspector General Act of 1978, or under another provision of law;

(xviii) made by—

(I) a church, its integrated auxiliary, or a convention or association of churches that is exempt from filing a Federal income tax return under paragraph 2(A)(i) of section 6033(a) of the Internal Revenue Code of 1986, or

(II) a religious order that is exempt from filing a Federal income tax return under paragraph (2)(A)(iii) of such section 6033(a); and

(xix) between—

(I) officials of a self-regulatory organization (as defined in section 3(a)(26) of the Securities Exchange Act) that is registered with or established by the Securities and Exchange Commission as required by that Act or a similar organization that is designated by or registered with the Commodities Future Trading Commission as provided under the Commodity Exchange Act; and

(II) the Securities and Exchange Commission or the Commodities Future Trading Commission, respectively;

relating to the regulatory responsibilities of such organization under that Act.

(10) LOBBYING FIRM.—The term ''lobbying firm'' means a person or entity that has 1 or more employees who are lobbyists on behalf of a client other than that person or entity. The term also includes a self-employed individual who is a lobbyist.

(11) LOBBYIST.—The term ''lobbyist'' means any individual who is employed or retained by a client for financial or other compensation for services that include more than one lobbying contact, other than an individual whose lobbying activities constitute less than 20 percent of the time engaged in the services provided by such individual to that client over a six month period.

(12) MEDIA ORGANIZATION.—The term ''media organization'' means a person or entity engaged in disseminating information to the general public through a newspaper, magazine, other publication, radio, television, cable television, or other medium of mass communication.

(13) MEMBER OF CONGRESS.—The term ''Member of Congress'' means a Senator or a Representative in, or Delegate or Resident Commissioner to, the Congress.

(14) ORGANIZATION.—The term ''organization'' means a person or entity other than an individual.

(15) PERSON OR ENTITY.—The term ''person or entity'' means any individual, corporation, company, foundation, association, labor organization, firm, partnership, society, joint stock company, group of organizations, or State or local government.

(16) PUBLIC OFFICIAL.—The term ''public official'' means any elected official, appointed official, or employee of—

(A) a Federal, State, or local unit of government in the United States other than—

(i) a college or university;

(ii) a government-sponsored enterprise (as defined in section 3(8) of the Congressional Budget and Impoundment Control Act of 1974);

(iii) a public utility that provides gas, electricity, water, or communications;

(iv) a guaranty agency (as defined in section 435(j) of the Higher Education Act of 1965 (20 U.S.C. 1085(j))), including any affiliate of such an agency; or

(v) an agency of any State functioning as a student loan secondary market pursuant to section 435(d)(1)(F) of the Higher Education Act of 1965 (20 U.S.C. 1085(d)(1)(F));

(B) a Government corporation (as defined in section 9101 of title 31, United States Code);

(C) an organization of State or local elected or appointed officials other than officials of an entity described in clause (i), (ii), (iii), (iv), or (v) of subparagraph (A);

(D) an Indian tribe (as defined in section 4(e) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450b(e));

(E) a national or State political party or any organizational unit thereof; or

(F) a national, regional, or local unit of any foreign government.

(17) STATE.—The term ''State'' means each of the several States, the District of Columbia, and any commonwealth, territory, or possession of the United States.

DISCLOSURE REQUIREMENTS

SEC. 302. (a) IN GENERAL.—Not later than December 31 of each year, each taxpayer subsidized grantee, except an individual person, shall provide (via either electronic or paper medium) to each Federal entity that awarded or administered its taxpayer subsidized grant an annual report for the previous Federal fiscal year, certified by the taxpayer subsidized grantee's chief executive officer or equivalent person of authority, setting forth—

(1) the taxpayer subsidized grantee's name and grantee identification number;

(2) a statement that the taxpayer subsidized grantee agrees that it is, and shall continue to be, contractually bound by the terms of this title as a condition of the continued receipt and use of Federal funds; and

(3)(A) a statement that the taxpayer subsidized grantee spent less than $25,000 on lobbying activities in the grantee's most recent taxable year; or

(B)(i) the amount or value of the taxpayer subsidized grant (including all administrative and overhead costs awarded);

(ii) a good faith estimate of the grantee's actual expenses on lobbying activities in the most recent taxable year; and

(iii) a good faith estimate of the grantee's allowed expenses on lobbying activities under section 301 of this Act.

PUBLIC ACCOUNTABILITY

SEC. 303. (a) PUBLIC AVAILABILITY OF LOBBYING DISCLOSURE FORMS.—Any Federal entity awarding a taxpayer subsidized grant shall make publicly available any taxpayer subsidized grant application, and the annual report of a taxpayer subsidized grantee provided under section 302 of this Act.

(b) ACCESSIBILITY TO PUBLIC.—The public's access to the documents identified in subsection (a) shall be facilitated by placement of such documents in the Federal entity's public document reading room and also by expediting any requests under section 552 of title 5, United States Code, the Freedom of Information Act as amended, ahead of any requests for other information pending at such Federal entity.

(c) WITHHOLDING PROHIBITED.—Records described in subsection (a) shall not be subject to withholding, except under the exemption set forth in subsection (b)(7)(A) of section 552 of title 5, United States Code.

(d) FEES PROHIBITED.—No fees for searching for or copying such documents shall be charged to the public.

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## CRAIG AMENDMENT NO. 3047

Mr. CRAIG proposed an amendment to amendment No. 3046 proposed by Mr. SIMPSON to amendment No. 3045 proposed by Mr. CAMPBELL to the joint resolution (H.J. Res. 115), supra; as follows:

At the end of the amendment add the following:

(e) nothing in this title shall be construed to affect the application of the internal laws of the United States.

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## SIMPSON AMENDMENT NO. 3048

Mr. SIMPSON proposed an amendment to amendment No. 3045 proposed by Mr. CAMPBELL to the joint resolution (H.J. Res. 115), supra; as follows:

In the language proposed to be stricken, strike all after the first word and insert the following:

III

PROHIBITION ON SUBSIDIZING POLITICAL ORGANIZATIONS WITH TAXPAYER FUNDS

SEC. 301. (a) LIMITATIONS.—(1) Notwithstanding any other provision of law, any organization receiving Federal grants in an amount that, in the aggregate, is greater than $125,000 in the most recent Federal fiscal year, shall be subject to the limitations on lobbying activity expenditures under section 4911(c)(2)(B) of the Internal Revenue Codes of 1986, except that, if exempt purpose expenditures are over $17,000,000 then the organization shall also be subject to a limitation on lobbying of 1 percent of the excess of the exempt purpose expenditures over $17,000,000 unless otherwise subject to section 4911(c)(2)(A) based on an election made under section 501(h) of the Internal Revenue Code of 1986.

(2) An organization described in section 501(c)(4) of the Internal Revenue Code of 1986 that engaged in lobbying activities during the organization's previous taxable year shall not be eligible to receive Federal funds constituting a taxpayer subsidized grant. This paragraph shall not apply to organizations described in section 501(c)(4) with gross annual revenues of less than $3,000,000 in such previous taxable year, including Federal funds received as a taxpayer subsidized grant.

(b) DEFINITIONS.—For the purposes of this title:

(1) AGENCY.—The term ''agency'' has the meaning given that term in section 551(1) of title 5, United States Code.

(2) CLIENT.—The term ''client'' means any person or entity that employs or retains another person for financial or other compensation to conduct lobbying activities on behalf of that person or entity. A person or entity whose employees act as lobbyists on its own behalf is both a client and an employer of such employees. In the case of a coalition or association that employs or retains other persons to conduct lobbying activities, the client is the coalition or association and not its individual members.

(3) COVERED EXECUTIVE BRANCH OFFICIAL.—The term ''covered executive branch official'' means—

(A) the President;

(B) the Vice President;

(C) any officer or employee, or any other individual functioning in the capacity of such an officer or employee, in the Executive Office of the President;

(D) any officer or employee serving in a position in level I, II, III, IV, or V of the Executive Schedule, as designated by statute or Executive order;

(E) any member of the uniformed services whose pay grade is at or above O–7 under section 201 of title 37, United States Code; and

(F) any officer or employee serving in a position of a confidential, policy-determining, policy-making, or policy-advocating character described in section 7511(b)(2) of title 5, United States Code.

(4) COVERED LEGISLATIVE BRANCH OFFICIAL.—The term ''covered legislative branch official'' means—

(A) a Member of Congress;

(B) an elected officer of either House of Congress;

(C) any employee of, or any other individual functioning in the capacity of an employee of—

(i) a Member of Congress;

(ii) a committee of either House of Congress;

(iii) the leadership staff of the House of Representatives or the leadership staff of the Senate;

(iv) a joint committee of Congress; and

(v) a working group or caucus organized to provide legislative services or other assistance to Members of Congress; and

(D) any other legislative branch employee serving in a position described under section 109(13) of the Ethics in Government Act of 1978 (5 U.S.C. App.).

(5) EMPLOYEE.—The term ''employee'' means any individual who is an officer, employee, partner, director, or proprietor of a person or entity, but does not include—

(A) independent contractors; or

(B) volunteers who receive no financial or other compensation from the person or entity for their services.

(6) FOREIGN ENTITY.—The term ''foreign entity'' means a foreign principal (as defined in section 1(b) of the Foreign Agents Registration Act of 1938 (22 U.S.C. 611(b)).

(7) GRANT.—The term ''grant'' means the provision of any Federal funds, appropriated under this or any other Act, to carry out a public purpose of the United States, except—

(A) the provision of funds for acquisition (by purchase, lease, or barter) of property or services for the direct benefit or use of the United States;

(B) the payments of loans, debts, or entitlements;

(C) the provision of funds to, or distribution of funds by, a Federal court established under Article I or III of the Constitution of the United States;

(D) nonmonetary assistance provided by the Department of Veterans Affairs to organizations approved or recognized under section 5902 of title 38, United States Code; and

(E) the provision of grant and scholarship funds to students for educational purposes.

(8) LOBBYING ACTIVITIES.—The term ''lobbying activities'' means lobbying contacts and efforts in support of such contacts, including preparation and planning activities, research and other background work that is intended, at the time it is performed, for use in contacts, and coordination with the lobbying activities of others.

(9) LOBBYING CONTACT.—

(A) DEFINITION.—The term ''lobbying contact'' means any oral or written communication (including an electronic communication) to a covered executive branch official or a covered legislative branch official that is made on behalf of a client with regard to—

(i) the formulation, modification, or adoption of Federal legislation (including legislative proposals);

(ii) the formulation, modification, or adoption of a Federal rule, regulation, Executive order, or any other program, policy, or position of the United States Government;

(iii) the administration or execution of a Federal program or policy (including the negotiation, award, or administration of a Federal contract, grant, loan, permit, or license); or

(iv) the nomination or confirmation of a person for a position subject to confirmation by the Senate.

(B) EXCEPTIONS.—The term ''lobbying contact'' does not include a communication that is—

(i) made by a public official acting in the public official's official capacity;

(ii) made by a representative of a media organization if the purpose of the communication is gathering and disseminating news and information to the public;

(iii) made in a speech, article, publication or other material that is distributed and made available to the public, or through radio, television, cable television, or other medium of mass communication;

(iv) made on behalf of a government of a foreign country or a foreign political party and disclosed under the Foreign Agents Registration Act of 1938 (22 U.S.C. 611 et seq.);

(v) a request for a meeting, a request for the status of an action, or any other similar administrative request, if the request does not include an attempt to influence a covered executive branch official or a covered legislative branch official;

(vi) made in the course of participation in an advisory committee subject to the Federal Advisory Committee Act;

(vii) testimony given before a committee, subcommittee, or task force of the Congress, or submitted for inclusion in the public record of a hearing conducted by such committee, subcommittee, or task force;

(viii) information provided in writing in response to an oral or written request by a covered executive branch official or a covered legislative branch official for specific information;

(ix) required by subpoena, civil investigative demand, or otherwise compelled by statute, regulation, or other action of the Congress or an agency;

(x) made in response to a notice in the Federal Register, Commerce Business Daily, or other similar publication soliciting communications from the public and directed to the agency official specifically designated in the notice to receive such communications;

(xi) not possible to report without disclosing information, the unauthorized disclosure of which is prohibited by law;

(xii) made to an official in an agency with regard to—

(I) a judicial proceeding or a criminal or civil law enforcement inquiry, investigation, or proceeding; or

(II) a filing or proceeding that the Government is specifically required by statute or regulation to maintain or conduct on a confidential basis,

if that agency is charged with responsibility for such proceeding, inquiry, investigation, or filing;

(xiii) made in compliance with written agency procedures regarding an adjudication conducted by the agency under section 554 of title 5, United States Code, or substantially similar provisions;

(xiv) a written comment filed in the course of a public proceeding or any other communication that is made on the record in a public proceeding;

(xv) a petition for agency action made in writing and required to be a matter of public record pursuant to established agency procedures;

(xvi) made on behalf of an individual with regard to that individual's benefits, employment, or other personal matters involving only that individual, except that this clause does not apply to any communication with—

(I) a covered executive branch official, or

(II) a covered legislative branch official (other than the individual's elected Members of Congress or employees who work under such Members' direct supervision),

with respect to the formulation, modification, or adoption of private legislation for the relief of that individual;

(xvii) a disclosure by an individual that is protected under the amendments made by the Whistleblower Protection Act of 1989, under the Inspector General Act of 1978, or under another provision of law;

(xviii) made by—

(I) a church, its integrated auxiliary, or a convention or association of churches that is exempt from filing a Federal income tax return under paragraph 2(A)(i) of section 6033(a) of the Internal Revenue Code of 1986, or

(II) a religious order that is exempt from filing a Federal income tax return under paragraph (2)(A)(iii) of such section 6033(a); and

(xix) between—

(I) officials of a self-regulatory organization (as defined in section 3(a)(26) of the Securities Exchange Act) that is registered with or established by the Securities and Exchange Commission as required by that Act or a similar organization that is designated by or registered with the Commodities Future Trading Commission as provided under the Commodity Exchange Act; and

(II) the Securities and Exchange Commission or the Commodities Future Trading Commission, respectively;

relating to the regulatory responsibilities of such organization under that Act.

(10) LOBBYING FIRM.—The term ''lobbying firm'' means a person or entity that has 1 or more employees who are lobbyists on behalf of a client other than that person or entity. The term also includes a self-employed individual who is a lobbyist.

(11) LOBBYIST.—The term ''lobbyist'' means any individual who is employed or retained by a client for financial or other compensation for services that include more than one lobbying contact, other than an individual whose lobbying activities constitute less than 20 percent of the time engaged in the services provided by such individual to that client over a six month period.

(12) MEDIA ORGANIZATION.—The term ''media organization'' means a person or entity engaged in disseminating information to the general public through a newspaper, magazine, other publication, radio, television, cable television, or other medium of mass communication.

(13) MEMBER OF CONGRESS.—The term ''Member of Congress'' means a Senator or a Representative in, or Delegate or Resident Commissioner to, the Congress.

(14) ORGANIZATION.—The term ''organization'' means a person or entity other than an individual.

(15) PERSON OR ENTITY.—The term ''person or entity'' means any individual, corporation, company, foundation, association, labor organization, firm, partnership, society, joint stock company, group of organizations, or State or local government.

(16) PUBLIC OFFICIAL.—The term ''public official'' means any elected official, appointed official, or employee of—

(A) a Federal, State, or local unit of government in the United States other than—

(i) a college or university;

(ii) a government-sponsored enterprise (as defined in section 3(8) of the Congressional Budget and Impoundment Control Act of 1974);

(iii) a public utility that provides gas, electricity, water, or communications;

(iv) a guaranty agency (as defined in section 435(j) of the Higher Education Act of 1965 (20 U.S.C. 1085(j))), including any affiliate of such an agency; or

(v) an agency of any State functioning as a student loan secondary market pursuant to section 435(d)(1)(F) of the Higher Education Act of 1965 (20 U.S.C. 1085(d)(1)(F));

(B) a Government corporation (as defined in section 9101 of title 31, United States Code);

(C) an organization of State or local elected or appointed officials other than officials of an entity described in clause (i), (ii), (iii), (iv), or (v) of subparagraph (A);

(D) an Indian tribe (as defined in section 4(e) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450b(e));

(E) a national or State political party or any organizational unit thereof; or

(F) a national, regional, or local unit of any foreign government.

