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Senate

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

PRAYER

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

The hour is coming, and now is, when true worshipers will worship the Father in spirit and truth; for the Father is seeking such to worship Him.—John 4:23.

Gracious Lord of our lives, we respond to this invitation to worship You. In the quiet of this moment, we worship You in the splendor of Your majesty. You are infinite, eternal, and unchangeable; in Your being, You are wisdom, holiness, goodness, and truth. We worship You in response to Your grace: Your unqualified love for each of us. Thank You for Your faithfulness. You never give up on us. Even though we falter and fail, You neither leave nor forsake us. Your providential care for our Nation has been consistent all through our history. As a people we return to You.

Now Lord, how shall we worship You in the midst of the work of this day? We want to live magnificently by magnifying You in the mundane as well as the momentous. We want our work itself to be our response of worship. Our desire is to glorify You in all we think, decide, and do. Everything within us stands on tiptoe to worship You, for You are our God in whom we place our trust. Amen.

RECOGNITION OF THE MAJORITY LEADER

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

Mr. LOTT. Thank you, Mr. President.

SCHEDULE

Mr. LOTT. Today the Senate will resume consideration of the State Department authorization bill under a previous order. A cloture vote on the motion to proceed to H.R. 975, the steel import limitation bill, will take place at 12:15, with 40 minutes of debate on the motion prior to the vote.

Following that vote, the Senate will stand in recess until 2:15 p.m. so the weekly party caucuses can meet. It is our intention to complete action on the State Department reauthorization bill during today's session of the Senate and to resume consideration of the agriculture appropriations bill.

I thought we had reached an agreement as to exactly how to complete the State Department authorization bill late yesterday afternoon, but because of the absence of some Senators who needed to be consulted, we were not able to lock in the procedure and the time for completing that action. I hope we can complete it this morning and have a vote or votes on or in relation to the State Department authorization bill after the party caucuses at 2:15. When we go back to the agriculture appropriations bill, we would expect a number of votes this afternoon.

Unfortunately, the Democratic leadership has chosen to confuse the issue and delay action on the agriculture appropriations bill by offering the Patients' Bill of Rights to this very important bill. We could work out an agreement otherwise, if they would be reasonable as to how we might consider that issue. But for now it is pending to the agriculture appropriations bill, and I would expect there would be a couple of votes on or in relation to that issue also.

MEASURE PLACED ON CALENDAR—S. 1256

Mr. LOTT. Mr. President, I understand there is a bill at the desk due for its second reading.

The PRESIDENT pro tempore. The clerk will read the bill by title.

The legislative assistant read as follows:

A bill (S. 1256) entitled the ''Patients' Bill of Rights.''

Mr. LOTT. I object to further proceedings on this bill at this time.

The PRESIDENT pro tempore. The bill goes to the calendar.

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

FOREIGN RELATIONS AUTHORIZATION ACT, FISCAL YEARS 2000 AND 2001

The PRESIDING OFFICER (Mr. VOINOVICH). Under the previous order, the Senate will now resume consideration of S. 886, which the clerk will report.

The legislative clerk read as follows:

A bill (S. 886) to authorize appropriations for the Department of State for fiscal years 2000 and 2001; to provide for enhanced security at United States diplomatic facilities; to provide for certain arms control, nonproliferation, and other national security measures; to provide for reform of the United Nations; and for other purposes.

Pending:

Feingold amendment No. 692, to limit the percentage of noncompetitively awarded grants made to the core grantees of the National Endowment for Democracy.

ORDER OF PROCEDURE

Mr. MACK. Mr. President, I ask unanimous consent that I be able to address the Senate as if in morning business for up to 15 minutes.

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

Mr. MACK. I thank the Chair.

STEEL QUOTA

Mr. MACK. Mr. President, proponents of the quota legislation to be considered later today have spoken with vigor and passion regarding the ''injury'' that was suffered by domestic steel companies and the threat imports pose to the workers at those companies.

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

However, I am compelled to rise today to respond to many of the assertions raised regarding the steel industry specifically, and more generally I think it is important to speak to several other factors related to the bill. First, there are economic benefits all Americans enjoy as a result of lowering trade barriers; second, the harmful message a quota bill would send to our trading partners; and, third, the inappropriateness of Congress singling out a specific industry for special treatment.

The first point I would like to make is that the import surge is over. According to the Department of Commerce, imports have returned to their traditional levels. In fact, overall steel imports in the first 4 months of 1999 were below the ''pre-import'' surge level. Moreover, even with the import surge of 1998, U.S. steel producers reported profits of over $1 billion.

Furthermore, in reviewing data provided by the Steel Manufacturers Association, I was surprised to find that U.S. steel production has increased over the last 10 years. The 1998 steel output of 107.6 million tons was 10 percent greater than 1990 and the highest for any year since 1981.

Additionally, I was interested to discover that since 1987, imports as a percentage of domestic consumption have remained constant at around 20 percent. Again, according to this data, no ground has been lost despite protestations to the contrary.

Some have argued that the financial ill health of several specific companies such as Bethlehem Steel Corporation, Weirton Steel Corporation, Laclede Steel Company, Acme Metals Incorporated, and Geneva Steel Company are the direct result of last year's import surge. However, the fact is that many of the integrated steel mills have a history of declining financial health evident well in advance of the Asian crisis and the 1998 import surge. This is reflected in their stock performance which, without exception, shows a pronounced decline in the value of the stock over the last 5 years. Again, it has nothing to do with the surge in imports.

Noting the declining employment figures in the steel industry, proponents of the quota bill suggest that the United States is losing market share, but the fact is imports have not led to a decrease in market share. U.S. steel production in traditional integrated mills has remained fairly flat. Import competition has merely forced U.S. steel to become more efficient. The growth in domestic production that has allowed U.S. steel to retain its domestic share has been almost exclusively a result of our Nation's minimills which now account for almost 50 percent of domestic steel production. Mini-mills use an innovative production technique to recycle scrapped steel. These highly efficient and environmentally friendly producers are transforming the steel industry, and I think here it is worth noting that the association of mini-mills is neutral with regard to the proposed quota legislation.

Finally in this area, some argue our foreign competitors are playing by a different set of rules. This is exactly what our current antidumping laws are intended to address. The steel industry has shown itself to be intimately familiar with and more than willing to take advantage of these laws. Even though steel accounts for only 5 percent of our imports, the industry has generated 46 percent of the unfair-trade complaints brought before the U.S. International Trade Commission during the last 2 decades. Our current laws provide appropriate protection for all industries. They should not be circumvented in order to provide extraordinary protection for a single industry.

All too often we hear complaints of lost jobs and invariably the blame is laid on trade. This allegation has gone unanswered for far too long. Trade has given us far more jobs than would otherwise be available. The fact is that the size of the trade sector has grown steadily during the last 50 years. As a share of the economy, trade doubled between 1950 and 1980, and it has doubled again between 1980 and 1998. Not surprisingly, employment has expanded from 99 million in 1980 to 133 million today. And, the unemployment rate has fallen to 4.2 percent, the lowest level in 30 years.

Far from harming our economy, trade has been a major contributing factor to our growth and our prosperity. Real GDP is now 64 percent greater than it was in 1980 and we have experienced only 9 months of recession during the last 16 years. Moreover, our growth rate is now the highest and our unemployment rate the lowest among the G–7 nations.

Trade makes it possible for us to focus on the production of the things we do best, and thereby produce a larger output and enjoy a higher standard of living. For goods and services that we produce cheaply, we can expand our output and sell abroad at attractive prices. And for things we do poorly, we can acquire them more economically from foreign producers. Thus, trade promotes prosperity.

We have fought for open markets both through GATT and now the WTO. And we have been engaged in this fight, this battle for almost 50 years. For some time, we have told the world that economic freedom and a market economy are key ingredients of prosperity. The steel quota bill undermines this message.

Let me make four points with respect to the message.

A quota bill would send the wrong message to the European Union. A quota bill would send the wrong message to the former Communist countries seeking to establish market economies. A quota bill would send the wrong message to investors. And a quota bill would send the wrong message to our trading partners.

Let me just touch lightly on each of those.

With respect to the European Union, we are currently in the midst of a trade dispute with the EU regarding their restrictions on both bananas and beef. The steel quota bill undercuts our position on these issues. How can we complain about the restrictions of others while we ourselves are erecting trade barriers?

With respect to the leaders of the former communist countries, this bill says when we think it is convenient, it is all right to substitute political manipulation for markets. I can assure you, the leaders of the former communist countries are watching. If a prosperous America with a low unemployment rate is willing to bail out troubled firms, how can we expect them to refrain from such action.

With respect to investors, while much of the world has been in recession, investment flowed into the United States and the U.S. economy remained strong. In no small degree, this confidence of investors was due to the openness of our economy and our reliance on markets rather than politics.

Again, with respect to our trading partners, our trading partners—most of which have lower and slower rates of growth and higher unemployment—are unlikely to stand idly by while we impose trade barriers. Retaliation and escalation of trade barriers are likely side-effects.

Finally, it bears mentioning that it is a serious mistake for Congress to play favorites. This is precisely what is involved here.

This bill imposes a tax on steel-users in order to subsidize steel-producers. A substantial share of the U.S. steel industry refines raw steel into finished and specialty goods. The U.S. steel industry is therefore a major purchaser of imported steel. Higher steel prices which will surely accompany import quotas will increase the cost of refined steel and make these products less competitive than would otherwise be the case.

Moreover, this bill would treat the steel industry different than other industries. Steel is not the only industry that has been adversely affected by currency devaluations and weak demand due to the Asian crisis and recession in several parts of the world. The sales of many firms were affected as the result of these factors. Why should this industry be singled out for special treatment?

In conclusion, I want to stress that the legislation we will be considering later today proposes that the Congress intervene in the market, risk a trade war, and endanger the future health of our economy in order to insulate a segment of out steel industry from competition. I maintain there is already sufficient legislation on the books to protect industries against unfair competitive practices. Quotas and trade barriers are the wrong path. The world has already gone down this ''trade

war'' road once before with the Smoot-Hawley Law of 1930. Let's not make that same mistake again.

Additionally, I should note that Chairman Greenspan recently has sounded the dangers of protectionism. He now believes that rising protectionism is the single most dangerous threat to our future growth and prosperity. I share his concern.

Make no mistake about it—important principles are at stake here. We should be reducing trade barriers rather than increasing them. We have no business playing favorites. As our recent High-Tech Summit indicated, trade in both goods and ideas has made an enormous contribution to our prosperity. We must not allow this misguided effort to assist some at the expense of others and endanger American prosperity.

With that, I yield the floor, Mr. President.

Mr. GRAMM addressed the Chair.

The PRESIDING OFFICER. The Senator from Texas.

Mr. GRAMM. Mr. President, I congratulate our dear colleague from Florida, the distinguished chairman of the Joint Economic Committee, for his remarks. I identify myself with what he said.

The steel quota bill is a trade war starter and a job killer. It is imperative that this bill be defeated on the floor of the Senate today. Let me just try to outline a few reasons why I think that is absolutely essential.

First of all, America is the world's largest steel user. We have 40 times as many jobs in America using steel as we have jobs in making steel, so if we decide we are going to effectively, through this quota, impose a tax on steel, for every 1 worker we help we are going to hurt 40 workers. In fact, it has been estimated that to save one job through protectionism in steel it will cost Americans about $800,000.

How can it make sense to impose a cost of $800,000 to save a $50,000 or $60,000 job? It makes absolutely no sense. It would be an irrational decision for an individual or a family to make such a decision. And what is wisdom for an individual or family cannot be folly for a great nation.

You might ask yourself, if, in fact, everybody knows we have 40 steel-using jobs for every 1 steel-producing job—and we are debating imposing a quota on imports which will hopefully protect a few jobs while destroying many jobs—why are we doing it? We are doing it because the steel workers are very organized and are very tied in politically. That is what this is about.

The important thing to remember, however, is it costs not only about $800,000 per worker to protect a steel job, but because the steel quota is World Trade Organization illegal, it means that our competitors around the world, who will find these quotas being imposed on their steel, will be able to impose similar quotas and tariffs on American manufactured products, American agricultural products, American services that we sell around the world.

So the first point I want people to understand is that, by the most conservative estimate, when you take into account 40 jobs in steel using for every 1 job in manufacturing, when you take into account that this steel quota is illegal and therefore will produce countervailing quotas and tariffs against American products where we clearly are competitive on the world market, we are going to end up paying, as American consumers, over $1 million for every job in steel we might protect under this quota.

The next point I want to make is that the problem in steel is largely not imports. In 1980, we had 459,000 people employed in the steel industry. Today, we have 163,000 people employed in the steel industry.

You would think, in looking at these numbers, that steel production in America had fallen right through the floor; but, in fact, steel production since 1980 is up 56 percent. In fact, steel production in America was at an all-time high in 1997, even though we had reduced the number of people working in steel production from 459,000 to 163,000.

How do you reduce the number of workers from 459,000 to 169,000 and have production go up by 56 percent? You have that occur because of modernization and because of the implementation of new technology. In fact, since 1980, on average, America has reduced the number of people working in steel production by 9,000 a year, and they have done that not because of foreign competition but because of the implementation of new, modern technology.

Senator MACK mentioned it, but we have trade law section 201 that allows an industry that is suffering from foreign competition, where it can prove that job loss is due to the foreign competition, to get granted relief under current law. The steel industry, which has a record of filing more unfair trade practice suits and more complaints under the trade laws than any other industry in America, has not availed itself of 201. Why? Because if you look back to 1980, the primary reason they are losing jobs is not foreign competition.

In fact, in 1997 we had a record level of steel production in America—105 million tons. We had a record level of demand; hence we had a surge in imports and we had the demand because we are producing more cars, more trucks, more heavy equipment, and we are producing more washing machines, more dryers, more dishwashers than ever in history. And I can't think of a happier time, in terms of the economy, than we are looking at today.

In fact, in 1998—the last year we had data—steel production in America was near the all-time record, at 102 million tons. So the second point is that there is not a lot of data to suggest that the problem is with imports.

The third point I want to make is that the import crisis, if there ever was one, has passed. Steel imports are down from November 1998 to April of 1999—the last month we have data—by 28 percent. So if this ever was a problem, it is a problem that has largely been eliminated.

Finally, where is the evidence that the steel industry is on its back? The steel industry earned $1.4 billion in 1998. Of the 13 largest steel makers, 11 earned a profit in 1998. The bankruptcy of the three steel companies that are largely discussed as part of this bill, most analysts estimate, would have happened without regard to imports because of their high level of debt and because of the failure of investment that they made in new technology.

Now, no one is unconcerned when 10,000 Americans lose jobs in a year. That is a very real human story, and to be opposed to the quota bill is not to say that you don't care about the 10,000 people who lost their jobs. But it is important to remember that 9,000 people a year have lost their jobs due to technological change since 1980, and nobody wants to stop that change because it has created more jobs; it has produced better products; and it has produced products at lower prices, which have raised the real wages and living standards of every working family.

Finally, we are creating 7,500 jobs a day in America. We are the envy of the world. We are the world's most open market. We are the world's largest importer and, as a result, every day in America we are creating 7,500 new permanent, productive, taxpaying jobs for the future. We are creating them in industries that are going to grow and prosper, where these jobs represent jobs that will be there 20, 25, 30 years from today. Why in the world would we, the greatest beneficiary of international trade, want to start a trade war over 10,000 jobs when 9,000 of them were probably lost due to technological change, and in the process, jeopardize the creation of 7,500 jobs a day?

So the question we have to ask ourselves is: Do we want to risk 7,500 jobs a day in job creation in America due to being the world's greatest trading Nation? Do we want to put those jobs at risk for 10,000 jobs in the steel industry that will cost us over a million dollars, in terms of consumer cost, individually to protect? And, finally, there is no guarantee that technological improvement will not end up eliminating these jobs in any case.

I think our choice is clear. I think we have to reject this bill. This bill will kill jobs. This bill will start a trade war, and since we are the greatest trading Nation in the history of the world, we will lose more than anyone else. So I urge my colleagues to vote no on this bill, and to vote no because we are the richest, freest, and happiest people in the history of the world because we are the one Nation in the world that believes in trade and practices it every day.

Why we would want to change our minds on trade in the midst of an economic boom that is virtually unprecedented in the history of the world is a great mystery to me. Why this bill is even on the floor of the Senate is a testament to the level of economic illiteracy in America. Why it would make any sense whatsoever to impose an effective tax on steel and destroy 40 jobs for every one job that you save is a great mystery, and only politics can explain it.

This is a bad bill. It could not come at a worse time. It is totally unjustified. It threatens the economic future of America, and I urge my colleagues to reject it.

FOREIGN RELATIONS AUTHORIZATION ACT, FISCAL YEARS 2000 AND 2001

The Senate continued with the consideration of the bill.

Mr. WELLSTONE addressed the Chair.

The PRESIDING OFFICER (Mr. CRAPO). The Senator from Minnesota is recognized.

Mr. WELLSTONE. Mr. President, what is the current situation?

The PRESIDING OFFICER. The Senator is to be recognized on his amendment at this point.

Mr. WELLSTONE. Mr. President, in order to save time, let me speak to these amendments and then I will send up a modification.

For just one minute, I do want to respond to my colleague from Texas and say that I think this vote today around noon on cloture on the Rockefeller amendment is a test of economic literacy. But I have a different definition of that than my colleague from Texas. One more time, I want to make about two or three points. The first point is that our administration has no problem when it comes to tariffs, or when it comes to imposing tariffs on European imports in support of Chiquita Bananas in Central America. But now when it comes to the steelworkers, there is opposition.

My second point is that in many ways what happened with the Asian crisis was you had hot capital going in and out of those countries with no kind of regulatory framework that made sense. George Soros, a financier who knows something about this, is saying we have to have a different kind of framework for the global economy. Some of the financial interests that benefited most from financial liberalization and then were hurt the most from the Asian crisis were able to get some public money and public assistance through IMF bailouts. But again, when our steelworkers ask for some support under existing trade statutes, we don't get it.

Finally, let it be clear that this is not all about whether we have free trade. This is about fair trade. That is what I think matters the most. Our workers can compete with workers anywhere. But when you see the dumping of steel below the cost of production in our markets and saturating our markets and prices going down and people losing their jobs, of course, working people stand up and fight back. That makes all the sense in the world.

Finally, I want to argue a little bit of economics focusing on how we can help countries going through these crises—countries such as Thailand, Indonesia, Russia, and Mexico—how we can help those countries help their working class people consume more. Right now we are emphasizing that those countries should try to export their way out of their crises instead of relying on domestic demand, which does not make a lot of sense. We ought to be focused on how people in these countries can earn a decent living so they can, in fact, buy some of what they produce in their countries—some of their own products.

I say to my colleague from Texas that economic analysis is a little bit different than his but one which I think makes more sense.

Mr. WELLSTONE. Mr. President, I have two amendments that I want to talk about today.

The first amendment deals with one of the most alarming human rights abuses in the world today. It is the growing use of child soldiers.

Today, in 25 countries there are a quarter of a million, or more, children being used in government armies and rebel groups. Some of these children—if you are ready for this—are as young as 8 years old.

Children are recruited in a variety of different ways. Some are conscripted. Some are forcibly recruited or kidnapped and literally dragged from their homes, schools, and villages. In some instances, children are recruited based solely on whether or not they are big enough to hold a gun.

I think I need to repeat that.

In some cases these children are recruited, abducted, or kidnapped on the basis of whether or not they are big enough to hold a gun.

These young combatants are not only subject to grave physical risk but are all too often encouraged, or even forced themselves, to commit barbaric acts. Children are forced to do this. They are considered dispensable. Child soldiers are often sent to the front lines of combat, or sent into mine fields ahead of other troops. Children who protest or who cannot keep up with the march or attempt to escape are killed often by other child captives who are forced to participate in the killings as a means of breaking their wills and their spirits.

Those who survive these experiences are frequently physically and emotionally scarred. In addition to dealing with severe emotional and psychological trauma, malnourishment, disease, and physical injury suffered while in captivity, many children worry about their basic survival—how they will feed, clothe, and shelter themselves.

For example, in northern Uganda, the Lord's Resistance Army, an opposition group, has abducted some 10,000 children. Children as young as 8 years old have been taken from their schools and homes and forced to march to rebel-based camps in southern Sudan. They are made to carry heavy loads, without rest, and with very little food and water.

Accounts of the use of these children as soldiers by the Lord's Resistance Army in Uganda and in the devastating Sierra Leone conflict make clear that child combatants may suffer not only physical injury or disability but also psychological damage or rejection by their home communities.

Last year, I met with Ms. Angelina Atyam, the mother of one such child. Angelina's 14-year-old daughter, Charlotte—Charlotte is the first name of Charlotte Oldham-Moore, who is with me on human rights issues—was abducted from her school dormitory over a year and a half ago by rebels from the Lord's Resistance Army. Angelina described to me that fateful October morning when she arrived at her daughter's school to find all the windows broken, the girls' clothes scattered everywhere, and her daughter missing. The rebels had arrived at St. Mary's girls school the previous night, tied up the girls, beat them if they cried, and then took them away into unspeakable horrors. One hundred and thirty-nine students were abducted at gunpoint.

That is why this amendment is a very important amendment.

Thankfully, many of them have been rescued or escaped or their freedom has been purchased. But many others, such as Charlotte, have not returned. Charlotte turned 15 in the captivity of the Lord's Resistance Army. In Angelina's own words:

> Until peace comes, the kidnaping will continue. My daughter Charlotte turned 15 in Sudan. Like other parents in the Concerned Parents Association, my husband and I can only rely on those few children who manage to escape from captivity for news of our daughter. Two weeks ago, I spoke with a girl who had just escaped. She said the rebels are now intentionally impregnating the girls, to make them too ashamed to go back to their parents. She mentioned that one of the pregnant girls is a St. Mary's student named Charlotte.
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> I pray that one day my daughter will come home, and my family can become whole again. Uganda's future depends on how the government acts to end this tragedy and how quickly society reintegrates the children. No nation can have a valid strategic interest in prolonging the captivity and abuse of children. President Clinton has a unique opportunity to help start this healing process.

Important efforts are being made to address this moral outrage. Graca Machel, the former U.N. expert on the impact of armed conflict on children, has recommended that governments immediately demobilize all child soldiers.

I believe the United States must do more to end this grave human rights

abuse and assist its victims. Rehabilitation and social reintegration programs are essential to help former child soldiers regain a place in civilian society and help prevent their re-recruitment into subsequent conflicts. I believe strongly that the need for demobilization, rehabilitation, and reintegration programs of former child soldiers in conflict areas must be incorporated into U.S. policy.

The United States must take a leadership role in demobilizing and reintegrating these children back into their communities.

That is why this is a resolution that directs the State Department to study the issue of rehabilitation of former child soldiers, the positive role the United States can play in this effort, and to submit a report to the Congress on how we should address it.

Armed conflict has already taken the lives of 2 million children in the last decade. Three times as many have been injured or disabled. With the continued use of child soldiers, those numbers will only rise.

Our country must be a champion for children and their welfare. Consequently, the United States should be making the strongest possible effort to protect children of combat and to assist them in reentering their societies. It is the very least that we can do.

This amendment represents a continuation of some work that the Senator and I have been doing in this area. Today we focus on the need to provide the support services for these children.

Today we focus on the need to get a report from our State Department as to how we can play as positive a role as possible.

In the past, I have talked about these abuses on the floor. I certainly hope that we will continue to be very active and play a positive role in efforts to have some kind of international protocol agreement to protect these children.

I can't think, quite frankly, of a more important issue.

I have talked with some parents. As a parent, I find it unbelievable that this happens to so many children in so many countries. It would seem to me that we really ought to, as a country, as a government, take the lead and play as positive a role as possible.

I thank my colleagues for supporting this modification of this amendment.

When Senator HELMS comes to the floor, we will go ahead and do that.

Mr. President, also in order to move forward, let me go on and speak about another amendment that I was going to introduce to this bill—the State Department authorization bill, which I will now hold off on for a little bit longer period of time as we continue to build support.

This amendment also deals with another horrendous human rights violation in our time—the trafficking in human beings, particularly the trafficking of women and children for the purposes of sexual exploitation and forced labor.

Earlier this year, I introduced a bill called the International Trafficking of Women and Children Victim Protection Act of 1999, which addresses this issue and is cosponsored by Senators FEINSTEIN, BOXER, SNOWE, MURRAY, and TORRICELLI.

If passed, this bill will put the Senate on record—or this amendment, which we will be introducing shortly. We are going to continue to work with people and work with the State Department and with other Senators and build the support. But we want to go on record in the Senate, the U.S. Congress, as opposing trafficking for forced prostitution and domestic servitude, and acting to check it before the lives of more women and more girls are shattered.

One of the fastest growing international trafficking businesses is the trade in women. Women and girls seeking a better life, a good marriage, or a lucrative job abroad, unexpectedly find themselves forced to work as prostitutes or in sweatshops. Seeking this better life, they are lured by local advertisements for good jobs in foreign countries—including our country—at wages they could never imagine at home. Every year, the trafficking of human beings for the sex trade affects hundreds of thousands of women throughout the world.

The U.S. Government estimates that between 1 and 2 million women and girls are trafficked annually around the world. According to experts, somewhere between 50,000 and 100,000 women are trafficked each year into the United States alone. They come from Thailand, they come from Russia, they come from the Ukraine, they come from other countries in Asia, and they come from other countries from the former Soviet Union.

Upon arrival in countries far from their homes, these women are often stripped of their passports, held against their will in slave-like conditions, and sexually abused. Rape, intimidation, and violence are commonly employed by traffickers to control their victims and to prevent them from seeking help.

Through physical isolation and psychological trauma, traffickers and brothel owners imprison women in a world of economic and sexual exploitation that imposes a constant fear of arrest and deportation, as well as of violent reprisals by traffickers themselves, to whom the women must pay off ever-growing debts. Many brothel owners actually prefer foreign women—women who are far from home, far from help, don't speak the language—because it is so easy to control them. Most of these women never imagine the life in hell they would encounter, having traveled abroad to find better jobs or to see the world. Many believe that nothing would happen to them in rich countries like Switzerland, Germany or the United States. However, many of them now are put in a living hell.

Last year, First Lady Hillary Clinton spoke powerfully of this human tragedy. She said,

I have spoken to young girls in northern Thailand whose parents were persuaded to sell them as prostitutes, and they received a great deal of money by their standards. You could often tell the homes of where the girls had been sold because they might even have a satellite dish or an addition built on their house. But I met girls who had come home after they had been used up, after they had contracted HIV or AIDS. If you've ever held the hand of a 13-year-old girl dying of AIDS, you can understand how critical it is that we take every step possible to prevent this happening to any other girl anywhere in the world. I also, in the Ukraine, heard of women who told me with tears running down their faces that young women in their communities were disappearing. They answered ads that promised a much better future in another place and they were never heard from again.

Lest you think this is just in other countries, and this only happens in far off lands, let me talk about the United States. Earlier this spring, six men admitted in a Florida court to forcing 17 women and girls—some as young as 14—into a prostitution slavery ring. The victims were smuggled into the United States from Mexico with a promise of steady work, but instead they were forced into prostitution. The ring was uncovered when two 15-year-old girls escaped and went to the Mexican consulate in Miami.

According to recent reports by the Justice Department, teenage Mexican girls were also held in slavery in the Carolinas and forced to submit to prostitution. In addition, Russian and Latvian women were forced into nightclub work in Chicago. According to charges filed against the traffickers, the traffickers picked up the women upon their arrival at the airport, seized their documents and return tickets, locked them in hotels and beat them up. The women were told that if they didn't dance nude in nightclubs, the Russian mafia would kill their families. Further, over 3 years, hundreds of women from the Czech Republic who answered advertisements in Czech newspapers for modeling were ensnared in an illegal prostitution ring.

These victims are unfamiliar with the laws, they are unfamiliar with the language, they are unfamiliar with the customs, and quite often they don't know what to do. They are completely helpless. They are completely hopeless.

Trafficking in women and girls is a human rights problem that requires a human rights response. Trafficking is condemned by human rights treaties as a violation of basic human rights, and it is a slavery-like practice. Women who are trafficked are subjected to other abuses—rape, beatings, physical confinement—squarely prohibited by human rights law. The human abuses continue in the workplace, in the forms of physical and sexual abuse, debt bondage, and illegal confinement, and all are prohibited.

The Universal Declaration of Human Rights recognizes the right to be free from slavery and involuntary servitude, arbitrary detention, degrading or inhuman treatment, as well as to

the right to protection by law against these abuses.

The United Nations General Assembly has passed three resolutions during the last three years recognizing that international traffic in women and girls is an issue of pressing international concern involving numerous violations of fundamental human rights. The United Nations General Assembly is calling upon all governments to criminalize trafficking, to punish its offenders, while not penalizing it's victims.

Fortunately, the global trade in women and children is receiving greater attention by governments and NGOs following the U.N. World Conference on Women in Beijing. The President's Interagency Council on Women is working hard to mobilize a response to this problem. Churches, synagogues, and NGOs are fighting this battle daily. But, much, much more must be done.

My bill provides a human rights response to the problem. It has a comprehensive and integrated approach focused on prevention, protection and assistance for victims, and prosecution of traffickers.

I will highlight a few of its provisions now:

It sets an international standard for governments to meet in their efforts to fight trafficking and assist victims of this human rights abuse. It calls on the State Department and Justice Department to investigate and take action against international trafficking. In addition, it creates an Interagency Task Force to Monitor and Combat Trafficking in the Office of the Secretary of State and directs the Secretary to submit an annual report to Congress on international trafficking.

The annual report would, among other things, identify states engaged in trafficking, the efforts of these states to combat trafficking, and whether their government officials are complicit in the practice. Corrupt government or law enforcement officials sometimes directly participate and benefit in the trade of women and girls. And, corruption also prevents prosecution of traffickers. U.S. police assistance would be barred to countries found not to have taken effective action in ending the participation of their officials in trafficking, and in investigating and prosecuting meaningfully their officials involved in trafficking. A waiver is provided for the President if he finds that provision of such assistance is in the national interest. This is a modest enforcement provision that will encourage governments to take seriously this extremely serious human rights violation.

On a national level, it ensures that our immigration laws do not encourage rapid deportation of trafficked women, a practice which effectively insulates traffickers from ever being prosecuted for their crimes. Trafficking victims are eligible for a nonimmigrant status valid for three months. If the victim pursues criminal or civil actions against her trafficker, or if she pursues an asylum claim, she is provided with an extension of time. Further, it provides that trafficked women should not be detained, but instead receive needed services, safe shelter, and the opportunity to seek justice against their abusers. Finally, my bill provides much needed resources to programs assisting trafficking victims here at home and abroad.

We must commit ourselves to ending the trafficking of women and girls and to building a world in which women and children are no longer subjected to such horrendous abuses.

I urge my colleagues to support this important legislation.

I say to the chair of the committee, I will not introduce the amendment to today's bill. What we want to do is have an amendment, and I hope to get the support of the chairman of the Senate Foreign Affairs Committee, which will set an international standard for governments to meet in their effort to fight trafficking and assist victims of human rights abuse. It will call on the State Department and Justice Department to investigate and take action against international trafficking. It will create an interagency traffic force to monitor and combat trafficking in the Office of the Secretary of State. It will direct the Secretary of State to submit an annual report to Congress on international trafficking.

We will also take a look at what different governments are doing and which countries are involved in this illegal practice, what police forces are involved, and whether or not we ought to be taking action with a clear message that we, as a government, will not tolerate that.

On a national level, it will ensure that our immigration laws don't encourage the rapid deportation of women, that insulates the traffickers from being prosecuted. Women are terrified; they have no protection, and therefore, they can't even testify against what is happening to them. We want to make sure they are provided with some protection.

We want to commit ourselves to ending the trafficking of women and girls and to building a world in which women and children are no longer subjected to this horrendous abuse.

We don't agree on all issues, I say to the chairman of the committee, but I know him and I know he finds this practice abhorrent. Out of respect for him, I will not introduce this amendment to this bill because I know he wants to move the bill forward. There are a couple of issues we are trying to resolve in terms of getting support. I had a commitment from the chairman we will go forward with hearings. This will not be delayed.

Perhaps even more importantly, I say to the chairman, because he has had nothing to do with delaying this, I have been waiting for the State Department to come forward with their modifications. I have asked for quite some period of time. My hope is within the next week we will be doing this work together. I will work with the chairman; I will work with Senator BIDEN; I will work with the State Department. We will come to some agreement on our language, which surely we can do. When the foreign operations bill comes to the floor, my hope is we will be ready with this amendment. If at that point in time I can't get the State Department to come forward and give me their suggestions and talk about their approach and have us work together, I will just bring the amendment to that bill and we will have an all out debate and a vote up or down and see where people stand.

I am convinced with a little bit more time—not too much more time but a little bit more time—I will get to work with the chairman and I will be able to get the support of the chairman of the Senate Foreign Affairs Committee and Senator BIDEN and other Senators and we can move this forward.

My goal is to get this passed. Members don't come to the floor to give a speech for the sake of giving a speech. Quite often, we don't even get to see, Senator HELMS, the results of our work in a concrete way. But we do know if we can pass something like this and get it in a bill, it can help a lot of people around the world, and we have done something good. I want to do something good, do something positive.

I will wait a little while longer. I do want the State Department to know I will not wait much longer. Let's go forward in the spirit of working together. This will not be something that we will delay and delay. We will pass this. Some good work is being done in the State Department. There is no reason we can't do this together. There is no reason this can't be a bipartisan bill. There is no reason why our government, our country, can't take the lead in trying to put an end to this abhorrent, unconscionable, vicious practice. This is a huge civil rights issue. As a Senator, I intend to address this with some good legislation.

I say to the Chair, I have already had a chance to speak on the amendment dealing with child soldiers. We have a modification.

What I would like to do now is call up amendment No. 697 and ask unanimous consent it be in order for me to modify the amendment.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

AMENDMENT NO. 697, AS MODIFIED

(Purpose: To express the sense of Congress that the global use of child soldiers is unacceptable and that the international community should find remedies to end this practice)

Mr. WELLSTONE. I send the modification to the desk.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Minnesota [Mr. WELLSTONE] proposes an amendment numbered 697, as modified.

Mr. WELLSTONE. 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, as modified, is as follows:

On page 115, after line 18, add the following new section:

SEC. 730. SENSE OF CONGRESS ON THE USE OF CHILDREN AS SOLDIERS OR OTHER COMBATANTS IN FOREIGN ARMED FORCES.

(a) FINDINGS.—Congress makes the following findings:

(1) There are at least 300,000 children who are involved in armed conflict in at least 25 countries around the world. This is an escalating international humanitarian crisis which must be addressed promptly.

(2) Children are uniquely vulnerable to military recruitment because of their emotional and physical immaturity, are easily manipulated, and can be drawn into violence that they are too young to resist or understand.

(3) Children are most likely to become child soldiers if they are orphans, refugees, poor, separated from their families, displaced from their homes, living in a combat zone, or have limited access to education.

(4) Child soldiers, besides being exposed to the normal hazards of combat, are also afflicted with other injuries due to their lives in the military. Young children may have sexually related illnesses, suffer from malnutrition, have deformed backs and shoulders which are the result of carrying loads too heavy for them, as well as respiratory and skin infections.

(5) One of the most egregious examples of the use of child soldiers is the abduction thousands of children, some as young as 8 years of age, by the Lord's Resistance Army (in this section referred to as the ''LRA'') in northern Uganda.

(6) The Department of State's Country Reports on Human Rights Practices For 1999 reports that in Uganda the LRA abducted children ''to be guerillas and tortured them by beating them, raping them, forcing them to march until collapse, and denying them adequate food, water, or shelter''.

(7) Children who manage to escape from LRA captivity have little access to trauma care and rehabilitation programs, and many find their families displaced, missing, dead, or fearful of having their children return home.

(8) A large number of children have participated and been killed in the armed conflict in Sri Lanka, and the use of children as soldiers has led to a breakdown in law and order in Sierra Leone.

(b) SENSE OF CONGRESS.—

(1) CONDEMNATION.—Congress hereby joins the international community in condemning the use of children as soldiers and other combatants by governmental and non-governmental armed forces.

(2) FURTHER SENSE OF CONGRESS.—It is the sense of Congress that—

(A) the Secretary of State should—

(i) study the issue of the rehabilitation of former child soldiers, the manner in which their suffering can be alleviated, and the positive role that the United States can play in such an effort; and

(ii) submit a report to Congress on the issue of rehabilitation of child soldiers and their families.

Mr. WELLSTONE. Mr. President, I urge adoption of this amendment.

The PRESIDING OFFICER. The Senator from North Carolina.

Mr. HELMS. Mr. President, we certainly accept this amendment, amendment No. 697, as modified. We have discussed it on both sides.

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

The amendment (No. 697), as modified, was agreed to.

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

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

The motion to lay on the table was agreed to.

Mr. WELLSTONE. Mr. President, I thank the Chair for his help and his support.

Mr. HELMS. To the contrary, I thank the Senator from Minnesota.

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

Mr. HELMS. I commend the Senator from Minnesota for working with us on his amendments. The issues he raised are—''significant'' is not strong enough. They are grave issues that ought to be considered, and I commend him for it. I assure the Senator the committee will continue to work with him to address his concerns.

Mr. President, we have made significant progress in the State Department authorization bill. We have now completed debate on the Feingold amendment, and we have just, obviously, accepted the modified Wellstone amendment. We are making progress on the Sarbanes amendment, which is the only remaining amendment to be debated. I understand some Senators wish to come to the floor and speak on the bill in general, and I encourage them to do that now. This afternoon we will vote on the Feingold amendment and possibly the Sarbanes amendment, and then we will move to final passage.

PRIVILEGE OF THE FLOOR

Mr. WELLSTONE. Mr. President, I ask unanimous consent Kathleen O'Brien, a fellow, and Meagan Fitzsimmons, who is an intern, be granted the privilege of the floor today.

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

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

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

AMENDMENT NO. 695

(Purpose: To increase the authorizations of appropriations for ''Contributions for International Organizations'' and ''Contributions for International Peacekeeping Activities'')

Mr. SARBANES. Mr. President, I believe I have an amendment at the desk. Am I correct?

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Maryland [Mr. SARBANES] proposes an amendment numbered 695.

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

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

The amendment is as follows:

On page 116, strike ''$940,000,000 for the fiscal year 2000 and $940,000,000'' and insert ''$963,308,000 for the fiscal year 2000 and $963,308,000''.

On page 121, line 6, strike ''$215,000,000 for the fiscal year 2000 and $215,000,000'' and insert ''$235,000,000 for the fiscal year 2000 and $235,000,000''.

Mr. SARBANES. Mr. President, I have been in discussions with the distinguished chairman of the committee. The committee is prepared to take the latter part of this amendment. I am prepared to withdraw the first part of the amendment, therefore obviating the need for a vote, although I would then like to speak about the bill and my general attitude toward it.

I make a parliamentary inquiry. If I were to ask for a division of the amendment and withdraw the first part of it, on page 116, would the next order then be to go to the second part of the amendment on page 121?

The PRESIDING OFFICER. That would be the order.

Mr. SARBANES. Mr. President, I ask for a division on the amendment.

The PRESIDING OFFICER. The amendment is so divided.

The amendment (No. 695), as divided, is as follows:

DIVISION I

On page 116, strike ''$940,000,000 for the fiscal year 2000 and $940,000,000'' and insert ''$963,308,000 for the fiscal year 2000 and $963,308,000''.

DIVISION II

On page 121, line 6, strike ''$215,000,000 for the fiscal year 2000 and $215,000,000'' and insert ''$235,000,000 for the fiscal year 2000 and $235,000,000''.

Mr. SARBANES. Mr. President, I withdraw the first part of the amendment, lines 1, 2, and 3, that read, ''on page 116'' down and through ''$963,308,000.''

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

Mr. SARBANES. Mr. President, I understand that now before us is the second part of the amendment, lines 4 and 5 on page 1 and lines 1 and 2 on page 2; is that correct?

The PRESIDING OFFICER. That is correct.

Mr. SARBANES. There was originally a two-hour time agreement on the amendment, equally divided. I will cut my time back to half an hour, but I thought we would go ahead and adopt it, if that is acceptable to the chairman.

Mr. HELMS. I think that is what we should do, and I hope we will.

Mr. SARBANES. I ask unanimous consent that following the adoption of the amendment I have 30 minutes to speak on the bill, and that will be in lieu of the 1 hour that had been reserved for proponents of the amendment.

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

Mr. SARBANES. I urge the adoption of the second part of the amendment.

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

The amendment (No. 695), as divided, was agreed to.

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

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

The motion to lay on the table was agreed to.

Mr. SARBANES. Mr. President, I thank the chairman of the committee.

I now will speak on the bill, which presents some difficult issues. Despite the chairman's accommodation—which is a step forward that I appreciate—I still plan to vote against the bill, as I did in the committee. I say to the chairman that this decision has been made more difficult for me because this bill is now being named after Admiral Nance.

I wish the substance of the bill were such that I could feel free to vote for it. Unfortunately, I do not. But I want to make it very clear that if I could have improved the substance enough, the fact that Admiral Nance's name is on this bill would have clearly moved me in the direction of voting for it. Hopefully, it will come back from conference in a somewhat better state, and I might be able to vote for it then.

I wanted to say this at the outset because I, like so many Members of this body, had enormous respect and affection for Admiral Bud Nance and for his commitment to our Nation, both in war and in peace. I saw that commitment every day after he joined the chairman in the workings of our committee. His contributions were widely recognized and he will be greatly missed.

This amendment, which we have now adjusted, was an effort to keep us from going further into arrears to the United Nations in the current year. Under the compromise, we will authorize the full amount this year for peacekeeping, but we still fall behind on the contributions to international organizations.

The bigger problem connected with the legislation is the proposed package to settle our past arrears to the United Nations, which unfortunately, has two major shortcomings. First of all, the total figure does not reach the level which our Government admits we owe, missing it by a little under $100 million if one includes debt relief. My second objection is that the money we do authorize has been heavily conditioned.

Let me just say at the outset that I believe important U.S. national interests are undermined by our continued failure to pay what we owe to the United Nations and its affiliated agencies. I know the chairman and the ranking member are trying to search for a solution to this problem. I respect their efforts. I just do not think they have gone far enough along this important path.

By refusing to meet our legal obligations while continually issuing new demands, we are wasting our own influence, damaging our credibility and international respect, engendering resistance to the reforms we seek, and complicating the U.N.'s ability to perform its duties in a timely and effective manner. In my view, we should pay our arrears promptly, in full, and without additional conditions.

Unfortunately, this legislation does not accomplish that objective. The United States acknowledges we owe $1.021 billion to the U.N. The U.N. says we owe $1.5 billion. This bill authorizes $819 million over 3 years, plus an additional $107 million in credit. Even the $819 million which is authorized will not be paid promptly and at once; it will be paid over a 3-year period. So we will still be almost $100 million short of our acknowledged obligations, far short of the U.N. figure, with no promise of ever paying it back.

Unfortunately, that puts us in the position of a permanent default, particularly when one realizes that the authorization for the current year falls short. The amendment we just adopted helps to correct that on the peacekeeping side, but it still leaves us $23 million short on regular dues to the United Nations.

Furthermore, the bill imposes a long list of arbitrary and burdensome conditions for paying even the reduced amount, to which I have just made reference. These conditions have not been negotiated with or agreed to by the United Nations. They are, in effect, unilaterally imposed by the United States. They are being imposed on past obligations, on money we had agreed to provide without such stipulations.

The consequence of these arrears is that the U.N. has been unable to reimburse other countries for sending their troops on peacekeeping missions that the United States encouraged and endorsed. Other countries have put the lives of their own citizens on the line in order to accomplish mutually agreed objectives. The U.S. responsibility in most of those instances was to provide money to cover the missions they were performing for us and the entire world. Those missions have been accomplished. The bill has not been paid.

In addition, despite my amendment, this legislation creates new arrearages to the U.N., so not only do we fail to pay all the money we owe in arrears, not only do we establish preconditions for this partial payment, but we begin to build up new debts by authorizing less than is needed.

The agreement that was reached on the amendment addressed this in part. It provided the $235 million needed for assessed peacekeeping operations. The bill had $215 million. It still does not provide the full amount needed for assessed U.N. dues, falling short by $23 million.

I must say, if any other country delinquent in its obligations showed up with the demands we have placed in this legislation, lacking the intention of paying its debts in full and short of its current dues, we would be extremely upset at what we would regard as its audacity. Surely our friends and allies will have the same reaction to our conduct.

This approach runs counter to that reflected in the exercise of American leadership at the end of World War II, an approach that I think should characterize our policy toward the United Nations today.

It is my strongly held view that the interests of the United States have been served by our Nation's active participation in the United Nations and the U.N. system. Especially now, with the end of the cold war, the U.N. has a genuine opportunity to function as it was intended at the end of World War II, without the constant Soviet veto in the Security Council that effectively neutralized it for so many years.

The task facing us today is to assist the United Nations to adapt to the end of the cold war and the challenges of the new century. The need for the United Nations remains clear, for as then-Ambassador to the U.N. Madeleine Albright commented:

> The battle-hardened generation of Roosevelt, Churchill and de Gaulle viewed the U.N. as a practical response to an inherently contentious world; a necessity not because relations among States could ever be brought into perfect harmony, but because they cannot.

This sense of realism seems absent from many of the current discussions of the United Nations. There has been a misperception that the U.N. can somehow dictate policies to the United States and force us to undertake actions that do not serve U.S. interests. This is simply not the case. Those who labored in San Francisco and elsewhere to create the United Nations some half a century ago insisted that the United Nations organization recognize the reality of great powers by granting significant authority to the Security Council.

In the Council, the United States and other major powers were given the veto power, thereby ensuring that the U.N. could not undertake operations which the United States opposed. Every U.N. peacekeeping operation requires prior approval by the United States.

Actually, by failing to meet our financial obligations, we are abdicating the powers available to us within the U.N. system.

We are, for example, in danger of losing our vote in the General Assembly, a status generally reserved for the world's lawless and pariah states. Since the General Assembly works on the basis of consensus, we are depriving

ourselves of the ability to press for needed reforms.

The influence we held in the past by our leadership, reflected in the large number of senior posts awarded to U.S. nationals, is being eroded and subjected to challenge.

As Ambassador Richardson explained in the course of his confirmation hearings to go to the U.N.—he, of course, is now Secretary of Energy—I quote him:

> Growing resentment over our failure to pay our assessed dues and arrears has put our continued leadership and influence at risk. . . . [A]mong the members of the Geneva Group, composed of the U.N.'s largest contributors and a crucial source of support for U.N. reform, there is virtually no willingness to consider reductions in our dues for peacekeeping or the regular budget until we pay our arrears. If the United States fails to meet its financial commitments to the U.N. system, it will become increasingly difficult to set the U.N. priorities for the future and to ensure that qualified Americans serve in important U.N. posts.

Let me just talk a bit about how an effective U.N. serves U.S. interests. I believe, of course, that U.S. leadership is essential to an effective U.N.

Over the years, the U.N. has negotiated over 170 peaceful settlements across the globe—helping to end wars, uphold cease-fires, protect civilians, reintegrate refugees, oversee the conduct of free and fair elections, monitor troop withdrawals, and deter intercommunal violence.

From Iraq to Bosnia and Kosovo, assembling coalitions to repel aggression and keep peace would have been impossible without assistance and support from the United Nations.

In Haiti, the introduction of U.N. peacekeepers meant that U.S. troops could be extracted without condemning the country to chaos, while in Cyprus, the U.N. prevents an outbreak of hostilities that could lead to conflict between two NATO allies.

The U.N. has not been able to handle every situation. Unfortunately, it has attracted the most attention in those instances when it has not able to provide a resolution. People then conclude that it is totally ineffective. I beg very strongly to disagree with that conclusion.

As I have indicated, there have been numerous instances in which the U.N. has negotiated peaceful settlements. As a matter of fact, the Nobel Peace Prize has been awarded five times to the United Nations and its organizations.

U.N. operations further serve U.S. interests by leveraging our resources and influence in order to achieve a much greater impact at lesser cost than we could unilaterally.

I think those who constantly talk about the burdensharing theme—and I think it is an important theme; I have talked about it myself—need to recognize the U.N. has been, and can be, an even more important mechanism for burdensharing.

One of the things that needs to be understood is that by working through the United Nations, we can often gain international endorsement for an American position. The U.S. position is then seen as representing the judgment of the entire international community and not solely the judgment of the United States. The mandate becomes a response by the entire international community and cannot be portrayed as the United States trying to impose its own point of view in the particular situation.

There are many examples of how the U.N. serves U.S. interests at a reduced cost and with great effectiveness. The International Atomic Energy Agency, with our small annual contribution, has helped prevent nuclear proliferation by inspecting and monitoring nuclear reactors in facilities in 90 countries, many of which would not allow access to the United States alone. The World Health Organization, working in concert with USAID and other bilateral agencies, led a 13-year effort resulting in the complete eradication of smallpox, saving an estimated $1 billion a year in vaccination and monitoring, and helped to wipe out polio from the Western Hemisphere.

Through its High Commissioner for Refugees, its Children's Fund, the Development Programme, the International Fund for Agricultural Development, and the World Food Programme, the U.N. has saved millions from famine and provided food, shelter, medical aid, education, and repatriation assistance to refugees around the world.

The U.N. Environment Programme and the World Meteorological Organization have brought countries together to begin to address important environmental matters, to develop regional efforts to clean up pollution, and to predict and respond effectively to natural and manmade disasters.

Thanks to organizations such as the Universal Postal Union, the International Telecommunications Union, the International Civil Aviation Organization, and the International Maritime Organization—all agencies of the United Nations—there are procedures to ensure the safety and reliability of worldwide travel and communications.

By coordinating international sanctions against the apartheid regime in South Africa, the U.N. was instrumental in bringing an end to the apartheid system.

Through the efforts of the United Nations, over 300 international treaties have been enacted which set standards of conduct and enable cooperation in areas ranging from arms control to human rights and civil liberties, protection of copyrights and trademarks, determining maritime jurisdiction and navigation on the high seas, preventing discrimination against women, conserving biological diversity, and combating desertification.

Because of U.N. agencies, such as the International Labor Organization, and U.N.-brokered agreements, such as the Universal Declaration of Human Rights, the American ideals of freedom, democracy, equality before the law, and the dignity of the individual have become internationally accepted, and the rights and protections that U.S. workers enjoy are being aggressively pursued in other countries.

International trade and commerce would be hamstrung without the World Bank, the International Monetary Fund, the World Trade Organization, and the regional development banks, not to mention the many agreements negotiated under their auspices. All of these grew from the U.N. system.

I went on at some length about these matters because we do not often focus on them. A lot of the very positive work done by the U.N. is simply taken for granted, falling below the ''radar screen'' for most people. Many do not appreciate that it is the U.N. that is conducting all of these important activities, and they fail to understand how discomforted they would be in their lives if these activities were not carried out, which the United Nations has been doing, year in and year out.

The U.N. has been a favorite target of criticism. Certainly there are activities and practices of the U.N. that have been wasteful or ineffective and that require reform. But I think the strategy of unilaterally withholding funds until all our demands are met is counterproductive, particularly in the current circumstance.

Since his election in 1997, U.N. Secretary General Kofi Annan—whose candidacy, of course, was strongly supported by the United States—has instituted a number of significant reforms, including a zero-growth budget, the cutting of administrative costs, the elimination of almost 1,000 positions, the creation of an independent inspector general, the consolidation of overlapping agencies, the establishment of more budget oversight, and tighter budget discipline.

I know some think he has not gone as far as he should go, that he has not fully implemented all of these reforms, and there is some truth to that. But the fact remains, he is trying to run an organization that operates by consensus. He has set out the proper direction and the proper goals. He is doing his very best to move the agency along the right path.

Frankly, I think the United States can be more helpful in the reform effort. We do this not by being the biggest delinquent in dues paying, which only brings resentment against our calls for change; we should pay our obligations in full so we can regain the credibility and respect needed to push for further reforms.

It is both ironic and unfortunate that a nation that holds itself and its citizens to the highest standards of law should find itself in default of its international obligations. Our democracy is founded on the primacy of respect for the rule of law. We urge other nations to follow our example.

It is often a tremendous challenge to get countries to respect the basic

rights of their citizens and to act in accordance with international law. Yet we ourselves are not meeting those high standards as they relate to the United Nations. We undertook commitments under the U.N. Charter. We have a responsibility to make good on them if we want other countries to uphold their international agreements.

The United States is the great power in the world today, and with that role come important responsibilities in how we exercise that power. I think we are failing here, with respect to our commitments to the U.N., to exercise those responsibilities in a manner that will strengthen our position and serve our Nation in the international community. We have not only a legal and moral obligation to pay our dues, but a practical interest in doing so as well.

So while I respect the efforts that have been made in the committee, and while I recognize that I was a lonely voice for this position in the committee, I think that offering only a partial and a heavily conditioned repayment of the U.S. debt to the United Nations will not meet our obligations and will not enhance our interests.

Seven former Secretaries of State have written an open letter to the Congress urging the United States to honor its international commitments and pay its debt to the United Nations. I think their letter is a powerful statement about the importance of U.S. leadership and the risk that nonpayment of our debt to the U.N. will pose for U.S. security and international influence. That letter was signed by former Secretaries Kissinger, Haig, Baker, Christopher, Vance, Shultz, and Eagleburger—Democrats and Republicans alike.

I ask unanimous consent that their letter, which was sent to the Speaker of the House, the House minority leader, the Senate majority leader, and the Senate minority leader, be printed in the RECORD at the conclusion of my remarks.

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

(See Exhibit 1.)

Mr. SARBANES. Mr. President, the arrears package in this bill is a significant step toward meeting our international obligations. But I am deeply troubled by its failure to authorize the full amount that United States itself admits we owe, let alone what the U.N. claims we owe.

Secondly, even making that money available, or any part of it, is very heavily conditioned in this legislation. In other words, we are saying to the U.N.: Yes, we are willing to pay some of what we owe, but in order to get any of this money, you will have to comply with a long list of conditions—several of which I think will be extremely difficult for them to meet. In any event, it is sort of a ''take it or leave it'' approach. This was not part of a negotiated agreement. We are going to approve the package and then present it to them. I think we may encounter a difficult reaction to this and see a continuing problem.

Third, as I indicated, even with the accommodation made on the amendment earlier, we still create new arrears. So it is not as though we are able to say to the U.N. that this is the package we propose for arrears and, in the future, we are not going to let this situation arise again. In other words, we aren't really on board here to meet our continuing obligations to the organization, which in substantial measure has been responsive to American interests. Instead, we are going to continue to go into arrears, extending the problem which has brought us to the impasse we now confront.

Mr. President, I yield the floor.

EXHIBIT 1

U.S. SECRETARIES OF STATE TO CONGRESS: U.S. LEADERSHIP IS AT RISK

Hon. DENNIS J. HASTERT,
Speaker of the House.
Hon. TRENT LOTT,
Senate Majority Leader.
Hon. RICHARD J. GEPHARDT,
House Minority Leader.
Hon. THOMAS A. DASCHLE,
Senate Minority Leader.

MARCH 16, 1999.

DEAR CONGRESSIONAL LEADERS: As America's financial debt to the United Nations persists, we are deeply concerned that our great nation is squandering its moral authority, leadership, and influence in the world. It's simply unacceptable that the richest nation on earth is also the biggest debtor to the United Nations.

We are writing to urge all Members of Congress to support full funding of the outstanding and current U.S. legal obligations to the United Nations and to alert Congress to the serious consequences if we fail to do so. U.S. leadership is at risk. Our ability to achieve vital foreign policy and security objectives is compromised. Our priceless reputation as the pre-eminent country committed to the rule of law is compromised. And, the critical work of the United Nations is threatened.

As former Secretaries of State, we know first hand the importance of the United Nations and its agencies in securing global peace, stability and prosperity. And we appreciate that now more than ever, the U.S. must lead in the community of nations to turn back threats to peace and freedom, whether from war or hunger, terrorism or disease. We cannot lead if we ignore our basic international responsibilities.

There are historic consequences to our continued failure to meet our obligations. The United States, one of the founding members of the United Nations could lose its vote in the UN General Assembly.

Important reforms have occurred at the United Nations, many at America's urging: a no-growth budget from 1994–98 and an actual reduction of $123 million for 1998–99, creation of an office of inspector general which has identified more than $80 million in savings, more than 1,000 positions cut, and other cost-saving measures. Payment of U.S. arrears is critical to continuing this reform.

We urge you: honor our international commitments and pay America's debt to the United Nations. Great nations pay their bills.

Sincerely,

HENRY A. KISSINGER.
ALEXANDER M. HAIG, Jr.
JAMES A. BAKER, III.
WARREN M. CHRISTOPHER.
CYRUS R. VANCE.
GEORGE P. SHULTZ.
LAWRENCE S. EAGLEBURGER.

Mr. KERRY. Mr. President, the pending bill fails to authorize the Administration's full request for funding for U.S. contributions to international organizations and for U.S. contributions to international peacekeeping activities. I am pleased to cosponsor the amendment offered by my colleague, the Senator from Maryland, because it at least partially rectifies this situation by bringing the authorization for one of these two accounts up to the Administration's full request for Fiscal year 2000.

The bill before us today makes significant strides in the on-going efforts of the Congress and the Administration to pay U.S. arrears to the United Nations and achieve much-needed reforms in that organization. I commend both the chairman of the Foreign Relations Committee, Senator HELMS, and the ranking Democrat, Senator BIDEN, for this important accomplishment. Working closely together and working closely with the Administration, they have reached an agreement that will allow the United States to begin restoring its status as a member-in-good standing of the UN.

I believe many of my colleagues share my profound relief that, with this bill, the United States will take an important step toward paying what we owe to the United Nations. For the United States to fail to meet its treaty obligations as a founding member of the United Nations is, in my opinion, conduct unworthy of this great nation.

In our increasingly interconnected world, even a great nation—even the sole remaining superpower—can not protect and advance its national interests alone. We need not look any further than the last few weeks, as the United States and our NATO allies have worked to bring an end to the conflict in Kosovo, to see just how important the UN is to our ability to exert positive international leadership. For every day we have allowed U.S. dues to go unpaid and U.S. arrears to mount, our leadership in the UN has been subtly, but surely undermined. As we take the important step today of authorizing the payment of most of what we owe to the UN, we just as surely take a step toward reinforcing U.S. leadership around the world.

This bill does not, unfortunately, authorize payment of the full amount the State Department says we owe the UN. Of the $1.021 billion we acknowledge that we owe, this bill only authorizes payment of $819 million in direct payments and $107 million in debt forgiveness. We still fall $95 million short. I look forward to working with my colleagues on the Committee to ensure that the full amount of U.S. arrears to the UN are paid.

The amendment offered by Senator SARBANES, by ensuring the authorization of full-funding for what the U.S. currently owes for peacekeeping is

critical to continuing the hard-fought effort to restore U.S. standing in the United Nations. By cutting the level of our current contributions to the UN's regular budget and peacekeeping activities as this bill does, we run the risk of increasing our arrears in the very same bill where we are paying them down. The amendment offered by Senator SARBANES would ensure that we do not take one step forward and two steps back on paying what we owe to the United Nations. I strongly support this amendment.

Mr. BIDEN addressed the Chair.

The PRESIDING OFFICER. The Senator from Delaware is recognized.

Mr. BIDEN. Mr. President, I thank the Senator from Maryland for his statement and cooperation. I thank the chairman for working out a compromise with the Senator on his amendment.

I must say, I would be more comfortable if I could be pure on this, because I happen to agree with the Senator from Maryland. I think we owe a total amount of probably $1.021. The U.N. says we owe $1.509. We do not, in my view. I would be more comfortable if we could have gotten all of that. Quite frankly, I would be more comfortable, as a matter of principle, if there were no conditions.

So I began this process 6 years ago exactly where the Senator is. The arrearages began to mount in larger numbers, really with UNPROFOR in Bosnia. I know the Senator knows that a significant amount of what the United States ''owes'' is for peacekeeping missions. It is owed to France, the U.K., Italy, Belgium, Netherlands, Canada, India, Pakistan, Russia, and Germany. It is not dues in the sense that we belong to a club, or a country club, and you have yearly dues. This is more like at the end of the year when they say we ran over X amount of dollars and you assess the members beyond their dues. That is what we owe, in large part.

I know the Senator knows this, and I thank him for his acknowledgment of our attempt to do the best we could. But I think, as I said, on principle, we should pay our obligations in full with no conditions.

We should negotiate conditions from this point on, if we want to, because I think the Senator would agree with me that the U.N. is a badly run outfit in terms of its management skill.

It has been the employer of first resort for a significant number of countries, understandably. It is a bloated bureaucracy, which has been worked upon positively by Kofi Annan, and there has been progress made. But it is not an institution that we had in mind when we signed on in San Francisco. We didn't expect it to turn out to be as inefficient as it has, understandably.

It has also done an incredible amount of very good work. I believe, as the President said with regard to the United States, the United States is the ''essential nation.'' I believe it is the essential international organization. I am committed to it.

But, a friend of mine, when I used to serve on the county council in New Castle County, DE, a Republican named Henry Folsom came down to Washington—by the way, in the Reagan administration. Henry used to say, God bless his soul, ''Joe, remember. Politics is the art of the practical.''

Practically speaking, my pure stand of saying ''no conditions and all the money'' was rhetorically very appealing. But it didn't do a thing.

It was only, quite frankly, when the Senator from North Carolina—who has been a critic over the years of the United Nations—decided we had to fix this somehow; that we ended up over a period, I would say to the chairman, of probably 2 years of talk, negotiating, arguing, and compromising that we ended up where we are today. Where we are today is four-fifths or more of the way home.

Still, I for one do not like the conditions that precede us paying. I would rather say that these are conditions that we hope would be met, notwithstanding whether or not we would pay. But we are where we are.

So this is a process. This is a process.

I have spoken with all but two of the former Secretaries of State on this matter. When I put the question to them, as I did to Kofi Annan—All right, do you want this or do you want nothing? —every single person involved with the United Nations to whom I have posed that question said: No. No we will take this. We will take this.

The truth of the matter is there are choices. Our choices are this or nothing. All of us who are devoted to the United Nations, in terms of thinking it an essential body, have been unable to get a penny—a penny—toward these arrears. We have been noble, myself included, in our efforts. But we haven't gotten a penny for those ''arrears.''

Where we are today is with a decision. That is, is it partial, more than partial, is it the bulk of the arrearages to be paid, conditioned upon things which this Secretary of State says—by the way, the last piece of this was negotiated not by the Senator from Delaware and the Senator from North Carolina but by the Secretary of State speaking for the President of the United States and the chairman of the committee.

The administration has been candid. They said they are not sure they can get all of it done. They think they can. They are going to fight for it. But they think it is worth the fight—that it is worth the candlestick.

We are seized with a decision that I think is going to overwhelmingly pass, which is, do we keep these conditions that have been altered in light of the passage of 2 years of time to make them more likely to be able to be met, coupled with the $926 million paid out, as the bill calls for, much of it front-end loaded, or do we step back and say no, we are not going to?

I know the Senator from Maryland isn't suggesting this. But the other alternative is to step back and say unless we get it all, no conditions, all the arrears, we are not going to do anything, we will not be creating new arrears with this deal.

By the way, even though we are authorizing less than the administration requested for contributions to international organizations, we are about $43 million above what is needed in the first place.

I understand the State Department will soon announce a $28 million surplus in the fiscal year 1999 international organizations account. This would be applied to reduce the amount requested for fiscal 2000.

Also, because of exchange rate gains, the request is $20 million too high, as of April 30. $7 million is requested for war crimes commissions in Iraq and Cambodia. As much as I would like to see the commissions, neither looks likely in the very near future.

Finally, there is $8 million in the budget request to cover exchange rate fluctuations, but the committee bill already contains language that guards against adverse exchange rate variations. Section 801(f)(1) states:

> . . .there are authorized to be appropriated such sums as may be necessary for each of the fiscal years 2000 and 2001 to offset adverse fluctuations in foreign currency exchange rates.

I am confident we have authorized enough funds to meet our current obligations to international organizations. I understand the Senator's concern and fear. But I do not believe when we pass this authorization bill, if it were appropriated as we suggest, that we are going to be further and further behind in this process.

It is true that we have not fully funded the administration's request for arrears payments to the United Nations and other international organizations. We are $95 million short of our request.

As I have said, in an ideal world I would like to pay our arrears to the United Nations in full, immediately, and without condition. But I have made a judgment, and I believe the correct one, a pragmatic judgment, because I know that such a proposal has no chance of passing—''no conditions, all the money.''

In the last Congress, I asked the administration to give me a bottom line figure for arrears to the United Nations with which they could live. The administration responded with a memorandum to me which stated they were willing not to pay $68 million in arrears to UNIDO, an organization that we withdrew our membership from earlier in this decade.

Their judgment is that a total of $68 million in arrears is owed to an organization in which we are not a member, and to which we have no intention of paying membership dues.

They also told me they would apply an expected refund of $27 million from the U.N. to reduce our arrears. Unfortunately, that $27 million was used to

reduce the fiscal year 1998 contributions because our bill got stalled in the House. Otherwise, we would have been in pretty good shape.

For those who are wondering how we came up with $926 million, if we added $68 million to the $27 million and subtract that from the total of $1.021 billion we owed, then we would arrive at our figure.

What we did was essentially pay the entirety of the arrearages that we thought were owed absent the $68 million they said they didn't want to pay to an organization we weren't a member of, and not contemplating the fact they have to use the $27 million because this bill got slowed up. It is true that $27 million U.N. refund has already been used and, thus, is not available for arrears. But I would note that this sum can be easily subtracted from arrears owed to the specialized U.N. agencies. Even with the $926 million provided in our plan, many of the specialized agencies will have to create or expand programs to absorb the arrears payments they are going to receive.

It sounds a bit counterintuitive that a plan which is supposed to control the size of the U.N. could actually end up expanding it temporarily. That will be the short-term effect for many of the specialized agencies, if they decide to devise ways to spend the extra money that is going to be flowing in.

Again, I personally would like to fully fund the administration request. I think I have outlined a solid political and substantive rationalization for providing the lower figure.

Finally, I emphasize again that there is $8 million in the budget request to cover exchange rate fluctuations. The committee bill, as I said, already contains language to guard against an adverse exchange rate. It is section 801(F)1. It states:

> There are authorized to be appropriated such sums as may be necessary in each fiscal year 2000 and 2001 to offset the adverse fluctuations of foreign exchange currency rates.

I still agree with my friend from Maryland. That is, I believe the real hangup is the conditions. The truth of the matter is, we have basically paid all the arrears that we owe, that we say we owe. If you accept the administration's position that the $68 million owed to an organization we have been fighting with for 10 years, and we have been out of it for 3 or 4 years, that if we do not pay the $68 million owed—and had we not had the House stall with what Senator HELMS and I put together 2 years ago, we would be at the $1.021 billion. Again, it would be better if even that were done. I am not arguing that.

I almost hesitate to make the point, to be honest with my friend from Maryland, this is a fragile coalition we put together. I am not sure we would get all the Republican votes we need if we thought we were paying everything we owed. I don't want to go around making a big deal of the fact we are paying everything we think we owe, short of those two accounts, to be very blunt. I guess I shouldn't be so blunt. That is the truth of the matter, from my perspective, politically.

We have done a heck of a job. I don't know whether to praise my friend or not, because my praise on this issue is probably not very helpful to him, so I won't. But let me say there has been a very good-faith effort on the part of my friend from North Carolina. This is not nearly as draconian as it sounds.

Again, the single most significant thing my friend from North Carolina extracted in return for essentially paying off our arrears were the conditions that exist. The essence of the deal is, we basically paid all the arrears we say we owe, if this becomes law, if this is appropriated, in return for conditions to do things I don't disagree with my friend on, but I don't think we should have done it the way we did. I think we should have said, pay the arrears, and, by the way, from this point on, we are not going to unless these conditions persist.

However, politics is the art of compromise. The Senator from North Carolina has made a significant compromise here to get us to this point. Because of his standing on his side of the aisle and, quite frankly, his standing nationally, as one who is not about to be viewed as easily taken over by the U.N., I think the mere fact that he has done this adds a credibility to the process that exceeds by far and away the dollar value that would have been accomplished, had we gotten another $95 million or thereabouts in the account.

This is only the beginning of the fight. The Senator put his credibility on the line to get this done one time before. The House concluded that for reasons I will not take the time to go into now, that it would not do this.

The House committee, our comparable committee, has been good on this issue. But it is a different thing when it gets to the House floor. Although we are technically halfway there, if we pass this bill today, the truth of the matter is, we are probably only about 30 percent of the way there because there are other hurdles on the House side we have to overcome.

I truly appreciate the views of the Senator from Maryland, with whom I agree 100 percent. I also truly appreciate the statesmanship of my friend from North Carolina who has brought us to this point. Without him, quite frankly, this couldn't be done. That old expression we have overused, ''Only Nixon can go to China,'' only HELMS could take us this far.

That is literally true. That is not an exaggeration. I thank him for that.

Hopefully, this is the beginning of a process that puts us in good stead, strengthens the United Nations, and makes it a more viable and tightly run organization.

I yield the floor.

The PRESIDING OFFICER (Mr. ENZI). The Chair recognizes the Senator from North Carolina.

Mr. HELMS. Mr. President, listening to my dear friend from Delaware, JOE BIDEN, I harken back to the days when there was very little working relationship between the two parties on the Senate Foreign Relations Committee. Today, I think the working relationship is very good. That is due to the efforts of Senator BIDEN and his desire to make things work.

Let me be candid. I am not in the mood to give away the store, and I haven't given it away regarding the United Nations yet. It remains to be seen whether the reforms both of us have been demanding will be in place early enough for this proposition, which I will discuss in just a minute, to take place. We will see.

I can't tell the Senate how many times my best friend—next to Dot Helms—Admiral Nance and I have talked about this very issue. Bud Nance is gone now, but I remember his counsel on this bill.

This measure is important to me because it bears the name of the Admiral James Wilson ''Bud'' Nance State Department Authorization bill. Bud is gone; he is at the Arlington National Cemetery, after a distinguished career. I miss him.

However, both Senator BIDEN and I are blessed with excellent staffs. I thank staff on both sides. For the minority, the Democrats, I especially thank the inimitable Ed Hall, Brian McKeon, Runeet Talwar, Diana Ohlbaum, Janice O'Connell, and Joan Woodward.

I am especially grateful to the Senate's legislative counsel, Art Rynearson, and, of course, the best part for me, the majority staff of the Senate Foreign Relations Committee. The staff was put together by Admiral Nance and me, but he became the chief of staff of the Foreign Relations Committee. Steve Biegun has succeeded Bud Nance. He has been very artful in his contribution to this measure. Patti McNerney, Garrett Grigsby, Marshall Billingslea, Michael Westphal, Beth Stewart, Roger Noriega—this Noriega was born in Kansas, by the way—Kirsten Madison, Marc Thiessen, Sherry Grandjean, Dany Pletka, who has just given birth to her second little girl—Richard Fontaine, Jim Doran, Natasha Watson, Christa Muratore, Laura Parker, Christa Bailey, Andrew Anderson and Susan Oursler. All of these young people on both sides have made a mighty contribution not only to the composition of the bill but the fact we were able to compose it at all.

We are working together now. I want to say to my friend, Senator BIDEN, I appreciate his friendship and his cooperation. I extend my congratulations to him.

Now then, this bill addresses several significant oversight and authorization issues that ought to be at least mentioned before we go to a vote.

No. 1, it proposes to strengthen and preserve the arms control verification functions of the U.S. Government while

addressing other nonproliferation matters as well.

No. 2, the bill authorizes a 5-year construction blueprint for upgrading U.S. embassies around the world to provide secure environments for America's personnel overseas. Unlike the funds provided more than a decade ago in the wake of a report by Admiral Inman calling for improved security of U.S. embassies, this bill would create a firewall for funding of other State Department expenditures. This, of course, would ensure that embassy funds are not raided again to pay for other State Department pet projects. I am just not going to stand for it, and this bill makes that very clear.

This bill makes some reforms to strengthen the Foreign Service and significantly, as Senator BIDEN has discussed at some length, the bill includes the United Nations reform package. This is not something we are going to lay on the table and say we are going to do someday. It is going to be done now. The United Nations is going to be reformed now or there is going to be trouble ahead. The reform agenda required by this bill, prior to payment of any U.S. taxpayers' dollars, has the full support of the Secretary of State and Senator BIDEN and me. These reforms were approved by the Senate during the 105th Congress by a vote of 90 to 5, with 5 Senators absent. But, of course, those reforms were vetoed by the President of the United States.

In conclusion, I want to pay my respects to all who have participated in the building of this legislation, those with whom I have disagreed as well as those with whom I have agreed. All in all, I think it is a very fine bill and I am glad to have had a very small part in it.

I yield the floor.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative assistant 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. Mr. President, we are going to debate H.R. 975. I ask unanimous consent I be allowed to perhaps speak for 5 minutes on this bill.

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

STEEL IMPORT LIMITATION

Mr. WELLSTONE. Mr. President, I think I will come back to the floor, and depending on how many Senators are out here, I will speak more on this. But in this short period of time I want to try to deal with some of the arguments on this very important cloture vote on H.R. 975. There are three arguments I want to address in 4 or 5 minutes.

The first argument is that the steel crisis is over. That is what I hear from the White House. I say to my colleagues, I spent the weekend on the Iron Range in northeastern Minnesota, both in Duluth and on the Iron Range in Minnesota. If you were to speak to some of the 108 workers who have been laid off at EVTAC Mining, or talked to the workers at Minntac who had to make all sorts of concessions last fall to avoid layoffs, or if you were to talk to workers at LTV in Hoyt Lakes, you would find quite another reality. I think it would be hard for the administration or any Senator, Republican or Democrat, to go to the Iron Range in Minnesota, where we produce the iron ore for our steel, and tell these workers or their families that this crisis is over. This crisis is far from over.

To go to the flip side of the coin, but it is the same coin, I ask unanimous consent a letter dated June 18 from the CEOs of the major steel companies to Secretary Daley be printed in the RECORD.

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

Hon. WILLIAM M. DALEY,
Secretary of Commerce, Washington, DC.

DEAR MR. SECRETARY: We regret that your schedule required the cancellation of our meeting with you today. There are issues that are vital to our industry and to the Department's mission in trade law enforcement that require us to meet together as soon as you can do so.

We feel compelled, however, since we could not meet with you today, to convey to you immediately our emphatic disagreement with the comment attributed to you in this morning's Washington Post that ''the steel crisis is over''.

The steel crisis is still very much with us. Imports volumes are down from the disastrous levels of 1998 but are still very high by historic standards. While imports of hot-rolled steel are down dramatically due to your enforcement actions, the surge of imports in 1998 caused inventories to balloon to extremely high levels. These inventories have seriously depressed prices up until the present and will continue to do so until these stocks have been worked down. Moreover, cold-rolled imports are up dramatically through April of this year, 24% above the level of the first four months of last year. Imports of cut-to-length plate are up dramatically—25% year-to-year for this period. (If full year 1999 imports decline, it will only be because of the Department's prosecution of the cases against unfair trade that our companies recently filed.)

Prices remain extremely depressed. The producer price index for all steel mill products is down 9% (1999:Q2/1998/Q2). This is the largest decline in nearly 20 years. Prices for hot-rolled sheet, cold-rolled sheet and plate are down 11%, 9%, and 15%, respectively.

Operating rates have plunged from 93% to 80% between January and December 1998 and have remained at the depressed level through the first half of 1999. The decline in operating rates equates to about $2 billion in lost revenue in the second half of last year. On an annualized basis, a 10% change in operating rate equals about $5 billion in revenue. (Please see the attached charts addressing the facts set out above.)

The depressed prices and operating rates caused most American steel companies to post losses in the most recent quarter. Several steel companies have seen forced into bankruptcy. Thousands of those who were laid off due to unfairly traded imports are still out of work. Many thousands have seen their workweeks shortened and are still not back to full time.

For our industry, therefore, this crisis is far from over. It is very real, and very much with us.