(17) STATE.—The term ''State'' means each of the several States, the District of Columbia, and any commonwealth, territory, or possession of the United States.

DISCLOSURE REQUIREMENTS

SEC. 302. (a) IN GENERAL.—Not later than December 31 of each year, each taxpayer subsidized grantee, except an individual person, shall provide (via either electronic or paper medium) to each Federal entity that awarded or administered its taxpayer subsidized grant an annual report for the previous Federal fiscal year, certified by the taxpayer subsidized grantee's chief executive officer or equivalent person of authority, setting forth—

(1) the taxpayer subsidized grantee's name and grantee identification number;

(2) a statement that the taxpayer subsidized grantee agrees that it is, and shall continue to be, contractually bound by the terms of this title as a condition of the continued receipt and use of Federal funds; and

(3)(A) a statement that the taxpayer subsidized grantee spent less than $25,000 on lobbying activities in the grantee's most recent taxable year; or

(B)(i) the amount or value of the taxpayer subsidized grant (including all administrative and overhead costs awarded);

(ii) a good faith estimate of the grantee's actual expenses on lobbying activities in the most recent taxable year; and

(iii) a good faith estimate of the grantee's allowed expenses on lobbying activities under section 301 of this Act.

PUBLIC ACCOUNTABILITY

SEC. 303. (a) PUBLIC AVAILABILITY OF LOBBYING DISCLOSURE FORMS.—Any Federal entity awarding a taxpayer subsidized grant shall make publicly available any taxpayer subsidized grant application, and the annual report of a taxpayer subsidized grantee provided under section 302 of this Act.

(b) ACCESSIBILITY TO PUBLIC.—The public's access to the documents identified in subsection (a) shall be facilitated by placement of such documents in the Federal entity's public document reading room and also by expediting any requests under section 552 of title 5, United States Code, the Freedom of Information Act as amended, ahead of any requests for other information pending at such Federal entity.

(c) WITHHOLDING PROHIBITED.—Records described in subsection (a) shall not be subject to withholding, except under the exemption set forth in subsection (b)(7)(A) of section 552 of title 5, United States Code.

(d) FEES PROHIBITED.—No fees for searching for or copying such documents shall be charged to the public.

(e) The amendments made by this title shall become effective January 1, 1996.

## CRAIG AMENDMENT NO. 3049

Mr. CRAIG proposed an amendment to amendment No. 3048 proposed by Mr. SIMPSON to amendment No. 3045 proposed by Mr. CAMPBELL to the joint resolution H.J. Res. 115, supra; as follows:

In the pending amendment:

Page 2, lines 1–2, strike all between ''Code'' and '', unless'', and insert ''of 1986, except that, if exempt purpose expenditures are over $17,000,000 then the organization shall also be subject to a limitation of the exempt purpose expenditures over $17,000,000''.

## DASCHLE (AND OTHERS) AMENDMENT NO. 3050

Mr. DASCHLE (for himself, Mr. KENNEDY, and Mr. ROCKEFELLER) proposed an amendment to the joint resolution H.J. Res. 115, supra; as follows:

On page 36, strike section 401.

## HATFIELD AMENDMENT NO. 3051

Mr. HATFIELD proposed an amendment to the joint resolution H.J. Res. 115, supra; as follows:

In Sec. 101. (a) after Educational Exchange Act of 1948, insert ''section 313 of the Foreign Relations Authorization Act, Fiscal Years 1994 and 1995 (Public Law 103–236),''.

On page 10 at line 19, after the period insert the following: ''Included in the apportionment for the Federal Payment to the District of Columbia shall be an additional $15,000,000 above the amount otherwise made available by this joint resolution, for purposes of certain capital construction loan repayments pursuant to Public Law 85–451, as amended.''

# THE PUBLIC DEBT LIMIT ACT OF 1995

## ABRAHAM AMENDMENT NO. 3052

Mr. ABRAHAM proposed an amendment to the bill (H.R. 2586) to provide for a temporary increase in the public debt limit, and for other purposes; as follows:

Strike title II.

## MOYNIHAN AMENDMENT NO. 3053

Mr. MOYNIHAN proposed an amendment to the bill H.R. 2586, supra; as follows:

Strike all after the enacting clause and insert the following:

**SECTION 1. TEMPORARY INCREASE IN PUBLIC DEBT LIMIT.**

During the period beginning on the date of the enactment of this Act and ending on the later of—

(1) December 12, 1995, or

(2) the 30th day after the date on which a budget reconciliation bill is presented to the President for his signature, the public debt limit set forth in subsection (b) of section 3101 of title 31, United States Code, shall be temporarily increased to $4,967,000,000,000, or, if greater, the amount reasonably necessary to meet all current spending requirements of the United States (and to ensure full investment of amounts credited to trust funds or similar accounts as required by law) through such period.

## THE VETERANS' COMPENSATION COST-OF-LIVING ADJUSTMENT ACT OF 1995

## SIMPSON AMENDMENT NO. 3054

Mr. LOTT (for Mr. SIMPSON) to increase, effective as of December 1, 1995, the rates of compensation for veterans with service-connected disabilities and the rates of dependency and indemnity compensation for the survivors of certain disabled veterans; as follows:

Strike out all after the enacting clause and insert the following:

**SECTION 1. SHORT TITLE.**

This Act may be cited as the ''Veterans' Compensation Cost-of-Living Adjustment Act of 1995''.

**SEC. 2. INCREASE IN RATES OF DISABILITY COMPENSATION AND DEPENDENCY AND INDEMNITY COMPENSATION.**

(a) RATE ADJUSTMENT.—The Secretary of Veterans Affairs shall, effective on December 1, 1995, increase the dollar amounts in effect for the payment of disability compensation and dependency and indemnity compensation by the Secretary, as specified in subsection (b)

(b) AMOUNTS TO BE INCREASED.—The dollar amounts to be increased pursuant to subsection (a) are the following:

(1) COMPENSATION.—Each of the dollar amounts in effect under section 1114 of title 38, United States Code.

(2) ADDITIONAL COMPENSATION FOR DEPENDENTS.—Each of the dollar amounts in effect under section 1115(1) of such title.

(3) CLOTHING ALLOWANCE.—The dollar amount in effect under section 1162 of such title.

(4) NEW DIC RATES.—The dollar amounts in effect under paragraphs (1) and (2) of section 1311(a) of such title.

(5) OLD DIC RATES.—Each of the dollar amounts in effect under section 1311(a)(3) of such title.

(6) ADDITIONAL DIC FOR SURVIVING SPOUSES WITH MINOR CHILDREN.—The dollar amount in effect under section 1311(b) of such title.

(7) ADDITIONAL DIC FOR DISABILITY.—The dollar amounts in effect under sections 1311(c) and 1311(d) of such title.

(8) DIC FOR DEPENDENT CHILDREN.—The dollar amounts in effect under sections 1313(a) and 1314 of such title.

(c) DETERMINATION OF PERCENTAGE INCREASE.—(1) The increase under subsection (a) shall be made in the dollar amounts specified in subsection (b) as in effect on November 30, 1995. Each such amount shall be increased by the same percentage as the percentage by which benefit amounts payable under title II of the Social Security Act (42 U.S.C. 401 et seq.) are increased effective December 1, 1995, as a result of a determination under section 215(i) of such Act (42 U.S.C. 415(i)).

(2) In the computation of increased dollar amounts pursuant to paragraph (1), any amount which as so computed is not an even multiple of $1 shall be rounded to the next lower whole dollar amount.

(d) SPECIAL RULE.—The Secretary may adjust administratively, consistent with the increases made under subsection (a), the rates of disability compensation payable to persons within the purview of section 10 of Public Law 85–857 (72 Stat. 1263) who are not in receipt of compensation payable pursuant to chapter 11 of title 38, United States Code.

**SEC. 3. PUBLICATION OF ADJUSTED RATES.**

At the same time as the matters specified in section 215(i)(2)(D) of the Social Security Act (42 U.S.C. 415(i)(2)(D)) are required to be published by reason of a determination made under section 215(i) of such Act during fiscal year 1996, the Secretary of Veterans Affairs shall publish in the Federal Register the amounts specified in section 2(b), as increased pursuant to section 2.

## NOTICE OF JOINT HEARING

SENATE COMMITTEE ON ENERGY AND NATURAL RESOURCES AND HOUSE COMMITTEE ON RESOURCES

Mr. MURKOWSKI. Mr. President, I would like to announce for the public that a joint hearing has been scheduled before the Senate Committee on Energy and Natural Resources and the House Committee on Resources.

The hearing will take place Thursday, November 16, 1995 at 11 a.m., in room 1324 of the Longworth House Office Building in Washington, DC.

The purpose of this hearing is to receive testimony on the Alaska Natives Commission's report to Congress, transmitted in May 1994, on the status of Alaska's natives.

Those wishing to submit written statements should write to the Committee on Energy and Natural Resources, U.S. Senate, Washington, DC. 20510. For further information, please call Brian Malnak at (202) 224–8119 or Judy Brown at (202) 224–7556.

## NOTICE OF HEARING

SUBCOMMITTEE ON OVERSIGHT OF GOVERNMENT MANAGEMENT AND THE DISTRICT OF COLUMBIA

Mr. COHEN. Mr. President, I wish to announce that the Subcommittee on Oversight of Government Management and the District of Columbia, Committee on Governmental Affairs, will hold a hearing on Thursday, November 16, at 2:30 p.m., in room 342 of the Dirksen Senate Office Building, on S. 1224, the Administrative Disputes Resolution Act of 1995.

## AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION

Mr. LOTT. Mr. President, I ask unanimous consent that the Committee on Commerce, Science, and Transportation be allowed to meet during the Thursday, November 9, 1995 session of the Senate for the purpose of conducting an executive session and markup.

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

COMMITTEE ON ENVIRONMENT AND PUBLIC WORKS

Mr. LOTT. Mr. President, I ask unanimous consent for the full Committee on Environment and Public Works be granted permission to meet to consider the nominations of Dr. Phillip A. Singerman, to be Assistant Secretary of Commerce for Economic Development; and Rear Admiral John C. Albright, NOAA, to be a member of the Mississippi River Commission, immediately following the first vote, Thursday, November 9, President's Room off the Senate Floor.

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

COMMITTEE ON GOVERNMENTAL AFFAIRS

Mr. LOTT. Mr. President, I ask unanimous consent on behalf of the Governmental Affairs Committee to meet on Thursday, November 9, 1995, at 9:30 a.m. for a hearing on H.R. 1271, the Family Privacy Protection Act of 1995.

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

COMMITTEE ON THE JUDICIARY

Mr. LOTT. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to hold a business meeting during the session of the Senate on Thursday, November 9, 1995.

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

SELECT COMMITTEE ON INTELLIGENCE

Mr. LOTT. Mr. President, I ask unanimous consent that the Select Committee on Intelligence be authorized to meet during the session of the Senate on Thursday, November 9, 1995 at 9:30 a.m. to hold an open hearing regarding the Aldrich Ames Damage Assessment.

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

SUBCOMMITTEE ON PARKS, HISTORIC PRESERVATION, AND RECREATION

Mr. LOTT. Mr. President, I ask unanimous consent that the Subcommittee on Parks, Historic Preservation, and Recreation of the Committee on Energy and Natural Resources be granted permission to meet during the session of the Senate on Thursday, November 9, 1995, for purposes of conducting a Subcommittee hearing which is scheduled to begin at 9:30 a.m. The purpose of the hearing is to review S. 231, a bill to modify the boundaries of Walnut Canyon National Monument in the State of Arizona; H.R. 562, a bill to modify the boundaries of Walnut Canyon National Monument in the State of Arizona; S. 342, a bill to establish the

Cache la Poudre River National Water Heritage Area in the State of Colorado; S. 364, a bill to authorize the Secretary of the Interior to participate in the operation of certain visitor facilities associated with, but outside the boundaries of, Rocky Mountain National Park in the State of Colorado; H.R. 629, a bill to authorize the Secretary of the Interior to participate in the operation of certain visitor facilities associated with, but outside of the boundaries of, Rocky Mountain National Park in the State of Colorado; S. 489, a bill to authorize the Secretary of the Interior to enter into an appropriate form of agreement with the Town of Grand Lake, Colorado, authorizing the town to maintain permanently a cemetery in the Rocky Mountain National Park; and S. 608, a bill to establish the New Bedford Whaling National Historic Park in New Bedford, MA.

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

## ADDITIONAL STATEMENTS

### COMMEMORATION OF VETERANS DAY 1995

● Mr. FRIST. Mr. President, as we prepare to celebrate Veterans Day 1995, I would like to express my heartfelt respect, thanks, and admiration to each and every American veteran for the sacrifice they made, and the pain they have endured to ensure that the flame of freedom will never be extinguished.

Seventy-seven years ago, at the eleventh hour, on the eleventh day, of the eleventh month, an armistice was signed between the Allies and the Central Powers. As the guns of both the victors and the vanquished fell silent, ''the war to end all wars'' slipped into history.

For the next 20 years, ''Armistice Day'' was celebrated with parades and speeches, simple ceremonies, and sacred observances. For many years, American Legion posts across America sponsored special commemorations of Armistice Day during which buglers played ''Taps'' at 11 o'clock at the main intersections of their towns, and for 2 minutes all traffic and daily transactions ceased, as citizens stopped to honor those who had fallen in defense of liberty.

Mr. President, no one who lived through the horror of World War I believed that such a massive and brutal conflict could ever again occur. Unfortunately, the second World War proved to be even more terrible than the first, with twice and many dead and vastly more material destruction. The intervening years, it seemed, were not the beginning of an era of lasting peace, as so many had hoped, but merely a brief interlude of tranquility that would be shattered many times in the decades ahead.

Today, we celebrate Veterans Day—a day that honors not only the dead of World War I, but all those who have served their country in combat. This Saturday, at Arlington National Cemetery where sentries from the Old Guard still maintain a constant vigil at the Tomb of the Unknowns, we will pay tribute to the more than 1 million men and women who have died in all U.S. wars in the service of their country.

Mr. President, our Nation has undergone many transformations since the heros of the first Armistice Day marched off to war. The agony didn't end with World War II, the Korean conflict, or even Vietnam, which for the first time, brought another kind of pain to veterans. But thankfully, we now recognize the sacrifice of those men and women, and perhaps we even appreciate it more because recognition was so long in coming.

When a 21-year-old Army corporal named Tom Root returned from Vietnam in 1972, he hid in an airport bathroom, wishing he could change into civilian clothes and so avoid having to run a gauntlet of anti-war protesters. When he and his Illinois National Guard unit returned home from Desert Storm almost a decade later, the parade that received them was 13 miles long.

Mr. President, although we are today at war with no nation, America's young men and women are still being called upon to help preserve peace and freedom in far-off places around the world—which should remind us that although the price of war is high, the price of freedom is even higher, because it never ends.

Those men and women—and all the men and women who served —cannot be honored enough. We must do everything in our power to ensure that they are never forgotten or abandoned—especially not on the field of battle. And we must do everything we can to ensure that the most sacred and visible symbol of America freedom under which so many fought and died—the American flag—is never, under any circumstances, dishonored or desecrated.

Mr. President, throughout history, we have been captivated by images that seem to sum up all the stress or emotion or pathos of a particular event—George Washington's winter encampment at Valley Forge, Gen. Robert E. Lee's final ride to Appomattox along a path lined by ranks of Union troops standing at attention, Winston Churchill bracing Britons to their task.

Just a few weeks ago, we celebrated the fiftieth anniversary of V–J Day. One of the most poignant scenes of World War II, one that will live forever in the hearts and minds of Americans, is the image of a handful of Marines braced against a whipping Pacific wind, raising the American flag over Iwo Jima. That symbol of freedom—that flies over the U.S. Capitol in Washington, that adorns the flagpoles of our schools and communities, that graces the windows and doorways of our homes, that is draped in silent tribute over the coffins of our dead—deserves our protection. It should—and I hope it will—be clearly and explicitly protected by law.

We must keep America's promises to the men and women who so nobly and unselfishly risked their lives to answer to their country's call, and we must forever honor those who, in the words of one soldier-poet, ''tasted death in youth that Liberty might grow old.''

Mr. President, 2,000 years ago, a Greek historian commemorated the war of his generation and paid tribute to veterans who perished and veterans who came home. I think his is a fitting tribute to all veterans, and I offer it now, in grateful appreciation, to all those who served our country in war and in peace. He said:

> I speak not of that in which their remains are laid but of that in which their glory survives, and is proclaimed always and on every fitting occasion both in word and deed.
>
> For the whole earth is the sepulcher of famous men. Not only are they commemorated by columns and inscriptions in their own country, but in foreign lands there dwells also an unwritten memorial to them, graven not on stone, but in the hearts of men.

May the Almighty God who watches over us all, bless America and protect all who place themselves in harm's way so that we may enjoy the blessings and benefits of freedom.●

### ABORTION BAN BILL

● Mr. LAUTENBERG. Mr. President, I am pleased that the Senate has voted to commit this bill to the Judiciary Committee.

Mr. President, the pending bill is proposing a major change in criminal law. For the first time, this body may pass a law making a medical procedure a crime.

If this legislation becomes law, doctors in this country could be thrown behind bars for performing medical procedures that they feel are necessary to protect the life and health of the mother.

The bill also creates a new cause of action for people to sue doctors who perform a certain medical procedure.

Mr. President, we should not make a decision on a bill with these far-reaching implications until we have a hearing.

There are just too many questions about this bill that have not been answered by expert witnesses. Let me mention a few of them:

Is this bill Constitutional?

Does it violate the principles that the Supreme Court established in Roe versus Wade?

Why is the Federal Government criminalizing a medical procedure when medical procedures are typically regulated by the States?

What is the rationale behind the 2-year prison sentence for physicians who perform this procedure?

Will this bill result in hundreds or thousands of new civil lawsuits that will overwhelm our legal system?

What does the term ''partial birth abortion'' mean? I understand that no

such term exists in the medical lexicon. Is Congress just inventing a new medical term to advance a political end?

Which Federal law enforcement agency will enforce this law? Will FBI agents be snooping around physicians' offices? Will the FBI put hidden cameras into examining rooms?

Mr. President, the Senate has not asked any expert witnesses to answer these questions. And before we vote on this legislation, I think we should have the opportunity to ask these questions.

We also should hear from individuals, groups and organizations that will be affected by this bill.

Have we heard testimony in the Senate from any of the following?

The Justice Department?

The FBI?

Constitutional experts?

The trial and criminal bar?

Doctors?

Patients?

Families?

This is the only question that we all can categorically answer. The answer is no! We have not heard testimony in the Senate from any of these parties.

How can the Senate debate such a complicated bill without the input of such persons?

Mr. President, the Senate should be more deliberate and responsible! We should not ram this bill through without proper consideration.

It would be wrong and irresponsible for the Senate to act before we have a hearing on the provisions in this legislation. This is a new proposal that has not been before the Congress in the past.

Before we should be asked to vote, we should have testimony and a committee report on our desks.

Mr. President, I have great respect for the chairman of the Judiciary Committee. We do not agree on many issues but I believe that he is fair. Now since the Senate has voted to commit this bill to the Judiciairy Committee, I trust that he will put together a fair hearing on this bill so that the Senate can make an informed decision.

Once again, I am pleased that the Senate has voted to send this bill back where it belongs—to the Judiciary Committee.●

## ELECTRONICS IS BRINGING GAMBLING INTO HOMES, RESTAURANTS, AND PLANES

● Mr. LUGAR. Mr. President, I ask that the attached article be printed in the RECORD.

The article follows:

[From the Wall Street Journal, Aug. 16, 1995]

FEELING LUCKY: ELECTRONICS IS BRINGING GAMBLING INTO HOMES, RESTAURANTS AND PLANES

(By William M. Bulkeley)

Think you can avoid gambling? Don't bet on it.

Gambling once involved clandestine dealing with unsavory bookmakers, or trips to the horse track or Las Vegas. But electronics is making it ubiquitous. Innovators are using technology to extend the frontiers of gambling—often to the frustration of regulators.

On-line casinos and sports books are springing up on the Internet. With central computers in Caribbean tax havens, and play-money bets mingled with real wagers, sponsors think they can evade U.S. laws barring gambling by wire. ''Gamble from home in comfort on a Sunday morning in your PJs,'' suggests a page on the Internet On-line Offshore Casinos, one of the on-line betting parlors.

Get bored flying? This fall, British Airways will experiment with a seat-back electronic system that can be used for gambling on flights outside the U.S. Betting limits, naturally, will be higher in first class.

CHARGE IT

By the end of the year, the Coeur d'Alene Indian tribe in Idaho plans to run a national lottery with weekly $50 million jackpots that will allow players to use credit cards and dial in their number picks over toll-free 800-lines. Graff Pay-Per-View Inc., a publicly held New York-based movie and adult-television programmer, is working on a system to let people participate—by phone or computer—in high stakes bingo games on Indian reservations. It says regulators have approved the idea of ''proxy'' bingo from home, so long as the game is actually played on a reservation. Graff says it has also acquired a company that does television broadcasts of race-track action ''to facilitate Graff's initiative to bring wagering into the home.''

Connecticut and New York recently started permitting telephone betting on horse races from all over the country. The horse-racing industry has been able to transmit gambling information across state lines for years.

Experts say electronic technology will accelerate increases in gambling revenues, which have been climbing for years; John Malone, president of cable-television giant Tele-Communications Inc. has called gambling one of the ''killer applications'' for interactive networks that might justify the cost of building the information highway.

RISKY BUSINESS

But there will be losers, too. Expanded electronic gambling means tougher competition for existing lotteries casinos, riverboats, racetracks, Indian gambling parlors and charity bingo.

Some electronic wagering—especially the kind operated by foreigners that relies on telephone lines and high-speed data transmission—is difficult to monitor and may prove impossible to control. There are no assurances that electronic winners will actually see their jackpots.

And experts say electronic gaming is far more dangerous than old-style betting to the 1% to 3% of the population prone to gambling addiction. Widely dispersed electronic-betting machines, for example, tempt teenagers already fond of video games.

''Electronics as a vehicle of administration for gambling activities changes the experience to make it more dependence producing, ''says Howard Shaffer, director of the division on addictions at Harvard Medical School. ''As smoking crack cocaine changed the cocaine experience, I think electronics is going to change the way gambling is experienced.''

NEW OUTLETS

Operators, however, like technology because it works. State lotteries, for example, are starting to add electronic keno, a game in which a player selects up to 12 of 80 possible numbers and watches to see if they are flashed on a screen. Games happen every five minutes and tempt captive audiences. ''Keno brought the lottery product to a distribution outlet that was underused—bars, bowling alleys and restaurants. It's helped states realize 30% to 100% revenue growth,'' says a spokesman for Gtech Corp., a fast-growing West Greenwich, R.I., company that runs 70% of the world's on-line lotteries. The New York State Lottery will start using Gtech's keno system at 2,250 outlets next month.

Gtech has developed communications systems in outposts from Scotland's Sheltland Islands to the Strait of Magellan in Chile. Bettors can now pick numbers for national lotteries and receive confirmation of their bets via satellite in less than four seconds. Long before places such as Lithuania get reliable national phone service, they will have networks linking urban and rural stores by satellite and microwave to central lottery computers.

Salomon Brothers, in a report on the gaming industry, says Americans lost $41.9 billion gambling legally in 1993, with 30% in casinos and the rest in lotteries. Lotteries now exist in states with 89% of the nation's population, so growth is largely based on introducing new games that get people to play more often.

Still, saturation isn't imminent. Salomon analyst Bruce Turner says that if Americans gambled at the same rate as Australiians—who spend 2.5% of their disposable income on gaming vs. 0.8 here—the U.S. gambling market would be more than $100 billion.

The U.S. is now in a growth phase of a cyclical pattern of gambling expansion and restriction, contends I. Nelson Rose, a Whittier College law professor and gambling expert. Between 1910 and 1930, the only legal gambling in the U.S. was at racetracks in Kentucky and Maryland. Gambling began to spread during the Depression when Nevada relegalized it and many states allowed race tracks. In 1964, New Hampshire approved the first state lottery. Today, there is legal gambling in every state except Utah and Hawaii.

The biggest wild card is gambling on the Internet because it is so difficult to regulate and it offers all types of wagering to anyone who has access to a computer. Players either send money into an account from which they then bet, or charge their bets on a credit card. They take it on faith that they will be paid if they win.

The Justice Department says such online gambling is illegal in the U.S. The department says it will act when it believes a violation of the law has occurred.

VIRTUAL CASINO

Sports International Ltd., which already operates an 800-line telephone betting service from its headquarters in Antigua, has opened an on-line sports book on the World Wide Web segment of the Internet. Players can bet a minimum of $10 picking the World Series or Super Bowl winners. Recent on-line odds quote the New York Yankees at 9-to-5 and the division-leading Boston Red Sox at 4-to-1 to win the American League crown.

Michael Simone, president of publicly held Sports International, says it plans to develop other games. ''The cost of managing, and operating the proposed virtual casino is almost nonexistent when compared to a live casino,'' he says.

Last month, Toronto entrepreneur Warren Eugene began taking blackjack bets via computer, in what he calls the ''Caribbean Casino.'' To play, people must register with E-Cash, a Dutch firm that handles financial transactions on the Internet. Starting with little more than a vision and a colorful Internet home page, Mr. Eugene claims nearly 1,000 people have already deposited money to play.

With his computer in the Caribbean tax haven of the Turks and Calcos Islands, he

says he offers a tempting option to gamblers. ''They're going to bet with a bookie. They might as well bet with us and keep the money offshore.''

CHARGES OF FRAUD

Since U.S. law bars interstate wire transmission of most gambling information for business, Minnesota Attorney General Hubert H. Humphrey III has already filed suit against Kerry Rogers, one of the principals of WagerNet, of Las Vegas. The company is negotiating with the government of Belize for a license for an on-line sports book. The Minnesota suit accuses Mr. Rogers of consumer fraud by representing that the ''proposed sports bookmaking service is lawful.'' Minnesota has even posted its suit on the World Wide Web.

Under racketeering statutes, an American operating an offshore casino might be subject to seizure of his assets, says Mr. Rose, the law professor in California. However, foreign nationals operating offshore casinos are probably beyond the reach of U.S. laws. Individual bettors are hard to track, and are almost never pursued by prosecutors, he says.

On-line operators also face a credibility problem. ''In Vegas, you have a gaming commission that comes in and checks the returns. You won't have that in Antigua or Belize,'' says Earl Gilbrech, a Fountain Hills, Ariz., consultant who works with several Caribbean gaming operators. ''Some guy in Idaho isn't going to tell his local newspaper if he wins $22,000. But you'll hear all these people'' complaining on-line when they lose.

HIGH ROLLERS

Major casino operators pooh-pooh Intenet gaming, saying they prefer to concentrate on resorts that draw high-rolling sociable gamblers. But British Airways thinks electronic gambling can draw goodtime tourists away from rivals. The company says it plans to spend as much as $130 million to put interactive screens on seat backs in 85 long-haul planes if a trial—planned for one Boeing 747 on routes around the world—works out. Screens will let fliers choose from more than 100 movies, play Nintendo games or play blackjack and roulette. Bets will be charged on credit cards.

The Federal Aviation Administration doesn't allow gaming on flights that begin or end in the U.S., so if the airline installs the devices widely, it will turn off gaming functions on U.S. flights. Some localities have tougher rules: Under laws prohibiting gaming devices, North Carolina could try to stop even the gambling-disarmed planes from landing, says one British Airways lawyer.

One big caveat is whether the technology works. In 1993, Northwest Airlines tried a system called WorldLink that included video games and a shopping channel. But it pulled the system in 1994 because at any given time about 10% of the screens didn't work, infuriating passengers.

INVADING THE HOME

Technology's biggest impact may be in bringing betting into the home—the place International Gaming and Wagering Business, a trade publication, calls ''gaming's new frontier.''

The planned National Indian Lottery would let players pick numbers by phone 24-hours a day, seven days a week. Players would have to preregister with a credit card and get a personal identification number to play.

When the Coeur d'Alene tribe announced its plans last winter it got approval from Idaho and from the National Indian Gaming Commission, but drew a firestorm of opposition from other states. Some have threatened to prosecute phone companies under gambling statutes if they let customers reach the lottery's 800 number. The tribe dismisses the challenges as ''fear of competition'' and expects to start its lottery by year's end.

PONIES IN THE LIVING ROOM

The horse-racing industry is embracing technology as its best shot at survival. For years, simulcasting of out-of-state races has let gamblers at tracks place bets during the long intervals between post-times. Several states now permit bettors to establish accounts with a track and then place bets from home while watching races on TV.

IWN Corp., a partially owned subsidiary of NTN Communications Inc., Carlsbad, Calif., has been working with California tracks on a personal-computer-based system that could both receive data on horses in races and let players bet. Dan Downs, president of NTN and a former racing-industry executive, says he expects the system will be tested in Connecticut toward the end of this year.

This month, Churchill Downs, home of the Kentucky Derby, will start testing a television-based home-wagering system developed by ODS Technologies Inc., Tulsa, Okla. Rather than having to actually go to the track, people will be able to watch races on their television sets and use a five-button remote control to place bets—which will be transmitted over telephone lines—right from their own living room.

''The racing industry is dying,'' says an ODS spokesman. ''We want to bring it right into the home and expose it to a wider customer base.''●

## RICHARD SEWELL

● Mr. GRAHAM. Mr. President, last Saturday, a memorial service was held for a true friend of the State of Florida, Richard Sewell. Dick passed away on October 26 of lung cancer.

A native of Orlando, Dick was well known in Washington and Florida political circles. Dick moved to Washington in 1963 to become an administrative assistant to Rep. Charles E. Bennett, a senior member of the House Armed Services Committee and chairman of the first House ethics committee. In 1966, he served as staff coordinator for the ad hoc ethics committee and helped Bennett draft legislation which resulted in a permanent House Ethics Committee.

Dick left Bennett's staff in 1971 to become director of public affairs for the National Association of Food Chains. In 1972, he assisted Senator Henry M. Jackson in his campaign for the Democratic Presidential nomination, serving as the campaign's executive director in Florida.

In 1973, Dick became the director of Federal Government affairs for Florida Power & Light Co. He remained the utility company's chief Washington representative until his retirement due to illness, in 1994. He was active in energy, environment, and tax issues pending before Congress and Federal agencies, and was the author of numerous published articles on the subject.

In 1986–87, Dick directed FPL's campaign to establish a national award to recognize quality performance by American corporations. Partly through those efforts, Congress enacted the Malcolm Baldrige National Quality Improvement Act in 1987, under which companies compete annually for the Malcolm Baldrige Award.

A lifelong loyal Floridian, Dick was a former president of both the Florida State Society in Washington and the University of Florida Alumni Club. In 1979, he received the university's Distinguished Alumnus Award.

Dick was a past president of the Washington Business-Government Relations Council and the Washington Representatives Research Group. He served on the board of directors of the Public Affairs Council and as a charter member of the board of governors and treasurer of the Bryce Harlow Foundation. In addition, Dick was a former president of the Burro Club, an organization of Democratic congressional aides.

After graduating from public high school in Orlando, he studied journalism at the University of Florida. He received his degree in 1959. From 1957 to 1959, Dick was the sports editor of the Orlando Evening Star. After college, he joined the sports staff of the Atlanta Constitution. He later moved to Jacksonville, FL, where he opened his own public relations firm.

Dick is survived by his wife, Peggy; their two children, Jane and Michael; his mother, Bertie Sewell; and his brother, Walter Sewell. He will be sorely missed.●

## GEORGE M. WHITE, ARCHITECT OF THE CAPITOL

● Mr. WARNER. Mr. President, the Architect of the Capitol, George M. White, will retire on November 21, 1995, after 25 years of service.

At a recent dinner honoring Mr. White, Senator DANIEL PATRICK MOYNIHAN offered eloquent remarks on the history of the position of Architect of the Capitol, and of the stamp that George White has made on the Capitol complex.

Mr. President, I ask that my distinguished colleague's remarks made at a dinner at the National Building Museum on behalf of Mr. White be printed in the RECORD.