We look forward to meeting with you soon. Your role in overseeing the Department's vigorous enforcement of the trade laws last fall was vital in preventing what is a continuing crisis from turning into an irreversible disaster. Your prompt action taken in initiating and prosecuting cases against dumping of hot-rolled steel from Japan, Russia and Brazil was essential to curtail the surge in these unfairly traded imports. The personal attention and energy which you have devoted to enforcing U.S. trade laws at the height of the import surge is deeply appreciated by all of us.

The Department is proceeding now to investigate other steel cases in cut-to-length plate and is due to make public its initiation decisions on the cold-rolled steel cases on Tuesday. These actions and decisions are vital to the future of the American steel industry.

Very truly yours,

Hank Barnette, Chairman & Chief Executive Officer, Bethlehem Steel Corporation; James DeClusin, Senior Executive Vice President, California Steel Industries; Don Daily, Vice President & General Manager, Gallatin Steel; Joseph Cannon, Chief Executive Officer & Chairman, Geneva Steel; Robert Schaal, Chairman and Chief Executive Officer, Gulf States Steel, Inc.; Roger Phillips, President and Chief Executive Officer, IPSCO Inc.; Dale E. Wiersbe, President and Chief Operating Officer, Ispat Inland Inc.; J. Peter Kelly, President & Chief Executive Officer, LTV Steel Company, Inc.; John Maczuzak, President & Chief Operating Officer, National Steel Corporation; Keith Busse, President & Chief Executive Officer, Steel Dynamics, Inc.; Paul Wilhelm, President, U.S. Steel Group, a Unit of USX Corporation; Richard Reiderer, President and Chief Executive Officer, Weirton Steel Corporation.

Mr. WELLSTONE. Mr. President, they make it clear the crisis is far from over as well.

The global conditions at the root of the crisis have not gone away. Imports from the major foreign producers have declined, but other countries have taken their place and we see major producers shifting to different steel products to get around the dumping orders. We need this Rockefeller bill to plug the loopholes.

Dumping cases take time. In many cases the relief is too little too late, or it gets negotiated away in suspension agreements. I am afraid someday we are going to wake up and we are not going to have any steel industry at all.

In my State of Minnesota we were a part of what happened in the 1980s, when we lost 350,000 steelworker jobs and 28,000 people left the Iron Range for good. As a Senator, I do not want to let that happen again.

The second argument that is made by the administration is that we cannot go forward with this bill because this is quota relief, and the question is whether or not quota relief is WTO-legal.

I see here a bit of a double standard. When Mr. Carl Lindner from Chiquita

Bananas had a trade complaint, the administration did not hesitate to slap a 100-percent tariff on imports from Europe. But when our workers and working families ask for some relief under Section 201, which provides for quotas and is WTO-legal, then all of a sudden there is no relief forthcoming.

Finally, I make a point that this crisis is not the fault of steelworkers. They should not be the ones asked to pay the price. I am in complete agreement that we ought to care fiercely about what happens in Russia, Mexico, Thailand, Indonesia, Korea, and other countries as well, but again I see another double standard. When our financial interests, when a lot of our Wall Street interests, if you will, wanted to be able to invest capital in these countries and take capital out at a second's notice, when they wanted to put hot capital in and take hot capital out without any regulatory framework in place, they were pleased to do so as long as they were making huge profits. Then when they decided to pull their capital out, these countries were left in terrible trouble. When it came to whether or not there would be IMF bailouts and whether or not there would be any kind of public dollars to help these financial interests out, again we had an administration that was all for these Wall Street interests.

I come to the floor of the Senate today to say this administration ought to really put working families—steelworkers of the Iron Range, steelworkers all across the country—as high on its list of priorities as Wall Street investors. And not just those steelworkers but the communities where they work and the communities where they live.

This bill, H.R. 975, is a good place to start. I thank Senator ROCKEFELLER for his leadership. I am proud to be out here on the floor speaking on this legislation. I hope we not only get votes for cloture, but we get more than enough votes to override any Presidential veto. This is a critically important vote that is going to take place within the next hour.

I yield the floor.

FOREIGN RELATIONS AUTHORIZATION ACT, FISCAL YEARS 2000 AND 2001

Mr. HELMS. Mr. President, before we get into this traffic jam timewise, I want the Chair to state what the situation is with the time agreement so there will be no mistake about it.

The PRESIDING OFFICER. At 11:35 a.m., we have a new time agreement that will begin with 40 minutes of debate equally divided between the two leaders, or their designees, on the cloture vote on the motion to proceed on H.R. 975.

Mr. HELMS. So there are 5 minutes remaining.

The PRESIDING OFFICER. There are 5 minutes remaining.

The Chair recognizes the Senator from Iowa.

Mr. HARKIN. Mr. President, I did not know that was the situation before us. As I understand, at 11:35 a.m., under a previous unanimous consent, there will be 40 minutes of debate equally divided.

The PRESIDING OFFICER. Preceding the vote at 12:15 p.m.; the Senator is correct.

Mr. BIDEN. Will the Senator yield?

Mr. HARKIN. I will be glad to yield.

Mr. BIDEN. I suggest the Senator start, and if no one is here to speak on the steel bill, while he is still speaking, we might be able to ask consent for him to continue. Otherwise, he can pick up afterward.

Mr. HARKIN. That makes sense.

The PRESIDING OFFICER. The Senator from Iowa.

Mr. HARKIN. Mr. President, I thank the chairman and ranking member, the managers of the bill, for including the amendment I had offered in the managers' packet. I thank Senators WELLSTONE, KOHL, LAUTENBERG, KENNEDY, DODD, TORRICELLI, WYDEN, and FEINGOLD for cosponsoring this sense-of-the-Senate resolution regarding the recent adoption in Geneva by the International Labor Organization of the Convention on the Worst Forms of Child Labor.

June 17, 1999 marked a historic event in the battle to end the scourge of abusive and exploitative child labor. By a unanimous vote, the International Labor Organization's member states approved a new Convention on the Worst Forms of Child Labor.

For the first time in history, the world spoke with one voice in opposition to abusive and exploitative child labor. Countries from across the political, economic, and religious spectrum—from Jewish to Muslim, from Buddhists to Christians—came together to proclaim unequivocally that ''abusive and exploitative child labor is a practice which will not be tolerated and must be abolished.''

Gone is the argument that abusive and exploitative child labor is an acceptable practice because of a country's economic circumstance. Gone is the argument that abusive and exploitative child labor is acceptable because of cultural traditions. And gone is the argument that abusive and exploitative child labor is a necessary evil on the road to economic development. The United States and the international community as a whole unanimously for the first time laid those arguments to rest and laid the groundwork to begin the process of ending the scourge of abusive and exploitative child labor.

Mr. President, for the better part of a decade, I have been in my own capacity working to do what I can to end abusive and exploitative child labor around the globe, including in the United States. The ILO estimates that there are about 250 million children worldwide, many as young as 6 or 7, who are working, economically active. These are not just part-time jobs. Many of them work in dangerous environments which are detrimental to their emotional, physical, and moral well-being.

Just last year, I traveled to Pakistan, India, Nepal, and Bangladesh where I witnessed the travesty of abusive and exploitative child labor firsthand.

This chart is a picture I took myself. This is in a small plant, a factory, to use the term loosely, hidden away on the outskirts of Katmandu. I was there on a Sunday, and Sunday evening I was accompanied by a young man who is a former child laborer. He took me to this place on the outskirts of the city where, because of friends working there who said the owner was gone and he knew the guard at the gate, we got in surreptitiously. In fact, the sign on the outside of the gate said no one under the age of 14 was permitted to work there. It was a big sign in both English and in Nepalese.

Once we got in, we saw kids as young as 6 and 7. This is just one of the many pictures I took depicting these kids working full time, and this was in the evening. This was probably about 7 or 8 o'clock in the evening on a Sunday.

In India, I met children who were liberated from hand-knotted carpet factories where they were chained—chained, Mr. President—to looms and forced to work as many as 12 hours a day, 7 days a week. These children were nothing more than slaves. They earned no money. They received no education. They had no hope for a future until they were freed by the South Asian Coalition Against Child Servitude, headed by Kailash Satyarthi. I can tell you that I myself have only glimpsed into the dark world of exploitative child labor.

The PRESIDING OFFICER. The Senator's time has——

Mr. BIDEN. Mr. President, I ask the Senator, how much time does he need?

Mr. HARKIN. I need probably 10, 15 minutes. I do not know if my colleagues are here to speak under the previous order. I will have to come back.

Mr. BIDEN. Mr. President, I will ask that the Senator be able to proceed after we vote on the cloture motion to proceed to the steel bill during the party caucus recess.

Mr. HARKIN. As I understand, there will be 40 minutes of debate and then we will have a vote?

Mr. BIDEN. Correct.

Mr. HARKIN. Are we going to come back to this bill right after that vote?

Mr. BIDEN. Yes. What we do not want to do is hold up the Holbrooke hearing. We will ask unanimous consent that Senator DODD have 15 minutes and that the Senator from Iowa have possibly another 10, 15 minutes during the period of the party caucuses in order to meet the deadline of the Holbrooke hearing at 2:30 p.m., which we have been fighting to get for a year and a half. That is the objective.

Obviously, the regular order is to move to steel. Unless my steel colleagues are willing to yield the Senator

from Iowa 15 minutes now, which he can request, I know of no other alternative. The Senator might ask.

Mr. HARKIN. If my colleagues are not going to speak on the steel bill, then I will add the time to continue my remarks.

REDUCTION IN VOLUME STEEL IMPORTS—MOTION TO PROCEED

CLOTURE MOTION

The PRESIDING OFFICER. Under the previous order, the hour of 11:35 a.m. having arrived, there will now be 40 minutes of debate equally divided between the two leaders, or their designees, prior to the cloture vote on the motion to proceed to H.R. 975, which the clerk will report.

The legislative assistant read as follows:

CLOTURE MOTION

We the undersigned Senators, in accordance with the provisions of rule XXII of the Standing Rules of the Senate, do hereby move to bring to a close debate on the motion to proceed to Calendar No. 66, H.R. 975, the steel import limitation bill:

Trent Lott, Rick Santorum, Mike DeWine, Jesse Helms, Ted Stevens, Harry Reid, Byron Dorgan, Orrin Hatch, Jay Rockefeller, Robert C. Byrd, Robert Torricelli, Fritz Hollings, Pat Roberts, Arlen Specter, Richard Shelby, and Craig Thomas.

The PRESIDING OFFICER. Who yields time?

Mr. SANTORUM addressed the Chair.

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

Mr. SANTORUM. Mr. President, I control the time in favor of the cloture motion.

The PRESIDING OFFICER. The Senator from Pennsylvania.

UNANIMOUS CONSENT REQUEST—S. 886

Mr. SANTORUM. Mr. President, I have a unanimous consent request from the leader.

I ask unanimous consent that notwithstanding rule XII, immediately following the 12:15 p.m. vote, Senator DODD be recognized to speak relative to the State Department authorization bill for up to 15 minutes. I further ask unanimous consent that following his remarks, the Senate stand in recess until 2:15 p.m. for the policy conferences. I also ask that at 2:15 p.m. today, there be 5 minutes equally divided for debate on the Feingold amendment, and following that debate, the Senate proceed to a vote on the Feingold amendment No. 692. I ask unanimous consent that following the vote, Senator HELMS be recognized to offer the managers' amendment and it be considered agreed to. Finally, I ask there be 5 minutes equally divided between the chairman and ranking member for closing remarks, that the bill then be read a third time, and the Senate proceed to a vote on passage of the bill, with no intervening action or debate.

The PRESIDING OFFICER. Is there objection?

Mr. BIDEN. Reserving the right to object, I ask the Senator to withhold that request. I know he was doing it as a favor. I appreciate it very much, but two things intervened in the last 5 minutes. I ask him to withhold that unanimous consent request for now.

Mr. SANTORUM. I withhold the request.

The PRESIDING OFFICER. Who yields time?

PRIVILEGE OF THE FLOOR

Mr. ROTH. Mr. President, I ask unanimous consent that Holly Vineyard, a Finance Committee detailee from the Department of Commerce, be granted floor privileges during the pendency of H.R. 975.

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

Mr. SANTORUM addressed the Chair.

The PRESIDING OFFICER. The Senator from Pennsylvania.

Mr. SANTORUM. I yield myself 3 minutes.

The PRESIDING OFFICER. The Senator from Pennsylvania is recognized for 3 minutes.

Mr. SANTORUM. Mr. President, I rise today in support of the cloture motion on the motion to proceed to the issue of steel quotas.

Senator ROCKEFELLER, who is my counterpart on the Democratic side leading this debate, and I are not people who have come to the floor of the Senate in favor of quotas. In fact, we think we are driven to this point as people who believe in free and fair trade, to ask the Senate to consider imposing quotas on the dumping of steel in this country by foreign nations.

It is remarkable what has occurred. It is unprecedented what has occurred in the steel industry over the past 2½ years. We have seen the level of steel rise, as far as imports into this country, two, three, four, five times the amount from some countries in the past 2½ years—and it continues.

One of the mantras I hear from the administration, which is lobbying against this bill, is that the crisis is over. I can say that in the case of China, for example, the world's largest producer, just in the first 4 months of this year their dumping was up 80 percent—their imports were up 80 percent.

So if the crisis is over, why then was the largest steel manufacturer dumping more steel into our market in the first 4 months of this year?

We have a continuing problem. What Senator ROCKEFELLER and I, and others who have joined us in this cause, are suggesting is something, frankly, that is very modest. We are suggesting a quota for 3 years to stop this outrageous and, I might add, illegal dumping.

We have won or are winning every single dumping case in the international arena. Every single case we are winning because of the illegality of what is being done by our foreign competitors in the steel industry.

What we are asking is not to go to a low rate of imports; what we are asking is to go to a rate of import into this country, a share of imports in the domestic market equal to a level that has only been reached four times in the past 30 years. So arguably we are setting the bar very high.

We are not going in to protect an industry that is inefficient or that is uncompetitive. The steel industry today is the most productive, competitive, and efficient steel industry in the world. Yet they are being wiped out by subsidized, illegally dumped steel, costing us thousands of good-paying jobs and thousands of families not going home with paychecks to support their children.

I am very hopeful that we can get a bipartisan vote today to at least move to proceed to the bill. That is all this vote does. It says let's put this issue front and center in the Senate, let's point out to our competitors around the globe that the Senate is not going to step aside and allow this illegal dumping to continue, that we are going to debate it, that we take this issue very seriously, and that we are not going to allow this kind of illegal action to continue.

I know my 3 minutes are up. I reserve the remainder of my time.

The PRESIDING OFFICER. Who yields time?

Mr. ROTH addressed the Chair.

The PRESIDING OFFICER. The Senator from Delaware.

Mr. ROTH. I yield myself 3 minutes.

The PRESIDING OFFICER. The Senator from Delaware.

Mr. ROTH. Mr. President, I rise today to express my opposition to H.R. 975 and to urge my colleagues, in the strongest terms possible, to vote no on cloture. Let me explain why.

Our steel industry faces a serious challenge as a result of foreign competition. That challenge stems from the persistent overcapacity in the global steel industry that is the legacy of decades of foreign government interventionism.

The quota bill, however, does nothing to eliminate this overcapacity. What the quota bill does do is simply lock in a certain share of our market—the quota amount—for foreign imports at a vastly inflated price.

According to a study by the Institute for International Economics, this bill would raise steel import prices by about $29 a ton. This represents a windfall of $800 million to the lucky foreign producers who get their goods into the United States under the quota, with the price tag being paid by the American people.

While the bill does enrich certain foreign producers, it also poses a grave threat to our economy. For every 1 job in the steel industry, there are 40 jobs in the steel-using industries. These 40 workers manufacture autos, industrial machinery, kitchen appliances, and other products. All these jobs will be at risk as a result of the quota bill, because this legislation seeks arbitrary limits on the amount of steel coming

into our country. And the quotas apply regardless of domestic demand and regardless of whether the type of steel is even produced in the United States.

To make matters worse, this measure would actually help foreign companies that compete against American steel-using industries both in the United States and abroad. For instance, U.S. automakers would be forced to pay higher prices for steel than their foreign competitors. This would disadvantage American companies in our market and in the foreign markets in which they compete. The impact on jobs and on the economy could be severe.

This bill would also put us at risk of retaliation by our trading partners. Our farmers are well aware of this risk. That is why 21 leading agriculture groups signed a letter last week stating their strong opposition to this legislation. These include the American Farm Bureau Federation, the National Council of Farm Cooperatives, the National Association of Wheat Growers, the National Cattlemen's Beef Association, and others. As these groups understand all too well, passage of this legislation will threaten our access to foreign markets at a time when these markets are most needed for our businesses and our farmers.

If we decide to go down the path of quotas, we must also keep in mind that the price will ultimately be paid by the American consumer.

I yield myself 1 more minute.

By raising the average price of products made with steel, the quota constitutes an artificial tax on ordinary Americans regardless of wealth or income. Keep in mind that the tax will not be insignificant. According to the Institute of International Economics study, the bill will, at most, save 1,700 jobs in the steel industry but will do so at a cost to the economy of about $800,000 a job. For us to put such a burden on the American people is unconscionable.

With that said, let us not forget that the import surge the quotas are designed to address appears to be over. In fact, imports of all steel products for the first 4 months of this year were below the imports for the same period in 1997, well before the surge began.

I yield myself 30 seconds.

Let me address one last point.

For some of my colleagues, this may be seen as a free vote. I, like many, hope the President will have the courage to veto this legislation if it does pass. But we have to remember that the American people sent us to Congress to further their national interests. Let's not disappoint them.

I urge my colleagues to vote against cloture.

The PRESIDING OFFICER. Who yields time?

Mr. SANTORUM. Mr. President, I yield 4 minutes to the distinguished junior Senator from West Virginia, who has been a tremendous leader on this issue.

Mr. ROCKEFELLER. I thank my colleague from Pennsylvania, who equally has been a distinguished leader on this issue.

Mr. President, the previous speaker, my esteemed chairman of the Finance Committee, talked about voting on a quota bill. We are not voting on a quota bill today. We are voting on a motion to proceed. This whole steel situation is very complex. Most States do not produce steel, and a lot of people do not know about some of the complexities.

We deserve debate on this. Traditionally, in the Senate we do that. That is what we are here for, to iron out issues in a rational way.

The steel crisis is not over. It is not over at all. You talk to any steel CEO. They know it is not over. I will just give one statistic. That is all I will give.

If you take the first 4 months of 1999, which brings us almost up to today, versus the first 4 months of 1998, which was the worst of the steel crisis, yes, the steel import crisis has abated a little bit, but only 5 percent from the all-time historic high in the dumping of subsidized steel. It has decreased by a total of 5 percent across the steel front.

So the crisis remains with us. It is a very serious matter. It disrupts and undoes communities, sections of States across this country, not just West Virginia, Pennsylvania, and Utah, but the rest of them. I do not think we have done what we could have done to enforce our trade laws. They are very clear. The administration has not done what it could have done. But that day is past. So we have to do what we have to do, and that brings us to the quota bill. This is not the bill itself; this is the motion to proceed to discuss what we are going to do as a result of that vote.

I think we have a moral obligation to our steelworkers and to ourselves to honorably and fairly discuss something that is very complex and which needs our very closest attention.

I thank the Presiding Officer and yield the remainder of my time.

The PRESIDING OFFICER. Who yields time?

Mr. ROTH. Mr. President, I yield 3 minutes to the distinguished Senator from New York.

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

Mr. MOYNIHAN. Mr. President, I rise with a measure of respect for all the parties to this question before us but with one absolute conviction, which is that what is proposed with this legislation, what has passed the House of Representatives, is illegal under international law. That, sir, is a law we created as the one party that emerged from World War II with its economy intact and the lesson of the protectionism that began on this floor, sir, in 1930 with the Smoot-Hawley Tariff Act. It spread throughout the world. If you want a short list of the causes of the Second World War, that was one. The American leaders, during the 1930s, with Cordell Hull, began the trade agreements program; and then we had hoped to have an international trade organization as part of a triad with the International Monetary Fund and the World Bank. Again, it failed in the Finance Committee. But in Geneva, a temporary ad hoc arrangement was put together, the General Agreement on Tariffs and Trade; it was temporary for about 45 years. But we acquired great respect for the rules, and 51 years ago, sir, article 11 of the General Agreement stated:

> No prohibitions or restrictions, other than duties or other charges, can be made through import quotas, export licenses, or other measures. None shall be instituted or maintained by any contracting party on the importation of any product.

Now, sir, if we were to do this, there would be immediate retaliation. And it would be illegal. It is uncalled for. The law says you may not do what is being proposed, and other parties, as former Senator Baker would say, ''having no dog in this fight,'' would find themselves retaliated against, as would the agricultural industry. I plead, let's abide by the laws we helped to create.

I yield the floor.

Mr. SANTORUM addressed the Chair.

The PRESIDING OFFICER. The Senator from Pennsylvania is recognized.

Mr. SANTORUM. Mr. President, I yield to the senior Senator from West Virginia.

The PRESIDING OFFICER. The Senator from West Virginia, Mr. BYRD, is recognized.

Mr. BYRD. Mr. President, I thank my friend from Pennsylvania. I am one of the original cosponsors of the quota bill. I urge my colleagues to support cloture. I compliment my very able colleague, JAY ROCKEFELLER, for his diligent work on this matter. I also compliment Mr. SANTORUM, our colleague from Pennsylvania, for his equally good work.

The quota bill is a critical measure in addressing the steel import crisis that is confronting U.S. steel mills, and I am mystified by statements suggesting that the Emergency Steel Loan Guarantee Bill is a competing interest against the quota bill.

I am here to set the record straight.

As a result of global financial chaos, in 1998, a record level of 40 million tons of cheap and illegally dumped imported steel flooded the U.S. market. That represents an 83 percent increase over the 23 million tons average for the previous eight years! The result has been the loss of 10,000 steel jobs, and the bankruptcy of several U.S. steel mills.

While both bills are before the Senate because of the steel import crisis—one has been passed and the conferees thereon were appointed yesterday—the quota bill and the Emergency Steel Loan Guarantee Bill serve vastly different purposes, and both deserve support from every member in the Senate.

The quota bill is a long-term solution to the steel import crisis. The quota

bill would cap steel imports at a level that equals the average amount of steel that came into U.S. markets in 1995, 1996, and the first half of 1997. The measure would take effect immediately and prohibit any country from sending more steel to the United States than it did in July of 1997. The quotas would terminate in three years. The President could achieve these import limits by imposing quotas, tariff surcharges, negotiated enforceable voluntary export restraint agreements, or other means.

The Emergency Steel Loan Guarantee Program which passed the Senate last week is a helping hand to U.S. steel mills that have been injured by the cheap and illegal imports. It is a short-term assistance program to aid U.S. steel mills during their hour of need. It does not address the underlying critical problem of both cheap and illegally dumped imported steel that continues to adversely impact U.S. steel mills. While essential to aiding thousands of hardworking Americans, the steel loan guarantee program is no substitute, nor was it intended to be, for the long-term solution that is offered by the quota bill.

The House of Representatives passed the quota bill by a vote of 289 yeas to 141 nays. Now it is the Senate's turn to send a vigorous message to our trading partners that this nation will not idly sit by while another American industry is shipped abroad.

Last week, I strongly urged my colleagues to support the Emergency Steel Loan Guarantee Program. It is a fair and important measure for the U.S. steel industry and thousands of hardworking Americans. Let there be no mistake: members can not hide behind one vote and claim to have solved the crisis in our domestic steel industry. The Senate must act to help the U.S. steel industry on a long-term basis as well. This Senate acted wisely in passing the Emergency Steel Loan Guarantee Program. It provides a cash flow for financially damaged steel companies and it will enable them to invest in further modernization. It will save jobs that are at risk from illegal imports. Likewise, this Senate should ensure that the need for the loan guarantee program is minimized by casting a vote that will stop the illegal dumping of foreign steel. The quota bill will stop the cheating and finally provide U.S. steel mills with an international playing field that is fair.

I thank the distinguished Senator from Pennsylvania, Mr. SANTORUM, for his courtesy and kindness. I thank my colleague from West Virginia, Mr. ROCKEFELLER, for his leadership in this matter.

I yield the floor.

Mr. ROTH. Mr. President, I yield 3 minutes to Senator GRASSLEY.

The PRESIDING OFFICER. The Senator from Iowa.

Mr. GRASSLEY. Mr. President, we are about to vote on a very major and very dangerous revision of U.S. trade policy, and we are going to do it without the benefit of a hearing and, quite frankly, we are doing it under great political pressure. That is not a very good environment.

If we give in to pressure to enact quota legislation, we will do great harm. I believe the proponents are all acting, of course, with the best of intentions. Yet we must not allow our desire to help a troubled industry in the short term do long-term damage to our economy.

Sixty-nine years ago, Congress passed the Smoot-Hawley Tariff Act, and they did it with the best of good intentions. Its aim was to help the American farmer, with a limited upward revision of tariffs on foreign produce. But it had the opposite effect. It strangled foreign trade. It deepened and widened the severity of the Great Depression.

Other countries faced with deficits and exports had to pay for their imports, and they responded by applying quotas and embargoes on American goods.

I think the history of the depth and the severity of the retaliation against U.S. agricultural products from that period is shocking, because our foreign buyers stopped buying our agricultural products in retaliation.

In 1930, the United States exported just over $1 billion worth of agricultural goods. By 1932 that amount had been cut in half. Almost every American export sector was hit by foreign retaliation but particularly agriculture.

As the United States agricultural exports fell in the face of foreign retaliation, farm prices fell sharply, weakening the solvency of our rural banks. Their weakened condition undermined deposit confidence leading to the runs on the banks and bank failures, and ultimately the contraction of money supply.

Farm prices for many agricultural products are already at rock bottom levels. Can we in good conscience put so much of our economy at risk with this legislation?

In 1998, the United States exported agricultural products worth $53 billion, accounting for one-third of America's total agricultural products, and nearly 1 million jobs. Agriculture is perhaps the most vulnerable sector of our economy to foreign retaliation, and our trading partners know it.

Retaliation is not a thing of the past. It is a hardball tactic that is frequently used as an instrument of national policy. Just look at the recent history. Japan threatened to retaliate when we took some action against them. In 1983, China temporarily stopped buying U.S. wheat in retaliation of another President's protectionist policies.

We have to learn from the past, and we have to say if it is bad for agriculture, it is bad for America.

The PRESIDING OFFICER. Who yields time?

Mr. SANTORUM. Mr. President, I yield 1 minute to the Senator from Michigan.

Mr. LEVIN. Mr. President, I thank my friend from Pennsylvania.

I would like to address a question to the chairman of the committee to see if he would be willing to consider this question. It has to do with a bill which the good Senator from Delaware introduced to modify section 201 of the Trade Act of 1974 in order to strengthen the utility of that section.

I am wondering whether or not on this bill, which was ordered reported, I understand, by the Finance Committee last Wednesday—it is the chairman's intention to press for Senate consideration.

Mr. ROTH. I say to my distinguished colleague that is my intent. We think it is a valuable change. We hope to have it on the floor.

Mr. MOYNIHAN. May I say that the Senator from New York offered that legislation, and it was welcomed by the chairman. It is a bipartisan measure.

Mr. COCHRAN. Mr. President, imposing quotas on the importation of foreign steel to protect some U.S. steel producers will have several negative effects on the domestic and world economy.

The best way to combat illegal trade practices is to adopt trade laws that are compatible with World Trade Organization rules. We already have in place section 201, dealing with temporary import surges and section 301, regarding anti-dumping. They have both proven effective in recent months in altering the steel trade balance.

Steel imports are already subject to over 100 outstanding antidumping and countervailing duty orders. Congress should not judge the outcome of these investigations by imposing quotas on top of existing trade rules. Maintaining consistency in our trade policy is of utmost importance, given that the U.S. is the world's largest trading country. Furthermore, The United States will host the WTO ministerial meeting in Seattle later this year. The success of these ongoing international trade talks depends on our credibility and compliance with those rules.

We must recognize that imposing on steel imports may affect other important U.S. industries as well. In Mississippi there are wire producers, shipbuilders and manufacturers who provide thousands of jobs and whose products contribute to our strong U.S. economy. And, when retaliations occur as a result of our implementation of quotas, they will undoubtedly affect other sectors of our economy, including agriculture.

In Mississippi alone agriculture exports of cotton, soybeans, poultry, rice and meat account for $850 million and 13,900 jobs according to the USDA and Census Bureau. The American Farm Bureau reports that exports constitute more than one-third of all U.S. agricultural sales. More than 1 million Americans today have jobs dependent on U.S.

agricultural exports, including farming, food processing and transportation.

The Coalition to Promote U.S. Agricultural Exports reports that every one billion dollars in exports helps create as many as 17,000 new jobs. In light of the market crises abroad in Asia, Russia, and the New Independent States of the former Soviet Union, it is more important than ever to assist the agricultural community by maintaining its access to the world's markets. This is the key to economic recovery of the farm sector.

U.S. agricultural and manufacturing exports totaled more than $680 billion last year. If Congress imposes quotas inconsistent with WTO rules, all U.S. industries may be targets for retaliation, putting at risk the revenues and jobs these industries and their exports produce. It is these very WTO agreements which enable our trading partners to retaliate against our exports.

This legislation's protection for the specialized steel industry will lead to protectionism. For the good of all U.S. industries—as well as agriculture—open markets, free, and fair trade, and a rules-based international trading system ought to be the principles on which we base our trade laws.

Mr. MURKOWSKI. Mr. President, I rise today to express my opposition to the steel quota bill, H.R. 975. Simply put, steel quotas are wrong. The protectionist measures proposed in this legislation represent a failed trade policy that the United States abandoned long ago. For the last 50 years, the United States has been the world's leading advocate of open markets. At the same time, we have grown to be the strongest and most productive economy on earth. Now is not the time for this government to reverse an economic policy that has served it so well.

Steel quotas are wrong for the world's economy, and by definition America's economy. In this era of global business, open markets are essential to international prosperity. In the midst of the Asian economic crisis, American leadership in keeping markets open has prevented a global financial meltdown. The U.S. and its allies have spent years developing an international trading system. Treasury Secretary Robert Rubin was not exaggerating last week when he warned that the steel quota bill could set off a wave of market access restrictions that would undermine this system and threaten the world's financial health.

Steel quotas are also wrong for the American economy. There is no question that open markets present some difficult challenges for American companies. They lead to stiffer competition and force greater efficiency. But open markets also mean greater opportunities. As a nation, we are succeeding. The United States is the strongest and most prosperous nation on earth. We have the most skilled workforce, the most productive factories and the most innovative thinkers anywhere in the world. Our commitment to open markets has played a key role in this success.

In my home state of Alaska, for example, international trade is a vital part of the economy. Last year, Alaskan companies exported more than 750 million dollars worth of merchandise to foreign countries. And that was an off year in my state because of the Asian flue—in most years, our merchandise exports total nearly 1 billion dollars.

For many reasons, the quota bill will do more harm to the American economy than good. First, the steel quota bill will provoke foreign countries to retaliate against our exports. And the United States will be in no position to complain. The international trading system—the one that we played a leading role in creating—authorizes countries to retaliate against those who erect trade barriers such as quotas. This retaliation will be devastating to our farmers and factory workers. It will cost many more American jobs than it will save. As American companies lose sales abroad, they will be forced to cut jobs and close doors at home.

Second, the quota bill will deny American manufacturers the steel they need to make their products. Domestic steel companies are only able to meet about 75 percent of the demand for steel in this country. As a result, steel quotas could create dangerous steel shortages—shortages that hurt the oil industry in Alaska. In addition, the quota bill is completely insensitive to the types of steel that American companies need. There are many special types of steel that simply are not made in the U.S. Quotas could completely deny American companies access to those special types of steel, forcing them to reduce the quality of their products or move their production overseas.

Finally, by making a critical raw material more expensive, steel quotas will put many of our products at a world market disadvantage. Because American manufacturers will be forced to pay more for steel than their foreign competitors, their products will be more expensive. Again, the steel quota bill will result in lost sales abroad and lost jobs at home.

For all of these reasons, we must not pass the steel quota bill. It is wrong for the United States and wrong for the world's economy. As Federal Reserve Chairman Greenspan recently warned, it will indeed be a great tragedy if we pass this legislation.

Mr. LEVIN. Mr. President, I will vote for cloture on the motion to proceed to H.R. 975 in order to bring this issue to the floor.

That is the best way, and perhaps the only way, to insure a debate on how to address the steel import crisis in a timely manner.

The motion to proceed isn't the end point. It is not final passage. Only if the motion to proceed is adopted can we debate how to act effectively and legally to avoid the kind of surges in steel imports which have illegally impacted our steel industry.

Ms. MUKULSKI. Mr. President, I am proud to cosponsor the Stop Illegal Steel Trade Act. This legislation will enable us to stand up for steel. It will create a level playing field for the American steel industry and our steel workers.

We must stand up for steel.

Today, our steel industry and steel workers are under attack by illegal and unfair trading practices. Brazil, Russia, and Japan have dumped cheap steel on the American market that has drastically impacted the price of steel. Over the last year and a half steel imports have increased by 47 percent. The producer price index for all steel mill products is down 9 percent. This is the largest decline in nearly 20 years. If this continues, American steel mills will simply not survive.

I have always been for free trade as long as it's fair trade. There has to be equal access and opportunity and a level playing field for American industry. But I cannot sit by and allow an industry that is fundamental to the American economy to be destroyed by what amounts to predatory trade practices. Our steel industry is ready and willing to compete—but they can't compete against unfair, illegal, predatory trade practices.

Steel is a part of our everyday life—we drive steel cars, work in steel buildings, and our national security is protected by steel aircraft carriers. We must do everything we can to preserve our steel industry.

That is why I am proud to be a cosponsor of the legislation we are considering today. This bill would place restrictions on steel imports for three years. It also authorizes the President to take steps to ensure that steel imports return to pre-crisis levels. The Secretaries of the Treasury and Commerce will enforce the regulations on steel imports. I think these are important steps to revitalize our steel industry.

We owe it our hardworking, dedicated steel workers. The work week of many at Bethlehem Steel has been shortened. This means less food on the table. This means late mortgages, rents, and car payments. And all this because foreign countries are desperately trying to stabilize their own economies on the backs of our steel workers.

These countries are not going to throw our steel industry a curve ball. With this legislation we will force Japan, Brazil, and Russia to play fair. I urge my colleagues to join me in supporting this bill and stand up in steel.

Mr. SPECTER. Mr. President, I have sought recognition to speak relatively briefly on the steel import limitation bill.

Similar legislation passed the House of Representatives by a vote of 289–141. While this quota legislation is a very

strong measure, it reflects the necessity that strong action be taken to enforce U.S. trade laws to stop an avalanche of dumping by foreign countries.

We have seen the decimation and disintegration of the American steel industry by unfair foreign imports. Twenty years ago, in 1979, approximately 453,000 steelworkers were employed. Today that figure is about 160,000. Some $50 billion has been invested by the American steel industry to modernize, but there is no way that the American steel industry can compete with dumped goods, the sale of goods in the United States at prices lower than the price at which such goods are being sold by the producing companies in their own country or in some other country. These goods come into the United States from a number of countries—from Russia, from Brazil, from Ukraine, from South Africa and from China—at prices less than the cost of production. This is the antithesis of fair trade.

This situation requires a change. Twelve executives from American steel companies sent a letter to the Secretary of Commerce Daley in response to his comment last week that the steel crisis is over—said Secretary Daley. This letter, dated June 18, 1999, says, in pertinent part, the following:

> The steel industry started some seven actions for antidumping, and six of those were subjected to suspension agreements by the Department of Commerce, to the detriment of the steel companies.

I ask unanimous consent that this chart on steel imports and suspension agreement be printed in the RECORD at the conclusion of my statement.

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

(See Exhibit 1.)

Mr. SPECTER. Steel import limitations, or quotas, provide for a drastic remedy. Along with the steel industry, other industries in the United States have been victimized by the failure to enforce U.S. trade laws.

I have, for the past 15 years, proposed legislation which would authorize equitable relief to provide for enforcement of the U.S. trade laws. At the present time, if complaints are filed with the International Trade Commission, it takes up to a year—or more—to have those matters resolved. An equitable action, a court of equity, would result in having these matters resolved in the course of a few weeks.

Until that is done, it appears to be necessary for some very decisive action. This is why I cosponsored the steel import limitation bill.

EXHIBIT NO. 1

STEEL IMPORTS AND SUSPENSION AGREEMENTS: SUMMARY OF FLAT-ROLLED SUSPENSION AGREEMENTS

Year of filing	Product	Country	Final ad margins (percent)	Suspension agreement volumes (metric tons)	Estimated volumes w/orders (metric tons)	Agreement minimum price ($/MT)	Estimated fair price ($/MT)	Current import value ($/MT)
1996	Plate CTL	China	17–129	141,000	0	308	505	397
1996	Plate CTL	Russia	54–185	94,000	6,466	275–330	505	352
1996	Plate CTL	S. Africa	26–51	NA	3,150	NA	505	331
1996	Plate CTL	Ukraine	81–238	148,520	32,151	314–466	505	516
1998	Hot-Rolled	Russia	71–218	750,000	28,933	255	397	236
1998	Hot-Rolled	Brazil	51–71	295,000	310	NA	397	227

Mrs. FEINSTEIN. Mr. President, I rise today in opposition to the cloture motion to proceed to H.R. 975, the Steel Import bill. I do so for three reasons. First, I think that this legislation is protectionist and invites retaliation under the World Trade Organization; second, I believe that it may endanger the health and stability of the international economy; and, third, I believe that it may endanger the health and stability of the U.S. economy, including the steel industry it is intended to protect.

I understand the appeal of this legislation for those who support it, and believe that they are well intentioned in wishing to see legislation passed which protects the U.S. steel industry.

As supporters of this legislation have pointed out, there was an undeniable surge in steel imports into the United States last year. Over the past three years, economic instability in East Asia, Russia, and Latin America have resulted in a weakening of the world steel market. According to the Congressional Research Service, between August 1997 and August 1998, imports surged almost 80%.

But today, it is important to note, steel imports have returned to their pre-crisis levels, down roughly 44% in April 1999 since last August's peak, according to the office of the United States Trade Representative.

Where I disagree with supporters of this legislation, then, is that although I too believe that some complaints about unfair competition and unfair trade practices are, of course, warranted, the solution to those complaints found in this bill—the imposition of unyielding import quotas—is an approach which I believe to be counterproductive and even potentially harmful to the health of the U.S. economy.

First, the protectionism sought by this bill would put the United States in violation of world trade rules, and would invite retaliation against U.S. producers of a range of goods in overseas markets, jeopardizing jobs at home.

The World Trade Organization permits the application of ''safeguard measures'' such as quotas only in very specific circumstances, and never unilaterally. In the absence of a determination that the product in question is being imported in such increased quantities as to cause or threaten to cause serious injury to the domestic industry, unilateral measures such as those included in this bill are not permitted. And if a nation takes such a unilateral measure, the countries affected are allowed to take retaliatory measures.

Thus, if this legislation is enacted, the United States would face the real possibility of retaliation by the world's steel exporting countries. Under the WTO rules, other countries will have the right to retaliate against our exports. They could put at risk our most competitive sectors—such as agriculture, high-tech, or pharmaceuticals.

In fact, a June 18 letter signed by the American Farm Bureau Federation, the International Dairy Foods Association, and the National Cattlemen's Beef Association, among others, states that:

> At a time when U.S. farmers are facing severe financial hardships, continued access to global markets Is critical to preserve farm income . . . since growth for the U.S. agricultural sector hinges on access to world markets, passing legislation that violates the WTO threatens economic growth in the farm sector.

In addition, there could also be retaliation against U.S. products that use steel, such as automobiles, heavy machinery, or construction. For example, according to a letter I received from Boeing:

> In 1999 we expect to deliver approximately $18 billion in airplanes to international customers, many of whom are struggling to purchase these planes as a result of the Asian financial crisis. A number of these airplane deliveries could be at risk if new limits on imported steel are imposed.

The unilateral protectionism embodied in this bill would undermine the international trading system and the institutions, rules, and regulations to safeguard the international economy that the United States has worked so hard to put into place over the past fifty years. As we have seen in numerous cases, these institutions and rules have helped the U.S. gain market access when other nations sought to prevent it, and have helped the U.S. economy to grow and created numerous jobs here in the United States.

As the world's largest trading nation, U.S. interests are best served by supporting—not undermining—the rules-based international economic and trading system.

This leads me to my second point, and the second reason I am opposed to this legislation: I believe that this legislation threatens to undermine the health and stability of the international economy, and with it the base

for much of America's current economic prosperity. Free trade has been a prime ingredient in the eight year U.S. economic boom.

Moreover, in the past year we have begun to turn the corner on a global economic crisis. Maintaining open world markets is vital to global recovery in Asia, Russia, Brazil, and elsewhere. These countries have not closed their markets to U.S. products despite the economic pressures they have faced in the past several years. If the U.S. takes a significant step towards protectionism, it will set off a global chain-reaction.

Indeed, according to a May 25 letter I received from Raymond Chretien, the Canadian Ambassador to the United States, passage of this legislation:

. . . would set a protectionist precedent that would encourage other industries, in the U.S. and other countries, to seek unilateral relief outside of legitimate, established, trade remedies. The world economy, and workers in affected countries, can ill afford the turmoil that could ensure in international commerce.

According to Brookings Analyst Robert Crandall, HR 975 is ''one of the most blatantly projectionist pieces of legislation since the 1930s''. I do not believe that a single member of this body wants the United States, or the international economy, to risk a return to those days of global depression.

Finally, although the quotas might have some marginal palliative effect for some of the old-line steel factories, they would have a far larger effect on the overall health and well-being of the U.S. economy, and threaten to harm countless other U.S. workers and consumers.

This is the third reason I oppose this bill: I believe that it is bad for the U.S. economy, including the steel industry.

To take one example, steel import quotas would increase the price of steel used by the automobile industry, harming the auto industry and auto workers, and would in turn show up in higher auto sticker prices, harming U.S. consumers hoping to be able to purchase reasonably priced cars.

In short, steel import quotas will undermine U.S. manufacturing competitiveness in a range of industries and business that rely on steel, from metal fabrication to transport to industrial machinery to construction; industries that in toto employ over 8 million workers.

For example, I received a letter from the Aggressive Engineering Corporation, a small California company that serves military and commercial industry in their metal stamping needs. According to this letter:

Our company relies on steel from domestic producers. However, U.S. steel producers are able to supply only about 75% of the demand for steel, leaving a yearly shortfall of 30 million tons. In order to maintain our operations in the United States, we depend on foreign steel. . .While we all agree that it is important to maintain U.S. jobs and job growth, steel is no less important than other sectors. Please remember that steel-using industries employ more than 40 American workers for every worker in the steel industry. Quotas do not work. They will harm consumers and steel-consuming industries to a much greater extent than they could ever help steel producers or steelworkers.

It is also important to keep in mind that although many of the old-line steel mills face serious difficulties, that is not the same as saying that overall the U.S. steel industry is in trouble. In fact, many of the problems faced by old-line steel mills stem less from import problems than from decades-old mills that are unable to compete with the efficient new mini-mills located right here in the United States. Even as the U.S. faced the ''import surge'' last year, U.S. mills rolled out 102 million tons of steel in 1998, the second highest total in the past two decades.

In addition, The Wall Street Journal has reported that 25% of the steel entering the United States last year was bought by American steelmakers, who otherwise could not have met the demands of their customers.

In other words, while seeking to protect the steel industry, this legislation could in fact harm the industry by protecting the least efficient producers at the expense of the more efficient, and by preventing American steelmakers from getting access to the steel they need to meet customer demand.

In response to this surge in imports last year, earlier this year the Administration put in place an aggressive Steel Action Plan to strictly enforce the trade laws already on the books; enter into new bilateral agreements with Japan, Russia, and Korea regarding their steel imports to the United States; create new sources of early import data and an active monitoring of safeguards; and lend support for the Section 201 safeguard law.

In addition, the Department of Commerce determination on the import surge this February, recently supported by a finding of the International Trade Commission, has paved the way for the Administration to slap duties on Japanese and Brazilian steel and forced Russia to restrict its imports.

I believe that the Administration's response has been tough but fair. And I believe that the proof of the effectiveness of this response is in the pudding: By all accounts the steel import crisis is over, with imports having receded back to pre-crisis levels.

Under these circumstances—passing potentially harmful quota legislation after the crisis has passed—is the wrong way to approach this issue, and I hope my colleagues will join me in opposing the cloture motion to proceed to this bill.

Mr. VOINOVICH. Mr. President, today, the Senate will cast a very important vote on whether we will stand up and honor our commitments to United States trade policies, or enact protectionist trade measures on steel imports that will have little or no favorable effect on the steel industry, yet will ultimately harm many segments of our nation's economy.

Let me first stipulate one point—I am now, and I always have been, a strong supporter of Ohio's steel industry. In fact, I believe my actions prove that I have been ''standing up for steel'' for two decades.

My support for Ohio's steel industry goes back to the days when I was Mayor of Cleveland.

In the early 1980s, when steel imports peaked at nearly 27% and U.S. steelmakers were losing billions of dollars in revenue, I lobbied President Reagan for Voluntary Restraint Agreements (VRAs) in order to give the domestic industry five years of breathing room to modernize and restructure. I rallied with the steelworkers in Cleveland's Public Square to tell America about how our steel industry was being dumped on.

A year before the VRA program was set to expire, I began lobbying then-Vice President Bush for a temporary extension, to give the steel industry some protection while the Administration attempted to negotiate a multilateral steel agreement aimed at eliminating unfair foreign practices.

All throughout 1988, I fought for the VRA extension. My efforts were successful, because in 1989, President Bush agreed to extend the VRAs two and a half years.

And two years later, after I was elected Governor, I was back to lobby the Bush Administration to ensure that all of our trade laws would be vigorously enforced after the extended VRAs finally expired in 1992.

In 1991, I was the first Governor in the United States to set up a Steel Industry Advisory Commission—a public-private partnership designed to strengthen ties among the steel industry, the state of Ohio, and its citizens.

I also worked to bring steel companies, such as North Star Steel, to Ohio in order to create more, good-paying jobs. I have been there to lead the fight—to make sure that the federal government did not run roughshod over our steel industry.

In May 1992, I attended the opening of the U.S. Steel/Kobe Blast Furnace in Lorain, Ohio—a $100 million investment with 2,800 jobs that almost didn't happen. The EPA was going to halt the project, but I went straight to the White House and let them know that what the EPA was proposing in Ohio was ridiculous.

Ohio is now the largest steel-producing state in the country, a development I'm proud to say occurred during my tenure as Governor.

Last year, a building where state agencies were going to be located was built, and foreign steel was used in place of domestic steel in violation of state law. State law called for a fine of $3,000, but I insisted that the entity responsible for building this facility pay $50,000. I doubt there are very few other public officials in the country who would enforce an existing law so vigorously.

When imports of steel shot up last year, and Ohio steel producers started

to suffer, I was one of the first elected officials to speak out. I wrote the President several times, twice on my own and once with other governors, urging him to take all appropriate action under our trade laws to combat steel dumping. I also supported a resolution in the Ohio legislature urging the President to take action.

My support for the steel industry has been long-standing, and I dare say it is matched by few individuals. That's why I look seriously upon any proposal that purports to help this important industry.

The bill that is before the Senate today would impose a monthly limit on steel imports for the next 3 years. The quotas would apply to all steel mill products from all countries, regardless of whether they have engaged in dumping or not.

I have given this legislation much thought and careful consideration, and on its merits, I cannot vote in favor of this bill.

Mr. President, I have dedicated my entire 33-year public career to serving the people of Ohio. I am the last person who would want to see the Ohio steel industry and good-paying jobs dry up and go away. I would not vote against this Quota Bill if I believed it was a productive solution that would save jobs in my state.

It is because I care about Ohio's workers that I must oppose the Quota Bill today. I wish I could tell Ohio's and our nation's steelworkers that the Quota Bill would save steel jobs. I cannot. I wish I could tell them that the Quota Bill would give the industry a quick fix. It will not.

Not only is the Quota Bill bad policy, but voting for it today would be an exercise in futility, because we already know that the President will veto it.

In addition, I am concerned that too much emphasis has been placed on this legislation as being some sort of panacea that will help address all of the steel industry's problems. The fact of the matter is, if this legislation becomes law, it will only serve to compound the industry's problems.

Passage of this bill will provide a false sense of relief, when what we should really be doing is concentrating our efforts on a long-term solution—one that will make a difference in addressing the viability of our nation's steel industry within the framework of existing law.

I have often said that in Ohio, we are no longer the ''Rust Belt'' we are the ''Jobs and Productivity Belt.'' We made this transition thanks in part to the efforts of the steel industry to modernize and become more efficient and competitive.

And, it's easy to do when you have good labor-management relations which promotes empowerment, when you have businesses willing to invest in training and advanced manufacturing technology, and when you have partnerships with government and education. It's amazing what you can get. It's what has helped contribute to the importance and significance of steel in Ohio.

Overall, the American steel industry is succeeding. It produced record levels of steel in 1997 and 1998, and is now more efficient than it ever has been. It is strong. Its workers are strong. And it can compete in the world marketplace, if the playing field is level.

That is why it is so important that we continue to work to get other countries to follow the American example: to open their markets to American goods, to stop subsidizing their national steel industries and to stop dumping steel on our market at unfair prices.

We need all of Ohio's 35,400 steelworkers fighting for this approach, and applying the appropriate pressure to get other nations to change their protectionist ways.

However, the minute we succumb to the sort of trade practices that we so vehemently oppose, we lose all credibility in the international community.

Most every trade expert will attest that this Quota Bill violates World Trade Organization (WTO) rules—rules that are treaty-based and to which the United States is bound. Even supporters of this legislation must acknowledge that fact.

Since the bill does violate international trade rules, it would invite our largest trading partners to launch major trade cases against us, cases that, based on our treaty obligations, we would most surely lose.

This would give our trading partners the right to take retaliatory trade actions against us. They could slap high tariffs on all manner of American-made products in order to limit our access to their markets or kick us out altogether. Such actions would result in job losses in American industries that rely heavily on exports, such as agriculture, technology and telecommunications and a host of others.

One industry that would be particularly hard-hit by a trade war is agriculture. America's farmers grow and export more food than any other farmers in the world. They would be dealt a devastating blow by retaliatory action taken against them—probably the most affected segment regarding American jobs. In my state of Ohio that's crucial because we have some 80,000 farmers.

It's also important to farmers across the rest of the country. In fact, just yesterday, I received a letter from 20 major agriculture associations, including American Farm Bureau, outlining their opposition to the Quota Bill.

Moreover, for nearly 60 years the United States has been the primary advocate of a free—and, rules-based—system of international trade. The United States is constantly urging other countries to respect international trade agreements and to comply with WTO decisions.

The United States has set the example of being the one nation that consistently complies with the WTO. Indeed, the United States has won 19 of the 21 trade cases it has brought to the WTO for dispute resolution, such as the recently settled banana case the U.S. brought against the European Union.

How can we expect other countries to abide by international trade rules if the United States, the main advocate of those rules, flagrantly disregards them itself? If we want a rules-based system of international trade to work, so that we can have a level playing field across the board on all goods, America must continue to lead by example.

Proponents have argued that even if the Quota Bill violates WTO rules, it would take years for any cases filed against us at the WTO to run their full course. In the meantime, quotas on steel products would give the domestic steel industry some temporary relief from imports in order to recover from last year's import surge.

There are two flaws in that logic. First, imports have dropped off dramatically, and are now below the levels that the proponents of the Quota Bill seek to establish.

Second, analysts are predicting that the U.S. will actually have steel shortages this summer. This means that the industries that need steel to make their products—like the automakers—will not have enough steel to build new cars in order to meet consumer demand.

At the moment, the domestic steel industry can only make enough steel to meet 75% of the domestic demand. Not too many people realize that the remaining 25% must now be imported from overseas, and of that amount, the steel industry imports 25% for its own capacity.

In fact, there are steel products that many Ohio manufacturers need that aren't even made in the United States.

In short, regardless of what is said, the United States must import steel right now in order to meet domestic demand.

So, what happens under the Quota Bill, when there are steel shortages in the United States, while an oversupply of cheap steel remains in the rest of the world? It means that America's manufacturers will have to pay a comparatively higher price for the steel they need to make their finished products, such as cars, machine tools and dish washers.

As a result, the cost of American-made finished products will be higher, while the prices for the same goods made overseas will remain low.

So what will consumers in the United States and around the world do? They will do the logical thing: buy cheap, foreign-made goods, and at the end of the day, America's manufacturers and workers will lose out, and we will be right back at square one. Except this time, even more American jobs in a variety of other job sectors will be on the line, especially in Ohio.

According to the Bureau of Labor Statistics, there are 465,000 Ohio workers in downstream industries that use

steel. This means that for every Ohioan employed in the steel industry, there are 12 other Ohioans who work in steel-using industries and whose jobs would be directly jeopardized by the Quota Bill.

I cannot, in good conscience, vote in favor of a piece of legislation that would have the effect of jeopardizing the jobs of more than half-a-million Ohioans—including 80,000 farmers I previously mentioned—for a Quota bill that will have no long-term positive benefits.

All in all, this bill could have extremely serious consequences for jobs in Ohio.

When I was Governor of Ohio, one of my four economic development initiatives was exports. Because of our actions in the state, Ohio's exports increased by more than 62% during the time that I was Governor. And as most Americans know, as exports increase, so do jobs.

Our economy is intertwined with the international marketplace, and it becomes even more so on a daily basis.

As one who has argued vigorously to have others take down their trade barriers so we could get our goods into their countries, how can I talk about closing down our borders and keeping other products out?

We have also increased investment in Ohio by foreign companies. According to Site Selection magazine, from 1991–1997, Ohio had more growth in non-U.S. owned firms than any other state—some 300 new manufacturing facilities and plant expansions.

For me to come out in favor of quotas and trade barriers in today's marketplace would be detrimental to the economic well-being and growth of Ohio as well as jeopardize jobs in my state.

What we ought to do is improve the situation that we already have within the framework of current law and WTO rules.

I don't think anyone will deny the fact that the steel industry was affected by last year's surge in imports, and this surge was partly the result of a series of financial crises in Asia and Russia that precipitated a collapse in global demand for steel.

Naturally, imports were drawn to the United States, where the economy and demand for steel remained strong in comparison to the rest of the world. Unfortunately, the collapse in global demand was exacerbated last summer by the 54-day strike at General Motors, the largest consumer of American-made steel.

However, the oversupply of steel on world markets is not a new problem facing the U.S. steel industry. It has been a persistent problem that has plagued American steel producers for decades, and it is the legacy of 60 years of foreign government intervention in domestic steel industries.

Since the 1930s, other countries have undertaken policies to expand their domestic steel-making capacity and employment, regardless of market conditions. These policies have included tariffs, quotas, heavy government subsidies, state ownership, and government toleration of cartel-like behavior.

The end result has been that foreign steel manufacturers are able to produce and sell steel under circumstances that would drive a U.S. steel manufacturer out of business.

Quotas will do nothing to address this fundamental problem. We learned from our experience with voluntary restraint agreements (VRAs) in the 1980s that restricting steel imports—be it through VRAs or quotas—will do little to discourage other countries from subsidizing their industries or engaging in other market-distorting practices.

That's why we ended the VRA's. After trying to match our competitors step for step, the United States determined that only through sound economic and trade policies would we ever overcome the protectionist tendencies of other steel producing nations. That's why we continue to press for fair competition before the WTO and why we continue to win our cases.

A good majority of our American steel industry has modernized, restructured, and become more efficient in order to compete in the global marketplace. They are to be commended for making the decisions that make them the best steel industry and the most productive workers in the world. As I have said earlier, smart business decisions have made Ohio the number one steel state in the nation.

What we need to do now is level the playing field by going after the unfair, market-distorting practices that have insulated foreign steel producers from the same market pressures our American steel producers face. We need to win our fights in the proper venues and with the facts on our side.

If it is our intention to pass legislation in the Senate, we should look at solutions that will truly address problems that exist and that will not provoke an all-out ''trade war.''

To that end, I have been working with the Chairman of the Finance Committee, Senator ROTH, to develop a legislative solution to deal with the global overcapacity of steel that we believe will more reasonably address the concerns of America's steel industry.

I believe the legislation will get to the root of the steel import problem, and is the type of solution we should be pursuing, not this Quota Bill.

The Roth bill, the Steel Trade Enforcement Act, would direct the U.S. Trade Representative to start an investigation of the unfair practices that have protected foreign steel manufacturers from the capital market pressures that the American steel industry faces and have protected them from true competition.

Once we identify those countries and practices, the proposal would then require the Administration to develop a comprehensive, government-wide strategy to eliminate those practices. There is a follow-up mechanism to make sure that action is taken.

The Roth bill would also establish a monitoring program to facilitate the timely release of data on steel imports. This monitoring program could serve as an early warning system for future steel import surges, giving industry and the Administration more time to respond. It will also put our competitors on notice that the United States is watching.

The Roth bill also would require the U.S. representatives to the international financial institutions—such as the World Bank and the International Monetary Fund—to oppose any financing to steel industries abroad. It's not fair to use U.S. taxpayer dollars to subsidize the steel industries of our foreign competitors.

Finally, the Roth bill has a provision dealing with so-called ''suspension agreements.''

Under current law, when an antidumping or countervailing duty case is under way, the Administration has the authority to go out and negotiate a ''suspension agreement'' with the offending country. If the Administration is able to reach such an agreement, the pending antidumping or countervailing duty case is suspended.

Many steel companies and workers feel like they have been undercut by the recent suspension agreements that the Administration has negotiated with Brazil and Russia on hot-rolled steel imports. The industry would have much preferred that the pending antidumping cases be taken to their full conclusion so that the full antidumping duties could be imposed.

The suspension agreement provision would require that the Administration get the support of at least 50% of the industry before finalizing any future suspension agreements. I am particularly pleased that this provision was added to the bill.

Mr. President, I believe that Senator ROTH's legislation is a rational approach to the dumping that the United States has been subjected to over the years and is our best bet to effectively deal with those nations that subsidize their steel industries.

However, passage of this quota bill before us today will do nothing to assist our domestic steel industry—it will be ruled GATT illegal, which will draw retaliatory actions from other nations. In addition, it will not prevent future job losses in the steel industry and, in fact, could cause job losses in other employment sectors—some with no ties to steel whatsoever such as agriculture.

We must do all that we can to ensure continued economic growth in our nation. This legislation does not. Therefore, I cannot support this bill.

Mr. BIDEN. Mr. President, in the midst of the best economy our country has ever seen, while we have understandably focused on the good news, there has been another story that has only recently begun to get the attention it deserves.

Thanks to the leadership of Senator ROCKEFELLER, Senator BYRD, and many of our other colleagues from our country's leading steel producing states, the story of American steel workers has been heard. Like so many other workers in America's core manufacturing industries, steel workers have been struggling with restructuring and modernization that has made them among the most productive in the world. But on top of the sacrifices—in jobs and job security, in pay, in benefits—they have been hit by the one-two punch of the international financial crisis over the last couple of years.

On top of the lost sales overseas, where once booming developing nations are no longer able to purchase steel from the U.S., our steel workers have watched as those same developing countries have dumped their own steel products here, often below the cost of production, literally stealing American markets out from under them. So, with lost sales at home and abroad, steel workers are losing their jobs as our mills cut production and even shut down.

For the tens of thousands of American workers whose jobs have been lost, whose families have been strained to the breaking point, whose communities have crumbled, this is not some abstract economic question about free trade and open markets. The question is what shall we do to help the people who, despite their hard work and sacrifice, are paying the ultimate price as the rest of us enjoy the many benefits of the new economy.

The question before us today, is how to deal with the kind of economic disruption that has come from a global economy with wide-open capital markets and instantaneous communication. The current crisis in our domestic steel industry is, at its roots, a crisis of overcapacity in the steel industry on a global scale. Too many developing countries built too many new steel mills, with less concern about the long term economic sense and more interest in the kickbacks and quick bucks to be made in the short run.

I believe that we have been right to respond to the recent international financial crisis by providing the IMF and the World Bank and other entities with the funds they need to put the international financial system back on its feet. But one unfortunate aspect of that process, in my mind, is that too many investors who were throwing money at ill-prepared and even corrupt developing economies will benefit from our attempts to prevent a collapse in the world economy.

Today, instead of high-rolling international investors, we are asked to consider help for those American workers and their families who are victims of that international economic crisis, for which they are completely blameless. We will be adding insult to that injury if we fail to act to help them.

But while I will vote for the motion to proceed to this bill, Mr. President, I could not vote for passage in its current form.

We already have many anti-dumping actions underway, a time-consuming and sometimes frustrating process to be sure, but a process designed to guarantee that we hit what we are shooting at—it requires evidence of who is dumping what kind of steel, and what the real economic damage is. We should continue to pursue those actions as quickly and as relentlessly as the law allows.

Just last week, the Senate passed legislation, brought before us by Senator BYRD, that provides $1 billion for the steel industry in loan guarantees to help them deal with the current crisis.

These actions are significant steps in the right direction, and they don't have the unintended consequences that the bill before us brings with it. Quotas on imported steel violate one of our oldest and most basic commitments to the international trading system we have worked so long to create. That system, for the most part, has been a key part of our current economic success.

If we impose unilateral quotas on other countries' steel exports—without showing any specific illegal practices or any direct economic damages—we will seriously weaken our leadership in international trade when we are fighting so hard to open other markets to our products. Chief among those products are our agricultural products, Mr. President, but virtually all of our exports are exposed to a trade war with other countries if we respond to the very real problems of our domestic steel industry by unilaterally imposing quotas.

That does not mean we cannot and should not do more to protect American steel mills and steel workers from the unfair and illegal trade practices of other countries. But I hope if we can proceed to a real debate on this issue that we can formulate a more effective way to right the wrong that has been done to them.

The PRESIDING OFFICER. The time has expired. Who yield's time?

Mr. NICKLES. Mr. President, I ask unanimous consent to speak on leader time.

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

ORDER OF PROCEDURE

Mr. NICKLES. Mr. President, I ask unanimous consent, notwithstanding rule XXII, that immediately following the 12:15 vote, Senator DODD be recognized to speak relative to the State Department authorization for up to 15 minutes. I further ask unanimous consent that following his remarks the Senate stand in recess until 2:15 for the policy conferences. I also ask unanimous consent that at 2:15 today there be 5 minutes equally divided for debate on the Feingold amendment, and following that debate, the Senate proceed to a vote on the Feingold amendment, No. 692. I ask unanimous consent that following that vote, Senator HELMS be recognized in order to offer the managers' amendment and it be considered and agreed to.

Finally, I ask unanimous consent that there be 5 minutes equally divided between the chairman and the ranking member for closing remarks, the bill be read a third time, the Senate proceed to vote on passage of the bill, with no intervening action or debate; further, that Senator HARKIN be recognized after the vote to speak for 20 minutes regarding the State Department reauthorization bill.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered..

Mr. NICKLES. Mr. President, I now ask the manager of the bill for 3 minutes to speak on the steel quota bill.

Mr. ROTH. I yield 3 minutes.

The PRESIDING OFFICER. The Senator from Oklahoma.

Mr. NICKLES. Mr. President, I urge my colleagues to vote no on the so-called steel quota bill. I think it would be a mistake. I think the bill would do more harm than good; I mean more harm than good to our entire economy, and I believe also to the steel industry and to the steelworkers. I think it would be a serious mistake.

One would have to figure what happens if we enacted these arbitrary quota restraints. Senator MOYNIHAN just mentioned it would be a violation of our trading laws. If we do that, that will hurt the steel industry indirectly, because we export a lot of steel products. We export a lot of tractors, we export a lot of heavy equipment, and we export a lot of cars, all of which use steel.

If we establish arbitrary quotas on what we are going to import, many other countries are going to retaliate, and they have the right to do so under the WTO. We are going to be violating the trade laws that we have agreed to, and there is going to be a response.

Senator GRASSLEY just mentioned that the biggest response is going to be against agriculture. It is kind of the easiest thing to hit. Agriculture is very competitive in the export market.

Farmers all across the country are going to be faced with a loss of exports, and they are going to say: Wait a minute. Congress just imposed a restriction on steel imports, and, therefore, they are going to put restrictions on the amount of wheat, or the amount of grain they will import. It would be a serious mistake.

Mr. President, I ask unanimous consent to have printed in the RECORD an article in today's Washington Times by William Daley, Secretary of Commerce.

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

[From the Washington Times, June 22, 1999]

WHY TRADE QUOTAS DON'T WORK

(By William M. Daley)

The steel quota legislation now being considered in Congress is a misguided attempt

to deal with a problem that is already beginning to go away. Last year, when steel imports, particularly from Japan, Russia, and Brazil, surged by 33 percent over 1997, layoffs mounted and plant closings loomed, the demand for quota legislation to protect businesses and workers was understandable. Today, however, we are beginning to turn the corner on steel imports. And while calls for quota legislation continue, it is clear that this bill is not in the nation's economic interest—nor in the long-term interest of the U.S. steel industry or American steelworkers.

Make no mistake about it: last year's steel crisis was real and demanded a strong response. The administration acted, adopting a two-prong strategy combining swift and vigorous enforcement of our trade laws with bilateral pressure on our trading partners to reduce their steel exports to the United States. Forty-two antidumping and countervailing duty steel investigations are currently being conducted or have been completed since January. These include investigations on hot-rolled steel, carbon steel plate, and three types of stainless steel. In a number of these cases, the Commerce Department provided swifter relief by making early determinations or conducting the case on an expedited schedule. At the same time, senior government officials, including the president himself, have exerted strong bilateral pressure on our trading partners to reduce their steel exports to the United States.

This strategy is working. Since it was put in place last November, steel imports have fallen dramatically. Total steel imports in April were down 39 percent from last year, with imports of hot-rolled steel, the product covered by cases brought against Japan, Russia and Brazil, down 73 percent. Imports overall are returning to pre-crisis levels. April 1999 imports of all steel were 22 percent below April 1998 levels, and six percent below April 1997.

Steel imports during the first four months of 1999 were down 5 percent compared to the first four months of 1998 and 4 percent compared to the first four months of 1997. Despite this significant progress, there is a strong effort under way that ignores the success we've seen to date and seeks to impose across-the-board quotas on steel imports.

Steel quotas, however, will backfire; in the end they will not ensure long-term job security for American steel workers. As a nation, we have a great deal to lose from quotas. The United States is the world's largest exporter—and steel is a significant part of many of these exports. Approximately 20 percent of the steel consumed in the United States last year went into products that were later exported, such as heavy machinery, trucks, food processing equipment and so on. The quota bill, however, would violate our international obligations under the World Trade Organization (WTO) and give other steel exporting countries the right to retaliate, perhaps by barring those U.S. exports that use American steel as a way of striking back.

That would put our domestic steel industry in the middle of a trade war. Many industries depend on both domestic steel and steel imports to stay competitive. In fact, a number of U.S. steel producers themselves import substantial quantities of semifinished steel products. Imposing quotas at legislatively mandated levels could cause layoffs and idled production in a number of steel consuming industries due to shortages of specific steel inputs. Other U.S. industries may also pay a price from a steel quota bill, especially sectors that depend on exports, such as technology, pharmaceuticals and above all, agriculture.

No one has more to lose from quotas than America's farmers, who grow more and export more than any farmers in the world. More broadly, the repercussions could be serious, for both our economy as a whole and the economies of other countries just now beginning to recover from last year's financial crisis. In fact, by weakening rather than strengthening the international economy, the quota bill will make future import surges, in steel and other industry, more, not less, likely. An international economic recovery, on the other hand, will not only help avoid import surges in other industries, it will also help revive worldwide demand for steel.

The quota bill is not in our nation's economic interest, and it is not even in the interest of our steel industry and its workers. We have laws that permit us to protect ourselves from unfair competition. We have the will to use them. And we have a strong and effective policy that is working. We should not consider trading all that for an approach that will hurt us in so many different ways.

Mr. NICKLES. Mr. President, I will read a couple of lines from his article. He says:

> No one has more to lose from quotas than America's farmers who grow more and export more than any farmers in the world.

He also says:

> The quota bill is not in our Nation's economic interest, and it is not even in the interest of our steel industry and its workers.

He is exactly right. This bill would be a serious mistake.

The Commerce Department has already taken action against Russia, against Brazil, and against Japan. They can impose tariffs up to 28 percent on Japan for dumping, up to 86 percent on Brazil for dumping, and up to 200 percent on Russia for dumping. Already there are remedies.

Incidentally, I might mention that the problem is not near as grave as some people have indicated. Steel imports have gone down 72 percent from last November, which was an all-time high.

Again, I don't think the facts warrant passage of this bill. I clearly think if people look at the long-term ramifications of passing it, agriculture will lose, the American economy will lose, and I really think, frankly, the steel industry will lose as well.

The PRESIDING OFFICER. Who yields time?

The Senator from Pennsylvania.

Mr. SANTORUM. Mr. President, I yield to the Senator from Ohio, a great champion of this legislation, 3½ minutes.

The PRESIDING OFFICER. The Senator from Ohio.

Mr. DEWINE. Mr. President, this bill has great significance to my home State of Ohio. Ohio produces and processes more steel than any other State in the Nation. Ohio steel companies—115 of them at last count—produced and processed steel valued at $5.3 billion in 1996. Ohio is second only to Pennsylvania in the number of employed steelworkers. At last count we had 35,400 steelworkers in the State of Ohio.

We are here today because foreign steel producers have illegally dumped millions and millions of tons of steel into the United States. In 1998, 41 million tons were dumped. That represents on average an 83-percent increase.

Ohio steel production from the first quarter of 1999 was down significantly. Ohio steel shipments during the first quarter of 1999 were also down nearly 16 percent from the same period in the previous year.

Members of the Senate, all of this is no accident. All of this was the result of illegal dumping of steel into the United States.

Our steel industry, despite being a highly efficient and globally competitive industry, is in trouble. I have heard from and I have talked directly to steelworkers and their families about this issue. It is estimated that 10,000 steelworkers have already lost their jobs. The Independent Steelworkers predict job losses of as many as 165,000 if steel dumping is not stopped.

It is time for the Senate to take action. All eyes are on us.

The question is, Will we respond to this crisis?

Adopting this bill tells our steel industry, our steelworkers, and the world that we support our industry, we support trade laws, and we will simply not tolerate dumping or subsidization.

The bill is tough. It directs the President to impose quotas, tariff surcharges, or negotiate enforceable voluntary export restraint agreements in order to ensure that the volume of imported steel products during any month does not exceed the average volume imported from the 3-month period preceding July 1997.

I am a free trader. I believe free trade, though, does not exist without fair trade. Free trade does not mean free to dump, free to subsidize, free to distort the market. However, that is exactly what is happening today.

A strong and healthy domestic steel industry is vital to our Nation and vital to our national defense. Let us resolve today to debate and then pass H.R. 975. The House has already done so. I believe it is in our interest and the interest of the country to do so.

I thank my colleague from Pennsylvania, Senator SANTORUM, for his leadership, as well as Senator ROCKEFELLER and the other Members who have worked so hard on this bill.

The PRESIDING OFFICER. The Senator from Delaware.

Mr. ROTH. I yield 2 minutes to the Senator from Florida.

Mr. GRAHAM. Mr. President, over the past 18 months there has been a surge of steel imports. That surge has severely and adversely impacted the U.S. steel industry.

This crisis needs to be addressed and the effects of illegal dumping dealt with in a fair and equitable way.

I think the administration deserves credit for the series of steps, including bilateral agreements and vigorous enforcement of existing trade laws, that have greatly improved the steel situation in this country. Imports, as a result, are now down to below precrisis levels.

I support strong action to enforce our trade laws. I believe that trade policy should be by rule of law, not by anarchy, and that with such strong rule of law enforcement we will be able to assure U.S. workers that they are not hurt by illegal import surges.

However, I oppose this legislation because it has the potential of doing great damage to our economy and to the international trading system. It would violate our WTO commitments, thereby putting at risk many of the gains we have made in our economy in recent years. It would focus on a specific problem of the past but do nothing to deal with the next challenge to the rule of law in our trade policy.

I believe that the most at-risk sector of our economy would be agriculture. Agriculture today enjoys the biggest trade surplus of any sector of our economy. Other countries will see this as an opportunity to retaliate against U.S. industry, wiping out export markets that our agriculture producers have achieved.

We must address the problems of the steel industry in a way that does not violate our international agreements. I believe this can best be accomplished by making adjustments to section 201 of the Trade Act of 1974, which is designed to deal with import surges.

Last week, the Senate Finance Committee passed out legislation which modifies section 201 so that it is more responsive to import surges. This legislation is a good first step, but more can be done.

The specific problems of perishable agriculture should be addressed so that seasonality can be taken into account when determining injury to a domestic industry.

We must ensure that U.S. industry has recourse to affective and timely relief when they are injured due to illegal import surges. If we cannot do this, our entire system of international trade, and the health of our domestic economy will be at risk.

For this reason, I will oppose cloture at this time and ask my colleagues to do the same.

I urge we deal with this problem by making our trade enforcement laws more effective, more able to respond to the challenges of the future, and not succumb to a violation of our trade agreements.

Mr. ROTH. I yield 1 minute to the distinguished Senator from Texas.

Mrs. HUTCHISON. Mr. President, I want to vote for this bill but I can't. I want to because I think part of the steel industry has a legitimate case. But I can't because voting for this bill would make it worse than the relief they seek.

We have GATT. We have WTO. We have NAFTA. We have access to accountability. However, the administration is not allowing that to go forward. We have to stay within the system. We have to play by the rules.

The reason we are debating this is because we haven't had the administration firmly coming forward and saying the steel industry has a legitimate gripe. They do.

I support the Finance Committee approach to it which says we are going to stick by the rules, and we need to enforce them vigorously.

Mr. ROTH. Mr. President, my understanding is we have 3 minutes.

The PRESIDING OFFICER. The Senator has 57 seconds remaining.

Mr. MOYNIHAN. I ask unanimous consent 3 minutes be added to each side.

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

Mr. ROTH. I yield 2 minutes to the distinguished senior Senator from Texas.

Mr. GRAMM. Mr. President, in the last 12 months, America has created 1,950,000 new permanent, productive, tax-paying jobs for the future. We have created 7,500 jobs in every working day for the last 12 months.

If we want to continue to benefit from being the world's greatest trading nation, we have to have politicians that are willing to stand up and fight for those principles by saying no on bills such as the bill before the Senate.

Though the bill before the Senate may be well intended, the bill before the Senate is a job killer, a trade war starter, and it is a bill that will destroy 40 jobs in steel-using industries for every one job it saves in steel producing.

Last year, we exported $222 billion worth of products that used steel; 40 jobs were created in those industries for every one job in steel. It is estimated that the passage of this bill would save about 1,700 steel jobs at a cost of about $800,000 a job for the American consumer. But that is not counting the jobs we would lose in steel-using industries. It is not counting the jobs we would lose because of retaliation from our unfair trade practice.

If we want to create 7,500 jobs a day, we have to have the courage to stand up and defend the system that creates those jobs.

I urge my colleagues to resist the siren song of well-organized groups that have their special interests and look at the general interest of America. When we are creating more jobs than the rest of the world combined, more jobs than in all of Europe, Japan, China, and every developing country in the world combined, why should we be attacking the very system that created those jobs?

I urge my colleagues to reject this bill.

Mr. ROTH. How much time remains?

The PRESIDING OFFICER. The Senator has 1 minute 46 seconds.

Mr. ROTH. Mr. President, I yield the remaining time to Senator BOND.

Mr. BOND. Mr. President, I point out that over the last 6 years prior to 1998, the steel industry experienced 6 straight years of growth in domestic steel shipments.

In 1998, there is a downturn. There is a downturn because of the collapse in the Asian economy, because of the General Motors strike. That is unfortunate. We don't want to see those jobs lost.

When you talk about illegal dumping, there are laws against illegal dumping. They are being enforced and they are being enforced effectively.

What we are being asked to do in this bill is to put at risk the 20 production jobs for every one steel job; 20 production jobs depending on using steel for the one job in the steel industry.

That could be a disaster for our economy.

The chairman has already pointed out the cost to the taxpayers, to the consumers. In my State of Missouri, workers in agriculture, in the airplane industry, and small businesses would suffer a loss of jobs and a loss of opportunity if we adopted this measure.