The remarks follow:

REMARKS OF SENATOR DANIEL PATRICK MOYNIHAN AT DINNER HONORING GEORGE M. WHITE, ARCHITECT OF THE CAPITOL—NATIONAL BUILDING MUSEUM, WASHINGTON, DC, NOVEMBER 1, 1995

To begin at the beginning, from the time of George Washington, until just now, the Architect of the Capitol was simply picked by the President and presented to the Congress. George White's predecessor died in 1970. President Nixon asked if I had any thoughts as to a successor. As it happened, I did, for it had been a full century since a President had chosen an architect to be Architect. This was beginning to show. The result was George Malcolm White.

I am aware that the Capitol as we know it is a felicitous accretion of separate elements. Some infer from that that succeeding generations are free to add to the building at their pleasure. I think not. The various parts were designated in the course of one-half century's work by a string of extraordinary

minds, both Architects and Presidents. Thus, Jefferson and Latrobe argued at length as to whether the column capitals in the House of Representatives chamber should be modeled after those in the Theater of Marcellus in Rome or the Choragic Monument to Lysicrates in Athens. Latrobe won; although Jefferson had the better case. This tradition had waned. Then George White renewed it.

Like his early predecessors, he is a polymath, with degrees in engineering, in business administration, and in law as well as in architecture. He is registered in and has practiced in all these fields. Beginning in 1988, I had the honor of chairing the Judiciary Office Building Commission, a body which was careful to stay out of George's way as he used his master-planning skills to propose, his legal skills to enact, his business skills to finance, and his architectural and engineering skills to design and construct what is properly judged the finest new government building in a generation, the Thurgood Marshall Federal Judiciary Building at One Columbus Circle.

While the Capitol grounds and several of the buildings in the Capitol complex bear his stamp, George White has made the Capitol itself the focus of his life's work. He added balance and proportion where he found it lacking and improved what was existing when it needed his care. Who else could recognize stone shock in the West Front and repair it to a state better than before the British burned it? From the foundations of the East Steps of the House, to the Minton tiles on the floors, to the murals and frescoes on the walls—indeed, to the crown of the Statue of Freedom atop the Dome which he climbed and made new with great style and at no little peril—all is better than he found it. We perhaps do not yet understand how indebted we are! If you wanted to see his works, look about you.●

## THE OCCASION OF THE 80TH BIRTHDAY OF SENATOR BILL PROXMIRE

● Mr. DODD. Mr. President, I rise today to honor a long-time friend and an esteemed colleague. A true populist, his record of outstanding achievements demonstrates what is possible when the highest calibers of independence, integrity, and dedication are brought together in a loyal servant of State and country. Senator Bill Proxmire turns 80 this Saturday, and he deserves our heartfelt praise.

Senator Proxmire retired from this Chamber 7 years ago. When he did, he left it as one of the Senate's most admired Members. Every day, when he came to work after his 100 pushups and his 4-mile run, he brought with him a Puritan work ethic and a unique commitment to a set of closely held principles that set him apart from his colleagues, and will ensure that he is forever remembered as one of this Chamber's finest Senators.

His standards of personal conduct are legendary. He still holds the record for most consecutive votes in the Senate, having been in attendance for more than 10,000 rollcall votes during the course of 22 years. In his last two campaigns for the Senate, in 1976 and 1982, he refused to take campaign donations. Mr. President, let me reiterate that. Not just PAC money, not just donations above a certain amount. He did not take any money at all, from anyone. In each of these campaigns, he spent less than $200 all of it out of his own pocket, and most of it to pay for postage and envelopes to send back donations offered to him by his supporters. Mr. President, when Senate campaigns nowadays cost millions of dollars, this feat seems remarkable enough. The fact that, in both instances, he won by a landslide, demonstrates the peerless quality of his support and popularity among the fine people of Wisconsin.

His legislative record is equally impressive. Senator Proxmire's independence and integrity allowed him to be a strong leader on daunting issues, making progress and achieving change in areas that others might have forsaken. His battle in the late 1960's and early 1970's to kill the supersonic transport plane is the stuff of legend in the Senate. No matter what one might have thought of the merits of this program, one must admire Senator Proxmire's success in waging an uphill battle against powerful opponents to end an expensive project that he saw as a waste of the taxpayers' money.

Senator Proxmire was simultaneously a stalwart champion of both competition and the individual consumer, reminding us that the interests of the latter are so often best served by the promotion of the former. Early on in his career, he sponsored the Truth-in-Lending Act, which ensures consumer access to information in the lending market and forces banks to compete openly and on equal terms. Senator Proxmire was right when he described this landmark bill as ''perhaps more valuable to the consumer than any credit card in his wallet.'' Later, his leadership was instrumental in securing passage of a 1980 bill deregulating the banking industry to free up financial institutions to offer better services at lower costs to consumers. He was motivated out of a profound belief that consumers would be better served by more choices. History has undeniably proven him right.

Mr. President, I had the privilege and the honor of serving on the Senate Banking Committee for part of the time that Senator Proxmire was chairman of that body. I can tell you that his independence and strength of character allowed him to perform his duties with a never-ending commitment to his role as a beneficiary of the public trust. Beholden to no one except, in his own mind, the people who elected him, he was a tireless advocate for the interests of ordinary people.

Senator Proxmire is perhaps best remembered for his near fanatical devotion to saving taxpayer dollars. He refused to travel abroad at Government expense, and he returned $1 million to the Treasury over 6 years by cutting back on staff expenses. This commitment to personal thrift gave him the credibility to stand up to the waste of taxpayer money elsewhere in the Government. And this he did with a passion and flair for which he will always be remembered in this Chamber, partly through a device uniquely his own: the Golden Fleece awards.

Mr. President, way back in 1975, long before the Vice-President was shattering ash trays on late night television, long before people were citing $200 Pentagon hammers, Senator Proxmire created these monthly awards to highlight particularly wasteful Government spending programs. Dozens of programs earned this dubious distinction; some have said that the Senator's zeal for exposing the waste of taxpayer dollars was matched only by the abundance of candidates from which to choose.

It seems as if everyone who's been around here a while has their own favorite Golden Fleece. Whether it's the research institution that spent $100,000 trying to establish whether sunfish that drank tequila were more aggressive than sunfish that drank gin, the Federal Aviation Administration project to research the body measurements of airline stewardess trainees, or the grant to study why people fall in love, each Golden Fleece not only makes its point about the potential dangers of ill-managed and ill-conceived government programs, but reminds us of the humor and character of this noble public servant.

Mr. President, I hope that my colleagues will join me in conveying our best birthday wishes and our sincere thanks to Senator Bill Proxmire, who, through over 30 years of loyal service in the Senate marked by independence and hard work, demonstrated his steadfast commitment to serving the people of Wisconsin and the citizens of this Nation.●

## HAZEL O'LEARY: IMAGE IS EVERYTHING

● Mr. GORTON. Mr. President, may I pose a not-so-hypothetical question? If you were head of a Government agency, and that agency were being criticized by the press, Members of Congress, and the American public for inefficiency and incompetence; if, Mr. President, you knew that the Government—at the American people's behest—was undergoing a massive effort to cut spending in order to balance the budget, what would you do, Mr. President?

If you are like most people, your answer might go something like this: I would listen carefully to the criticisms, I would take a good hard look at my department and make the necessary changes, and I would do everything possible to save money.

If, however, you are Energy Secretary Hazel O'Leary, the answer is a bit different. Secretary O'Leary, whose Department of Energy is still justifying its own existence, paid $43,500—taxpayer money, Mr. President—for a media analysis company to track her and her department's coverage in the media.

Here's how today's Wall Street Journal describes it:

Mrs. O'Leary quietly hired an investigative service to poke into the reporters who were poking around the DOE. From April through August, the service, Washington-based Carma International, tracked more than two dozen individual reporters and hundreds of newspapers, magazines and newscasts. It also pored over thousands of stories, giving each one a numerical ranking based on how favorable or unfavorable it was. It then calculated scores for how favorably or unfavorably the DOE fared on various issues, from nuclear waste to Mrs. O'Leary's own reputation. And it scrutinized sources quoted in those stories, coming up with its own ''Top 25'' list of ''Unfavorable Sources.''

Wanda Briggs and John Stang, reporters with the Tri-Cities Herald in Washington State, are among those the investigative service monitored.

Mr. President, the foolishness and irresponsibility of this venture boggles the mind. The first, most obvious point to raise is the fact that we are on a mission to balance the budget. For Secretary O'Leary to waste taxpayer dollars on her image is inexcusable. While we in Congress are trying to reduce the size and cost of Government so that we may achieve a balanced budget in 7 years, a member of the President's Cabinet feels free to throw money into frivolous projects.

Oh, and by the way, the Wall Street Journal quotes Secretary O'Leary's spokeswoman as saying that the investigative service ''wasn't particularly useful,'' and that the Secretary read very little of what the service had to offer since ''she found it too complicated.'' I think it's time the Secretary understood that we can neither afford, nor will we allow, $43,000 mistakes.

Second, Mr. President, of all the various responsibilities of the DOE—and they are serious responsibilities indeed—using a private company to analyze Secretary O'Leary's image in the press is, to put it mildly, at the very bottom of the list.

The challenges facing DOE in Washington State alone are stupendous:

At the Hanford Nuclear Site, thousands of tons of nuclear waste lie underground, yards away from the Columbia River, posing a direct threat to the region's safety.

Cleanup at Hanford, while progressing, still demands our utmost attention and concern. The health of the people of the Hanford region, and of the people all over the country who live near nuclear sites, requires that we remain fully committed to cleaning up the nuclear waste.

That is just in my home State, Mr. President. Across the country, similar problems exist. So it is disturbing to learn that Secretary O'Leary's attention is being diverted by such trivial concerns as what the press is saying about her.

Mr. President, over the last 18 months, almost 5,000 people have lost their jobs at Hanford. They are struggling and will continue to struggle with upheaval and uncertainty in their community. Meanwhile, the Secretary of Energy, someone who has potentially great influence over their fate, pulls a stunt like this. So much for setting an example at the top.

There are a lot of people in this town for whom $43,500 is nothing—less than nothing. In the White House, in Congress, in the agencies, people deal on a daily basis with money in the millions and billions. But Mr. President, for the peopel of Hanford, that's real money.

There is a man in the Hanford area who lost his job more than 6 months ago. He has talked with my office, and prefers to remain anonymous. For 15 years he worked at Westinghouse as a technologist. He paid his taxes, he was a Boy Scout, he provided for his family. He was laid off on April 28—in the same month that Secretary O'Leary began her quest for a better image. He has two children and two grandchildren. His wife recently had to quit her job due to illness. He is still looking for work.

Coincidentally, Mr. President, this man's salary—before he was laid off—was $44,000. Secretary O'Leary spent over $43,000 for 4 months of useless media analysis. Food on the table, or image enhancement—Mr. President, just where do Hazel O'Leary's priorities lie?●

## THE ADVISORY COMMISSION ON INTERGOVERNMENTAL RELATIONS

● Mr. MOYNIHAN. Mr. President, I rise to lament the fact that House Joint Resolution 115 contains a provision to provide for the ''orderly termination'' of the Advisory Commission on Intergovernmental Relations [ACIR]. This is most regrettable, and ought not to go unnoticed.

The ACIR was created by Congress in 1959—during the Eisenhower administration—''to monitor the operation of the American federal system and to recommend improvements.'' The commission is independent and bipartisan. Over 30 years ago, under Dr. Alice Rivlin, it commenced ground-breaking research on alternative measures of fiscal capacity. It measures tax effort and representative expenditures and a host of other topics that may appear arcane, but are of enormous importance when it comes to governance. Few people are even aware of the ACIR because it goes about its business quietly, professionally, and dispassionately.

Earlier this year, Mr. President, Congress passed the unfunded mandates bill—Public Law 104–4. That bill generated considerable discussion about our Federal system and the proper roles of and relationships between the various levels of government. At that time, the Commission's unique expertise on such questions was recognized, and Congress delegated much work regarding unfunded mandates to it. The Commission estimated it would need about $1 million over and above its fiscal year 1995 appropriation of $1 million to perform the unfunded mandates work and continue equally valuable ongoing research and projects.

Earlier this year, the House Treasury-Postal appropriations bill (H.R. 2020) zeroed out funding for the Commission. The Senate bill provided $334,000 for the Commission, but stipulated that no further Federal funds would be made available.

This seems to me a good example of an unfunded mandate. But no matter. The ACIR is prepared to continue its operations without Federal funding. I do not know how, but I leave it to them. When conferees met on the Treasury-Postal bill, however, language was inserted that would give ACIR a small appropriation to terminate its operations by April of 1996. Senate Joint Resolution 115 also provides a minimum amount of funding ''necessary to accomplish orderly termination'' of the Commission. Both the Commission and the Office of Management and Budget [OMB] are concerned that termination is something altogether different from simply not providing Federal funding.

I deeply regret the action of the Treasury-Postal conferees, and I deeply regret that it has carried over to the continuing resolution. Is it necessary to terminate an organization that has indicated it can survive, somehow, without Federal funds?

Mr. President, the first principle of public affairs is that you never do anything about a problem until you learn to measure it. I would add a corollary: if your purpose is not to address problems through government, you will put an end to attempts to measure them. I wonder if that is what is at work here. Surely, we are not going to balance the budget by eliminating the ACIR. What is this all about?

I remember back in December 1981, Edwin Harper, then deputy director of the OMB, issued a memorandum which stated:

As a result of recent evaluations of certain reporting requirements, it has been decided to discontinue the compilation and publication of the ''Geographic Distribution of Federal Funds,'' effective immediately. Data should not be submitted for fiscal year 1981.

The purpose of that directive was to make it more difficult to quantify the balance of payments between the States and the Federal Government.

Beginning in 1968, the Community Services Administration began to publish annual reports, known as the Geographic Distribution of Federal Funds series, in which expenditures of various Federal programs were broken down by State, and thereafter by counties and towns. It is worth noting that the Community Services Administration was the successor to the Office of Economic Opportunity, the organization established in 1965 to carry out President Johnson's ''War on Poverty.'' As a member of the President's task force that drew up that legislation, I had been much concerned with the question of regional balance in Federal expenditures and, in 1965, made what I believe

was the first formal statement calling attention to the loss of industrial jobs in New York. The idea of measuring these matters was an aspect of the poverty program, and it was pleasing to find that our intentions had not been lost on those who followed.

Unfortunately, the task was not done with sufficient vigor. Various Government agencies were simply asked where their money went, and the matter was left at that. Because New York is the banking center of the world, huge amounts of Federal moneys are deposited there, although they are actually in transit elsewhere. No matter: vast sums of foreign aid, payments by the Commodity Credit Corporation, and similar transfers were being recorded as Federal outlays in New York.

As you may know, Mr. President, each year that I have been in the Senate I have issued a report I call the ''Fisc'' which measures the balance of payments between New York and the Federal Government. You can imagine my surprise—back when the finances not only of New York City, but of the State, as well, were shaky—that the data, such as they were, suggested that New York ran a balance of payments surplus.

Well, we discovered a phantom $14 billion in Federal outlays nominally attributed to New York. When these sums were subtracted from the total, we discovered a large and unmistakably serious deficit in New York's balance of payments. A deficit that persists to this day.

We got to the point where we had tidied up the data. It took some doing. Looking back, if a general judgment may be offered of the period, the Community Services Administration was interested and helpful. The Treasury Department, on the other hand, was aloof and impervious—equally to reason or change. In the end, we turned to the Tax Foundation, a private organization, as our source for data on tax payments, inasmuch as the Treasury Department refused to tell us then—and still will not tell us—where it gets its money.

And then the new administration came and decided to discontinue the Geographic Distribution of Federal Funds series. It was stopped in order to conceal trends and mute argument.

We protested, and we enacted Public Law 97–326, the Consolidated Federal Funds Report Act of 1982, which directed the Census Bureau to track allocable Federal expenditures. The Census Bureau does a marvelous job. Its Consolidated Federal Funds Report and Federal Expenditures by State report are available on CD–ROM now, containing 10 years' worth of data. It's marvelous.

Mr. President, the ACIR does important, if largely unheralded, work. And we stand on the brink of terminating it. This is a mistake which we will regret. I realize the provision is identical to the conferees' agreement on the Treasury-Postal appropriations bill. But that bill is an unresolved matter. Neither the House nor the Senate has approved the conference report, and even if we were to do that, there is no guarantee the administration would sign it. There is a chance, albeit slim, to correct the mistake.

Mr. President, getting back to my first principle of public affairs, Lord Kelvin stated it best:

> When you can measure what you are speaking about, and express it in numbers, you know something about it; but when you cannot measure it, when you cannot express it in numbers, your knowledge is of a meager and unsatisfactory kind: it may be the beginning of knowledge, but you have scarcely, in your thoughts, advanced to the stage of science.

Mr. President, without the ACIR, our knowledge of important matters will never be anything more than meager. The action we are about to take will harm our capacity to govern effectively.●

## TRIBUTE TO AGRI-MARK-CABOT COOPERATIVE

● Mr. JEFFORDS. Mr. President, today I rise to congratulate and pay tribute to the members of the Agri-Mark/Cabot Cooperative. On November 13, 1995, the hardworking Agri-Mark framers dedicate the newly renovated state-of-the art cheddar cheese production facility in Middlebury, VT.

For over 75 years Cabot Creamery has produced superior dairy products from local Vermont farms. Today, only the size of Cabot has changed. Farmers from throughout New England and New York have joined the farmers from Vermont with great pride in producing the highest quality products. Farm fresh milk will be churned into Cabot's award-winning cheeses for stores throughout the country and around the globe.

Mr. President, Cabot products are in high demand. Cabot's special detail to quality gives their products the edge over the competition. In fact, Cabot's own sharp cheddar was acclaimed the best cheddar in the country by the U.S. Cheese Makers Association in Green Bay, WI. That's right, even the competition agrees that Cabot farmers produce the best. In addition to the overwhelming satisfaction of real cheddar lovers, just this year Cabot's Vermont cheddar won first place at the American Cheese Society's annual contest.

Throughout my years in Congress, I have been proud to represent the Vermont dairy farmer. I have worked to protect farmer income, bring stability to the dairy industry, and preserve Vermont's agricultural landscape. This investment of money and sweat from the farmers of Agri-Mark/Cabot comes at a time when Congress is making sweeping changes to the Government's involvement with the dairy industry. I am confident that the farmers of Agri-Mark/Cabot will adapt to the changes of the industry, becoming more efficient, competitive, and productive. I will continue to give the support that the farmers deserve and respect in Congress to allow them to succeed.

Mr. President, I join with the 1,800 Agri-Mark/Cabot farmers in a ''Milk Toast to the Future.'' One hundred years from today, the farmers of Agri-Mark will open a time capsule. In it they will find the past that helped build the future. The dedicated members of this farmer owned cooperative believe that their hard work in the first 75 years is the key to the success in the next 100 years. We must all work together and recognize the value of the family farm to our State and our country. Vermont's farms will survive and remain the backbone of Vermont's heritage.●

## AN 80TH BIRTHDAY TRIBUTE TO SARGENT SHRIVER

● Mr. DODD. Mr. President, I rise to pay tribute today to Sargent Shriver, my dear friend for whom I have the utmost respect and admiration, on the occasion of his 80th birthday.

It is rare, in this day and age, to be able to say that a person has truly made the world a better place in which to live. But that is a fitting description of Sargent Shriver. A man of stellar character, faithful devotion, and tireless energy, Sargent Shriver has led a life of philanthropy, compassion, and public service.

Born on this day in 1915, Sargent Shriver earned both his undergraduate and law degrees from Yale University. In 1953, he married Eunice Kennedy—and I say to my good friend Eunice today, she could not have married a better man. Shriver has, at different points in his life, played the roles of Navy serviceman, Newsweek journalist, Merchandise Mart general manager, Chicago Board of Education commissioner, public servant, vice presidential candidate, and Ambassador to France.

But the roles in which Sargent Shriver truly shined are those for which he is best known. In 1961, Sargent Shriver became the chief organizer and first director of the Peace Corps, establishing an organization that would come to the aid of foreign communities needing medical, educational, and technical assistance, while giving millions of Americans the opportunity to share knowledge and culture with those around the world. It was not easy—the critics were numerous and vocal—but he pressed on and the Peace Corps became one of the hallmarks of the Kennedy Administration. Mr. President, Sargent Shriver deserves the gratitude of every American for his work in this capacity. I must add my personal thanks to him, for my own service in the Peace Corps profoundly affected my life.

But Sargent Shriver's commitment to those most in need did not end there. Leading President Johnson's War on Poverty, Shriver ushered in

many of the Great Society programs that made the American dream a reality for so many families—programs that continue to bring so much to so many.

And now that he is 80, Mr. President, Sargent Shriver's altruism is far from faded, but rather is as strong as ever. Since 1984, Shriver has served as president, and since 1990, chairman of the board, of Special Olympics International, which was founded by his wife, Eunice. I was privileged to see the glorious results of Eunice's and Sargent's tireless efforts on behalf of this fine organization this past summer, when the State of Connecticut hosted the Special Olympic Games.

It has been said, Mr. President, that a true leader is one who develops leadership in others—one who wants to see every individual succeed to the best of their ability, even if those achievements surpass his own. Through his stewardship of both the Peace Corps and the Special Olympics, Sargent Shriver has sought to encourage and develop the unique talents, energies, and abilities of all individuals, proving that he is indeed among the true leaders of our time.

Mr. President, Sargent Shriver is a humanitarian, an advocate, a public servant, and a leader whose contributions to his country and to his fellow man will endure throughout the ages. I am proud to call him my friend, and I wish him and Eunice all the best on this very special birthday.●

## COMMENDING THE UNITED STATES HOLOCAUST MEMORIAL MUSEUM

Mr. LOTT. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of S. Res. 193, submitted earlier today by Senator HATCH.

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

The clerk will state the resolution by title.

The legislative clerk read as follows:

A resolution (S. Res. 193) deploring individuals who deny the historical reality of the Holocaust and commending the vital, ongoing work of the United States Holocaust Memorial Museum.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution.

Mr. LAUTENBERG. Mr. President, I rise today to join the Senior Senator from Utah in support of the Hatch-Lautenberg Resolution which condemns individuals who deny the historical reality of the Holocaust. It also commends the vital, tireless work of the U.S. Holocaust Memorial Museum. I urge my colleagues to join us in approving the resolution, affirming that this distinguished body, the U.S. Senate, denounces those who deny that the Holocaust occurred.

Mr. President, more than 50 years ago, Adolf Hitler mounted his systematic effort to destroy whole populations—including the Jewish people, gypsies, the disabled, Poles, homosexuals, Jehovah's Witnesses, Soviet POW's and political dissidents. Six million Jews and five million others were murdered. That is a historical fact proven by detailed records kept by the Nazis. Our duty to the survivors of the Holocaust and to those who died on the trains, in the fields, and in the gas chambers is to make sure that their story is told from generation to generation. We must study and reflect on the atrocities of the Nazis, in order to make sure that this dark chapter of history is never repeated.

Mr. President, we have reason to be concerned. A recent poll found that 22 percent of Americans think that it is possible one of the most horrifying events in the history of the world never occurred. Even before the end of World War II, anti-Semitic groups worked to create the illusion that the Holocaust was nothing more than a myth. These individuals, bent on their own agenda of hatred, often pass themselves off as scholars and historians, and their findings as fact, they dispute all personal accounts and physical evidence as mere propaganda. Their allegations are astounding when you consider how well the Holocaust is documented.

In recent years, these individuals have moved from the confines of hate groups and other anti-Semitic organizations to our colleges and universities. On campuses nationwide, in ads placed in university newspapers, they spread their propaganda, lies, and falsehoods in the hope of selling their claims. We must not allow groups attacking the Holocaust to gain ground or respect, nor can we allow the existence of the Holocaust be made a subject of debate. But most important, we can not let the memory of 11 million people fade from our memories.

One of the most important tools we in combating those who would deny the Holocaust is viewing firsthand the horrors that took place in the concentration camps. This was the core concept of a living museum, where visitors could not only walk through and view exhibits, but actually feel them. In 1993, the U.S. Holocaust Memorial Museum opened its doors to the world. Since then, over 5 million visitors have passed through its doors with over two-thirds of those being non-Jews.

I am honored to serve on the memorial council and to be involved in the planning and management of the museum. In this capacity I have met and toured the museum with a number of Holocaust survivors. The stories of these survivors speak volumes of the horror and the stark reality of this event. I find it unimaginable that anyone could view such a collection without a heartfelt feeling of loss for what the victims and their families endured.

Mr. President, I commend the individuals whose vision made the museum a reality. The survivors and families of those lost have shared their stories in a collection that teaches all that are willing to learn about the Holocaust. The building, in the shadow of the Washington and Jefferson Memorials, is a testament to the existence of one of the most tragic events in the history of the world. By acknowledging that the Holocaust did happen, and by educating these nonbelievers, can we help ensure that it will never happen again.

Mr. LOTT. Mr. President, I ask unanimous consent that the resolution be agreed to, the preamble be agreed to, the motion to reconsider be laid upon the table, and that any statements relating to the resolution appear at the appropriate place in the RECORD.

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

So the resolution (S. Res. 193) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, is as follows:

S. RES. 193

Whereas the Holocaust is a basic fact of history, the denial of which is no less absurd than the denial of the occurrence of the Second World War;

Whereas the Holocaust—the systematic, state-sponsored mass murders by Nazi Germany of 6,000,000 Jews, alongside millions of others, in the name of a perverse racial theory—stands as one of the most ferociously heinous state acts the world has ever known; and

Whereas those who promote the denial of the Holocaust do so out of profound ignorance or for the purpose of furthering anti-Semitism and racism: Now, therefore, be it

*Resolved*, That the Senate—

(1) deplores the persistent, ongoing and malicious efforts by some persons in this country and abroad to deny the historical reality of the Holocaust; and

(2) commends the vital, ongoing work of the United States Holocaust Memorial Museum, which memorializes the victims of the Holocaust and teaches all who are willing to learn profoundly compelling and universally resonant moral lessons.

## HISTORIC CHATTAHOOCHEE COMPACT AMENDMENT

Mr. LOTT. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of calendar No. 218, S. 848.

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

The clerk will state the bill by title.

The legislative clerk read as follows:

A bill (S. 848) to grant the consent of Congress to an amendment of the Historic Chattahoochee compact between the States of Alabama and Georgia.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. LOTT. Mr. President, I ask unanimous consent that the bill be deemed read the third time, passed, and the motion to reconsider be laid upon the table and that any statements relating to the bill be placed at the appropriate place in the RECORD.

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

So the bill (S. 848) was deemed read the third time, and passed, as follows:

S. 848

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

SECTION 1. CONSENT OF CONGRESS TO THE HISTORIC CHATTAHOOCHEE COMPACT BETWEEN THE STATES OF ALABAMA AND GEORGIA.

The consent of Congress is given to the amendment of articles I, II, and III of the Historic Chattahoochee Compact between the States of Alabama and Georgia, which articles, as amended, read as follows:

''ARTICLE I

''The purpose of this compact is to promote the cooperative development of the Chattahoochee valley's full potential for historic preservation and tourism and to establish a joint interstate authority to assist in these efforts.

''ARTICLE II

''This compact shall become effective immediately as to the States ratifying it whenever the States of Alabama and Georgia have ratified it and Congress has given consent thereto.

''ARTICLE III

''The States which are parties to this compact (hereinafter referred to as 'party States') do hereby establish and create a joint agency which shall be known as the Historic Chattahoochee Commission (hereinafter referred to as the 'Commission'). The Commission shall consist of 28 members who shall be bona fide residents and qualified voters of the party States and counties served by the Commission. Election for vacant seats shall be by majority vote of the voting members of the Commission board at a regularly scheduled meeting. In Alabama, two shall be residents of Barbour County, two shall be residents of Russell County, two shall be residents of Henry County, two shall be residents of Chambers County, two shall be residents of Lee County, two shall be residents of Houston County, and two shall be residents of Dale County. In Georgia, one shall be a resident of Troup County, one shall be a resident of Harris County, one shall be a resident of Muscogee County, one shall be a resident of Chattahoochee County, one shall be a resident of Stewart County, one shall be a resident of Randolph County, one shall be a resident of Clay County, one shall be a resident of Quitman County, one shall be a resident of Early County, one shall be a resident of Seminole County, and one shall be a resident of Decatur County. In addition, there shall be three at-large members who shall be selected from any three of the Georgia member counties listed above. The Commission at its discretion may appoint as many advisory members as it deems necessary from any Georgia or Alabama County which is located in the Chattahoochee Valley area. The contribution of each party State shall be in equal amounts. If the party States fail to appropriate equal amounts to the Commission during any given fiscal year, voting membership on the Commission board shall be determined as follows: The State making the larger appropriation shall be entitled to full voting membership. The total number of members from the other State shall be divided into the amount of the larger appropriation and the resulting quotient shall be divided into the amount of the smaller appropriation. The then resulting quotient, rounded to the next lowest whole number, shall be the number of voting members from the State making the smaller contribution. The members of the Commission from the State making the larger contribution shall decide which of the members from the other State shall serve as voting members, based upon the level of tourism, preservation, promotional activity, and general support of the Commission's activities by and in the county of residence of each of the members of the State making the smaller appropriation. Such determination shall be made at the next meeting of the Commission following September 30 of each year. Members of the Commission shall serve for terms of office as follows: Of the 14 Alabama members, one from each of said counties shall serve for two years and the remaining member of each county shall serve for four years. Upon the expiration of the original terms of office of Alabama members, all successor Alabama members shall be appointed for four-year terms of office, with seven vacancies in the Alabama membership occurring every two years. Of the 14 Georgia members, seven shall serve four-year terms and seven two-year terms for the initial term of this compact. The terms of the individual Georgia voting members shall be determined by their place in the alphabet by alternating the four- and two-year terms beginning with Chattahoochee County, four years, Clay County, two years, Decatur County, four years, etc. Upon the expiration of the original terms of office of Georgia members, all successor Georgia members shall be appointed for four-year terms of office, with seven vacancies in the Georgia membership occurring every two years. Of the three Georgia at-large board members, one shall serve a four-year term and two shall serve two-year terms.

''All board members shall serve until their successors are appointed and qualified. Vacancies shall be filled by the voting members of the Commission. The first chairman of the commission created by this compact shall be elected by the board of directors from among its voting membership. Annually thereafter, each succeeding chairman shall be selected by the members of the Commission. The chairmanship shall rotate each year among the party States in order of their acceptance of this compact. Members of the Commission shall serve without compensation but shall be entitled to reimbursement for actual expenses incurred in the performance of the duties of the Commission.''.

## UNANIMOUS-CONSENT AGREEMENT—CONFERENCE REPORT ON S. 395

Mr. LOTT. Mr. President, I ask unanimous consent that when the Senate turns to the consideration of the conference report to accompany S. 395, the Alaska Power Administration bill, that there be 2 hours of debate equally divided between Senators MURKOWSKI and MURRAY, or their designees, and that immediately upon completion of the debate or the yielding back of the time, the Senate proceed to a vote on the adoption of the conference report, all without any intervening action or debate.

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

Mr. LOTT. Mr. President, it is my understanding that this conference report would not be brought up by the leadership prior to Tuesday, November 14.

## EXPRESSING THE SENSE OF THE CONGRESS ON UNITED STATES-NORTH KOREA AGREED FRAMEWORK

Mr. LOTT. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of calendar No. 35, Senate Joint Resolution 29.

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

The clerk will state the resolution by title.

A joint resolution (S. J. Res. 29) expressing the sense of Congress with respect to North-South dialogue on the Korean Peninsula and the United States-Korea Agreed Framework.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the joint resolution?

There being no objection, the Senate proceeded to consider the joint resolution.

Mr. MURKOWSKI. Mr. President, I rise today to applaud the unanimous passage of Senate Joint Resolution 29, a resolution which a bipartisan group, Senators HELMS, THOMAS, SIMON, ROBB, and I, introduced in the Senate Foreign Relations Committee last March.

The resolution expresses the sense of Congress with respect to the serious issue of North Korea-South Korea dialog, which was a key part of the United States-North Korea Agreed Framework on the nuclear issue signed last October.