I join with the chairman and the ranking member in urging we oppose this measure.

Mr. President, I offer a few other points on top of the excellent arguments laid out by my colleagues as to why this bill is a bad idea.

The reasons for the surge in steel imports and the decrease in employment in the steel industry are the result of numerous factors and complex conditions. There are a number of forces at work, but the difficult times faced by the steel industry are largely due to economic cycles and conditions. I believe that the industry is asking Congress to take action on its behalf to rectify a status caused by unfavorable conditions. We have a large and diverse economy, with many factors dependent on one another. Taking legislative action on behalf of one industry could have wide and profound ripple affects on may industries that are not for the better and would be a very unwise precedent. The reaction to this legislation could destroy jobs in Missouri industries from agriculture to airplanes and many others.

These conditions have not been receiving the level of attention that they deserve in the discussion as to whether erecting trade barriers is the proper approach, if there is an approach, to reducing the increase in steel imports.

The largest consumers of steel are automobile manufacturers and construction—two industries whose health is directly related to the health of the economy. We all are aware of the economic conditions facing the Asian nations, particularly facing Japan and the Southeast Asian Nations. This was a very sudden and dramtatic turn of economic fortunes. Previously, those economies had a voracious appetite for steel in the years proceeding their economic problems. The skylines of the Asian business capitals have been transformed from those of small towns into cosmopolitan metropolises rivaling many American cities. But today, the streets of Bangkok are littered with dozens of highrise construction

projects that have ground to a halt. Demand for steel overseas has collapsed.

Prior to that collapse, U.S. steel manufactures were enjoying good times. Indeed, a decline in domestic steel shipments was witnesses in 1998, but the decline, which was slight, came on the heels of six straight years of growth. The industry enjoyed good times, they benefited from the growth in demand, from the construction boom here and abroad. But economic upheaval abroad has had a major affect on demand, prices, productivity and profit. Capacity was moving along only to face an almost instanteous drop in demand. Those factors as having contributed to the drop in demand have been minimized. Another factor, the labor stoppage at General Motors last summer, has barely been mentioned.

Businesses endure business cycles. I have all the confidence that the industry will take the steps necessary to remain competitive, but taking this legislative action to address the conditions of one industry is unwise. Those factors have been minimized as contributing to the decline in demand around the world. Another factor, the labor stoppage at General Motors last summer, cannot be underestimated for its impact on demand and prices.

We are being asked to take legislative action to protect a single industry from conditions that are largely the result of the economy and their business decisions and planning. An act such as this cannot be taken without having severe and far reaching consequences for many other industries. As we have heard on the floor of the Senate, and their own business decisions taking legislative action that will benefit a single industry is a purely protectionist act.

Mr. President, we have made a commitment in this country to advancing freer trade and open borders. I believe it is in the best interest of our country and in the best interests of future generations. Trade has many benefits. The competition has led to dramatic improvement in the efficiency and the profitability of the domestic auto industry. It has led to improvements in the efficient and profitability of the domestic steel industry. Prior to the year 1998, shipments of steel increased for six straight years. I believe that growth will return. The benefits are seen all around us in the form of more efficient industries, cheaper products and better made products.

Trade also advances our standard of living. As we enjoy the benefits of this communications revolution, open markets will permit it to be prolonged. If other countries close down their markets, the avenues to continue to sell these products will begin to evaporate. There is no dispute the types of jobs that have been created because of this revolutions—they are high paying and highly skilled jobs, the type of jobs that have contributed to the continuing escalating standard of living in the United States.

Several Senators addressed the Chair.

Mr. BIDEN. Will the Senator yield me 15 seconds?

The PRESIDING OFFICER. The Senator from Delaware.

Mr. BIDEN. The pain is real, the need is real, but the answer is wrong. We are not voting up and down on this bill. We are voting to proceed. I am going to vote to proceed in the hope that between now and the time we vote on this bill, the administration and others understand there is a need for an answer. This is not the answer. I would vote against the bill, but I will vote to proceed.

The PRESIDING OFFICER. Who yields time?

The Chair recognizes the majority leader.

Mr. LOTT. Mr. President, has all time been consumed?

The PRESIDING OFFICER. No; 4 minutes 25 seconds remain.

Mr. LOTT. At the appropriate time, I will use leader time to wrap up debate on this issue.

The PRESIDING OFFICER. The Senator from Pennsylvania.

Mr. SANTORUM. Mr. President, I yield 2 minutes to the junior Senator from West Virginia for his remarks.

The PRESIDING OFFICER. The Senator from West Virginia.

Mr. ROCKEFELLER. Mr. President, I will not even take that amount of time. Senator GRAMM and Senator NICKLES and others, have said vote against this bill. You will have a chance to vote against this bill. That is not what we are about today. We are voting on the motion to proceed to discuss an extraordinarily complex issue, the ramifications of which a lot of people do not know. It has been pointed out we are in violation of WTO. It has not been pointed out we are trying to follow our Trade Act, which we ourselves passed in the Congress and which was signed by a previous President.

Please, this is the motion to proceed. We traditionally are fair about these things. This is a complex subject. Steel is only produced in 16 States in a major way. A lot of people have a lot to learn.

We are not voting on the quota bill. We are voting on the motion to proceed to simply talk about it. We have had a very high barrier to reach.

Finally, I say the crisis is not over. I repeat that. The first 4 months of this year compared to the first 4 months of last year—last year being the worst year in history in terms of imports—steel imports were only down by 5 percent. The crisis lives. The time to vote for an honest discussion of the issue is now. We can do that by voting yes on the motion to proceed.

The PRESIDING OFFICER. Who yields time?

The Senator from Pennsylvania.

Mr. SANTORUM. Mr. President, I want to pick up where the Senator from West Virginia left off, and that is to make very clear what we are voting on today. We are not voting on a steel quota bill. We are voting simply to bring the issue to the floor of the Senate for open debate and discussion and amendment. I do not think anyone in this Chamber can say what has gone on in the steel industry has been good for America. I have heard from some of the speakers—incredibly so—that somehow or another this was good for American jobs; we create American jobs when people illegally, against our trade laws, being subsidized by foreign governments, dump product into this country—that somehow that is good for America.

I do not think it is good for America. We have laws that are in place to stop that because we think it is unfair. We think that is illegal. So when I hear these arguments that we have to let the marketplace work, the fact is the marketplace is not working. The administration is not working in enforcing our laws. So what we are saying is, the Congress needs to get to work. Congress needs to get to work, to talk about how we can put this together.

The Senator from Michigan talked about the bill that came out of the Finance Committee. That could be an amendment to this bill. It could be a substitute to this bill. If you want a vehicle to have a fair and honest debate about what our steel policy should be, what our trade policy should be, this is the vehicle to do it. Let's vote on the motion to proceed. Let's bring up this matter. It is an important matter, as the Senator from West Virginia said, to at least 16 States. It has impacted tens of thousands of workers across this country. It is a very serious, desperate situation for many major companies in the United States. All we are asking for out of this vote is to let us be heard on the floor of the Senate. If you do not like the solution, as the Senator from Delaware said—the junior Senator from Delaware said he does not like the solution—fine. Bring up another measure. Bring up an alternative. We will have a debate on that. We will have a vote on that, and we will work our will in the Senate to address an issue that needs to be addressed. That is all we are saying.

Please, let the folks back in Akron, OH, in Pittsburgh, PA, and Weirton, WV, the people in the Senate care about what is going on in their lives. Let them know we are not deaf to the pain they are going through in losing their jobs. Let them know by just giving us a chance to debate this bill and do something about the crisis in the steel industry in this country.

I yield the floor.

The PRESIDING OFFICER. The Chair recognizes the majority leader.

Mr. LOTT. Mr. President, I would like to use some of my leader time now to close debate on this issue. First, I yield a minute to the Senator from Idaho to comment.

The PRESIDING OFFICER. The Senator from Idaho is recognized for 1 minute.

Mr. CRAIG. Mr. President, I thank the leader for yielding.

This is not an issue about steel. This is an issue about trade. The United States will be hosting the World Trade Organization's ministerial meeting in Seattle later this year. If this Senate voted out a quota bill at a time when we were expecting to engage the rest of the world in further discussion about knocking down trade barriers to give agriculture and other trade entities greater opportunity in the world market, this Senate and this Government would be sending the wrong message.

I am not going to argue with the Senator from Pennsylvania. There is no question the steel industry has been hurt. Agriculture is being hurt as we speak, but we do not close our borders and turn our lights out. We work to build a stronger and more fair trade organization around the world.

Furthermore, this act would violate our international obligations under the World Trade Organization and General Agreement on Trade and Tariffs. By closing the U.S. Steel market, we would encourage other countries to follow our lead and undermine the system that the United States has worked so hard to establish. If we are to expect other countries to honor their obligations under these agreements, we must do the same.

Mr. President, raising barriers against steel imports will only provide the steel industry temporary benefits while the American consumers suffer long-term consequences. Products that are made from steel, such as cars, homes, and appliances, will cost more to produce and will become more expensive to consumers. For example, large U.S. companies, such as Cargill and Hewlett Packard, that have substantial business in Idaho would be adversely affected. This situation will cause American consumers to purchase less and put millions of American jobs at risk. These consequences far exceed the risks the steel industry is facing.

I yield the time.

Mr. LOTT. Mr. President, at the request of the Senator from Pennsylvania, Mr. SANTORUM, and others, we are going to have this vote today. They made the point this was an important issue to them. They thought there should be some discussion about it and asked for an opportunity to have some debate and a vote. Little did I know at the time it was going to be a weekly event.

Last week it was the revolving fund loan for steel. This week it is the quota bill. Next week it will be something else. In fact, the Finance Committee has reported out something, and it is probably, of the three options, the only one we should be considering. But do not fool yourselves; this is not an inconsequential vote. Don't be saying we can vote for this on the motion to proceed and then we can vote against it later on. In order to go forward, the proponents have to get 60 votes today but only 51 tomorrow.

So I urge my colleagues, do not say, I'll give them a procedural vote. What you may be giving them is something that would be very dangerous, because we then could be voting on the substance itself. I think the consequences of such a vote that would befall America's economy and our trade policy would be dire, indeed. Not only would it increase the burden on our consumers, it would also run counter to our international trade agreements, and it would adversely affect our businesses and farmers that depend upon access to these international markets. There is no question this bill would undercut the economic growth we enjoy today. It would be starting down an extremely dangerous path.

We all struggle with similar issues in our own States in one area or another—perhaps agriculture here, textiles there, something else elsewhere. But free trade has been proven, time and time again, to benefit America, to benefit American consumers. It is the right thing to do, and we should not start down the trail of passing quotas here, there, or somewhere else.

I urge my colleagues, vote against cloture.

I yield the floor.

CLOTURE MOTION

The PRESIDING OFFICER. Under the previous order, the cloture motion having been presented under rule XXII, the Chair directs the clerk to read the motion.

The legislative clerk read as follows:

CLOTURE MOTION

We the undersigned Senators, in accordance with the provisions of rule XXII of the Standing Rules of the Senate, do hereby move to bring to a close debate on the motion to proceed to Calendar No. 66, H.R. 975, The Steel Import Limitation Bill.

Trent Lott, Rick Santorum, Mike DeWine, Jesse Helms, Ted Stevens, Harry Reid, Byron Dorgan, Orin Hatch, Jay Rockefeller, Robert C. Byrd, Robert Torricelli, Fritz Hollings, Pat Roberts, Arlen Specter, Richard Shelby, and Craig Thomas.

CALL OF THE ROLL

The PRESIDING OFFICER. By unanimous consent, the mandatory quorum call has been waived.

VOTE

The PRESIDING OFFICER. The question is, Is it the sense of the Senate that debate on the motion to proceed to the consideration of H.R. 975, an act to provide for a reduction of the volume of steel imports, and to establish a steel import notification and monitoring program, shall be brought to a close?

The yeas and nays are required under the rule. The clerk will call the roll.

The legislative clerk called the roll.

Mr. NICKLES. I announce that the Senator from Arizona (Mr. MCCAIN) is necessarily absent.

The result was announced—yeas 42, nays 57, as follows:

[Rollcall Vote No. 178 Leg.]

YEAS—42

Bayh	Feingold	Robb
Bennett	Harkin	Rockefeller
Biden	Hatch	Santorum
Boxer	Helms	Sarbanes
Burns	Hollings	Schumer
Byrd	Inhofe	Sessions
Campbell	Johnson	Shelby
Conrad	Leahy	Smith (NH)
Daschle	Levin	Snowe
DeWine	Lincoln	Specter
Dodd	Mikulski	Stevens
Dorgan	Murray	Thurmond
Durbin	Reed	Torricelli
Edwards	Reid	Wellstone

NAYS—57

Abraham	Enzi	Kyl
Akaka	Feinstein	Landrieu
Allard	Fitzgerald	Lautenberg
Ashcroft	Frist	Lieberman
Baucus	Gorton	Lott
Bingaman	Graham	Lugar
Bond	Gramm	Mack
Breaux	Grams	McConnell
Brownback	Grassley	Moynihan
Bryan	Gregg	Murkowski
Bunning	Hagel	Nickles
Chafee	Hutchinson	Roberts
Cleland	Hutchison	Roth
Cochran	Inouye	Smith (OR)
Collins	Jeffords	Thomas
Coverdell	Kennedy	Thompson
Craig	Kerrey	Voinovich
Crapo	Kerry	Warner
Domenici	Kohl	Wyden

NOT VOTING—1

McCain

The PRESIDING OFFICER. On this vote, the yeas are 42, the nays are 57.

Three-fifths of the Senators duly chosen and sworn not having voted in the affirmative, the motion is rejected.

Mr. ROTH. Mr. President, 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 Connecticut is recognized.

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

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. MOYNIHAN. 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. MOYNIHAN. Mr. President, I ask unanimous consent to speak for 1 minute.

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

Mr. MOYNIHAN. Mr. President, the distinguished chairman of the Finance Committee just made this remark to me. He is too modest, perhaps, to say it himself. He suggested that we have just taken what will likely be the most important vote of this session of the Congress. It was the first such vote we have had, I know, in my 23 years on the Committee on Finance—a solid affirmation of a half century, and more, of American trade policy.

I thank the Chair and yield the floor.

Mr. ROTH. Mr. President, first of all, I want to just thank my distinguished colleague, Senator MOYNIHAN, for his

invaluable assistance on this most important matter. I think the two of us believe very strongly that there will be no more important a vote than the one we just took. It is important from the standpoint of our national economy; it is important from the point of view of our steel industry; it is important from the standpoint of our workers. I know it was a very difficult vote for many people, but I want to express my public appreciation for their assistance.

I yield the floor.

Mr. DODD. Mr. President, I voted to invoke cloture. It was a difficult vote. The chairman of the Finance Committee and the Senator from New York deserve a great deal of credit for bringing this up the way they did. I regret we didn't get cloture. I think the bill would have needed work, I must say, before it reached final passage, had cloture been invoked.

FOREIGN RELATIONS AUTHORIZATION ACT, FISCAL YEARS 2000 AND 2001

Mr. DODD. Mr. President, if I may, I ask what the pending business is in the Senate?

The PRESIDING OFFICER. Under the previous order, up to 15 minutes is allotted to the Senator from Connecticut.

Mr. DODD. Mr. President, I thank the Chair.

Mr. President, it is my understanding that the managers of the pending bill graciously agreed to include one of two of the amendments I had proposed to offer in the managers' package that will be adopted later today. I extend my thanks to Senator BIDEN and Senator HELMS.

Mr. BIDEN. Mr. President, if the Senator will yield, it is true; we have accepted it. It is a very good amendment and we are delighted to do that.

Mr. DODD. I thank the Senator from Delaware. Let me briefly describe what that amendment is, and then I am also going to propose a second amendment, which, again, the chairman of the committee and the ranking member are familiar with. My intent is not to force a vote on that amendment but to raise the issue included in the amendment. The amendment that will be adopted later today would direct the Office of the Inspector General of the Department of State ''to make every reasonable effort to ensure that each person named in a report of investigation by that office be afforded an opportunity to refute allegations or assertions that may be contained in such report about him or her.''

In the interest of accuracy and thoroughness, the amendment would also require the inspector general to include exculpatory information about an individual that is discovered in the course of the investigation to be included in the final report produced by the inspector general.

I am not going to take a great deal of the Senate's time on the specific details of this amendment because I know the managers very much wish to complete action on this bill. But it seems what I have said about this amendment is common sense. One would assume that what I have said would be the case already. If allegations involving a criminal matter would be raised about any citizen of this country, under due process that citizen would have the right to know about those allegations and an opportunity to respond to those allegations, and any exculpatory information would be included in the determination of whether or not to go forward. We would assume that to be the case.

Candidly, I must tell you, when investigations are done by the inspector general at the State Department—and, regrettably, other agencies—that is not the case. So this amendment on this bill is designed to correct the problem at the State Department. It doesn't go any further than that.

I want to thank Senator HELMS and Senator BIDEN for their assistance with this amendment and mention, in particular, that Senator HELMS and I will be including a colloquy for the RECORD that clarifies technical matters with respect to the intent and scope of this amendment. I have proposed this amendment because I truly believe that it will improve the functioning and work product of the Office of the Inspector General in carrying out her investigations.

I also have another motive as well. It is a matter of fundamental fairness, in my view.

Many of the investigations that the IG deals with in the course of her duties would be improved, in my view, were the individuals involved given an opportunity to comment about the information developed in the course of the investigation as it relates to those individuals. Sadly, this is not the general practice of the inspector general, although it does happen in some cases at the discretion of the inspector general. In most cases, a report gets finalized from the inspector general, and the individual never gets a chance to correct what may be factual inaccuracies before a decision is taken to refer the matter to the Justice Department, or to the Director General of the State Department for possible criminal prosecution or for disciplinary action.

I think it is only fair to allow an individual to be provided that information prior to some disciplinary action being recommended, because, frankly, even though there is a grievance process, there is a tendency in the Congress to assume that the inspector general has accurately stated the case and the individual's promotion prospects are put into jeopardy.

The chairman and ranking member know that I propose this amendment in part because I know firsthand that had the inspector general checked out some of the information her investigators erroneously included in one of their reports related to this Senator, that information would never have been part of the report.

In fact, I ask unanimous consent at this point to have printed in the RECORD some correspondence between myself and the inspector general.

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

U.S. SENATE,
Washington, DC, March 6, 1996.

HON. JACQUELYN L. WILLIAMS-BRIDGERS,
Inspector General, Department of State, Washington, DC.

DEAR MS. WILLIAMS-BRIDGERS: I am writing to you with respect to a report produced by your office late last year concerning an investigation conducted about matters related to the U.S. Embassy in Dublin and the U.S. Ambassador Jean Kennedy Smith—''Special Inquiry, Embassy Dublin, Republic of Ireland, Jean Kennedy Smith, Ambassador, Dennis A. Sandberg, Deputy Chief of Mission, December 29, 1995.''

I am shocked and angered by the cavalier manner in which your office saw fit to include my name in this report eight times, purporting to represent my conversations, comments or intentions with respect to individuals employed at the U.S. Embassy in Dublin, without ever making any effort to contact me or my office for comment. Had you done so, I would have told you in the strongest terms that there was absolutely no truth to the suggestion made in the report that I took or sought to take retribution against individuals in the Embassy because of some policy or personality differences that they may have with Ambassador Smith.

I am certain anyone who reads this report will be shocked to discover that never once was I contacted by your ''investigators.'' It would seem to me that a very basic element of any credible and professional investigation is that anyone who might be able to be shed light on the matter under investigation be contacted, particularly when you intend to include that individual's name in the final report. I wonder how many other individuals whose names are mentioned in this report were never contacted or interviewed by your office? Frankly, the clear misrepresentations contained in the report as it relates to me seriously call into question the quality and integrity of the report in its entirety.

I believe that simple fairness and professionalism dictate that I receive an apology from your office for such unprofessional behavior.

Sincerely yours,

CHRISTOPHER J. DODD,
U.S. Senator.

DEPARTMENT OF STATE,
THE INSPECTOR GENERAL,
Washington, DC, March 8, 1996.

HON. CHRISTOPHER J. DODD,
U.S. Senate, Washington, DC.

DEAR SENATOR DODD: I am writing in response to your letter of March 6, 1996, and as a followup to our telephone conversation last night concerning our December 29, 1995, Special Inquiry of Embassy Dublin.

Let me begin by stating emphatically that this office is in possession of no information whatever which would suggest that you ''took or sought to take retribution against individuals in the Embassy because of some policy or personality differences they may have had with Ambassador Smith.'' Our intention in the Dublin report was merely to convey the fear that was engendered in the minds of career employees by the clear misuse of your name and position by an individual who purported to speak for the Ambassador. Indeed, while Ambassador Smith

confirmed that she told you about the dissent cable, she emphatically denied that she provided you or anyone else with the names of the dissenters. We have no reason to believe that she did. Moreover, Ambassador Smith herself never suggested to us that you made the critical comments attributed to you by her assistant and, again, we have no reason to believe that you did. Because we believed that your name and title was bandied about without your knowledge or authorization in what amounted to a brazen fear campaign, we never attempted to interview you concerning the matter. That was a clear mistake on our part.

In retrospect, at a minimum, we should have made it absolutely clear in our report that we had no reason to believe the assertions made about you, either with respect to your purported reaction upon being told of the conduct of the Dublin dissenter or with regard to your alleged intention to personally discuss the matter with the affected employees. While we repeatedly used modifiers such as ''reportedly'' when discussing anything relating to what you were alleged to have said, I now realize that we should have provided you with an opportunity to comment. The Boston Herald article of March 5, 1996, clearly demonstrated how mischief could be made of your name in this matter. I apologize for not being more sensitive to how our language could be misconstrued. I intend to use this error constructively to ensure that such a problem does not recur.

The Privacy Act compels us in the normal circumstances to redact names, titles, and identifying information from sensitive reports prior to their public release. Had this report been requested through the Freedom of Information Act or the Privacy Act, we most certainly would have redacted your name and title from the report. We are required, however, to provide, unredacted reports to relevant oversight committees at the Chairman's request.

In accordance with the mandate of the Inspector General Act to keep the Congress fully informed of matters within its jurisdiction, I provided, upon request, copies of the unredacted Dublin Special Inquiry to the Senate Foreign Relations Committee on Wednesday, February 28, 1996. My transmittal letter reiterated that this report had not been reviewed in accordance with the Freedom of Information Act or the Privacy Act for release to the public and that any improper release of information from this report would seriously undermine my statutory responsibilities in the Department.

While I am certain that this is of little consolation to you, I firmly believe that the reason we did not attempt to interview you is that we felt that you had done nothing wrong. I recognize that our subjective judgment in that regard is not necessarily clear from an objective reading of the report. Again, for that I apologize.

Sincerely,

JACQUELYN L. WILLIAMS-BRIDGERS.

Mr. DODD. Mr. President, I was never asked about the allegations, nor apparently was anyone else in this report conducted by the inspector general. The report alleged that I had tried to punish or to harm in some way two State Department employees for using the dissent channel by blocking their promotions internally. When I questioned the IG about the matter, she admitted that her investigators had not done a very professional job. There was not a shred of evidence within the Department to indicate that I had done anything with regard to this matter. I didn't even know who these people were, nor did anyone on my staff.

Had I been given access to those portions of the report as they related to me, I think this mistake would have been caught and it would never have been included in the final report. The inspector general did subsequently apologize to me both personally and in writing. I am grateful to her for that; however, I am not sure that ordinary Foreign Service officers or political appointees would have been given similar treatment, and the damage to their careers and reputations would have already occurred in any event.

That is why I believe this amendment is very important. I thank again Senator HELMS and Senator BIDEN and their staffs for helping put this matter together. This way it would at least allow for people who are charged with these matters to have an opportunity to respond, to know what they are being charged with so that corrections can be made.

Again, I emphasize that if you are not a well-known individual, you might not get the kind of apology and the corrections that I think ought to be made. That is why I believe this amendment is important.

Let me turn, if I can, to a second amendment.

Mr. BIDEN. Mr. President, if the Senator will yield for a moment before he turns to the second amendment, I can't emphasize how important I think the change is that the Senator suggests and the enthusiasm with which we accept the amendment.

I happen to like the Senator's second amendment that he is going to withdraw. I hope that will happen in the remainder of this year. If we can't get it done this year, I hope we can next year. I hope the committee will take a look at the entire functioning of the inspector general's office. Quite frankly, a similar thing came up in my other committee, the Judiciary Committee.

Quite frankly, I think we initiated reforms that were needed a decade or more ago to provide for these inspector generals, and they are throughout the Government, which is a good thing. It is not a bad thing. But what we haven't done, in my opinion, is we haven't given the same kind of scrutiny and oversight into how the offices function as we have, for example, the Attorney General's office, or the overall functioning of the State Department.

I hope this is the beginning of not any kind of witch hunt but just a serious, thoughtful oversight about whether or not the inspector general's authority puts it in a position where it has sort of incrementally involved itself in a way that the rights of individuals who are being looked at or who are caught up in a net are, quite frankly, not treated the way we would expect, for example, the U.S. Attorney's Office to proceed.

I thank the Senator. As I said, I like the second amendment which he is going to be withdrawing. Hopefully, we will have an opportunity, with his leadership, to revisit that on another piece of legislation, or on the floor independently.

Mr. DODD. I thank my colleague from Delaware.

AMENDMENT NO. 690

Mr. DODD. Mr. President, I call up amendment No. 690.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Connecticut (Mr. DODD) proposes an amendment numbered 690.

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

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

The amendment is as follows:

At the appropriate place in the bill, insert the following new section—

SEC. . TRANSFER OF AUTHORITY FOR CRIMINAL INVESTIGATIONS FROM STATE DEPARTMENT INSPECTOR GENERAL TO DIPLOMATIC SECURITY SERVICE.

(a) Section 37(a)(1) of the State Department Basic Authorities Act of 1956 (22 U.S.C. 2709(a)(1)) is amended to read as follows:

''(1) conduct investigations—

''(A) concerning illegal passport or visa issuance or use; and

''(B) concerning potential violations of Federal criminal law by employees of the Department of State or the Broadcasting Board of Governors.''

(b) Section 209(c)(3) of the Foreign Service Act of 1980 (22 U.S.C. 3929(c)(3) is amended by adding the following—

''In such cases, the Inspector General shall immediately notify the Director of the Diplomatic Security Service, who, unless otherwise directed by the Attorney General, shall assume the responsibility for the investigation.''

(b) The amendment made by this section shall take effect October 1, 2000.

(c) Not later than February 1, 2000, the Secretary of State and the State Department Inspector General shall report to the appropriate congressional committees on—

(1) the budget transfer required from the Inspector General to the Diplomatic Security Service to carry out the provisions of this section;

(2) other budgetary resources necessary to carry out the provisions of this section;

(3) any other matters relevant to the implementation of this section.

Mr. DODD. Mr. President, this amendment would transfer the authority for criminal investigations from the State Department Office of Inspector General to the Office of Diplomatic Security in cases of passport fraud and to the Attorney General in cases of other potential criminal offenses.

Let me say at the very outset that I realize this is a very controversial amendment. But I would like to take this opportunity to explain to my colleagues why I have decided to discuss this matter today.

Based upon a number of inspector general investigations I have reviewed, I question whether the inspector general, who is not a lawyer, should be supervising criminal investigations at all. The original mission of the inspector general was to perform routine audits both to examine financial records and to review the operations of various programs.

The inspector general also is charged with inspecting overseas diplomatic

missions and domestic bureaus to ensure that the State Department is performing with maximum efficiency and using resources appropriately. Certainly the inspector general can, and should, continue to concentrate in these areas. But criminal investigations are far more complex and sensitive than routine audits and inspections.

I think many of my colleagues would be surprised at the type and scope of investigations that the State Department inspector general undertakes, and, frankly, at the number of matters that get referred to the Justice Department for further action which the Justice Department declines to take up.

The inspector general currently decides when and who to investigate. There are virtually no checks—none—on the office once it has commenced a criminal investigation.

While the State Department inspector general's office is supposed to be a neutral finder of fact, experience shows that historically that office has acted in a highly adversarial manner trying to establish cases that can be referred to the Justice Department.

I happen to believe, as an aside, that the inspector general's handling of matters relating to Ambassador Richard Holbrooke unnecessarily delayed the consideration of his nomination to the Senate and at additional taxpayer cost.

Let me, however, commend the chairman of the Foreign Relations Committee for the very thorough but expeditious manner in which he has guided the Foreign Relations Committee deliberations of that particular nomination.

I would also like to call to the attention of the Members the final report of the independent counsel appointed to investigate the so-called ''Clinton passport matter,'' which arose in the course of the 1992 Presidential elections. Joseph diGenova, the independent counsel in that case, took the State Department Office of the Inspector General to task for the sloppiness and lack of professionalism with which it conducted the initial investigation of this matter. He concluded by saying that this matter should never have been referred for criminal prosecution, nor should an independent counsel have been appointed.

It is not my intention to push this amendment to a final vote. I know the managers of the bill and the members of the Governmental Affairs Committee have some questions about this amendment as it is currently drafted. I respect their judgment tremendously. At the very least, however, I believe there is a need for an independent agency, the General Accounting Office, to take a long and hard and serious look at the practices of the inspector general's office with respect to criminal investigations and assess whether these offices are the appropriate places for criminal matters to be looked at.

These offices were set up to conduct and perform certain valuable and important functions. In my view, as with so many other offices, once they get started they go off into areas they lack expertise in and conduct investigations which are questionable, at best. This has happened, with little or no checks and balances.

Even under the independent counsel law, I point out, a person is entitled to know what they are charged with and given a chance to respond to the allegations raised. Under the Inspector General's investigations, a person is not given those rights.

Fundamental due process would seem to insist everyone be given the opportunity to respond to charges leveled against them.

I think this is a serious matter. I am hopeful the matter can be corrected without having to go through a legislative route. I think it can be done administratively. I urge the State Department, the Secretary of State, and others to make these corrections. If not, I will come back with this amendment next year. I will offer it in committee and I will offer it on the floor to legislatively deal with this issue.

I am anxious to hear other thoughts and ideas on how to correct this problem. I take it seriously when the careers of individuals can be ruined and destroyed by opening up one of these investigations without providing that individual with an opportunity to respond to those charges.

I ask unanimous consent to withdraw the amendment I offered a few moments ago.

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

RECESS

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

Thereupon, the Senate, at 1:11 p.m., recessed until 2:16 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer [Mr. INHOFE].

FOREIGN RELATIONS AUTHORIZATION ACT, FISCAL YEARS 2000 AND 2001—Continued

AMENDMENT NO. 692

The PRESIDING OFFICER. The Senator from North Carolina.

Mr. HELMS. Mr. President, how many minutes are assigned to the distinguished Senator?

The PRESIDING OFFICER. On the Feingold amendment, 5 minutes equally divided—amendment No. 692.

Mr. HELMS. And Senator LUGAR has some time?

The PRESIDING OFFICER. It is 5 minutes equally divided. Senator LUGAR would have 2½ minutes.

Mr. HELMS. I thank the Chair.

I see both Senators on the floor.

The PRESIDING OFFICER. The Senator from Wisconsin.

PRIVILEGE OF THE FLOOR

Mr. FEINGOLD. Mr. President, I ask unanimous consent that Anne Alexander, a fellow in my office, be accorded the privilege of the floor during the remainder of the debate on the State Department authorization bill.

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

Mr. FEINGOLD. Mr. President, before my time begins, I ask unanimous consent to add the Senator from North Dakota, Mr. DORGAN, as a cosponsor of my amendment.

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

Mr. FEINGOLD. Mr. President, my amendment does not kill the National Endowment for Democracy, nor does it cut off one penny from its budget. Rather, this amendment reforms the grant-making process of the NED.

The NED seeks to promote democracy around the world. I believe it is only just and fair that its grant-making process be open and competitive on a level playing field for all applicants. Mr. President, 65 percent of NED's grant money is automatically allocated to four so-called ''core grantees,'' while everyone else has to compete for the remaining 35 percent of the budget. I really do not think this is fair.

The core grantees have done good work in promoting democracy abroad, but are the programs sponsored by the core grantees so superior to all the other programs we have that we must assume they should automatically get the full 65 percent while everyone else has to compete for a much smaller piece of the pie?

My amendment does not cut funding for the NED or even necessarily for these four grantee groups. It just phases out, over a 5-year period, the automatic bonanza these groups get every year. This amendment will simply level the playing field so these groups have to compete for funding like everybody else.

So I urge my colleagues to understand this does not cut a penny. It does not change the basic mission. It just says we have reached the point, with these taxpayers' dollars, where it really should be phased down to the point where everything is done on a competitive basis.

I urge my colleagues to support the amendment.

The PRESIDING OFFICER. The Senator from Indiana.

Mr. LUGAR. Mr. President, I rise to oppose the amendment of the distinguished Senator from Wisconsin.

The National Endowment for Democracy for the last 18 years has made grants to organizations all over the world to boost democracy in the most critical areas. It came about during the Reagan administration, in which the genius of the plan, of pulling together representatives of the Republican Party, the Democratic Party, the National Chamber of Commerce, and AFL–CIO, brought checks and balances within our own political spectrum but

outside the State Department, outside the Government. For the last 18 years, these grants have not been politicized. As a matter of fact, as there are areas of concern that come to the board of the National Endowment, each of the four groups is asked to meet the challenge, to offer alternatives competitively for peer review, and then review by staff, and finally votes by members.

I have been privileged to serve for the last 8 years on the board of the National Endowment for Democracy. At each meeting I have examined over 100 of these grants. They come, each time, with really superior effort by four entities we can count on, the two party institutes in the Chamber and the labor people of this country.

I see no need to amend that process. It is a process that has worked well. It is a process that has not been politicized. It has a good track record. If the Senator's amendment is adopted, we will inevitably have a fairly large bureaucracy of people sifting through grants from all sources.

Grants do come from some 250 different entities and formulate at least a third of the grants that are awarded by the board. Some of these are worthy and some are not so worthy, but we can count upon quality of response, and I think that is important. It is a situation of trying to fix something that is not broke, and I hope Senators will resist that impulse. There is not a compelling need for change. The amendment did not have any type of airing in a hearing for examination and for testimony by witnesses on either or all sides.

Mr. BIDEN. Will the Senator yield for 5 seconds?

Mr. LUGAR. Yes.

Mr. BIDEN. I agree with the Senator from Indiana and suggest it has the added benefit of taking four groups on different ideological ends of the spectrum and having them cooperate, work together. It has a salutary impact on how they function relative to one another overall.

The PRESIDING OFFICER. The Senator's time has expired.

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

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be a sufficient second.

The yeas and nays were ordered.

Mr. MOYNIHAN. Mr. President, the Feingold amendment to the State Department authorization bill would have the effect of diminishing the standing enjoyed by the four principal grantees—and partners—of the National Endowment for Democracy.

When the Endowment was established in 1983, the Congress envisioned that four core grantees would be established along with the NED to carry out its mission—the National Democratic Institute (NDI), the International Republican Institute (IRI), the Center for International Private Enterprise (CIPE) affiliated with the U.S. Chamber of Commerce and the AFL-CIO's Solidarity Center. The reason for this decentralized approach was a belief—shared by leading Democrats and Republicans alike—that the promotion of democracy is an enduring American interest and that representatives of American civil society would be better able than government officials to help their counterparts—political parties, labor movements, business associations and civic groups—that are struggling to build democratic systems in their own countries. Private organizations doing private work in the public interest ought to be supported and expanded by federal funding.

The National Endowment for Democracy has been debated on this floor on numerous occasions, most recently at some length in 1997, after which the Senate voted 72 to 27 to reaffirm its support for the Endowment and its programs. Along with successive Administrations—including those of Presidents Reagan, Bush and Clinton alike—this body has consistently voiced its support for the mission and unique contribution to the spread of democracy by this organization.

The Feingold amendment would eliminate the concept of the ''core grantees'' of the Endowment which is the heart of the operational premise that the NED embodies. While the amendment purports to make the Endowment more efficient and effective by making all NED grants competitive, it would actually have the opposite effect. If passed, the amendment's unintended consequence would be to create a centralized, bureaucratic structure that would severely weaken the NED, and slow the responsiveness of the core grantees. It would also oblige the Republican and Democratic institutes to compete with one another for the same funding, so instead of working in tandem to promote American ideals abroad, they would be set at odds with each other. The same would happen with the institutes for business and labor: conflict, rather then comity. The harmonious package of programs would be dissolved—for no apparent reason.

The Endowment is a cost effective initiative that works. Anyone who has taken the time to examine the activities of the Endowment's core grantees or talked with the beneficiaries of their work in places like Northern Ireland, Nigeria, Indonesia, Cuba and Bosnia, would agree.

The NED should be encouraged to continue this mission, which reflects the noblest American political tradition and serves the strategic interests of the United States. It should not be hamstrung by the new and unwarranted restrictions that are proposed in this amendment.

It was the decision by the Congress that there should be four principal grantees of the Endowment because they each have a unique contribution to make in promoting democracy. This was a correct decision, and the core grantees should continue to be seen as different from other grantees and an integral part of the Endowment. If we should now change the Endowment's fundamental premise, the ability of these core grantees to respond quickly to democratic openings will be undermined.

It has been suggested that under the current arrangement the work of the core grantees is not subject to adequate scrutiny because the Endowment each year sets aside a modest allocation of funding for each of their programs. This allocation—of 4.1 million for each institute's global array of programs—does not mean that they get a free ride or a blank check. It is important to note that every single one of the over 200 grants awarded annually by the Endowment is strictly reviewed by program and financial staff and by a distinguished bipartisan Board of Directors currently chaired by the distinguished former congressman from Indiana, Dr. John Brademas. This is true regardless of whether the grantee is one of the four core grantees or not. The core grantees are covered by the same reporting and evaluation requirements that effect all grantees. Let us leave the decision-making for the allocation of funding in the very able hands of the Endowment's Board of Directors, which includes some of the most accomplished international affairs strategists and democrats in the United States.

This body frequently earmarks organizations that it believes should receive public support. There is nothing wrong nor nefarious in this approach. I hope the Senate will take this opportunity to reaffirm its strong support for the work of the four institutes associated with the Endowment—the republican and democratic party institutes, and those associated with the labor movement and the business community—by voting No on the Feingold amendment.

This amendment seeks to fix something that is not broken. The amendment will not improve the Endowment, but to weaken its unique capacity to be flexible, responsive and effective. The last thing we should do is to hastily tinker with the internal workings of this important institution without any serious examination of the supposed problems this amendment is meant to address.

The PRESIDING OFFICER. The question is on agreeing to amendment No. 692. The yeas and nays have been ordered. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. NICKLES. I announce that the Senator from Arizona (Mr. MCCAIN) is necessarily absent.

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

The result was announced—yeas 23, nays 76, as follows:

[Rollcall Vote No. 179 Leg.]

YEAS—23

Baucus	Fitzgerald	Nickles
Bingaman	Grams	Reid
Boxer	Gregg	Smith (NH)
Bryan	Helms	Specter
Dorgan	Hollings	Thurmond
Durbin	Johnson	Wellstone
Edwards	Kohl	Wyden
Feingold	Lincoln	

NAYS—76

Abraham	Enzi	Mack
Akaka	Feinstein	McConnell
Allard	Frist	Mikulski
Ashcroft	Gorton	Moynihan
Bayh	Graham	Murkowski
Bennett	Gramm	Murray
Biden	Grassley	Reed
Bond	Hagel	Robb
Breaux	Harkin	Roberts
Brownback	Hatch	Rockefeller
Bunning	Hutchinson	Roth
Burns	Hutchison	Santorum
Byrd	Inhofe	Sarbanes
Campbell	Inouye	Schumer
Chafee	Jeffords	Sessions
Cleland	Kennedy	Shelby
Cochran	Kerrey	Smith (OR)
Collins	Kerry	Snowe
Conrad	Kyl	Stevens
Coverdell	Landrieu	Thomas
Craig	Lautenberg	Thompson
Crapo	Leahy	Torricelli
Daschle	Levin	Voinovich
DeWine	Lieberman	Warner
Dodd	Lott	
Domenici	Lugar	

NOT VOTING—1

McCain

The amendment (No. 692) was rejected.

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

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

The motion to lay on the table was agreed to.

AMENDMENT NOS. 705 THROUGH 731 EN BLOC

Mr. HELMS. Mr. President, we have an agreement on both sides for a managers' package of amendments, which I send to the desk, including amendments by Senator BIDEN and myself and Senators ABRAHAM and GRAMS, KENNEDY, DURBIN, LEAHY, MOYNIHAN, REID, BINGAMAN, THOMAS, BIDEN and ROTH, two amendments by Senator LUGAR, Senators MCCAIN, SCHUMER and BROWNBACK, MACK and LIEBERMAN, GRAMS and WELLSTONE, DODD, ASHCROFT, HARKIN, FEINGOLD, and FEINSTEIN.

This package of amendments has been agreed to under a previous order.

The PRESIDING OFFICER (Mr. CRAPO). The clerk will report.

The assistant legislative clerk read as follows:

The Senator from North Carolina (Mr. HELMS), for himself and Mr. BIDEN, Mr. ABRAHAM and Mr. GRAMS, Mr. KENNEDY, Mr. DURBIN, Mr. LEAHY, Mr. MOYNIHAN, Mr. REID, Mr. BINGAMAN, Mr. THOMAS, Mr. BIDEN and Mr. ROTH, Mr. LUGAR, Mr. MCCAIN, Mr. SCHUMER and Mr. BROWNBACK, Mr. MACK and Mr. LIEBERMAN, Mr. GRAMS and Mr. WELLSTONE, Mr. DODD, Mr. ASHCROFT, Mr. HARKIN, Mr. FEINGOLD, and Mrs. FEINSTEIN, proposes amendments numbered 705 through 731 en bloc.

The amendments (Nos. 705 through 731) en bloc are as follows:

(The text of amendment No. 705 is printed in today's RECORD under ''Amendments Submitted.'')

AMENDMENT NO. 706

(Purpose: To amend the short title of the bill)

On page 2, strike lines 3 and 4 and insert ''Admiral James W. Nance Foreign Relations Authorization Act, Fiscal Years 2000 and 2001''.

AMENDMENT NO. 707

(Purpose: To require that the representative of the United States to the Vienna office of the United Nations also serve as representative of the United States to the International Atomic Energy Agency)

On page 141, between lines 4 and 5, insert the following new section:

SEC. 825. UNITED STATES REPRESENTATION AT THE INTERNATIONAL ATOMIC ENERGY AGENCY.

(a) AMENDMENT TO THE UNITED NATIONS PARTICIPATION ACT OF 1945.—Section 2(h) of the United Nations Participation Act of 1945 (22 U.S.C. 287(h)) is amended by adding at the end the following new sentence: ″The representative of the United States to the Vienna office of the United Nations shall also serve as representative of the United States to the International Atomic Energy Agency.''.

(b) AMENDMENT TO THE IAEA PARTICIPATION ACT OF 1957.—Section 2(a) of the International Atomic Energy Agency Participation Act of 1957 (22 U.S.C. 2021(a)) is amended by adding at the end the following new sentence: ''The Representative of the United States to the Vienna office of the United Nations shall also serve as representative of the United States to the Agency.''.

(c) EFFECTIVE DATE.—The amendments made by subsections (a) and (b) shall apply to individuals appointed on or after the date of enactment of this Act.

AMENDMENT NO. 708

(Purpose: To provide a clarification of an exception to national security controls on satellite export licensing)

On page 96, after line 21, add the following new section:

SEC. ___. CLARIFICATION OF EXCEPTION TO NATIONAL SECURITY CONTROLS ON SATELLITE EXPORT LICENSING.

Section 1514(b) of Public Law 105–261 is amended by striking all that follows after ''EXCEPTION.—'' and inserting the following: ''Subsections (a)(2), (a)(4), and (a)(8) shall not apply to the export of a satellite or satellite-related items for launch in, or by nationals of, a country that is a member of the North Atlantic Treaty Organization (NATO) or that is a major non-NATO ally (as defined in section 644(q) of the Foreign Assistance Act of 1961 (22 U.S.C. 2403(q)) of the United States unless, in each instance of a proposed export of such item, the Secretary of State, in consultation with the Secretary of Defense, first provides a written determination to the Committee on Foreign Relations of the Senate and the Committee on International Relations of the House of Representatives that it is in the national security or foreign policy interests of the United States to apply the export controls required under such subsections.''.

AMENDMENT NO. 709

(Purpose: To extend the use of the Foreign Service personnel system)

On page 43, between lines 8 and 9, insert the following new section:

SEC. 323. EXTENSION OF USE OF FOREIGN SERVICE PERSONNEL SYSTEM.

Section 202(a) of the Foreign Service Act of 1980 (22 U.S.C. 3922(a)) is amended by adding at the end the following new paragraph:

''(4)(A) Whenever (and to the extent) the Secretary of State considers it in the best interests of the United States Government, the Secretary of State may authorize the head of any agency or other Government establishment (including any establishment in the legislative or judicial branch) to appoint under section 303 individuals described in subparagraph (B) as members of the Service and to utilize the Foreign Service personnel system with respect to such individuals under such regulations as the Secretary of State may prescribe.

''(B) The individuals referred to in subparagraph (A) are individuals hired for employment abroad under section 311(a).''.

AMENDMENT NO. 710

(Purpose: To require an annual financial audit of the United States section of the International Boundary and Water Commission)

On page 141, between lines 4 and 5, insert the following new section:

SEC. 825. ANNUAL FINANCIAL AUDITS OF UNITED STATES SECTION OF THE INTERNATIONAL BOUNDARY AND WATER COMMISSION.

(a) IN GENERAL.—An independent auditor shall annually conduct an audit of the financial statements and accompanying notes to the financial statements of the United States Section of the International Boundary and Water Commission, United States and Mexico (in this section referred to as the ''Commission''), in accordance with generally accepted Government auditing standards and such other procedures as may be established by the Office of the Inspector General of the Department of State.

(b) REPORTS.—The independent auditor shall report the results of such audit, including a description of the scope of the audit and an expression of opinion as to the overall fairness of the financial statements, to the International Boundary and Water Commission, United States and Mexico. The financial statements of the Commission shall be presented in accordance with generally accepted accounting principles. These financial statements and the report of the independent auditor shall be included in a report which the Commission shall submit to the Congress not later than 90 days after the end of the last fiscal year covered by the audit.

(c) REVIEW BY THE COMPTROLLER GENERAL.—The Comptroller General of the United States (in this section referred to as the ''Comptroller General'') may review the audit conducted by the auditor and the report to the Congress in the manner and at such times as the Comptroller General considers necessary. In lieu of the audit required by subsection (b), the Comptroller General shall, if the Comptroller General considers it necessary or, upon the request of the Congress, audit the financial statements of the Commission in the manner provided in subsection (b).

(d) AVAILABILITY OF INFORMATION.—In the event of a review by the Comptroller General under subsection (c), all books, accounts, financial records, reports, files, workpapers, and property belonging to or in use by the Commission and the auditor who conducts the audit under subsection (b), which are necessary for purposes of this subsection, shall be made available to the representatives of the General Accounting Office designated by the Comptroller General.

AMENDMENT NO. 711

(Purpose: To require an examination of the feasibility of duplicating the Embassy Paris Regional Outreach Centers)

On page 66, line 12, strike ''and''.

On page 66, line 17, strike the period and insert ''; and''.

On page 66, between lines 17 and 18, insert the following new subparagraph:

(F) examine the feasibility of opening new regional outreach centers, modeled on the system used by the United States Embassy in Paris, France, with each center designed to operate—

(i) at no additional cost to the United States Government;

(ii) with staff consisting of one or two Foreign Service officers currently assigned to the United States diplomatic mission in the country in which the center is located; and

(iii) in a region of the country with high gross domestic product (GDP), a high density population, and a media market that not only includes but extends beyond the region.

AMENDMENT NO. 712

(Purpose: Relating to the development of an automated entry-exit control system for the United States)

At the end of title VII of the bill, insert the following:

Subtitle C—United States Entry-Exit Controls

SEC. 732. AMENDMENT OF THE ILLEGAL IMMIGRATION REFORM AND IMMIGRANT RESPONSIBILITY ACT OF 1996.

(a) IN GENERAL.—Section 110(a) of the Illegal Immigration Reform and Immigrant Responsibility Act of 1996 (8 U.S.C. 1221 note) is amended to read as follows:

''(a) SYSTEM.—

''(1) IN GENERAL.—Subject to paragraph (2), not later than 2 years after the date of enactment of this Act, the Attorney General shall develop an automated entry and exit control system that will—

''(A) collect a record of departure for every alien departing the United States and match the record of departure with the record of the alien's arrival in the United States; and

''(B) enable the Attorney General to identify, through online searching procedures, lawfully admitted nonimmigrants who remain in the United States beyond the period authorized by the Attorney General.

''(2) EXCEPTION.—The system under paragraph (1) shall not collect a record of arrival or departure—

''(A) at a land border or seaport of the United States for any alien; or

''(B) for any alien for whom the documentary requirements in section 212(a)(7)(B) of the Immigration and Nationality Act have been waived by the Attorney General and the Secretary of State under section 212(d)(4)(B) of the Immigration and Nationality Act.''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect as if included in the enactment of the Illegal Immigration Reform and Immigrant Responsibility Act of 1996 (division C of Public Law 104–208; 110 Stat. 3009–546).

SEC. 733. REPORT ON AUTOMATED ENTRY-EXIT CONTROL SYSTEM.

(a) REQUIREMENT.—Not later than 1 year after the date of enactment of this Act, the Attorney General shall submit a report to the Committees on the Judiciary of the Senate and the House of Representatives on the feasibility of developing and implementing an automated entry-exit control system that would collect a record of departure for every alien departing the United States and match the record of departure with the record of the alien's arrival in the United States, including departures and arrivals at the land borders and seaports of the United States.

(b) CONTENTS OF REPORT.—Such report shall—

(1) assess the costs and feasibility of various means of operating such an automated entry-exit control system, including exploring—

(A) how, if the automated entry-exit control system were limited to certain aliens arriving at airports, departure records of those aliens could be collected when they depart through a land border or seaport; and

(B) the feasibility of the Attorney General, in consultation with the Secretary of State, negotiating reciprocal agreements with the governments of contiguous countries to collect such information on behalf of the United States and share it in an acceptable automated format;

(2) consider the various means of developing such a system, including the use of pilot projects if appropriate, and assess which means would be most appropriate in which geographical regions;

(3) evaluate how such a system could be implemented without increasing border traffic congestion and border crossing delays and, if any such system would increase border crossing delays, evaluate to what extent such congestion or delays would increase; and

(4) estimate the length of time that would be required for any such system to be developed and implemented.

SEC. 734. ANNUAL REPORTS ON ENTRY-EXIT CONTROL AND USE OF ENTRY-EXIT CONTROL DATA.

(a) ANNUAL REPORTS ON IMPLEMENTATION OF ENTRY-EXIT CONTROL AT AIRPORTS.—Not later than 30 days after the end of each fiscal year until the fiscal year in which the Attorney General certifies to Congress that the entry-exit control system required by section 110(a) of the Illegal Immigration Reform and Immigrant Responsibility Act of 1996, as amended by section 732 of this Act, has been developed, the Attorney General shall submit to the Committees on the Judiciary of the Senate and the House of Representatives a report that—

(1) provides an accurate assessment of the status of the development of the entry-exit control system;

(2) includes a specific schedule for the development of the entry-exit control system that the Attorney General anticipates will be met; and

(3) includes a detailed estimate of the funding, if any, needed for the development of the entry-exit control system.

(b) ANNUAL REPORTS ON VISA OVERSTAYS IDENTIFIED THROUGH THE ENTRY-EXIT CONTROL SYSTEM.—Not later than June 30 of each year, the Attorney General shall submit to the Committees on the Judiciary of the Senate and the House of Representatives a report that sets forth—

(1) the number of arrival records of aliens and the number of departure records of aliens that were collected during the preceding fiscal year under the entry-exit control system under section 110(a) of the Illegal Immigration Reform and Immigrant Responsibility Act of 1996, as so amended, with a separate accounting of such numbers by country of nationality;

(2) the number of departure records of aliens that were successfully matched to records of such aliens' prior arrival in the United States, with a separate accounting of such numbers by country of nationality and by classification as immigrant or nonimmigrant; and

(3) the number of aliens who arrived as nonimmigrants, or as visitors under the visa waiver program under section 217 of the Immigration and Nationality Act, for whom no matching departure record has been obtained through the system, or through other means, as of the end of such aliens' authorized period of stay, with an accounting by country of nationality and approximate date of arrival in the United States.

(c) INCORPORATION INTO OTHER DATABASES.—Information regarding aliens who have remained in the United States beyond their authorized period of stay that is identified through the system referred to in subsection (a) shall be integrated into appropriate databases of the Immigration and Naturalization Service and the Department of State, including those used at ports-of-entry and at consular offices.

Mr. ABRAHAM. Mr. President, I rise to thank Senator HELMS and Senator BIDEN for accepting as part of S. 886, the Foreign Relations Authorization Act, my amendment to remove the requirement that an automated entry-exit program be established at land and sea ports and replace that with a required feasibility study to be completed within 1 year. This amendment would correct a significant error made in the 1996 Immigration Act that if left uncorrected will cause a significant loss of U.S. jobs in export and tourist industries, and would also significantly harm our relations with Canada and Mexico.

This amendment is the same as legislation that passed the Senate in two forms last year, with the sole exception of provisions related to the U.S. Customs Service, which were removed at the request of the Finance Committee because it has scheduled a series of oversight hearings on the Customs Service, which is also up for reauthorization this year, and the removal of authorizations for the INS. Last year, the legislation passed the Senate first by unanimous consent as a stand alone bill (S. 1360) and second, as part of the Commerce, Justice, State appropriations bill.

Section 110 of the 1996 Immigration Act mandated that an automated system be established to record the entry and exit of all aliens as a means to provide more information on individuals who ''over stay'' their visas. However, this well-intentioned government program, if implemented, would be quite disastrous. Today, when INS or Customs officials inspect people at land borders, they examine papers as necessary and make quick determinations, using their discretion on when to inspect further or solicit more information. If every single passenger of every single vehicle was required to provide potentially voluminous information and be entered into a computer—even assuming an incredibly quick 30 seconds per individual—the traffic delays would exceed 20 hours in numerous jurisdictions at both the northern and southern borders. This would create a human, economic, and even environmental nightmare in both directions. Last year, Congress delayed implementation of this program until March 30, 2001. But after that date, the crisis will begin.

In 1996, the House version of the omnibus immigration bill contained a measure simply to establish pilot projects to collect entry and departure records at fewer than a handful of airports. The Senate bill contained a general provision to require an automated entry-exit system—but also only at airports. Then, in conference, without any debate, a mandatory entry-exit

system to capture the records of ''every alien'' was added.

Representative SMITH and Senator Simpson, to their credit, conceded in a letter to the Canadian Ambassador that it was not the intent of the 1996 Act to cover, for example, Canadians at the northern border. However, because of the term ''every alien,'' the INS has interpreted the law to require this program to be implemented at all land borders, in addition to air and sea ports of entry. To the credit of the INS, it concedes that it cannot implement such a system and the agency questions what it will do if it is forced to do so.

The Congress itself never considered such a system. That the legislative proposal was changed fundamentally in conference is clear. As Judiciary Committee Chair ORRIN HATCH has stated, ''I think that we have all come to realize that section 110 of the 1996 Act [was] inserted in conference with little or no record, [and] no consideration or debate. It was well intended, there is no question, but I think poorly constructed.''

I would like to thank Senators KENNEDY, GRAMS, LEAHY, BURNS, MCCAIN, GORTON, CRAIG, MURKOWSKI, MURRAY, JEFFORDS, SNOWE, SMITH of Oregon, DORGAN, LEVIN, MOYNIHAN, SCHUMER, MACK, DURBIN, and HAGEL for cosponsoring this amendment and for their support along the way on this battle to prevent the major disruptions that Section 110 would cause to our economy and our international relations. I would particularly like to express my appreciation for the leadership on this amendment displayed by Senator GRAMS and his staff, who are trying to save jobs for the people of Minnesota that would be lost if this automated entry-exit system came into effect at the northern border. Mr. President, I yield the floor.

AMENDMENT NO. 713

(Purpose: To require reports with respect to the holding of a referendum on Western Sahara)

On page 115, after line 18, add the following new section:

SEC. . REPORTS WITH RESPECT TO A REFERENDUM ON WESTERN SAHARA.

(a) REPORTS REQUIRED.—

(1) IN GENERAL.—Not later than each of the dates specified in paragraph (2), the Secretary of State shall submit a report to the appropriate congressional committees describing specific steps being taken by the Government of Morocco and by the Popular Front for the Liberation of Saguia el-Hamra and Rio de Oro (POLISARIO) to ensure that a free, fair, and transparent referendum in which the people of the Western Sahara will choose between independence and integration with Morocco will be held by July 2000.

(2) DEADLINES FOR SUBMISSION OF REPORTS.—The dates referred to in paragraph (1) are January 1, 2000, and June 1, 2000.

(b) REPORT ELEMENTS.—The report shall include—

(1) a description of preparations for the referendum; including the extent to which free access to the territory for independent international organizations, including election servers and international media, will be guaranteed.

(2) a description of current efforts by the Department of State to ensure that a referendum will be held by July 2000;

(3) an assessment of the likelihood that the July 2000 date will be met;

(4) a description of obstacles, if any, to the voter-registration process and other preparations for the referendum, and efforts being made by the parties and the United States Government to overcome those obstacles; and

(5) an assessment of progress being made in the repatriation process.

WESTERN SAHARA

Mr. KENNEDY. Mr. President, I'm delighted that the managers' amendment includes the provision Senator GORDON SMITH, Senator LEAHY, and I sponsored to require the State Department to report on progress on the July 2000 referendum in the Western Sahara, and I commend Senators HELMS and BIDEN for including this provision in the managers' amendment.

Since 1988, the United Nations has sought to organize a free, fair, and open referendum on self-determination for the people of the Western Sahara, the former Spanish colony that Morocco has illegally occupied since 1975.

The International Court of Justice, the Organization of African Unity, the United States, and many other nations throughout the world have not recognized Morocco's claim to the area. However, Morocco's occupation continues. Tens of thousands of the Sahrawi people languish in refugee camps in southern Algeria and have been denied the opportunity to determine their own future.

A U.N. referendum was originally scheduled for 1992. It has since been delayed many times, primarily due to the resistance of the Government of Morocco.

In the 1997 Houston Accords, achieved under the leadership of former Secretary of State James Baker, and in a U.N. plan last December, the international community called for the conclusion of the voter registration process and a referendum. Morocco subsequently agreed to allow the referendum to occur by July 2000.

I know the Administration shares our interest in resolving this long-standing dispute. The State Department should make it clear to both parties to this dispute that our government expects the people of the Western Sahara to be allowed to exercise their right to self-determination in a free, fair, and open referendum by July 2000.

Morocco has been a faithful ally of the United States for more than 200 years, but its refusal to allow the people of the Western Sahara to determine their own political future undercuts America's efforts to promote democratic principles worldwide.

The United States can play a constructive role in promoting a resolution of this dispute. To promote that objective, the provision included in the managers' amendment would require the State Department to report on January 1, 2000 and again on June 1, 2000 on specific steps being taken by the Government of Morocco and by the Popular Front for the Liberation of Saguia el-Hamra and Rio de Oro (POLISARIO) to ensure that a free, fair, and open referendum in which the people of the Western Sahara will choose between independence and integration with Morocco will be held by July 2000.

The reports will include a description of preparations for the referendum, including the extent to which free access to the territory for independent and international organizations, including election observers and international media, will be guaranteed. Human rights organizations and other international organizations must be allowed to observe the referendum.

The reports will also include a description of current efforts by the Department of State to ensure that a referendum will be held by July 2000 and an assessment of the likelihood that the July 2000 date will be met.

They will also include a description of obstacles, if any, to the voter registration process and other preparations for the referendum, and efforts being made by the parties and the United States Government to overcome those obstacles. Finally, the reports will include an assessment of progress being made in the repatriation process.

A solution to the conflict over the Western Sahara will enhance security and stability in Northern Africa. After more than ten years of delay, the people of the Western Sahara should be permitted to determine for themselves who will govern them. I look forward to that day, and I commend my colleagues for including this provision in the bill.

AMENDMENT NO. 714

(Purpose: To require the designation of a senior-level State Department official for Northeastern Europe)

On page 35, between lines 7 and 8, insert the following new section:

SEC. 302. STATE DEPARTMENT OFFICIAL FOR NORTHEASTERN EUROPE.

The Secretary of State shall designate an existing senior-level official of the Department of State with responsibility for promoting regional cooperation in and coordinating United States policy toward Northeastern Europe.

POLICY COORDINATOR FOR NORTHEASTERN EUROPE

Mr. DURBIN. Mr. President, the State Department has been working to promote regional cooperation in Northeastern Europe. The idea behind this policy is more fully to integrate the Baltic countries into Europe and overcome cold war divisions to promote stability in the region. I support this approach, and I want to see it institutionalized at the State Department by designating a senior-level official with responsibility for coordinating policy toward Northeastern Europe.

This policy of integration also reduces tensions, since regional cooperation that includes Russia's northwestern regions gives Russia a stake in regional stability. The policy will also

show Russia that it need not feel threatened by the integration of the Baltic States into European institutions. The Baltic countries have increased their ties with the northwestern Russian regions, much the way Canada has ties with the border states of the United States. The Baltic States benefit as well from regional cooperation with the Nordic countries, further cementing the Baltic nations as part of Europe.

It is mutually beneficial for the all the Northeastern European countries to address regional problems, such as environmental problems caused by the former Soviet Union, or burgeoning crime and drug smuggling from the Russian mafia.

The Northern European Initiative announced in 1997 is just one example of this policy. It fosters regional cooperation and cross-border ties, relying on the private sector and nongovernmental organizations, as well as governments, in the areas of trade and investment, institution building, law enforcement, nuclear waste control, and the development of civil society, among others. Another positive step was the signing of the Baltic Charter in 1998 that strengthens Baltic bilateral ties and ties with the United States and addresses Baltic security concerns. Regional organizations have been set up, including BALTSEA, to coordinate military assistance, as well as several joint Baltic efforts at defense cooperation.

The State Department has set out on an ambitious agenda that I think is going in a very positive direction. However, I am afraid other crises and problems, for instance the many issues that will come up in Southeastern Europe following the crisis in Kosovo, will divert the Department's attention from this policy and cause it to lose steam. Therefore, I am offering this amendment to direct the Secretary to designate an existing senior-level State Department official with responsibility for coordinating policy toward Northeastern Europe. The way this assignment of responsibility would fit in the State Department's structure is up to the Secretary.

I also want to make clear that I mean no criticism of the Assistant Secretary for European Affairs by proposing this amendment. On the contrary, I think he has done an extraordinarily good job in pursuing the integration of Northeastern Europe. But with all of Europe on his mind, I think it would only further the aims of the bureau to be sure that a senior-level official is designated to coordinate and promote this policy.

I appreciate the support of Senator HELMS and Senator BIDEN, and understand that this amendment has been added to the manager's package.

AMENDMENT NO. 715

At the appropriate place in the bill, insert the following:

SELF-DETERMINATION IN EAST TIMOR

SEC. . (a) FINDINGS.—The Congress finds as follows:

(1) On May 5, 1999 the Governments of Indonesia and Portugal signed an agreement that provides for an August 8, 1999 ballot organized by the United Nations on East Timor's political status;

(2) On June 22, 1999 the ballot was rescheduled for August 21 or 22 due to concerns that the conditions necessary for a free and fair vote could not be established prior to August 8;

(3) On January 27, 1999, President Habibie expressed a willingness to consider independence for East Timor if a majority of the East Timorese reject autonomy in the August ballot;

(4) Under the May 5th agreement the Government of Indonesia is responsible for ensuring that the August ballot is carried out in a fair and peaceful way in an atmosphere free of intimidation, violence or interference;

(5) The inclusion of anti-independence militia members in Indonesian forces responsible for establishing security in East Timor violates the May 5th agreement which states that the absolute neutrality of the military and police is essential for holding a free and fair ballot;

(6) The arming of anti-independence militias by members of the Indonesian military for the purpose of sabotaging the August ballot has resulted in hundreds of civilians killed, injured or disappeared in separate attacks by these militias who continue to act without restraint;

(7) The United Nations Secretary General has received credible reports of political violence, including intimidation and killings, by armed anti-independence militias against unarmed pro-independence civilians;

(8) There have been killings of opponents of independence, including civilians and militia members;

(9) The killings in East Timor should be fully investigated and the individuals responsible brought to justice;

(10) Access to East Timor by international human rights monitors and humanitarian organizations is limited, and members of the press have been threatened;

(11) The presence of members of the United Nations Assistance Mission in East Timor has already resulted in an improved security environment in the East Timorese capital of Dili;

(12) A robust international observer mission and police force throughout East Timor is critical to creating a stable and secure environment necessary for a free and fair ballot;

(13) The Administration should be commended for its support for the United Nations Assistance Mission in East Timor which will provide monitoring and support for the ballot and include international civilian police, military liaison officers and election monitors;

(b) POLICY.—(1) The President, Secretary of State, Secretary of Defense, and the Secretary of the Treasury (acting through the United States executive directors to international financial institutions) should immediately intensify their efforts to prevail upon the Indonesian Government and military to—

(A) disarm and disband anti-independence militias;

(B) grant full access to East Timor by international human rights monitors, humanitarian organizations, and the press;

(C) allow Timorese who have been living in exile to return to East Timor to participate in the ballot; and

(2) the President should submit a report to the Congress not later than 21 days after passage of this Act, containing a description of the Administration's efforts and his assessment of steps taken by the Indonesian Government and military to ensure a stable and secure environment in East Timor, including those steps described in paragraph (1).

SELF-DETERMINATION IN EAST TIMOR

Mr. LEAHY. Mr. President, today I am offering an amendment in support of a peaceful process of self-determination in East Timor. I am pleased that Senators FEINGOLD, REED, MCCONNELL, HARKIN, MOYNIHAN, CHAFEE, KOHL, JEFFORDS, KENNEDY, KERRY, FEINSTEIN, MURRAY, SCHUMER, BOXER, DURBIN, WELLSTONE, and WYDEN are cosponsoring this amendment. Many of them have worked hard on this issue for as long as they have been in the United States Senate.

I understand the amendment will be accepted.

Mr. President, today, the Indonesian Government has an historic opportunity to resolve a conflict that has been the cause of suffering and instability for 23 years. It has made a commitment to vote on August 21 or 22, on East Timor's future, and recognized its responsibility to ensure that the vote is free and fair.

On May 5th, when I introduced a similar resolution, I remarked on Indonesia's accomplishments in the past year: President Suharto relinquished power; the Indonesian Government endorsed a ballot on autonomy; and the United Nations, Portugal and Indonesia signed an agreement on the procedures for that vote.

There has been more progress in the past month. Democratic elections have been held and the first members of an international observer mission and police force arrived in East Timor.

The amendment that we are offering today recognizes many of the positive steps that have been taken. A year ago few people would have predicted that a settlement of East Timor's future would be in sight.

But it also expresses our deep concern that August 21st is quickly approaching, and current conditions in East Timor are far from conducive to holding a free and fair ballot.

Hundreds of civilians have been killed, injured or disappeared in ongoing violence by anti-independence militias armed by members of the Indonesian military for the purpose of sabotaging the vote.

The inclusion of anti-independence members in Indonesian forces responsible for establishing security in East Timor threatens the neutrality of the military and police, and violates the terms of the May 5th agreement.

International human rights monitors and humanitarian organizations continue to face problems gaining access to the island, and members of the press have been threatened.

This amendment calls on the Secretary of State, the Secretary of Defense and the Secretary of the Treasury—acting through U.S. executive directors to international financial institutions—to immediately intensify their efforts to prevail upon the Indonesian Government to disarm and disband the anti-independence militias.

We should be prepared to use all the resources at our disposal, including our voice and vote at the World Bank, the Asian Development Bank and other international financial institutions, to convince the Indonesians to stop the violence. This is not only their responsibility, it is in their best interests. If the Indonesian military succeeds in sabotaging the vote, Indonesia will face international condemnation.

On June 11th, I and other Members of Congress sent a letter to World Bank President James Wolfensohn about the need for the World Bank to use its leverage with the Indonesian Government. I ask unanimous consent that the test of that letter be printed in the RECORD at the end of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered. (See exhibit 1.)

Mr. LEAHY. Mr. President, the international community has recognized the urgency of this situation. An international monitoring and police presence throughout East Timor is critical to creating a secure environment.

The Administration is shouldering its share of the costs of the UN monitors and police, and its members who arrived in East Timor several weeks ago already report some progress in stemming the violence.

But far more needs to be done. It is time for the Indonesian Government and military to do their part—to act decisively to ensure that a free and fair vote can occur.

This amendment reinforces what others have said and what the Indonesian Government has already committed to do. I thank the managers of the bill for accepting the amendment.

EXHIBIT 1

WASHINGTON, DC,
June 11, 1999.

HON. JAMES WOLFENSOHN,
President, The World Bank,
Washington, DC.

DEAR JIM: For many years, we have consistently raised concerns about the failure of the Indonesian Government to respect the human rights of the people of East Timor and to allow them an opportunity to express their right of self-determination. We are writing to convey our deep concern about the escalating violence in East Timor, which has put in doubt the August 8th ballot on East Timor's political future.

We have called on the Indonesian Government to stop military and paramilitary violence which threatens to undermine the vote, yet the threats and killings continue unabated. United Nations officials, East Timorese leaders, and members of the Catholic Church, including Bishop Belo, blame the Indonesian military for intentionally seeking to sabotage the vote. We have called on our own Administration to work urgently to pressure Jakarta to take the steps necessary for a free and fair vote.

We believe it is now imperative that the international financial institutions (IFIs), most importantly the World Bank, make clear to the Indonesian Government that if the August ballot is not free and fair, continued large scale investment by the IFIs will be in jeopardy. Jakarta must be convinced of what is at stake. If it fails to act decisively to permit a free and fair vote, it will risk becoming a pariah state. The government and army must abide by the May 5th UN-sponsored tripartite accord, most specifically by stopping and disarming the anti-independence militias that are using the weapons supplied to them by the Indonesian military to intimidate and attack East Timorese civilians.

We appeal to you to personally press the Indonesian Government to create a secure environment for the August vote and to prevent any efforts to restrict aid to East Timorese who have been displaced by the militia violence.

Thank you for your consideration.

Sincerely,

Patrick Leahy, U.S. Senator.
Russell D. Feingold, U.S. Senator.
Daniel Patrick Moynihan, U.S. Senator.
Tom Harkin, U.S. Senator.
Richard J. Durbin, U.S. Senator.
Luis V. Gutierrez, Member of Congress.
Patrick J. Kennedy, Member of Congress.
Frank R. Wolf, Member of Congress.
Edward M. Kennedy, U.S. Senator.
Rod R. Blagojevich, Member of Congress.
Nita M. Lowey, Member of Congress.
Peter A. DeFazio, Member of Congress.
Jack Reed, U.S. Senator.
Albert Wynn, Member of Congress.
Cynthia McKinney, Member of Congress.
John Conyers, Member of Congress.
Lane Evans, Member of Congress.
Dennis Kucinich, Member of Congress.
James McGovern, Member of Congress.
Barney Frank, Member of Congress.
Henry Waxman, Member of Congress.

Mr. TORRICELLI. Mr. President, I rise today to express my support for a peaceful process of self-determination in East Timor. These are both exciting and troubling times in Indonesia as a whole, and the future of East Timor may be resolved in the coming months. President Habibie himself indicated that he would work toward resolution of East Timor's status by the end of the year.

The recent Parliamentary elections in Indonesia proceeded peacefully, and virtually without incident. It appears as if a democratic transition will be forthcoming, and I am hopeful that the people of Indonesia remain committed to free and fair elections. While we have supported these elections, and encouraged a fair process, we simultaneously receive reports of increased social unrest. Clashes between Muslims and Christians in Ambon are only one indication of the tensions which underlie relations between different ethnic groups.

The situation in East Timor has historically divided sympathies over an acceptable solution, and violent attacks in the region have become more prevalent since the beginning of the year. Evidence has indicated that anti-independence militias have been supported and armed by some members of the Indonesian military. The end result of such support can only be an increase in the political tensions and violence in East Timor. The militias have committed scores of human rights abuses against the ethnic East Timorese in an effort to suppress any movement towards full independence in East Timor.

It is as yet unclear how East Timor's status will ultimately be resolved. Solutions from greater autonomy within Indonesia to full independence are only two of the proposals that have been brought forward. The international community has sought to encourage an open decision process by the people of East Timor as to what their future status should hold, but the increased strength of the anti-independence militias threatens to undermine the process. In order for a free ballot to be held in the coming months, the United States must make an effort to ensure that the process is fair.

I co-sponsored a resolution offered by Senator LEAHY to encourage an open ballot on the question of East Timor, but this resolution also urges full access by international human rights monitors and the disbanding of the militias. Such steps are critical to the fair determination of East Timor's future, and I hope that this Congress will continue to show its support for the ballot process.

Mr. REED. Mr. President, I rise today to express my support for Senator LEAHY's amendment promoting peaceful self determination for the peoples of East Timor and bringing the attention of the United States to the long and difficult climb of the East Timorese towards democracy. I am pleased to join Senator FEINGOLD as a cosponsor of this amendment which underscores the importance of the historic opportunity which the East Timorese face, and our duty to support them in their struggle for peace and self determination. The upcoming August vote, or consultation, on East Timorese autonomy is crucial, not only for the East Timorese people, but for America and for every nation that supports democracy and stands against the rule of terror and violence which has shaped twenty years of East Timorese history.

The past year has witnessed extraordinary progress. The efforts of Portugal, the United Nations, the global community and the East Timorese leaders have been impressive. Combined with the willingness of the Indonesian government, these efforts have at last resulted in a plan for the peaceful and democratic determination of East Timor's political destiny. I would like to recognize all those whose courage and commitment have led us towards the August consultation, a consultation which will allow the East Timorese, at long last, to decide for themselves how they are to be governed.

Nevertheless, much remains to be done. As great an achievement as the promised consultation may be, the future is far from certain. East Timor, already troubled by years of bloodshed, has seen even greater escalations in human rights abuses in recent months. Although it has already buried 200,000 people who have died violently since the 1975 Indonesian invasion, East Timor continues to be riven by conflict. Organized campaigns of terror and intimidation have been aimed at East Timorese leaders and journalists who favor autonomy. Some international observers have reported that

East Timorese have been systematically herded into camps in efforts to provide large blocs of pro-Indonesian votes in the August consultation. Militia activity, violence, and destruction continue unabated.

If the violence in East Timor is to cease, the militias must be stripped of their weapons and disbanded. International observers will play a critical role, both in the course of the consultation and in the implementation of the results that follow. Only subjecting this process to the harsh light of international scrutiny can we hope to prevent East Timor's violent past from serving as prologue to an equally violent future. Without our active participation and support, the hope of a lasting peace in East Timor is in danger of being lost.

Mr. President, this historic opportunity for peace must not be allowed to slip away. The United States has a proud tradition of championing those who seek freedom and democracy across the world. It is my hope that this amendment will encourage the United States to intensify efforts to ensure that the people of East Timor find peace at last.

AMENDMENT NO. 716

(Purpose: To allocate funds for scholarships for doctoral graduate study in the social sciences to nationals of the independent states of the former Soviet Union)

On page 12, line 6, strike ''$7,000,000'' and insert ''$5,000,000''.

On page 12, between lines 19 and 20, insert the following:

(c) MUSKIE FELLOWSHIP DOCTORAL GRADUATE STUDIES FOR NATIONALS OF THE INDEPENDENT STATES OF THE FORMER SOVIET UNION.—

(1) ALLOCATION OF FUNDS.—Of the amounts authorized to be appropriated under subsection (a)(1)(B), not less than $2,000,000 for fiscal year 2000, and not less than $2,000,000 for fiscal year 2001, shall be made available to provide scholarships for doctoral graduate study in the social sciences to nationals of the independent states of the former Soviet Union under the Edmund S. Muskie Fellowship Program authorized by section 227 of the Foreign Relations Authorization Act, Fiscal Years 1992 and 1993 (22 U.S.C. 2452 note).