As my colleagues are aware, I have spoken extensively about the problems I see in the Agreed Framework, most recently on September 29 when I introduced S. 1293, a bill to provide for strict monitoring of and controls on U.S. spending on implementation of that agreement. There is no need to repeat those arguments here other than to stress the importance of passing that legislation as soon as possible.

Today I am speaking about only one specific, and critical element of the Agreed Framework: the necessity of a meaningful North-South Korean dialog. Without such a dialog, I am convinced that implementation of the Agreed Framework is unworkable. That's why it is up to us to make sure the North Koreans fulfill that and all of their other responsibilities in the Agreed Framework.

Passage of this resolution is also particularly timely when taking into account South Korean President Kim Young Sam's remarks to the Joint Meeting of Congress this summer. President Kim said:

Peace on the Korean Peninsula can only take root through dialogue and cooperation between the South and the North, the two parties directly concerned. Without dialogue, nothing can be accomplished. I am thus grateful that both the President and Congress have stressed the central importance of the South-North dialogue.

South Korea remains a trusted and loyal ally, and I believe we must follow a policy toward the Korean Peninsula that keeps South Korea's best interests in the forefront.

Section III.(2) of the Agreed Framework specifies that ''[t]he DPRK will consistently take steps to implement the North-South Joint Declaration on the Denuclearization of the Korean Peninsula.'' The Agreed Framework goes on to say in section III.(3) that ''[t]he DPRK will engage in North-South dialogue, as this Agreed Framework will help create an atmosphere that promotes such dialogue.''

In testimony before the Senate Foreign Relations Committee, Secretary of State Warren Christopher had this to say about these provisions:

As part of the Framework, North Korea has pledged to resume dialogue with South Korea on matters affecting peace and security on the peninsula. We have made clear that resuming North-South dialogue is essential to the success of the Framework—so important that we were prepared to walk away from the Framework if North Korea had not been willing to meet that condition.

I am gratified that the United States negotiators held firm at least on this issue, that is, including references to these two North-South issues. Nevertheless, and while I remain disturbed about many aspects of the Agreed Framework, I am concerned that the requirements of success or even progress in the North-South dialog were not spelled out in greater detail. For instance, what is the time line for progress? At what point will the United States stop fulfilling its commitments under the Agreed Framework if there has not been progress in North-South relations?

It is this lack of specificity that led me and my colleagues to introduce this resolution. I know and appreciate that the administration is taking a firm public and private line that North-South dialog is essential. They reiterated that position, jointly with the South Koreans, on November 2–3, during the annual Security Consultative meeting in Seoul. I also appreciate the fact that the administration agreed not to oppose this resolution but rather to work with me on achieving an objective we both support, a strong, renewed dialog between North and South Korea.

However, and this is the key point, as usual, the North Koreans are ignoring their responsibilities and resisting restarting the dialog. That is why the resolution calls on the executive branch to take steps to ensure that the North Koreans understand that the implementation of the Agreed Framework is linked to substantive progress in the dialog between North and South Korea, including through developing timetables for achieving measures to reduce tensions between North and South Korea.

Although not a comprehensive list, such positive measures could include: First, holding a North-South summit; second, dismantling North Korea's reprocessing facility; third, initiating mutual nuclear facility inspections; fourth, establishing North-South liaison offices; fifth, establishing a North-South joint military commission; sixth, expanding trade relations; seventh, promoting freedom to travel; eighth, encouraging exchanges and cooperation in science and technology, education, the arts; health, sports, the environment, publishing, journalism, and other fields of mutual interest; ninth, establishing postal and telecommunications services; and tenth, reconnecting railroads and roadways.

The resolution calls on the President to report to Congress within 90 days regarding the progress made in promoting communication and contact between North and South Korea, and every 6 months thereafter.

Since the signing of the Agreed Framework with the United States, we have seen North Korea go to great lengths to avoid any involvement with South Korea. The North Koreans refused for several months to accept South Korean reactors. The joint press statement issued in Kuala Lumpur by the United States and North Korea did not include a direct reference to South Korea's central role in providing the light water reactors. And the North Koreans had maintained that the United States will be its principal point of contact in the negotiations.

Also, North Korea continues to take steps to try to destroy the Armistice Agreement while insisting that it will only deal with the United States concerning an ultimate peace treaty. Further, North Korea continues to provide evidence that it wants to continue being a rogue nation, for example just a few days ago sending infiltrators into the South to attempt to cause problems for our ally. Mr. President, in sum, just as North Korea's attempts to downplay the role of South Korea while putting distance between the United States and South Korea must not be tolerated, North Korea's misbehavior should be condemned.

I would note one recent development which had some potential for positive change—but then, typically, became a problem area because of the North's irresponsible behavior. North Korea and South Korea recently held talks in Beijing to discuss North Korea's renewed request for rice from its cousins in the South to relieve the food shortage in the North. This followed an earlier successful agreement to ship rice to the North—although the North then acted in its typically boorish fashion by arresting some of those who were trying to help its people. Now, despite the helping hand from the South, the North continues to resist the South's legitimate attempts to use the talks about rice aid to pave the way for greater dialogue.

Mr. President, I do not need to remind my colleagues that 37,000 American soldiers stationed on the demilitarized zone remain in harm's way. We all received a grim reminder of this when a United States helicopter was shot down on December 17, 1994, killing one United States airman and leading to North Korean detention of another on false charges of American espionage.

These American troops are part of the nearly 2 million troops who face each other across a heavily fortified demilitarized zone. Three decades of on-again, off-again talks between Pyongyang and Seoul have produced no significant progress in reducing tensions. Although a cease-fire effectively ended the Korean War in 1953, the two sides technically remain at war, and tensions today are as strong and all-pervasive as they've ever been.

Mr. President, in sum, the Agreed Framework does not adequately address the inevitable underlying tensions between North and South Korea. Nor do I believe that North and South Korea will simply work everything out without some outside assistance. For that reason, I believe that the Clinton administration must take specific steps to ensure that North Korea lives up to its commitments under the Agreed Framework and understands that, if it does not, it will not receive the benefits which have been promised.

This legislation will take us a step in the right direction. I hope our colleagues in the other body will also pass this legislation soon so that the process can begin.

Mr. LOTT. Mr. President, I ask unanimous consent that the joint resolution be deemed read the third time, passed, the preamble agreed to, the motion to reconsider be laid on the table, and that any statements relating to the joint resolution appear at the appropriate place in the RECORD.

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

So the joint resolution (S.J. Res. 29) was deemed read the third time, and passed.

The preamble was agreed to.

The joint resolution, with its preamble, is as follows:

S.J. RES. 29

Whereas the Agreed Framework Between the United States and the Democratic People's Republic of Korea of October 21, 1994, states in Article III, paragraph (2), that ''[t]he DPRK will consistently take steps to implement the North-South Joint Declaration on the Denuclearization of the Korean Peninsula'';

Whereas the Agreed Framework also states the ''[t]he DPRK will engage in North-South dialogue, as this Agreed Framework will help create an atmoshphere that promotes such dialogue'';

Whereas the two agreements entered into between North and South Korea in 1992, namely the North-South Denuclearization Agreement and the Agreement on Reconciliation, Nonaggression and Exchanges and Cooperation, provide an existing and detailed framework for dialogue between North and South Korea;

Whereas the North Korean nuclear program is just one of the lingering threats to peace on the Korean Peninsula; and

Whereas the reduction of tensions between North and South Korea directly serve United States interests, given the substantial defense commitment of the United States to South Korea and the presence on the Korean Peninsula of United States troops: Now, therefore, be it

*Resolved by the Senate and House of Represenatives of the United States of America in Congress assembled,*

**SECTION 1. STEPS TOWARD NORTH-SOUTH DIALOGUE ON THE KOREAN PENINSULA.**

It is the sense of the Congress that—

(1) substantive dialogue between North and South Korea is vital to the implementation of the Agreed Framework Between the United States and North Korea, dated October 21, 1994; and

(2) together with South Korea and other concerned allies, and in keeping with the spirit and letter of the 1992 agreements between North and South Korea, the President should pursue measures to reduce tensions between North and South Korea and should facilitate progress toward—

(A) holding a North Korea-South Korea summit;

(B) initiating mutual nuclear facility inspections by North and South Korea;

(C) establishing liaison offices in both North and South Korea;

(D) resuming a North-South joint military discussion regarding steps to reduce tensions between North and South Korea;

(E) expanding trade relations between North and South Korea;

(F) promoting freedom to travel between North and South Korea by citizens of both North and South Korea;

(G) cooperating in science and technology, education, the arts, health, sports, the environment, publishing, journalism, and other fields of mutual interest;

(H) establishing postal and telecommunications services between North and South Korea; and

(I) reconnecting railroads and roadways between North and South Korea.

**SEC. 2. REPORT TO CONGRESS.**

Beginning 3 months after the date of enactment of this joint resolution, and every 6 months thereafter, the President shall transmit to the appropriate congressional committees a report setting forth the progress made in carrying out section 1.

**SEC. 3. DEFINITIONS.**

As used in this joint resolution—

(1) the term ''appropriate congressional committees'' means the Committee on Foreign Relations of the Senate and the Committee on International Relations of the House of Representatives;

(2) the term ''North Korea'' means the Democratic People's Republic of Korea; and

(3) the term ''South Korea'' means the Republic of Korea.

## VETERANS' COMPENSATION COST-OF-LIVING ADJUSTMENT ACT OF 1995

Mr. LOTT. Mr. President, I ask unanimous consent that the Committee on Veterans' Affairs be discharged from further consideration of H.R. 2394, and further, that the Senate proceed to its immediate consideration.

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

The clerk will state the bill by title.

A bill (H.R. 2394) to increase, effective as of December 1, 1995, the rates of compensation for veterans with service-connected disabilities, and the rates of dependency and indemnity compensation for the survivors of certain disabled veterans.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

AMENDMENT NO. 3054

(Purpose: To propose a substitute)

Mr. LOTT. Mr. President, I send an amendment to the desk on behalf of Senator SIMPSON and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Mississippi [Mr. LOTT], for Mr. SIMPSON, proposes an amendment numbered 3054.

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

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

The amendment is as follows:

Strike out all after the enacting clause and insert in lieu thereof the following:

**SECTION 1. SHORT TITLE.**

This Act may be cited as the ''Veterans' Compensation Cost-of-Living Adjustment Act of 1995''.

**SEC. 2. INCREASE IN RATES OF DISABILITY COMPENSATION AND DEPENDENCY AND INDEMNITY COMPENSATION.**

(a) RATE ADJUSTMENT.—The Secretary of Veterans Affairs shall, effective on December 1, 1995, increase the dollar amounts in effect for the payment of disability compensation and dependency and indemnity compensation by the Secretary, as specified in subsection (b)

(b) AMOUNTS TO BE INCREASED.—The dollar amounts to be increased pursuant to subsection (a) are the following:

(1) COMPENSATION.—Each of the dollar amounts in effect under section 1114 of title 38, United States Code.

(2) ADDITIONAL COMPENSATION FOR DEPENDENTS.—Each of the dollar amounts in effect under section 1115(1) of such title.

(3) CLOTHING ALLOWANCE.—The dollar amount in effect under section 1162 of such title.

(4) NEW DIC RATES.—The dollar amounts in effect under paragraphs (1) and (2) of section 1311(a) of such title.

(5) OLD DIC RATES.—Each of the dollar amounts in effect under section 1311(a)(3) of such title.

(6) ADDITIONAL DIC FOR SURVIVING SPOUSES WITH MINOR CHILDREN.—The dollar amount in effect under section 1311(b) of such title.

(7) ADDITIONAL DIC FOR DISABILITY.—The dollar amounts in effect under sections 1311(c) and 1311(d) of such title.

(8) DIC FOR DEPENDENT CHILDREN.—The dollar amounts in effect under sections 1313(a) and 1314 of such title.

(c) DETERMINATION OF PERCENTAGE INCREASE.—(1) The increase under subsection (a) shall be made in the dollar amounts specified in subsection (b) as in effect on November 30, 1995. Each such amount shall be increased by the same percentage as the percentage by which benefit amounts payable under title II of the Social Security Act (42 U.S.C. 401 et seq.) are increased effective December 1, 1995, as a result of a determination under section 215(i) of such Act (42 U.S.C. 415(i)).

(2) In the computation of increased dollar amounts pursuant to paragraph (1), any amount which as so computed is not an even multiple of $1 shall be rounded to the next lower whole dollar amount.

(d) SPECIAL RULE.—The Secretary may adjust administratively, consistent with the increases made under subsection (a), the rates of disability compensation payable to persons within the purview of section 10 of Public Law 85-857 (72 Stat. 1263) who are not in receipt of compensation payable pursuant to chapter 11 of title 38, United States Code.

**SEC. 3. PUBLICATION OF ADJUSTED RATES.**

At the same time as the matters specified in section 215(i)(2)(D) of the Social Security Act (42 U.S.C. 415(i)(2)(D)) are required to be published by reason of a determination made under section 215(i) of such Act during fiscal year 1996, the Secretary of Veterans Affairs shall publish in the Federal Register the amounts specified in section 2(b), as increased pursuant to section 2.

Mr. SIMPSON. Mr. President, it is a pleasure for me, as chairman of the Senate Veterans Affairs Committee, to summarize and comment briefly on legislation to grant to recipients of VA compensation and dependency and indemnity compensation [DIC] benefits a cost of living adjustment [COLA] increase, effective on checks delivered to them at the first of the year. This legislation is appropriate—even as we proceed this very week to each final agreements with the House on reconciliation measures.

Mr. President, let me assure this body from the get-go that the Committee on Veterans Affairs will meet its reconciliation targets. Indeed, this legislation contains one provision—the so-called round-down provision that I will explain in just a moment—which will help the committee meet its targets. I give this assurance up front—just so all will be comfortable that this Senator has not suddenly gone soft and become a wild-eyed big spender. I surely have not. Even so, however, I believe that the recipients of veterans' compensation ought to receive a COLA—especially since we on the Veterans Committee have found a proper way to reach our reconciliation targets, and get this Nation on a path to a balanced budget, without denying such a COLA.

This bill, which was approved unanimously by the Committee on Veterans' Affairs on September 20, 1995, is simple and straight-forward. It would grant to recipients of certain VA benefits—most notably, veterans with service-connected disabilities, who receive VA compensation, and the survivors of veterans who have died as a result of service-connected injuries or illnesses, who receive dependency and indemnity compensation or DIC—the same COLA that Social Security recipients will receive. So, for example, if Social Security recipients receive a 2.6-percent adjustment at the beginning of next year—as it appears they will—then so too would the beneficiaries of VA compensation and DIC.

The bill would also do one other thing: It would modify the methodology by which VA computes the amount of monthly benefit checks, as so adjusted. VA benefits, Mr. President, are paid in round-dollar amounts. As a result, when a round-dollar benefit amount—say, as an example, the current benefit of $260 per month going to a 30-percent disabled veteran—is multiplied by a Consumer Product Index percentage of, say, 2.6 percent, it almost invariably yields a mathematical product that is not a round-dollar amount. In the case of a $260 benefit check, for example, a 2.6-percent increase would yield a nonrounded number of $266.76.

VA practice, in the past, has been to round up fractional dollar amounts of

$0.50 or more, and round down fractional dollar amounts of $0.49 or less. So, in the above case, a 30-percent disabled veteran would get a monthly check next year of $267 under past practice. This bill would direct VA to round down next year in all cases, so, in the above example, a 30-percent disabled veteran would get a monthly check of $266.

Some might say, ''What's the big deal?'' They might also say, ''Why is SIMPSON boring us with this green-eyeshade, accounting stuff?'' I'll tell you why: it is because this simple rounding-down provision—because it affects so many VA beneficiaries, but only to a degree which is painless to each—yields big money over time—big money—in terms of savings and deficit reduction. According to the Congressional Budget Office [CBO], this simple provision will save the taxpayer $520 million over a 7-year period. I repeat: 520 million bucks. That's real money. Real money that benefits taxpayers collectively—and, I daresay, harms no individual VA beneficiary to the point that he or she will even miss the loss.