(2) REQUIREMENTS.—

(A) NON-FEDERAL SUPPORT.—Not less than 20 percent of the costs of each student's doctoral study supported under paragraph (1) shall be provided from non-Federal sources.

(B) HOME COUNTRY RESIDENCE REQUIREMENT.—

(i) AGREEMENT FOR SERVICE IN HOME COUNTRY.—Before an individual may receive scholarship assistance under paragraph (1), the individual shall enter into a written agreement with the Department of State under which the individual agrees that after completing all degree requirements, or terminating his or her studies, whichever occurs first, the individual will return to the country of the individual's nationality, or country of last habitual residence, within the independent states of the former Soviet Union (as defined in section 3 of the FREEDOM Support Act (22 U.S.C. 5801)), to reside and remain physically present there for an aggregate of at least one year for each year of study supported under paragraph (1).

(ii) DENIAL OF ENTRY INTO THE UNITED STATES FOR NONCOMPLIANCE.—Any individual who has entered into an agreement under clause (i) and who has not completed the period of home country residence and presence required by that agreement shall be ineligible for a visa and inadmissible to the United States.

On page 12, line 20, strike ''(c)'' and insert ''(d)''.

AMENDMENT NO. 717

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

SEC. . MIKEY KALE PASSPORT NOTIFICATION ACT OF 1999.

(a) Not later than 180 days after the enactment of this Act, the Secretary of State shall issue regulations that—

(1) provide that, in the issuance of a passport to minors under the age of 18 years, both parents, a guardian, or a person in loco parentis have—

(A) executed the application; and

(B) provided documentary evidence demonstrating that they are the parents, guardian, or person in loco parentis; and

(2) provide that, in the issuance of a passport to minors under the age of 18 years, in those cases where both parents have not executed the passport application, the person executing the application has provided documentary evidence that such person—

(A) has sole custody of the child; or

(B) the other parent has provided consent to the issuance of the passport. The requirement of this paragraph shall not apply to guardians or persons in loco parentis.

(b) The regulations required to be issued by this section may provide for exceptions in exigent circumstances involving the health or welfare of the child.

AMENDMENT NO. 718

(Purpose: To establish within the Department of State the position of Science and Technology Adviser, and for other purposes)

On page 35, between lines 7 and 8, insert the following new section:

SEC. 302. SCIENCE AND TECHNOLOGY ADVISER TO SECRETARY OF STATE.

(a) ESTABLISHMENT OF POSITION.—Section 1 of the State Department Basic Authorities Act of 1956 (22 U.S.C. 2651a) is amended by adding at the end the following new subsection:

''(g) SCIENCE AND TECHNOLOGY ADVISER.—

''(1) IN GENERAL.—There shall be within the Department of State a Science and Technology Adviser (in this paragraph referred to as the 'Adviser'). The Adviser shall report to the Secretary of State through the Under Secretary of State for Global Affairs.

''(2) DUTIES.—The Adviser shall—

''(A) advise the Secretary of State, through the Under Secretary of State for Global Affairs, on international science and technology matters affecting the foreign policy of the United States; and

''(B) perform such duties, exercise such powers, and have such rank and status as the Secretary of State shall prescribe.''.

(b) REPORT.—Not later than six months after receipt by the Secretary of State of the report by the National Research Council of the National Academy of Sciences with respect to the contributions that science, technology, and health matters can make to the foreign policy of the United States, the Secretary of State, acting through the Under Secretary of State for Global Affairs, shall submit a report to Congress setting forth the Secretary of State's plans for implementation, as appropriate, of the recommendations of the report.

AMENDMENT NO. 719

(Purpose: To prohibit the return of veterans memorial objects to foreign nations with specific authorization in law)

At the appropriate place in the bill, insert the following new section and renumber the remaining sections accordingly:

''SEC. . PROHIBITION ON THE RETURN OF VETERANS MEMORIAL OBJECTS TO FOREIGN NATIONS WITHOUT SPECIFIC AUTHORIZATION IN LAW.

(a) PROHIBITION.—Notwithstanding section 2572 of title 10, United States Code, or any other provision of law, the President may not transfer a veterans memorial object to a foreign country or entity controlled by a foreign government, or otherwise transfer or convey such object to any person or entity for purposes of the ultimate transfer of conveyance of such object to a foreign country or entity controlled by a foreign government, unless specifically authorized by law.

(b) DEFINITIONS.—In this section:

(1) ENTITY CONTROLLED BY A FOREIGN GOVERNMENT.—The term ''entity controlled by a foreign government'' has the meaning given that term in section 2536(c)(1) of title 10, United States Code.

(2) VETERANS MEMORIAL OBJECT.—The term ''veterans memorial object'' means any object, including a physical structure or portion therefo, that—

(A) is located at a cemetery of the National Cemetery System, war memorial, or military installation in the United States;

(B) is dedicated to, or otherwise memorializes, the death in combat or combat-related duties of members of the United States Armed Forces; and

(C) was brought to the United States from abroad as a memorial of combat abroad.''

AMENDMENT NO. 720

(Purpose: To express the sense of Congress with respect to the Inter-Governmental Authority for Development (IGAD) peace process in Sudan)

On page 115, after line 18, insert the following new section:

SEC. ___. SUPPORT FOR THE PEACE PROCESS IN SUDAN.

(a) FINDINGS.—Congress finds that—

(1) the civil war in Sudan has continued unabated for 16 years and raged intermittently for 40 years;

(2) an estimated 1,900,000 Sudanese people have died as a result of war-related causes and famine;

(3) an estimated 4,000,000 people are currently in need of emergency food assistance in different areas of Sudan;

(4) approximately 4,000,000 people are internally displaced in Sudan;

(5) the continuation of war has led to human rights abuses by all parties to the conflict, including the killing of civilians, slavery, rape, and torture on the part of government forces and paramilitary forces; and

(6) it is in the interest of all the people of Sudan for the parties to the conflict to seek a negotiated settlement of hostilities and the establishment of a lasting peace in Sudan.

(b) SENSE OF CONGRESS.—(1) Congress—

(A) acknowledges the renewed vigor in facilitating and assisting the Inter-Governmental Authority for Development (IGAD) peace process in Sudan; and

(B) urges continued and sustained engagement by the Department of State in the IGAD peace process and the IGAD Partners' Forum.

(2) It is the sense of Congress that the President should—

(A) appoint a special envoy—

(i) to serve as a point of contact for the Inter-Governmental Authority for Development peace process;

(ii) to coordinate with the Inter-Governmental Authority for Development Partners Forum as the Forum works to support the peace process in Sudan; and

(iii) to coordinate United States humanitarian assistance to southern Sudan.

(B) provide increased financial and technical support for the IGAD Peace Process and especially the IGAD Secretariat in Nairobi, Kenya; and

(C) instruct the United States Permanent Representative to the United Nations to call on the United Nations Secretary General to consider the appointment of a special envoy for Sudan.

AMENDMENT NO. 721

(Purpose: To require a study on licensing process under the Arms Export Control Act)

On page 96, after line 21, add the following new section:

SEC. 645. STUDY ON LICENSING PROCESS UNDER THE ARMS EXPORT CONTROL ACT.

Not later than 120 days after the date of enactment of this Act, the Secretary of State shall submit to the chairman of the Committee on Foreign Relations of the Senate and the chairman of the Committee on International Relations of the House of Representatives a study on the performance of the licensing process pursuant to the Arms Export Control Act, with recommendations on how to improve that performance. The study shall include:

(1) An analysis of the typology of licenses on which action was completed in 1999. The analysis should provide information on major categories of license requests, including—

(A) the number for nonautomatic small arms, automatic small arms, technical data, parts and components, and other weapons;

(B) the percentage of each category staffed to other agencies;

(C) the average and median time taken for the processing cycle for each category when staffed and not staffed;

(D) the average time taken by White House or National Security Council review or scrutiny; and

(E) the average time each spent at the Department of State after a decision had been taken on the license but before a contractor was notified of the decision. For each category the study should provide a breakdown of licenses by country. The analysis also should identify each country that has been identified in the past three years pursuant to section 3(e) of the Arms Export Control Act (22 U.S.C. 2753(e)).

(2) A review of the current computer capabilities of the Department of State relevant to the processing of licenses and its ability to communicate electronically with other agencies and contractors, and what improvements could be made that would speed the process, including the cost for such improvements.

(3) An analysis of the work load and salary structure for export licensing officers of the Office of Defense Trade Control of the Department of State as compared to comparable jobs at the Department of Commerce and the Department of Defense.

(4) Any suggestions of the Department of State relating to resources and regulations, and any relevant statutory changes that might expedite the licensing process while furthering the objectives of the Arms Export Control Act.

AMENDMENT NO. 722

At the appropriate place, insert:

RUSSIAN BUSINESS MANAGEMENT EDUCATION

SEC. 1. PURPOSE.

The purpose of this section is to establish a training program in Russia for nationals of Russia to obtain skills in business administration, accounting, and marketing, with special emphasis on instruction in business ethics and in the basic terminology, techniques, and practices of those disciplines, to achieve international standards of quality, transparency, and competitiveness.

SEC. 2. DEFINITIONS.

(1) BOARD.—The term ''Board'' means the United States-Russia Business Management Training Board established under section 5(a).

(2) DISTANCE LEARNING.—The term ''distance learning'' means training through computers, interactive videos, teleconferencing, and videoconferencing between and among students and teachers.

(3) ELIGIBLE ENTERPRISE.—The term ''eligible enterprise'' means—

(A) a business concern operating in Russia that employs Russian nationals; and

(B) a private enterprise that is being formed or operated by former officers of the Russian armed forces in Russia.

(4) SECRETARY.—The term ''Secretary'' means the Secretary of State.

SEC. 3. AUTHORIZATION FOR TRAINING PROGRAM AND INTERNSHIPS.

(a) TRAINING PROGRAM.—

(1) IN GENERAL.—The Secretary of State, acting through the Under Secretary of State for Public Diplomacy, and taking into account the general policies recommended by the United States-Russia Business Management Training Board established under section 5(a), is authorized to establish a program of technical assistance (in this Act referred to as the ''program'') to provide the training described in section 1 to eligible enterprises.

(2) IMPLEMENTATION.—Training shall be carried out by United States nationals having expertise in business administration, accounting, and marketing or by Russian nationals who have been trained under the program or by those who meet criteria established by the Board. Such training may be carried out—

(A) in the offices of eligible enterprises, at business schools or institutes, or at other locations in Russia, including facilities of the armed forces of Russia, educational institutions, or in the offices of trade or industry associations, with special consideration given to locations where similar training opportunities are limited or nonexistent; or

(B) by ''distance learning'' programs originating in the United States or in European branches of United States institutions.

(b) INTERNSHIPS WITH UNITED STATES DOMESTIC BUSINESS CONCERNS.—The Secretary, acting through the Under Secretary of State for Public Diplomacy, is authorized to pay the travel expenses and appropriate in-country business English language training, if needed, of certain Russian nationals who have completed training under the program to undertake short-term internships with business concerns in the United States upon the recommendation of the Board.

SEC. 4. APPLICATIONS FOR TECHNICAL ASSISTANCE.

(a) PROCEDURES.—

(1) IN GENERAL.—Each eligible enterprise that desires to receive training for its employees and managers under this Act shall submit an application to the clearinghouse established by subsection (d), at such time, in such manner, and accompanied by such additional information as the Secretary may reasonably require.

(2) JOINT APPLICATIONS.—A consortium of eligible enterprises may file a joint application under the provisions of paragraph (1).

(b) CONTENTS.—The Secretary shall approve an application under subsection (a) only if the application—

(1) is for an individual or individuals employed in an eligible enterprise or enterprises applying under the program;

(2) describes the level of training for which assistance under this Act is sought;

(3) provides evidence that the eligible enterprise meets the general policies adopted by the Secretary for the administration of this Act;

(4) provides assurances that the eligible enterprise will pay a share of the costs of the training, which share may include in-kind contributions; and

(5) provides such additional assurances as the Secretary determines to be essential to ensure compliance with the requirements of this Act.

(c) COMPLIANCE WITH BOARD POLICIES.—The Secretary shall approve applications for technical assistance under the program after taking into account the recommendations of the Board.

(d) CLEARINGHOUSE.—There is established a clearinghouse in Russia to manage and execute the program. The clearinghouse shall screen applications, provide information regarding training and teachers, monitor performance of the program, and coordinate appropriate post-program follow-on activities.

SEC. 5. UNITED STATES-RUSSIAN BUSINESS MANAGEMENT TRAINING BOARD.

(a) ESTABLISHMENT.—There is established within the Department of State a United States-Russian Business Management Training Board.

(b) COMPOSITION.—The Board established pursuant to subsection (a) shall be composed of 12 members as follows:

(1) The Under Secretary of State for Public Diplomacy.

(2) The Administrator of the Agency for International Development.

(3) The Secretary of Commerce.

(4) The Secretary of Education.

(5) Six individuals from the private sector having expertise in business administration, accounting, and marketing, who shall be appointed by the Secretary of State, as follows:

(A) Two individuals employed by graduate schools of management offering accredited degrees.

(B) Two individuals employed by eligible enterprises.

(C) Two individuals from nongovernmental organizations involved in promoting free market economy practices in Russia.

(6) Two nationals of Russia having experience in business administration, accounting, or marketing, who shall be appointed by the Secretary of State upon the recommendation of the Government of Russia, and who shall serve as nonvoting members.

(c) GENERAL POLICIES.—The Board shall make recommendations to the Secretary with respect to general policies for the administration of this Act, including—

(1) guidelines for the administration of the program under this Act;

(2) criteria for determining the qualifications of applicants under the program;

(3) the appointment of panels of business leaders in the United States and Russia for the purpose of nominating trainees; and

(4) such other matters with respect to which the Secretary may request recommendations.

(d) CHAIRPERSON.—The Chairperson of the Board shall be designated by the President from among the voting members of the Board. Except as provided in subsection (e)(2), a majority of the voting members of the Board shall constitute a quorum.

(e) MEETINGS.—The Board shall meet at the call of the Chairperson, except that—

(1) the Board shall meet not less than 4 times each year; and

(2) the Board shall meet whenever one-third of the voting members request a meeting in writing, in which event 7 of the voting members shall constitute a quorum.

(f) COMPENSATION.—Members of the Board who are not in the regular full-time employ of the United States shall receive, while engaged in the business of the Board, compensation for service at a rate to be fixed by the President, except that such rate shall not exceed the rate specified at the time of such service for level V of the Executive Schedule under section 5316 of title 5, United States Code, including traveltime, and, while so serving away from their homes or regular places of business, they may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5703 of title 5, United States Code, for persons employed intermittently in Government service.

SEC. 6. RESTRICTIONS NOT APPLICABLE.

Prohibitions on the use of foreign assistance funds for assistance for the Russian Federation shall not apply with respect to the funds made available to carry out this Act.

SEC. 7. AUTHORIZATION OF APPROPRIATIONS.

(a) IN GENERAL.—There is authorized to be appropriated $10,000,000 for each of fiscal years 2000 and 2001 to carry out this Act.

(b) AVAILABILITY OF FUNDS.—Amounts appropriated under subsection (a) are authorized to remain available until expended.

SEC. 8. EFFECTIVE DATE.

This Act shall take effect on October 1, 1999.

AMENDMENT NO. 723

At the appropriate place in the bill, insert the following:

Notwithstanding any other provision of law, the Inspector General of the Agency for International Development shall serve as the Inspector General of the Inter-American Foundation and the African Development Foundation and shall have all the authorities and responsibilities with respect to the Inter-American Foundation and the African Development Foundation as the Inspector General has with respect to the Agency for International Development.

AMENDMENT NO. 724

At the appropriate place, insert:

The Senate finds that:

Ten percent of the citizens of the Islamic Republic of Iran are members of religious minority groups;

According to the State Department and internationally recognized human rights organizations, such as Human Rights Watch and Amnesty International, religious minorities in the Islamic Republic of Iran—including Sunni Muslims, Baha'is, Christians, and Jews—have been the victims of human rights violations solely because of their status as religious minorities;

The 55th session of the United Nations Commission on Human Rights passed Resolution 1999/13, which expresses the concern of the international community over continued discrimination against the religious minorities' in the Islamic Republic of Iran, and calls on that country to moderate its policy on religious minorities until they are completely emancipated;

More than half the Jews in Iran have been forced to flee that country since the Islamic Revolution of 1979 because of relgious persecution, and many of them now reside in the United States;

The Iranian Jewish community, with a 2,500-year history and currently numbering some 30,000 people, is the oldest Jewish community living in the Diaspora;

Five Jews have been executed by the Iranian government in the past five years without having been tried;

There has been a noticeable increase recently in anti-Semitic propaganda in the government-controlled Iranian press;

On the eve of the Jewish holiday of Passover 1999, thirteen or more Jews, including community and religious leaders in the city of Shiraz, were arrested by the authorities of the Islamic Republic of Iran; and

In keeping with its dismal record on providing accused prisoners with due process and fair treatment, the Islamic Republic of Iran failed to charge the detained Jews with any specific crime or allow visitation by relatives of the detained for more than months: Now, therefore, it the sense of the Congress that the United States should—

Continue to work through the United Nations to assure that the Islamic Republic of Iran implements the recommendations of Resolution 1999/13.

(2) Condemn, in the strongest possible terms, the recent arrest of members of Iran's Jewish minority and urge their immediate release;

(3) Urge all nations having relations with the Islamic Republic of Iran to condemn the treatment of religious minorities in Iran and call for the release of all prisoners held on the basis of their religious beliefs; and

(4) Maintain the current United States policy toward the Islamic Republic of Iran unless and until that country moderates its treatment of religious minorities.

AMENDMENT NO. 725

(Purpose: To amend the reporting requirements of the PLO Commitments Compliance Act of 1989)

On page 115, after line 18, insert the following new section:

SEC. 730. REPORTING REQUIREMENTS UNDER PLO COMMITMENTS COMPLIANCE ACT OF 1989.

(a) FINDINGS.—Congress makes the following findings:

(1) The PLO Commitments Compliance Act of 1989 (title VIII of Public Law 101–246) requires the President to submit reports to the Speaker of the House of Representatives and the chairman of the Committee on Foreign Relations of the Senate every 180 days, on Palestinian compliance with the Geneva commitments of 1988, the commitments contained in the letter of September 9, 1993 to the Prime Minister of Israel, and the letter of September 9, 1993 to the Foreign Minister of Norway.

(2) The reporting requirements of the PLO Commitments Compliance Act of 1989 have remained in force from enactment until the present.

(3) Modification and amendment to the PLO Commitments Compliance Act of 1989, and the expiration of the Middle East Peace Facilitation Act (Public Law 104–107) did not alter the reporting requirements.

(4) According to the official records of the Committee on Foreign Relations of the Senate, the last report under the PLO Commitments Compliance Act of 1989 was submitted and received on December 27, 1997.

(b) REPORTING REQUIREMENTS.—The PLO Commitments Compliance Act of 1989 is amended —

(1) in section 804(b), by striking ''In conjunction with each written policy justification required under section 604(b)(1) of the Middle East Peace Facilitation Act of 1995 or every'' and inserting ''Every'';

(2) in section 804(b)—

(A) by striking ''and'' at the end of paragraph (9);

(B) by striking the period at the end of paragraph (10); and

(C) by adding at the end the following new paragraphs:

''(11) a statement on the effectiveness of end-use monitoring of international or United States aid being provided to the Palestinian Authority, Palestinian Liberation Organization, or the Palestinian Legislative Council, or to any other agent or instrumentality of the Palestinian Authority, on Palestinian efforts to comply with international accounting standards and on enforcement of anti-corruption measures; and

''(12) a statement on compliance by the Palestian Authority with the democratic reforms with specific details regarding the separation of powers called for between the executive and Legislative Council, the status of legislation passed by the Legislative Council and sent to the executive, the support of the executive for local and municipal elections, the status of freedom of the press, and of the ability of the press to broadcast debate from within the Legislative Council and about the activities of the Legislative Council.''.

AMENDMENT NO. 726

(Purpose: To authorize appropriations for contributions to the United Nations Voluntary Fund for Victims of Torture)

On page 129, between lines 5 and 6, insert the following new section:

SEC. ___. AUTHORIZATION OF APPROPRIATIONS FOR CONTRIBUTIONS TO THE UNITED NATIONS VOLUNTARY FUND FOR VICTIMS OF TORTURE.

There are authorized to be appropriated to the President $5,000,000 for each of the fiscal years 2000 and 2001 for payment of contributions to the United Nations Voluntary Fund for Victims of Torture.

AMENDMENT NO. 727

(Purpose: To ensure that investigations, and reports of investigations, of the Inspector General of the Department of State and the Foreign Service are thorough and accurate)

On page 52, between lines 19 and 20, insert the following new section:

SEC. 337. STATE DEPARTMENT INSPECTOR GENERAL AND PERSONNEL INVESTIGATIONS.

(a) AMENDMENT OF THE FOREIGN SERVICE ACT OF 1980.—Section 209(c) of the Foreign Service Act of 1980 (22 U.S.C. 3929(c)) is amended by adding at the end the following:

''(5) INVESTIGATIONS.—

''(A) CONDUCT OF INVESTIGATIONS.—In conducting investigations of potential violations of Federal criminal law or Federal regulations, the Inspector General shall—

''(i) abide by professional standards applicable to Federal law enforcement agencies; and

''(ii) permit each subject of an investigation an opportunity to provide exculpatory information.

''(B) REPORTS OF INVESTIGATIONS.—In order to ensure that reports of investigations are thorough and accurate, the Inspector General shall—

''(i) make every reasonable effort to ensure that any person named in a report of investigation has been afforded an opportunity to refute any allegation or assertion made regarding that person's actions;

''(ii) include in every report of investigation any exculpatory information, as well as any inculpatory information, that has been discovered in the course of the investigation.''.

(b) ANNUAL REPORT.—Section 209(d)(2) of the Foreign Service Act of 1980 (22 U.S.C. 3929(d)(2)) is amended—

(1) by striking ''and'' at the end of subparagraph (D);

(2) by striking the period at the end of subparagraph (E) and inserting ''; and''; and

(3) by inserting after subparagraph (E) the following new subparagraph:

''(F) a description, which may be included, if necessary, in the classified portion of the report, of any instance in a case that was closed during the period covered by the report when the Inspector General decided not to afford an individual the opportunity described in subsection (c)(5)(B)(i) to refute any allegation or assertion, and the rationale for denying such individual that opportunity.''.

(c) STATUTORY CONSTRUCTION.—Nothing in the amendments made by this section may be construed to modify—

(1) section 209(d)(4) of the Foreign Service Act of 1980 (22 U.S.C. 3929(d)(4));

(2) section 7(b) of the Inspector General Act of 1978 (5 U.S.C. app.);

(3) the Privacy Act of 1974 (5 U.S.C. 552a); or

(4) the provisions of section 2302(b)(8) of title 5 (relating to whistleblower protection).

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to cases opened on or after the date of enactment of this Act.

Mr. THOMPSON. Mr. President, I rise to express serious concerns which I have about the amendment offered by the Senator from Connecticut regarding investigation procedures at the Office of Inspector General for the Department of State. These concerns are not mine alone, but have been brought to the attention of the Governmental Affairs Committee by a number of inspectors general. The amendment requires the Inspector General for the Department of State to provide each individual mentioned in a report an opportunity to refute any allegation or assertion made regarding that person's activities. While I understand the Senator from Connecticut's concerns, I fear that the amendment as written could have serious repercussions for law enforcement. For example, providing allegations and assertions to each individual mentioned in a criminal investigation prior to a referral, no matter how tangentially involved, could compromise a subsequent investigation by the Department of Justice. In addition, it could reveal sources of information and subject those sources to reprisals and chill future cooperation from potential witnesses. Second, the amendment could create rights that witnesses and targets of other investigations do not have. It is unclear what litigation or grievances could result from a failure to follow the amendment. Third, there are a number of unsettled issues in the amendment such as what constitutes ''exculpatory material'' and whether a subject, witness, or an individual with only marginal relevance to the investigation is entitled to review the actual report. Fourth, I understand the State Department Inspector General is concerned that the reporting requirement could be used to second-guess discretion that she uses in her investigations. Finally, by using the ambiguous term ''assertions,'' the amendment puts an unnecessary burden on the Inspector General after the report is complete to seek out each person named and allow them to comment on even the most innocuous assertions relating to them. This will unduly delay the investigative process and put a strain on the office's resources.

In addition to these concerns about the amendment itself, I am also concerned that it is being offered without any hearings at all or consideration by the Governmental Affairs Committee. As the Chairman is aware, the Governmental Affairs Committee has jurisdiction over the Inspector General Act. If there are in fact legitimate concerns that the amendment is intended to address, then perhaps it should apply to all inspectors general rather than singling out this particular one.

Despite these reservations, I understand the Foreign Relations Committee has worked hard to craft this amendment. Therefore, I will not object to its consideration at this time if the Chairman of the Foreign Relations Committee will agree to work with me in conference to address the concerns that I have raised.

Mr. HELMS. I thank the Chairman of the Governmental Affairs Committee for his comments. I know that he has a strong interest in the inspectors general as well as in properly conducted investigations. I appreciate his willingness to work with me in conference to address the issues he has raised and I look forward to doing so.

Mr. THOMPSON. I thank the Chairman for his work on this bill and I look forward to working with him in conference.

OFFICE OF THE INSPECTOR GENERAL

Mr. DODD. Mr. President, I want to thank the Chairman of the Committee, Senator HELMS, for accepting my amendment as it relates to individuals named in reports of investigations prepared by the Office of the Inspector General at the State Department. This amendment would provide these individuals with an opportunity to comment on information contained in the report as it relates to them and to provide explanatory or exculpatory information that may be relevant to the investigation.

Mr. HELMS. It is my understanding that it is not the intention of the Senator from Connecticut to override key provisions of the Foreign Service Act, the Inspector General Act of 1978, the Privacy Act of 1974 or whistleblower protections with this amendment.

Mr. DODD. That is correct, Mr. President. As you will note from the way the amendment has been drafted, I in no way intend to undermine the ability of the Inspector General to carry out her duties. Subsection (c) of my amendment makes it clear that I do not seek to override or call into question existing provisions of law that govern the investigative practices of the Inspector General or statutory protections of individuals such as those contained in the Privacy Act of 1974 or provisions of section 2303(b)(8) of title 5 (relating to whistleblower protection.)

I have offered this amendment because I believe that both fundamental fairness and good government dictate that an individual mentioned in a report of investigation be given an opportunity to provide information as it relates to him, so that the fullest picture is set forth in the final report of investigation of the Office of the Inspector General.

Mr. HELMS. Am I correct in saying that it is not the intention of the Senator from Connecticut that the full report of investigation be turned over to each and every person named in a report, but rather that an individual be advised of allegations regarding him?

Mr. DODD. The Senator is correct. I do not seek to have the report made available to every named individual, simply be shown or briefed orally on the substance of those portions, that bear directly on that individual, consistent with appropriate privacy and whistleblower protections.

Nor do I seek with this amendment to grant individuals access to the investigative files, notes, or interim memos that may have been developed during the course of the investigation by the Office of the Inspector General.

I also do not want to overburden the Inspector General in cases where an investigation results in nothing of any significance and the case is simply closed. Certainly in such instances the Office of the Inspector General need not go through the process of providing information to any individual who might have been named in the course of an investigation.

Finally I recognize that there may be certain instances where an ongoing criminal investigation would be compromised if information were made available to an individual. That is why I chose the words ''shall make every reasonable effort'' to provide a measure of flexibility to the Inspector General. She may determine under certain circumstances that it is inadvisable to make information available. If she does so, she must simply inform the Committees of jurisdiction of the instances in which she has not made information available to an individual, as part of her reports to Congress, including the rationale for doing so. This information may be provided on a classified basis if necessary.

Mr. HELMS. Mr. President, I believe this clarifies any questions with respect to this amendment and I believe that the managers are prepared to accept this amendment.

Mr. DODD. I thank the managers for their assistance with this matter.

AMENDMENT NO. 728

(Purpose: To require the Secretary of State to report on United States citizens injured or killed by certain terrorist groups)

On page 115, after line 18, insert the following new section:

SEC. 730. REPORT ON TERRORIST ACTIVITY IN WHICH UNITED STATES CITIZENS WERE KILLED AND RELATED MATTERS

(a) IN GENERAL.—Not later than six months after the date of enactment of this legislation and every 6 months thereafter, the Secretary of State shall prepare and submit a

report, with a classified annex as necessary, to the appropriate congressional committees regarding terrorist attacks in Israel, in territory administered by Israel, and in territory administered by the Palestinian Authority. The report shall contain the following information:

(1) A list of formal commitments the Palestinian Authority has made to combat terrorism.

(2) A list of terrorist attacks, occurring between September 13, 1993 and the date of the report, against United States citizens in Israel, in territory administered by Israel, or in territory administered by the Palestinian Authority, including—

(A) a list of all citizens of the United States killed or injured in such attacks;

(B) the date of each attack, the total number of people killed or injured in each attack;

(C) the person or group claiming responsibility for the attack and where such person or group has found refuge or support;

(D) a list of suspects implicated in each attack and the nationality of each suspect, including information on—

(i) which suspects are in the custody of the Palestinian Authority and which suspects are in the custody of Israel;

(ii) which suspects are still at large in areas controlled by the Palestinian Authority or Israel; and

(iii) the whereabouts (or suspected whereabouts) of suspects implicated in each attack.

(3) Of the suspects implicated in the attacks described in paragraph (2) and detained by Palestinian or Israeli authorities; information on—

(A) the date each suspect was incarcerated;

(B) whether any suspects have been released, the date of such release, and whether any released suspect was implicated in subsequent acts of terrorism; and

(C) the status of each case pending against a suspect, including information on whether the suspect has been indicted, prosecuted, or convicted by the Palestinian Authority or Israel.

(4) The policy of the Department of State with respect to offering rewards for information on terrorist suspects, including any information on whether a reward has been posted for suspects involved in terrorist attacks listed in the report.

(5) A list of each request by the United States for assistance in investigating terrorist attacks listed in the report, a list of each request by the United States for the transfer of terrorist suspects from the Palestinian Authority and Israel since September 13, 1993 and the response to each request from the Palestinian Authority and Israel.

(6) A description of efforts made by United States officials since September 13, 1993 to bring to justice perpetrators of terrorist acts against U.S. citizens as listed in the report.

(7) A list of any terrorist suspects in these cases who are members of Palestinian police or security forces, the Palestine Liberation Organization, or any Palestinian governing body.

(8) A list of all United States citizens killed or injured in terrorist attacks in Israel or in territory administered by Israel between 1950 and September 13, 1993, to include in each case, where such information is available, any stated claim of responsibility and the resolution or disposition of each case, including information as to the whereabouts of the perpetrators of the acts, further provided that this list shall be submitted only once with the initial report required under this section, unless additional relevant information on these cases becomes available.

(9) The amount of compensation the United States has required for United States citizens, or their families, injured or killed in attacks by terrorists in Israel, in territory administered by Israel, or in territory administered by the Palestinian Authority since September 13, 1993, and, if no compensation has been requested, an explanation of why such requests have not been made.

(b) CONSULTATION WITH OTHER DEPARTMENTS.—The Secretary of State shall, in preparing the report required by this section, consult and coordinate with all other Government officials who have information necessary to complete the report. Nothing contained in this section shall require the disclosure, on a classified or unclassified basis, of information that would jeopardize sensitive sources and methods or other vital national security interests or jeopardize ongoing criminal investigations or proceedings.

(c) INITIAL REPORT.—Except as provided in subsection (a)(8), the initial report filed under this section shall cover the period between September 13, 1993 and the date of the report.

(d) APPROPRIATE CONGRESSIONAL COMMITTEES.—For purposes of this section, the term ''appropriate congressional Committee'' means the Committees on Foreign Relations of the Senate and the Committee on International Relations of the House of Representatives.

AMENDMENT NO. 729

(Purpose: To express the sense of the Senate that the United States should ratify the ILO Convention on the Worst Forms of Child Labor, and for other purposes)

On page 115, after line 18, insert the following new section:

SEC. 730. SENSE OF SENATE REGARDING CHILD LABOR.

(a) FINDINGS.—The Senate makes the following findings:

(1) The International Labor Organization (in this resolution referred to as the ''ILO'') estimates that at least 250,000,000 children under the age of 15 are working around the world, many of them in dangerous jobs that prevent them from pursuing an education and damage their physical and moral well-being.

(2) Children are the most vulnerable element of society and are often abused physically and mentally in the work place.

(3) Making children work endangers their education, health, and normal development.

(4) UNICEF estimates that by the year 2000, over 1,000,000,000 adults will be unable to read or write on even a basic level because they had to work as children and were not educated.

(5) Nearly 41 percent of the children in Africa, 22 percent in Asia, and 17 percent in Latin America go to work without ever having seen the inside of a classroom.

(6) The President, in his State of the Union address, called abusive child labor ''the most intolerable labor practice of all,'' and called upon other countries to join in the fight against abusive and exploitative child labor.

(7) The Department of Labor has conducted 5 detailed studies that document the growing trend of child labor in the global economy, including a study that shows children as young as 4 are making assorted products that are traded in the global marketplace.

(8) The prevalence of child labor in many developing countries is rooted in widespread poverty that is attributable to unemployment and underemployment among adults, low living standards, and insufficient education and training opportunities among adult workers and children.

(9) The ILO has unanimously reported a new Convention on the Worst Forms of Child Labor.

(10) The United States negotiators played a leading role in the negotiations leading up to the successful conclusion of the new ILO Convention on the Worst Forms of Child Labor.

(11) On September 23, 1993, the United States Senate unanimously adopted a resolution stating its opposition to the importation of products made by abusive and exploitative child labor and the exploitation of children for commercial gain.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that—

(1) abusive and exploitative child labor should not be tolerated anywhere it occurs;

(2) ILO member States should be commended for their efforts in negotiating this historic convention;

(3) it should be the policy of the United States to continue to work with all foreign nations and international organizations to promote an end to abusive and exploitative child labor; and

(4) the Senate looks forward to the prompt submission by the President of the new ILO Convention on the Worst Forms of Child Labor.

AMENDMENT NO. 730

At the appropriate place in the bill, insert the following:

SEC. . (a) FINDINGS.—The Congress finds as follows:

(1) The International Criminal Tribunal for Rwanda (ICTR) was established to prosecute individuals responsible for genocide and other serious violations of international humanitarian law committed in the territory of Rwanda;

(2) A separate tribunal, the International Criminal Tribunal for the Former Yugoslavia (ICTY), was created with a similar purpose for crimes committed in the territory of the former Yugoslavia;

(3) The acts of genocide and crimes against humanity that have been perpetrated against civilians in the Great Lakes region of Africa equal in horror the acts committed in the territory of the former Yugoslavia;

(4) The ICTR has succeeded in issuing at least 28 indictments against 48 individuals, and currently has in custody 38 individuals presumed to have led and directed the 1994 genocide;

(5) The ICTR issued the first conviction ever by an international court for the crime of genocide against Jean-Paul Akayesu, the former mayor of Taba, who was sentenced to life in prison;

(6) The mandate of the ICTR is limited to acts committed only during calendar year 1994, yet the mandate of the ICTY covers serious violations of international humanitarian law since 1991 through the present;

(7) There has been well substantiated allegations of major crimes against humanity and war crimes that have taken place in the Great Lakes region of Africa that fall outside of the current mandate of the Tribunal in terms of either the dates when, or geographical areas where, such crimes took place;

(8) The attention accorded the ICTY and the indictments that have been made as a result of the ICTY's broad mandate continue to play an important role in current U.S. policy in the Balkans;

(9) The international community must send an unmistakable signal that genocide and other crimes against humanity cannot be committed with impunity;

(b) It is the sense of the Congress that,—

The President should instruct the United States U.N. Representative to advocate to the Security Council to direct the Office for Internal Oversight Services (OIOS) to re-evaluate the conduct and operation of the ICTR. Particularly, the OIOS should assess the progress made by the Tribunal in implementing the recommendations of the Report

of the U.N. Secretary-General on the Activities of the Office of Internal Oversight Services, A/52/784, of 6 February, 1998. The OIOS should also include an evaluation of the potential impact of expanding the original mandate of the ICTR.

(c) REPORT.—90 days after enactment of this Act, the Secretary of State shall report to Congress on the effectiveness and progress of the ICTR. The report shall include an assessment of the ICTR's ability to meet its current mandate and an evaluation of the potential impact of expanding that mandate to include crimes committed after calendar year 1994.

Mr. FEINGOLD. Mr President, I rise today to join my distinguished colleague from Vermont, Senator LEAHY, in offering an amendment to encourage a peaceful process of self-determination in East Timor. This amendment closely mirrors what he and I and several other Senators express in S. Res. 96, introduced last month. We are offering this as an amendment to highlight the significance of the process underway in East Timor that will once and for all determine its political status.

As we all know, Indonesian President Habibie announced on January 27 that the government of Indonesia was finally willing to seek to learn and respect the wishes of the people in that territory. On May 5, the Governments of Indonesia and Portugal signed an agreement to hold a United Nations-supervised ''consultation'' on August 8 to determine East Timor's future political status.

Despite this positive development, excitement and tension over the possibility of gaining independence have in recent months led to a gross deterioration of the security situation. Militias, comprised of individuals determined to intimidate the East Timorese people into support for continued integration with Indonesia and widely believed to be supported by the Indonesian military, are responsible for a sharp increase in violence.

Let me recount some of the horror stories I have heard coming out of East Timor recently. To cite just a few examples, pro-government militias, backed by Indonesian troops, reportedly shot and killed 17 supporters of independence on April 5. Shortly thereafter, pro-independence groups reported clashes, arrests and deaths, as well as civilians fleeing violence in six cities. One of those cities was Liquica where at least 25 people were brutally murdered by pro-government militias when up to 2000 civilians sought shelter in the local Catholic church. Later, on April 17, hundreds of East Timorese fled the capital of Dili as knife-wielding militias attacked anyone suspected of supporting independence. At least 30 were killed in this incident as Indonesian troops made little effort to stop the violence. The perpetrators have not all been on the government side. Over the years there have been atrocities on the pro-independence side as well. In recent months, however, the overwhelming majority of the violence has come from army elements and militias under their effective control. Overall, hundreds of civilians have been killed, wounded or ''disappeared'' in separate militia attacks.

Unfortunately, the possibility exists that tension and violence could still terrorize the island between now and the ballot, although I hope that is not the case. Pro-integration militia leaders announced on April 29 that they reject the concept of the upcoming ballot, or anything that could be considered a referendum. They have further stated that if a ballot leads to independence, they are prepared to fight a guerrilla war for decades if necessary to defend Indonesian rule of the territory. Independent observers fear that neither side will accept a loss in the ballot, thus setting the stage for a prolonged conflict in East Timor. This type of rhetoric does not reassure us about the prospects for a successful transition for the people of East Timor, regardless of which form of government they choose. The climate in East Timor today, sadly, may have become too violent for a legitimate poll to take place. Worse yet, the agreement on the ballot process will be rendered meaningless if people must fear for their lives when they dare to participate in the process.

In the May 5 agreement, the Government of Indonesia agreed to take responsibility for ensuring that the ballot is carried out in a fair and peaceful way. Unfortunately, it is unclear that they are implementing this aspect of the agreement. Quite the opposite. Whether Indonesian troops have actually participated in some of these incidents or not, the authorities certainly must accept the blame for allowing, and in some cases encouraging, the bloody tactics of the pro-integration militias. The continuation of this violence is a threat to the very sanctity and legitimacy of the process that is underway. Thus, the Leahy-Feingold amendment specifically calls on Jakarta to do all it can to seek a peaceful process and a fair resolution to the situation in East Timor.

I am encouraged by the calm manner in which the people of Indonesia went to the polls earlier this month to elect a new government. While the election was not perfect, it is a step in the right direction for the people of that nation, and demonstrates an openness not seen in decades there.

I believe the United States has a responsibility—an obligation—to put as much pressure as possible on the Indonesian government to help encourage an environment conducive to a free, fair, peaceful ballot process for the people of East Timor. I am pleased that we have taken a leadership role in offering technical, financial, and diplomatic support to the recently authorized U.N. Assistance Mission in East Timor, known as UNAMET.

Our amendment recognizes the very significant progress that has been made so far, in particular the calming impact the very presence of U.N. officials has appeared to have on the security situation in the capital, Dili. Nevertheless, problems still remain, so the amendment also highlights the increase in violence and human rights abuses by anti-independence militias and urges the Habibie government to curtail Indonesian military support to the militias. The amendment also encourages the Government of Indonesia to grant full access to all areas of East Timor by international human rights monitors, humanitarian organizations and the press, and to allow all Timorese who now live in exile the ability to return to East Timor to participate in this important ballot.

It is not in our power to guarantee the free, fair exercise of the rights of the people of East Timor to determine their future. It is, however, in our interest to do all that we can to work with the United Nations, other concerned countries, the government of Indonesia and the people of East Timor to create an opportunity for a successful ballot process. We cannot forget that the Timorese have been living with violence and oppression for more than 23 years. These many years have not dulled the desire of the East Timorese for freedom, or quieted their demands to have a role in the determination of East Timor's status.

We have to do all we can to support an environment that can produce a fair ballot in East Timor now and throughout the rest of this process.

AMENDMENT NO. 731

(Purpose: To require a report on the worldwide circulation of small arms and light weapons)

On page 115, after line 18, add the following new section:

SEC. ___. REPORTING REQUIREMENT ON WORLDWIDE CIRCULATION OF SMALL ARMS AND LIGHT WEAPONS.

(a) FINDINGS.—Congress makes the following findings:

(1) In numerous regional conflicts, the presence of vast numbers of small arms and light weapons has prolonged and exacerbated conflict and frustrated attempts by the international community to secure lasting peace. The sheer volume of available weaponry has been a major factor in the devastation witnessed in recent conflicts in Angola, Cambodia, Liberia, Mozambique, Rwanda, Sierra Leone, Somalia, Sri Lanka, and Afghanistan, among others, and has contributed to the violence endemic to narcotrafficking in Colombia and Mexico.

(2) Increased access by terrorists, guerrilla groups, criminals, and others to small arms and light weapons poses a real threat to United States participants in peacekeeping operations and United States forces based overseas, as well as to United States citizens traveling overseas.

(3) In accordance with the reorganization of the Department of State made by the Foreign Affairs Reform and Restructuring Act of 1998, effective March 28, 1999, all functions and authorities of the Arms Control and Disarmament Agency were transferred to the Secretary of State. One of the stated goals of that Act is to integrate the Arms Control and Disarmament Agency into the Department of State ''to give new emphasis to a broad range of efforts to curb proliferation of dangerous weapons and delivery systems''.

(b) REPORT.—Not later than 180 days after the date of enactment of this Act, the Secretary of State shall submit to the appropriate congressional committees a report containing—

(1) an assessment of whether the export of small arms poses any proliferation problems including—

(A) estimates of the numbers and sources of licit and illicit small arms and light arms in circulation and their origins;

(B) the challenges associated with monitoring small arms; and

(C) the political, economic, and security dimensions of this issue, and the threats posed, if any, by these weapons to United States interests, including national security interests;

(2) an assessment of whether the export of small arms of the type sold commercially in the United States should be considered a foreign policy or proliferation issue;

(3) a description of current Department of State activities to monitor and, to the extent possible ensure adequate control of, both the licit and illicit manufacture, transfer, and proliferation of small arms and light weapons, including efforts to survey and assess this matter with respect to Africa and to survey and assess the scope and scale of the issue, including stockpile security and destruction of excess inventory, in NATO and Partnership for Peace countries;

(4) a description of the impact of the reorganization of the Department of State made by the Foreign Affairs Reform and Restructuring Act of 1998 on the transfer of functions relating to monitoring, licensing, analysis, and policy on small arms and light weapons, including—

(A) the integration of and the functions relating to small arms and light weapons of the United States Arms Control and Disarmament Agency with those of the Department of State;

(B) the functions of the Bureau of Arms Control, the Bureau of Nonproliferation, the Bureau of Political-Military Affairs, the Bureau of International Narcotics and Law Enforcement, regional bureaus, and any other relevant bureau or office of the Department of State, including the allocation of personnel and funds, as they pertain to small arms and light weapons;

(C) the functions of the regional bureaus of the Department of State in providing information and policy coordination in bilateral and multilateral settings on small arms and light weapons;

(D) the functions of the Under Secretary of State for Arms Control and International Security pertaining to small arms and light weapons; and

(E) the functions of the scientific and policy advisory board on arms control, nonproliferation, and disarmament pertaining to small arms and light weapons; and

(5) an assessment of whether foreign governments are enforcing their own laws concerning small arms and light weapons import and sale, including commitments under the Inter-American Convention Against the Illicit Manufacturing of and Trafficking in Firearms, Ammunition, Explosives, and Other Related Materials or other relevant international agreements.

GLOBAL PROLIFERATION OF SMALL ARMS AND LIGHT WEAPONS

Mrs. FEINSTEIN. Mr. President, my amendment calls upon the Department of State to provide Congress with a report on the global proliferation of small arms and light weapons, and State Department activities to address this issue.

For fifty years we have been used to thinking about arms control in terms of nuclear weapons and ballistic missiles. But, to my mind, the widespread proliferation of small arms and light weapons has now emerged as an equally pressing issue on the international arms control agenda.

Let me try to sketch out the scope and dimension of this problem, and why I think it is critical that this issue be included in the first-rank of U.S. arms control and security policy:

An estimated 500 million illicit small arms and light weapons are in circulation around the globe.

In the past decade, an estimated 4 million people have been killed in civil war and bloody fighting. Nine out of ten of these deaths are attributed to small arms and light weapons, and, according to the International Committee of the Red Cross, more than 50% of those killed are believed to be civilians.

The sheer volume of available weaponry has been a major factor in the devastation witnessed in recent conflicts in Angola, Cambodia, Liberia, Mozambique, Rwanda, Sierra Leone, Somalia, Sri Lanka, and Afghanistan, among others, as well as the sort of violence endemic to narco-trafficking in Colombia and Mexico.

According to a report last year by ABC News, at least seven million illicit small arms and light weapons are in circulation in West Africa.

According to Human Rights Watch, a variety of small arms and light weapons were readily available on the black market in Rwanda prior to the civil war and genocide in that country:

In 1994 an AK–47 could be purchased in Rwanda for $250;

a grenade for $20; and,

a 60mm Mortar Bomb for $85.

More than 50 million AK–47s have been manufactured in the last 40 years, far more than are accounted for in government stockpiles or registries. During the past decade it is estimated that more than 1 million Uzis and 10 million Uzi copies have gone into circulation.

According to the South African Institute for Security Studies, an estimated 30,000 stolen firearms enter the illegal marketplace annually in South Africa. Mozambique, a country whose total population is 15 million, has more than 10 million small arms in circulation.

Although there are no reliable statistics available, numerous analysts and press reports have noted that in recent years various actors in the Russian military, government, and mafia have been active in selling large quantities of Russian military equipment on the black market.

The United Nations and the Red Cross estimate that there are that more than 10 million small arms are in circulation in Afghanistan, where the terrorist organization of Osama Bin Laden is based.

Over 1 million small arms—ranging from pistols to AK–47s to hand grenades—are readily available in arms bazaars on the Pakistani side of the Afghan border. Many of these weapons are believed to flow to the Kashmir, where they contribute to the instability and tension between India and Pakistan, who both now posses nuclear weapons.

The United Nations estimated that over 650,000 weapons disappeared from government depots in Albania in the three years leading up to the outbreak of violence in the Balkans, including 20,000 tons of explosives. The NATO peacekeepers who are now moving into Kosovo may be under threat and danger from these weapons.

In fact, the increased access by terrorists, guerilla groups, criminals, and others to small arms and light weapons poses a real threat to U.S. participants in peacekeeping operations and U.S. forces based overseas.

Although it is my belief that the United States is not the biggest contributor to the problem of the global proliferation of small arms and light weapons—the United Nations has found that almost 300 companies in 50 countries now manufacture small arms and related equipment, a 25% increase in production since 1984—in 1996 the U.S. licensed for export more than $527 million in light military weapons. With the average price of $100–300 per weapon, this represents a huge volume of weapons.

Most troubling, there is increased incidence of U.S. manufactured weapons flowing in the international black market. In 1998, at the request of foreign governments, the U.S. Bureau of Alcohol, Tobacco, and Firearms conducted 15,199 traces of weapons used in crimes.

In 1994, Mexico reported 3,376 illegally acquired U.S.-origin firearms. Many of these weapons were originally sold legally to legitimate buyers but then transferred illegally, many to the Mexican drug cartels, once they left the United States: Between 1989 and 1993, the State Department approved 108 licenses for the export of $34 million in small arms to Mexico, but it performed only three follow-up inspections to ensure that the weapons were delivered to and stayed in the hands of the intended users.

Other countries have equally porous arms sales and licensing regulations: In the United Kingdom, only 24 of 2,181 arms export licenses to 35 countries were refused last year.

Clearly this is a huge problem, with profound implications for U.S. security interests. As Secretary Albright noted in her speech to the International Rescue Committee last year: ''The world is awash in small arms and light weapons.''

The purpose of this amendment is very simple. It calls for a Report by the Department of State to provide Congress with an assessment of the dimension of the problem, the threats posed by these weapons to U.S. interests, and the activities of the Department regarding the proliferation of small arms and light weapons.

It is my hope that this information will provide policymakers with a better understanding of this issue, whether sufficient resources are being devoted to addressing the threats posed to U.S. interests, and if additional resources will need to be directed towards this issue in the future.

I understand that the Managers have cleared and will accept this Amendment for inclusion in the State Department Authorization bill. As a former member of the Foreign Relations Committee it was a pleasure to be able to work again with my former Chairman and Ranking Member, and I would like to thank them for working with me on this Amendment. I look forward to the opportunity to continue to work with them on this important issue.

Mr. MOYNIHAN. Mr. President, I rise today to discuss an amendment to the State Department authorization bill. For 75 years academic freedom was squelched in the Soviet Union and the tools to build a democratic society were lost to its successor states. Thankfully, that is now passed. The Russians have the right to claim that they freed their own country from the horrors of a decayed Marxist-Leninist dictatorship. The Russian people and their leaders have something about which to be proud.

I rise in that spirit to discuss an amendment that is simple in both premise and purpose: build democratic leaders of the NIS for the future through education. This modest amendment will partially fund doctoral graduate study in the social sciences for students from the NIS during the next two years. The benefits of education and exposure to the United States will be long lasting.

We want to give these students from the NIS a chance to see American democracy and learn the tools to improve their own society. Indeed, for many it will be their first chance to visit the world's oldest democracy; to see the promise that democracy offers; and to judge its fruits for themselves. As one of our most famous visitors, Alexis de Tocqueville, wrote:

Let us look to America, not in order to make a servile copy of the institutions that she has established, but to gain a clearer view of the polity that will be the best for us; let us look there less to find examples than instruction; let us borrow from her the principles, rather than the details, of her laws . . . the principles on which the American constitutions rest, those principles of order, of the balance of powers, of true liberty, of deep and sincere respect for right, are indispensable to all republics . . .

In 1948 the United States instituted the now famous Marshall Plan which included among its many provisions a fund for technical assistance. Part of this fund included the ''productivity campaign'' which was designed to bring European businessmen and labor representatives here to learn American methods of production. During the Plan's three years, over 6,000 Europeans came to the United States to study U.S. production. Though the funding for this part of the plan was less than one-half of one percent of all the Marshall Plan aid, its impact was far greater. The impact of this amendment may also be great.

We must note here the current state of Russia's affairs: it is deplorable. Despite this situation, last spring the United States Senate voted to expand the North Atlantic Treaty Organization. Throughout the elements of the Russian political system NATO expansion was viewed as a hostile act they will have to defend against; and they have said if they have to defend their territory, they will do so with nuclear weapons; that is all they have left.

The distrust born from NATO expansion will not fade quickly. Let us hope that this amendment will provide individuals from Russia and the other NIS the opportunity to see that we Americans do not hope for Russia's demise and isolation. Perhaps we can dispel the betrayal they may feel as a result of NATO enlargement, and give them the tools to further develop their own democracies.

Beyond that, the importance of training the next generation of social scientists in the NIS is immeasurable. It is this generation that will revitalize the universities, teaching the next generation economics, political science, sociology and other disciplines. It is this generation of social scientists who will be prepared to enter their Governments armed with new ideas and new ways of thinking different from the status quo; they will bring their new knowledge and standards, their linkages to the United States back to their own countries, and they will have the best opportunity to influence change there.

Mr. BIDEN. The managers amendment which I am pleased to cosponsor with the chairman amends this legislation to name it the ''Admiral James W. Nance Foreign Relations Act, Fiscal years 2000 and 2001.''

Admiral ''Bud'' Nance was a dear friend of the chairman and a close friend of many of us in the Senate.

He served his country with extraordinary distinction, and in the final years of his life served as Staff Director to the Senate Foreign Relations Committee. One of Bud Nance's objectives, which he shared with the chairman, was to see this particular legislation become law.

The Senate's approval today will be a major step to that end. When this legislation becomes law we will have authorized the payment of most of the United States arrearages to the United Nations and encouraged significant reforms in that body.

In addition, the Congress will have authorized the funding of our activities overseas for the years 2000 and 2001.

I look at those dates and can't help but think that in many ways, this being but just one, your friend, our friend, Bud Nance, will indeed be with us as we enter the new millennium.

I would like to thank the majority staff for their work in helping put this bill together—particularly Steve Biegun who assumed the role of staff director after our friend Bud Nance passed away.

Patti McNerney has been tireless as majority counsel in leading the complex staff negotiations that helped make this bill possible.

I would also like to thank Brian McKeon, our minority counsel for his hard work and the rest of the minority staff, including Jennifer Park and our Pearson Fellow, Joan Wadelton who put many long hours in with the rest of the majority and minority staff. We would not be looking at final passage today without all their dedicated efforts.

The PRESIDING OFFICER. Under the previous order, the amendments are agreed to.

The amendments (Nos. 705 through 731), en bloc, were agreed to.

The PRESIDING OFFICER. Under the previous order, there are five minutes equally divided.

Mr. BIDEN. Mr. President, I want to, in the minute or so I have left, congratulate the chairman of the committee for a job very well done. The managers' amendment, which he sent to the desk, I might point out, amends the legislation to name this legislation the Admiral James W. Nance Foreign Relations Act, Fiscal Years 2000 and 2001.

Bud Nance was a man who was a dear, close friend to the chairman, and a close friend of many of us in the Senate. He served this country with extraordinary distinction in the final years of his life. He served as staff director of the Foreign Relations Committee.

One of Bud Nance's objectives, which he shared with the chairman, was that this particular legislation become law, and he began to reestablish the relevance of and the bipartisan nature of the committee. He deserves great credit for that. I think the idea of naming this legislation after him is very fitting and appropriate.

I thank the chairman again for his cooperation, for his willingness to listen, and for his help. He is a lucky man to have had such a close friend.

I yield the floor.

Mr. HELMS. Mr. President, in behalf of the Nance family, I express my appreciation not only to Senator BIDEN but to all of the other Senators who signed the statement of authenticity with reference to that. And personally, ladies and gentlemen, I am grateful to them. Thank you so much.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, and was read the third time.

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

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass? 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. NICKLES. I announce that the Senator from Arizona (Mr. MCCAIN) is necessarily absent.

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

The result was announced—yeas 98, nays 1, as follows:

[Rollcall Vote No. 180 Leg.]

YEAS—98

Abraham	Enzi	Lott
Akaka	Feingold	Lugar
Allard	Feinstein	Mack
Ashcroft	Fitzgerald	McConnell
Baucus	Frist	Mikulski
Bayh	Gorton	Moynihan
Bennett	Graham	Murkowski
Biden	Gramm	Murray
Bingaman	Grams	Nickles
Bond	Grassley	Reed
Boxer	Gregg	Reid
Breaux	Hagel	Robb
Brownback	Harkin	Roberts
Bryan	Hatch	Rockefeller
Bunning	Helms	Roth
Burns	Hollings	Santorum
Byrd	Hutchinson	Schumer
Campbell	Hutchison	Sessions
Chafee	Inhofe	Shelby
Cleland	Inouye	Smith (NH)
Cochran	Jeffords	Smith (OR)
Collins	Johnson	Snowe
Conrad	Kennedy	Specter
Coverdell	Kerrey	Stevens
Craig	Kerry	Thomas
Crapo	Kohl	Thompson
Daschle	Kyl	Thurmond
DeWine	Landrieu	Torricelli
Dodd	Lautenberg	Voinovich
Domenici	Leahy	Warner
Dorgan	Levin	Wellstone
Durbin	Lieberman	Wyden
Edwards	Lincoln	

NAYS—1

Sarbanes

NOT VOTING—1

McCain

The bill (S. 886), as amended, was passed, as follows:

[The bill was not available for printing. It will appear in a future issue of the RECORD.]

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

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Senator from Iowa is recognized under the order.

PRIVILEGE OF THE FLOOR

Mr. HARKIN. Mr. President, I ask unanimous consent Claire Bowman and Sarah Wilhelm, interns in my office, be granted the privilege of the floor.

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

CHILD LABOR

Mr. HARKIN. Mr. President, I was talking this morning about a very significant event that transpired last week in Geneva on June 17. It was a historic event in the battle to end the scourge of abusive and exploitative child labor. By a unanimous vote, the International Labor Organization's member states, including the United States, approved a new convention banning the worst forms of child labor.

For the first time in history, the world spoke with one voice in opposition to abusive and exploitative child labor. Countries from across the political, economic, and religious spectrum—from Jewish to Muslim, from Buddhists to Christians—came together to proclaim unequivocally that ''abusive and exploitative child labor is a practice which will not be tolerated and must be abolished.''

Gone is the argument that abusive and exploitative child labor is an acceptable practice because of a country's economic circumstances. Gone is the argument that abusive and exploitative child labor is acceptable because of cultural traditions. And gone is the argument that abusive and exploitative child labor is a necessary evil on the road to economic development. The United States and the international community as a whole unanimously for the first time laid those arguments to rest and laid the groundwork to begin the process of ending the scourge of abusive and exploitative child labor.

Mr. President, for the better part of a decade, I have been in my own capacity working to do what I can to end abusive and exploitative child labor around the globe, including in the United States. The ILO estimates that there are about 250 million children worldwide, many as young as 6 or 7, who are working. These are not just part-time jobs. Many of them work in dangerous environments which are detrimental to their emotional, physical, and moral well-being.

Last year, I traveled with my staff to Katmandu, Nepal, and also to Pakistan, India, and Bangladesh. We were able to witness firsthand the abuse of child labor.

This chart shows a plant we went to in Katmandu. It was on a Sunday. I was taken there by a young man who had previously been a child laborer. On the outside of the gate there was this sign in both Nepalese and English: Child labour under the age of 14 is strictly prohibited.

I actually took this picture. Because we had information that the owner was gone and this young man I was with knew the guard at the gate, we were let in. When we were let in, I started taking pictures. This is one of many pictures I have of some of the young children working in that plant. We determined their ages to be somewhere in the neighborhood of 7 or 8 years. This was about 7 or 8 o'clock on a Sunday night. These kids were working in very dusty, dirty conditions, and this shows them as virtual slaves, unable to leave, unable to do anything but work at the rug plant.

This gives a little idea of the child labor I was able to glimpse on my trip. Had they known we were coming to that plant, they would have taken the children out the back door and we would not have seen any children there. They would have said: See, we don't have any child labor.

That is why it took a surreptitious action on my part to get in and take the pictures, so that I could get proof of the child labor and the deplorable conditions which occur not just in Nepal, but all over the world.

In India, I met children who were liberated from hand-knotted carpet factories where they were chained—chained, Mr. President—to looms and forced to work as many as 12 hours a day, 7 days a week. These children were nothing more than slaves. They earned no money. They received no education. They had no hope for a future until they were freed by the South Asian Coalition Against Child Servitude, headed by Kailash Satyarthi.

I have a chart prepared with ILO data. We see Latin America and the Caribbean have about 17 million children working; Africa, 80 million; Asia, 153 million; and about half a million in Oceania. That comes down to a total of about 250 million children worldwide.

Again, I want to be clear that we are not just talking about kids working after school, working part-time. That is not it at all. The convention that the ILO adopted deals with children who are chained to looms, handle dangerous chemicals, ingest metal dust, are forced to sell illegal drugs, forced into prostitution, forced into armed conflict, some of whom who work in glass factories where furnace temperatures exceed 1,500 degrees. These children are forced to work with no protective equipment. They work only for the economic gains of others. This is in sharp contrast to any kind of a part-time job for some spending money for the latest CD.

In this picture, taken in the Sialkot region of Pakistan, 8-year-old Mohammad Ashraf Irfan is making surgical equipment. He is 8 years old working around hot metal and sharp instruments. He has no protective clothing on at all, not even for his eyes. This is his lot in life at the ripe old age of 8. This is what the convention, adopted in Geneva last week, will start preventing.

Mr. President, as you and many of my colleagues know, President Clinton traveled to Geneva, Switzerland, last week to address the International Labor Organization's conference. He is the first President in U.S. history to address the ILO in its 80-year history. Imagine that. I was privileged to be asked to accompany the President for this historic event.

In his address to the ILO, President Clinton spoke eloquently of the crying need to protect all children from abusive and exploitative labor. The President said, in part:

There are some things we cannot and will not tolerate. We will not tolerate children being used in pornography and prostitution. We will not tolerate children in slavery or bondage. We will not

tolerate children being forcibly recruited to serve in armed conflicts. We will not tolerate young children risking their health and breaking their bodies in hazardous and dangerous working conditions for hours unconscionably long—regardless of country, regardless of circumstance.

I cannot agree more. I was very proud of President Clinton—proud that he was the first U.S. President in history to address the ILO, proud that he focused his remarks on the issue of child labor and on his support for this convention.

I will briefly describe the new Convention on the Worst Forms of Child Labor. I ask unanimous consent that a copy of the convention be printed in the RECORD following my remarks.

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

(See exhibit 1.)

Mr. HARKIN. The convention defines the worst forms as being all forms of slavery, debt bondage, forced or compulsory labor, the sale and trafficking of children, including forced or compulsory recruitment of children for use in armed conflict, child prostitution, children producing and trafficking in narcotic drugs, or any other work which, by its nature or the circumstances in which it is carried out, is likely to harm the health, the safety, or morals of children. It also defines a child as any person under the age of 18.

Mr. President, this is what we are talking about. Look at this young girl in this photograph. We do not know her age, but from all accounts, people who know this area say she is probably less than 9 years old. She and her two friends have straps around their heads, and she is carrying what looks like seven big blocks or bricks on her back which are much to heavy for such a small child and are doing permanent damage to her spine and neck. She is barefoot and hunched over. As you can see, her friends of an equal age are carrying a similar load.

These are the worst forms of child labor. That is what this convention is all about. The convention calls on the ILO member states to take immediate and effective actions to prohibit and eliminate the worst forms of child labor.

I am looking at a chart, which is a photo of another young girl in India carrying construction material on her head. One can see her arms are straight, her face is dirty and sweaty, and she should be in school rather than having all this construction material, about 30 or 40 pounds piled on the top of her head. She is also doing permanent damage to her neck and spine. This is the sort of gross labor abuse the convention seeks to end.

As I said, the convention defines a child for these purposes as any child under the age of 18. It calls on member states to implement action plans to move children from the workplace to the classroom. UNICEF reports that over 1 billion adults will be functionally illiterate on the eve of the new millennium because they worked as children and were denied an education.

That is why I am especially pleased about the importance the convention placed on education as a principal means for reducing instances of abusive and exploitative child labor. I believe very strongly that these child laborers must go from exploitation to education.

This chart shows a list of what the convention abolishes: Child slavery, child bondage, child prostitution, children in pornography, trafficking in children, forced recruitment of children for armed conflict, recruitment of children in the production or sale of narcotics, and hazardous work by children.

But, let me come back to the forced recruitment of children for armed conflict for just a moment. We do not have forced recruitment in the United States for children. But I am aware our Armed Forces are able to recruit children who are 17 years of age. Quite frankly, we need a debate in this body about whether or not we ought to allow that to continue. I, for one, believe that the armed services ought to be held in abeyance from recruiting and signing up young people in the armed services until they at least reach the age of 18. But that is a debate for another time.

As I stated earlier, I believe that children should go from exploitation to education. We visited a very important milestone in this effort in Dacca, Bangladesh, last year when we found almost 10,000 young children, mostly girls—about 90 percent—who had been working in the garment factories. After an historic agreement with the help of the ILO and the Bangladeshi Garment Manufacturers Export Association, these children were moved out of the garment factories and into about 353 schools established in Dacca for this sole purpose.

We visited a couple of those schools, and I will just tell you, looking at these young girls, who maybe a year before could not read or write, now were standing up and reciting whole passages from books, being able to write, and you could see in their eyes they are not going to go back to exploitation.

The people in Bangladesh, in the government and in industry, said it is probably one of the best things that has happened to them, because they are going to have a more highly educated workforce, a more productive workforce, and that means their whole standard of living is going to increase.

The convention adopted last week also calls on all member nations to identify and reach out to children at special risk and to take into account the special situation of girls with regard to education. And I am also very pleased about that provision.

There are many other important elements contained in the convention which I have not mentioned. I encourage all of my colleagues to read this document thoroughly.

I would also mention another historic fact about this convention.

For the first time in its history, the U.S. tripartite group to the ILO, which consists of representatives from government, business and labor, went to Geneva to negotiate on this important convention, and they unanimously agreed on the final version.

So I commend Secretary of Labor Alexis Herman and the other members of the U.S. delegation, including Mr. John Sweeney, the president of the AFL–CIO, and Ed Potter, from the U.S. Council on International Business, for their leadership on this convention.

With the adoption of the new Convention on the Worst Forms of Child Labor, the ILO has written an important new chapter in our effort to honor our values and protect our children.

Today, in recognition of this effort, I offered a sense-of-the-Senate resolution regarding the International Labor Organization's new Convention on the Worst Forms of Child Labor which was accepted as part of the managers' package. This amendment calls upon the President to promptly submit to the Senate the new convention. It commends the ILO member states for their negotiating efforts and states that it should be the policy of the United States to work with all foreign nations and international organizations to promote an end to abusive and exploitative child labor.

Again, it is my understanding that very shortly President Clinton will be transmitting this convention to the Senate for our consideration. I am hopeful that the Committee on Foreign Relations will take up the convention, have hearings on it, and report it out as soon as possible.

Again, with the unanimous support of labor, government and business, I see no reason why the United States should not be one of the first countries to ratify this new convention. So I am hopeful that before this session of the Congress ends that the Senate will act on it and ratify the Convention on the Worst Forms of Child Labor.

Once again, I thank Senators WELLSTONE, KOHL, LAUTENBERG, KENNEDY, DODD, TORRICELLI, WYDEN, and FEINGOLD for cosponsoring this important amendment.

EXHIBIT 1

A. PROPOSED CONVENTION CONCERNING THE PROHIBITION AND IMMEDIATE ACTION FOR THE ELIMINATION OF THE WORST FORMS OF CHILD LABOUR

The General Conference of the International Labour Organization.

Having been convened at Geneva by the Governing Body of the International Labour Office, and having met in its 87th Session on 1 June 1999, and

Considering the need to adopt new instruments for the prohibition and elimination of the worst forms of child labour, as the main priority for national and international action, including international cooperation and assistance, to complement the Convention and Recommendation concerning Minimum Age for Admission to Employment,

1973, which remain fundamental instruments on child labour, and

Considering that the effective elimination of the worst forms of child labour requires immediate and comprehensive action, taking into account the importance of free basic education and the need to remove the children concerned from all such work and to provide for their rehabilitation and social integration while addressing the needs of their families, and

Recalling the Resolution concerning the elimination of child labour adopted by the International Labour Conference at its 83rd Session, in 1996.

Recognizing that child labour is to a great extent caused by poverty and that the long-term solution lies in sustained economic growth leading to social progress, in particular poverty alleviation and universal education, and

Recalling the Convention on the Rights of the Child adopted by the United Nations General Assembly on 20 November 1989, and

Recalling the ILO Declaration on Fundamental Principles and Rights at Work and its Follow-up, adopted by the International Labour Conference at its 86th Session in 1998, and

Recalling that some of the worst forms of child labour are covered by other international instruments, in particular the Forced Labour Convention, 1930, and the United Nations Supplementary Convention on the Abolition of Slavery, the Slave Trade, and Institutions and Practices Similar to Slavery, 1956, and

Having decided upon the adoption of certain proposals with regard to child labour, which is the fourth item on the agenda of the session, and

Having determined that these proposals shall take the form of an international Convention;

adopts this 17th day of June of the year one thousand nine hundred and ninety-nine the following Convention, which may be cited as the Worst Forms of Child Labour Convention, 1999.

Article 1

Each Member which ratifies this Convention shall take immediate and effective measures to secure the prohibition and elimination of the worst forms of child labour, as a matter of urgency

Article 2

For the purposes of this Convention, the term ''child'' shall apply to all persons under the age of 18.

Article 3

For the purposes of this Convention, the expression ''the worst forms of child labour'' comprises:

(a) all forms of slavery or practices similar to slavery, such as the same and trafficking of children, debt bondage and serfdom and forced or compulsory labour, including forced or compulsory recruitment of children for use in armed conflict;

(b) the use, procuring or offering of a child for prostitution, for the production of pornography or for pornographic performances;

(c) the use, procuring or offering of a child for illicit activities, in particular for the production and trafficking of drugs as defined in the relevant international treaties;

(d) work which, by its nature or the circumstances in which it is carried out, is likely to harm the health, safety or morals of children.

Article 4

1. The types of work referred to under Article 3(d) shall be determined by national laws or regulations or by the competent authority, after consultation with the organizations of employers and workers concerned, taking into consideration relevant international standards, in particular Paragraphs 3 and 4 of the Worst Forms of Child Labour Recommendation, 1999.

2. The competent authority, after consultation with the organizations of employers and workers concerned, shall identify where the types of work so determined exist.

3. The list of types of work determined under paragraph 1 of this Article shall be periodically examined and revised as necessary, in consultation with the organizations of employers and workers.

Article 5

Each Member shall, after consultation with employers' and workers' organizations, establish or designate appropriate mechanisms to monitor the implementation of the provisions giving effect to this Convention.

Article 6

1. Each Member shall design and implement programmes of action to eliminate as a priority the worst forms of child labour.

2. Such programmes of action shall be designed and implemented in consultation with relevant government institutions and employers' and workers' organizations, taking into consideration the views of other concerned groups as appropriate.

Article 7

1. Each Member shall take all necessary measures to ensure the effective implementation and enforcement of the provisions giving effect to this Convention including the provision and application of penal sanctions or, as appropriate, other sanctions.

2. Each Member shall, taking into account the importance of education in eliminating child labour, take effective and time-bound measures to:

(a) prevent the engagement of children in the worst forms of child labour;

(b) provide the necessary and appropriate direct assistance for the removal of children from the worst forms of child labour, and for their rehabilitation and social integration;

(c) ensure access to free basic education, and, wherever possible and appropriate, vocational training, for all children removed from the worst forms of child labour;

(d) identify and reach out to children at special risk; and

(e) take account of the special situation of girls.

3. Each Member shall designate the competent authority responsible for the implementation of the provisions giving effect to this Convention

Article 8

Members shall take appropriate steps to assist one another in giving effect to the provisions of this Convention through enhanced international cooperation and/or assistance, including support for social and economic development, poverty eradication programs, and universal education.

B. PROPOSED CONVENTION CONCERNING THE PROHIBITION AND IMMEDIATE ACTION FOR THE ELIMINATION OF THE WORST FORMS OF CHILD LABOUR

The General Conference of the International Labour Organization,

Having been convened at Geneva by the Governing Body of the International Labour Office, and having met in its 87th Session on 1 June 1999, and

Having adopted the Worst Forms of Child Labour Convention, 1999, and

Having decided upon the adoption of certain proposals with regard to child labour, which is the fourth item on the agenda of the session, and

Having determined that these proposals shall take the form of a Recommendation supplementing the Worst Forms of Child Labour Convention, 1999;

adopts this 17th day of June of the year one thousands nine hundred and ninety-nine the following Recommendation, which may be cited as the Worse Forms of Child Labour Recommendation, 1999.

1. The provisions of this Recommendation supplement those of the Worst Forms of Child Labour Convention, 1999 (hereafter referred to as ''the Convention''), and should be applied in conjunction with them.

I. Programmes of action

2. The programmes of action referred to in Article 6 of the Convention should be designed and implemented, as a matter of urgency, in consultation with relevant government institutions and employers' and workers' organizations, taking into consideration the views of the children directly affected by the worst forms of child labour, their families and, as appropriate, other concerned groups committed to the aims of the Convention and this Recommendation. Such programs should aim at, inter alia:

(a) identifying and denouncing the worst forms of child labour;

(b) preventing the engagement of children in or removing them from the worst forms of child labour, protecting them from reprisals and providing for their rehabilitation and social integration through measures which address their educational, physical and psychological needs:

(c) giving special attention to:

(i) younger children;

(ii) the girl child;

(iii) the problem of hidden work situations, in which girls are at special risk;

(iv) other groups of children with special vulnerabilities or needs;

(d) identifying, reaching out to and working with communities where children are at special risk;

(e) informing, sensitizing and mobilizing public opinion and concerned groups, including children and their families.

II. Hazardous work

3. In determining the types of work referred to under Article 3(d) of the Convention, and in identifying where they exist, consideration should be given, inter alia to:

(a) work which exposes children to physical, psychological or sexual abuse;

(b) work underground, under water, at dangerous heights or in confined spaces;

(c) work with dangerous machinery, equipment and tools, or which involves the manual handling or transport of heavy loads;

(d) work in an unhealthy environment which may, for example, expose children to hazardous substances, agents or processes, or, to temperatures, noise levels, or vibrations damaging to their health;

(e) work under particularly difficult conditions such as work for long hours or during the night or work where the child is unreasonably confined to the premises of the employer.

4. For the types of work referred to under Article 3(d) of the Convention and Paragraph 3 above, national laws or regulations, or the competent authority, may, after consultation with the workers' and employers' organizations concerned, authorize employment or work as from the age of 16, on condition that the health, safety and morals of the children concerned are fully protected, and the children have received adequate specific instruction or vocational training in the relevant branch of activity.

III. Implementation

5. (1) Detailed information and statistical data on the nature and extent of child labour should be compiled and kept up to date to serve as a basis for determining priorities for

national action for the abolition of child labour, in particular for the prohibition and elimination of its worst forms, as a matter of urgency.

(2) As far as possible, such information and statistical data should include data disaggregated by sex, age group, occupation, branch of economic activity and status in employment, school attendance and geographical location. The importance of an effective system of birth registration, including the issuing of birth certificates, should be taken into account.

(3) Relevant data concerning violations of national provisions for the prohibition and immediate elimination of the worst forms of child labour should be compiled and kept up to date.

6. The compilation and processing of the information and data referred to in Paragraph 5 above should be carried out with due regard for the right to privacy.

7. The information compiled under Paragraph 5 should be communicated to the International Labour Office on a regular basis.

8. Members should establish or designate appropriate national mechanisms to monitor the implementation of national provisions for the prohibition and elimination of the worst forms of child labour after consultation with employers' and workers' organizations.

9. Members should ensure that the competent authorities which have responsibilities for implementing national provisions for the prohibition and elimination of the worst forms of child labour cooperate with each other and coordinate their activities.

10. National laws or regulations or the competent authority should determine the persons to be held responsible in the event of non-compliance with national provisions for the prohibition and elimination of the worst forms of child labour.

11. Members should, in so far as it is compatible with national law, cooperate with international efforts aimed at the prohibition and elimination of the worst forms of child labour as a matter of urgency by:

(a) gathering and exchanging information concerning criminal offences, including those involving international networks;

(b) detecting and prosecuting those involved in the sale and trafficking of children, or in the use, procuring or offering of children for illicit activities, for prostitution, for the production of pornography or for pornographic performances;

(c) registering perpetrators of such offences.