This simple example of what can be done to balance the budget, Mr. President, ought to strengthen the resolve of each of us to get that vital job done. In the Veterans Committee, we have found ways to reduce the growth of VA's mandatory budget accounts by over $6 billion in 7 years—over 6 billion dollars—and no veterans are going to have to suffer any inordinate harm. Despite the inaccurate, unfair, and unfounded pronouncements of the Secretary of Veterans Affairs, and despite what veterans—and Senators—have heard from service organizations crying wolf, we will not be cutting off compensation benefits to 10- and 20-percent disabled veterans. We will not be taxing or means-testing anyone's compensation benefits—though a good case for doing just that can be made and, in fact, was made by a disabled veteran who is a member of this body, the distinguished Senator from Nebraska [Mr. KERRY], in testimony before the committee. And we will not be establishing a performance-of-duty standard now as a condition to receipt of disability compensation—though I can assure all that this Senator continues to be interested in exploring that option at much greater length. We will, however, be making a huge dent in the deficit.

As I stated when I opened this statement, I want all to understand that we *can* give our disabled veterans, and their widows, a COLA and still meet our deficit reduction targets. And we will do so. Please, all of you, keep this in mind when any person tries to tell you that the Congress is going to ''balance the budget on the backs of the Nation's veterans.'' It simply is not so. And no one—no one—has seriously suggested such a course. The Nation and the Congress have been good to our veterans. We will continue to be good to our veterans.

Mr. President, I appreciate the time that has been afforded me to address this subject. I ask unanimous consent that at this point that CBO's cost estimate of S. 992, which is the text of the substitute amendment with a minor technical adjustment, be printed in the RECORD.

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

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
*Washington, DC, October 25, 1995.*

Hon. ALAN K. SIMPSON,
*Chairman, Committee on Veterans' Affairs, U.S. Senate, Washington, DC*

DEAR MR. CHAIRMAN: The Congressional Budget Office has prepared the enclosed cost estimate for S. 992, the Veterans' Compensation Cost-of-Living Adjustment Act of 1995, as ordered reported by the Senate Committee on Veterans' Affairs on September 20, 1995.

The bill would affect direct spending and thus would be subject to pay-as-you-go procedures under section 252 of the Balanced Budget and Emergency Deficit Control Act of 1985.

If you wish further details on this estimate, we will be pleased to provide them.

Sincerely,

JUNE E. O'NEILL,
*Director*,

Enclosure.

CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

1. Bill number: S. 992.

2. Bill title: Veterans' Compensation Cost-of-Living Adjustment Act of 1995.

3. Bill status: As ordered reported by the Senate Committee on Veterans' Affairs on September 20, 1995.

4. Bill purpose: This bill would provide 1996 cost-of-living adjustments (COLAs) for veterans with service-connected disabilities and for survivors of certain disabled veterans and would round the increase to the next lower dollar.

5. Estimated cost to the Federal Government:

[By fiscal years, in millions of dollars]

| | 1995 | 1996 | 1997 | 1998 | 1999 | 2000 |
|---|---|---|---|---|---|---|
| DIRECT SPENDING | | | | | | |
| Spending Under Current Law: | | | | | | |
| Estimated Budget Authority | 14,176 | 14,835 | 15,395 | 15,976 | 16,594 | 17,018 |
| Estimated Outlays | 14,422 | 13,675 | 15,312 | 15,928 | 16,543 | 18,241 |
| Proposed Changes: | | | | | | |
| Estimated Budget Authority | 0 | −16 | −20 | −21 | −21 | −22 |
| Estimated Outlays | 0 | −15 | −19 | −20 | −21 | −23 |
| Spending Under Proposals: | | | | | | |
| Estimated Budget Authority | 14,176 | 14,819 | 15,375 | 15,955 | 16,573 | 16,996 |
| Estimated Outlays | 14,422 | 13,660 | 15,293 | 15,908 | 16,522 | 18,218 |

6. Basis of estimate: As specified in the Balanced Budget Act, the baseline assumes that monthly rates of disability compensation paid to veterans and of dependency and indemnity compensation (DIC) paid to their survivors are increased by the same COLA payable to Social Security recipients, and the results of the adjustments are rounded to the nearest dollar. This bill would round 1996 adjustments down to the next lower dollar. The effect of rounding down the benefit was estimated using the current table of monthly benefits and the number of beneficiaries assumed in the CBO baseline.

7. Pay-as-you-go considerations: The Balanced Budget and Emergency Deficit Control Act of 1985 sets up pay-as-you-go procedures for legislation affecting direct spending or receipts through 1998. The bill would have the following pay-as-you-go impact:

[By fiscal years, in millions of dollars]

| | 1996 | 1997 | 1998 |
|---|---|---|---|
| Change in Outlays | −15 | −19 | −20 |
| Change in Receipts | | [1] | |

[1] Not applicable.

8. Estimated cost to State and local governments: None.

9. Estimate comparison: None.

10. Previous CBO estimate: On September 29, 1995, CBO prepared a cost estimate for H.R. 2394 as ordered reported by the House Committee on Veterans' Affairs. That bill rounded down the COLA for disability compensation and some DIC recipients. It further reduced the COLA of other DIC recipients.

11. Estimate prepared by: Mary Helen Petrus.

12. Estimate approved by: Paul N. Van de Water, Assistant Director for Budget Analysis.

Mr. ROCKEFELLER. Mr. President, as the ranking minority member of the Committee on Veterans' Affairs, I urge the Senate to pass the pending legislation, S. 992, the proposed Veterans' Compensation Cost-of-Living Adjustment Act of 1995.

Mr. President, effective December 1, 1995, this bill would increase the rates of compensation paid to veterans with service-connected disabilities and the rates of dependency and indemnity compensation, or DIC, paid to the survivors of certain service-disabled veterans. The rates would increase by 2.6 percent, the same percentage as the increase in Social Security and VA pension benefits for fiscal year 1996.

Mr. President, there are 2.2 million service-disabled veterans and over 300,000 survivors who depend on these compensation programs. These individuals have made enormous sacrifices on behalf of this Nation. As ranking minority member of the Committee on Veterans' Affairs, I am committed to ensuring that these veterans and veterans' survivors receive the benefits they deserve. I believe strongly that we have a fundamental obligation to meet the needs of those who became disabled as the result of military service, as well as the needs of their families. This

measure fulfills one of the most important aspects of that obligation.

Mr. President, ever since I began my career in public service, I have worked closely with the veterans of my home state of West Virginia, and now, as ranking minority member of the Committee on Veterans' Affairs, I have had the opportunity to work with veterans all across the country. Consequently, I am keenly aware of the fact that the compensation payments that would be increased by this bill have a profound effect on the everyday lives of the veterans and veterans' survivors who receive them. It is our responsibility to continue to provide cost-of-living adjustments in compensation and DIC benefits in order to guarantee that the value of these essential, service-connected VA benefits is not eroded by inflation.

I am very proud that Congress consistently has fulfilled its obligation to make sure that the real value of these benefits is preserved by providing an annual COLA for compensation and DIC benefits every fiscal year since 1976. Most recently, on October 25, 1994, Congress enacted Public Law 103–418, which provided for a 2.8-percent increase in these benefits, effective December 1, 1994.

Mr. President, we cannot ever repay the debt we owe to the individuals who have sacrificed so much for our country. Service-disabled veterans and the survivors of those who died as the result of service-connected conditions are reminded daily of the price they have paid for the freedom we all enjoy. The very least we can do is protect the value of the benefits they have earned through their sacrifice.

Mr. President, I urge all of my colleagues to support this vitally important measure.

Mr. LOTT. Mr. President, I ask unanimous consent that the amendment be agreed to, the bill be deemed read a third time, passed as amended, and the motion to reconsider be laid upon the table, and that any statements relating to the bill appear at an appropriate place in the RECORD.

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

So the bill (H.R. 2394), as amended, was deemed read the third time, and passed.

## AUTHORIZING REPRESENTATION BY THE SENATE LEGAL COUNSEL

Mr. LOTT. Mr. President, I ask unanimous consent that the Senate now proceed to the immediate consideration of Senate Resolution 194, submitted earlier today by Senator DOLE.

The PRESIDING OFFICER. The clerk will report the resolution.

The legislative clerk read as follows:

A resolution (S.Res. 194) to authorize representation by the Senate Legal Counsel.

The Senate proceeded to consider the resolution.

Mr. DOLE. Mr. President, early next year, the substantive provisions of the Congressional Accountability Act of 1995, which, among other things, creates procedures for judicial review of employment discrimination claims throughout the Congress, begin to take effect. Although the 1995 Act will govern all cases that arise after the requirements of the new law takes effect, the Senate's process for review of employment discrimination claims in Senate employment, which was created by the Government Employee Rights Act of 1991, continues to govern older cases. Office of the U.S. Senate Sergeant at Arms versus Office of Senate Fair Employment Practices, now pending in the United States Court of Appeals for the Federal Circuit, is a case initiated under the 1991 act.

The petitioner in this case is the Office of the Sergeant at Arms, which under the 1991 law is the employing office for Senate-paid members of the Capitol Police. The Office of the Sergeant at Arms seeks review of a ruling of the Select Committee on Ethics, which affirmed a decision of a hearing board appointed by the Director of the Office of Senate Fair Employment Practices. The Ethics Committee decision, which was signed jointly by the chairman and vice chairman, held that there had been a failure to reasonably accommodate a Capitol Police officer's disabilities of alcoholism and depression in violation of the Rehabilitation Act of 1973 and the Americans with Disabilities Act of 1990, as incorporated into the Government Employee Rights Act.

Under the Government Employee Rights Act, a final decision of the Ethics Committee is entered in the records of the Office of Senate Fair Employment Practices, which is then named as the respondent if the decision is challenged in the Federal Circuit. As petitions for review in the Federal circuit challenge final decisions of a Senate adjudicatory process, under the Government Employee Rights Act the Senate Legal Counsel may be directed to defend those decisions through representation of the Office of Senate Fair Employment Practices in court.

Accordingly, this resolution directs the Senate Legal Counsel to represent the Office of Senate Fair Employment Practices, in the case of Office of U.S. Senate Sergeant at Arms versus Office of Senate Fair Employment Practices, in defense of the Ethics Committee's final decision.

Mr. LOTT. Mr. President I ask unanimous consent that the resolution be agreed to, the motion to reconsider be laid upon the table, and that any statements relating to the resolution appear at the appropriate place in the RECORD.

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

The resolution (S. Res. 194) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, reads as follows:

S. RES. 194

Whereas, in the case of *Office of the United States Senate Sergeant at Arms* v. *Office of Senate Fair Employment Practices*, No. 95–6001, pending in the United States Court of Appeals for the Federal Circuit, the Office of the Sergeant at Arms has sought review of a final decision of the Select Committee on Ethics which had been entered, pursuant to section 308 of the Government Employee Rights Act of 1991, 2 U.S.C. §1208 (1994), in the records of the Office of Senate Fair Employment Practices;

Whereas, pursuant to sections 703(a) and 704(a)(1) of the Ethics in Government Act of 1978, 2 U.S.C. §§288b(a) and 288c(a)(1)(1994), the Senate may direct its counsel to defend committees of the Senate in civil actions relating to their official responsibilities;

Whereas, pursuant to section 303(f) of the Government Employee Rights Act of 1991, 2 U.S.C. §1203(f)(1994), for purposes of representation by the Senate Legal Counsel, the Office of Senate Fair Employment Practices, the respondent in this proceeding, is deemed a committee within the meaning of sections 703(a) and 704(a)(1) of the Ethics in Government Act of 1978, 2 U.S.C. §§288b(a), 288c(a)(1)(1994): Now, therefore, be it

*Resolved*, That the Senate Legal Counsel is directed to represent the Office of Senate Fair Employment Practices in the case of *Office of the Senate Sergeant at Arms* v. *Office of Senate Fair Employment Practices*.

## MIDDLE EAST PEACE FACILITATION ACT

Mr. LOTT. I ask unanimous consent that the Senate proceed to the immediate consideration of H.R. 2589 just received from the House.

The PRESIDING OFFICER. Without objection. The clerk will report.

The legislative clerk read as follows:

A bill (H.R. 2589) to extend authorities under the Middle East Peace Facilitation Act of 1994 until December 31, 1995, and for other purposes.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. LOTT. I ask unanimous consent that the bill be considered, read a third time, passed, and the motion to reconsider be laid upon the table, and that any statements relating to this measure appear at the appropriate place in the RECORD as though read.

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

So the bill (H.R. 2589) was deemed read the third time and passed.

## ORDERS FOR MONDAY, NOVEMBER 13, 1995

Mr. LOTT. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in adjournment until the hour of 10 a.m. on Monday, November 13; that following the prayer, the Journal of proceedings be deemed approved to date, that no resolutions come over under the rule, that the call of the calendar be dispensed with, the morning hour be deemed to have expired, the time for the two leaders be reserved for their use later in the day, and the Senate immediately turn to the consideration of the House message to accompany H.R. 2491, the reconciliation bill.

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

## PROGRAM

Mr. LOTT. For the information of all Senators, a number of important measures are expected from the House on Monday. Senators are also reminded that the funding resolution for the Government expires on Monday at midnight unless the continuing resolution is signed into law.

Therefore, rollcall votes can be expected during Monday's session of the Senate but will not occur prior to the hour of 5:30 p.m. on Monday.

I further ask unanimous consent that following the appointment of conferees with respect to the reconciliation bill, the Chair lay before the Senate a message from the House on H.R. 927, the Cuban sanctions bill for the appointment of conferees.

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

## ORDER FOR ADJOURNMENT

Mr. LOTT. If there is no further business to come before the Senate, I now ask that the Senate stand in adjournment under the previous order following a speech by the Democratic leader.

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

## GENERAL LLOYD MOSES

Mr. DASCHLE. Mr. President, I would like to take this opportunity to recognize the outstanding life and military career of a veteran of the Second World War: Retired Major General Lloyd Moses who currently resides in Vermillion, SD.

General Moses came from humble beginnings. He was born in 1904 on what was then the Rosebud Sioux Indian Reservation in Fairfax, SD. His mother was half Sioux Indian. His father was a carpenter.

Despite not having a formal grade school education, General Moses graduated from High School and the Black Hills Teachers College, and obtained a degree in Chemistry from the University of South Dakota.

General Moses enjoyed a long and illustrious military career. In 1933, General Moses applied for Active Duty in the U.S. Army and was promoted to the rank of first lieutenant in 1935. During World War II, he served as a battalion commander of the 75th Infantry Division and volunteered to participate with the 507th Parachute Regiment, 17th Airborne Division in ''Operation Varsity,'' the airborne assault across the Rhine River in 1945.

In the Korean War, General Moses commanded the 31st Infantry and in 1955 was promoted to the rank of brigadier general. In 1957, he was promoted to the rank of major general. General Moses reached the pinnacle of his military career in 1960 when, following in the footsteps of other generals such as George McClellan, Andrew Jackson, and Ulysses S. Grant, he became commanding general of the 5th U.S. Army.

His military awards include the Distinguished Service Cross, the Silver Star for heroics in Korea, and the Distinguished Service Medal, the Nation's highest peacetime military award. General Moses retired in 1964 as the highest ranking South Dakotan ever to serve in the U.S. Army.

General Moses remains committed to the promise of education. After retiring from the military, General Moses returned to the University of South Dakota and became the director of the Institute for American Studies.

As an enrolled member of the Rosebud Sioux Tribe, he spent the next 10 years successfully expanding the curriculum of Native American courses at the University in an effort to teach cultural awareness and encourage the continued education of Native American youth. When he retired in 1974, the enrollment of Native American students at the University was at an all-time high, and the Institute for American Studies was rapidly becoming one of the foremost centers of oral history and tradition in the United States.

From such humble beginnings, General Lloyd Moses developed the leadership and education that helped our forces to victory in Europe 50-years ago and has continued to assist our growth as a Nation. His story is proof that great deeds can still come from hard work and a strong mind. And that great men can still come from small places like Fairfax, SD.

## WELFARE

Mr. DASCHLE. Mr. President, I did not want to take a long time, but there are a couple of matters I want to address, and I will do that at this time. The first concerns a series of discussions that have been held now over the last several days about reports relating to welfare reform.

A recent report discussed in this morning's Washington Post relating to a study undertaken by the Department of Health and Human Services compares the welfare bills passed by the House and Senate and proposed by Senate Democrats. It examines the income distributional effects of the Republican budget, and it estimates how many children will be put into poverty by the various welfare plans.

The report uses two different definitions of poverty, the official poverty measure and an alternative. It is under the alternative, not the official measure, that over 1 million children are put into poverty.

The report represents a range for the Democratic alternatives because the Office of Management and Budget did not have the time to develop a full model of the effects of that plan.

Mr. President, I think it is very important to note that the 1.2 million figure is reached using an alternative definition of poverty never before relied upon by the Federal Government.

When people say ''poverty,'' they usually mean the official poverty measure, which counts only a family's cash income such as AFDC and SSI and Social Security checks they receive.

Using the official measure of poverty, the Senate-passed bill would increase the number of children in poverty from 15.5 million to about 15.8 million, or an increase of 1.9 percent. Under the official poverty measure, the Senate Democratic alternative would not increase poverty at all.

Let me repeat that, Mr. President. Under the official poverty measure, the measure that we have used for decades, the Senate Democratic alternative would not increase poverty at all.

The alternative measure counts cash and in-kind income, such as food stamps and EITC, as well as AFDC, SSI, and Social Security, which exaggerates the poverty effect of the bill.

So while the numbers released concern me, I do not think that they ought to argue that somehow we ought to turn our backs on welfare reform. We simply cannot keep the status quo. We need to restructure our welfare system. We need to require people on welfare to work, and be responsible parents. We need to remember that the current system keeps 9 million children in poverty. That is the status quo, Mr. President. Nine million children today live in poverty as a result of the programs, the framework, and the institutions that we have in existence.

I want to make a couple of more points with regard to the numbers.

First, we should note that the statement that the Senate bill will put 1.2 million more children in poverty is based on an alternative definition, and that definition has never been used before.

Second, and perhaps more importantly, more children will be put into poverty only if the welfare system that we are proposing fails.

So I believe that we need to recognize four points, Mr. President, as we consider welfare reform.

First of all, the apples and oranges comparisons that the data makes is something that everybody ought to completely appreciate prior to the time we come to any conclusion. The fact is, using official poverty definitions, the Senate-passed bill does not increase the level of poverty for children at all.

We can say, regardless of whether one uses the official or the new alternative definition of poverty, that the Democratic bill is vastly superior to the Senate-passed bill, and the Senate-passed bill is at least four times superior than the House-passed bill.

So, as we have articulated all the way through this process, the Work First proposal that Democrats laid out that we debated, that we voted for unanimously, is by far the best version of all.

Second, I think it ought to be emphasized that no one said that this was the

last word on welfare reform. I do not know of a colleague on this side of the aisle who is content to say, all right, we have now done welfare reform, and there is nothing else to do. I think it is critical that everyone understand this is the first installment. This is the first opportunity for us to build a new infrastructure, to take what we have done, to analyze it, to see how well the States work with it, and to come up with ways in which to make it better in subsequent years. There is not one program that we have not done that with.

I submit that regardless of what happens on welfare, we are going to revisit this issue again and again.

So it is critical, it seems to me, that everyone understand. We want to build a new system, and we do it one step at a time. What we have attempted to do with the Senate-passed bill, with the Democratic bill in particular, is to provide the foundation.

Third, I think it is fair to say that it is vastly superior to the status quo. That was what we said before. I think the study confirms that it is better than the status quo now. What we have attempted to do is to improve upon the status quo, to create a new system, a new infrastructure, an emphasis on work, trying to get people off of welfare and into work, creating welfare opportunities in offices that will become work opportunities once this legislation passes.

So we are not satisfied with the status quo. We need to build upon it. We recognize the importance of creating new opportunities to do that. We do not want people on welfare. We want people to find new opportunities in work, in education, and in creating new lives. That is what this is designed to do.

Finally, I think it is very important that we know that much of what we did a couple of months ago as we considered welfare reform we did with an expectation that the other pieces of the safety net will still be there, that we will have an earned income tax credit that makes work pay, that we will do all we can to ensure kids are adequately cared for with regard to their nutritional needs, that we ensure everyone has at least a minimal amount of health care as a result of Medicare and Medicaid, that we do not gut the program today, to provide for meaningful housing. That safety net, regardless of what we do in welfare, is critical, if we indeed are concerned about not moving people back into poverty.

So I would only reiterate that we are beginning a process that will take some time to complete. We hope that we have created an opportunity for a lot of people at long last to make work pay, to find new ways to ensure that they will not be dependent upon welfare as they have in the past, recognizing that the status quo is unacceptable, and encouraging in as many ways as we can with new mechanisms so people can go out and find the jobs and find the opportunities that we hope will be there as a result of what we are attempting to do now.

## SETTING THE RECORD STRAIGHT

Mr. DASCHLE. Mr. President, I think it is important that I take just a moment to describe something I guess I never thought I would have to do, but I suppose it is important to set the record straight.

Somewhat baffling to me has been a debate over the public airwaves and in the press about what actually happened on the way to Israel. Did the President come back and talk to the leadership? Did he express his desire to work with the Republican leadership in an effort to resolve our outstanding differences? Senator DOLE, Speaker GINGRICH, Minority Leader GEPHARDT, myself, and others were on the airplane. The four of us were in a room that allowed us, I think, to safely say we know exactly what happened.

There is a contrast here that is very interesting to me. In my view, Senator DOLE, our majority leader, has taken the high road in this whole debate and has made it very clear that he is not going to become involved in it. I applaud him for taking that position. At least, as I understand it, that is his position. I have not heard him make any public comment on it. Unfortunately, the Speaker, for whatever reason, has chosen to make this an issue.

I can recall at least a half dozen occasions the President, during that very brief trip, both coming and going, came back and talked to us, expressed a desire to work together to find ways in which to resolve our difficulties with the debt limit, with the continuing resolution, with reconciliation. He expressed a desire to get together. He made the effort to suggest that whenever there was an understanding about what the consensus was with regard to the debt limit and the continuing resolution, we would be ready to go to work.

I do not know what else he could have done, frankly. No one has ever faulted the President for not being gregarious. He demonstrated that quality in spades on his way over and on the way back. I think he could probably tell you from memory what books each one of us were reading. He checked them all out, asked about them.

So, Mr. President, I think it is a silly debate. I hope we get it behind us. We have much more important things to talk about. But I do think it is important to set the record straight for fear that somebody out there might have thought that during this entire trip there was no dialog, no discussion, no discourse on what we ought to do, no opportunities to talk about what we have attempted to do here today.

There was a great deal of opportunity. And the hallways work both ways. I do not recall the Speaker making any effort to go to the head of the plane. If he was so concerned, if he wanted to speak with the President, I did not see any guard saying the Speaker is not allowed up into the front section of the airplane.

But, again, it is silly. The issue is, can we put aside our differences and begin working in a meaningful way to accomplish what we know we must against very difficult deadlines?

So I hope in good faith we can do that. We made an effort at that today, and I know we will again on Monday. I know the President cares deeply about using every opportunity he has available to him to ensure that the dialog is there, the opportunities for discussion are there, and the opportunities to resolve these outstanding differences be created whenever possible. He did that on the airplane going over. He did that on the airplane going back. He will do it again next week. He will do it whenever the situation arises.

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

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

The leader should understand that we are under a unanimous consent order to adjourn.

Mr. DOLE. I ask unanimous-consent that following my statement, we do that.

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

Mr. DOLE. Mr. President, this Saturday, November 11, America will celebrate Veterans Day—the day we set aside to honor the men and women who defend our country and preserve our peace and freedom.

Veterans Day was originally called Armistice Day. It was first celebrated in 1919, to mark the end of a war that was to have ended all wars.

Two years later, the remains of four unknown American soldiers were brought to a town square in a small French town. An American sergeant placed a bouquet of white roses on one of the caskets, designating the American Unknown Soldier of World War I.

The casket was brought across the Atlantic, and our Nation laid this hero to rest in Arlington National Cemetery on November 11, 1921.

Seventy-four years have now passed since that ceremony, and in that time, thanks in part to the efforts of the citizens of Emporia, KS, Armistice Day became Veterans Day.

That change became necessary because, as we all know, the First World War did not end all wars. Today, caskets bearing the remains of other Unknown Soldiers who fought in World War II, in Korea, and in Vietnam, now rest in Arlington alongside countless other American heroes.

Mr. President, in the early days of World War II, Gen. George Marshall

was asked whether or not America had a secret weapon. And the General said, ''Just the best darned kids in the world.''

Those words were true then, and they have remained true throughout this century. America has succeeded and democracy and freedom have flourished only because the best darned kids in the world were willing to risk their life for their country.

On Saturday, I hope all Americans will pause to remember those who stood boldly in harm's way, defending freedom and liberty around the world.

As we remember those who served in the conflicts of yesterday, let us not forget the men and women who fill the ranks of our Armed Forces today. They share with the veterans of past conflicts the same values of duty, courage, and sacrifice.

Today's All-Volunteer Force—Active and Reserve—stands ready to defend our individual freedoms and our national ideals. At the same time, they are asked to take on new, additional missions around the world. As always, they complete each new mission with professionalism and excellence. They give us all reason to be proud.

Mr. President, veterans know better than anyone else the price of freedom, for they have suffered the scars of war. On this Veterans Day, we can offer them no better tribute than to protect what they have won for us. That is our duty. They have never let America down. We will not let them down.

## ADJOURNMENT UNTIL 10 A.M., MONDAY, NOVEMBER 13, 1995

The PRESIDING OFFICER. Under a previous order, the Senate stands in adjournment until 10 a.m., Monday, November 13, 1995.

Thereupon, the Senate, at 10:15 p.m., adjourned until Monday, November 13, 1995, at 10 a.m.

## NOMINATIONS

Executive nominations received by the Senate November 9, 1995:

NATIONAL CREDIT UNION ADMINISTRATION BOARD

YOLAND TOWNSEND WHEAT, OF PUERTO RICO, TO BE A MEMBER OF THE NATIONAL CREDIT UNION ADMINISTRATION BOARD FOR THE TERM OF 6 YEARS EXPIRING AUGUST 2, 2001, VICE ROBERT H. SWAN, TERM EXPIRED.

DEPARTMENT OF JUSTICE

ROBERT S. LITT, OF MARYLAND, TO BE AN ASSISTANT ATTORNEY GENERAL, VICE JO ANN HARRIS.

IN THE NAVY

THE FOLLOWING-NAMED OFFICER TO BE PLACED ON THE RETIRED LIST OF THE U.S. NAVY IN THE GRADE INDICATED UNDER SECTION 1370 OF TITLE 10, U.S.C.

*To be admiral*

ADM. HENRY G. CHILES, JR., 000–00–0000.

THE FOLLOWING CANDIDATES FOR PERSONNEL ACTION IN THE REGULAR CORPS OF THE PUBLIC HEALTH SERVICE SUBJECT TO QUALIFICATIONS THEREFOR AS PROVIDED BY LAW AND REGULATIONS:

1. FOR APPOINTMENT:

*To be medical director*

RICHARD J. HODES
WILLIAM E. PAUL
DOUGLAS G. PETER

*To be senior surgeon*

MELINDA MOORE

*To be surgeon*

THOMAS R. HALES
SCOTT F. WETTERHALL

*To be senior assistant surgeon*

MARY M. AGOCS
JAMES P. ALEXANDER, JR.
ARTURO H. CASTRO
GEORGE A. CONWAY
THERESA DIAZ VARGAS
NINA J. GILBERG
LANA L. JENG
PHILIP R. KRAUSE
DAVID E. NELSON
PATRICK J. OCONNOR
CAROL A. PERTOWSKI
ROSSANNE M. PHILEN
STEVEN G. SCOTT
JESSIE S. WING

*To be senior assistant dental surgeon*

LEONARD R. ASTE
GEORGE G. BIRD
APRIL C. BUTTS
LISA W. CAYOUS
SHERWOOD G. CROW
BRET A. DOWNING
SCOTT K. DUBOIS
EDWARD D. GONZALES
JOSEPH G. HOSEK
MICHAEL D. JONES
STEVEN J. LIEN
AARON R. MEANS, SR.
SAMUEL J. PETRIE
ROY F. SCHOPPERT III
DARLENE A. SORRELL
JAMES N. SUTHERLAND
CHARLES S. WALKLEY
EVAN L. WHEELER

*To be nurse officer*

NORMAN J. HATOT

*To be senior assistant nurse officer*

GARY W. BANGS
ROBYN G. BROWN-DOUGLAS
PRISCILLA A. COUTU
ROBIN L. FISKE
COLLEEN A. HAYES
INDIA L. HUNTER
BRANLEY J. HUSBERG
CHRISTOPHER L. LAMBDIN
WANDA F. LAMBERT
MICHAEL D. LYMAN
MARY Y. MARTIN
Sharon D. Murrain-Ellerbe
Paul J. Murter, III
Steven R. Oversby
Teresa L. Payne
Ricky D. Pearce
Candice S. Skinner
Ernestine T. Smartt
Yukiko Tani
Mary E. Tolbert
Vien H. Vanderhoof
Sione W. Willie
ARNETTE M. WRIGHT

*To be assistant nurse officer*

SANDRA A. CHATFIELD
JAMES M. SIMMERMAN

*To be senior assistant engineer officer*

ARTHUR M. ANDERSON
SHIB S. BAJPAYEE
ROBIN A. DALTON
THOMAS J. HEINTZMAN
MICHAEL S. JENSEN
DAVID I. MCDONNELL
KENNETH E. OLSON II
PHILIP E. RAPP
JOHN R. RIEGEL
PAULA A. SIMENAUER
MARK A. STAFFORD
MARK R. THOMAS
MICHAEL B. WICH
DOMINIC J. WOLF

*To be assistant engineer officer*

JAMES H. LUDINGTON

*To be scientist*

VICTOR KRAUTHAMER

*To be senior assistant scientist*

LEMYRA M. DEBRUYN
JEFFREY S. GIFT
DARCY E. HANES
JAMES E. HOADLEY
ROSA J. KEY-SCHWARTZ

*To be senior assistant sanitarian*

ARTIS M. DAVIS
MARK A. HAMILTON
MICHAEL E. HERRING
STEVEN G. INSERRA
THERESA I. KILGUS
CYNTHIA C. KUNKEL
GAILEN R. LUCE
ABRAHAM M. MAEKELE
MARK D. MILLER
KELLY M. TAYLOR
MICHAEL D. WARREN
RONALD D. ZABROCKI

*To be senior assistant veterinary officer*

VICTORIA A. HAMPSHIRE
RONALD B. LANDY

*To be pharmacist*

DENNIS M. ALDER
JOHN T. BABB
DARYL A. DEWOSKIN
CYNTHIA P. SMITH

*To be senior assistant pharmacist*

LISA D. BECKER
KRISTI A. CABLER
WESLEY G. COX
KATHLEEN E. DOWNS
RICHARD C. FISHER
JEFFREY J. GALLAGHER
SYRENA T. GATEWOOD
LILLIE D. GOLSON
DOUGLAS P. HEROLD
RITA L. HERRING
MARY ANN HOLOVAC
CARL W. HUNTLEY
MICHAEL D. JONES
DENNIS L. LIVINGSTON
ROBERT H. MC CLELLAND
CONNIE J. MC GOWEN-COX
STEVEN K. RIETZ
MARGARET A. SIMONEAU
JOHN F. SNOW
DANIEL R. STRUCKMAN
EARL D. WARD, JR.

*To be assistant pharmacist*

DAVID A. KONIGSTEIN

*To be senior assistant health services officer*

TRACI L. GALINSKY
WILLIAM D. HENRIQUES
RICHARD R. KAUFFMAN
DOROTHY E. STEPHENS
GENE W. WALTERS

*To be assistant health services officer*

CAROL E. AUTEN
CHERYL A. WISEMAN

## WITHDRAWAL

Executive message transmitted by the President to the Senate on November 9, 1995, withdrawing from further Senate consideration the following nomination:

NUCLEAR REGULATORY COMMISSION

DAN M. BERKOVITZ, OF THE DISTRICT OF COLUMBIA, TO BE A MEMBER OF THE NUCLEAR REGULATORY COMMISSION FOR THE TERM EXPIRING JUNE 30, 2000, VICE E. GAIL DE PLANGUE, TERM EXPIRING, WHICH WAS SENT TO THE SENATE ON JANUARY 5, 1995.