12. Members should provide that the following worst forms of child labour are criminal offences:

(a) all forms of slavery or practices similar to slavery, such as the sale and trafficking of children, debt bondage and serfdom and forced or compulsory labour, including forced or compulsory recruitment of children for use in armed conflict;

(b) the use, procuring or offering of a child for prostitution, for the production of pornography or for pornographic performances; and

(c) the use, procuring or offering of a child for illicit activities, in particular for the production and trafficking of drugs as defined in the relevant international treaties, or for activities which involve the unlawful carrying or use of firearms or other weapons.

13. Members should ensure that penalties including, where appropriate, criminal penalties are applied for violations of the national provisions for the prohibition and elimination of any type of work referred to in Article 3(d) of the Convention.

14. Members should also provide, as a matter of urgency, for other criminal, civil or administrative remedies, where appropriate, to ensure the effective enforcement of national provisions for the prohibition and immediate elimination of the worst forms of child labour, such as special supervision of enterprises which have used the worst forms of child labour, and, in cases of persistent violation, consideration of temporary or permanent revoking of permits to operate.

15. Other measures aimed at the prohibition and immediate elimination of the worst forms of child labour might include the following:

(a) informing, sensitizing and mobilizing the general public, including national and local political leaders, parliamentarians and the judiciary.

(b) involving and training employers' and workers' organizations and civic organizations;

(c) providing appropriate training for government officials concerned, especially inspectors and law enforcement officials, and for other relevant professionals;

(d) providing for the prosecution in their own country of the Member's nationals who commit offences under its national provisions for the prohibition and immediate elimination of the worst forms of child labour even when these offences are committed in another country;

(e) simplifying legal and administrative procedures and ensuring that they are appropriate and prompt;

(f) encouraging the development of policies by undertakings to promote the aims of the Convention;

(g) monitoring and giving publicity to best practices on the elimination of child labour;

(h) giving publicity to legal or other provisions on child labour in the different languages or dialects;

(i) establishing special complaints procedures and making provisions to protect from discrimination and reprisals those who legitimately expose violations of the provisions of the Convention, as well as establishing help lines or points of contact and ombudspersons;

(j) adopting appropriate measures to improve the educational infrastructure and the training of teachers to meet the needs of boys and girls;

(k) as far as possible, taking into account in national programs of action the need for job creation and vocational training for the parents and adults in the families of the children working in the conditions covered by the Convention and the need for sensitizing parents on the problem of children working in such conditions.

16. Enhanced international cooperation and/or assistance among Members for the prohibition and effective elimination of the worst forms of child labour should complement national efforts and may, as appropriate, be developed and implemented in consultation with employers' and workers' organizations. Such international cooperation and/or assistance should include:

(a) mobilizing resources for national or international programmes;

(b) mutual legal assistance;

(c) technical assistance including the exchange of information;

(d) support for social and economic development, poverty eradication programmes and universal education.

ILO CONVENTION

Mr. HARKIN. Mr. President, as my good friend from Delaware is aware, last week the International Labor Organization (ILO) unanimously adopted a new Convention on the Worst Forms of Child Labor. This Convention calls on ILO Member States to take immediate and effective actions to prohibit and eliminate the worst forms of child labor. The Convention also defines the worst forms of child labor as: all forms of slavery, debt bondage, forced or compulsory labor, or the sale and trafficking of children, including forced or compulsory recruitment of children for use in armed conflict; child prostitution; children producing and trafficking of narcotic drugs; or any other work which by its nature or the circumstances in which it is carried out, is likely to harm the health, safety, or morals of children. It also defines a child as any person under the age of 18.

I was privileged to travel with the President to the ILO where he addressed the delegates on child labor and affirmed the United States Government support of this important Convention.

Would the Senator from Delaware agree that this important and historic Convention should be considered as a high priority item and considered in a timely fashion after submission to the Senate by the President?

Mr. BIDEN. My friend from Iowa is correct. This is an important Convention and I assure you that from my point of view this new Convention on the Worst Forms of Child Labor should be a high priority. I am aware that this Convention pertains to abolishing child slavery, child prostitution and other hazardous work endangering a child's well-being. Therefore, I will work with the Chairman of the Committee to try to bring this treaty before the Committee as soon as practical after it is submitted by the President.

THE PATIENTS' BILL OF RIGHTS

Mr. HARKIN. Mr. President, I will make a few comments about the importance of managed care reform and the importance of passing a strong Patients' Bill of Rights in this Congress.

The bill that my colleagues on the other side of the aisle want us to consider, I believe, is fundamentally flawed. First, it fails to cover two-thirds of privately insured Americans. Secondly, it fails to prevent insurers from arbitrarily interfering with the decisions of a patient's treating physician. And, third, it is weak in giving consumers the right to sue their insurance companies for faulty decisions to withhold care.

Today, I want to focus on a few issues that have critical importance to me: access to specialty care, network adequacy, and genetic discrimination.

When we marked up the bill in the Health, Education, Labor and Pensions Committee, I offered an amendment to ensure that patients have access to the specialty care they need. I intend to offer it again if we are ever allowed a full and fair debate on this bill.

This is a critical issue for people with disabilities, women with breast cancer, and others with chronic health conditions. But it is important for all Americans. The inability to access specialists is the number-one reason people

give when they leave a health plan, and it is a top issue they want Congress to address.

The Republican bill is deficient in this area. Aside from two minor provisions regarding access to OB/GYNs and pediatricians—access that almost all health plans already provide—there is nothing in the Republican bill that guarantees access to specialty care such as that provided by neurologists, pediatric oncologists, rehabilitation physicians, and others.

We need to ensure that people can see specialists outside of their HMO's network at no additional cost if specialists in the plan's network cannot meet their needs. We need to allow a specialist to be the primary care coordinator for patients with disabilities or life-threatening or degenerative conditions. And we need to provide for standing referrals for people who need ongoing specialty care, which enables them to go straight to the specialist instead of jumping through hoops with primary care doctors or insurance companies.

These provisions would not create onerous new burdens on plans. In fact, many plans already allow specialists to be primary care coordinators, and they let people have standing referrals. Most importantly, they address the tragic cases we have heard about that stem from delay or denial of access to specialists.

Finally, helping people get timely access to specialty care is not just smart and compassionate policy; it will also help minimize the need for litigation that results from a failure to have access.

Another amendment I have been working on ensures that each insurance plan has sufficient providers in its network to deliver the care that is promised. Again, this is an area where the Republican bill is, I think, very inadequate. There is no provision in the Republican bill to ensure network adequacy. This is a very important issue in my State of Iowa.

My amendment ensures that every network plan has a sufficient number and mix of providers to deliver the covered services.

It also requires plans to incorporate a primary care physician in their network who is within 30 minutes or 30 driving miles of a patient's home. If the plan cannot include patients within that distance, patients need to be allowed to go ''out-of-network'' to obtain the care they need. In other words, no one should have to drive more than 30 miles or 30 minutes to see a primary care physician.

It is important to understand what is happening now. Many managed care companies now contract only with urban-based providers. Not only does this require patients to travel considerable distances to receive basic health care, but these urban-based networks also weaken the rural health infrastructure by shutting local doctors and local clinics out of the network. This is wrong and must be stopped.

I have been working also on the genetic issues of this since the early 1990s when I introduced an amendment to the HIPAA that prohibited genetic discrimination by group health plans. As ranking member of the Labor-HHS appropriations subcommittee, I have also been and continue to be a strong supporter of the Human Genome Project. In the HELP Committee, the authorizing committee, I worked with Senators DODD and KENNEDY on a genetic discrimination amendment. I intend to continue working on this issue when and if we get a Patients' Bill of Rights on the floor.

We have all discussed at length the importance of prohibiting discrimination on the basis of all predictive genetic information in all health insurance markets. I am pleased that the Republican bill recognized that we need to prohibit discrimination in the group and in the individual markets, and that we need to prohibit discrimination not only on the basis of genetic tests but on the basis of a person's family history.

Still, the Republican bill failed to address several other equally critical issues in this area. The bottom line is that we must prohibit discrimination by insurers and employers.

To prohibit discrimination in one context only invites discrimination in the other. For example, if we only prohibit discrimination in the insurance context, employers who are worried about future increased medical costs will simply not hire individuals who have a genetic predisposition to a particular disease.

Similarly, we must prohibit health insurance companies from disclosing genetic discrimination to other insurance companies, to industry-wide data banks, and employers. If we really want to prevent discrimination, we should not let genetic information get into the wrong hands in the first place.

Finally, if we really want a prohibition of genetic discrimination to have teeth, we have to have strong remedies and penalties. The $100-a-day fine against health insurers that my colleagues across the aisle have proposed will do little to prevent health insurers from discriminating, and it does nothing to compensate a victim of such discrimination. We must do better than this.

Mr. President, let me say that we must not pass up this chance to make true and significant reforms to managed care programs. This is the issue that the American people have said they most want the Congress to address. And they are watching us carefully to see if we will enact real reform or a series of meaningless sound bites.

If we take strong action that allows clear-cut access to specialty care, ensures network adequacy, and prohibits genetic discrimination, we will have gone a long way to providing real reform and providing for a meaningful Patients' Bill of Rights.

I yield the floor.

Mr. LEAHY addressed the Chair.

The PRESIDING OFFICER. The Senator from Vermont is recognized.

Mr. LEAHY. Mr. President, I ask unanimous consent that I be allowed to speak for up to 10 minutes on a subject involving landmines.

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

KOSOVO'S MINEFIELDS

Mr. LEAHY. Mr. President, as thousands of Kosovar Albanians flood across the Macedonian and Albanian borders, we are getting the first reports of refugee landmine victims. Last week, two refugees were killed and another seriously injured as they hurried to return to their homes in Kosovo.

Just put this in perspective. Some 25 people have been injured or killed by mines in Kosovo since the refugees began returning. It is a senseless loss of life and it is tragic, but it is predictable. It is predictable because tens of thousands of landmines were left behind by Serb forces. Others were put there by the KLA. They litter fields, roads, and bridges, and they have even been left in houses. They have been left in booby traps. As sad as anything, there are mass graves marking the atrocities that have occurred there. And as family members go back to try to find out if their loved ones are in those graves, even some of the graves have been booby-trapped by landmines.

These landmines are the greatest threat to people on the ground, including NATO forces, and the number of innocent victims—children playing, farmers plowing their fields, women walking along the roads—will continue to rise.

It is one thing to conduct an air war with the latest laser-guided technology and, thankfully, there were no NATO casualties, but it is another thing to face an invisible enemy on the ground. In Bosnia, most U.S. casualties were from landmines. In Kosovo, too, mines are the invisible enemy. They can't distinguish between friend or foe, soldier or civilian, adult or child.

A June 15 article in the Los Angeles Times entitled, ''A Strategy on Land Mines is Needed Now,'' described the problems mines pose in Kosovo, and they called on the international community to develop a comprehensive strategy for clearing the mines and aiding the victims.

Such a strategy is critical to promoting peace and moving forward with reconstruction and economic development. The United States, as the leader of NATO, will play a key role in designing and financing that strategy.

But the article neglects to address another key part of the problem—the continued use of mines. It is a bit similiar to trying to keep garbage out of a river. You can clean up the garbage, but if people keep dumping it into the river, you haven't solved the problem. You need to stop garbage from being dumped. We need to stigmatize antipersonnel mines so they are

not put into the ground in the first place by anybody, by any country, by any combatant, by anyone anywhere.

That is what most countries are trying to do. Now, 135 countries have signed the Ottawa Convention that bans the use of antipersonnel mines, and 81 countries have ratified it. That convention sets a new international norm outlawing a weapon that has caused enormous suffering of innocent people in some 70 countries.

Like booby traps, which are also outlawed, mines are triggered by the victim. They are inherently indiscriminate and the casualties are usually noncombatants.

Unfortunately, the most powerful Nation on earth, the United States, has not joined the convention. So despite the leading role the United States has taken in demining and helping victims, we, like Russia, China, and some other countries that manufacture mines, are standing in the way of the effort to outlaw this weapon.

Ironically, every member of NATO, except the United States and Turkey, has signed the Ottawa Convention. We not only weaken the convention by our absence, we also complicate joint military operations with our NATO allies.

Now, the United States can send deminers, those who remove the mines. We can give millions of dollars in aid to mine victims. The Leahy War Victims Fund does that every year in the sum of many millions of dollars. We can sit down with other nations to rebuild as many countries as there are conflicts. But the truth is, the only effective strategy to stop the carnage caused by landmines has three parts: Demining, victims assistance, and most importantly, banning their use today, tomorrow, and forever. That is what the Ottawa Convention does. Unless countries such as the United States, Russia, Pakistan, India, and China join, they invite others to keep using mines. It is in Kosovo today but somewhere else tomorrow.

The United States is not causing the landmine problem, but the United States is blocking a total solution because, without us, there is no solution.

I ask unanimous consent that the text of the Los Angeles Times article be printed in the RECORD.

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

[From the Los Angeles Times, June 15, 1999]

A STRATEGY ON LAND MINES IS NEEDED NOW

(By Robert Oakley, Lori Helene Gronich, Ted Sahlin)

Tens of thousands of land mines will be left behind as Serb forces withdraw from Kosovo, and nobody has a long-term plan for removing them. The international community must begin work together now to develop an integrated approach or prospects for peace and economic recovery in Kosovo will be thwarted.

Knowledge about the relationship between land mine problems, peace settlements and rebuilding shattered communities is scarce. Operation Provide Comfort in Iraq and the stabilization of affairs in Bosnia are experiences that can help shape effective planning for Kosovo. In northern Iraq, there were recognizable phases to the refugee operation. First, the military entered and secured the area. Mines were removed from refugee reception zones and core transportation routes. Then, international relief organizations came forward and restarted their local operations.

But the next step—taking these mines out of the ground—did not take place. Despite the valuable mine location information provided by area residents and some international relief workers, land mines were treated as an acceptable, if pernicious, danger to the population. Wise planners will include the accounts of local residents and international aid workers in Kosovo.

Large-scale mine removal normally occurs when the threat of violence has receded, armed forces have departed, and local governance has been restored. National and international organizations then work with local leaders to develop long-term aid plans and mine-removal programs.

In Bosnia, soldiers and civilians alike were aware of the land mine threat. Allied military forces, after several fatalities and traumatic injuries, made land mine awareness among the troops a high priority. These troops, however, primarily removed mines when it was necessary for force protection. International companies, local contractors and local forces tackled the larger mine problem, and they are still at work today. Not only do they compete for funding, they influence priorities as well. This is not a comprehensive master plan.

All five components of mine action—awareness; surveying, mapping and marking; removal; destruction; and victim assistance—should be an integral part of any comprehensive international operation. First, all minefield information must be given immediately to allied leaders. Should any of the combatants have only incomplete or inaccurate mine records, their soldiers should show the entering forces just where the mines have been placed. This will save lives. It was not done in Bosnia, and it exacted a high price. Human suffering remains, and economic output is still less than half of what it was in 1990.

In the initial phase of the Kosovo peace, international military forces will clear mines to protect themselves and allow for the necessary freedom of movement to accomplish their mission. This mine-clearing effort should also support the rapid return of refugees and the swift resumption of local commerce. Military mine-clearing and mine-awareness training should be supplemented by mine-awareness education for refugees and internally displaced persons. Assuring adequate medical supplies and attention for mine casualties should be a high priority.

Once the initial phase of a Kosovo deployment is completed, the international protection force is likely to limit and then stop its mine-clearance work. Civilian groups must then take over. International experts often are brought in to help training local residents in mine safety and removal. Local security forces can also be trained and equipped to participate. Despite the widespread belief that mine clearance is an integral part of post-conflict peace-building, economic revitalization and sustainable development, there is no agreed model for addressing or even coordinating these different needs and roles.

If the work in Kosovo is to be effective, international planners must develop a comprehensive strategy now. Otherwise, the fighting may cease, but the casualties will go on.

Mr. LEAHY. Mr. President, I will close with this, as I have many other times. In the use of any weapons, there always will be questions as to who is right and who is wrong. But I have to think the use of landmines raises beyond a strategic question, raises the real moral question, and because the victims of landmines are so disproportionately civilian, we do get into moral questions. As the most powerful Nation on earth, and also the Nation most blessed with resources and advantages of any nation in history, I think we fail a moral duty if we don't do more to ban the use of antipersonnel landmines.

It is a child walking to school. It is a mother going to a stream to get water. It is a parent tilling what little fields they have. It is somebody trying to help out with medical care. It is a missionary. It is so many others—all on peaceful, proper pursuits of their lives. They are the ones who step on these landmines and are killed or maimed. The child who sees a shiny toy in the field and loses his arm and his face. It is the person who tries to save the child who steps on the mine itself. It is the refugee family trying to go back to the country that they were expelled from who are dying from them. We have to do more.

I wish there would be a day when there would never be another war. There will not be. We can't stop that. But we can take steps to stop the day that landmines will ever be used again.

I yield the floor.

AGRICULTURE, RURAL DEVELOPMENT, FOOD AND DRUG ADMINISTRATION, AND RELATED AGENCIES APPROPRIATIONS ACT, 2000

The PRESIDING OFFICER. The Senate will now resume consideration of the agriculture appropriations bill, S. 1233, which the clerk will report.

The legislative clerk read as follows:

A bill (S. 1233) making appropriations for Agriculture, Rural Development, Food and Drug Administration, and Related Agencies programs for the fiscal year ending September 30, 2000, and for other purposes.

Pending:

Dorgan (for Daschle) amendment No. 702, to amend the Public Health Services Act, the Employee Retirement Income Security Act of 1974, and the Internal Revenue Code of 1986 to protect consumers in managed care plans and other health coverage.

Lott amendment No. 703 (to Amendment No. 702), to improve the access and choice of patients to quality, affordable health care.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KENNEDY. Mr. President, what is the business before the Senate at this time?

The PRESIDING OFFICER. The Senate is currently considering S. 1233, the agriculture appropriations bill and the pending amendment is amendment No. 703.

Mr. KENNEDY. Mr. President, now we are back to where we were yesterday just about 24 hours ago. At the request of the Democratic leader, the

amendment on the Patients' Bill of Rights was submitted to the Senate as an amendment on the appropriations bill yesterday afternoon. The majority leader then offered an amendment to that amendment, which was effectively the legislation that was passed out of the Health and Education committee some 3 months ago and the tax provisions from the Senate Republican leadership proposal. That is an amendment to Senator DASCHLE's proposal.

We have this measure now before the Senate. Many of us over the last 2 years have tried to gain the opportunity to debate what we call the Patients' Bill of Rights. The underlying concept of the Patients' Bill of Rights is very simple and very straightforward. Our legislation has the strong and compelling support of over 200 organizations all across this country. Medical decisions that affect the members of our families ought to be made by doctors—by professional, trained medical personnel—and the patients. They ought to be the ones that make the decisions that are going to affect our lives and the lives of our families, our grandparents, and our children. Those decisions should not be made by an insurance agent, or by an HMO official.

This is a very basic and fundamental concept, and all of the basic measures—the proposals—that are advanced in our Patients' Bill of Rights, which was introduced by Senator DASCHLE, reflect this concept. The Republican proposal does not address this critically important concept. I call the Republican proposal the ''patients' bill of wrongs.'' They use the right words in their title, but that's it. Their bill doesn't guarantee that these decisions are going to be made by the doctors and nurses and by the trained medical professionals.

The Members of this body do not have to take what I say on this interpretation of the Republican proposal. The fact remains that we have been waiting and waiting and waiting for well over a year, or for close to 2 years, to hear from our Republican friends about the medical associations or the medical professionals that support their proposal. Let's be clear, we don't advance this proposal because we are Democrats. We advance it because it will protect consumers and families in this country.

It isn't that I say it, or that Senator DASCHLE says it, or that any of our colleagues say it. It is because the doctors in this country say it. The American Medical Association says it. The American Nurses Associations says it. The consumer organizations that have been dedicated to protecting patients have said it.

If you look over the list of those various groups that are supporting our particular proposal, you will find that virtually every organization that represents women's health care support our legislation, and for very good reasons, which we will outline today. Virtually every leading group that has dedicated itself to protecting the well-being of children in our society and the health care of children are supporting our proposal. Why? For very good reasons, which have been outlined before by Senator DASCHLE, Senator REED and those of us who support helping children. You will find that virtually every organization in this country that is concerned about the needs of the disabled in our society is supporting our program. Virtually every group that is concerned about cancer and cancer research is supporting our particular proposal. And virtually none are supporting the opposition's proposal.

This is something that the American consumers ought to understand. This is something the American consumers ought to realize.

I see our leader on the floor at this time. I think all of us are looking forward to listening to his presentation.

I yield the floor at this time and will come back and address the Senate.

Mr. DASCHLE. Mr. President, if the Senator will yield, he was talking earlier about the amazing array of groups in support of our bill. I think I heard the Senator say it really represents virtually the entire universe of health care provider organizations that we know in this country. Certainly they are not all necessarily Democratic groups or progressive groups.

Would the Senator comment on the diversity of the groups supporting our proposal? I think this is a point that is sometimes lost—the breadth of organizations that say this is a top priority as a legislative issue.

Mr. KENNEDY. As the Senator knows full well, we can take one example. There are many, and we will come back to those later in the afternoon. But the Senator has been a strong supporter in terms of increasing the NIH research budget and has followed the various recommendations so that hopefully we are going to double the NIH research budget. Our Republican colleagues have supported this proposal. Senator MACK and Senator SPECTER have been leaders. Senator HARKIN has been one of the important leaders. Many other Members have supported that proposal. Why? Because it is universally accepted that we are in the early morning sunrise period of major scientific breakthroughs on many of the kinds of diseases that affect millions of our fellow citizens.

This year, more than 563,000 will die from cancer, and 1.2 million will be diagnosed. We have these enormous potential breakthroughs that can mean the difference between life and death. These breakthrough treatments allow individuals some degree of hope of being freed from Alzheimer's or Parkinson's disease or cancer. Every medical researcher understands that. That is why they support the access to clinical trials piece in our proposal. When they have the breakthrough in the laboratory, they want to get it to the bedside. The way that is done is through clinical trials.

Under the Daschle proposal, we would continue the traditional support for clinical trials so that we can move these breakthroughs that are coming in the laboratory to the patients, to the mothers, and to the daughters, and to others.

Mr. DASCHLE. Will the Senator explain the term ''clinical trials?'' The Senator has made such an important point about this issue. There are so many differences between the Republican and Democratic bills. One of the myriad of differences has to do with the so-called ''clinical trial'' provision. The Senator has spoken on the floor so patiently and eloquently about the concept of clinical trials and access to them. When we talk about clinical trials, are we talking about innovative techniques to respond to health problems that take full advantage of research and the opportunities of medicine that this country provides? Are we talking about giving people access to that medicine and cutting-edge technology just as soon as it is available?

Isn't that really what we are talking about?

Mr. KENNEDY. The Senator is absolutely correct.

If I could add to what the Senator has said, we have made great progress in dealing with cancer, especially children's cancers, over the last 10 years. The principal reason for this progress is the large number of clinical trials. We should take the time to spell out what has actually happened in the clinical trials and why that is an important provision of the leader's Patients' Bill of Rights.

Mr. DASCHLE. We should talk about clinical trials and how critical they are.

I ask the Senator if he could inform Members what impact it would have on an individual were he or she able to have access to clinical trials today under this bill?

Mr. KENNEDY. Senator, I will speak from a personal point of view. My son was 12 years old when he was diagnosed with osteosarcoma, bone cancer. Chances of survival were 15 percent; the mortality rate was 85 percent. We were able to enroll my son in a National Institutes of Health clinical trial, which only 22 children had gone through successfully. He was in that program for 2 years. By the time he finished, they had more than 400 children taking part in that program who survived osteosarcoma, with a breakthrough new treatment for osteosarcoma. Seven thousand children are affected every single year. At that time, the loss of a leg was a matter of course; it is not at the present time.

There is no question that not only my son but many of the other children would not likely have survived had they not participated in the clinical trial. That treatment for osteosarcoma is now the standard treatment and is saving countless children's lives.

There are many other examples. Our greatest progress in cancer research

and in treating cancer has been a direct result of clinical trials.

Mr. DASCHLE. If the Senator would yield for a clarification, is the Senator saying that in many cases today insurance companies and managed care organizations are refusing to allow a patient access to the very kind of treatment that you say your son received? Is that what is going on?

Mr. KENNEDY. Not only am I saying that, but most important is that the directors of the Lombardi Cancer Research Center, located here in Washington, DC, one of the major centers in the country in cancer research programs and clinical trials, is saying that as well. The director says they employ eight professionals who work 18 hours a day combating health maintenance organizations to help enroll women in breast cancer clinical trials. Doctors have recommended patients for clinical trials, with treatment that can probably save their lives, but due to resistance and denials by the health maintenance organizations, those women are effectively denied treatment that may save their lives. That is happening today.

As the Senator knows, all we are trying to do with this particular proposal is follow sound medical guidelines, the medical guidelines that your doctor—who may be an oncologist acting on behalf of a victim of breast cancer—believes, given the clinical trials taking place, providing you a real chance of surviving if we enlist you in the clinical trial; this is in your medical best interest.

Your bill says your physician's medical determination is going to be the controlling judgment. It isn't going to be an accountant in the HMO who says: We don't believe that treatment is justified and we are not prepared to pay for it; I am making the medical judgment—even though I am trained as an accountant.

Mr. DORGAN. Will the Senator yield?

Mr. KENNEDY. I am happy to yield to the Senator.

Mr. DORGAN. The Senator is talking now about specifics, and Senator DASCHLE was asking about clinical trials.

Let me ask another specific. Regarding emergency room treatment. Senator KENNEDY makes the point there is the Patients' Bill of Rights on this side and the Patients' Bill of Rights on that side. But they are not the same. There is a big difference.

Let me give an example regarding emergency room care. I told the story of a case of a woman named Jacqueline the other day. Jacqueline is a real person. She was hiking in the Shenandoah. While hiking in the Shenandoah, she slipped and fell down a 40-foot cliff. She fractured three bones in her body, including her pelvis. She was unconscious. She was medivac'ed by helicopter, taken to a hospital emergency room, and treated. She survived.

The HMO said: We don't intend to pay for your emergency room treatment because you didn't have prior approval to go to the emergency room.

This is a woman who was unconscious.

The Patients' Bill of Rights that the AMA and so many other groups have endorsed—they have written in support—is different from the bill the majority party offers in the emergency room treatment in the sense that we require not only the ''prudent'' layperson standard in emergency care and emergency room, but we require also the poststability care that is necessary after you have been to an emergency room, and their bill does not do it.

Mr. KENNEDY. The Senator is absolutely correct. We have had constant examples of abuses that have taken place. Senators have printed in the RECORD these human tragedies.

The Senator understands fully that this is not only something from last year or something from last month. The situation the Senator has outlined is happening today. It has happened this morning; it has happened this afternoon; it will happen tomorrow. It will continue to happen unless and until we pass this legislation.

Mr. DORGAN. I just described a case of a woman being hauled into the hospital unconscious and being told: We can't pay your bill because you didn't get prior approval for emergency room treatment.

That is absurd. That is the kind of horror story that requires all Americans to believe we must pass a Patients' Bill of Rights that has teeth and works to solve real problems.

Isn't it the case, with respect to emergency room care, that we in this Congress have already given all senior citizens in the Medicare program exactly what is proposed in our bill with respect to emergency room treatment and poststability care? Isn't it the case that every Member of the Senate has already voted for that in Medicare, saying yes, that is the right thing to do; but when it comes to the Patients' Bill of Rights they say: We want to have a Patients' Bill of Rights, but on our emergency room care, we don't intend to offer that protection on not only emergency room care but also poststability care in a hospital after you get out of the emergency room; we don't intend to offer that, even though we have already done that and voted for it for Medicare patients.

I don't understand the contradiction; does the Senator from Massachusetts?

Mr. KENNEDY. The Senator has correctly stated the current situation. It isn't only Medicare. It is also in Medicaid, as well as the Federal Employees Health Benefits Program. Every Senator has these protections.

The interesting question I ask the Senator, if these protections were such burdens on the delivery system, doesn't the Senator think he would have heard? These protections are available today, for those who are covered with Medicaid or Medicare. The other side in opposition to the Daschle proposal is always saying these protections are burdening the system, and we can't protect all Americans because it will burden the system?

The Senator has made the correct point. We do it today in Medicaid. We do it in Medicare. We do it for Federal employees. Most of the good HMOs do it. It is the bad apples that are threatening the well-being and the health of many of the citizens in our States whose procedures we need to address.

Mr. DORGAN. I will respond, if the Senator will yield to me further, with the story I told on the floor of the Senate, about the woman who was also injured, whose brain was swelling and who was in an ambulance being taken to a hospital and who said to the ambulance driver, I do not want to go to X hospital. She named the hospital. I want to go to Y hospital farther down the road. This woman lying in the back of an ambulance with a brain injury said: I want to go to the hospital farther away. Why did she say that? Because she read that the hospital that was closest had made decisions about patients' care that were more a function of corporate profit and loss than they were about health care, and she did not want, with a brain injury, to be wheeled into the emergency room with the notion somebody was going to look at her and make a dollar-and-cents decision about her health care.

Mr. DASCHLE. If the Senator will yield on that point, I would like to comment. I think what he has noted is exactly another reason why it is so important for us to have a debate about access to emergency rooms and other necessary care.

I would note that just the opposite of what the Senator describes oftentimes occurs. A managed care company, or an HMO, actually will make you drive past the nearest hospital to go to a hospital farther away, where they have a contract.

Sometimes a patient will choose not to use the nearest hospital, for a lot of reasons—better care, preferred specialists, different services. A patient may want to go farther away. But, in many cases, maybe a preponderance of cases, they actually have to drive past hospitals to go to the hospital the HMO has chosen, rather than the one they would choose for themselves.

Again, I think the Senator makes a very good point.

Mr. KENNEDY. May I just make this point? Access to emergency care, which is carefully protected in the leader's legislation, does the leader know that the provisions in his legislation were almost unanimously supported in the President's Commission on Quality Care? The one exception is the President's Commission did not make the recommendation that it be put in law, although they said every quality health maintenance organization ought to have it.

Second, the American Association of Health Plans has recommended it.

They do not mandate it, but they recommend it, saying it is essential in providing care.

The National Association of Insurance Commissioners—not a Democratic group, the majority of Insurance Commissioners are probably Republicans—has recommended it for the States. They say, in the States, as a matter of good quality health care, they ought to have the provisions which are in our Patients' Bill of Rights. As the Senators have pointed out, it has been included in Medicare.

So this proposal, which was offered and defeated in the Health, Education, Labor and Pensions Committee, should be a matter where we have an opportunity to present it and let the Senate make a judgment. As I mentioned, it has been recommended by the nonpartisan commission. It has been recommended by the independent insurance commissioners. It is in Medicare. We would like to hear on the floor of the Senate those individuals who are opposed, those individuals who say no to this particular protection. That is the kind of protection that is included in the Daschle proposal, which is of such importance.

Mr. President, I see others want to speak on this proposal.

In looking down this list of protections, you can ask yourselves: Where do these protections really come from? As I mentioned, the protections we have put into the Daschle proposal are effectively the ones supported by the President's commission, the American Association for Health Plans, and the Insurance Commissioners. It is in Medicare. It is working, and it is working effectively. We do not have examples that protecting those under Medicare is a burden, and I do not think those who are opposed to that particular proposal can make an effective case in opposition to this provision.

I will take the time later to mention two or three more protections. Virtually every one of these protections is either part of a recommendation from the President's commission, part of the recommendations of the American Association of Health Plans, recommended by the state Insurance Commissioners, or is being implemented and protecting persons covered under Medicare.

These are commonsense proposals. They are not protections we have suddenly grabbed from some way-out organization or group. They are fundamentally rooted in sound health care practices. That is the case we want to bring to the floor of the Senate.

I see my colleague and friend on the floor now, wishing to speak. I will be back to address the Senate shortly.

The PRESIDING OFFICER (Mr. BENNETT). The Senator from North Carolina.

Mr. EDWARDS. Mr. President, I thank my colleague from Massachusetts. First, on this issue of the Patients' Bill of Rights, I ran for the Senate in part so I could address this issue, which is of critical importance to the people of North Carolina and the people of America, in a completely nonpartisan way. I am not interested in engaging in partisan politics between Democrats and Republicans. What I am interested in is a real discussion about an issue that is absolutely critically important to the people of this country and the people of North Carolina. Let me talk briefly about one aspect of the Patients' Bill of Rights that I think is so important.

Imagine there is a 29-year-old woman who lives in the Research Triangle of North Carolina which is between Raleigh-Durham and Chapel Hill, between Duke University Medical School and the University of North Carolina Medical School. Let's assume she is the mother of two children, having recently had a young child, born 6 months ago. She goes in for a postpartum checkup after the birth of her child, and the doctor looks at a mole on her back that seems suspicious. After some further testing, it is confirmed that her and her family's worst nightmare is true; she has a melanoma.

After they do further investigation, they determine there are clinical trials going on at Duke University Medical Center, just down the road from where she and her family live, which could provide lifesaving treatment for her condition. So she goes to her HMO and says: I want to be part of this; I want to make sure I have access to the best health care available. Literally, her life is as stake. She finds out from her HMO, unfortunately, that Duke is not part of the network of her HMO. So, as a result, treatment for her melanoma, which is so critically needed, is not available.

Here we have a situation where a simple thing is true. An HMO system, a health insurance system, a health insurance company, should not be able to stand between this woman and the lifesaving medical treatment she so badly needs and her family so badly needs for her. A real Patients' Bill of Rights would ensure that someone in her condition would have access to the best specialty care available, whether or not that care is within or without her HMO network. It would ensure, in my example, that she could, in fact, go 15 miles down the road to Duke University Medical Center and get the treatment that may well save her life—the life of a mother and a wife.

This is the kind of thing we need to be doing something about in the Patients' Bill of Rights. She should not be confronted with an obstacle course in order to get the treatment she needs and deserves. She needs to have ready, direct access to the care she obviously needs under these circumstances. That was an illustration.

I want to talk, secondly, about a real-life example. We received a phone call in my office from a young man who lives in Cary, NC, which is just outside of Raleigh. His name is Steve Grissom. Fifteen years ago, Steve Grissom was diagnosed with leukemia. The truth is, for most people, that would be an extraordinary life-altering and devastating thing to have occur. Unfortunately, that is not the end of the problem for Steve Grissom.

In 1985, because of his leukemia, he was required to have a blood transfusion. Most folks who are listening to this story probably know where it is headed. As a result of this blood transfusion, which he had to get because of his leukemia, he now has AIDS. He got AIDS as a result of the blood transfusion.

With the onset of AIDS, he had multiple medical problems. Included among those medical problems was the development of something called pulmonary hypertension which made it very difficult for him to breathe. The doctors who treated him prescribed oxygen 24 hours a day, 7 days a week to help him maintain his oxygen level. This prescription was made by a pulmonary specialist at Duke University, something that was clearly needed to save his life.

He was doing fine. Then his employer changed health care companies, unbeknownst to him. When the new HMO took over, they cut off payment for the oxygen that Steve had been dependent on for a long time now—24 hours a day, 7 days a week.

Let me tell you how that decision was made. It was not made by some medical doctor who examined Steve and decided he did not need this treatment. It was not made by a specialist who had a different opinion than the pulmonary specialist at Duke University. Instead it was made by a clerical/bureaucratic person at the HMO sitting behind a desk looking at papers. The conclusion that person came to was that his oxygen saturation levels were not sufficiently low under their criteria to justify him receiving oxygen 24 hours a day, 7 days a week, even though the most highly trained medical specialist in the area at Duke University Hospital had prescribed this oxygen for him. He said it was lifesaving, absolutely critical.

The result of all this was basically an insurance company bureaucrat sitting behind a desk overrode a doctor who has spent his life in this area, who had become one of the best known pulmonary specialists in the country at Duke University, who had prescribed this oxygen therapy for Steve. Here is a man who has been confronted with extraordinary setbacks in his life, the kinds of things that would put most of us under the ground.

Here is the extraordinary thing about Steve Grissom. He has continued to fight. Even though his health insurance company now says they will not pay for the care he needs, he has managed to pay out of his own pocket for as much of this care as he can get.

He has called my office and said: I want to come to Washington. I want to testify. I want to talk to Members of

the Senate, Members of the Congress. I want to tell them about the problem I am having getting any continuity of care which I so desperately need.

The truth of the matter is, what Steve Grissom is doing is he is fighting in every way he knows how to cease being a statistic, to stop being a name and a number on a piece of paper on somebody's desk sitting in an insurance company office.

He is an extraordinary example of heroism. He is the kind of person whom I think most of us would hold up to our children and members of our family as what we hope they will be when confronted with extraordinary, difficult setbacks.

He fought back. He got the blood transfusion he needed in 1985. When he was then confronted with something that would absolutely overcome most people, which is AIDS as a result of the blood transfusion, he continued to do everything in his power to get the treatment he needed and go forward with his life.

When he was on oxygen 24 hours a day, 7 days a week just to stay alive and his employer changed HMOs and they cut off payment for the treatment that kept him alive, he continued to fight. Here is the most extraordinary thing about it. Not only has he continued to fight, not only has he expressed a willingness to come and talk to Members of the Senate, to testify before this Congress about what he has been confronted with, there is absolutely no bitterness in this man. He has been kind and gracious. He has said: I want to do everything I can to ensure that what has happened to me does not happen to other Americans, does not happen to other North Carolinians. I want to explain to Members of Congress why it is so critically important that we pass a meaningful Patients' Bill of Rights, one that will protect people who are confronted with the kind of situation with which I am confronted.

The truth of the matter is, it is extraordinary that he is still alive. He continues to be a huge part of his family's life. He is, by any measure, a hero. But to the insurance company, Steve Grissom is a liability. He is somebody who costs $515 a month to pay for the oxygen that is needed to keep him alive.

The reality is that they made the decision about Steve Grissom for the same reason that HMOs and health insurance companies make these decisions all across the country, affecting children and adults and families all over this country every day. They did it based on the bottom line—profits. They had established an arbitrary criteria for what was necessary for somebody in Steve's situation to get oxygen therapy and treatment that he needed. Regardless of his individual situation, regardless of the fact that the doctors who were responsible for treating him, who are highly trained, highly specialized experts at Duke University Medical Center, had said he needs this treatment, they rejected it. They made the decision that no longer would he receive this oxygen, and they would not pay for it anymore.

I cannot help but believe the majority of Americans think that what has been done to Steve Grissom is wrong; that the courage he has shown in the face of extraordinary adversity is something that should be admired and looked up to. He is absolutely entitled to the benefit of the doubt, to the extent there is any doubt, that a specialist at Duke University has determined that he is entitled to this treatment that he so desperately needs.

Mr. KENNEDY. Will the Senator yield for a question?

Mr. EDWARDS. Yes.

Mr. KENNEDY. Given that this patient is denied the treatment that can make all the difference in restoring his health or well-being, and given that we have heard examples where, as a result of denying that treatment, a decision made by the health maintenance organization despite the recommendations of the medical professional—can the Senator tell me the remedies available? What remedies are available to a family whose loved one dies or whose loved one sustains a permanent injury because a judgment was made by the insurance company or the HMO, in conflict with the recommendation by the treating doctor. What remedy is available to that family that loses its breadwinner or has to care for an individual who is permanently injured for the rest of their life? What remedy is available for the family who loses a loved one due to the negligence or the clear malfeasance of the insurance company or the HMO?

Mr. EDWARDS. The Senator's question highlights an enormous problem in existing law and a problem that we are trying to desperately cure in this Patients' Bill of Rights.

Under the circumstance I have just described, if something happens to Steve Grissom, i.e., he suffers more serious injury or dies as a result of an arbitrary decision made by an insurance company bureaucrat, if that occurs, first of all, under the existing law, that HMO and that bureaucrat cannot in any way be held responsible. They are totally immune to responsibility, unlike every other American—you, I, any other American—who could be held accountable in court for that decision. They are totally immune from responsibility. They are protected.

As a result, they only have one incentive for what they do, and that incentive is the green dollar bill, the profit, the bottom line. It is the only thing that matters to them. That is the basis on which these decisions are made.

Not only that, not only can they not be held accountable in court, I say to the Senator, there is not even an independent review board that can look at this decision that has been made and determine whether it is unfair, whether it is unjust, and whether it is medically unsound.

So basically, Steve Grissom and his family, in this life-threatening situation, are confronted with a circumstance where they have no remedy at all. They can do absolutely nothing.

Does that answer the Senator's question?

Mr. KENNEDY. Further, is the Senator suggesting that this is the only area in civil law that a remedy is really being denied on the basis of real negligence, malfeasance? Are these the only companies in America that have this sort of privileged position of being free from what I think most Americans would understand as accountability? Is that what the Senator is suggesting?

Mr. EDWARDS. That is exactly what I am suggesting, I say to the Senator.

I add, anecdotally, one of the things that the Senator knows, I have come from 20 years of having represented folks in court cases. One of the questions we always ask jurors in the process of jury selection is: Do you believe everyone should be treated exactly the same in this courtroom? Universally, the answer is yes. Because the American people are fairminded. They believe everyone should be treated equally, everyone should be treated the same. They believe in both personal and corporate responsibility, that everybody ought to be held accountable for what they do or do not do—the very same way we teach our children they should be held accountable for what they do or do not do.

Instead, under existing law in this country, we have decided HMOs and health insurance companies are privileged characters. They get treated in a way that no other American business is treated, that no other American citizen—the people who are listening to this debate—is treated. They are held responsible for what they do.

But for some reason, under the law, unless and until we are able to change it, HMOs and health insurance companies are treated in a very privileged way. They cannot be held responsible for what they do. Unfortunately, that has enormous consequences for people, for families, and for children. The consequence is they have no reason to do anything other than the profit motivation, and the bottom line, which is the dollar. That is one of the problems we are working desperately to cure in our Patients' Bill of Rights.

Mr. KENNEDY. Finally—because I see others on the floor; and this issue is going to be addressed in the Daschle proposal—I am wondering whether the Senator would agree with Justice William Young, a Federal judge on the Federal bench in Massachusetts, who was appointed by President Ronald Reagan, who said, after a very tragic case—and I will not review all of the facts here, but it was quite clear that there was responsibility by the insurance companies; and it will be self-evident in his quote; and there was a real injustice done—this is what Judge William Young, appointed by President Reagan, who prior to the time he

served on the bench was a Republican, said:

> Disturbing to this Court is the failure of Congress to amend a statute that, due to the changing realities of the modern health care system, has gone conspicuously awry from its original intent. This Court has no choice but to pluck the case out of State court . . . and then, at the behest of Travelers [Insurance Company]—

That is effectively the culprit—

> slam the courthouse door in [the wife's] face and leave her without any remedy. ERISA has evolved into a shield of immunity that protects health insurers . . . from potential liability for the consequences of their wrongful denial of health benefits.

That is the statement from the bench of a distinguished Federal judge who came down and eventually effectively testified about the injustice of this provision. As I understand it, the Daschle proposal addresses that inequity and unfairness, which the Senator has outlined.

Mr. EDWARDS. May I respond to that briefly, I say to Senator KENNEDY?

I would ask for a comment from you on this issue. In terms of talking to your constituents in Massachusetts, can you tell me what response you have gotten, including from health care providers, on the issue of whether it is important to them, No. 1, that there be an independent review board so when folks' claims are denied, they have some ready process to use to get relief, and, secondly, whether they believe it is fair for HMOs and health insurance companies to be treated completely differently than every other segment of American society?

Mr. KENNEDY. As the Senator knows, they have independent review. We have it under the Medicare proposal. It works. It works very effectively. It works pretty well. It is somewhat different in scope than was included in the Daschle proposal. I favor this one here, but there is an independent review. But not only in that measure, we have some 23 million Americans who are working for State and local governments that have the kind of protection that is favored in the Daschle proposal, and it is working very effectively.

One of the very important programs that has the kind of protections the Senator has favored and that I favor is what they call the Calpurse Program in the State of California, which has well over a million individuals who are part of that program with the kind of protections that are supported by the Senator.

What they have found out—we will have a chance to get into this, hopefully, at the time we get a debate on it—is that the cost of that whole program has not increased as much as the increase in health insurance nationwide, or even in the programs in California that do not have that protection.

Do you want to know why, Senator, I believe that is so? For the same reason we had the expert witnesses who appeared before Senator SPECTER's Appropriations Committee; and that is, because the HMOs take more time and attention to make sure the patients are going to get better kinds of health care and health care coverage. That basically means they are able to get a better handle on the cost.

So it makes a major difference in terms of the quality of health care, and it makes a major difference in terms of the protections of individuals.

I thank the Senator for his response.

Mr. SCHUMER. Would the Senator from North Carolina yield for a question?

Mr. EDWARDS. Yes.

Mr. SCHUMER. I thank the Senator.

I have been very impressed with what he has said. As the Senator knows, I have been advocating the Patients' Bill of Rights for quite a while. Just this week I had traveled to different parts of my State—to Long Island, to New York City, to Syracuse, to Rochester. Everywhere I went, I found an amazing thing: The providers, the doctors, including the medical society, the AMA, the nurses, the hospitals are allied with the patients. Usually they are at loggerheads. But they were allied together in asking for a real Patients' Bill of Rights, not a Patients' Bill of Rights in name only.

We do not want to go through putting something on the floor that says: Patients' Bill of Rights, and does not protect patients. We are worried about that.

The reason I think we want an open debate and not just: Well, here is your version; we will vote for it. Here is our version; we will vote it down. We are finished with the Patients' Bill of Rights—we do not want that because we do not want to be able to just go home and say we passed something and then 3 months from now the very same doctors, and others, will say: It doesn't do any good. You didn't do anything.

We went through this on guns. We were going to pass something in this body that did absolutely nothing. Then the very same people who say the gun laws do not work, or who tried to cripple and emasculate the provisions we passed, said the laws do not work.

So the question I ask is—here are some examples of inequities that I have come across. I just would like to ask the Senator from North Carolina if he thinks the Patients' Bill of Rights would help in these instances; and they are just amazing.

One, an HMO denies high-dose chemotherapy for a man with lung and brain cancer, stating it is experimental. What was the HMO's solution? The claim agent told his family to get in touch with organizations that have fundraisers for patients denied HMO coverage. Can you imagine the gall of that? A man is dying of cancer. They find a solution that might work. There is finally some hope in the family. Not only does the HMO say, no, we won't pay for it, but at the same time they say go have some fundraisers while the person has cancer. How about this one——

Mr. DURBIN. I ask, if I might, will the Senator from North Carolina yield to me?

The PRESIDING OFFICER (Mr. GORTON). The Senator from North Carolina has the floor.

Mr. DURBIN. Will the Senator yield for the purpose of a unanimous consent request?

Mr. EDWARDS. Yes.

UNANIMOUS CONSENT REQUEST

Mr. DURBIN. Mr. President, I ask unanimous consent that the remaining 65 minutes of debate before the vote at 5:45 on the motion to table be divided as follows: 40 minutes under the control of Senator NICKLES on the Republican side and 25 minutes under the control of Senator KENNEDY on the Democratic side.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mr. KENNEDY. I yield 5 more minutes to the Senator from North Carolina.

Mr. EDWARDS. I thank the Senator. I will conclude my remarks. The point I make is so important, which is that this is not a partisan debate. This is not a debate and should not be a debate between Democrats and Republicans. I didn't come to the Senate to fight with my Republican colleagues. I came to the Senate to represent the people of North Carolina—Republicans, Democrats, Independents, whatever their politics. We desperately need to talk about the specific provisions of a real, substantive, meaningful Patients' Bill of Rights. That is what needs to happen. That is the reason we are on the floor today talking about this amendment. It is the reason this amendment has been attached to the agriculture appropriations bill.

We need desperately to talk about these issues because they are so critically important to the people of my State—all of the people of my State—and they are important to all Americans. We have to make sure that folks have direct access to specialty care. It does absolutely no good for us to have the most advanced medical care and treatment and research in the world in this country if folks can't get to it. Folks have to be able to have access to the high-quality medical care that is constantly advancing on a daily basis in medical centers throughout this country, including medical centers in my home State, including Duke University Medical Center, University of North Carolina, Bowman Grey, and East Carolina University.

We have great medical centers in North Carolina. But those folks and the care they can provide do no good whatsoever if they can't provide the treatment to the patients. That is where health insurance companies, HMOs, stand as a roadblock between the doctors and the health care providers who are spending their lives developing these lifesaving treatments and the patients who so desperately need them.

Steve Grissom, the gentlemen I described with leukemia and AIDS, is a perfect example. There are heroes all over this country, all over North Carolina, who are standing up and fighting battles against health problems that are critical to them and their families. We have to give them direct access to the treatment and care that can save their lives and change the lives of their families.

It is very simple. The bottom line is this: Patients, not profits, should be the bottom line in health care. That is what this Patients' Bill of Rights is about. We simply want an opportunity to talk about it to our colleagues, whom we respect, on the floor of the Senate, to talk about it to the American people. And I am telling you, the American people in their gut know that this is something that needs to be passed, needs to be done, and that health insurance companies and HMOs absolutely should not stand between children and families and the health care that, in many cases, can save their lives.

With that, I yield the floor.

Mr. NICKLES addressed the Chair.

The PRESIDING OFFICER. The Senator from Oklahoma is recognized.

Mr. NICKLES. Mr. President, I appreciate the accommodation and cooperation by my friend and colleague, Senator DURBIN from Illinois. There are several on this side who wish to speak on this issue as well. We have been wanting to speak for about the last hour.

I yield to the Senator from Vermont for 10 minutes.

The PRESIDING OFFICER. The Senator from Vermont is recognized.

Mr. JEFFORDS. Mr. President, this is an important time for America to listen to this debate because the lives and health of individuals throughout this Nation are at stake. It is interesting to note, looking back to last year when the Democratic proposal came forward, at first they wanted it to be voted on immediately. Then we worked together on this side of the aisle and worked up a bill that we find is superior to theirs in many respects, which I will talk about later, and all of a sudden they didn't want to bring it up without 100 amendments. We could not get a time agreement to get to the bill. Even though some of the things sound quite dramatic and wonderful, when we analyze them, we find that in many respects we believe the majority's bill is superior.

First of all, the Patients' Bill of Rights Act addresses those areas of health care quality on which there is a broad consensus. It is solid legislation that will result in a greatly improved health care system for all Americans.

The Committee on Health, Education, Labor, and Pensions has been long dedicated to action in order to improve the quality of health care. Our commitment to developing appropriate managed care standards has been demonstrated by the 17 additional hearings related to health care quality. And Senator FRIST's Public Health and Safety Subcommittee held three hearings on the work of the Agency for Health Care Policy and Research (AHCPR).

Each of these hearings helped us in developing the separate pieces of legislation that are reflected in our Patients' Bill of Rights Act.

People need to know what their plan will cover and how they will get their health care. The Patients' Bill of Rights requires full disclosure by an employer about the health plans it offers to employees.

Patients also need to know how adverse decisions by a plan can be appealed, both internally and externally, to an independent medical reviewer. That is a critical difference. We emphasize good health care. Under our bill the reviewer's decision will be binding on the health plan. However, the patient will maintain his or her current rights to go to court. Timely utilization decisions and a defined process for appealing such decisions are the keys to restoring trust in the health care system.

Our legislation also provides Americans covered by health insurance with new rights to prevent discrimination based on predictive genetic information.

It ensures that medical decisions are made by physicians in consultation with their patients and are based on the best scientific evidence. And it provides a stronger emphasis on quality improvement in our health care system with a refocused role for AHCPR.

The other bill uses the generally accepted practice in the area which can deviate very strongly from best medicine. We give you best medicine.

Some believe that the answer to improving our nation's health care quality is to allow greater access to the tort system. However, you simply cannot sue your way to better health. We believe that patients must get the care they need when they need it, not just after they go to court in a lawsuit to repair the damage.

In the ''Patients' Bill of Rights,'' we make sure each patient is afforded every opportunity to have the right treatment decision made by health care professionals. In the event that does occur, patients have the recourse of pursuing an outside appeal. Prevention, not litigation, is the best medicine.

Our bill creates new, enforceable Federal health care standards to cover those 48 million of the 124 million Americans covered by employer-sponsored plans. These are the very same people that the States, through their regulation of private health insurance companies, cannot protect.

What are these standards? They include: a prudent layperson standard for emergency care; a mandatory point of service option; direct access to OB/GYNs and pediatricians; continuity of care; a prohibition on gag rules; access to Medication; access to Specialists; and self-pay for behavioral health.

It would be inappropriate to set Federal health insurance standards that duplicate the responsibility of the 50 State insurance departments. As the National Association of Insurance Commissioners, put it: ''(w)e do not want States to be preempted by Congressional or administrative ac tions. . . . Congress should focus attention on those consumers who have no protections in self-funded ERISA plans.''

Senator KENNEDY's approach would set health insurance standards that duplicate the responsibility of the 50 State insurance departments. Worse yet, it would mandate that the Health Care Financing Administration (HCFA) enforce them if a State decides not to adopt them.

Those of us who have been involved with this know what happened during the recent past when the HIPAA bill was passed on to HCFA. It was a mess. Almost nothing was getting done.

HCFA cannot even keep up with its current responsibilities. This past recess Senator LEAHY and I held a meeting in Vermont to let New England home health providers meet with HCFA. It was a packed and angry house, with providers traveling from New Hampshire, Massachusetts, and Connecticut.

It is in no one's best interest to build a dual system of overlapping State and Federal health insurance regulation.

Increasing health insurance premiums causes significant losses in coverage.

This is the main difference. You can promise a lot of things when you try to do them. But if the result of what you do is that up to 1 million people lose coverage because of the increased cost, that is not the way we ought to go.

The Congressional Budget Office (CBO) pegged the cost of the Democratic bill at six times higher than S. 326. Based on our best estimates, passage of the Democratic bill would result in a loss of coverage for over 1.5 million working Americans and their families. To put this in perspective, this would mean that would have their family's coverage canceled under the Democratic bill.

Mr. KENNEDY. Mr. President, will the Senator yield on that point?

Mr. JEFFORDS. On the Senator's time?

Mr. KENNEDY. On my time.

Mr. JEFFORDS. Yes.

Mr. KENNEDY. The Senator has referred to the loss in terms of coverage by the General Accounting Office. Will the Senator share that letter which allegedly reached that conclusion? Will the Senator put that in the RECORD at this time so we have a full statement of the General Accounting Office rather than just using the figure that the Senator used? Will the Senator make that whole letter a part of the RECORD?

Mr. JEFFORDS. I would be happy to make that a part of the RECORD, yes.

I ask unanimous consent that the letter be printed in the RECORD at the conclusion of my remarks.

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

(See Exhibit 1.)

Mr. JEFFORDS. Let me repeat that. Adoption of the Democratic approach would cancel the insurance policies of almost a million and half Americans. I cannot support legislation that would result in the loss of health insurance coverage for a population the size covered in the combined states of Vermont, Delaware, South Dakota, and Wyoming.

Fortunately, we can provide the key protections that consumers want at a minimal cost and without disruption of coverage—if we apply these protections responsibly and where they are needed.

In sharp contrast to the Democratic alternative, our bill would actually increase coverage. With the additional of the Tax Code provisions to S. 326, the Patients' Bill of Rights Act, our bill allows for the full deduction of health insurance for the self-employed, the full availability of medical savings accounts and the carryover of unused benefits from flexible spending accounts. With the new Patients' Bill of Rights Plus Act we provide Americans with greater choice to more affordable health insurance.

S. 326, the Patients' Bill of Rights Act, provides necessary consumer protections without adding significant new costs; without increasing litigation; and without micro-managing health plans.

I also point out that under the law a doctor is still open to suit. Although they are prescribed health plans, the doctors are liable.

Our goal is to give Americans the protections they want and need in a package that they can afford and that we can enact.

This is why I hope the Patients' Bill of Rights that we are offering today will be enacted and signed into law by the President.

I believe very strongly that the advantages we get, especially that we require, the standard of best medicine, and not just the medicine that is generally used in the area is by far a much better protection for the people we are trying to protect—the patients—than the Democrat's Patient's Bill of Rights.

Mr. President, I yield the floor.

EXHIBIT 1

GENERAL ACCOUNTING OFFICE,
HEALTH, EDUCATION AND HUMAN SERVICES DIVISION,
Washington, DC, July 7, 1998.

Subject: Private Health Insurance: Impact of Premium Increases on the Number of Covered Individuals Is Uncertain

Hon. JAMES M. JEFFORDS,
Chairman, Committee on Labor and Human Resources, U.S. Senate.

DEAR MR. CHAIRMAN: Almost 150 million individuals obtained health insurance through the workplace in 1996, either through their own employment or the employment of a family member. During the last several years, an increasing number of individuals with employer-sponsored insurance have enrolled in some form of managed care rather than in fee-for-service plans. Recently, concerns have grown regarding the ways in which some managed care plans operate and the adequacy of information shared between each plan, its providers, and its members.

In response to these concerns, several legislative proposals have been made to require health insurance plans to adopt specified operational practices. The proposals apply to all types of plans, but would likely have their greatest impact on health maintenance organizations (HMO). Other types of plans, such as preferred provider organizations (PPO) and indemnity, or fee-for-service, plans, will likely be affected to a lesser degree. Included in various proposals are requirements, for example, to disclose certain information,[1] guarantee patient access to emergency and specialty services, implement internal and external grievance policies, guarantee freedom of communication between providers and patients, and eliminate the Employee Retirement Income Security Act of 1974 (ERISA) restrictions on health plan liability.

However, some lawmakers are concerned that these types of mandates could increase the cost of health insurance and have the unintended consequence of reducing the number of individuals covered by private health insurance.

This letter responds to your request for information on the relationship between the amount charged for private health insurance and the number of insured individuals. You also asked us to analyze the basis for a widely cited statistic from the Lewin Group, a private research and consulting organization, that the number of insured individuals would fall by 400,000 for every 1-percent increase in health insurance premiums. Specifically, we (1) examined the trends in employers' decisions to offer insurance and employees' decisions to purchase it, (2) assessed the methodology used by the Lewin Group to support its 400,000 coverage loss estimate, (3) assessed the methodology used by the Lewin Group to produce its most recent estimates, and (4) evaluated conditions or factors that could affect the impact of premium increases on insurance coverage. To conduct our study, we reviewed relevant published research. We also evaluated the applicability of the Lewin Group's estimates given the data, methods, and assumptions it used to produce its estimates. We performed our work between May 1998 and June 1998 in accordance with generally accepted government auditing standards.

In summary, during a period of rising health insurance premiums, the proportion of employees offered coverage rose, while the share that accepted insurance fell. Between 1988 and 1996, health insurance premiums increased, on average, by approximately 8 percent per year.[2] During roughly the same period, 1987 to 1996, the proportion of workers who were offered insurance by their employers rose from 72.4 percent to 75.4 percent, according to one recent study.[3] The same study found that the proportion of workers who accepted coverage, however, fell from 88.3 percent to 80.1 percent. This may be because employers required employees to pay a larger share of the premiums.[4] In 1988, employees in small firms (fewer than 200 workers) paid an average of 12 percent of single-coverage premiums. Employees in large firms paid about 13 percent.[5] By 1996, the employee share had risen to 33 percent in small firms and 22 percent in large firms. Other factors, such as decreases in some workers' real incomes, Medicaid-eligibility expansions, and changes in benefit generosity, also may have contributed to the fall in the acceptance rate.

In November, 1997, the Lewin Group used published studies to estimate that 400,000 fewer individuals would have health insurance coverage for every 1 percent increase in insurance premiums.[6] Several of these studies had sought to quantify the impact of subsidized insurance premiums on the increase in the number of employers offering insurance. The Lewin Group concluded from these studies that a 1-percent decrease in premiums would likely induce an additional 0.4 percent of employers to offer insurance. It then assumed that an increase in premiums might cause a similar percentage of firms to drop health insurance coverage and cause 400,000 individuals to be without coverage. The findings of more recent studies, however, call into question the basis for the Lewin Group's estimate. Although these studies did not quantify the relationship between premium increases and changes in the number of employees with coverage, they clearly show that employers generally continued to offer insurance during a period of rising premiums but that fewer employees decided to purchase coverage. The estimate also assumes equal premium increases for all types of insurance products. If new federal mandates primarily affect HMO premiums, some employees may switch to other types of insurance—especially insurance with different benefit packages—instead of dropping coverage entirely. Thus, the Lewin Group's estimate may not be a good predictor of the coverage loss that might be caused by new federal mandates.

In January 1998, the Lewin Group lowered its estimate of potential coverage losses by about 25 percent.[7] It now estimates that a 1-percent premium increase could result in approximately 300,000 fewer individuals being covered by private insurance. The new estimate is based on the Lewin Group's statistical analysis of the relationship between how much employees pay for insurance and the probability that they, their spouses, and their dependent children have employer-sponsored health insurance. However, it is unclear how accurately the Lewin Group was able to measure the price paid by the individuals in its sample. Moreover, the new estimate applies to situations in which premiums for all insurance types increase, on average, by 1 percent. If premiums increase by 1 percent only for some insurance types (for example, HMOs), then the coverage loss predicted by the Lewin Group would be less than 300,000.

Because many factors can affect the number of individuals covered by private insurance, it is difficult to predict the impact of an increase in insurance premiums. For example, new mandates may increase premiums but may also change individuals' willingness to purchase insurance. Individuals may not mind paying higher premiums if they like the changes brought about by the mandates. The extent to which employers pass on premium increases to employees also can affect coverage by influencing employees' purchasing decisions. Another important determinant is the extent to which employees switch from plans with high premium increases to plans with no or low premium increases, or to less expensive plans with more limited benefits. Finally, changes in other economic factors, such as income, or changes in public insurance program eligibility requirements can affect the number of individuals with private health insurance.

BACKGROUND

Between 1995 and 1997, real health insurance premiums (adjusted for inflation) remained nearly constant or fell slightly

[1] Footnotes at end of Report. (Figure not reproducible in RECORD.)

across all plan types. (See table 1.) This represents a sharp decline from the previous 5 years, in which inflation-adjusted growth was as high as 11.6 percent for indemnity plans and 10.6 percent for HMO plans in 1990.

TABLE 1.—PERCENTAGE OF REAL ANNUAL GROWTH IN PREMIUMS BY TYPE OF HEALTH PLAN, 1990–97

Plan type	1990	1991	1992	1993	1994	1995	1996	1997
Indemnity	11.6	7.8	8.0	5.5	2.5	−0.1	−1.8	0.3
PPO	9.6	5.9	7.6	5.2	0.6	0.7	−2.4	−0.2
HMO	10.6	7.9	6.8	5.3	2.7	−2.4	−3.4	−0.3

Sources: GAO calculations based on data from KPMG Peat Marwick (1991–97); Health Insurance Association of America (1990), and Bureau of Labor Statistics Consumer Price Index. Includes employer and employee shares of premiums for workers in private firms with at least 200 employees.

About 70 percent of the population under age 65 was covered by health insurance purchased through an employer or union, or purchased privately as an individual in 1996, according to Current Population Survey (CPS) data. About 12 percent was covered by Medicare, Medicaid, or the Civilian Health and Medical Program of the Uniformed Services (CHAMPUS), and about 18 percent was uninsured. From 1989 to 1996, the percentage of the population covered by employer-sponsored, union-sponsored, or individual insurance[8] decreased slightly, but these options still remained a dominant source of coverage for people under age 65. (See fig. 1.) During the same period, the proportion of the population covered by Medicaid and the proportion without insurance both increased.

MORE WORKERS WERE OFFERED INSURANCE, BUT FEWER ACCEPTED COVERAGE AS PREMIUMS INCREASED

Recent studies suggest that employers typically do not stop offering health insurance when premiums increase. Between 1988 and 1996, health insurance premiums—unadjusted for inflation—increased by about 8 percent per year, on average. During approximately the same time period, one study[9] found that the fraction of workers offered insurance by their employers grew slightly, from 72.4 percent to 75.4 percent. The proportion of workers who had access to employer-sponsored insurance, either through their own job or the job of a family member, remained essentially constant at about 82 percent. Another study[10] reported that the fraction of small firms (those with fewer than 200 employees) offering insurance coverage grew from 46 percent in 1989 to 49 percent in 1996. The study also found that 99 percent of large firms offered insurance in 1996.

Fewer workers, however, are choosing to accept employer-sponsored coverage for themselves or their dependents. In 1987, 88.3 percent of workers accepted coverage when their employers offered it. In 1996, only 80.1 percent of workers accepted coverage. The fall in the acceptance rate was relatively large for workers under age 25 (from 86.5 percent to 70.1 percent) and those making $7 per hour or less (from 79.7 percent to 63.2 percent). The fraction of workers who accepted employer-sponsored insurance either through their own job or that of a family member also declined, from 93.2 percent to 89.1 percent. Consequently, even though a greater percentage of employers offered insurance, the acceptance rate fell to such an extent that a smaller proportion of workers was covered by employer-sponsored insurance in 1996 compared with 1997.

The fall in the acceptance rate may be attributable partly to required increases in employees' insurance premium contributions. One study found that employees in small firms paid an average of 12 percent of single coverage premiums in 1988 and employees in large firms paid 13 percent.[11] In 1996, the employee share had risen to 33 percent in small firms and 22 percent in large firms. According to the Lewin Group, the combined effect of the increase in premiums and the increase in the employees' share of those premiums resulted in workers paying 189 percent more in real terms for single coverage and 85 percent more in real terms for family coverage in 1996 compared with 1988.

Other factors also may have contributed to the drop in the acceptance rate. A decline in real wages for some workers may have made coverage less affordable. Expansions in Medicaid eligibility provided a coverage alternative for some families and may have decreased workers' willingness to accept employer-sponsored insurance. Furthermore, possible changes in benefit packages may have made coverage less desirable.

LEWIN ESTIMATE OF 400,000 COVERAGE LOSS BASED ON OUTDATED STUDIES

In November 1997,[12] the Lewin Group estimated that 400,000 fewer people might be covered by health insurance if new legislation caused premiums to rise by 1 percent. Its estimate was largely based on studies of the effects of insurance premium subsidies on employers' decisions to offer insurance. However, recent research casts doubt on the applicability of these findings to other situations. Furthermore, according to the Barents Group, a research and consulting firm, the Lewin Group's coverage loss estimate may be too high because some individuals may switch to other types of health plans if new legislation causes HMO premiums to rise.

Few studies have analyzed the relationship between the cost of insurance and the number of individuals covered. The studies available to Lewin in November 1997 primarily focused on employers' decisions to offer insurance. These studies varied widely both in their research questions and their findings. Several studies[13] examined the effects of programs designed to increase coverage by subsidizing the premiums paid by employers—particularly small ones. The estimates from this group of studies varied, with one suggesting that between 0.07 percent and 0.33 percent of small firms might begin to offer insurance if premiums were reduced by about 1 percent. Some older studies, using data from 1971 and before, found that between 0.6 percent and 2 percent of firms might stop offering health insurance coverage if premiums increased by 1 percent.

The Lewin Group selected a range of estimates, from what it judged to be the best available, to predict that between 0.2 percent and 0.6 percent of firms would stop offering coverage if insurance premiums increased by 1 percent. It then selected the midpoint of this range (0.4 percent) as its best estimate. To calculate the potential impact on coverage, the Lewin Group multiplied 150 million—the number of workers and their dependents covered by employer-sponsored health plans in 1996—by 0.004—the percentage of firms expected to drop coverage.[14] This calculation suggested that 600,000 individuals would lose employer-sponsored health insurance if premiums increased by 1 percent. However, on the basis of its analysis of CPS data, the Lewin Group assumed that about one-third (or 200,000) of these 600,000 workers would obtain insurance either through the policies of working family members, the individual insurance market, or public insurance programs.[15] Consequently, it estimated that a 1-percent premium increase might result in a drop in coverage of about 400,000 individuals.

The Lewin Group's estimated potential coverage loss does not consider the possibility that employers or employees might switch to different types of insurance products if one type becomes relatively more expensive. This is important in the current context because many of the proposed federal mandates are expected primarily to affect HMOs and have little or no impact on PPOs and indemnity plans. The Barents Group, a private research and consulting organization, recently reported on the potential coverage loss that proposed mandates could cause.[16] The Barents Group used the Lewin coverage loss estimate but reduced it by 25 percent to allow for the possibility that some employees might switch from HMOs to other types of insurance plans instead of dropping coverage altogether.

CURRENT LEWIN GROUP COVERAGE LOSS ESTIMATE LOWER BY 25 PERCENT

Recent data analysis by the Lewin Group led it to revise its estimate of potential coverage loss. The Lewin Group now projects a loss of employer-sponsored coverage of approximately 300,000 people for every one percent increase in premiums. This estimate, reported in January 1998, is approximately 25 percent lower than its November 1997 estimate. The new estimate is based on the Lewin Group's statistical analysis of the relationship between what employees pay for insurance and the probability that they, their spouses, and their dependent children have employer-sponsored health insurance.[17]

A key variable in the January 1998 Lewin Group study is the price of insurance, but because of data limitations, this was measured imperfectly. The study primarily used CPS data from 1989 to 1996. CPS data, however, do not contain information on health insurance premium amounts. Lewin, therefore, used three data sources to impute the amount employees paid for insurance:[18] the 1987 National Medical Expenditure Surveys (NMES), the KPMG Peat Merwick employer surveys for 1991 through 1996, and the Health Insurance Association of America (HIAA) employer surveys for 1988 through 1990. The authors of the Lewis report acknowledged that these surveys were not strictly comparable, and that the information used to measure the employee share of health insurance may have been different for 1988 through 1990 than for 1991 throgh 1996. Another potential shortcoming related to premium amounts is that the analysis did not allow for the possibility that some workers may decline coverage from their own employers when they can obtain it through a family members' employer-based coverage.

The Lewin Group's estimate is of the coverage decline that would result from an overall average premium increase of 1 percent. Yet, the proposed federal mandates are expected primarily to affect HMOs. If HMOs' premiums rise by 1 percent, then premiums for other types of insurance would probably not increase as much. HMO enrollees, therefore, would be affected most by the premium increases. Under these circumstances, the

Lewin Group's estimate could overstate the coverage decline.

The Lewin Group explicitly assumed that all observed coverage changes were due to employees' decisions.[19] Consequently, it used the imputed employee contribution as the relevant cost of insurance. This assumption is broadly supported by the recent literature. However, if some employees lost access to insurance because of their employers' decisions to no longer offer it, the Lewin Group's estimate may incorrectly predict employees' reactions to changes in premiums.

POTENTIAL COVERAGE LOSS UNCERTAIN, DEPENDS ON MANY FACTORS

Insufficient information is currently available to predict accurately the coverage loss that may result from health insurance premium increases associated with new federal mandates. One problem is that the potential cost of the mandates and their impact on premiums is not yet known. However, even if the premium increase was known with certainty, previous research and economic theory suggest that the impact on coverage depends on a number of conditions. Coverage changes will depend on the extent to which premiums rise for employees and whether they can switch to insurance plans less affected by the mandates. The specific policy adopted also can affect how employees respond to resulting premium increases. Finally, changes in many economic and other factors can cause coverage changes that mask or exaggerate the impact of premium increases. The following list describes several conditions that could affect observed changes in health insurance coverage if new federal mandates increase insurance costs.

1. The percentage of premiums paid by employees and the amount of any premium increase the employers pass on to employees. If, as recent evidence suggests, employees' decisions largely affect the extent of coverage, then the relevant price increase is the percentage increase in their contribution. For example, about two-thirds of employees in small firms had to contribute toward premium costs in 1996. Those employees paid about 50 percent of the total premium. If total premiums rise by 1 percent and employers pass on the full increase to employees, then the employees' contribution would rise by 2 percent.

2. The extent to which additional benefits are valued by consumers. If higher insurance premiums are the result of additional benefits that consumers value, then any coverage loss will be less than the coverage loss that might occur if premiums increased but benefits stayed the same (or the additional benefits had little consumer value). In its November 1997 letter, the Lewin Group notes that its ''estimates of the number of persons losing coverage will differ depending upon the health policy being analyzed.'' The Lewin Group goes on to suggest that ''some proposals that increase premium costs are often associated with other provisions that may either lessen or intensify incentives for individuals to drop coverage.''

3. The extent to which some types of plans have no or low premium increases and employees can switch to them. Proposed new federal mandates are expected primarily to increase costs of HMOs. Faced with a rise in HMO premiums, some employees may switch to PPOs or indemnity insurance rather than drop coverage entirely. The Barents Group assumed this switching behavior might lower the Lewin Group's coverage loss estimate by 25 percent.

4. Changes in other insurance benefits. Instead of raising premiums in response to new mandated benefits, insurance companies and employers may find ways to reduce other parts of the insurance package to keep premiums constant. It is unknown how employees might respond to such changes in their insurance plans.

5. Changes in real wages and other factors. Changes in economic conditions or eligibility for public insurance programs can also affect private insurance coverage. For example, the Lewin Group estimated that a 1-percent rise in real incomes could increase private insurance coverage by nearly 0.37 percent (about 550,000 workers and dependents). Likewise, expansions in Medicaid eligibility could cause some workers to substitute public insurance for employer-sponsored family coverage.

COMMENTS FROM THE LEWIN GROUP

In commenting on a draft of this correspondence, a representative of the Lewin Group said that we had accurately characterized its analysis and findings. The representative suggested one technical clarification in our report's characterization of the Lewin Group study that we adopted.

As agreed with your office, unless you publicly announce its contents earlier, we plan no further distribution until 30 days from the date of this letter. We will then make copies available to others who are interested.

Please call me or James Cosgrove, Assistant Director, if you or your staff have any questions. Susanne Seagrave also contributed to this letter.

Sincerely yours,

WILLIAM J. SCANLON,
Director, Health Financing and Systems Issues.

FOOTNOTES

[1] Legislative proposals would require each plan to disclose, for example, information on appeal procedures, restrictions on reimbursement for care received outside of the plan's network of providers, and the location of plan providers and facilities.

[2] J. Gabel, P. Ginsburg, and K. Hunt, ''Small Employers and Their Health Benefits, 1988–1996: An Awkward Adolescence,'' *Health Affairs,* 16(5) (Sept./Oct. 1997). J. Sheils, P. Hogan, and N. Manolov, ''Exploring the Determinants of Employer Health Insurance Coverage,'' report to the AFL–CIO (Fairfax, Va.: The Lewin Group, Inc., Jan. 20, 1998).

[3] P. Cooper and B. Schone, ''More Offers, Fewer Takers for Employment-Based Health Insurance: 1987 and 1996,'' *Health Affairs,* 16(6) (Nov./Dec. 1997), pp. 142–49.

[4] *Private Health Insurance: Continued Erosion of Coverage Linked to Cost Pressures* (GAO/HEHS–97–122, July 24, 1997).

[5] J. Gabel, P. Ginsburg, and K. Hunt, ''Small Employers and Their Health Benefits, 1988–1996: An Awkward Adolescence,'' *Health Affairs,* 16(5) (Sept./Oct. 1997), pp. 103–10.

[6] John F. Sheils, Vice President, The Lewin Group, letter to Richard Smith, American Association of Health Plans, Nov. 17, 1997.

[7] J. Sheils, P. Hogan, and N. Manolov, *Exploring the Determinants of Employer Health Insurance Coverage,* report to the AFL–CIO (Fairfax, Va: The Lewin Group, Inc., Jan. 20, 1998).

[8] Individual insurance is coverage that an individual purchases directly from an insurer or through a broker.

[9] See P. Cooper and B. Schone, ''More Offers, Fewer Takers for Employment-Based Health Insurance: 1987 and 1996,'' p. 144.

[10] See P. Ginsburg, J. Gabel, and K. Hunt, ''Tracking Small-Firm Coverage, 1989–1996,'' p. 168.

[11] J. Gabel, P. Ginsburg, and K. Hunt, ''Small Employers and Their Health Benefits, 1988–1996: An Awkward Adolescence,'' p. 107.

[12] John F. Sheils letter to Richard Smith, Nov. 17, 1997.

[13] See K. Thorpe, and others, ''Reducing the Number of Uninsured by Subsidizing Employment-Based Health Insurance: Results From a Pilot Study,'' *The Journal of the American Medical Association,* 267(7) (1992), pp. 945–48; Statement of Nancy L. Barrand and W. David Helms for the Robert Wood Johnson Foundation, before the Subcommittee on Health, Committee on Ways and Means, House of Representatives, *Health Insurance Options: Reform of Private Health Insurance* (Washington, DC: May 23, 1991), pp. 125–61. W. Helms, A. Gauthier, and D. Campion, ''Mending the Flaws in the Small-Group Market,'' *Health Affairs* (Summer 1992), pp. 7–27; C. McLaughlin and W. Zellers, ''The Shortcomings of Voluntarism in the Small-Group Insurance Market,'' *Health Affairs* (Summer 1992), pp. 28–40; J. Gruber and J. Poterba, ''Tax Subsidies to Employer-Provided Health Insurance,'' Working Paper No. 5147, Cambridge, Mass.: National Bureau of Economic Research, June 1995.

[14] The studies' findings applied to the percentage of firms that might change their behavior. The Lewin Group, however, applied this percentage to individuals. This implicitly assumes that all sizes of firms would react similarly. If large firms are less responsive to premium increases than small firms, then the percentage of workers affected by a 1-percent increase in premiums could be less than 0.4 percent.

[15] Lewin's November 1997 letter did not discuss how many of the 200,000 individuals might enroll in public insurance programs and how many might obtain other private coverage.

[16] *Impact of Legislation Affecting Managed Care Consumers: 1999–2003,* report for the American Association of Health Plans (Washington, DC: The Barents Group, LLC, Apr. 21, 1998).

[17] Lewin used complex statistical models to estimate the proportion of the population covered by employer-sponsored insurance grouped by a number of demographic characteristics, including race, age, income, full-time/part-time status, occupation, industry, firm size, and the imputed employee share of the premium costs, among others.

[18] Lewin focused on the employee share of the insurance premium as the most appropriate cost affecting the employee decision to participate in employer-sponsored health plans.

[19] The data used in the Lewin study do not indicate whether observed coverage losses are the result of employers' decisions not to offer insurance or employees' decisions not to accept it.

Mr. JEFFORDS. Mr. President, the GAO report examines two reports done by the Lewin Group on the impact of premium increases on coverage.

A 1997 report by Lewin indicates that a 1% increase will result in 400,000 losing coverage.

A 1998 report by Lewin for the AFL/CIO indicates that a 1% increase will result in 300,000 Americans losing coverage. It is this lower number that I used.

The PRESIDING OFFICER. Who yields time?

Mr. KENNEDY. Mr. President, I will just take a moment.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KENNEDY. Mr. President, with regard to just one fact that the Senator has mentioned, I have the GAO report to which the Senator refers. The fact that the Senator refers and is talking about is on page 4 of the report. It says:

If premiums increase by 1 percent only for some insurance types (for example, HMOs), then the coverage loss predicted by the Lewin Group to . . .

Not the GAO, it is the Lewin Group that makes the estimate referred to in the GAO letter.

To the contrary, if you read on, GAO says:

Because many factors can affect the number of individuals covered by private insurance, it is difficult to predict the impact of an increase in insurance premiums. For example, new mandates may increase premiums but may also change individuals' willingness to purchase insurance.

Therefore, there might be more people covered.

This is the kind of thing we ought to be debating out here. This is just the type of thing we ought to be debating. We have a lot of distortions and misrepresentations. The insurance companies themselves have spent $100 million

in distorting our proposal. What we want to do is to try to clarify the RECORD on this.

Mr. DURBIN. Will the Senator yield?

Mr. KENNEDY. If I could just mention one other point, the Senator talked about what we wanted to do last year with regard to the Patients' Bill of Rights.

I have in my hand the majority leader's unanimous consent request. Here it is. This is an offer from last June 18, a little over a year ago, when we were trying to bring this legislation up.

I ask unanimous consent that prior to the August recess . . .

Isn't that interesting? June of last year; they are saying ''prior to the August recess.''

. . . the majority leader after notifying the minority leader shall turn to the consideration of the bill to be introduced by the majority leader . . .

It doesn't tell us what that is going to be.

. . . or his designee regarding health care. I further ask that the Senate proceed to its immediate consideration.

And following the report by the clerk that Senator DASCHLE be recognized to offer as a substitute the text of S. 1891, which really wasn't the all-inclusive legislation, the majority leader is trying to tell the Democratic leader which bill he ought to put in.

I further ask that during the consideration of the health care legislation it be in order for Members to offer health care amendments in the first and second degree. I further ask consent that the Chair not enter a motion to adjourn or recess for the August recess prior to a vote or in relation to the majority leader's bill and the minority leader's amendment, and following those votes it be in order for the majority leader return to the legislation to the calendar.

To the calendar—not send it over to the House of Representatives—to the calendar.

Let's be clear about who is serious about bringing this up. Here is their consent request. They are going to return it to the calendar. Even if we win the vote, under their proposal, that could be the end of it.

Then it says:

Finally, I ask consent that it not be in order to offer any legislation, motion, or amendment relative to health care prior to the initiation of this agreement and following the execution of the agreement.

Therefore, you can't offer a health care measure for the rest of the Congress.

If the Senator from Vermont can say with a straight face that it is the Democrats who are trying to lock this thing up when the Senator has his own leader making a proposal like this, he is defying any kind of rational understanding of what a unanimous consent rule is.

Mr. DURBIN. Will the Senator yield for a question?

Mr. KENNEDY. I would be glad to yield for a question.

Mr. DURBIN. I am going to ask a very brief question. Is it not true that at 5:45—in 45 minutes—there will be a motion by the Republicans to table the Democratic version of the Patients' Bill of Rights without further debate, without further amendment, and to bring to an end this debate about whether families across America will have the stronger voice in terms of their health insurance protection?

I ask the Senator from Massachusetts, who has been here for a few months, to respond, if he will. Why is it that the Republican majority is so concerned about or afraid of the idea of actually debating or deliberating something which is so important to American families, their health care?

Mr. KENNEDY. We will have to listen to the explanation coming from the other side. We know what the spokesman for the health insurance industry has said. We know what their answer has been, and that is to virtually instruct the Republican leadership just to say no. We know what the leadership on the other side has said about this: We are not going to get a chance to debate this issue.

People can draw their own conclusions. They have indicated this will not be permitted to come up, even though it is the people's business.

I see the Senator from Rhode Island on the floor. I yield 5 minutes.

The PRESIDING OFFICER (Mr. SMITH of Oregon). The Senator from Rhode Island.

Mr. REED. Mr. President, as I look at the Republican proposals, they are deficient in many ways. Of particular concern to me is the way this proposal mistreats children.

The Democratic proposal, the proposal we would like to not only debate but also to vote on, emphasizes the need to protect the children of America. I hope we all can agree that at the end of this Congress at least we can provide adequate protections in managed care for children.

Don't just take my word for it. Take the word of organizations including the American Academy of Pediatrics, the American Association of Children's Residential Centers, the American Academy of Child and Adolescent Psychiatry, the Children's Defense Fund, the Child Welfare League of America. All of these organizations support unequivocally the Democratic Patients' Bill of Rights. This is the legislation we know and they know will protect the children of America.

There are three key points that are terribly important with respect to the differences between the Republican proposal and the Democratic proposal.

First, our legislation will assure access to pediatric specialists. In the world of medicine today, it is not just sufficient to visit an oncologist if you have cancer and you are a child, because pediatric oncology is a particular specialty that is necessary for children who have serious cancers.

Second, our legislation provides clearly expedited review procedures if child development is threatened—not just their life but their development. This is a critical issue that is virtually unique to children. This is something we have to protect and ensure.

Third, we also have provisions within our legislation that will measure outcomes in terms of children, so that when parents are trying to determine what plan is best for their child, they can actually look at measured results: How well this particular plan did—not with a large population of adults, but particularly with respect to children.

The Republican plan has some fuzzy language regarding pediatricians and specialists.

Clearly and unequivocally, there is language in the Democratic legislation that guarantees children access to providers who are trained to take care of them, access to pediatric specialists, expedited review procedures in the case of developmental difficulties for children, and also outcome measures that actually take children into consideration. These are critical issues that have to be included in any managed care legislation we pass on the floor of the Senate.

What did the American people think about that? I have listed August organizations like the American Academy of Pediatrics in support of this measure. Let me tell Members what the American people think.

In February of 1999, a survey by Lake Sosin Snell Perry and Associates and the Tarrance Group—one a Democratic polling firm, the other a Republican polling firm—revealed 86 percent of voters surveyed favored having Congress require health plans to provide children with access to pediatric specialists and hospitals that specialize in treating children.

That is an overwhelming example of what the American people are asking: Protect their children, and give them access to pediatric specialists. Let them choose, as mothers and fathers, pediatricians to be primary care providers for their sons and daughters.

Not only do the American people demand these provisions, they will also pay for them. Seventy-six percent of the voters surveyed said they would pay for these protections, ''even if it increased health insurance costs for families with children by $100 a year.''

They want these protections. Only the Democratic version gives them these protections.

Mr. NICKLES. I yield myself a couple of minutes, and then I will yield to my colleague from Maine.

Our colleague from Massachusetts said there was a unanimous consent request last year; we were talking about doing this last June and July. That is correct. We offered several unanimous consent requests, from June 18, July 15, and July 25, to bring this bill up to allow both sides to have a chance to vote on their proposals. We offered a number of amendments before the August break. Those were not agreed upon.

Everyone has had a chance to offer their bill and to have it voted on. We

would have a package, we would have a bill, before the Senate that possibly could pass. That was not agreed upon last year. I don't know if it will be agreed upon this year. I told the Democratic sponsors we are willing to come to some time agreement, some limit on amendments, but we are not just going to have the bill on the floor for an unlimited number of amendments with unlimited debate.

Somebody asked, Why haven't we done this?

The Kennedy bill increased health care costs a lot. It is estimated that health care costs will increase 4.8 percent in addition to whatever health care increases are already scheduled. Increases are scheduled to be 7 to 9 percent. Take the average of that, 8 percent, and add 4.8 percent. That is a 13-percent increase in health care costs. That will increase the number of uninsured by at least 1.5 million.

I am going to work energetically to see we don't pass any bill that increases people's health care costs by 13 percent in 1 year. Certainly, I will work energetically to see we don't pass a health care bill that increases the number of uninsured by 1.5 million. That would be a serious mistake.

Whatever the Senate does, it should do no harm. If we increase health care costs in double digits and increase the number of uninsured by over a million, we have done a lot of harm. Some Members will not do that.

We should make some needed reforms. One of my colleagues worked energetically to put together a good package that makes needed reforms.

I yield 7 minutes to our colleague from Maine, Senator COLLINS.

Ms. COLLINS. Mr. President, there is growing unease across this Nation about the changes in how we receive our health care, which has prompted the current debate on managed care. People worry, if they or their loved ones become ill, that their HMO may deny them coverage and force them to accept either inadequate care or financial ruin—or perhaps even both. They believe vital decisions affecting their lives will be made not by a supportive family doctor but by an unfeeling bureaucracy.

All Members agree that medically necessary patient care should never be sacrificed to the bottom line and that health care decisions should be in the hands of medical professionals, not in the hands of insurance accountants.

We do, however, face an extremely delicate balancing act as we attempt to respond to concerns without resorting to unduly burdensome Federal controls and mandates that will further drive up the costs of health insurance and cause some people to lose their coverage altogether. That is the crux of this entire debate.

I am very alarmed by recent reports that American employers everywhere, from giant multinational corporations to the small corner store, are facing huge hikes in their medical insurance coverage for their employees, averaging over 8 percent, and sometimes soaring to 20 percent or more. This is a remarkable contrast to the past few years when premiums rose less than 3 percent, if at all.

We know for a fact that increasing health insurance premiums cause significant losses in coverage. That is the primary reason why I am so opposed to the approach offered by the Senator from Massachusetts. Even if we discard CBO's previous estimate that the Kennedy bill would increase premiums by 6.1 percent and accept the newly revised estimate of 4.8 percent, the fact is the CBO score for the Democratic bill is six times higher than the cost for the bill we are proposing.

Moreover, the Lewin Associates, in a study for the AFL–CIO, has estimated that for every 1-percent increase in premiums, we are jeopardizing the insurance coverage of as many as 300,000 Americans. Based on these projections, the passage of the Kennedy legislation could result in the loss of coverage for more than 1.4 million Americans. That is more than the population of the entire State of Maine. This is a significant cost.

If you look at the CBO estimate of the revised Kennedy bill, CBO estimates it will impose additional costs to the private sector of nearly $41 billion over the next 5 years. That is a cost that is going to cause employers to drop insurance altogether or employees to be unable to pay their share of the premium. At a time when the number of uninsured Americans, unfortunately, is increasing with every year, we should be acting to decrease the number of uninsured Americans, not impose costly new burdens that are going to cause some of the most vulnerable working Americans to lose their coverage altogether.

Our approach, on the other hand, provides the key protections that consumers need and want without causing costs to soar. It applies these protections responsibly, where they are needed. Our legislation does not preempt, but rather builds upon the good work the States have done in the area of patients' rights and protections. States have had the primary responsibility for the regulation of health insurance since the 1940s. As someone who has worked in State government for 5 years overseeing a Bureau of Insurance, I know State regulators and State legislators have done an excellent job of responding to the needs and concerns of their citizens.

Let me give you just a few examples. Mr. President, 47 States have already passed laws prohibiting gag clauses that restrict communications between patients and their doctors; 40 States have requirements for emergency care; all 50 States have requirements for grievance procedures; 36 require direct access to an obstetrician or a gynecologist.

The States have acted, without any prod or mandate from Washington, to protect health care consumers. That is why the National Association of Insurance Commissioners supports the approach we have taken in our bill.

In a March letter to the chairman of the Committee on Health, Education, Labor, and Pensions, the NAIC pointed out:

> It is our belief that states should and will continue the efforts to develop creative, flexible, market-sensitive protections for health consumers in fully insured plans, and Congress should focus attention on those consumers who have no protections in self-funded ERISA plans.

That is exactly the approach we have taken. Currently, Federal law prohibits States from regulating the self-funded, employer-sponsored health plans that cover 48 million Americans. Our legislation is intended to protect the unprotected. We would extend many of the same rights and protections to these consumers and their families that those in State-regulated plans already enjoy.

For the first time they will be guaranteed the right to talk freely and openly with their doctors about their treatment options. We would ban the gag clauses. They will be guaranteed coverage for emergency room care that a ''prudent layperson'' would deem medically necessary without prior authorization. They will be able to see a pediatrician or an OB/GYN without a referral from their plan's ''gatekeeper.'' They will have the option of seeing a doctor who is not part of the HMO's network. They will be guaranteed access to nonformulary drugs when it is medically necessary. They will have an assurance of continuity of care if their health plan terminates its contract with their doctor or hospital.

The opponents of our legislation contend that the Federal Government should simply preempt the States' patient protection laws unless they are virtually identical to what the Federal Government would require. But the States' approaches to these patient protections vary widely. For example, States may have emergency requirements, but not exactly the same standard that the Democrats in Senator KENNEDY's bill would impose on everyone. States that have already acted in this area would have to make extensive changes to their laws, if they are forced to comply with the one-size-fits-all model.

Moreover, what if the State has made an affirmative decision not to act in one of these areas? What if the bill failed in the legislature or was vetoed by the Governor? Let me give you a recent example from my State. Maine law requires plans to allow direct access to ob/gyn care—without a referral from the primary care physician—but only for an annual visit. Maine also requires plans to allow ob/gyns to serve as the primary care provider. Our State Legislature recently decided that the current provisions provide sufficient protection and rejected a bill that would have expanded the direct access

provision, primarily out of concern that it would drive up premium costs. I would note that this decision was made by a legislature controlled by the Democratic Party. In cases like these, the Kennedy proposal for a one-size-fits-all model would be a clear preemption of State authority.

Other provisions of our bill provide new protections for millions more Americans. A key provision of our bill builds upon the existing regulatory framework under ERISA to give all 124 million Americans in employer-sponsored plans assurance that they will get the care that they need when they need it. The legislation will enhance current ERISA information disclosure requirements and penalties and strengthen existing requirements for coverage determinations, grievances and appeals, including the addition of a new requirement for independent, external review.

All 124 million Americans in employer-sponsored plans will be entitled to clear and complete information about their health plan—about what it covers and does not cover, about any cost-sharing requirements, and about the plan's providers. Helping patients understand their coverage before they need to use it will help to avoid coverage disputes later.

The goal of any patients' rights legislation should be to resolve disputes about coverage up front, when the care is needed, not months or even years later in a court room.

Our bill would accomplish this goal by creating a strong internal and an independent external review process. First, patients or doctors who are unhappy with an HMO's decision could appeal it internally through a review conducted by individuals with ''appropriate expertise'' who were not involved in the initial decision. Moreover, this review would have to be conducted by a physician if the denial is based on a determination that the service is not medically necessary or is an experimental treatment. Patients could expect results from this review within 30 days, or 72 hours in cases when delay poses a serious risk to the patient's life or health.

Patients turned down by this internal review would then have the right to a free, external review by medical experts who are completely independent of the health plan. This review must be completed within 30 days—and even faster in a medical emergency or when the delay would be detrimental to the patient's health. Moreover, the decision of these outside reviewers is binding on the health plan, but not on the patient. If the patient is not satisfied, he or she retains the right to sue in federal or state court for attorneys' fees, court costs, the value of the benefit and injunctive relief.

Our bill places treatment decisions in the hands of doctors, not lawyers. If your HMO denies you treatment that your doctor believes is medically necessary, you should not have to resort to a costly and lengthy court battle to get the care you need. You should not have to hire a lawyer and file an expensive lawsuit to get the treatment.

Our approach contrasts with the approach taken in the measure offered by Senators DASCHLE and KENNEDY that would encourage patients to sue health plans. I do not support Senator KENNEDY's approach. You just can't sue your way to quality health care.

We would solve problems up front, when the care is needed, not months or even years later after the harm has occurred. According to the GAO, it takes an average of 33 months to resolve malpractice cases. This does nothing to ensure a patient's right to timely and appropriate care. Moreover, patients only receive 43 cents out of every dollar awarded in malpractice cases. The rest winds up in the pockets of trial lawyers and administrators of the court and insurance systems.

I met with a group of Maine employers who expressed their serious concerns about the Kennedy proposal to expand liability for health plans and employers. The Assistant Director for Human Resources at Bowdoin College talked about how moving to a self-funded, ERISA plan enabled them to continue to offer affordable coverage to Bowdoin employees when premiums for their fully-insured plan skyrocketed in the late 1980s. Since they self-funded, they have actually been able to lower premiums for their employees, while, at the same time, enhance their benefit package with such features as well-baby care, free annual physicals, and prescription drug cards with low copayments. They told me that the Democrats' proposal to expand liability seriously jeopardizes their ability to offer affordable coverage for their employees. Similar concerns were expressed by the Maine Municipal Association, L.L. Bean, Bath Iron Works, and other responsible Maine employers.

And finally, our amendment will make health insurance more affordable by allowing self-employed individuals to deduct the full amount of their health care premiums. Establishing parity in the tax treatment of health insurance costs between the self-employed and those working for large businesses is a matter of basic equity, and it will also help to reduce the number of uninsured, but working, Americans. It will make health insurance more affordable for the 82,000 people in Maine who are self-employed. They include our lobstermen, our hairdressers, our electricians, our plumbers, and the many owners of mom-and-pop stores that dot communities throughout my state.

Mr. President, I believe that this amendments strikes the right balance as we effectively address concerns about quality and choice without resorting to unduly burdensome federal controls and mandates that will further drive up costs and cause some Americans to lose their health insurance altogether, and I urge all of my colleagues to join me in supporting it.

Mr. NICKLES. Mr. President, how much time remains to both sides?

The PRESIDING OFFICER. The Senator from Oklahoma has 19 minutes and the Senator from Massachusetts has 9.

Mr. NICKLES. I yield my colleague from Tennessee 8 minutes.

Mr. FRIST. Mr. President, there has been a lot of misinformation and I am sure a lot of confusion on the part of many because of allegations that have gone back and forth because of the rhetoric, so I think I will use my few minutes to outline what is in the Patients' Bill of Rights Plus Act; that is, the Republican leadership bill we have been discussing for the last several days.

I am very proud of the bill we have put forward. I am proud of it as a physician, as a member of the task force that helped put this bill together, and as a Senator, because I believe with passage of this bill we can do what I think everybody in the body wants to do, and that is to improve the quality of care for individuals across this country, their children, and on into the next generation.

The bill we put forward has really six major components with three objectives. The three objectives are to enhance health care quality, to enhance access, and to provide consumer protections. We do that through six components.

First, as the Senator from Maine has just gone through, strong consumer protection standards. The second way of achieving that is that we offer good, comparative information among plans, at a time when it is very confusing to the beneficiary, to the individual patient, what plan offers what, and what benefits are covered.

Third—and I am proud of this—we have a strong internal, and even more important, I believe, external appeals process establishing these rights for 124 million people. We are talking about scope in a lot of these discussions, but let's remember this applies to 124 million Americans who are covered both by the self-insured and fully insured group health plans.

Fourth, we have in our bill a ban on the use of genetic information by insurance companies for underwriting purposes. It is very important, as we look at the human genome project, which is producing 2 billion bits of information, all of which can be to the benefit of mankind if it is used appropriately.

Fifth, we have a quality focus in our bill which is lacking in other bills and other proposals. We have expanded quality research activities through the Agency for Health Care Policy and Research. We address issues of access. This is in contrast to the bill on the other side, because we have a major problem in this country today of about 41 million people who are uninsured. You are not going to find this Senator voting for a bill that drives people to the ranks of the uninsured and expands that 41 million to 42 million.

As my colleague from Maine just pointed out, every 1-percent increase in premiums drives about 300,000 people to the ranks of the uninsured. I doubt one will find very many Senators on our side in favor of increasing that number of uninsured.

We addressed the issue of access through two means: No. 1 is medical savings accounts expansion, and No. 2 is to have availability of a full deduction for health insurance benefits for the self-employed.

As the Senator from Maine pointed out, States already regulate insured health plans. Thus, our bill addresses the unprotected with the protections. We do it through emergency care. A prudent layperson, somebody in a restaurant has some chest pain—is it indigestion or a heart attack? You go to the emergency room and are reimbursed, because a prudent layperson standard is used and, therefore, that service is covered.

Choice of plans: In our bill, we make sure those plans that offer network-only plans are required to offer what is called point-of-service options.

Consumer protections: Obstetricians, gynecologists, pediatricians—we have heard these words used a lot. Who are these physicians? Do you have access? Under our bill, health plans would be required to allow direct access to obstetricians, to gynecologists, and to pediatricians for routine care without referrals, without gatekeepers.

Continuity of care: Under our bill, plans that terminate or nonrenew doctors or providers from their networks would allow continued use of the provider for up to 90 days or, if someone is pregnant, up through the postpartum period.

Access to medication: We all know that formularies are used increasingly by people broadly because of the cost of prescription drugs. In our plan, we make sure physicians and providers and people with clinical experience are on those boards that put together these formularies. In our bill, we make sure that nonformulary alternatives are available when medically necessary and when appropriate. Physicians, pharmacists, not just bureaucrats, will be putting these formularies together.

Access to specialists: I am a heart and lung transplant surgeon. I have had the opportunity to transplant hundreds of hearts and lungs and do hundreds of heart operations, and I know the importance of access to a specialist. Under our bill, health plans would be required to ensure that patients have access to covered speciality care within the network or, if necessary, provide that access through contractual relationships if heart surgeon BILL FRIST happens not to be inside that network.

Gag rules: We all know that physicians should not have gags placed on them when they talk to patients. We have a strong gag rule prohibition in our bill. No more gag rules.

A second approach is that we require comparative information be given to individuals so they can compare one plan to another so they will know what services are covered and what services are not.

I mentioned grievance and appeals. All group health plans would be required to have written grievance procedures and have both an internal appeals process as well as an external appeals process if there is some disagreement as to what is covered and what is not covered.

Timeframes—we address it in our bill. Expedited requests for care, if there is any question of jeopardizing the patient's health, is allowed.

Qualification of reviewers: This is a significant improvement in our bill compared to last year. We make absolutely sure that an appropriately qualified external reviewer; that is, a provider who has expertise in the field where there is some question. If it is a question about heart surgery, you have a heart surgeon, somebody familiar to heart surgery as the reviewer. The external appeals process is, I believe, greatly strengthened by having this independent—and those are the words we use—''external medical reviewer where necessary.''

We allow in those cases where a treatment is considered experimental that that also can be handled in this external review process. We require that external reviewer to have ''relevant expertise.''

My time is just about out. There are three other issues.

Genetic information: Our bill recognizes that ''predictive genetic information'' can be used against you by an insurance company, either raising premiums or denying coverage. We prohibit it.

Our bill focuses on quality improvement by taking the Agency for Health Care Research and Quality and focusing on health service delivery and training scientists, providing information systems to improve quality, and, lastly, our bill invests in the infrastructure necessary to measure quality.

Medical savings accounts and full health insurance deduction for the self-employed are a part of our bill.

That is our bill in a nutshell. It looks at consumer standards. It looks at improved quality, it looks at improved access. It is a bill of which I am proud. It is a bill I know all of us can support. It is a bill that will improve health care in the United States of America.

Mr. President, I yield back my time.

Mr. SCHUMER addressed the Chair.

The PRESIDING OFFICER. The Senator from New York.

Mr. SCHUMER. I have been yielded 4 minutes by the Senator from Massachusetts.

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

Mr. SCHUMER. I thank the Chair, and I thank the Senator from Massachusetts not only for yielding but for his leadership over many years on this issue. Let me make a couple of points.

First of all, the Senator from Tennessee has outlined his bill, and it is a different approach. I ask Americans to ask: Why do all of the leading doctors' groups, including the American Medical Association, why do the leading consumer groups up and down the line, support our approach? If the bill on the other side is so good for consumers and so good for physicians and providers, then why are they all supporting this bill? And if, as the Senator from Tennessee believes, all of these are worthy goals—specialists, appeals processes, et cetera—then why not go all the way? Why not do it right? Why not do it in a way that the AMA and all the consumer groups and all of those that both sides are talking about protecting choose? The bill they choose is our bill.

Second, on cost, because I know the Senator from Maine mentioned cost, the most recent estimates by CBO said that the Daschle-Kennedy bill, at the end of 5 years, would cost $2 extra a month a person. Ask Americans: Would they pay that to have access to specialists, to have emergency room treatment, to have the kinds of things we have been talking about? You bet. They would pay it in a New York minute. So if cost is the concern, it is not much, and you get a lot. If helping providers and consumers is the concern, our bill prevails.

What we are going to do tonight is table any proposal. That is not adequate, nor is it even adequate, at least from my point of view as a freshman Senator, to try to deal with this issue and just push it away. We believe passionately that patients need help, that consumers need help, that physicians and nurses and hospitals need help.

We believe the HMOs have swung too far in their ability to police the basic patient-doctor relationship. We do not think that a quick ''let's get rid of this, let's have a quick vote and say it is over'' serves the American people.

What we will be doing on this side is continuing to fight until we can get a full and open debate. I want to debate the Senator from Tennessee on whether the Daschle bill or his bill really gives access to specialists. I want to debate the Senator from Tennessee on whether the appeals process in our bill or in his bill is the most open.

I want to debate the Senator from Tennessee on every one of the issues that has been mentioned. The process that we are going through now does not allow that debate. I do not know where it will come out. My guess is it may come out similar to the last debate we had where a number of people, in a bipartisan way, come together for a stronger bill. But that may not happen.

But at the very least, in conclusion, we should have a full and open debate. And a motion to table and a vote on one bill and then the other to get rid of this is not fair to the American people.

Thank you.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. NICKLES. Mr. President, how much time remains?

The PRESIDING OFFICER. Eleven minutes for the Senator from Oklahoma.

Mr. NICKLES. On the other side?

The PRESIDING OFFICER. Four minutes 46 seconds.

Mr. NICKLES. I yield the Senator from Pennsylvania 5 minutes.

Ms. SANTORUM. Thank you, Mr. President.

I thank the Senator from Oklahoma for yielding me time. I congratulate him and the entire working group on the Republican side of the aisle—Senators JEFFORDS, COLLINS, FRIST, and GRAMM for putting together what I believe is a bill that this Senate should embrace. I think America, if they were given the choice between what is being offered on the Democratic side and what is being offered on the Republican side, would quickly embrace this plan for many reasons.

No. 1, it is a much more comprehensive plan. This is the Patients' Bill of Rights Plus. It is not just some consumer protection measures which Democrats have put forward—and we have, to some degree, done the same—but it goes much farther. By looking at the health care picture in America, on a comprehensive basis, we took a step back and said, what can we do to improve quality, to improve access, to reduce costs—not responding to hot button poll issues?

It seems to be the popular move around here—when something polls well, we rush out here and try, with legislative fixes, to pass something that sounds good to the American public.

We did not take that approach. We took the approach of how, from a public policy point of view, we are going to solve real problems in America—not real problems that maybe poll well but real problems that solve structural problems, structural problems in the health care system, which will end up benefiting millions of people.

One such area is that of access. Much has been talked about in relation to patients' rights. We have not heard a lot of talk on the other side about access to insurance. There are a couple of components to that.

No. 1, keep the costs down. We have heard a lot of talk about how the other bill, the Kennedy bill, dramatically increases costs. Our bill does not do that. So in that respect, we already, by virtue of not driving up health care costs, improve access. But we do more than that.

We do two specific things in the tax portion of this bill. First, we increase the deductibility of insurance for the self-employed up to 100 percent. So we put them on an even playing field with those who have employer-provided health care. We give 100 percent deductibility, thereby increasing the desirability of owning health care insurance, of buying that insurance for yourself as a self-employed individual, thereby getting more people into the health care system, which is something everybody believes is necessary and desirable.

Second, we provide for medical savings accounts. Medical savings accounts have gotten, from a public policy perspective, a little bit of a bad rap based on what was passed here a few years ago. What was passed here a few years ago was a program that was designed to fail. Those who designed it got exactly what was predicted—failure.

It is a program that is very limited. Very few taxpayers can participate in it. It is time limited. It does not allow you to carry contributions from year to year. It is a program that has very little in the way of a design that would be attractive. In fact, what would attract people to MSAs is the ability to control their own health care costs, which is the ability to profit personally—instead of the insurance companies managing your health care, doing things that keep you healthy. Those are some of the attractions of MSAs that are the control element, all of which are forfeited under the existing MSA proposal.

The bill that we are offering removes all these restrictions—artificial—to dampen the enthusiasm for the program, to make it less attractive and less workable, and allows a full-blown medical savings account proposal to go forward and to put it into the mix of health care delivery options, insurance options, again, creating more choices, creating, in this case, a high deductible insurance option that is very attractive to people who we have a very difficult time bringing into the insurance system but are very important to get in there, and those are younger workers, in particular.

We have a very difficult time convincing younger uninsured people that it is maybe worthwhile to go out and buy insurance coverage. Most young people think they are infallible, that they cannot be hurt, that they do not need insurance. What we do is create a savings component to health insurance which is a very attractive thing, particularly for younger people and yet, at the same time, very useful for everyone—once people understand how the dynamics of medical savings accounts work.

So it has the dual components of attracting those very desirable people into the insurance pool—younger workers who have, in fact, less health care costs—and at the same time provides the kinds of choices and quality and the proper incentives to the rest of the population in the health care system through these medical savings accounts.

So I am very excited that what we have been able to accomplish in this bill is not just to provide some hot button issues with regard to HMOs which poll well—and I understand that——

The PRESIDING OFFICER. The Senator's time has expired.

Mr. SANTORUM. We have provided a comprehensive approach to health care reform and one that I think we can all be very proud of.

I thank the Senator from Oklahoma for yielding me time.

Mr. KENNEDY. I yield 2 minutes to the Senator from Illinois.

Mr. DURBIN. I thank the Senate for yielding.

You know what this reminds me of? This reminds me of the Senate. Imagine, both sides of the aisle—Republican and Democrat—on the floor discussing and debating an issue which counts with American families—health insurance.

Is it going to be there when we need it? Will it be affordable? Can we trust our doctors not to be overruled by insurance company bureaucrats?

I like this debate. That is why I ran for the Senate. But in 10 minutes there will be a vote on a Republican motion to table to end this debate, to stop it, to say that there is going to be no further debate, no future amendments—it is over.

I do not think that makes sense. Weren't we sent here to enter into this debate? To face these issues on an up-or-down vote? I am prepared to do that.

I know that some of the votes on these amendments will not be easy, but I think we have an excellent bill in the Democratic Patients' Bill of Rights, a bill that has been endorsed by every major health organization, children's advocacy groups, and labor-business across the board.

I am prepared to stand and defend this bill, offer amendments that give to families the assurance they are going to get quality health care. But the Republican side does not want this debate. They do not want to vote on these amendments. They called it ''health care-plus.'' It is ''health care-minus.'' Every day they are taking away from American families their power to choose a doctor, their power to have the right specialist, their willingness, I guess, to sit down with their doctor and realize they are getting an honest answer.

It is a shame that in 10 minutes this motion to table is going to come before us. This really resembles the Senate—deliberation on an issue that counts. I hope the motion to table is defeated. Let's have the real debate on this issue.

I yield back my time.

Mr. BINGAMAN. Mr. President, I rise to today to ask my colleagues to consider several intriguing questions. What would we do if I told you that Americans were deliberately being denied access to our country's greatest technologies and developments? What if I told you that there is a business in this country that is permitted to make any kind of business decision they want and potentially adversely effect millions of consumers' lives and not be held accountable? What if I told you that Congress has had the answer to these questions and, most importantly, the solutions to these problems but because of a few people and a great deal

of money from one special interest group, the American people have been denied a substantially better quality of life? Well, unfortunately, all this is true.

Over 200 organizations representing doctors, nurses, patients' right advocates, consumer organizations and labor groups and American people everywhere have all spoken loud and long: The time is now to pass a meaningful patient's bill of rights. My Democratic colleagues stand ready, once again, to engage in a discussion with our Republican colleagues so that we can finally put the American people's interest before health insurance company profits.

Over 100 million workers who labor hard and pay health insurance are being denied critical medical services. We are led to believe by some that the health care system under managed care is working just fine. In our own circles of friends and family, we know that this is simply not true. The numbers are staggering. I have a chart here that will not surprise anyone.

In 1998, 115 million Americans either had a problem or knew someone who had a problem with managed care and that number is dramatically on the rise. Let me say that again. At least, 115 million people in this country are experiencing difficulties obtaining medical services for which they pay for every month. The issue is clear. Managed health care reform is long overdue.

First and foremost, we need a managed health care system that is inclusive, providing the best health care for everyone that spends their hard earned dollars on health insurance. The Republican managed care bill leaves out over 100 million Americans: two-thirds of those that have private health insurance. Let me be even more specific using my own State, New Mexico, as a example of what I am referring to.

There are approximately 900,000 privately insured patients in the State of New Mexico. Without passage of the Democratic Patients' Bill of Rights, look at the list of major patient protections that over 900,000 New Mexicans will not have.

Under the Republican bill, almost 700,000 New Mexicans will not have substantive protections and 350,000 will not be covered at all if the Republicans pass their bill. The Democratic Patients' Bill of Rights will assure that 900,000 New Mexicans will receive all these protections that I have listed on this chart.

These numbers represent real people with real health concerns. These numbers represent people who expect Congress to put the health interests of Americans first.

Let me address just a few of the basic protections that I believe a managed care system should provide and that, in fact, the Democratic Patient's Bill of Rights includes.

We need a managed care health system that does not financially penalize health care professionals who try to provide the best care for their patients. We can no longer permit managed care companies to fire providers who report quality concerns or who speak up on behalf of their patients and assist their patients when their HMO denies care.

We need a managed care health system that does not allow HMO's to operate with few providers and long waiting periods for appointments, and that force patients to drive long hours to get needed care, even if there are qualified providers nearby. Where you live in our country should not be reason enough to exclude you from the best medical care available. In a state such as New Mexico this is a critical concern.

We need a managed care health system that does not prohibit health plans from excluding non-physician providers such as nurse practitioners, psychologists, and social workers from their networks. Under the Republican bill, patients, especially those in rural and other areas without an adequate supply of physicians, could be left out in the cold. Once again, in the State of New Mexico these are critical concerns.

Simply put, we need a managed health care system that puts patient protections first before insurance company profits.

Let me also address one other issue. I have heard concerns from some of my Republican colleagues regarding the impact that reforming health insurance might have on small businesses. I too have long been concerned with the effect of federal policy on this part of the business sector. New Mexico relies significantly on the innovation and hard work of the small businessperson and I have consistently worked to protect their interests. But instead of trying to scare small businesses with inadequate information that seemingly threatens their livelihoods as some might do, let's take a look at the facts.

In a recent study by the Small Business Alliance and the Kaiser Family Foundation, the overwhelming majority of small businesses would continue to provide health insurance after managed care reform and the majority of these business endorsed key elements of the Democratic Patient's Bill of Rights including real independent appeals, access to speciality care, and direct access to OB/GYN services, as well as the patient's right to hold insurance companies accountable for their decisions.

I began my comments asking several fundamental questions about consumer rights. I would like to conclude by encouraging all of my colleagues to consider the issues which I have raised and I look forward to substantive debate on these critical matters that have such a profound effect on the health of this Nation.

We have an opportunity to stand up for American families, protect American children and respond to the needs of American workers. I urge all of my colleagues to stand together with the overwhelming majority of the American people and begin a discussion that will ultimately lead to the passage of a meaningful patient's bill of rights for all Americans. The American people have waited long enough.

Mr. CHAFEE. Mr. President. I would like to clarify my position on these procedural votes regarding managed care reform legislation.

I think Senators on both sides of the aisle are familiar with my position on the need for managed care reform legislation to ensure that health care consumers are treated fairly by their HMOs and other managed care plans.

Indeed, I have authored bipartisan legislation—both in this Congress and the last—to provide a basic floor of federal protections for all privately insured Americans. And, I am pleased to be joined in that endeavor by Senators BOB GRAHAM, JOE LIEBERMAN, ARLEN SPECTER, MAX BAUCUS, CHUCK ROBB and EVAN BAYH.

Though I will vote not to table the Republican bill, I want to make clear, I do not think this bill goes far enough in protecting consumers. Nor am I entirely comfortable with the Democratic bill. Let me cite just a few examples.

In the Chafee-Graham-Lieberman bill, our patient protections would extend to all privately insured Americans—not just to the self-funded component of the ERISA population, as is the case with most of the patient protections in the Republican bill.

A credible enforcement mechanism is also critical to ensuring that any patient protections we adopt here in the Senate are taken seriously by managed care plans. The Chafee-Graham-Lieberman bill contains a strong enforcement mechanism which would permit injured parties to seek redress in federal court. Here the Democratic bill goes too far in exposing health plans to state tort liability, while the strengthened ERISA remedy contained in the Republican bill does not go far enough.

Our bipartisan bill also contains very strong internal and external appeals provisions to ensure that patients get their appeals heard in an expeditious and equitable manner. I am not convinced the Republican bill does enough in this area.

Regardless of our legitimate differences, I am not in favor of trying to force the debate on managed care in this manner. I respectfully urge both sides to work in good faith to arrive at a reasonable time agreement to facilitate an orderly debate as soon as practicable on this very important legislation.

In that regard, I do not think 40 amendments on either side is realistic given all of the other matters competing for the Senate's attention; nor, for that matter, do I think 3 amendments would give the Senate the opportunity to fully debate these issues.

If we are serious about Senate consideration of managed care legislation—as I believe both sides are—I see

no reason why we cannot come to an agreement on a date certain for taking up this legislation, and a date certain for completing it. I believe the Senate could complete consideration of this legislation within a period of five or six days.

So, let us proceed in a timely manner to debate these differences and to vote to resolve them. That is our task, and I am willing to help in whatever ways I can to ensure a full and meaningful debate.

Mrs. MURRAY. Mr. President, I rise today to express my frustration and outrage with the inability of the Republican leadership to allow a fair and open debate on a real Patients' Bill of Rights. I do not like the idea of tying up must do appropriations bills to try and force a fair and open debate on access to health care services. However, due to the inability to find a reasonable compromise on the number of amendments, we have been forced to bring this issue to every possible vehicle.

There are many things we do here that simply do not have the impact we seem to think they do. We spend more time debating a constitutional amendment to balance the budget instead of simply doing the hard work to balance the budget. We proved that despite weeks of debate all we needed to do was make the tough choices and balance the budget. Yet when it comes to something like access to emergency room treatment or access to experimental life saving treatments, we can't find three days on the Senate floor. This is the kind of legislation that really does impact American working families. I would argue that it deserves a full and open debate on the Senate floor.

The pending amendment before us is not, and let me repeat, is not a Patient Bill of Rights. Oddly enough it excludes most insured Americans and in many cases, simply reiterates current insurance policy. It does not provide the kind of protections and guarantees that will ensure that when you need your insurance it is there for you and your families. Let's face it, most people do not even think about their health insurance until they become sick. Certainly insurance companies do not notify them every week or month when collecting their premiums that there are many services and benefits that they do not have access to. It is amazing how accurate insurance companies can be in collecting premiums, but when it comes time to access benefits it becomes a huge bureaucracy with little or no accountability.

The Republican leadership bill is inadequate in many areas. Let me point out one major hole in this legislation. During markup of this amendment in the HELP Committee I offered a very short and simple amendment to prohibit so-called ''drive through mastectomies.'' My amendment would have prohibited insurance companies from requiring doctors to perform major breast cancer surgery in an out patient setting and discharging the woman within hours. We saw this happen when insurance companies decided that there was no medical necessity for a woman to stay more than 12 hours in a hospital following the birth of a child. They said there was no need for follow up for the newborn infant beyond 12 hours. There was no understanding of the effects of child birth on a woman and no role for the woman or physician to determine what is medically necessary for both the new mother and new born infant.

I offered the drive through mastectomy prohibition amendment only because an amendment offered earlier in the markup would continue the practice of allowing insurance personnel to determine what was medically necessary. Not doctors or patients, but insurance company bean counters. I offered my amendment to ensure that no insurance company would be allowed to engage in drive through mastectomies. My amendment did not require a mandatory hospital stay. It did not set the number of days or hours. It simply said that only the doctor and patient would be able to determine if a hospital stay was medically necessary. The woman who suffered the shock of the diagnosis of breast cancer; the woman who was told a mastectomy was the only choice; the woman who faced this life altering surgery. She decides.

Unfortunately, my colleagues on the other side did not feel comfortable giving the decision to the woman and her doctor. They did not like legislating by body part. Neither do I. But I could not sit by and be silent on this issue. Defeating the medically necessary amendment offered prior to my amendment, forced me to legislate by body part. I would do it again to ensure that women facing a mastectomy are not sent home to deal with the physical and emotional after shocks.

For many years I have listened to many of my colleagues talk about breast cancer and breast cancer research or a breast cancer stamp. When it sometimes to really helping breast cancer survivors, some of my Republican colleagues vote ''no.'' I hope we are able to correct this and give all of my colleagues, not just those on the HELP Committee the chance to vote ''yes.''

I also want to remind many of my colleagues who support doubling research at NIH, that we are facing a situation where we have all this great research and yet we allow insurance companies to deny access. Today we heard testimony at the Labor, HHS Subcommittee hearing about juvenile diabetes. It was an inspiring hearing with over 100 children and several celebrities. Yet as I sat there listening to testimony from NIH about the need to increase funding and how close we are to finding a cure, I was struck by the fact that the Republican leadership bill would allow the continued practice of denying access to clinical trials, access to new experimental drugs and treatments, access to specialities and access to speciality care provided at NIH cancer centers.

It does little good to increase research or to find a cure for diabetes or Parkinsons disease if very few can afford the cure or are denied access to the cure. We need to continue our focus on research, but cannot simply ignore the issue of access.

I urge my colleagues to join with me in supporting a real Patient's Bill of Rights that puts the decision on health care back into the hands of the consumer and the physician. It does not dismantle managed care. But it ensures that insurance companies managed care, not profits.

I do not want to increase the cost of health care costs, I simply want to make sure that people get what they pay for. That they have the same access to cure that we as Members of the Senate enjoy as we participate in the Federal Employees Health Benefit Plan. The President has made sure that we have patient protections. Our constituents deserve no less.

Mr. SPECTER. Mr. President, I am voting against tabling both competing versions of the Patient's Bill of Rights because I believe both should be considered by the Senate. I oppose any proposal to limit amendments on either bill and then have just an up or down vote on each Bill.

I believe a bill should be considered in regular order in the usual manner subject to the Senate rules which would permit amendments and debate under our rules without a unanimous consent agreement limiting amendments or debate.

My own preference for the Patient's Bill of Rights is the bipartisan proposal S. 374 sponsored by Senators CHAFEE, GRAHAM, LIEBERMAN, BAUCUS, and myself.

If any bill is called up subject to regular order, the various provisions could be considered and voted upon and the Senate would work its will on the competing provisions.

Mr. KENNEDY. How much time do I have?

The PRESIDING OFFICER. Two minutes 50 seconds.

Mr. KENNEDY. Two minutes 50 seconds?

The PRESIDING OFFICER. Yes.

Mr. KENNEDY. I would like to reserve the last 20 seconds, Mr. President.

Mr. President, to listen to my friends on the other side, you would think that you were hearing the talking points written by the insurance industry: It costs too much.

Here is the CBO report: 4.8 percent for average premiums for employer-sponsored health insurance over 5 years. For the sake of this exercise, call it 5 percent. Say a families' premium is $5,000. That is $250 over 5 years. Allocate that in terms of employer-employee, and you will find that the cost paid by an employee is around the cost of a Big Mac each month. This

is a buy to ensure that you are going to have the protections in our legislation.

We hear about all the things that their program is doing. But the one thing that Senator FRIST left out is that they are only covering a third of all of Americans. They are leaving out more than 110 million Americans. If this plan is so good, why not include everyone?

For those that are so concerned about the cost, I hope they are going to explain where they are getting the money that the Joint Tax Committee says their proposal will cost. Their medical savings accounts alone—which are little more than a tax shelter for the rich—are $4.2 billion over the next 7 years. But they don't say how they will pay for it in their proposal.

They are concerned about cost? Why are they expanding that tax loophole? Why aren't they at least jawboning the insurance companies to hold down the 6 to 10 percent increase that we see in the insurance premiums every year just to increase profits?

Every single provision of the Republican bill is riddled with loopholes. It is a bill that only an insurance company accountant could like. As this debate proceeds, we will expose those loopholes.

Mr. President, one of the ways you know a person is by who their friends are. Our friends in this debate are the 200 groups that represent the doctors and nurses—the health delivery professionals—and consumers. Not a single organization supports the opposition.

If our amendment is tabled, it is a vote against children, a vote against families, a vote against women; it is a vote against every individual with a serious health problem, and it is a vote in favor of mismanaged care and a vote in favor of placing insurance company profits ahead of patient care. I hope the motion to table Senator DASCHLE's amendment is defeated.

I yield the remainder of my time.

Mr. NICKLES. Mr. President, how much time remains?

The PRESIDING OFFICER. The majority has 5 minutes 4 seconds, and Senator KENNEDY has 20 seconds.

Mr. NICKLES. Mr. President, I yield 3 minutes to the Senator from Maine.

Ms. COLLINS. Mr. President, I thank the assistant majority leader.

The goal of any patients' rights legislation should be to resolve disputes about coverage, about access to treatment upfront when the care is needed, not months or even years later in a courtroom. That is a fundamental difference between the bill supported by Senator KENNEDY and the proposal that we have advanced.

Our legislation would accomplish this goal by creating a strong internal and external review process. If a patient or a physician is unhappy with an HMO's decision, the patient or the provider can appeal it internally for a review. If they are unhappy with the review decision, the internal review, they have the right for a free and quick review by an external panel. The goal of our legislation is to ensure that people get the treatment they have been promised.

Moreover, the decision of the outside reviewers is binding on the health plan but not on the patient. If the patient is still not satisfied, he or she retains the right to sue in Federal or State court for attorneys' fees, court costs, value of the benefit, and injunctive relief.

Our bill places treatment decisions in the hands of physicians, not trial lawyers. If your HMO denies you the treatment your doctor believes is medically necessary, you should not have to resort to a costly and lengthy court battle to get the care you need. You should not have to hire a lawyer and file an expensive lawsuit to get treatment.

Our approach contrasts with the approach taken in the measure offered by Senator KENNEDY. Their approach, which I do not support, would encourage patients to sue health care plans. You just can't sue your way to quality health care. We want to solve the problems upfront, when the care is needed, not months or even years later, after the harm has occurred.

According to the GAO, it takes an average of 33 months to resolve medical malpractice cases. This does nothing to ensure a patient's right to timely and appropriate care. Moreover, patients only receive 43 cents out of every dollar awarded in malpractice cases. The rest winds up in the pockets of trial lawyers and the administrators of court and insurance systems.

Suing is not the answer. The answer is having a fair, free, and prompt appeals process that gets patients the care they need, the care they were promised before harm can be done.

I recently met with a group of Maine employers who expressed their very serious concerns about the Kennedy proposal to expand liability for health plans and employers. One of these employers was Bowdoin College in Brunswick, ME. I want to talk briefly about Bowdoin's experience.

They moved to a self-funded plan in order to improve the coverage provided to their employees. They now provide an annual physical, low-cost prescription coverage, and well-baby care. But they told me that if the Democrats' proposal to expand liability goes through, it would seriously jeopardize their ability to offer affordable coverage for their employees. They would return to the insurance market and to a plan less favorable to their employees.

I thank the assistant majority leader for yielding the additional minute. I yield back my time to the assistant majority leader.

Mr. NICKLES. Mr. President, how much time remains?

The PRESIDING OFFICER. The Senator has 1 minute 12 seconds.

Mr. NICKLES. I will reserve 12 seconds.

In a moment there will be a motion to table the Republican substitute. I hope our colleagues will vote against that motion to table and then, hopefully, after that is not tabled, I will move to table the Kennedy amendment.

Mr. President, I will do so for a couple of reasons. One, it doesn't belong on the agriculture bill. I told my colleagues we are willing to come up with a reasonable time agreement and a limited number of amendments to debate this issue. It doesn't belong on the agriculture appropriations bill.

There are other reasons to table the underlying Kennedy amendment. If you want to increase health care costs, that is what this bill does. It will increase health care costs 5 percent, in addition to the 6, 7, 8, 9 percent of health care inflation. You are going to have a 13 or 14-percent increase in health care costs, which is going to increase the number of uninsured probably by 1.5 million, maybe more. We should not be passing legislation to put 1.5 million people into the uninsured category. That would be a serious mistake.

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

Mr. KENNEDY addressed the Chair.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KENNEDY. Mr. President, the issue that is before us with the proposal that Senator DASCHLE has advanced is a very basic and fundamental one: Who ought to be making the decisions on your health care?

The whole concept behind the Daschle proposal is that we should let the medical professional guide that judgment—the doctor, nurse and patient together. That ought to be the basis of the judgment—not an accountant, not an insurance company official. That is really at the heart of this whole legislation. Our legislation protects that and preserves it.

The other legislation that is reported out of our committee fails to do it. That is why we have the support of the health care professionals and they do not. I hope we will have the opportunity to at least debate these various issues in an orderly way. That is what this battle is about. I hope that we will be able to continue with a reasonable procedure to permit the Senate to make a judgment.

Mr. NICKLES addressed the Chair.

The PRESIDING OFFICER. The Senator from Oklahoma.

Mr. NICKLES. Mr. President, I am afraid my colleague from Massachusetts didn't hear my colleague from Tennessee state that we do have internal appeals that are decided by physicians. We also have external appeals that are decided by experts in the medical community. So if his statement is correct, he should vote for our proposal. I encourage him to do so.

Mr. LOTT addressed the Chair.

The PRESIDING OFFICER. The majority leader is recognized.

Mr. LOTT. Mr. President, has all time expired?

The PRESIDING OFFICER. Yes.

Mr. LOTT. Mr. President, I move to table amendment No. 703 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. 703. The yeas and nays have been ordered. The clerk will call the roll.

The legislative assistant called the roll.

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

The result was announced—yeas 45, nays 55, as follows:

[Rollcall Vote No. 181 Leg.]

YEAS—45

Akaka	Edwards	Levin
Baucus	Feingold	Lieberman
Bayh	Feinstein	Lincoln
Biden	Graham	Mikulski
Bingaman	Harkin	Moynihan
Boxer	Hollings	Murray
Breaux	Inouye	Reed
Bryan	Johnson	Reid
Byrd	Kennedy	Robb
Cleland	Kerrey	Rockefeller
Conrad	Kerry	Sarbanes
Daschle	Kohl	Schumer
Dodd	Landrieu	Torricelli
Dorgan	Lautenberg	Wellstone
Durbin	Leahy	Wyden

NAYS—55

Abraham	Frist	Murkowski
Allard	Gorton	Nickles
Ashcroft	Gramm	Roberts
Bennett	Grams	Roth
Bond	Grassley	Santorum
Brownback	Gregg	Sessions
Bunning	Hagel	Shelby
Burns	Hatch	Smith (NH)
Campbell	Helms	Smith (OR)
Chafee	Hutchinson	Snowe
Cochran	Hutchison	Specter
Collins	Inhofe	Stevens
Coverdell	Jeffords	Thomas
Craig	Kyl	Thompson
Crapo	Lott	Thurmond
DeWine	Lugar	Voinovich
Domenici	Mack	Warner
Enzi	McCain	
Fitzgerald	McConnell	

The motion was rejected.

The PRESIDING OFFICER. The majority leader.

Mr. LOTT. Mr. President, I notify Senators that this will be the last vote tonight. Tomorrow at 9:30, we will resume consideration of the agriculture appropriations bill which will be clean of the Patients' Bill of Rights. I urge Members to offer amendments to the agriculture appropriations bill as soon as possible. I yield the floor.

AMENDMENT NO. 702

Mr. LOTT. Mr. President, I move to table amendment No. 702, and I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion to table amendment No. 702. The yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

The result was announced—yeas 53, nays 47, as follows:

[Rollcall Vote No. 182 Leg.]

YEAS—53

Abraham	Frist	McConnell
Allard	Gorton	Murkowski
Ashcroft	Gramm	Nickles
Bennett	Grams	Roberts
Bond	Grassley	Roth
Brownback	Gregg	Santorum
Bunning	Hagel	Sessions
Burns	Hatch	Shelby
Campbell	Helms	Smith (NH)
Chafee	Hutchinson	Smith (OR)
Cochran	Hutchison	Snowe
Collins	Inhofe	Stevens
Coverdell	Jeffords	Thomas
Craig	Kyl	Thompson
Crapo	Lott	Thurmond
DeWine	Lugar	Voinovich
Domenici	Mack	Warner
Enzi	McCain	

NAYS—47

Akaka	Feingold	Lieberman
Baucus	Feinstein	Lincoln
Bayh	Fitzgerald	Mikulski
Biden	Graham	Moynihan
Bingaman	Harkin	Murray
Boxer	Hollings	Reed
Breaux	Inouye	Reid
Bryan	Johnson	Robb
Byrd	Kennedy	Rockefeller
Cleland	Kerrey	Sarbanes
Conrad	Kerry	Schumer
Daschle	Kohl	Specter
Dodd	Landrieu	Torricelli
Dorgan	Lautenberg	Wellstone
Durbin	Leahy	Wyden
Edwards	Levin	

The motion was agreed to.

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

The motion to lay on the table was agreed to.

Mr. LOTT. 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. 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.

STEEL IMPORT LIMITATION ACT

Mr. MCCAIN. Mr. President, unfortunately I was unable to vote on the cloture petition on the motion to proceed to H.R. 975, the Steel Import Limitation Act. If I was able, I would have voted against cloture. This legislation will not achieve its desired purpose and will only hurt American workers and consumers.

Some supporters of this legislation have asserted that this bill is necessary to support the steel industry. I am willing to do my part to ensure that America continues to have the most efficient and competitive steel industry in the world. The domestic steel industry plays an important role in protecting our national security by ensuring that we will have enough steel to build ships, tanks, planes, and missiles to protect the United States. Additionally, steel remains an important input in large sectors of our economy, including transportation equipment, fabricated metal products, industrial machinery and construction.

However, this legislation is not written to save domestic steel jobs, but instead will jeopardize American jobs. For every 1 job that produces steel, 40 jobs in the downstream industries use steel. If Congress passes this quota legislation, it will cause a shortage and drastic increase in the price of steel that will threaten the jobs of the 8 million employees in steel-using industries. For example, Caterpillar, Inc. uses a heavy special-section steel for bulldozer track-shoes. This steel is not produced in the United States, so Caterpillar imports it from overseas to its American plants. If we pass this quota legislation, Caterpillar will not be able to import the steel it requires, which will threaten the jobs of Caterpillar's 40,261 workers in the U.S.

I also do not think that this quota legislation will help the steel industry. According to the Wall Street Journal, American steelmakers buy up to 25% of the steel coming into the United States. The steel companies need to buy this steel to reach their highest capacity of steel production. Weirton imports close to 400,000 tons of slab a year. Bethlehem Steel imported at least 416,000 tons of steel last year. If we shut off the necessary imports of foreign steel to these companies, how can they keep American steel product workers employed?

While I know that the steel industry has been affected by the dumping of foreign steel in the U.S. market, I believe that the proper steps have been taken to deal with this crisis. Since January, 1999, 42 antidumping and countervailing duty steel investigations have been initiated or completed. As a result of just one of these antidumping cases, duties of between 67.14% and 17.86% will be imposed on select Japanese firms. These duties will ensure that U.S. companies will have a better chance to compete.

That the existing process for handling anti-dumping cases is working is proven by the recent statistics on steel imports. Total steel imports dropped 42% from August, 1998, to April, 1999. In fact, April, 1999, imports are actually 6% below steel imports in April, 1997. Imports of hot-rolled steel, which account for 25 percent of all steel imports, fell 72% since the peak levels of November, 1998. Hot-rolled steel imports from Japan, Russia, and Brazil fell almost 100% from November to April. It is no wonder that Secretary Daley said in the Friday, June 18, Washington Post that ''the steel crisis of '98, in my opinion, is over.'' Given the decline in recent imports, there seems to be no need for this legislation. These results, under existing law, were attained in a manner fully consistent with our obligations under the World Trade Organization.

This leads me to a more important point. We should not look at this legislation in only the narrow view of what it will do for the steel industry. Instead, we should see what it will do to the world economy.

The past two years have been devastating for many of our trading partners. Most of Asia is slowly turning the corner back from the disaster of the Asian economic crisis. Just recently, Japan announced a positive growth rate of 1.9% after six successive quarters of contraction. Both Brazil and Argentina have suffered from economic turmoil. In Europe, the Russian economy remains a basket case. Germany, the former European economic powerhouse, grew a mere 0.4% in real terms, and is on the verge of recession.

The United States must be careful not to do anything that will plunge the world into recession. If we were to pass this non-WTO compliant legislation, the likely result is that other countries will respond by limiting our products from their markets. The resulting trade wars could affect millions of workers and lead to economic and political turmoil. While some view such a result as extreme, we all should remember that the Smoot-Hawley tariff legislation started a similar series of trade wars in the early 1930s that directly corresponded to the rise of Hitler and the origins of World War II.

Some would urge us to pass this legislation with the hopes that it will emasculate the WTO. I can only tell you how much I regret this short-sighted view. The United States, more than any other country, created today's trading system based on the principles of free trade. It was developed after witnessing how the trade wars of the 1930s led to the worldwide calamity of World War II. The United States has pursued a trade policy based on open markets for more than 50 years under both Republican and Democratic leadership. We should not allow misguided politics to destroy all of the gains that we fought so hard to achieve, precisely when we are reaping the benefits of these policies.

Instead, the United States, which has the strongest economy in the world, should try to use its leverage to continue to open markets. We should open the November WTO Ministerial as the champions of competition and open markets, not hiding behind a wall of quotas and tariffs. We in Congress should do our part to ensure that the United States remains in its position of world leadership. Instead of debating this ill-advised quota bill, we should be passing fast track authority for the President. The President needs this authority to continue to make agreements to knock down foreign barriers to American goods. Additionally, we should pass legislation to grant NAFTA parity to our Caribbean allies and to give trade incentives to help Africa grow and prosper. My hope is that after we reject this current legislation, we can start debating real progress in trade policy and how we can eliminate barriers to foreign goods to ensure that our citizens continue to prosper into the 21st Century.

In conclusion, I congratulate my colleagues who voted against cloture on the motion to proceed to this legislation. We will now begin the next global century not hiding behind barriers, but continuing the fight for open markets and prosperity.

Mr. DODD. Mr. President, I would like to take a few brief moments to comment on the cloture vote that just occurred regarding H.R. 975, the Steel Import Limitation bill.

As has been noted by several of my colleagues this afternoon, this was a difficult vote. There exist compelling interests on both sides of the steel quota issue that were only touched upon earlier. Without question, this legislation is critically important to those men and women involved in the steel industry who have suffered financially due to alleged steel dumping practices. At the same time, this bill could also have a profound effect on this country's trade policy and countless other American industries' relationships with our foreign trading partners.

Understanding that these are cursory assessments of the deeper substance of this bill, I present them simply to underscore the need to discuss the bill at greater length, to emphasize the importance of allowing Senators the opportunity to articulate their specific concerns and positions on this legislation. This was not a vote on final passage or a vote to support this bill in its current form. Rather, it was a vote to move forward and fully consider this legislation and amendments to it. Regardless of one's opinion on the impact of this legislation, it deserved the chance to be considered and debated completely and fairly.

THE GOVERNMENT OF BOLIVIA'S COUNTERNARCOTICS PROGRAM

Mr. LOTT. As the Senate moves toward consideration of the Foreign Operations Appropriations Act for Fiscal Year 2000, I want to note the significant efforts being made by the Government of Bolivia in its counternarcotics program. Since taking office in August, 1997, the government of Hugo Banzer has reduced Bolivia's cocaine production potential by a remarkable 40 percent. This is historic progress, which I hope will be emulated by other nations in the region. I ask unanimous consent to have printed in the RECORD a letter I received from the Vice President of Bolivia, Mr. Jorge Quiroga Ramirez, which discusses the Bolivian Government's plans and seeks continued American assistance in its counternarcotics efforts.

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

PRESIDENCIA DEL CONGRESO NATIONAL, VICEPRESIDENCIA-DE LA REPUBLICA,

La Paz, May 24, 1999.

Hon. TRENT LOTT,
Majority Leader, U.S. Senate, Washington, DC.

DEAR SIR: I am writing to ask your help in addressing Bolivia's counter-narcotics needs in the coming Fiscal Year. As you are aware the government of President Banzer has embarked on an ambitious program (the Dignity Plan) to end our country's involvement in the illegal drug trade by the time we leave office in 2002. To date, the Dignity Plan has produced impressive results. In just twenty—one months we have successfully eradicated close to 40% of coca crops that go into making cocaine, and we are on target to meet our goal of a drug-free Bolivia by 2002. Our success thus far has been achieved through a combination of national political will and assistance from the international donor community.

We are at a critical juncture in the development of the Dignity Plan. Having gained broad based domestic support for our policies, we now have to show our people that we can provide more legitimate commercial ventures as alternatives to coca in order to keep them from returning to coca planting in the future. It would be a profound tragedy for Bolivia and for the consumer nations if, after scud successful eradication, we were unable to hold the progress gained. The Bolivian people are willing to leave the illegal narcotics circuit if we can show them that feasible commercial alternatives exist. Where we have accomplished this, re-planting rates are at historical lows and our system of community—based compensation (as opposed to individual compensation) provides the best incentives for keeping our farmers in legitimate agricultural enterprises.

Proud as we are of our record, we know that the most difficult work lies ahead. We must maintain historic levels of eradication while dramatically enhancing our Alternative Development efforts to ensure that this eradication holds. For these reasons we are turning to the international donor community, and especially to the United States. I must be candid in stating, however, that the levels of counter-narcotics and alternative development funding which have recently been proposed for Bolivia, will fall well short of our needs.

In February of this year I visited Washington to present a comprehensive budget for the last years of our Dignity Plan. This figure of $384 million from the United States (coupled with our own contributions and those from Europe) across four years represents our best estimates of waht will be required to move our country out of the international narcotics circuit. As a former Finance Minister I understand and respect the need for fiscal discipline and I know that the United States Congress is struggling with its own budget priorities for the coming years. I would point out, however, that we have a once-in-a generation opportunity to completely win a battle, in Bolivia, in the worldwide war against drugs. If we fail to meet this challenge it may take us decades to arrive at this point again as the credibility of counter narcotics programs will suffer.

I would like to again ask your help and support in locating the resources needed for complete funding of the Dignity Plan request. With the proper levels of assistance we can soon celebrate with the United States the day when my country is out of the drug circuit entirely and Bolivian based cocaine no longer plagues the streets of our countries. The war on drugs needs its first victory. With your help Bolivia can be that victory.

Thank you for your support and consideration.

Sincerely,

JORGE F. QUIROGA R.,
Vicepresident of the Republic of Bolivia,
President of the National Congress.

RETIREMENT OF GENERAL CHARLES KRULAK

Mr. INOUYE. Mr. President, today I would like to recognize the outstanding service to our nation of General Charles Krulak, Commandant of the Marine Corps who is about to retire. General Krulak is completing 35 years of active service in the Marine Corps since he graduated from the U.S. Naval Academy in 1964. During his service, the General obtained a Masters Degree in Labor Relations from George Washington University. He is also a graduate of the Amphibious Warfare School, the Army Command and General Staff College, and the prestigious National War College.

General Krulak's illustrious career included command of a platoon and two rifle companies during two tours of duty in the Vietnam conflict. He has been a battalion commander, Commanding General of a Marine Expeditionary Brigade, and the Assistant Division Commander of the 2nd Marine Division located at Camp Lejeune, North Carolina. He later was assigned duties as the Commanding General of the 6th Marine Expeditionary Group and Commanding General of the 2nd Force Service Support Group. He served as the Commanding General of this Force Service Support Group during Operation Desert Storm in the Persian Gulf. In addition to these command assignments, General Krulak's professional career has included a wide variety of other command and staff assignments including a tour of duty in the Office of the Secretary of Defense and the White House.

In June 1989, General Krulak received his first star and, three years later, he was promoted to Major General and assigned to the Marine Corps Combat Development Command at Quantico, Virginia. One year later, he was promoted to Lieutenant General. This was followed by a transfer to Hawaii and assignment as Commander, Marine Forces Pacific. It was in this role that I became personally acquainted with this Marine's remarkably high degree of professionalism. Four years ago, General Krulak became the 31st Commandant of the Marine Corps, during which he led our Marines admirably and set a high degree of professionalism not only in basic training, but also throughout the entire Marine Corps. He established, demanded and obtained a high degree of moral conduct from his Marines as a direct result of his exemplary leadership. However, the General's positive attributes do not stop there. He has demonstrated a remarkable ability to visualize and plan for the weapons, equipment, doctrine, tactics, and techniques the Marine Corps will be using for decades ahead.

It is an honor for me to recognize the high quality of leadership this General has given our Marines these past four years. Our nation has been fortunate in having him as Commandant of the Marine Corps.

I know the members of the Senate will join me in paying tribute to General Krulak and wishing him and his lovely wife, Zandi well in their retirement. We will sorely miss them.

In addition to expressing our fond farewell to General Krulak, I want to take this opportunity to welcome the 32nd Commandant of the Marine Corps, General James L. Jones. General Jones is no stranger to the U.S. Senate. He served here in the U.S. Marine Corps Liaison office from August 1979 until July 1984. I am confident General Jones will serve our nation as Commandant in a comparable manner as his predecessor. Welcome aboard General Jones.

CHANGES TO THE BUDGETARY AGGREGATES AND APPROPRIATIONS COMMITTEE ALLOCATION

Mr. DOMENICI. Mr. President, section 314(b)(4) of the Congressional Budget Act, as amended, requires the chairman of the Senate Budget Committee to adjust the appropriate budgetary aggregates and the allocation for the Appropriations Committee to reflect an amount provided for arrearages for international organizations, international peacekeeping, and multilateral development banks.

I hereby submit revisions to the 2000 Senate Appropriations Committee allocations, pursuant to section 302 of the Congressional Budget Act, in the following amounts:

	Budget authority	Outlays
Current Allocation:		
General purpose discretionary	533,652,000,000	543,958,000,000
Violent crime reduction fund	4,500,000,000	5,554,000,000
Highways		24,574,000,000
Mass transit		4,117,000,000
Mandatory	321,502,000,000	304,297,000,000
Total	859,654,000,000	882,500,000,000
Adjustments:		
General purpose discretionary	+319,000,000	+9,000,000
Violent crime reduction fund		
Highways		
Mass transit		
Mandatory		
Total	+319,000,000	+9,000,000
Revised Allocation:		
General purpose discretionary	533,971,000,000	543,967,000,000
Violent crime reduction fund	4,500,000,000	5,554,000,000
Highways		24,574,000,000
Mass transit		4,117,000,000
Mandatory	321,502,000,000	304,297,000,000
Total	859,973,000,000	882,509,000,000

I hereby submit revisions to the 2000 budget aggregates, pursuant to section 311 of the Congressional Budget Act, in the following amounts:

	Budget authority	Outlays	Deficit
Current Allocation: Budget Resolution	1,428,601,000,000	1,415,340,000,000	−7,258,000,000
Adjustments: Arrearages	+319,000,000	+9,000,000	−9,000,000
Revised Allocation: Budget Resolution	1,428,920,000,000	1,415,349,000,000	−7,267,000,000

KOSOVO

Mr. CRAIG. Mr. President, today I rise to speak about a resolution related to Kosovo which was brought before the Senate late last Thursday evening and adopted by unanimous consent.

This concurrent resolution commends the President and the Armed Forces for the ''success'' of Operation Allied Force. I had reservations in supporting this resolution, but ultimately decided to do so because it provided an opportunity to honor the men and women in uniform who put their lives on the line for this dangerous cause.

However, to term this operation a success, either now or in the foreseeable future, is an unconscionable stretch of the truth, at best. This mission represented a complete failure of the Clinton administration's foreign policy. This resolution also implies that the book has been closed on Kosovo, and peace will reign in the Balkans. I do not think it is necessary to remind the Senate of the bloody and tumultuous history of the region, or

the uncertainty of the future. And it certainly is not appropriate to mislabel this foreign policy mishap as a success.

The failure of the administration's policy was apparent from the negotiations at Rambouillet. It was one-sided from the beginning and Secretary Albright made no secret where the administration's loyalties lay: ''If the Serbs are the cause of the breakdown, we're going to go forward with the NATO decision to carry out air strikes,'' she threatened. It was NATO's way, or no way. It is little wonder an agreement was not reached. The arrangement provided no preservation of national sovereignty for Yugoslavia. NATO troops would have been authorized ''free and unrestricted passage and unimpeded access throughout the FRY [Federal Republic of Yugoslavia].'' There was also no guarantee, and indeed evidence to the contrary, that Yugoslavia's sovereignty and territorial integrity would remain intact after NATO troops rolled into the country. The United States took sides in the negotiations, and then wondered why the Serbs refused to sign the proposed agreement.

Equally harmful to the peace process was the lack of historical understanding with which the administration engaged in the negotiations. Kosovo is the site of key historical and religious monuments for the Serbs. However, the President and Secretary failed to recognize this fundamental fact. It was both arrogance and shortsightedness which allowed the administration to proceed on this flawed course to disaster. I do not claim to be a scholar of the region myself; however, I am not arrogant enough to believe one can solve centuries-old conflicts with three nights of an air campaign, as the administration originally anticipated.

The administration ''policy'' was nothing more than a policy du jour. At first, the goal of the air strikes was to bring Milosevic to the negotiating table. Next, the strikes were to harm Serb military might. Then strikes were to force a complete Serb withdrawal from Kosovo. Regardless of what the strikes were supposed to do, they were never part of a methodical, strategic plan. Instead, they were a knee-jerk reaction to daily events.

Perhaps most disconcerting is the potential damage the operation may have inflicted on the NATO alliance. This mission marked the first time in the 50 years of the alliance's history that it was involved in an operation that had nothing to do with defending the territorial integrity of one of its members. The operation should be proof positive about the dangers of a ''new strategic concept'' that would expand NATO's missions beyond territorial self-defense to peacekeeping arenas outside its borders. NATO maintains a hefty burden in protecting members from an unstable Russian and Korean Peninsula, and the growing proliferation threat around the world without the burden of regional peace-keeping, or other humanitarian missions which have nothing to do with preserving the territorial integrity of members.

I point out these facts not to lessen the impact of the human tragedy that occurred in Yugoslavia before the bombing began, or to lessen the responsibility of Milosevic's role in that tragedy. However, I feel compelled to raise this issue in the Senate today because it is premature to hail the Kosovo agreement as a success. Today, the Balkans are far less stable than when the operation began on march 24. The lesson to be learned from this operation should not be that good intentions are good reasons for foreign policy whims, particularly when those whims risk the lives of our men and women in uniform.

The brave men and women of the Armed Forces deserve the praise and thanks of a grateful nation for serving with distinction and honor. I wholeheartedly join the Senate in thanking the members of the Armed Forces who served in the campaign in the Balkans. However, I am not ready to endorse this ill-conceived mission as a victory for the United States or NATO. Instead, this mission ought to go down in the history books as a lesson in what foreign policy blunders should be avoided in the future.

To recover from this blunder, the President must provide a comprehensive post-war plan for the region. Bringing true peace to Kosovo will depend on the development of a stable balance of power on the ground. Whatever course of action is pursued by the administration, it must be one that ultimately would help the United States and its NATO allies to reduce their military commitments in the Balkans, and avoid entangling the United States and the Alliance in another Kosovo in the future.

U.S. CITIZENS KILLED IN ACTS OF TERRORISM

Mr. ASHCROFT. The defense of American citizens is the highest duty of our government. That duty is fulfilled not only by protecting Americans at home, but U.S. citizens when they are abroad. This nation is a city on a hill, and our stand against oppression often has made us a target for those dark forces of violence and tyranny in the world. Terrorism is and will continue to be a principal weapon of those who would seek to threaten the United States and all for which our country stands.

The Middle East is the region of the world with the greatest amount of terrorist activity. Five of the seven state sponsors of terrorism are located in or border on the region the State Department defines as the Near East. Our close ally Israel is often the target of terrorist groups operating in the Middle East, and the deaths of Americans due to terrorist attacks in Israel has been of particular concern to me.

My amendment to the State Department Authorization bill simply requires the State Department to compile a report on U.S. citizens who have been killed in terrorist attacks in Israel or in territory controlled by the Palestinian Authority. The report will include a list of terrorist attacks in which U.S. citizens were killed and information on the groups of individuals responsible for the attack. The whereabouts of suspects implicated in the attacks, whether each suspect has been incarcerated or incarcerated and released, the status of each case pending against each suspect, whether the State Department has offered any reward for these terrorist suspects, and an overview of U.S. efforts to investigate and apprehend these suspects are particular points of concern my amendment addresses.

Since the signing of Oslo in 1993, at least 12 American citizens have been killed in terrorist attacks in Israel or territory controlled by the Palestinian Authority: Nachson Wachsman, Joan Davenny, Leah Stern, Yael Botwin, Yaron Unger, Sara Duker, Matthew Eisenfeld, Ira Weinstein, Alisa Flatow, David Boim, Daniel Frei, and Yitzchak Weinstock.

Responsibility for almost all of these murders has been claimed by Hamas or Palestinian Islamic Jihad, two terrorist groups supported by Iran and Syria and dedicated to the destruction of Israel.

Terrorism's toll on Israel has been high as well. Since the beginning of the Oslo process in 1993, Israel has lost more than 280 of its citizens to terrorist violence in over 1,000 terrorist attacks (a portion of the Israeli population comparable to 15,000 Americans).

Jean-Claude Niddam of the Israeli Ministry of Justice testified before the Senate Appropriations Foreign Operations Subcommittee on March 25, 1999, and gave an overview of the difficulties related to prosecuting suspects implicated in the murder of U.S. citizens.

First, Mr. Niddam notes that terrorists suspected of killing Americans have found shelter in the Palestinian Authority. For the last 4 years, Israel has submitted almost 40 official requests to the Palestinian Authority to transfer suspects implicated in terrorism against Israelis and Americans, but has yet to receive a reply. Out of 38 requests to arrest and transfer terrorist suspects, only 12 suspects are currently under arrest and 7 are serving or served until recently in the Palestinian police force.

Mr. Niddam's testimony focused on eight terrorist suspects involved in terrorist attacks against Americans. Three of these suspects have been detained by the Palestinian Authority. One of those imprisoned, Imjad Hinawi, confessed in a Palestinian court to the murder of David Boim. The confession was witnessed by a U.S. embassy official present at the trial. If there is a good reason why the Administration has not indicted Mr. Hinawi, it is the time for a clear explanation.

Another suspect, Ibrahim Ghanimat, linked to the shooting deaths of Yaron Unger and his wife Efrat, spends his nights in prison but is free to come and go during the day. Adnan al-Ghul, Yusuf Samiri, and Mohammad Dief, three other suspects involved in the killings of Americans, are all at large. Nafez Sabi'h was implicated in a bombing that killed three Americans, but was believed to be serving in the Palestinian police force until several months ago.

In recent years, other suspects implicated in the murder of American citizens have served in the Palestinian police force. In July 1998, the Israeli Government released a report stating that four terrorist suspects involved in the February 1996 Jerusalem bus bombing, in which three American citizens were killed, were serving in Palestinian security forces.

A climate conducive to terrorism is the most serious threat to a lasting peace settlement in the Middle East. When Abul Abbas, the hijacker of the Achille Lauro, lives freely in Gaza and is a close associate of Yasser Arafat; when the Palestinian Authority's official media arm, the Palestinian Broadcasting Corporation, airs programming which teaches Palestinian children to hate Israelis; when terrorist suspects are given positions in the Palestinian security forces—genuine peace is undermined and U.S. interests endangered in the Middle East.

It is time for the United States to get serious about defending its own. President Clinton promised that no quarter would be given to terrorists who killed 12 Americans in the Africa embassy bombings in August 1998. But I fear this administration has not been pursuing aggressively terrorist suspects implicated in the murder of a similar number of Americans in Israel.

Recent testimony by top administration officials does not indicate that our resolve to prosecute these cases is strengthening. Martin Indyk, Assistant Secretary of State for the Near East, was called to testify before the Senate Appropriations Committee last March on terrorism against U.S. citizens, but his written testimony did not even discuss these cases or what the State Department is doing to resolve them.

George Washington once said that if we desire to avoid insult, we must be able to repel it. A credible defense deters aggression and war, and a similar principle is at work in meeting the threat of terrorism today. If terrorists know they will suffer for attacking Americans, they will be less likely to engage in such violence. President Reagan's response to Libyan terrorism quieted that government for over a decade.

While we cannot prevent violence against every American abroad, we can ensure that terrorists who attack U.S. citizens are pursued relentlessly. I call on the administration to wage a more aggressive campaign against terrorists who have killed Americans, and this report will give Congress the ability to review the administration's efforts more effectively. I thank Senator HELMS and Senator BIDEN for their assistance with this amendment.

EXPLANATION OF ABSENCE

Mr. DODD. Mr. President, on Thursday, June 17, 1999 and Friday June 18, 1999, I was not present during Senate action on rollcall vote No. 174, a motion to table Senator MCCAIN's amendment No. 685; rollcall vote No. 175, a motion to table Senator MURKOWSKI's amendment No. 686; and rollcall vote No. 176, H.R. 1664, the Emergency Steel, and Oil and Gas Loan Guarantee Act. Yesterday, I was not present during Senate action on rollcall vote No. 177, Senator SARBANE's amendment to S. 886, the State Department reauthorization bill. During these times, I was in Connecticut attending to matters related to my marriage on June 18, 1999, to Jackie M. Clegg.

Had I been present for these votes, I would have voted aye in each case.

THE VERY BAD DEBT BOXSCORE

Mr. HELMS. Mr. President, at the close of business yesterday, Monday, June 21, 1999, the federal debt stood at $5,589,358,011,973.65 (Five trillion, five hundred eighty-nine billion, three hundred fifty-eight million, eleven thousand, nine hundred seventy-three dollars and sixty-five cents).

Five years ago, June 21, 1994, the federal debt stood at $4,594,505,000,000 (Four trillion, five hundred ninety-four billion, five hundred five million).

Ten years ago, June 21, 1989, the federal debt stood at $2,782,728,000,000 (Two trillion, seven hundred eighty-two billion, seven hundred twenty-eight million).

Fifteen years ago, June 21, 1984, the federal debt stood at $1,510,017,000,000 (One trillion, five hundred ten billion, seventeen million).

Twenty-five years ago, June 21, 1974, the federal debt stood at $470,147,000,000 (Four hundred seventy billion, one hundred forty-seven million) which reflects a debt increase of more than $5 trillion—$5,119,211,011,973.65 (Five trillion, one hundred nineteen billion, two hundred eleven million, eleven thousand, nine hundred seventy-three dollars and sixty-five cents) during the past 25 years.

MEASURE PLACED ON THE CALENDAR

The following bill was read the second time and placed on the calendar:

S. 1256. A bill entitled ''Patients Bill of Rights.''

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC–3858. A communication from the Acting Executive Director, Commodity Futures Trading Commission, transmitting, pursuant to law, the report of a rule entitled ''Fees for Applications for Contract Market Designations'', received June 16, 1999; to the Committee on Agriculture, Nutrition, and Forestry.

EC–3859. A communication from the Administrator, Agricultural Marketing Service, Department of Agriculture, transmitting, pursuant to law, the report of a rule entitled ''Program to Assess Organic Certifying Agencies'' (LS–99–04), received June 18, 1999; to the Committee on Agriculture, Nutrition, and Forestry.

EC–3860. A communication from the Legal Counsel, Office of Engineering and Technology, Federal Communications Commission, transmitting, pursuant to law, the report of a rule entitled ''Reallocation of TV Channels 60–69, the 746–806 MHz Band'' (ET Docket No. 97–157) (FCC 98–261), received June 18, 1999; to the Committee on Commerce, Science, and Transportation.

EC–3861. A communication from the Legal Counsel, Office of Engineering and Technology, Federal Communications Commission, transmitting, pursuant to law, the report of a rule entitled ''Allocation of Spectrum at 2 GHz for Use by the Mobile-Satellite Service'' (ET Docket No. 95–18) (FCC 98–309), received June 18, 1999; to the Committee on Commerce, Science, and Transportation.

EC–3862. A communication from the Administrator, Foreign Agricultural Service, Department of Agriculture, transmitting, pursuant to law, the report of a rule entitled ''Adjustment of Appendices to the Dairy Tariff-Rate Import Quota Licensing Regulation for the 1999 Tariff-Rate Quota Year'' (7 CFR Part 6), received June 18, 1999; to the Committee on Agriculture, Nutrition, and Forestry.

EC–3863. A communication from the Administrator, Foreign Agricultural Service, Department of Agriculture, transmitting, pursuant to law, the report of a rule entitled ''Programs to Help Develop Foreign Markets for Agricultural Commodities (Foreign Market Development Cooperator Programs)'' (7 CFR Part 1550), received June 18, 1999; to the Committee on Agriculture, Nutrition, and Forestry.

EC–3864. A communication from the Assistant Secretary for Management and Chief Financial Officer, Department of the Treasury, transmitting, pursuant to law, a report relative to a vacancy in the Office of Inspector General; to the Committee on Finance.

EC–3865. A communication from the Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting, pursuant to law, the report of the texts and background statements of international agreements, other than treaties; to the Committee on Foreign Relations.

EC–3866. A communication from the Under Secretary of Defense, transmitting pursuant to law, the report of a violation of the Antideficiency Act, case number 96-04; to the Committee on Appropriations.

EC–3867. A communication from the Under Secretary of Defense, transmitting pursuant to law, the report of a violation of the Antideficiency Act, case number 95-10; to the Committee on Appropriations.

EC–3868. A communication from the Assistant Secretary, Legislative Affairs, Department of State, transmitting, pursuant to law, a report relative the incidental capture of sea turtles in commercial shrimping operations; to the Committee on Commerce, Science, and Transportation.

EC–3869. A communication from the Acting Under Secretary, Rural Development, Department of Agriculture, transmitting, pursuant to law, the report of a rule entitled ''Guaranteed Rural Rental Housing Service'' (RIN0575-AC14), received June 14, 1999; to the Committee on Agriculture, Nutrition, and Forestry.

EC–3870. A communication from the Acting Director of Communications and Legislative Affairs, Equal Employment Opportunity Commission, transmitting, pursuant to law, a report entitled ''Federal Sector Report on EEO Complaints and Appeals'' for fiscal year 1997; to the Committee on Health, Education, Labor, and Pensions.

EC–3871. A communication from the Special Assistant to the Bureau Chief, Mass Media Bureau, Federal Communications Commission, transmitting, pursuant to law, the report of a rule entitled ''Amendment of Section 73.202(b) of the Commission's Rules, Table of Allotments, FM Broadcast Stations (Sibley, Iowa and Brandon, South Dakota)'' (MM Docket No. 96-66), received June 18, 1999; to the Committee on Commerce, Science, and Transportation.

EC–3872. A communication from the Special Assistant to the Bureau Chief, Mass Media Bureau, Federal Communications Commission, transmitting, pursuant to law, the report of a rule entitled ''Amendment of Section 73.202(b)Table of FM Allotments, FM Broadcast Stations Joliet, Montana, Eden, Texas, Lockwood, Montana, Florence, Montana, Perry, Florida, Ashland, Wisconsin and Belt, Montana'' (MM Docket Nos. 99-12, 99-16, 99-19, 99-20, 99-21, 99-22, and 99-17), received June 21, 1999; to the Committee on Commerce, Science, and Transportation.

EC–3873. A communication from the Special Assistant to the Bureau Chief, Mass Media Bureau, Federal Communications Commission, transmitting, pursuant to law, the report of a rule entitled ''Amendment of Section 73.202(b)Table of FM Allotments; FM Broadcast Stations Kerrville, Leakey and Mason, Texas (MM Docket No. 97-244), received June 21, 1999; to the Committee on Commerce, Science, and Transportation.

EC–3874. A communication from the Chairman, Federal Election Commission, transmitting, pursuant to law, a report relative to the receipt and use of funds by candidates who accepted public financing for the 1996 Presidential Primary and General Elections; to the Committee on Rules and Administration.

EC–3875. A communication from the Executive Director, Committee for Purchase from People who are Blind or Severely Disabled, transmitting, pursuant to law, the report of a rule entitled ''Additions to and Deletions from the Procurement List'', received June 21, 1999; to the Committee on Governmental Affairs.

EC–3876. A communication from the Secretary of Commerce, transmitting, pursuant to law, the report of the Office of Inspector General for the period October 1, 1998, through March 31, 1999 and the report on final action taken on the Inspector General audits; to the Committee on Governmental Affairs.

EC–3877. A communication from the Inspector General, General Services Administration, transmitting, pursuant to law, the Audit Report Register for the period October 1, 1998 to March 31, 1999; to the Committee on Governmental Affairs.

EC–3878. A communication from the Chairman and the General Counsel, National Labor Relations Board, transmitting jointly, pursuant to law, the report of the Office of Inspector General for the period October 1, 1998, through March 31, 1999, and comments on the report; to the Committee on Governmental Affairs.

EC–3879. A communication from the Assistant Secretary of the Army (Civil Works), transmitting, pursuant to law, a report relative to the Potomac River, Washington, D.C.; to the Committee on Environment and Public Works.

EC–3880. A communication from the Deputy Secretary of Defense, transmitting, pursuant to law, a report relative to headquarters staffing in the DoD; to the Committee on Armed Services.

EC–3881. A communication from the Secretary of the Navy, transmitting, pursuant to law, a report relative to inventory practices for the acquisition and distribution of secondary supply items; to the Committee on Armed Services.

EC–3882. A communication from the Special Assistant to the Chief, Mass Media Bureau, Federal Communications Commission, transmitting, pursuant to law, the report of a rule entitled ''Amendment of Section 73.202(b), Table of Allotments; FM Broadcast Stations Ironton and Salem, Missouri'' (MM Docket No. 99–71), received June 21, 1999; to the Committee on Commerce, Science, and Transportation.

EC–3883. A communication from the Special Assistant to the Chief, Mass Media Bureau, Federal Communications Commission, transmitting, pursuant to law, the report of a rule entitled ''Amendment of Section 73.202(b), Table of FM Allotments; FM Broadcast Stations Reno, Texas, Fort Benton, Montana and Fairfield, Montana'' (MM Docket Nos. 99–62, 99–60, 99–59), received June 21, 1999; to the Committee on Commerce, Science, and Transportation.

EC–3884. A communication from the Special Assistant to the Chief, Mass Media Bureau, Federal Communications Commission, transmitting, pursuant to law, the report of a rule entitled ''Review of the Commission's Rules regarding the main studio and public file of broadcast television and radio stations'' (MM Docket No. 97–138), received June 18, 1999; to the Committee on Commerce, Science, and Transportation.

EC–3885. A communication from the Legal Advisor, Cable Services Bureau, Federal Communications Commission, transmitting, pursuant to law, the report of a rule entitled ''Report and Order in the Matter of Implementation of Section 703(e) of the Telecommunications Act of 1996; Amendment of the Commission's Rules and Policies Governing Pole Attachments'' (CS Docket No. 97–151) (FCC 98–20), received June 18, 1999; to the Committee on Commerce, Science, and Transportation.

EC–3886. A communication from the Legal Advisor, Cable Services Bureau, Federal Communications Commission, transmitting, pursuant to law, the report of a rule entitled ''Order on Reconsideration and Second Report and Order in the Matter of Definition on Markets for Purposes of the Cable Television Broadcast Signal Carriage Rules'' (CS Docket No. 95–178) (FCC 99–116), received June 18, 1999; to the Committee on Commerce, Science, and Transportation.

EC–3887. A communication from the Program Analyst, Office of the Chief Counsel, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Airworthiness Directives: Cessna Aircraft Company Models 206H and T206H Airplanes; Request for Comments; Docket No. 99–CE–23 (6–18/6–21)'' (RIN2120–AA64) (1999–0249), received June 21, 1999; to the Committee on Commerce, Science, and Transportation.

EC–3888. A communication from the Program Analyst, Office of the Chief Counsel, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Establishment of Class E Airspace; Taylor, AZ; Docket No. 97–AWP–2 (6–21/6–21)'' (RIN2120–AA66) (1999–0203), received June 21, 1999; to the Committee on Commerce, Science, and Transportation.

EC–3889. A communication from the Program Analyst, Office of the Chief Counsel, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Revision of Class E Airspace; Santa Catalina, CA; Direct Final Rule; Request for Comments; Docket No. 99–AWP–6 (6–21/6–21)'' (RIN2120–AA66) (1999–0204), received June 21, 1999; to the Committee on Commerce, Science, and Transportation.

EC–3890. A communication from the Program Analyst, Office of the Chief Counsel, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Amendment to Class E Airspace; Emporia, KS; Direct Final Rule; Request for Comments; Docket No. 99–ACE–24 (6–21/6–21)'' (RIN2120–AA66) (1999–0205), received June 21, 1999; to the Committee on Commerce, Science, and Transportation.

EC–3891. A communication from the Program Analyst, Office of the Chief Counsel, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Amendment to Class E Airspace; York, NE; Direct Final Rule; Request for Comments; Docket No. 99–ACE–25 (6–21/6–21)'' (RIN2120–AA66) (1999–0206), received June 21, 1999; to the Committee on Commerce, Science, and Transportation.

EC–3892. A communication from the Program Analyst, Office of the Chief Counsel, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Amendment to Class E Airspace; Macon, MO; Direct Final Rule; Confirmation of effective date; Docket No. 99–ACE–20 (6–21/6–21)'' (RIN2120–AA66) (1999–0207), received June 21, 1999; to the Committee on Commerce, Science, and Transportation.

EC–3893. A communication from the Deputy Chief, Information Technology Division, Wireless Telecommunication Bureau, Federal Communications Commission, transmitting, pursuant to law, the report of a rule entitled ''Part 0 of Chapter I of Title 47 of the Code of Federal Regulations; Part 0—Commission Organization; Section 0.453 Public reference rooms and Section 0.455 Other locations at which records may be inspected; Amendment of Part 0 of FCC rules to close the WTB's Gettysburg Reference Facility'' (WT Doc. 98–160) (FCC 99–45), received June 21, 1999; to the Committee on Commerce, Science, and Transportation.

EC–3894. A communication from the Chief, Regulations Unit, Internal Revenue Service, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled ''Employment Tax Deposits—De Minimis Rule'' (RIN1545–AW28), received June 18, 1999; to the Committee on Finance.

EC–3895. A communication from the Director, Policy Directives and Instructions Branch, Immigration and Naturalization Service, Department of Justice, transmitting, pursuant to law, the report of a rule entitled ''Extending the period of duration of status for certain F and J nonimmigrant aliens'' (RIN1115–AE47) (INS No. 1992–99), received June 21, 1999; to the Committee on the Judiciary.

EC–3896. A communication from the Acting Administrator, Cooperative State Research, Education and Extension Service, Department of Agriculture, transmitting, pursuant to law, the report of a rule entitled ''Special Research Grants Program: Amended Administrative Provisions'' (7 CFR Part 3400), received June 21, 1999; to the Committee on Agriculture, Nutrition, and Forestry.

EC–3897. A communication from the Director, Office of Congressional Affairs, Office of Nuclear Regulatory Research, Nuclear Regulatory Commission, transmitting, pursuant to law, the report of a rule entitled ''Instruction Concerning Prenatal Radiation Exposure'' (Regulatory Guide 8.13, Revision 3), received June 21, 1999; to the Committee on Environment and Public Works.

EC–3898. A communication from the President and Chairman, Export-Import Bank of the United States, transmitting, pursuant to law, a report relative to a transaction involving U.S. exports to Japan; to the Committee on Banking, Housing, and Urban Affairs.

PETITIONS AND MEMORIALS

The following petitions and memorials were laid before the Senate and were referred or ordered to lie on the table as indicated:

POM–209. A resolution adopted by the Senate of the General Assembly of the Commonwealth of Pennsylvania, relative to North Korea; to the Committee on Foreign Relations.

SENATE RESOLUTION NO. 25

Whereas, There are believed to be at least 11 Americans, some of them possible prisoners of war, living in North Korea; and

Whereas, The Democratic People's Republic of Korea representatives requested prominent American businessman and POW/MIA activist Ross Perot to come to North Korea to discuss the status of the Americans; and

Whereas, United States Intelligence reports include information on sightings of Americans in North Korea and on the existence of American POW/MIAs from the United States of America's involvement in the Korean War, the Vietnam War and Cold War-related activities; and

Whereas, POW/MIAs are believed to be held in the Democratic People's Republic of North Korea, the People's Republic of China, Russia and Vietnam; therefore be it

Resolved, That the Senate of the Commonwealth of Pennsylvania memorialize the President of the United States and the Congress of the United States to take whatever steps necessary to initiate talks with the Democratic People's Republic of Korea, the People's Republic of China, Russia and Vietnam for the purpose of obtaining the release of Americans being held against their will; and be it further

Resolved, That copies of this resolution be transmitted to the President of the United States and to the presiding officers of each house of Congress.

EXECUTIVE REPORT OF COMMITTEE

The following executive report of committee was submitted:

By Mr. ROTH, for the Committee on Finance:

Lawrence H. Summers, of Maryland, to be Secretary of the Treasury.

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

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

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

By Mr. HATCH (for himself, Mr. LEAHY, and Mr. SCHUMER):

S. 1257. A bill to amend statutory damages provisions of title 17, United States Code; to the Committee on the Judiciary.

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

S. 1258. A bill to authorize funds for the payment of salaries and expenses of the Patent and Trademark Office, and for other purposes; to the Committee on the Judiciary.

S. 1259. A bill to amend the Trademark Act of 1946 relating to dilution of famous marks, and for other purposes; to the Committee on the Judiciary.

S. 1260. A bill to make technical corrections in title 17, United States Code, and other laws; to the Committee on the Judiciary.

By Mr. DODD:

S. 1261. A bill to authorize the Secretary of Transportation to issue a certificate of documentation with appropriate endorsement for employment in the coastwise trade for the vessel YANKEE; to the Committee on Commerce, Science, and Transportation.

By Mr. REED (for himself, Mr. COCHRAN, Mr. SARBANES, Mr. WELLSTONE, Mr. KENNEDY, Mr. DASCHLE, Mr. REID, and Mrs. MURRAY):

S. 1262. A bill to amend the Elementary and Secondary Education Act of 1965 to provide up-to-date school library medial resources and well-trained, professionally certified school library media specialists for elementary schools and secondary schools, and for other purposes; to the Committee on Health, Education, Labor, and Pensions.

By Mr. JEFFORDS (for himself, Mr. HATCH, and Mr. GORTON):

S. 1263. A bill to amend the Balanced Budget Act of 1997 to limit the reductions in medicare payments under the prospective payment system for hospital outpatient department services; to the Committee on Finance.

By Ms. SNOWE (for herself and Mr. KENNEDY):

S. 1264. A bill to amend the Elementary and Secondary Education Act of 1965 and the National Education Statistics Act of 1994 to ensure that elementary and secondary schools prepare girls to compete in the 21st century, and for other purposes; to the Committee on Health, Education, Labor, and Pensions.

By Mr. COVERDELL (for himself, Mr. SCHUMER, Mr. JEFFORDS, Mr. MOYNIHAN, Mr. HELMS, Mr. COCHRAN, Mr. BURNS, Mr. CLELAND, Ms. SNOWE, Mr. CAMPBELL, Mr. SHELBY, Mr. SESSIONS, Mr. LEAHY, Mr. BAUCUS, Mr. LIEBERMAN, Mr. KYL, Mr. REID, Mr. SARBANES, Ms. MIKULSKI, and Mr. SANTORUM):

S. 1265. A bill to require the Secretary of Agriculture to implement the Class I milk price structure known as Option 1–A as part of the implementation of the final rule to consolidate Federal milk marketing orders; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. GORTON (for himself, Ms. COLLINS, Mr. GREGG, Mr. COVERDELL, Mr. BROWNBACK, Mr. ASHCROFT, Mr. HELMS, and Mr. VOINOVICH):

S. 1266. A bill to allow a State to combine certain funds to improve the academic achievement of all its students; to the Committee on Health, Education, Labor, and Pensions.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. HATCH (for himself, Mr. LEAHY, and Mr. SCHUMER):

S. 1257. A bill to amend statutory damages provisions of title 17, United States Code; to the Committee on the Judiciary.

COPYRIGHT DAMAGES IMPROVEMENT ACT OF 1999

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

S. 1258. A bill to authorize funds for the payment of salaries and expenses of the Patent and Trademark Office, and for other purposes; to the Committee on the Judiciary.

PATENT FEE INTEGRITY AND INNOVATION PROTECTION ACT OF 1999

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

S. 1259. A bill to amend the Trademark Act of 1946 relating to dilution of famous marks, and for other purposes; to the Committee on the Judiciary.

TRADEMARK AMENDMENTS ACT OF 1999

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

S. 1260. A bill to make technical corrections in title 17, United States Code, and other laws; to the Committee on the Judiciary.

COPYRIGHT ACT TECHNICAL CORRECTIONS

Mr. HATCH. Mr. President, today I am pleased to rise, along with the ranking minority Member on the Judiciary Committee, Senator LEAHY, to introduce a series of intellectual property related ''high-tech'' measures designed to promote the continued growth of these vital sectors of the American economy and to protect the interests and investment of the entrepreneurs, authors, and innovators who fuel their growth.

It is no secret that high technology is the driving force in the American economy today. American technology is setting new standards for the global economy, from computer chip technology and computer hardware, to personal and business software applications, to Internet, multimedia and telecommunications technology, and even cutting-edge pharmaceuticals and genetic research. In my own state of Utah, these information technology industries contribute in excess of $7 billion each year to the State's economy and pay wages that average 66 percent higher than the state average. Their performance has placed Utah among the world's top ten technology centers according to Newsweek Magazine. Where Wired is a Way of Life, Newsweek, November 9, 1998, at 44. Similar success is seen across the country, with seven of the world's top ten technology centers located in the United States, and with American creative industries now surpassing all other export sectors in foreign sales and exports.

Underlying all of these technologies are the intangible property rights—

copyrights, trademarks, patents, and trade secrets—that serve to promote creativity and innovation by safeguarding the investment, effort, and goodwill of those who venture into these fast-paced and volatile fields. Providing adequate protections for these intellectual property rights in the global high-tech environment is critical, particularly in the digital environment where electronic piracy is so easy, so cheap, and yet so potentially devastating to intellectual property owners—many of which are small entrepreneurial enterprises. In Utah, 65 percent of the information technology companies have fewer than 25 employees, and a majority have annual revenues of less than $1 million. Over half of Utah's information technology companies have been in business for less than 10 years, with nearly a quarter having opened their doors since 1995. Intellectual property is the lifeblood of these companies and others similarly situated throughout the country, and even a single instance of piracy may be enough to drive them out of business. What's more, without adequate international protection, these companies would simply be unable to compete in the global marketplace.

That is why in the last Congress we enacted a number of measures to provide enhanced protection for intellectual property in the new global, high-tech environment. For example, last year Congress ratified two new landmark World Intellectual Property Organization (WIPO) treaties to update international copyright standards to respond to the challenges of the global economy and the digital, networked environment. In enacting the Digital Millennium Copyright Act (DMCA), Congress implemented these treaties in the United States by bringing our own copyright laws into the digital age and set the standard internationally for other nations to follow in amending their own laws to meet the requirements of the new WIPO treaties. In addition, as a part of that bill, we paved the way for new growth in online commerce by creating greater security for copyright owners and for the Internet service providers who transmit and store copyrighted works online. We also addressed new technologies, such as webcasting and satellite radio, to provide a copyright framework in which these new platforms can flourish.

This year, Senator LEAHY and I are continuing to focus our attention, and that of the Judiciary Committee, on important high-tech and intellectual property legislation. Already this year the Judiciary Committee has reported, and the Senate has enacted, legislation to extend the Satellite Home Viewer Act, which will enable the satellite industry to use new and emerging technology to provide competition in the multichannel video marketplace and allow satellite subscribers to receive local network stations by way of their satellite dishes for the first time.

Today we are introducing a number of additional measures relating to technology and intellectual property to strengthen our laws further in order to provide both incentives to creativity and deterrents against infringement. Included among these are legislation that builds upon existing protections, including last year's measures to deter digital piracy, by raising the Copyright Act's limit on statutory damages, thereby making it more costly to engage in cyber-piracy and copyright theft. Also included is a measure to make technical ''clean-up'' amendments to the Digital Millennium Copyright Act in order to make its provisions clearer and more user-friendly. On the trademark side, Senator LEAHY and I are introducing a bill to make the protection of famous marks easier and more efficient and to provide recourse for trademark owners against the federal government for trademark infringement. Finally, we are introducing Patent and Trademark Office reauthorization legislation to allow the PTO to better serve its customers—America's innovators and trademark owners—through the collection and retention of patent and trademark fees.

It is our intention to turn to these bills in the Judiciary Committee prior to the July 4th recess at a Committee markup session dedicated solely to the consideration of intellectual property legislation. I expect these measures to be noncontroversial, and I look forward to working with my colleagues in the Senate as we bring these bills to the floor.

THE COPYRIGHT DAMAGES IMPROVEMENT ACT OF 1999

The Copyright Damages Improvement Act will provide strengthened protections for copyright owners and added deterrence against infringement by making it more costly to engage in digital piracy and copyright theft. In an age where electronic piracy costs next to nothing and where the distribution of pirated goods to locations around the world is as easy as the click of a button, we are faced with the danger that the costs of engaging in piracy will pale in comparison with the anticipated rewards. Last year we strengthened the Copyright Act's substantive protections to deter digital piracy in this global networked environment. The bill we are introducing today will make it more costly to infringe these and the Copyright Act's other substantive protections by raising the limit on statutory damages by 50 percent.

Section 504(c) of the Copyright Act provides for the award of statutory damages at the plaintiff's election in order to provide greater security for copyright owners, who often find it difficult to prove actual damages in infringement cases—particularly in the electronic environment—and to provide greater deterrence for would-be infringers. The current provision caps statutory damages at $20,000 ($100,000 in cases of willful infringement), which reflects figures set in statute in 1988 when the United States joined the Berne Convention. The combination of more than a decade of inflation and revolutionary changes in technology have rendered those figures largely inadequate to achieve their aims. The Copyright Damages Improvement Act updates the statutory damage provisions to account for both these factors.

Under the bill, the cap on statutory damages is increased by 50 percent, from $20,000 to $30,000, and the minimum is similarly increased from $500 to $750. For cases of willful infringement, the cap is raised to $150,000. In addition, the bill creates a new tier of statutory damages targeted at bad actors who engage in a repeated pattern or practice of infringement. In these cases, the court is authorized to award statutory damages up to $250,000.

This will not mean that a court must impose the full amount of damages in any given case, or even that it will be more likely to do so. In most cases, courts attempt to do justice by fixing the statutory damages at a level that approximates actual damages and defendant's profits. What this bill does is give courts wider discretion to award damages that are commensurate with the harm caused and the gravity of the offense. At the same time, the bill preserves provisions of the current law allowing the court to reduce the award of statutory damages to as little as $200 in cases of innocent infringement and requiring the court to remit damages in certain cases involving nonprofit educational institutions, libraries, archives, or public broadcasting entities.

COPYRIGHT ACT TECHNICAL CORRECTIONS

Senator LEAHY and I are also introducing a general clean-up measure as a follow-up to the Digital Millennium Copyright Act and the Sonny Bono Copyright Term Extension Act, which were enacted at the end of the last Congress. This bill improves these bills to make them more user-friendly for copyright owners and those who make use of their works in accordance with the provisions of the Copyright Act.

THE TRADEMARK AMENDMENTS ACT OF 1999

The Trademark Amendments Act will provide stronger and more efficient protection for trademark owners and consumers by making it possible to prevent trademark dilution before it occurs, by clarifying the remedies available under the federal trademark dilution statute when it does occur, by providing recourse against the federal government for its infringement of others' trademarks, and by creating greater certainty and uniformity in the area of trade dress protection.

In 1995, Senator LEAHY and I sponsored the Federal Trademark Dilution Act to provide a uniform federal cause of action for trademark dilution—the commercial use in commerce of a mark that dilutes, or ''whittles away,'' the distinctive quality of a famous trademark. Under this legislation, now codified as section 43(c) of the Lanham Act, the owner of a famous mark is able to

protect the investment and consumer goodwill associated with his mark by preventing others from using the same or similar marks in ways that tarnish or blur the distinctiveness of his mark, even where such uses do not directly compete with the goods or services of the trademark owner. This new federal cause of action has been used increasingly in the high-tech, online environment as a means of combating cyberpirates and shady dealers who register famous marks as Internet domain names, seeking to sell them at a huge profit to the legitimate trademark owners or to reap where they have not sown, trading on the goodwill of others by confusing consumers about their relationships to famous brand-names. This problem is particularly acute in the Internet context where the only assurance of quality or sponsorship may be the information found on a web page and the IP address that leads consumers there.

On the whole, the Federal Trademark Dilution Act has been effective in achieving better protection for trademark owners and national uniformity in this area of the law. There are a number of areas, however, in which we can improve implementation of the law and its ability to protect both trademark owners and consumers. The Trademark Amendments Act of 1999 is designed to do just that.

First, it authorizes the Trademark Trial and Appeals Board (TTAB) to consider dilution as grounds for refusal to register a mark or for cancellation of a registered mark. In *Babson Bros. Co.* v. *Surge Power Corp.*, 39 USPQ 2d. 1953 (TTAB 1996), the TTAB held that it was not authorized by the Federal Trademark Dilution Act to consider dilution as grounds for opposition or cancellation of a registration. Thus, under current law a trademark owner may seek relief under the federal dilution statute only after dilution of the mark has occurred. And at least one circuit has held that likelihood of dilution is not enough, the trademark owner must prove actual dilution. The result is that the owner of a famous mark must stand idly by throughout the registration process and await recourse through costly litigation in federal court only after he has suffered harm to his mark. By specifically allowing the trademark owner to oppose registration or to petition for cancellation of a diluting mark, the bill we are introducing today will prevent needless harm to the goodwill and distinctiveness of many trademarks and will make enforcing the federal dilution statute less costly and time consuming for all involved.

Second, the bill clarifies the trademark remedies available in dilution cases, including injunctive relief, defendant's profits, damages, costs, and, in exceptional cases, reasonable attorney fees, and the destruction of articles containing the diluting mark.

In addition, our bill will amend the Lanham Act to subject the federal government to suit for trademark infringement and dilution. The federal government increasingly participates in the marketplace as a provider of goods and services in competition with private entities. In fact, the federal government owns a substantial number of trademarks registered with the Patent and Trademark Office (PTO), and the Lanham Act even allows the PTO Commissioner to waive the registration fees for federal agencies. As a trademark owner, the federal government enjoys the full panoply of rights under the Lanham Act, including the right to sue private citizens and businesses to enforce its rights under the Act. In contrast, in *Preferred Risk Mutual Insurance Co.* v. *United States*, 39 F3d 789 (8th Cir. 1996), the Eighth Circuit held that the federal government is immune from suit for trademark infringement absent an explicit waiver of sovereign immunity.

Limited waivers of sovereign immunity exist for patent and copyright cases, as well as for cases involving protected plant varieties and semiconductor chip mask works. Congress has also explicitly abrogated state immunity from suit under the 11th Amendment for cases involving trademark, copyright, and patent infringement. Our bill will extend these same policies to the federal government, making it subject to suit for trademark infringement and dilution on the same terms and conditions as states under the Lanham Act.

The bill we are introducing will also promote greater uniformity and certainty in the area of trade dress protection by requiring plaintiffs to demonstrate that an unregistered mark is not functional. While trade dress may be afforded protection and registered on the Principal Register if it serves as a trademark or service mark, protection under the Lanham Act does not extend to functional trade dress features—those that are essential to compete in a given market—which are properly the subject of patent law. Where the plaintiff has demonstrated through the examination process that the trade dress is eligible for registration, the federal registration serves as prima facie evidence of the validity of the mark and the registration, and in effect as prima facie evidence of nonfunctionality. For those cases where the plaintiff asserting trade dress protection has not demonstrated eligibility for registration through the trademark examination process, a majority of courts require the plaintiff to prove nonfunctionality. A minority of courts, however, have held that functionality is an affirmative defense which must be proved by the defendant.

Our bill creates uniformity by adopting the majority view, requiring the plaintiff to demonstrate nonfunctionality, either in the examination process or as an element of his case in seeking to enforce trade dress rights in litigation. This is consistent with the principles of federal trademark law and the common law, which requires plaintiffs to prove the essential elements of their case. Moreover, it will promote both certainty and competitive fairness by encouraging trade dress owners to register eligible designs and to seek patent protection for those that are ineligible due to functionality

Finally, this bill makes a number of technical ''clean-up'' amendments relating to the Trademark Law Treaty Implementation Act, which was enacted at the end of the last Congress.

THE UNITED STATES PATENT AND TRADEMARK OFFICE REAUTHORIZATION ACT, FISCAL YEAR 2000

The fourth bill we are introducing today is designed to allow the PTO to better serve American innovators and trademark owners through the collection and retention of patent and trademark fees. Last year we enacted legislation to provide the PTO with the resources it needs to meet the demands of its workload and to limit the ability of Congress and the Administration to divert money from the PTO to unrelated federal programs—all while providing for an overall decrease in patent fees. The bill we are introducing today continues those policies by allowing the PTO to generate the revenue it needs to operate as a fully fee-funded agency and to retain those fees for use in its patent and trademark operations, without fee diversions or the creation of new surcharges.

In the past, a substantial portion of patent fees revenues have been diverted in the budget process to pay for unrelated federal programs. The result has been substantial backlogs in patent pendency and a general inability to provide the type of service our nation's inventors pay for. I, along with several of my colleagues, have vigorously opposed this practice. The legislation we enacted last year went a long way to ensure that this practice would not continue. The legislation we are introducing today will continue this assurance by authorizing the PTO to raise just the revenues it needs to meet its program goals and retain those fees for use in its patent and trademark operations. The bill also makes available $116 million in fees from previous years, which the Administration has sought to withhold, and prohibits the imposition of unprecedented new surcharge fees sought by the Administration's budget to subsidize federal health and life insurance benefits for PTO employees. In the end, this legislation will promote a stronger, more efficient patent office and will mean, quite simply, that America's innovators and trademark owners will get what they pay for.

Mr. President, I look forward to working with my colleagues to promote the progress of innovation in this country and the continued growth of the high-tech industrial base that has put our nation at the forefront of the global economy. Each of the bills we are introducing today will help to do

that, and I urge my colleagues' support.

Mr. LEAHY. Mr. President, I am pleased to join the chairman of the Judiciary Committee in introducing four bills to reauthorize the Patent and Trademark Office, update the statutory damages available under the Copyright Act, make technical corrections to two new copyright laws enacted last year, and prevent trademark dilution. As the Chairman and I have already indicated in our June 11 joint statement, we hope that the Senate Judiciary Committee reports these bills promptly and that the Senate considers the bills without delay.

The introduction of these bills is a good start, but we must not lose sight of the other copyright and patent issues requiring our attention before the end of this Congress. The Senate Judiciary Committee has a full slate of intellectual property matters to consider and I am pleased to work on a bipartisan basis with the Chairman on an agenda to provide the creators and inventors of copyrighted and patented works with the protection they may need in our global economy, while at the same time providing libraries, educational institutions and other users with the clarity they need as to what constitutes a fair use of such works.

Among the other important intellectual property matters for us to consider are the following:

Distance Education. The Senate Judiciary Committee held a hearing last month on the Copyright Office's thorough and balanced report on copyright and digital distance education. We need to address the legislative recommendations outlined in that report to ensure that our laws permit the appropriate use of copyrighted works in valid distance learning activities.

Patent Reform. A critical matter on the intellectual property agenda, important to the nation's economic future, is reform of our patent laws. I worked on a bipartisan basis in the last Congress to get the Omnibus Patent Act, S. 507, reported by the Judiciary Committee to the Senate by a vote of 177 to one, and then tried to have this bill considered and passed by the Senate. Unfortunately, the bill became stalled due to resistance by some in the majority. We should consider and pass this important legislation.

Madrid Protocol Implementation Act. I introduced this legislation, S. 671, to help American businesses, and especially small and medium-sized companies, protect their trademarks as they expand into international markets by conforming American trademark application procedures to the terms of the Protocol in anticipation of the U.S.'s eventual ratification of the treaty. Ratification by the United States of this treaty would help create a ''one stop'' international trademark registration process, which would be an enormous benefit for American businesses.

Database Protection. I noted upon passage of the Digital Millennium Copyright Act last year that there was not enough time before the end of that Congress to give due consideration to the issue of database protection, and that I hoped the Senate Judiciary Committee would hold hearings and consider database protection legislation in this Congress, with a commitment to make more progress. I support legal protection against commercial misappropriation of collections of information, but am sensitive to the concerns raised by the Administration, the libraries, certain educational institutions, and the scientific community. This is a complex and important matter that I look forward to considering in this Congress.

Tampering with Product Identification Codes. Product identification codes provide a means for manufacturers to track their goods, which can be important to protect consumers in cases of defective, tainted or harmful products and to implement product recalls. Defacing, removing or tampering with product identification codes can thwart these tracking efforts, with potential safety consequences for American consumers. We should examine the scope of, and legislative solutions to remedy, this problem.

Online Trademark Protection or ''Cybersquatting.'' I have long been concerned with protection online of registered trademarks. Indeed, when the Congress passed the Federal Trademark Dilution Act of 1995, I noted that:

> [A]lthough no one else has yet considered this application, it is my hope that this antidilution statute can help stem the use of deceptive Internet addresses taken by those who are choosing marks that are associated with the products and reputations of others. (CONGRESSIONAL RECORD, December 29, 1995, page S19312).

Last year, my amendment authorizing a study by the National Research Council of the National Academy of Sciences of the effects on trademark holders of adding new top-level domain names and requesting recommendations on related dispute resolution procedures, was enacted as part of the Next Generation Internet Research Act. We have not yet seen the results of that study, and I understand that the Internet Corporation for Assigned Names and Numbers (I–CANN) and World Intellectual Property Organization (WIPO) are considering mechanisms for resolving trademark and other disputes over assignments of domain names in an expeditious and inexpensive manner.

This is an important issue both for trademark holders and for the future of the global Internet. While I share the concern of trademark holders over what WIPO has characterized as ''predatory and parasitical practices by a minority of domain registrants acting in bad faith'' to register famous or well-known marks of others—which can lead to consumer confusion or downright fraud—the Congress should tread carefully to ensure that any remedies do not impede or stifle the free flow of information on the Internet.

THE PATENT FEE INTEGRITY AND INNOVATION PROTECTION ACT OF 1999

We are introducing today the Patent Fee Integrity and Innovation Protection Act to reauthorize the Patent and Trademark Office for fiscal year 2000, on terms that ensure the fees collected from users will be used to operate the Patent and Trademark Office and not diverted to other uses.

The PTO is fully funded and operated through the payment of application and user fees. Indeed, taxpayer support for the operations of the PTO was eliminated in the Omnibus Budget Reconciliation Act of 1990, which imposed a large fee increase (referred to as a ''surcharge'') on those who use the PTO, namely businesses and inventors applying for or seeking to protect patents on trademarks.

The fees accumulated from the surcharge were held in a surcharge account, for use by the PTO to support the patent and trademark systems. Unfortunately, however, the funds in the surcharge account were also diverted to fund other, unrelated government programs. By fiscal year 1997, almost $54 million from the surcharge account was diverted from PTO operations.

Last year, Congress responded to this diversion of PTO fees by enacting H.R. 3723/S. 507, which the Chairman and I had introduced on March 20, 1997. That legislation authorized a schedule of fees to fund the PTO, but no other government program, and resulted in the first decrease in patent application fees in at least 50 years.

This PTO reauthorization bill would make $116,000,000 available to the Patent and Trademark Office, a self-sustaining agency, to pay for salaries and necessary expenses in FY 2000. This money reflects the amount in carryover funds from FY99 that PTO expects to receive from fees collected, pursuant to the Patent Act and the Trademark Act. By authorizing the money to go to PTO, the bill would avoid diversion of these fees to other government agencies and programs. Inventors and the business community who rely on the patent and trademark systems do not want the fees they pay to be diverted but would rather see this money spent on PTO upgraded equipment, additional examiners and expert personnel or other items to make the systems more efficient. I agree.

COPYRIGHT ACT TECHNICAL CORRECTIONS ACT

In the last Congress, Senator HATCH and I worked together for passage of the Digital Millennium Copyright Act (DMCA) and the Sonny Bono Copyright Term Extension Act. This significant legislation is intended to encourage copyright owners to make their works available online by updating the copyright laws with additional protections for digital works, and conforming copyright terms available to American authors to those available overseas. We are now introducing legislation that will make certain technical corrections to those bills.

Specifically, this bill (1) renumbers the section number for the liability

limits for online service providers; (2) renumbers paragraphs in the section on ''ephemeral recordings'' which are used solely for transmitting or archiving a performance or audiovisual display; (3) clarifies that the Commissioner of Patents is to be paid at level III of the executive schedule rather than level V, consistent with a provision in the DMCA; and (4) changes from one to two years the time for seeking design protection after a design is made public by the designer or, in other words, forfeits protection if an application for registration is not made within 2 years of the design being made public.

I remain hopeful that as this bills moves forward we can also address another item inadvertently omitted from the DMCA. Specifically, to include public broadcasting entities in the liability limitation provisions granted under the DMCA to nonprofit libraries, archives and educational institutions.

The House of Representatives passed its version of this legislation, H.R. 1189, on April 13, 1999, and I urge prompt Senate action on this Hatch-Leahy bill.

THE DIGITAL THEFT DETERRENCE AND COPYRIGHT DAMAGES IMPROVEMENT ACT OF 1999

I have long been concerned about reducing the levels of software piracy in this country and around the world. The theft of digital copyrighted works and, in particular, of software results in lost jobs to American workers, lost taxes to Federal and State governments, and lost revenue to American companies. A report released last week by the Business Software Alliance estimates that worldwide theft of copyrighted software in 1998 amounted to nearly $11 billion. According to the report, if this ''pirated software has instead been legally purchased, the industry would have been able to employ 32,700 more people. In 2008, if software piracy remains at its current rate, 52,700 jobs will be lost in the core software industry.'' This theft also reflects losses of $991 million in tax revenue in the United States.

These statistics about the harm done to our economy by the theft of copyrighted software alone, prompted me to introduce the ''Criminal Copyright Improvement Act'' in both the 104th and 105th Congresses, and work over those two Congresses for passage of this legislation, which was finally enacted as the ''No Electronic Theft Act.'' The current rates of software piracy show that we need to do better to combat this theft, both with enforcement of our current copyright laws and with strengthened copyright laws to deter potential infringes.

I am, therefore, pleased to join Senator HATCH in introducing the Digital Theft Deterrence and Copyright Damages Improvement Act. The bill would amend the Copyright Act, 17 U.S.C. §504(c), by increasing the amounts of statutory damages recoverable for copyright infringements. These amounts were last increased in 1988 when the United States acceded to the Berne Convention. Specifically, the bill would increase the cap on statutory damages by 50 percent, raising the minimum from $500 to $750 and raising the maximum from $20,000 to $30,000. In addition, the bill would raise from $100,000 to $150,000 the amount of statutory damages for willful infringements.

Courts determining the amount of statutory damages in any given case would have discretion to impose damages within these statutory ranges at just and appropriate levels, depending on the harm caused, ill-gotten profits obtained and the gravity of the offense. The bill preserves provisions of the current law allowing the court to reduce the award of statutory damages to as little as $200 in cases of innocent infringement and requiring the court to remit damages in certain cases involving nonprofit educational institutions, libraries, archives, or public broadcasting entities.

In addition, the bill would create a new tier of statutory damages allowing a court to award damages in the amount of $250,000 per infringed work where the infringement is part of a willful and repeated pattern of practice of infringement.

I note that the House version of this legislation, H.R. 1761, omits any scienter requirement for the new proposed enhanced penalty for infringers who engage in a repeated pattern of infringement. I share the concerns raised by the Copyright Office that this provision, absent a willfulness scienter requirement, would permit imposition of the enhanced penalty even against person who negligently, albeit repeatedly, engaged in acts of infringement. The Hatch-Leahy bill avoids casting such a wide net, which could chill legitimate fair uses of copyrighted works.

THE TRADEMARK AMENDMENTS ACT OF 1999

Finally, I am pleased to join Senator HATCH in introducing the Trademark Amendments Act to enhance protection for trademark owners and consumers by making it possible to prevent trademark dilution before it occurs, by clarifying the remedies available under the Federal trademark dilution statute when it does occur, by providing recourse against the Federal Government for its infringement of others' trademarks, and by creating greater certainty and uniformity in the area of trade dress protection.

Current law provides for injunctive relief after an identical or similar mark has been in use and has caused actual dilution of a famous mark, but provides no means to oppose an application for a mark or to cancel a registered mark that will result in dilution of the holder's famous mark. In *Babson Bros. Co.* v. *Surge Power Corp.*, 39 USPQ 2d. 1953 (TTAB 1996), the Trademark Trial and Appeals Board (TTAB) held that it was not authorized by the ''Federal Trademark Dilution Act'' to consider dilution as grounds for opposition or cancellation of a registration. The bill remedies this situation by authorizing the TTAB to consider dilution as grounds for refusal to register a mark or for cancellation of a registered mark. This would permit the trademark owner to oppose registration or to petition for cancellation of a diluting mark, and thereby prevent needless harm to the goodwill and distinctiveness of many trademarks and make enforcing the Federal dilution statute less costly and time consuming for all involved.

Second, the bill clarifies the trademark remedies available in dilution cases, including injunctive relief, defendant's profits, damages, costs, and, in exceptional cases, reasonable attorney fees, and the destruction of articles containing the diluting mark.

Third, the bill amends the Lanham Act to allow for private citizens and corporate entities to sue the Federal Government for trademark infringement and dilution. Currently, the Federal Government may not be sued for trademark infringement, even though the Federal Government competes in some areas with private business and may sue others for infringement. This bill will level the playing field, and make the Federal Government subject to suit for trademark infringement and dilution on the same terms and conditions as States under the Lanham Act.

Fourth, the bill provides a limited amendment to the Lanham Act to provide that in an action for trade dress infringement, where the matter sought to be protected is not registered with the PTO, the plaintiff has the burden of proving that the trade dress is not functional. This will help promote fair competition and provide an incentive for registration.

Finally, this bill makes a number of technical ''clean-up'' amendments relating to the Trademark Law Treaty Implementation Act, which was enacted at the end of the last Congress.

These bills represent a good start on the work before the Senate Judiciary Committee to update American intellectual property law to ensure that it serves to advance and protect American interests both here and abroad. I began this statement, however, with the list of copyright, patent and trademark issues that we should also address. We have a lot more work to do.

By Mr. DODD:

S. 1261. A bill to authorize the Secretary of Transportation to issue a certificate of documentation with appropriate endorsement for employment in the coastwise trade for the vessel *Yankee*; to the Committee on Commerce, Science, and Transportation.

CERTIFICATE OF DOCUMENTATION FOR THE VESSEL ''YANKEE''

Mr. DODD. Mr. President, I rise today to introduce legislation to waive the 1920 Merchant Marine Act, commonly known as the Jones Act, to allow Yankee Sailing, LLC to operate the 1959 Holland-built vessel YANKEE.

Yankee Sailing LLC is a family-owned business based out of New London, Connecticut that intends to provide 2–4 hour day sails out of the New

London and Mystic areas in the summer months. In an effort to provide year-round sailing opportunities, Yankee Sailing LLC also hopes to offer 1–2 week sail training trips along the coast in the fall and winter. The YANKEE is equipped to carry 25–35 daytime passengers and 8–10 overnight passengers, and does not pose any threat to larger U.S. shipping interests.

The YANKEE is a vessel of considerable historical significance having been designed by and built for one of New England's most famous contemporary sailors, the late Irving Johnson. The YANKEE shares a well-established relationship with the Mystic Seaport Museum where the Johnson Collection is housed, and it was also the centerpiece for an Irving Johnson reunion held at the Seaport this past October.

The owners request the waiver because while the vessel was originally documented in the United States with a home port of Mystic, CT, it was built in Holland and is, therefore, excluded from coastal trade by the Jones Act. The owners were aware of the Jones Act's restrictions, however, they were unclear as to its applicability with regard to a vessel's size. Their understanding was that the act only pertained to vessels 65 feet in length or greater carrying over six passengers. Yankee Sailing LLC hoped to operate with six passengers to generate revenue until they could receive full certification allowing for larger sailing trips. Due to this confusion regarding the law, Yankee Sailing LLC is unable to provide these small sailing trips and suffers financially as a consequence.

Yankee Sailing LLC wishes to provide residents of southeastern Connecticut the opportunity to experience the excitement of sailing and did not willfully violate the Jones Act. The presence of its services will help stimulate the local economy and tourism in a region attempting to promote an economic renaissance.

Based upon all of the combined facts, I believe a waiver should be granted for the YANKEE. 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. 1261

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

SECTION 1. CERTIFICATE OF DOCUMENTATION.

Notwithstanding section 27 of the Merchant Marine Act, 1920 (46 U.S.C. App. 883), section 8 of the Act of June 19, 1886 (24 Stat. 81, chapter 421; 46 U.S.C. App. 289), and sections 12106 and 12108 of title 46, United States Code, the Secretary of Transportation may issue a certificate of documentation with appropriate endorsement for employment in the coastwise trade for the vessel YANKEE, United States official number 1076210.

By Mr. REED (for himself, Mr. COCHRAN, Mr. SARBANES, Mr. WELLSTONE, Mr. KENNEDY, Mr. DASCHLE, Mr. REID, and Mrs. MURRAY):

S. 1262. A bill to amend the Elementary and Secondary Education Act of 1965 to provide up-to-date school library medial resources and well-trained, professionally certified school library media specialists for elementary schools and secondary schools, and for other purposes; to the Committee on Health, Education, Labor, and Pensions.

THE ELEMENTARY AND SECONDARY SCHOOL LIBRARY MEDIA RESOURCES, TRAINING, AND ADVANCED TECHNOLOGY ACT

Mr. REED. Mr. President, I rise today to introduce legislation to support and strengthen America's school libraries.

The school library plays a vital role in the education of students. It is where reading skills are reinforced; the laboratory where ideas taught in class are explored and tested; the arena in which children explore new ideas and learn on their own; and a vital bridge to the remarkable and growing resources of the information age.

Research shows that well-equipped and well-staffed school libraries are essential to promoting learning and achievement. Indeed, a 1992 study found that students in schools with well-equipped libraries and professional library media specialists perform better on achievement tests for reading comprehension and basic research skills.

This finding was echoed in a 1994 U.S. Department of Education report on the impact of school library media centers which noted that the highest achieving students tend to come from schools with strong libraries and library programs.

And, a 1993 review of research studies concluded that free voluntary reading is the foundation for good grammar, writing, and reading comprehension abilities. For the average American student, the school library is the single most available source of reading material.

Mr. President, with our ever-changing global economy, access to information and the skills to use it are vital to ensuring that young Americans are competitive and informed citizens of the world. That is why the school library is so important in supplementing what is learned in the classroom; promoting better learning, including reading, research, library use, and electronic database skills; and providing the foundation for independent learning that allows students to achieve throughout their educational careers and their lives.

While the promise of a well-equipped school library is limitless, and its importance greater than ever, the condition of libraries today does not live up to that potential. As Linda Wood, a school library media specialist from South Kingstown High School in Rhode Island, recently noted during a Health, Education, Labor, and Pensions Committee hearing, school library collections are outdated and sparse. Indeed, schools across the nation are dependent on collections purchased in the mid-1960s under the original Elementary and Secondary Education Act.

As a result, many books in our school libraries predate the landing of manned spacecraft on the moon, the breakup of the Soviet Union, the end of Apartheid, the growth of the Internet, and advances in DNA research. In a rapidly changing world, our students are placed at a major disadvantage if the only scientific, historical, and geographical materials they have access to reflect times long gone by.

In sum, school library funding is grossly inadequate to the task of improving and supplementing collections. Library spending per student today is a small fraction of the cost of a new book. Indeed, while the average school library book costs $16, the average spending per student for books is $6.73 in elementary schools; $7.30 in middle schools; and $6.27 in high schools.

Consequently, many outdated books that should be removed from shelves cannot be, since there is no money to replace them. One case in point is California which in response to its fourth-graders being ranked second to last among 39 states on last year's National Assessment of Educational Progress has begun an effort to restock school library shelves in order to weed out old and inaccurate books, including those rife with racial stereotypes and those which proclaim ''one day, man might go to the moon''. For a long time, according to a recent Los Angeles Times article, California school librarians could not afford to take such a step because there would be no books left on the shelves. Too few states, however, are taking similar steps to improve school libraries.

My home state of Rhode Island is working on an innovative effort to ensure that students gain access to materials not available in their own school libraries. RILINK (the Rhode Island Library Information Network for Kids) gives students and teachers 24-hour Internet access to a statewide catalog of school library holdings, complete with information about the book's status on the shelf. RILINK also allows for on-line request of materials via interlibrary loan, with rapid delivery through a statewide courier system, and provides links from book information records to related Internet research sites, allowing a single book request to serve as a point of departure for a galaxy of information sources.

Unfortunately, such innovations, which could benefit schoolchildren across the nation, cannot be expanded without adequate library funding. Indeed, the only federal funding that is currently available to school libraries is the Title VI block grant, which allows expenditure for school library and

instructional materials as one of seven choices for local uses of funds. This program is slated for elimination under the Administration's fiscal year 2000 budget and Elementary and Secondary Education Act reauthorization proposal.

Mr. President, well-trained school library media specialists are also essential to helping students unlock their potential. These individuals are at the heart of guiding students in their work, providing research training, maintaining and developing collections, and ensuring that a library fulfills its potential. In addition, they have the skills to guide students in the use of the broad variety of advanced technological education resources now available.

Unfortunately, only 68% of schools have state certified library media specialists, according to Department of Education figures, and, on average, there is only one specialist for every 591 students. This shortage means that many school libraries are staffed by volunteers and are open only a few days a week.

Mr. President, the bipartisan bill I am introducing today, along with Senators COCHRAN, SARBANES, WELLSTONE, KENNEDY, DASCHLE, REID, and MURRAY, would restore the funding that is critical to improving school libraries. The Elementary And Secondary School Library Media Resources, Training, And Advanced Technology Act directs funding to schools with the greatest need and would ensure that students have access to the informational tools they need to learn and achieve at the highest levels by providing funds to update library media resources, such as books and advanced technology, train school library media specialists, facilitate resource-sharing among school libraries, and improve collaboration between school library media specialists and teachers.

The bill also establishes the School Library Access Program to provide students with access to school libraries during non-school hours, including before and after school, weekends, and summers.

Providing access to the most up-to-date school library collections is an essential part of increasing student achievement, improving literacy skills, fostering a love of reading, and helping students become lifelong learners. The Elementary and Secondary School Library Media Resources, Training, and Advanced Technology Act, which is strongly supported by the American Library Association, will help accomplish these essential goals. I urge my colleagues to cosponsor this important legislation and work for its inclusion in the upcoming reauthorization of the Elementary and Secondary Education Act.

Mr. President, I ask unanimous consent that the text of this legislation and a letter of support written by the American Library Association be printed in the RECORD.

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

S. 1262

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 ''Elementary and Secondary School Library Media Resources, Training, and Advanced Technology Assistance Act''.

SEC. 2. PURPOSE.

The purposes of this Act are—

(1) to improve academic achievement of students by providing students with increased access to up-to-date school library materials, a well-equipped, technologically advanced school library media center, and well-trained, professionally certified school library media specialists;

(2) to support the acquisition of up-to-date school library media resources for the use of students, school library media specialists, and teachers in elementary schools and secondary schools;

(3) to provide school library media specialists with the tools and training opportunities necessary for the specialists to facilitate the development and enhancement of the information literacy, information retrieval, and critical thinking skills of students; and

(4)(A) to ensure the effective coordination of resources for library, technology, and professional development activities for elementary schools and secondary schools; and

(B) to ensure collaboration between school library media specialists, and elementary school and secondary school teachers and administrators, in developing curriculum-based instructional activities for students so that school library media specialists are partners in the learning process of students.

SEC. 3. SCHOOL LIBRARY MEDIA RESOURCES.

Title III of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6801 et seq.) is amended by adding at the end the following:

''PART F—ELEMENTARY AND SECONDARY SCHOOL LIBRARY MEDIA RESOURCES

''Subpart 1—Library Media Resources

''SEC. 3701. STATE ALLOTMENTS.

''The Secretary shall allot to each eligible State educational agency for a fiscal year an amount that bears the same relation to the amount appropriated under section 3710 and not reserved under section 3709 for the fiscal year as the amount the State educational agency received under part A of title I for the preceding fiscal year bears to the amount all State educational agencies received under part A of title I for the preceding fiscal year.

''SEC. 3702. STATE APPLICATIONS.

''To be eligible to receive an allotment under section 3701 for a State for a fiscal year, the State educational agency shall submit to the Secretary an application at such time, in such manner, and containing such information as the Secretary shall require. The application shall contain a description of—

''(1) the manner in which the State educational agency will use the needs assessment described in section 3705 and poverty data to allocate funds made available through the allotment to the local educational agencies in the State with the greatest need for school library media improvement;

''(2) the manner in which the State educational agency will effectively coordinate all Federal and State funds available for library, technology, and professional development activities to assist local educational agencies, elementary schools, and secondary schools in—

''(A) acquiring up-to-date school library media resources in all formats, including books and advanced technology such as Internet connections;

''(B) providing training for school library media specialists; and

''(C) facilitating resource-sharing among schools and school library media centers;

''(3) the manner in which the State educational agency will develop standards for the incorporation of new technologies into the curricula of elementary schools and secondary schools through school library media programs to develop and enhance the information literacy, information retrieval, and critical thinking skills of students; and

''(4) the manner in which the State educational agency will evaluate the quality and impact of activities carried out under this subpart by local educational agencies to make determinations regarding the need of the agencies for technical assistance and whether to continue funding the agencies under this subpart.

''SEC. 3703. STATE RESERVATION.

''A State educational agency that receives an allotment under section 3701 may reserve not more than 3 percent of the funds made available through the allotment to provide technical assistance, disseminate information about effective school library media programs, and pay administrative costs, relating to this subpart.

''SEC. 3704. LOCAL ALLOCATIONS.

''(a) IN GENERAL.—A State educational agency that receives an allotment under section 3701 for a fiscal year shall use the funds made available through the allotment and not reserved under section 3703 to make allocations to local educational agencies.

''(b) AGENCIES.—The State educational agency shall allocate the funds to the local educational agencies in the State that have—

''(1) the greatest need for school library media improvement according to the needs assessment described in section 3705; and

''(2) the highest percentages of poverty, as measured in accordance with section 1113(a)(5).

''SEC. 3705. LOCAL APPLICATION.

''To be eligible to receive an allocation under section 3704 for a fiscal year, a local educational agency shall submit to the State educational agency an application at such time, in such manner, and containing such information as the State educational agency shall require. The application shall contain—

''(1) a needs assessment relating to need for school library media improvement, based on the age and condition of school library media resources (including book collections), access of school library media centers to advanced technology, including Internet connections, and the availability of well-trained, professionally certified school library media specialists, in schools served by the local educational agency;

''(2) a description of the manner in which the local educational agency will use the needs assessment to assist schools with the greatest need for school library media improvement;

''(3) a description of the manner in which the local educational agency will use the funds provided through the allocation to carry out the activities described in section 3706;

''(4) a description of the manner in which the local educational agency will develop and carry out the activities described in section 3706 with the extensive participation of school library media specialists, elementary school and secondary school teachers and administrators, and parents;

''(5) a description of the manner in which the local educational agency will effectively coordinate—

''(A) funds provided under this subpart with the Federal, State, and local funds received by the agency for library, technology, and professional development activities; and

''(B) activities carried out under this subpart with the Federal, State, and local library, technology, and professional development activities carried out by the local educational agency; and

''(6) a description of the manner in which the local educational agency will collect and analyze data on the quality and impact of activities carried out under this subpart by schools served by the local educational agency.

''SEC. 3706. LOCAL ACTIVITIES.

''A local educational agency that receives a local allocation under section 3704 may use the funds made available through the allocation—

''(1) to acquire up-to-date school library media resources, including books, for the use of students, school library media specialists, and teachers in elementary schools and secondary schools;

''(2) to acquire and utilize advanced technology, incorporated into the curricula of the schools, to develop and enhance the information literacy, information retrieval, and critical thinking skills of students;

''(3) to acquire and utilize advanced technology, including Internet links, to facilitate resource-sharing among schools and school library media centers, and public and academic libraries, where possible;

''(4) to provide professional development opportunities for school library media specialists; and

''(5) to foster increased collaboration between school library media specialists and elementary school and secondary school teachers and administrators.

''SEC. 3707. ACCOUNTABILITY AND CONTINUATION OF FUNDS.

''Each local educational agency that receives funding under this subpart for a fiscal year shall be eligible to continue to receive the funding—

''(1) for each of the 2 following fiscal years; and

''(2) for each fiscal year subsequent to the 2 following fiscal years, if the local educational agency demonstrates that the agency has increased—

''(A) the availability of, and the access of students, school library media specialists, and elementary and secondary teachers to, up-to-date school library media resources, including books and advanced technology, in elementary schools and secondary schools served by the local educational agency;

''(B) the number of well-trained, professionally certified school library media specialists in those schools; and

''(C) collaboration between school library media specialists and elementary school and secondary school teachers and administrators for those schools.

''SEC. 3708. SUPPLEMENT NOT SUPPLANT.

''Funds made available under this subpart shall be used to supplement and not supplant other Federal, State, and local funds expended to carry out activities relating to library, technology, or professional development activities.

''SEC. 3709. NATIONAL ACTIVITIES.

''The Secretary shall reserve not more than 3 percent of the amount appropriated under section 3710 for a fiscal year—

''(1) for an annual, independent, national evaluation of the activities assisted under this subpart, to be conducted not later than 3 years after the date of enactment of this subpart; and

''(2) to broadly disseminate information to help States, local educational agencies, school library media specialists, and elementary and secondary teachers and administrators learn about effective school library media programs.

''SEC. 3710. AUTHORIZATION OF APPROPRIATIONS.

''There are authorized to be appropriated to carry out this subpart $250,000,000 for fiscal year 2000 and such sums as may be necessary for each of fiscal years 2001 through 2004.

''Subpart 2—School Library Access Program

''SEC. 3721. PROGRAM.

''(a) IN GENERAL.—The Secretary may make grants to local educational agencies to provide students with access to libraries in elementary schools and secondary schools during non-school hours, including the hours before and after school, weekends, and summer vacation periods.

''(b) APPLICATIONS.—To be eligible to receive a grant under subsection (a), a local educational agency shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may require.

''(c) PRIORITY.—In making grants under subsection (a), the Secretary shall give priority to local educational agencies that demonstrate, in applications submitted under subsection (b), that the agencies—

''(1) seek to provide activities that will increase reading skills and student achievement;

''(2) have effectively coordinated services and funding with entities involved in other Federal, State, and local efforts, to provide programs and activities for students during the non-school hours described in subsection (a); and

''(3) have a high level of community support.

''(d) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this subpart $25,000,000 for fiscal year 2000 and such sums as may be necessary for each of fiscal years 2001 through 2004.''.

AMERICAN LIBRARY ASSOCIATION,
Washington, DC, June 21, 1999.

Hon. Jack Reed,
U.S. Senate,
Washington, DC.

DEAR SENATOR REED: I would like to take this opportunity to thank you and Senator Thad Cochran for your bi-partisan support of school libraries as you introduce the Elementary and Secondary School Library Media Resources, Training, and Advanced Technology Assistance Act of 1999. This bill would provide assistance to the nation's school libraries and school library media specialists at a time when they are laboring mightily to cope with the challenges of increasing school enrollment, new technology and the lack of funding for school library resources.

As a school librarian myself in Juneau, Alaska, I know personally how this legislation will contribute to effective learning by our school children. Many of the nation's school libraries have collections that are old, inaccurate and out of date. How can we encourage children to read and continue to be life-long learners if the material we have available for them is inadequate?

Your legislation proposes to upgrade collections, encourage and train school librarians, effect greater cooperation between school professionals directly involved in teaching children—school library media specialists, teachers and administrators, and encourages the sharing of resources electronically. This critical legislation should be included in the reauthorization process now going forward in the Senate. The school children of today deserve the best resources we have to give them.

On behalf of the 57,000 school, public, academic and special librarians, library trustees, friends of libraries and library supporters, I thank you for your efforts to improve the resources in school libraries. We offer the support of our members in working towards passage of the legislation.

Sincerely,

ANN K. SYMONS,
President.

By Mr. JEFFORDS (for himself, Mr. HATCH, and Mr. GORTON):

S. 1263. A bill to amend the Balanced Budget Act of 1997 to limit the reductions in medicare payments under the prospective payment system for hospital outpatient department services; to the Committee on Finance.

HOSPITAL OUTPATIENT PRESERVATION ACT OF 1999

Mr. JEFFORDS. Mr. President, I am introducing today, with Senators HATCH and GORTON, the Hospital Outpatient Preservation Act of 1999.

The Congress passed landmark legislation in 1997, the Balanced Budget Act. The BBA has played an important role in ensuring the integrity of the Medicare program, but our good intentions to rein in costs went too far, too fast in some areas. In fact, I fear that our zeal may result in decreased access to care and lower quality of care for Medicare beneficiaries if we do not act to soften the impact of BBA implementation on health care providers.

I am particularly concerned about the consequences of payment cuts under BBA for Vermont's hospitals and health systems. Norman Wright, President of the Vermont Hospital and Health Systems Association, has said, ''It is clear that the outpatient prospective payment system being implemented from Washington poses a real threat to the continuation of quality services being provided by Vermont hospital outpatient departments.''

Through the Hospital Outpatient Preservation Act of 1999, we are seeking to address concerns about outpatient reimbursement cuts for hospitals. The BBA requires the implementation of a prospective payment system (PPS) for the reimbursement of Medicare hospital outpatient department services to control rising costs in that area, as the provision of care has shifted from inpatient to less costly outpatient services. Our proposed legislation would amend BBA '97 by temporarily limiting the reduction in payments under the new outpatient PPS for outpatient department services to give hospitals a period to adjust to the reimbursement cuts.

Medicare outpatient margins, already negative in 1999, are estimated to drop to a negative 28.8 percent if costs increase at a historical rate of growth, and to a negative 20.3 percent if costs increase more slowly. The Health Care Financing Administration's analysis of its proposed rule on the implementation of outpatient PPS found that average reductions in outpatient department services reimbursement for all

hospitals would be 4 percent, but that the reimbursement to low-volume hospitals would decline by an average of 17 percent. For example, Southwestern Vermont Medical Center in Bennington, Vermont, is estimated to experience a 16 percent decline in payment. The Chief Executive Officer of Mt. Ascutney Hospital in Ascutney, Vermont, stated, ''The new outpatient prospective payment methodology would cut our reimbursement to the point that our operating margin would be in jeopardy. This coming on the heels of other cuts has an additive negative effect.''

If vulnerable rural hospitals are not provided a gradual transition period to reorganize operations, such a large decline in reimbursement could spell financial disaster. Teaching hospitals are also projected to sustain a greater than average loss under the new methodology. I am concerned that financial cutbacks of this magnitude could impact the access to care and the quality of care provided to Medicare beneficiaries by hospitals that are already ailing under payment cuts for Medicare inpatient services and from managed organization payment cuts.

The ''Hospital Outpatient Preservation Act of 1999'' would limit a hospital's losses for covered outpatient department services furnished prior to and during the first full calendar year of outpatient PPS implementation to 5 percent, so that a hospital would receive no less than 95 percent of what the hospital would have been paid under the current reimbursement mechanism. In the second year, the maximum payment loss would be 10 percent, and in the third year, 15 percent. There would be no limit after the third year.

The BBA went too far, too fast in cutting costs, and now it's time to find the right balance by swinging the pendulum back toward quality. The Hospital Outpatient Preservation Act of 1999 would address one area of concern by providing a phased implementation period of three years to allow hospitals, particularly the hardest hit rural and major teaching hospitals, time to adjust to the cuts in reimbursement. Through such legislation, we can maintain the financial integrity of the Medicare program, while guaranteeing access to high-quality health care services for Medicare beneficiaries.

By Ms. SNOWE (for herself and Mr. KENNEDY):

S. 1264. A bill to amend the Elementary and Secondary Education Act of 1965 and the National Education Statistics Act of 1994 to ensure that elementary and secondary schools prepare girls to compete in the 21st century, and for other purposes; to the Committee on Health, Education, Labor, and Pensions.

EDUCATING AMERICA'S GIRLS ACT

Ms. SNOWE. Mr. President, I rise today with my colleague, Senator TED KENNEDY, to introduce legislation that will play a critical role in the advancement of education as we prepare for the demands of the 21st Century. Specifically, the ''Educating America's Girls Act of 1999'' will ensure that our nation's children—and young women in particular—will be prepared for the job market of the coming millenium, while also ensuring that the unique needs of girls are properly addressed in our nation's schools and classrooms.

Given the critical role of education in preparing our children for the future, it is understandable that there is heightened interest in ensuring that the highest academic standards and best practices are incorporated in our nation's schools and classrooms. As Congress undertakes the reauthorization of the Elementary and Secondary Education Act (ESEA) of 1965, the provisions of the ''Educating America's Girls Act'' will ensure that the varying educational needs of all students, and young girls in particular, are recognized and addressed—and ultimately ensure that our efforts to reform and improve education are realized.

Mr. President, due to the changes adopted in 1994, gender equity is a major theme throughout the ESEA. Specifically, the needs of girls are addressed in current law by requiring professional development activities to meet the needs of diverse students, including girls; encouraging professional development and recruitment activities to increase the numbers of women math and science teachers; including sexual harassment and abuse as a focus of the Safe and Drug-Free Schools Act; broadening dropout prevention activities to address the needs of pregnant and parenting teens; and reauthorizing the Women's Educational Equity Act (WEEA), which funds research and programs to achieve educational equity for women.

During the ESEA reauthorization process, we should not only work to maintain the important gender equity provisions that were included in the 1994 law, but also to prepare girls for the future by adding the following provisions: ensure education technology programs are targeted in a manner that addresses the unique needs of all students, including girls; provide schools with resources to combat sexual harassment and abuse; collect data on high school athletic participation by girls; keep pregnant and parenting teens in school; and reauthorize WEEA.

Accordingly, the ''Educating America's Girls Act'' contains provisions that will address all of these needs, so I urge that my colleagues support this legislation and these additions during the upcoming reauthorization of the ESEA.

Mr. President, with the growing demand for technological skills in the workplace—including six out of 10 jobs requiring technological skills—the need to incorporate technology in the classroom cannot be understated. Accordingly, the utilization of education technology in the classroom is an arena in which we must ensure that all students, including girls, are not put at a disadvantage.

Of note, a 1998 report by the American Association of University Women, Gender Gaps: Where Our Schools Still Fail Our Children, found that girls, when compared to boys, are at a significant disadvantage as technology is increasingly incorporated into the classroom. Specifically, girls tend to come to the classroom with less exposure to computers and other technology, and girls believe that they are less adept at using technology than boys. As a result, girls tend to have a more ''circumscribed, limited, and cautious'' interaction with technology than boys, as highlighted in the report.

Schools can assist girls in developing a confident relationship to technology by integrating digital tools into the curriculum so girls can pursue their own interests. Unfortunately, current law lacks assurances that federal education programs will compensate for girls' different learning styles and different exposures to technology.

Accordingly, provisions in the ''Educating America's Girls Act'' will ensure that the different learning styles of girls and other students will be taken into consideration when monies are awarded for a variety of existing K–12 programs. Furthermore, it also includes the ''High Technology for Girls Act'' (High-Tech Girls), legislation I have already introduced that will ensure young girls are encouraged to pursue degrees and demanding careers in math, science, engineering, and technology—fields that are critical in the increasingly technologically-driven workplace.

Mr. President, as we seek to ensure that the unique technological needs of girls are addressed in the classroom, we also cannot ignore that sexual harassment and abuse is another issue of importance as we seek to educate our nation's children.

While comprehensive research should be done on the pervasiveness of sexual harassment in schools—and ''Educating America's Girls Act'' will ensure that such a study is completed—various studies have found that the vast majority of secondary school students experience some form of sexual harassment during their school lives.

For instance, the AAUW Educational Foundation's 1993 survey of 8th through 11th grade students on sexual harassment in schools, Hostile Hallways: The AAUW Survey on Sexual Harassment in America's Schools, found that the vast majority of secondary school students experienced some form of sexual harassment and that girls are disproportionately affected.

While data on the incidence of sexual harassment is scant, Hostile Hallways found that 85 percent of girls experienced some form of sexual harassment; 65 percent of girls who have been harassed were harassed in the classroom;

and 73 percent of girls who have been harassed were harassed in the hallway of their school; a student's first experience of sexual harassment is most likely to occur in the middle school/junior high years of 6th to 9th grade; and 81 percent of girls who have been harassed do not report it to adults.

A 1996 University of Michigan study showed that sexual harassment can result in academic problems such as paying less attention in class and Hostile Hallways found that 32 percent of girls do not want to talk as much in class after experiencing harassment. Furthermore, thirty-three percent of girls do not want to go to school at all due to the stress and anxiety they suffered as a result of the sexual harassment, and nearly one in four girls say that harassment caused them to stay home from school or cut a class.

We know little else about the extent of sexual harassment or even the nature and extent of more serious sexual crimes in schools. The Safe and Drug-Free Schools and Communities Act (SDFSCA) requires the National Center for Education Statistics (NCES) to collect data on violence in elementary and secondary schools in the United States. However, these reports provide only a very limited picture of sexual offenses in schools because they only capture data on rape or sexual battery reported to police. Further, school crime victimization surveys do not include questions on threats or abuse that are sexual in nature.

Sexual harassment in schools is illegal, a form of sexual discrimination banned under Title IX of the Education Amendment of 1972. Unfortunately, on the 25th anniversary of Title IX, a report by the National Coalition for Women and Girls in Education (NCWGE) found that less progress was made in the area of sexual harassment than in any other gender equity issue in education. NCWGE concluded that few schools have sexual harassment policies, or effectively enforce them. Therefore, in addition to calling for more intensified Office of Civil Rights enforcement, NCWGE called on schools to adopt comprehensive policies and programs addressing sexual harassment.

The reauthorization of the ESEA gives us an opportunity to greatly reduce the incidence of sexual harassment by gathering data on these often hidden offenses and providing programs to prevent sexual harassment and abuse. Accordingly, the ''Educating America's Girls Act'' ensures that this data will be compiled and that schools are provided with resources to combat sexual harassment. Of importance, because the definition of sexual harassment in elementary and secondary schools can be contentious, the legislation ensures that local schools will have the sole authority to define the forms of sexual harassment that will be addressed, and the sole authority to determine the types of programs that will be undertaken to address it.

Mr. President, equal access to education for girls also means equal access to opportunities for athletic participation in our schools, particularly our high schools. Unfortunately, nationwide data measuring the participation of girls in physical education and high school athletics programs is very limited.

Participation in high school athletic programs is important for girls because research has shown that it improves girls' physical and mental health. For instance, a study by the President's Council on Physical Fitness and Sports recently found that girls playing sports have better physical and emotional health than those who do not. The study also found that higher rates of athletic participation were associated with lower rates of sexual activity and pregnancy. Other studies link physical activity to lower rates of heart disease, breast cancer, and osteoporosis in later life. Sports build girls' confidence, sense of physical empowerment, and social recognition within the school and community.

In addition, many girls who participate in high school athletics programs receive college scholarships. Therefore, by participating in high school athletics programs, girls increase their chances at receiving a college scholarship—which may be the only way that some young women will be able to pursue a higher education.

Because of the lack of data on girls' participation in physical education and athletics during grades K–12, the ''Educating America's Girls Act'' will ensure that this data is collected and reported. Ultimately, this assembling of information will allow us to determine if girls are fully participating in these activities, and if further steps should be taken to increase their involvement.

Mr. President, education is ultimately the means for all girls, including pregnant and parenting teens, to achieve economic self-sufficiency. Yet despite our strides to make education accessible to girls, dropping out of school remains a serious problem that should be addressed in the reauthorization of the ESEA.

Five out of every 100 young adults enrolled in high school in 1996 left school without successfully completing a high school program. In October of 1997, 3.6 million young adults, or 11 percent of young adults between the ages of 16 and 24 in the United States, were neither enrolled in a high school program nor had they completed high school. Of note, girls who drop out are less likely than boys to return and complete school.

Twenty-five years after the enactment of Title IX, pregnancy and parenting are still the most commonly cited reasons why girls drop out of school, and the United States has the highest teen pregnancy rate of any industrialized nation. In fact, almost one million teenagers become pregnant each year and 80 percent of these pregnancies are unintended.

Pregnancy and parenting account for half the female dropout rate and one fourth of the dropout rate for all students. Two-thirds of girls who give birth before age 18 will not complete high school, and the younger the adolescent is when she becomes pregnant, the more likely it is that she will not complete high school.

The last reauthorization of ESEA broadened the dropout prevention program to address the needs of pregnant and parenting teens. Because this problem remains so pervasive, the ''Educating America's Girls Act'' contains provisions to strengthen the ESEA's support for programs that keep pregnant and parenting teens in school, including the utilization of mentoring programs.

Finally, Mr. President, the Women's Educational Equity Act (WEEA) represents the federal commitment to helping schools eradicate sex discrimination from their programs and practices and to ensuring that girls' future choices and success are determined not by their gender, but by their own interests, aspirations, and abilities. Since the program's inception in 1974, the WEEA has funded research, development, and dissemination of curricular materials; training programs; guidance and testing activities; and other projects to combat inequitable educational practices.

Because of the important role that the WEEA has played in addressing sex discrimination over the past 25 years, the ''Educating America's Girls Act'' reauthorizes the WEEA so that it can continue to address the needs of women for many years to come.

Mr. President, the bottom line is that the reauthorization of the ESEA provides us with a unique opportunity to address the numerous needs of our nation's students as we prepare for the 21st Century. I believe that the provisions of the ''Educating America's Girls Act'' will address a variety of these needs—and the unique needs of girls in particular—and urge that my colleagues support this legislation accordingly during the months ahead.

Mr. KENNEDY. Mr. President, in recent decades, the nation's schools have made great progress in ensuring that young girls receive an equitable education. Gender gaps in math and science performance have narrowed. More girls are taking algebra, geometry, pre-calculus, trigonometry, and calculus than ever before. More girls are taking honors and advanced placement level courses in calculus and chemistry.

Schools are making progress in other areas as well. More and more schools are instituting programs to address the problems of sexual harassment and abuse. Increasing numbers of girls are participating in high school athletics and receiving college athletic scholarships.

While these improvements are commendable, they are not enough. Continued progress is necessary. The Educating America's Girls Act addresses

some of the most pressing issues in educational equity: access to technology, school safety, high school athletics, and dropout rates.

Technology education is particularly important for all students, but girls' needs are particularly acute. While gaps between boys and girls in math and science are narrowing, the gender gap in technology is growing.

Girls tend to come to the classroom with less exposure to computers and other technology than boys. Girls often believe that they are less adept at using technology than boys are. They tend to be more cautious than boys in the ways that they interact with technology.

Girls are also dramatically underrepresented in advanced computer science courses, making them less eligible than boys for high wage, high-tech jobs. The fact that girls are less likely than boys to take advanced computer science courses actually helps perpetuate a cycle of disadvantage in educational technology. Because fewer girls will have the skills to enter high-tech fields, fewer women will be developers of educational software and fewer role models will be available for young girls.

For girls to have equal access to the growing job market in the computer field, immediate steps must be taken to close the technology gap between boys and girls. The Educating America's Girls Act addresses problems with girls' access to technology by providing professional development to assist teachers in dealing more effectively with the technology needs of girls. It gives local and state governments and private and pubic schools and institutions of higher education the opportunity to meet their needs in their applications for federal grants. Finally, the Act states that the Title III provisions authorizing support for development of education technology must give special consideration to programs incorporating the technology learning needs of girls.

School safety is another concern for America's girls. Recent studies reveal that 85 percent of girls have experienced some form of sexual harassment. Sixty-five percent of girls who have been harassed were harassed in the classroom, and 73 percent were harassed in school hallways. Eighty-one percent of girls who have been harassed do not report the harassment to an adult. Thirty-three percent of girls report not wanting to go to school because of anxiety and stress caused by harassment. Nearly one quarter of girls report staying home from school or cutting classes because of harassment.

These numbers are clearly unacceptable. It is imperative that our schools do a better job of recognizing and eradicating sexual harassment in schools. As the recent Supreme Court ruling in Davis v. Monroe County Board of Education makes clear, school districts may now be sued for damages if they fail to respond to student sexual harassment of other students.

The Educating America's Girl's Act provides $10 million for district level programs to train teachers and administrators in identifying and preventing sexual harassment. In addition, the Act makes high rates of sexual harassment in schools a consideration in determining the distribution of state grants for violence prevention programs. It also requires that sexual harassment and abuse prevention be among the activities included in a school's comprehensive drug and violence program. Finally, the Act requires the National Center for Educational Statistics to collect data on sexual harassment and abuse in schools as a means of identifying and addressing the problem more effectively.

The Act supports girls' participation in high school athletics. Since the passage of Title IX over a quarter century ago, increasing numbers of girls are participating in organized sports, although boys continue to participate at higher rates.

Studies show that girls who do so are emotionally and physically healthier than girls who do not. Involvement in sports can also lead to higher self-esteem and confidence, more positive attitudes toward school, an improved sense of physical well-being, social recognition in the school and community, and a reduction in destructive behavior.

In addition, higher rates of athletic participation for girls are associated with lower rates of sexual activity and pregnancy. Girls who participate in sports are also less likely to drop out of school and less likely to smoke cigarettes. Girls who engage in physical activity in high school are less likely to suffer from heart disease, breast cancer, and osteoporosis in late life.

Participation in sports also has a positive effect on students' academic performance. Students involved in sports and other extracurricular activities perform better on assessments in reading and mathematics. In addition, for many girls, high school athletic opportunities translate into college scholarships.

Although there is ample evidence that physical activity and athletics are beneficial to girls, they are less physically active and less involved in high school athletics than boys are. In order to determine in what ways girls are affected by athletic participation, it is vital that accurate data on girls' participation in physical education and high school athletics be collected and made available. Unfortunately, current nationwide data is limited, making it difficult to determine progress toward equity in athletics, as required by Title IX. The Act helps ensure that girls' interests are being met by requiring data collection on the participation of high school students, by gender, in physical education and athletics.

The Act also addresses concerns about the dropout rate among pregnant teenagers. Almost one million girls in America become pregnant each year, and 80 percent of these pregnancies are unintended. Education is the means for all girls, including pregnant and parenting teens, to achieve economic success. Yet girls who become pregnant as teenagers are most likely to drop out of school, jeopardizing not only their own economic security but that of their children as well. The younger a girl is when she becomes pregnant, the more likely she is to drop out. Two-thirds of girls who become pregnant before age 18 will not complete school. Girls who drop out of school are less likely to return than boys. While teenage pregnancy rates have declined in recent years, they are still too high and a reason for grave concern.

The Act focuses on the needs of pregnant and parenting teens by supporting mentoring and support programs that encourage girls who are pregnant or have children to stay in school.

It is also important that the Women's Educational Equity Act be reauthorized. WEEA stands for the federal commitment to help schools eradicate sex discrimination and ensure that girls' futures are not limited by their gender, but are determined by their interests, aspirations, and abilities. Since its enactment in 1974, it has provided critical support in combating inequitable educational practices.

It provides resources for teachers, administrators, and parents seeking proven methods to ensure equity in schools and communities. It provides materials and tools to help schools comply with Title IX. It provides research and model programs to back up Title IX's promise to students of a non-discriminatory education.

It helps girls become confident, educated, and self-sufficient women through projects to prevent teen pregnancy; to keep girls in school; to guide them toward careers in math, science, and technology; and to provide them with mentors. It has funded over 700 programs since 1974, including programs on math and science education and careers, sexual harassment, gender-biased teaching practices, and women's history.

The Educating America's Girls Act will continue all this vital work on behalf of girls and young women by reauthorizing the Women's Educational Equity Act.

Significant strides have been made in securing more equitable education for the nation's young women and girls, but we cannot afford to be complacent. We must keep moving forward to guarantee that girls are full participants in the economic and social development of our country. Measures to assure gender equity in education are a key means of accomplishing this goal. Passage of the Educating America's Girls Act is a vital next step for increasing gender equity in education.

By Mr. GORTON (for himself, Ms. COLLINS, Mr. GREGG, Mr. COVERDELL, Mr. BROWNBACK, Mr. ASHCROFT, Mr. HELMS, and Mr. VOINOVICH):

S. 1266. A bill to allow a State to combine certain funds to improve the academic achievement of all its students; to the Committee on Health, Education, Labor, and Pensions.

THE STRAIGHT A'S ACT

Mr. GORTON. Mr. President, I rise today to introduce the Academic Achievement for All Act. As a parent and grandparent I know that there is no more important issue than our children's education. Education unlocks the door to a lifetime of learning; prepares us to participate in our democracy; helps our children lead productive, independent lives and ensures that our country is economically competitive. Education is a vital issue before the Senate as we consider the reauthorization of the Elementary and Secondary Education Act—the heart of Washington D.C.'s role in K–12 education.

Over the last several years I have talked with countless teachers, principals, parents, and school board members about our educational system. I consistently hear that Washington, D.C. interferes with local efforts to help students achieve high standards. I hear about bureaucratic hurdles, reams of paperwork and one-size-fits-all programs. Based on that input, Congressman GOODLING and I have written a bill that will refocus federal education programs on children and learning instead of process and paperwork. It is based on a fundamental trust that parents, teachers, local educators and states will make the best decisions regarding our children's education, rather than bureaucrats 3,000 miles away in Washington, DC. Its only common sense.

For too long Washington's programs have been driven by an obsession to comply with rules and regulations. In our state, 50 percent of all the paperwork an educator deals with is the result of federal programs. Yet the average school district receives only six percent of its budget from the federal government. On a nationwide basis, federal paperwork eats up 48 million people hours per year. That's 25,000 employees working full time on paper, not on helping our students learn. Is our educators' time spent filling out forms or teaching children how to read?

Former Secretary of Education Bill Bennett put it succinctly in a recent statement: ''. . . our students have fallen further and further behind students in other countries. American 12th graders now rank 19th out of 21 nation in mathematics achievement; 16th of 21 in science; 15th out of 16 in advanced math; and 16th out of 16 nations in advanced physics. And this competition does not include Singapore, Korea, Japan and Hong Kong—which is rather like finishing last in a professional hockey league that does not include Canadians.''

The good news is that we have before us an opportunity to restructure the way the federal government interacts with states and local communities in terms of education policy. We must not continue to support a system that has stifled creativity in states and local communities—the very place real education reform happens.

While freedom and flexibility are important, our schools should also be accountable for results—not to Washington, DC but to the standards each state and community has been working on to ensure its students are prepared for the 21st Century. We can't forget that our schools are ultimately accountable to the voters in each community who elect the local school boards and the parents who send their children to our schools.

My proposal, the Straight A's Act, will give parents, educators, school districts and states more decision-making authority over the way in which federal education funding is used. It means our children's teachers will spend less time filling out paperwork and more time in classrooms. And, equally important, it means that more federal education dollars will find their way into our children's schools, where they belong. Right now, as little as 65 cents of every dollar the nation's taxpayers invest in education makes it into the classroom.

Straight A's relies on a simple formula:

Freedom+Accountability=Results.

States would have the option of submitting a proposal to the Secretary of Education that would set specific, measurable performance goals to be reached in five years. States would be allowed maximum flexibility with the use of most of their Federal K–12 formula program funds for state education priorities and programs in exchange for being held accountable for meeting the goals set in their proposal. This would allow States the freedom to address more effectively the needs of students in their state. Alternatively, states would be free to continue to administer Federal education programs the old way. Straight A's does not eliminate any program—it's the state's choice to chose its approach.

What this means for states and school districts is that they can use federal funds for any initiative that improves performance of students in their state. Those states that choose to participate can focus more funds on disadvantaged students, increase efforts to improve teacher quality, reduce class size or even hook up all their classes to the Internet. The one string is that these efforts must increase the achievement of all students—including the lowest performing students—over the course of five years.

If states do not substantially meet those goals, they would lose their flexibility and revert to the categorical, regulated approach under current law. If states do well and significantly reduce achievement gaps between high and low performing students, they may be rewarded with additional funds.

Finally, it should also be noted that participating states and school districts would not lose any Title I funding. If Title I, Part A is included by a state, each school district in that state would be assured of receiving at least as much money as they received in the fiscal year preceding the year of the agreements enactment.

This proposal will allow educators to do what they do best—teach kids. We should focus on students learning and achieving, not process and paperwork.

My colleagues should also know that I did not develop this concept in a vacuum. As I mentioned earlier over the course of the past few years I have heard from literally hundreds of parents and educators about the challenges they face trying to provide the best possible education for their children. In particular, during the last congressional recess period I traveled to several schools around Washington state and had a chance to talk to many educators about my legislation. They've since responded with enthusiastic support for my proposal—I'd like to share some of their comments with you now:

We need more control at the local level not more rules and regulations from the federal government.—Dennis Birr, President of the Association of Washington School Principals.

Senator Gorton's Straight A's proposal is well-conceived with great flexibility for states and districts. It would help to focus federal resources where they are most needed.—Janet Barry, Issaquah Superintendent and 1996 National Superintendent of the Year.

I believe that the choice is very clear. Would I trade the present government restrictions and stifling paperwork for flexibility and higher accountability? The answer is absolutely yes!—Dr. Richard Semler, Superintendent of the Richland School District.

The Straight A's Act would release a tremendous amount of badly needed education dollars and give school districts the flexibility they desperately need.—State Senator Don Benton (R–17th) and State Representative Marc Boldt (R–17th).

I believe so strongly in the fundamental principal that local people make the best decisions about our children's education that each week I've come to the Senate floor to recognize individuals, schools, and educational programs in Washington state that demonstrate innovation and excellence in education.

My first award went to the Tukwila School District which had its ethnic diversity grow by more than 1,000 percent in the last seven years. I had the opportunity to visit this district earlier this year, and I found that 20% of the district's students are enrolled in bilingual education, and all told, they speak about 30 different languages. To meet the challenge of integrating this immigrant population into the school system and the community, the Tukwila School District, the City of Tukwila, and the local Rotary Club created ''New Friends & Families''—a program designed to engage these hard-to-reach immigrant and refugee students and their families to make them aware of community services and to encourage

parental involvement in their children's education. It is programs like ''New Friends & Families'' that illustrate the local innovation and local partnerships working to ensure all of their students achieve.

I also had the pleasure over this last break to stop by Chris Luther's 3rd grade class at Beachwood Elementary School. This class did not miss a spelling word on their weekly spelling tests for the entire school year. This is a classroom of average kids, all with different backgrounds and abilities. Yet, Mr. Luther has found a way to encourage and tutor these students so they are all accomplishing equally praiseworthy work. The key has not been some magical formula rather, the success of these students comes from a concerted effort by Mr. Luther to boost their self-esteem, to enhance their memory skills, and to impress upon every child in the classroom that learning is important. Those strategies combined with the individual effort of each of his students has clearly paid off. Those students may not remember how to spell each of the words they learned this year, but they will remember their third grade teacher for the rest of their lives.

Then there's Karen Mikolasy, Washington state's teacher of the year, who has taught for 28 years at Shorecrest High School with passion for her students and for her work. She emphasizes consistency and standards. In Mrs. Mikolasy's class homework is handed in on time and papers are rewritten until each student earns at least a B. That consistency in expectations also carries over to consistent positive reinforcement to her students—she tells them daily that it is a privilege to be their teacher. She says that in 28 years, not one day has gone by which she hasn't wanted to be in the classroom with her students. She was also recently recognized as the Washington State Teacher of the Year. In the few minutes I met with her, I understood why she won this honor. Her passion and commitment to educating and inspiring young people was clear.

I hope these examples clearly illustrate why it is important that we return to our states and local communities the right to set priorities that reflect the unique needs of their students and allow more districts to have the ability to innovate like the Tukwila School District, and more teachers to spend more time with their students and hopefully emulate the examples set by Chris Luther and Karen Mikolasy.

In each of the last two years the Senate has voted to send more money to our classrooms, but the President has threatened a veto. I will try again this year. I'm going to keep fighting for a shift from programs focused on procedures and paperwork to a system that puts student learning and academic achievement first—a system that lets those closest to our children—their parents, teachers, and principals and school board members decide what's best for our children.

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. 1266

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 ''Academic Achievement for All Act (Straight A's Act)''.

SEC. 2. PURPOSE.

The purpose of this Act is to create options for States and communities—

(1) to improve the academic achievement of all students, and to focus the resources of the Federal Government upon such achievement;

(2) to give States and communities maximum freedom in determining how to boost academic achievement and implement education reforms;

(3) to hold States and communities accountable for boosting the academic achievement of all students, especially disadvantaged children; and

(4) to narrow achievement gaps between the lowest and highest performing groups of students so that no child is left behind.

SEC. 3. PERFORMANCE AGREEMENT.

(a) PROGRAM AUTHORIZED.—A State may, at its option, execute a performance agreement with the Secretary under which the provisions of law described in section 4(a) shall not apply to such State except as otherwise provided in this Act.

(b) APPROVAL OF PERFORMANCE AGREEMENT.—A performance agreement submitted to the Secretary under this section shall be approved by the Secretary unless the Secretary makes a written determination, within 60 days after receiving the performance agreement, that the performance agreement is in violation of the provisions of this Act.

(c) TERMS OF PERFORMANCE AGREEMENT.—Each performance agreement executed pursuant to this Act shall include the following provisions:

(1) TERM.—A statement that the term of the performance agreement shall be 5 years.

(2) APPLICATION OF PROGRAM REQUIREMENTS.—A statement that no program requirements of any program included by the State in the performance agreement shall apply, except as otherwise provided in this Act.

(3) LIST.—A list provided by the State of the programs that it wishes to include in the performance agreement.

(4) USE OF FUNDS TO IMPROVE STUDENT ACHIEVEMENT.—Include a 5-year plan describing how the State intends to combine and use the funds from programs included in the performance agreement to advance the education priorities of the State, improve student achievement, and narrow achievement gaps between students.

(5) ACCOUNTABILITY SYSTEM REQUIREMENTS.—If a State includes part A of title I of the Elementary and Secondary Education Act of 1965 in its performance agreement, the State shall include a certification that the State has the following:

(A)(i) developed and implemented the challenging State content standards, challenging State student performance standards, and aligned assessments described in section 1111(b) of the Elementary and Secondary Education Act of 1965, and for which local educational agencies in the State are producing the individual school performance profiles required by section 1116(a)(3) of such Act; or

(ii) developed and implemented a system to measure the degree of change from 1 school year to the next in student performance on such assessments;

(B) established a system under which assessment information is disaggregated by race, ethnicity, sex, English proficiency status, and socioeconomic status for the State, each local educational agency, and each school, except that such disaggregation shall not be required in cases in which the number of students in any such group is insufficient to yield statistically reliable information or would reveal the identity of an individual student;

(C) established specific, measurable, numerical performance objectives for student achievement, including—

(i) a definition of performance considered to be satisfactory by the State on the assessment instruments described under subparagraphs (A) and (B) with performance objectives established for all students and for specific student groups, including groups for which data is disaggregated under subparagraph (B); and

(ii) the objective of improving the performance of all groups and narrowing gaps in performance between those groups; and

(D) developed and implemented a statewide system for holding its local educational agencies and schools accountable for student performance that includes—

(i) a procedure for identifying local educational agencies and schools in need of improvement;

(ii) assisting and building capacity in local educational agencies and schools identified as in need of improvement to improve teaching and learning; and

(iii) implementing corrective actions if the assistance and capacity building under clause (ii) is not effective.

(6) PERFORMANCE GOALS.—

(A) STUDENT ACHIEVEMENT DATA.—Each State shall establish student performance goals for the 5-year term of the performance agreement that, at a minimum—

(i) establish a single high standard of performance for all students;

(ii) take into account the progress of students from every local educational agency and school in the State;

(iii) measure changes in the percentages of students at selected grade levels meeting specified proficiency levels of achievement (established by the State) in the final year of the performance agreement, compared to such percentages in the baseline year (as described in subparagraph (C));

(iv) set numerical goals to attain by the end of the term of the performance agreement to—

(I) improve the performance of the groups specified in paragraph (5)(B); and

(II) reduce achievement gaps between the highest and lowest performing groups of students by raising the achievement levels of the lowest performing students in mathematics and reading, at a minimum; and

(v) require all students in the State to make substantial gains in achievement.

(B) ADDITIONAL INDICATORS OF PERFORMANCE.—A State may identify in the performance agreement any additional indicators of performance such as graduation, dropout, or attendance rates.

(C) BASELINE PERFORMANCE DATA.—To determine student achievement levels for the baseline year, the State shall use its most recent achievement data when executing the performance agreement.

(D) CONSISTENCY OF PERFORMANCE MEASURES.—A State shall maintain, at a minimum, the same challenging State student performance standards and assessments

throughout the term of the performance agreement.

(7) FISCAL RESPONSIBILITIES.— An assurance that the State will use fiscal control and fund accounting procedures that will ensure proper disbursement of, and accounting for, Federal funds paid to the State under this Act.

(8) CIVIL RIGHTS.—An assurance that the State will meet the requirements of applicable Federal civil rights laws.

(9) PRIVATE SCHOOL PARTICIPATION.—An assurance that the State will provide for the equitable participation of students and professional staff in private schools in accordance with section 14503 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 8893).

(10) STATE FINANCIAL PARTICIPATION.—An assurance that the State will not reduce the level of spending of State funds for education during the term of the performance agreement.

(11) ANNUAL REPORT.—An assurance that not later than 1 year after the execution of the performance agreement, and annually thereafter, each State shall disseminate widely to the general public, submit to the Secretary, distribute to print and broadcast media, and post on the Internet, a report that includes—

(A) student performance data, disaggregated as provided in paragraph (5)(A)(ii); and

(B) a detailed description of how the State has used Federal funds to improve student performance and reduce achievement gaps to meet the terms of the performance agreement.

(d) SPECIAL RULE.—If a State does not include part A of title I of the Elementary and Secondary Education Act of 1965 in its performance agreement, the State shall—

(1) certify that it has developed a system to measure the academic performance of all students; and

(2) establish performance goals in accordance with subsection (c)(6) for such other programs.

(e) AMENDMENT TO PERFORMANCE AGREEMENT.—A State may submit an amendment to the performance agreement to the Secretary under the following circumstances:

(1) REDUCE SCOPE OF PERFORMANCE AGREEMENT.—Not later than 1 year after the execution of the performance agreement, a State may amend the performance agreement through a request to withdraw a program from such agreement. If the Secretary approves the amendment, the requirements of existing law shall apply for any program withdrawn from the performance agreement.

(2) EXPAND SCOPE OF PERFORMANCE AGREEMENT.—Not later than 1 year after the execution of the performance agreement, a State may amend its performance agreement to include additional programs and performance indicators for which it will be held accountable.

SEC. 4. ELIGIBLE PROGRAMS.

(a) ELIGIBLE PROGRAMS.—The provisions of law referred to in section 3(a) except as otherwise provided in subsection (b), are as follows:

(1) Part A of title I of the Elementary and Secondary Education Act of 1965.

(2) Part B of title I of the Elementary and Secondary Education Act of 1965.

(3) Part C of title I of the Elementary and Secondary Education Act of 1965.

(4) Part D of title I of the Elementary and Secondary Education Act of 1965.

(5) Section 1502, part E of title I of the Elementary and Secondary Education Act of 1965.

(6) Part B of title II of the Elementary and Secondary Education Act of 1965.

(7) Section 3132 of title III of the Elementary and Secondary Education Act of 1965.

(8) Title IV of the Elementary and Secondary Education Act of 1965.

(9) Title VI of the Elementary and Secondary Education Act of 1965.

(10) Section 307 of the Department of Education Appropriation Act of 1999.

(11) Comprehensive school reform programs as authorized under section 1502 of the Elementary and Secondary Education Act of 1965 and described on pages 96-99 of the Joint Explanatory Statement of the Committee of Conference included in House Report 105–390 (Conference Report on the Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 1998)''.

(12) Part C of title VII of the Elementary and Secondary Education Act of 1965.

(13) Title III of the Goals 2000: Educate America Act.

(14) Sections 115 and 116, and parts B and C of title I of the Carl D. Perkins Vocational Technical Education Act.

(15) Subtitle B of title VII of the Stewart B. McKinney Homeless Assistance Act.

(b) ALLOCATION AMOUNTS.—A State may choose to combine funds from any or all of the programs described in subsection (a) without regard to the program requirements of such provisions, except as otherwise provided in this Act and except that allocation ratios provided under the provisions referred to in subsection (a) shall remain in effect unless otherwise provided.

(c) USES OF FUNDS.—Funds made available under this Act to a State shall be used for any educational purpose permitted by State law of the participating State.

SEC. 5. WITHIN-STATE DISTRIBUTION OF FUNDS.

(a) IN GENERAL.—The distribution of funds from programs included in the performance agreement from a State to a local educational agency within the State shall be determined by the State legislature and the Governor of the State. In a State in which the constitution or State law designates another individual, entity, or agency to be responsible for education, such other individual, entity, or agency shall work in consultation with the Governor and State legislature to determine the local distribution of funds.

(b) LOCAL HOLD HARMLESS OF PART A TITLE 1 FUNDS.—

(1) IN GENERAL.—In the case of a State that includes part A of title I in the performance agreement, the agreement shall provide an assurance that each local educational agency shall receive an amount equal to or greater than the amount such agency received under part A of title I of the Elementary and Secondary Education Act of 1965 in the fiscal year preceding the fiscal year in which the performance agreement is executed.

(2) PROPORTIONATE REDUCTION.—If the amount made available to the State from the Secretary for a fiscal year is insufficient to pay to each local educational agency the amount made available to such agency for the preceding fiscal year, the State shall reduce the amount each local educational agency receives by a uniform percentage.

SEC. 6. LOCAL PARTICIPATION.

(a) NONPARTICIPATING STATE.—

(1) IN GENERAL.—If a State chooses not to submit a performance agreement under this Act, any local educational agency in such State is eligible, at its option, to submit to the Secretary a performance agreement in accordance with this section.

(2) AGREEMENT.—The terms of a performance agreement between an eligible local educational agency and the Secretary shall specify the programs to be included in the performance agreement, as agreed upon by the State and the agency, from the list under section 4(a).

(b) STATE APPROVAL.—When submitting a performance agreement to the Secretary, an eligible local educational agency described in subsection (a) shall provide written documentation from the State in which such agency is located that it has no objection to the agency's proposal for a performance agreement.

(c) APPLICATION.—

(1) IN GENERAL.—Except as provided in this section, and to the extent applicable, the requirements of this Act shall apply to an eligible local educational agency that submits a performance agreement in the same manner as the requirements apply to a State.

(2) EXCEPTIONS.—The following provisions shall not apply to an eligible local educational agency:

(A) WITHIN STATE DISTRIBUTION FORMULA NOT APPLICABLE.—The formula for the allocation of funds under section 5 shall not apply.

(B) STATE SET ASIDE SHALL NOT APPLY.—The State set aside for administrative funds in section 7 shall not apply.

SEC. 7. SET-ASIDE FOR STATE ADMINISTRATIVE EXPENDITURES.

(a) IN GENERAL.—Except as otherwise provided under subsection (b), a State that includes part A of title I of the Elementary and Secondary Education Act of 1965 in the performance agreement may use not more than 1 percent of such total amount of funds allocated to such State under the programs included in the performance agreement for administrative purposes.

(b) EXCEPTION.—A State that does not include part A of title I of the Elementary and Secondary Education of 1965 its performance agreement may use not more than 3 percent of the total amount of funds allocated to such State under the programs included in the performance agreement for administrative purposes.

SEC. 8. PERFORMANCE REVIEW.

(a) FAILURE TO MEET TERMS.—If at the end of the 5-year term of the performance agreement a State has failed to meet at least 80 percent of the performance goals submitted in the performance agreement, the Secretary shall terminate the performance agreement and the State shall be required to comply with the program requirement, in effect at the time of termination, of each program included in the performance agreement.

(b) PENALTY FOR FAILURE TO IMPROVE STUDENT PERFORMANCE.—If a State has made little or no progress toward achieving its performance goals by the end of the term of the agreement, the Secretary shall reduce funds for State administrative costs for each program included in the performance agreement by 50 percent for the 2-year period following the end of the term of the performance agreement.

SEC. 9. RENEWAL OF PERFORMANCE AGREEMENT.

(a) NOTIFICATION.—A State that wishes to renew its performance agreement shall notify the Secretary of its renewal request not less than 6 months prior to the end of the term of the performance agreement.

(b) RENEWAL REQUIREMENTS.—A State that has met at least 80 percent of its performance goals submitted in the performance agreement at the end of the 5-year term may reapply to the Secretary to renew its performance agreement for an additional 5-year period. Upon the completion of the 5-year term of the performance agreement or as soon thereafter as the State submits data required under the agreement, the Secretary shall renew, for an additional 5-year term, the performance agreement of any State that has met at least 80 percent of its performance goals.

SEC. 10. ACHIEVEMENT GAP REDUCTION REWARDS.

(a) CLOSING THE GAP REWARD FUND.—

(1) IN GENERAL.—To reward States that make significant progress in eliminating achievement gaps by raising the achievement levels of the lowest performing students, the Secretary shall annually set aside sufficient funds from the Fund for the Improvement of Education under part A of title X of the Elementary and Secondary Education Act of 1965 to grant a reward to States that meet the conditions set forth in subsection (b) by the end of their 5-year performance agreement.

(2) REWARD AMOUNT.—The amount of the reward referred to in paragraph (1) shall be not less than 5 percent of funds allocated to the State during the first year of the performance agreement for programs included in the agreement.

(b) CONDITIONS OF PERFORMANCE REWARD.—A State is eligible to receive a reward under this section if the State reduces by not less than 25 percent, over the 5-year term of the performance agreement, the difference between the percentage of highest and lowest performing groups of students that meet the State's definition of ''proficient'' as referenced in section 1111(b)(1)(D)(i)(II) of the Elementary and Secondary Education Act of 1965, for the following:

(A) CONTENT AREAS.—The reduction in the achievement gap shall include not less than 2 content areas, one of which shall be mathematics or reading.

(B) GRADES TESTED.—The reduction shall occur in at least 1 grade level.

SEC. 11. STRAIGHT A'S PERFORMANCE REPORT.

The Secretary shall make the annual State reports described in section 3 available to the House Committee on Education and the Workforce and the Senate Committee on Health, Education, Labor and Pensions not later than 60 days after the Secretary receives the report.

SEC. 12. CONSTRUCTION.

To the extent that provisions of title XIV of the Elementary and Secondary Education Act of 1965 are inconsistent with this Act, this Act shall be construed as superseding such provisions.

SEC. 13. DEFINITIONS.

For the purpose of this Act:

(1) LOCAL EDUCATIONAL AGENCY.—The term ''local educational agency'' has the same meaning given such term in section 14101 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 8801).

(2) SECRETARY.—The term ''Secretary'' means the Secretary of Education.

(3) STATE.—The term ''State'' means each of the 50 States, the District of Columbia, the Commonwealth of Puerto Rico, Guam, the United States Virgin Islands, the Commonwealth of the Northern Mariana Islands, and American Samoa.

SEC. 14. EFFECT ON STATE LAW.

Nothing in this Act shall be construed to supersede or modify any provision of a State constitution or State law that prohibits the expenditure of public funds in or by sectarian institutions.

ADDITIONAL COSPONSORS

S. 222

At the request of Mr. LAUTENBERG, the name of the Senator from Illinois (Mr. DURBIN) was added as a cosponsor of S. 222, a bill to amend title 23, United States Code, to provide for a national standard to prohibit the operation of motor vehicles by intoxicated individuals.

S. 242

At the request of Mr. JOHNSON, the name of the Senator from Iowa (Mr. GRASSLEY) was added as a cosponsor of S. 242, a bill to amend the Federal Meat Inspection Act to require the labeling of imported meat and meat food products.

S. 288

At the request of Mr. KERRY, his name was added as a cosponsor of S. 288, a bill to amend the Internal Revenue Code of 1986 to exclude from income certain amounts received under the National Health Service Corps Scholarship Program and F. Edward Hebert Armed Forces Health Professions Scholarship and Financial Assistance Program.

S. 333

At the request of Mr. LEAHY, the names of the Senator from Montana (Mr. BAUCUS) and the Senator from Connecticut (Mr. LIEBERMAN) were added as cosponsors of S. 333, a bill to amend the Federal Agriculture Improvement and Reform Act of 1996 to improve the farmland protection program.

S. 341

At the request of Mr. CRAIG, the name of the Senator from Illinois (Mr. DURBIN) was added as a cosponsor of S. 341, a bill to amend the Internal Revenue Code of 1986 to increase the amount allowable for qualified adoption expenses, to permanently extend the credit for adoption expenses, and to adjust the limitations on such credit for inflation, and for other purposes.

S. 385

At the request of Mr. ENZI, the names of the Senator from Idaho (Mr. CRAPO) and the Senator from Kentucky (Mr. BUNNING) were added as cosponsors of S. 385, a bill to amend the Occupational Safety and Health Act of 1970 to further improve the safety and health of working environments, and for other purposes.

S. 391

At the request of Mr. KERREY, the names of the Senator from Pennsylvania (Mr. SANTORUM) and the Senator from Pennsylvania (Mr. SPECTER) were added as cosponsors of S. 391, a bill to provide for payments to children's hospitals that operate graduate medical education programs.

S. 424

At the request of Mr. COVERDELL, the name of the Senator from Kansas (Mr. ROBERTS) was added as a cosponsor of S. 424, a bill to preserve and protect the free choice of individuals and employees to form, join, or assist labor organizations, or to refrain from such activities.

S. 459

At the request of Mr. BREAUX, the name of the Senator from Iowa (Mr. GRASSLEY) was added as a cosponsor of S. 459, a bill to amend the Internal Revenue Code of 1986 to increase the State ceiling on private activity bonds.

S. 517

At the request of Mr. GRAHAM, the name of the Senator from Montana (Mr. BAUCUS) was added as a cosponsor of S. 517, a bill to assure access under group health plans and health insurance coverage to covered emergency medical services.

S. 526

At the request of Mr. GRAHAM, the name of the Senator from Nevada (Mr. REID) was added as a cosponsor of S. 526, a bill to amend the Internal Revenue Code of 1986 to allow issuance of tax-exempt private activity bonds to finance public-private partnership activities relating to school facilities in public elementary and secondary schools, and for other purposes.

S. 635

At the request of Mr. MACK, the names of the Senator from New Hampshire (Mr. GREGG), and the Senator from Kansas (Mr. ROBERTS) were added as cosponsors of S. 635, a bill to amend the Internal Revenue Code of 1986 to more accurately codify the depreciable life of printed wiring board and printed wiring assembly equipment.

S. 662

At the request of Mr. CHAFEE, the name of the Senator from Louisiana (Ms. LANDRIEU) was added as a cosponsor of S. 662, a bill to amend title XIX of the Social Security Act to provide medical assistance for certain women screened and found to have breast or cervical cancer under a federally funded screening program.

S. 693

At the request of Mr. HELMS, the name of the Senator from Georgia (Mr. COVERDELL) was added as a cosponsor of S. 693, a bill to assist in the enhancement of the security of Taiwan, and for other purposes.

S. 727

At the request of Mr. CAMPBELL, the name of the Senator from Tennessee (Mr. FRIST) was added as a cosponsor of S. 727, a bill to exempt qualified current and former law enforcement officers from State laws prohibiting the carrying of concealed firearms and to allow States to enter into compacts to recognize other States' concealed weapons permits.

S. 758

At the request of Mr. ASHCROFT, the name of the Senator from Kentucky (Mr. BUNNING) was added as a cosponsor of S. 758, a bill to establish legal standards and procedures for the fair, prompt, inexpensive, and efficient resolution of personal injury claims arising out of asbestos exposure, and for other purposes.

S. 796

At the request of Mr. WELLSTONE, the name of the Senator from Virginia (Mr. ROBB) was added as a cosponsor of S. 796, a bill to provide for full parity with respect to health insurance coverage for certain severe biologically-based mental illnesses and to prohibit limits on the number of mental illness-related hospital days and outpatient visits that are covered for all mental illnesses.

S. 798

At the request of Mr. MCCAIN, the name of the Senator from Texas (Mrs. HUTCHISON) was added as a cosponsor of S. 798, a bill to promote electronic commerce by encouraging and facilitating the use of encryption in interstate commerce consistent with the protection of national security, and for other purposes.

S. 820

At the request of Mr. CHAFEE, the name of the Senator from Louisiana (Ms. LANDRIEU) was added as a cosponsor of S. 820, a bill to amend the Internal Revenue Code of 1986 to repeal the 4.3-cent motor fuel excise taxes on railroads and inland waterway transportation which remain in the general fund of the Treasury.

S. 980

At the request of Mr. BAUCUS, the name of the Senator from South Carolina (Mr. HOLLINGS) was added as a cosponsor of S. 980, a bill to promote access to health care services in rural areas.

S. 1017

At the request of Mr. MACK, the names of the Senator from Rhode Island (Mr. REED), the Senator from Oregon (Mr. WYDEN), and the Senator from Oregon (Mr. SMITH) were added as cosponsors of S. 1017, a bill to amend the Internal Revenue Code of 1986 to increase the State ceiling on the low-income housing credit.

S. 1028

At the request of Mr. HATCH, the names of the Senator from Louisiana (Ms. LANDRIEU), the Senator from South Carolina (Mr. THURMOND), and the Senator from Missouri (Mr. ASHCROFT) were added as cosponsors of S. 1028, a bill to simplify and expedite access to the Federal courts for injured parties whose rights and privileges, secured by the United States Constitution, have been deprived by final actions of Federal agencies, or other government officials or entities acting under color of State law, and for other purposes.

S. 1034

At the request of Mr. AKAKA, the name of the Senator from California (Mrs. BOXER) was added as a cosponsor of S. 1034, a bill to amend title XVIII of the Social Security Act to increase the amount of payment under the medicare program for pap smear laboratory tests.

S. 1057

At the request of Mr. MACK, the name of the Senator from Tennessee (Mr. FRIST) was added as a cosponsor of S. 1057, a bill to amend the Internal Revenue Code of 1986 to simplify certain provisions applicable to real estate investment trusts.

S. 1070

At the request of Mr. BOND, the name of the Senator from Kansas (Mr. ROBERTS) was added as a cosponsor of S. 1070, a bill to require the Secretary of Labor to wait for completion of a National Academy of Sciences study before promulgating a standard, regulation or guideline on ergonomics.

S. 1114

At the request of Mr. ENZI, the name of the Senator from Missouri (Mr. BOND) was added as a cosponsor of S. 1114, a bill to amend the Federal Mine Safety and Health Act of 1977 to establish a more cooperative and effective method for rulemaking that takes into account the special needs and concerns of smaller miners.

S. 1140

At the request of Mrs. BOXER, the name of the Senator from New York (Mr. SCHUMER) was added as a cosponsor of S. 1140, a bill to require the Secretary of Labor to issue regulations to eliminate or minimize the significant risk of needlestick injury to health care workers.

S. 1144

At the request of Mr. VOINOVICH, the names of the Senator from New York (Mr. SCHUMER) and the Senator from Connecticut (Mr. LIEBERMAN) were added as cosponsors of S. 1144, a bill to provide increased flexibility in use of highway funding, and for other purposes.

At the request of Mr. VOINOVICH, the name of the Senator from Nevada (Mr. REID) was withdrawn as a cosponsor of S. 1144, supra.

S. 1165

At the request of Mr. MACK, the names of the Senator from Kansas (Mr. ROBERTS) and the Senator from Oklahoma (Mr. NICKLES) were added as cosponsors of S. 1165, a bill to amend the Internal Revenue Code of 1986 to repeal the limitation on the amount of receipts attributable to military property which may be treated as exempt foreign trade income.

S. 1189

At the request of Ms. COLLINS, the name of the Senator from Hawaii (Mr. AKAKA) was added as a cosponsor of S. 1189, a bill to allow Federal securities enforcement actions to be predicated on State securities enforcement actions, to prevent migration of rogue securities brokers between and among financial services industries, and for other purposes.

S. 1195

At the request of Mr. SCHUMER, the name of the Senator from California (Mrs. FEINSTEIN) was added as a cosponsor of S. 1195, A bill to give customers notice and choice about how their financial institutions share or sell their personally identifiable sensitive financial information, and for other purposes.

S. 1244

At the request of Mr. THOMPSON, the name of the Senator from Oklahoma (Mr. INHOFE) was added as a cosponsor of S. 1244, a bill to establish a 3-year pilot project for the General Accounting Office to report to Congress on economically significant rules of Federal agencies, and for other purposes.

SENATE RESOLUTION 99

At the request of Mr. REID, the name of the Senator from Louisiana (Ms. LANDRIEU) was added as a cosponsor of Senate Resolution 99, A resolution designating November 20, 1999, as ''National Survivors for Prevention of Suicide Day.''

AMENDMENTS SUBMITTED

FOREIGN RELATIONS AUTHORIZATION ACT, FISCAL YEARS 2000 AND 2001

HELMS (AND BIDEN) AMENDMENTS NOS. 705–706

Mr. HELMS (for himself and Mr. BIDEN) proposed two amendmens to the bill (S. 886) to authorize appropriations for the Department of State for fiscal years 2000 and 2001; to provide for enhanced security at United States diplomatic facilities; to provide for certain arms control, nonproliferation, and other national security measures; to provide for the reform of the United Nations; and for other purposes; as follows:

AMENDMENT NO. 705

On page 19, strike lines 1 through 19.

On page 19, line 20, strike ''sec. 205.'' and insert ''sec. 204.''.

On page 20, line 10, strike ''sec. 206.'' and insert ''sec. 205.''.

On page 35, line 24, strike ''financial, and moral'' and insert ''and financial''.

On page 36, line 8, strike ''these''.

On page 54, line 7, strike ''Inman''.

On page 54, line 8, insert ''chaired by Admiral Bobby Ray Inman'' after ''mission''.

On page 54, beginning on line 17 strike ''The'' and all that follows through ''Tanzania'' on line 20.

On page 54, between lines 20 and 21, insert the following:

(8) The result has been a failure to take adequate steps to prevent tragedies such as the bombings in Kenya and Tanzania.

On page 54, line 21, strike ''(8)'' and insert ''(9)''.

On page 55, line 1, strike ''(9)'' and insert ''(10)''.

On page 55, line 9, strike ''(10)'' and insert ''(11)''.

On page 55, line 16, strike ''legation,''.

On page 55, line 21, strike ''commander'' and insert ''military commander''.

On page 56, line 6, strike ''acquisition or construction'' and insert ''acquisition''.

On page 58, line 20, strike ''CONSTRUCTION'' and insert ''ACQUISITION''.

On page 58, line 24, strike ''security and construction'' and insert ''construction and security''.

On page 59, lines 10 and 11, strike ''acquisition, construction,'' and insert ''acquisition''.

On page 60, lines 24 and 25, strike ''the Secretary determines and certifies'' and insert ''the Secretary and the head of each agency employing affected personnel determine and certify''

On page 61, line 1, insert ''security so permits, and'' after ''that''.

On page 61, lines 18 and 19, strike ''constructed or''.

On page 62, line 3, insert ''security so permits, and'' after ''that''.

On page 65, line 3, strike ''(b)'' and insert ''(c)''.

On page 65, between lines 2 and 3, insert the following:

(b) NATIONAL SECURITY WAIVER.—

(1) IN GENERAL.—The President may waive the application of paragraph (2) or (3) of subsection (a) with respect to a diplomatic facility, other than a United States diplomatic mission or consular post or a United States Agency for International Development mission, if the President determines that—

(A) it is important to the national security of the United States to so exempt that facility; and

(B) all feasible steps are being taken, consistent with the national security requirements that require the waiver, to minimize the risk and the possible consequences of a terrorist attack involving that facility or its personnel.

(2) PERIODIC REPORTS.—

(A) IN GENERAL.—Not later than January 1, 2000, and every six months thereafter, the President shall submit to the appropriate congressional committees a classified report describing—

(i) the waivers that have been exercised under this subsection during the preceding six-month period or, in the case of the initial report, during the period since the date of enactment of this Act; and

(ii) the steps taken to maintain maximum feasible security at the facilities involved.

(B) SPECIAL RULE.—Any waiver that, for national security reasons, may not be described in a report required by subparagraph (A) shall be noted in that report and described in an appendix submitted to the congressional committees with direct oversight responsibility for the facility.

On page 66, lines 4 and 5, strike ''acquisition or construction'' and insert ''acquisition''.

On page 66, line 13, strike ''class 3 and 4 missions'' and insert ''diplomatic facilities that are part of the Special Embassy Program''.

Beginning on page 66, strike line 18 and all that follows through line 16 on page 67 and insert the following:

SEC. 408. ACCOUNTABILITY REVIEW BOARDS.

Section 301 of the Omnibus Diplomatic Security and Antiterrorism Act of 1986 (22 U.S.C. 4831) is amended to read as follows:

''SEC. 301. ACCOUNTABILITY REVIEW BOARDS.

''(a) IN GENERAL.

''(1) CONVENING A BOARD.—Except as provided in paragraph (2), in any case of serious injury, loss of life, or significant destruction of property at or related to a United States Government mission abroad, and in any case of a serious breach of security involving intelligence activities of a foreign government directed at a United States Government mission abroad, which is covered by the provisions of titles I through IV (other than a facility or installation subject to the control of a United States area military commander), the Secretary of State shall convene an Accountability Review Board (in this title referred to as the 'Board'). The Secretary shall not convene a Board where the Secretary determines that a case clearly involves only causes unrelated to security.

''(2) DEPARTMENT OF DEFENSE FACILITIES AND PERSONNEL.—The Secretary of State is not required to convene a Board in the case of an incident described in paragraph (1) that involves any facility, installation, or personnel of the Department of Defense with respect to which the Secretary has delegated operational control of overseas security functions to the Secretary of Defense pursuant to section 106 of this Act. In any such case, the Secretary of Defense shall conduct an appropriate inquiry. The Secretary of Defense shall report the findings and recommendations of such inquiry, and the action taken with respect to such recommendations, to the Secretary of State and Congress.

''(b) DEADLINES FOR CONVENING BOARDS.—

''(1) IN GENERAL.—Except as provided in paragraph (2), the Secretary of State shall convene a Board not later than 60 days after the occurrence of an incident described in subsection (a)(1), except that such 60-day period may be extended for two additional 30-day periods if the Secretary determines that the additional period or periods are necessary for the convening of the Board.

''(2) DELAY IN CASES INVOLVING INTELLIGENCE ACTIVITIES.—With respect to breaches of security involving intelligence activities, the Secretary of State may delay the establishment of a Board if, after consultation with the chairman of the Select Committee on Intelligence of the Senate and the chairman of the Permanent Select Committee on Intelligence of the House of Representatives, the Secretary determines that doing so would compromise intelligence sources and methods. The Secretary shall promptly advise the chairmen of such committees of each determination pursuant to this paragraph to delay the establishment of a Board.

''(c) NOTIFICATION TO CONGRESS.—Whenever the Secretary of State convenes a Board, the Secretary shall promptly inform the chairman of the Committee on Foreign Relations of the Senate and the Speaker of the House of Representatives—

''(1) that a Board has been convened;

''(2) of the membership of the Board; and

''(3) of other appropriate information about the Board.''.

On page 74, strike lines 19 through 22, and insert the following:

(c) FUNDING.—Of the total amount of funds authorized to be appropriated to the Department of State by this Act for the fiscal years 2000 and 2001, $5,000,000 is authorized to be available for each such fiscal year to carry out subsection (a).

On page 78, line 7, strike ''liaison between the policy community and'' and insert ''policy community representative to''.

On page 83, line 3, strike ''shall have'' and insert ''has''.

On page 85, between lines 4 and 5, insert the following new section:

SEC. 618. PRESERVATION OF THE START TREATY VERIFICATION REGIME.

(a) FINDINGS.—The Senate makes the following findings:

(1) Paragraph 6 of Article XI of the START Treaty states the following: ''Each Party shall have the right to conduct reentry vehicle inspections of deployed ICBMs and SLBMs to confirm that such ballistic missiles contain no more reentry vehicles than the number of warheads attributed to them.''.

(2) Paragraph 1 of Section IX of the Inspections Protocol to the START Treaty states that each Party ''shall have the right to conduct a total of ten reentry vehicle inspections each year''.

(3) Paragraph 4 of Section XVIII of the Inspections Protocol to the START Treaty states that the Parties ''shall, when possible, clarify ambiguities regarding factual information contained in the inspection report'' that each inspection team must provide at the end of an inspection, pursuant to paragraph 1 of Section XVIII of that Protocol.

(4) Paragraph 12 of Annex 3 to the Inspections Protocol to the START Treaty states that, once a missile has been selected and prepared for reentry vehicle inspection, the inspectors shall be given ''a clear, unobstructed view of the front section [of the missile], to ascertain that the front section contains no more reentry vehicles than the number of warheads attributed to missiles of that type''.

(5) Paragraph 13 of Annex 3 to the Inspections Protocol to the START Treaty states the following: ''If a member of the in-country escort declares that an object contained in the front section is not a reentry vehicle, the inspected Party shall demonstrate to the satisfaction of the inspectors that this object is not a reentry vehicle.''.

(6) Section II of Annex 8 to the Inspections Protocol to the START Treaty provides that radiation detection equipment may be used during reentry vehicle inspections.

(7) Paragraph F.1 of Section VI of Annex 8 to the Inspections Protocol to the START Treaty states the following: ''Radiation detection equipment shall be used to measure nuclear radiation levels in order to demonstrate that objects declared to be non-nuclear are non-nuclear.''.

(8) While the use of radiation detection equipment may help to determine whether an object that ''a member of the in-country escort declares..is not a reentry vehicle'' is a reentry vehicle with a nuclear warhead, it cannot help to determine whether that object is a reentry vehicle with a non-nuclear warhead.

(9) Article XV of the START Treaty provides for a Joint Compliance and Inspection Commission that shall meet to ''resolve questions relating to compliance with the obligations assumed''.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that—

(1) the United States should assert and, to the maximum extent possible, exercise the right for reentry vehicle inspectors to obtain a clear, unobstructed view of the front section of a deployed SS-18 ICBM selected for reentry vehicle inspection pursuant to paragraph 6 of Article XI of the START Treaty;

(2) the United States should assert and, to the maximum extent possible, obtain Russian compliance with the obligation of the host Party, pursuant to paragraph 13 of Annex 3 to the Inspections Protocol to the START Treaty, to demonstrate to the satisfaction of the inspectors that an object which is declared not to be a reentry vehicle is not a reentry vehicle;

(3) if a member of the in-country escort declares that an object contained in the front section of a deployed SS-18 ICBM selected for reentry vehicle inspection pursuant to paragraph 6 of Article XI of the START Treaty is not a reentry vehicle, but the inspected Party does not demonstrate to the satisfaction of the inspectors that this object is not a reentry vehicle, the United States inspection team should record this fact in the official inspection report as an ambiguity and the United States should raise this matter in the Joint Compliance and Inspection Commission as a concern relating to compliance of Russia with the obligations assumed under the Treaty;

(4) the United States should not agree to any arrangement whereby the use of radiation detection equipment in a reentry vehicle inspection, or a combination of the use of such equipment and Russian assurances regarding SS-18 ICBMs, would suffice to demonstrate to the satisfaction of the inspectors that an object which is declared not to be a reentry vehicle is not a reentry vehicle; and

(5) the United States should not agree to any arrangement whereby the use of technical equipment in a reentry vehicle inspection would suffice to demonstrate to the satisfaction of the inspectors that an object which is declared not to be a reentry vehicle is not a reentry vehicle, unless the Director of Central Intelligence, in consultation with the Secretaries of State, Defense, and Energy, has determined that such equipment can demonstrate to the satisfaction of the inspectors that an object which is declared

not to be a reentry vehicle is not a reentry vehicle.

(c) START TREATY DEFINED.—In this section, the term ''START Treaty'' means the Treaty With the Union of Soviet Socialist Republics on the Reduction and Limitation of Strategic Offensive Arms, including all agreed statements, annexes, protocols, and memoranda, signed at Moscow on July 31, 1991.

On page 86, strike lines 5 through 12, and insert the following:

(c) FUNDING.—Of the total amount of funds authorized to be appropriated to the Department of State by this Act for the fiscal years 2000 and 2001, $5,000,000 is authorized to be available for each such fiscal year to carry out subsection (a).

Beginning on page 89, strike line 13 and all that follows through line 5 on page 91 and insert the following:

(a) PROHIBITION.—Except as provided in subsection (b), no assistance may be provided by the United States Government to any person who is involved in the research, development, design, testing, or evaluation of chemical or biological weapons for offensive purposes.

(b) EXCEPTION.—The prohibition contained in subsection (a) shall not apply to any activity conducted to title V of the National Security Act of 1947 (50 U.S.C. 413 et seq.).

Beginning on page 91, strike line 23 and all that follows through line 3 on page 92 and insert the following:

(b) SUBMISSION OF THE FABRICATION FACILITY AGREEMENT PURSUANT TO LAW.—Whenever the President submits to Congress the agreement to establish a mixed oxide fuel fabrication or production facility in Russia pursuant to section 123 of the Atomic Energy Act of 1954 (42 U.S.C. 2153), it is the sense of Congress that the Secretary of State should be prepared to certify to the Committee on Foreign Relations of the Senate and the Committee on International Relations of the House Representatives that—

On page 93, lines 16 and 17, strike ''subsection (c)'' and insert ''subsections (c) and (f)''.

On page 94, line 3, strike ''subsection (c)'' and insert ''subsections (c) and (f)''.

On page 94, beginning on line 4, strike the comma and all that follows through ''subsection (d)(2),'' on line 6.

On page 94, line 15, insert after ''Secretary of State'' the following: '', with respect to any item defined in subsection (d)(1), or the Secretary of Commerce, with respect to any item defined in subsection (d)(2),''.

On page 95, between lines 13 and 14, insert the following new subsection:

(f) EXCEPTION.—The provisions of this section do not apply to any activity subject to reporting under title V of the National Security Act of 1947 (50 U.S.C. 413 et seq.).

On page 96, after line 21, add the following new sections:

SEC. 643. REFORM OF THE DIPLOMATIC TELECOMMUNICATIONS SERVICE PROGRAM OFFICE.

(a) ADDITIONAL RESOURCES.—In addition to other amounts authorized to be appropriated for the purposes of the Diplomatic Telecommunications Service Program Office (DTS-PO), of the amounts made available to the Department of State under section 101(a)(2), $18,000,000 shall be made available only to the DTS-PO for enhancement of Diplomatic Telecommunications Service capabilities.

(b) IMPROVEMENT OF DTS-PO.—In order for the DTS-PO to better manage a fully integrated telecommunications network to service all agencies at diplomatic missions and consular posts, the DTS-PO shall—

(1) ensure that those enhancements of, and the provision of service for, telecommunication capabilities that involve the national security interests of the United States receive the highest prioritization;

(2) not later than December 31, 1999, terminate all leases for satellite systems located at posts in criteria countries, unless all maintenance and servicing of the satellite system is undertaken by United States citizens who have received appropriate security clearances;

(3) institute a system of charges for utilization of bandwidth by each agency beginning October 1, 2000, and institute a comprehensive chargeback system to recover all, or substantially all, of the other costs of telecommunications services provided through the Diplomatic Telecommunications Service to each agency beginning October 1, 2001;

(4) ensure that all DTS-PO policies and procedures comply with applicable policies established by the Overseas Security Policy Board; and

(5) maintain the allocation of the positions of Director and Deputy Director of DTS-PO as those positions were assigned as of June 1, 1999, which assignments shall pertain through fiscal year 2001, at which time such assigments shall be adjusted in the customary manner.

(c) REPORT ON IMPROVING MANAGEMENT.—Not later than March 31, 2000, the Director and Deputy Director of DTS-PO shall jointly submit to the appropriate committees of Congress the Director's plan for improving network architecture, engineering, operations monitoring and control, service metrics reporting, and service provisioning, so as to achieve highly secure, reliable, and robust communications capabilities that meet the needs of both national security agencies and other United States agencies with overseas personnel.

(d) FUNDING OF DTS-PO.—Funds appropriated for allocation to DTS-PO shall be made available only for DTS-PO until a comprehensive chargeback system is in place.

SEC. 644. SENSE OF CONGRESS ON FACTORS FOR CONSIDERATION IN NEGOTIATIONS WITH THE RUSSIAN FEDERATION ON REDUCTIONS IN STRATEGIC NUCLEAR FORCES.

It is the sense of Congress that, in negotiating a START III Treaty with the Russian Federation, or any other arms control treaty with the Russian Federation making comparable amounts of reductions in United States strategic nuclear forces—

(1) the strategic nuclear forces and nuclear modernization programs of the People's Republic of China and every other nation possessing nuclear weapons should be taken into full consideration in the negotiation of such treaty; and

(2) such programs should not undermine the limitations set forth in the treaty.

On page 97, line 8, insert after ''State'' the following: '', as set forth in the Country Reports on Human Rights Practices for 1998,''.

On page 103, line 1, insert after ''individuals'' the following: ''subject to the jurisdiction of the United States who are''.

On page 103, line 3, strike ''through such practice in the United States''.

On page 104, line 8, strike ''vital'' and insert ''important''.

On page 115, after line 18, insert the following:

SEC. 730. TECHNICAL CORRECTIONS.

(a) Section 1422(b)(3)(B) of the Foreign Affairs Reform and Restructuring Act (as contained in division G of Public Law 105–277; 112 Stat. 2681–792) is amended by striking ''divisionAct'' and inserting ''division''.

(b) Section 1002(a) of the Foreign Affairs Reform and Restructuring Act (as contained in division G of Public Law 105–277; 112 Stat. 2681–762) is amended by striking paragraph (3).

(c) The table of contents of division G of Public Law 105–277 (112 Stat. 2681–762) is amended by striking ''DIVISION__'' and inserting ''DIVISION G''.

On page 134, line 15, strike ''States'' and insert ''Nations''.

AMENDMENT NO. 706

On page 2, strike lines 3 and 4 and insert ''Admiral James W. Nance Foreign Relations Authorization Act, Fiscal Years 2000 and 2001''.

BIDEN AMENDMENT NO. 707

Mr. HELMS (for Mr. BIDEN) proposed an amendment to the bill, S. 886, supra; as follows:

On page 141, between lines 4 and 5, insert the following new section:

SEC. 825. UNITED STATES REPRESENTATION AT THE INTERNATIONAL ATOMIC ENERGY AGENCY.

(a) AMENDMENT TO THE UNITED NATIONS PARTICIPATION ACT OF 1945.—Section 2(h) of the United Nations Participation Act of 1945 (22 U.S.C. 287(h)) is amended by adding at the end the following new sentence: ''The representative of the United States to the Vienna office of the United Nations shall also serve as representative of the United States to the International Atomic Energy Agency.''.

(b) AMENDMENT TO THE IAEA PARTICIPATION ACT OF 1957.—Section 2(a) of the International Atomic Energy Agency Participation Act of 1957 (22 U.S.C. 2021(a)) is amended by adding at the end the following new sentence: ''The Representative of the United States to the Vienna office of the United Nations shall also serve as representative of the United States to the Agency.''.

(c) EFFECTIVE DATE.—The amendments made by subsections (a) and (b) shall apply to individuals appointed on or after the date of enactment of this Act.

HELMS AMENDMENTS NOS. 708–709

Mr. HELMS proposed two amendments to the bill, S. 886, supra; as follows:

AMENDMENT NO. 708

On page 96, after line 21, add the following new section:

SEC. ___. CLARIFICATION OF EXCEPTION TO NATIONAL SECURITY CONTROLS ON SATELLITE EXPORT LICENSING.

Section 1514(b) of Public Law 105–261 is amended by striking all that follows after ''EXCEPTION.—'' and inserting the following: ''Subsections (a)(2), (a)(4), and (a)(8) shall not apply to the export of a satellite or satellite-related items for launch in, or by nationals of, a country that is a member of the North Atlantic Treaty Organization (NATO) or that is a major non-NATO ally (as defined in section 644(q) of the Foreign Assistance Act of 1961 (22 U.S.C. 2403(q)) of the United States unless, in each instance of a proposed export of such item, the Secretary of State, in consultation with the Secretary of Defense, first provides a written determination to the Committee on Foreign Relations of the Senate and the Committee on International Relations of the House of Representatives that it is in the national security or foreign policy interests of the United States to apply the export controls required under such subsections.''.

AMENDMENT NO. 709

On page 43, between lines 8 and 9, insert the following new section:

SEC. 323. EXTENSION OF USE OF FOREIGN SERVICE PERSONNEL SYSTEM.

Section 202(a) of the Foreign Service Act of 1980 (22 U.S.C. 3922(a)) is amended by adding at the end the following new paragraph:

''(4)(A) Whenever (and to the extent) the Secretary of State considers it in the best interests of the United States Government, the Secretary of State may authorize the head of any agency or other Government establishment (including any establishment in the legislative or judicial branch) to appoint under section 303 individuals described in subparagraph (B) as members of the Service and to utilize the Foreign Service personnel system with respect to such individuals under such regulations as the Secretary of State may prescribe.

''(B) The individuals referred to in subparagraph (A) are individuals hired for employment abroad under section 311(a).''.

BIDEN AMENDMENT NO. 710

Mr. HELMS (for Mr. BIDEN) proposed an amendment to the bill, S. 886, supra; as follows:

On page 141, between lines 4 and 5, insert the following new section:

SEC. 825. ANNUAL FINANCIAL AUDITS OF UNITED STATES SECTION OF THE INTERNATIONAL BOUNDARY AND WATER COMMISSION.

(a) IN GENERAL.—An independent auditor shall annually conduct an audit of the financial statements and accompanying notes to the financial statements of the United States Section of the International Boundary and Water Commission, United States and Mexico (in this section referred to as the ''Commission''), in accordance with generally accepted Government auditing standards and such other procedures as may be established by the Office of the Inspector General of the Department of State.

(b) REPORTS.—The independent auditor shall report the results of such audit, including a description of the scope of the audit and an expression of opinion as to the overall fairness of the financial statements, to the International Boundary and Water Commission, United States and Mexico. The financial statements of the Commission shall be presented in accordance with generally accepted accounting principles. These financial statements and the report of the independent auditor shall be included in a report which the Commission shall submit to the Congress not later than 90 days after the end of the last fiscal year covered by the audit.

(c) REVIEW BY THE COMPTROLLER GENERAL.—The Comptroller General of the United States (in this section referred to as the ''Comptroller General'') may review the audit conducted by the auditor and the report to the Congress in the manner and at such times as the Comptroller General considers necessary. In lieu of the audit required by subsection (b), the Comptroller General shall, if the Comptroller General considers it necessary or, upon the request of the Congress, audit the financial statements of the Commission in the manner provided in subsection (b).

(d) AVAILABILITY OF INFORMATION.—In the event of a review by the Comptroller General under subsection (c), all books, accounts, financial records, reports, files, workpapers, and property belonging to or in use by the Commission and the auditor who conducts the audit under subsection (b), which are necessary for purposes of this subsection, shall be made available to the representatives of the General Accounting Office designated by the Comptroller General.

HELMS AMENDMENT NO. 711

Mr. HELMS proposed an amendment to the bill, S. 886, supra; as follows:

On page 66, line 12, strike ''and''.

On page 66, line 17, strike the period and insert ''; and''.

On page 66, between lines 17 and 18, insert the following new subparagraph:

(F) examine the feasibility of opening new regional outreach centers, modeled on the system used by the United States Embassy in Paris, France, with each center designed to operate—

(i) at no additional cost to the United States Government;

(ii) with staff consisting of one or two Foreign Service officers currently assigned to the United States diplomatic mission in the country in which the center is located; and

(iii) in a region of the country with high gross domestic product (GDP), a high density population, and a media market that not only includes but extends beyond the region.

ABRAHAM (AND OTHERS) AMENDMENT NO. 712

Mr. HELMS (for Mr. ABRAHAM (for himself, Mr. KENNEDY, Mr. GRAMS, Mr. LEAHY, Mr. BURNS, Mr. MCCAIN, Mr. GORTON, Mr. CRAIG, Mr. MURKOWSKI, Mrs. MURRAY, Mr. JEFFORDS, Ms. SNOWE, Mr. SMITH of Oregon, Mr. DORGAN, Mr. LEVIN, Mr. MOYNIHAN, Mr. SCHUMER, Mr. MACK, Mr. HAGEL, and Mr. DURBIN) proposed an amendment to the bill, S. 886, supra; as follows:

At the end of title VII of the bill, insert the following:

Subtitle C—United States Entry-Exit Controls

SEC. 732. AMENDMENT OF THE ILLEGAL IMMIGRATION REFORM AND IMMIGRANT RESPONSIBILITY ACT OF 1996.

(a) IN GENERAL.—Section 110(a) of the Illegal Immigration Reform and Immigrant Responsibility Act of 1996 (8 U.S.C. 1221 note) is amended to read as follows:

''(a) SYSTEM.—

''(1) IN GENERAL.—Subject to paragraph (2), not later than 2 years after the date of enactment of this Act, the Attorney General shall develop an automated entry and exit control system that will—

''(A) collect a record of departure for every alien departing the United States and match the record of departure with the record of the alien's arrival in the United States; and

''(B) enable the Attorney General to identify, through online searching procedures, lawfully admitted nonimmigrants who remain in the United States beyond the period authorized by the Attorney General.

''(2) EXCEPTION.—The system under paragraph (1) shall not collect a record of arrival or departure—

''(A) at a land border or seaport of the United States for any alien; or

''(B) for any alien for whom the documentary requirements in section 212(a)(7)(B) of the Immigration and Nationality Act have been waived by the Attorney General and the Secretary of State under section 212(d)(4)(B) of the Immigration and Nationality Act.''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect as if included in the enactment of the Illegal Immigration Reform and Immigrant Responsibility Act of 1996 (division C of Public Law 104–208; 110 Stat. 3009–546).

SEC. 733. REPORT ON AUTOMATED ENTRY-EXIT CONTROL SYSTEM.

(a) REQUIREMENT.—Not later than 1 year after the date of enactment of this Act, the Attorney General shall submit a report to the Committees on the Judiciary of the Senate and the House of Representatives on the feasibility of developing and implementing an automated entry-exit control system that would collect a record of departure for every alien departing the United States and match the record of departure with the record of the alien's arrival in the United States, including departures and arrivals at the land borders and seaports of the United States.

(b) CONTENTS OF REPORT.—Such report shall—

(1) assess the costs and feasibility of various means of operating such an automated entry-exit control system, including exploring—

(A) how, if the automated entry-exit control system were limited to certain aliens arriving at airports, departure records of those aliens could be collected when they depart through a land border or seaport; and

(B) the feasibility of the Attorney General, in consultation with the Secretary of State, negotiating reciprocal agreements with the governments of contiguous countries to collect such information on behalf of the United States and share it in an acceptable automated format;

(2) consider the various means of developing such a system, including the use of pilot projects if appropriate, and assess which means would be most appropriate in which geographical regions;

(3) evaluate how such a system could be implemented without increasing border traffic congestion and border crossing delays and, if any such system would increase border crossing delays, evaluate to what extent such congestion or delays would increase; and

(4) estimate the length of time that would be required for any such system to be developed and implemented.

SEC. 734. ANNUAL REPORTS ON ENTRY-EXIT CONTROL AND USE OF ENTRY-EXIT CONTROL DATA.

(a) ANNUAL REPORTS ON IMPLEMENTATION OF ENTRY-EXIT CONTROL AT AIRPORTS.—Not later than 30 days after the end of each fiscal year until the fiscal year in which the Attorney General certifies to Congress that the entry-exit control system required by section 110(a) of the Illegal Immigration Reform and Immigrant Responsibility Act of 1996, as amended by section 732 of this Act, has been developed, the Attorney General shall submit to the Committees on the Judiciary of the Senate and the House of Representatives a report that—

(1) provides an accurate assessment of the status of the development of the entry-exit control system;

(2) includes a specific schedule for the development of the entry-exit control system that the Attorney General anticipates will be met; and

(3) includes a detailed estimate of the funding, if any, needed for the development of the entry-exit control system.

(b) ANNUAL REPORTS ON VISA OVERSTAYS IDENTIFIED THROUGH THE ENTRY-EXIT CONTROL SYSTEM.—Not later than June 30 of each year, the Attorney General shall submit to the Committees on the Judiciary of the Senate and the House of Representatives a report that sets forth—

(1) the number of arrival records of aliens and the number of departure records of aliens that were collected during the preceding fiscal year under the entry-exit control system under section 110(a) of the Illegal Immigration Reform and Immigrant Responsibility Act of 1996, as so amended, with a separate accounting of such numbers by country of nationality;

(2) the number of departure records of aliens that were successfully matched to records of such aliens' prior arrival in the United States, with a separate accounting of such numbers by country of nationality and by classification as immigrant or nonimmigrant; and

(3) the number of aliens who arrived as nonimmigrants, or as visitors under the visa waiver program under section 217 of the Immigration and Nationality Act, for whom no

matching departure record has been obtained through the system, or through other means, as of the end of such aliens' authorized period of stay, with an accounting by country of nationality and approximate date of arrival in the United States.

(c) INCORPORATION INTO OTHER DATABASES.—Information regarding aliens who have remained in the United States beyond their authorized period of stay that is identified through the system referred to in subsection (a) shall be integrated into appropriate databases of the Immigration and Naturalization Service and the Department of State, including those used at ports-of-entry and at consular offices.

KENNEDY AMENDMENT NO. 713

Mr. HELMS (for Mr. KENNEDY) proposed an amendment to the bill, S. 886, supra; as follows:

On page 115, after line 18, add the following new section:

SEC. ___. REPORTS WITH RESPECT TO A REFERENDUM ON WESTERN SAHARA.

(a) REPORTS REQUIRED.—

(1) IN GENERAL.—Not later than each of the dates specified in paragraph (2), the Secretary of State shall submit a report to the appropriate congressional committees describing specific steps being taken by the Government of Morocco and by the Popular Front for the Liberation of Saguia el-Hamra and Rio de Oro (POLISARIO) to ensure that a free, fair, and transparent referendum in which the people of the Western Sahara will choose between independence and integration with Morocco will be held by July 2000.

(2) DEADLINES FOR SUBMISSION OF REPORTS.—The dates referred to in paragraph (1) are January 1, 2000, and June 1, 2000.

(b) REPORT ELEMENTS.—The report shall include—

(1) a description of preparations for the referendum, including the extent to which free access to the territory for independent international organizations including elections and servers and international media, will be guaranteed

(2) a description of current efforts by the Department of State to ensure that a referendum will be held by July 2000;

(3) an assessment of the likelihood that the July 2000 date will be met;

(4) a description of obstacles, if any, to the voter-registration process and other preparations for the referendum, and efforts being made by the parties and the United States Government to overcome those obstacles; and

(5) an assessment of progress being made in the repatriation process.

DURBIN AMENDMENT NO. 714

Mr. HELMS (for Mr. DURBIN) proposed an amendment to the bill, S. 886, supra; as follows:

On page 35, between lines 7 and 8, insert the following new section:

SEC. 302. STATE DEPARTMENT OFFICIAL FOR NORTHEASTERN EUROPE.

The Secretary of State shall designate an existing senior-level official of the Department of State with responsibility for promoting regional cooperation in and coordinating United States policy toward Northeastern Europe.

LEAHY (AND OTHERS) AMENDMENT NO. 715

Mr. HELMS (for Mr. LEAHY (for himself, Mr. FEINGOLD, Mr. REED, Mr. HARKIN, Mr. MCCONNELL, Mr. MOYNIHAN, Mr. KOHL, Mr. CHAFEE, Mr. KENNEDY, Mr. JEFFORDS, Mr. KERRY, Mrs. FEINSTEIN, Mrs. MURRAY, Mr. SCHUMER, Mrs. BOXER, Mr. DURBIN, Mr. WELLSTONE, and Mr. WYDEN) proposed an amendment to the bill, S. 886, supra; as follows:

At the appropriate place in the bill, insert the following:

SELF-DETERMINATION IN EAST TIMOR

SEC. . (a) FINDINGS.—The Congress finds as follows:

(1) On May 5, 1999 the Government of Indonesia and Portugal signed an agreement that provides for an August 8, 1999 ballot organized by the United Nations on East Timor's political status;

(2) On June 22, 1999 the ballot was rescheduled for August 21 or 22 due to concerns that the conditions necessary for a free and fair vote could not be established prior to August 8;

(3) On January 27, 1999, President Habibie expressed a willingness to consider independence for East Timor if a majority of the East Timorese reject autonomy in the August ballot;

(4) Under the May 5th agreement the Government of Indonesia is responsible for ensuring that the August ballot is carried out in a fair and peaceful way in an atmosphere free of intimidation, violence or interference;

(5) The inclusion of anti-independence militia members in Indonesian forces responsible for establishing security in East Timor violates the May 5th agreement which states that the absolute neutrality of the military and police is essential for holding a free and fair ballot;

(6) The arming of anti-independence militias by members of the Indonesian military for the purpose of sabotaging the August ballot has resulted in hundreds of civilians killed, injured or disappeared in separate attacks by these militias who continue to act without restraint;

(7) The United Nations Secretary General has received credible reports of political violence, including intimidation and killing, by armed anti-independence militias against unarmed pro-independence civilians;

(8) There have been killings of opponents of independence, including civilians and militia members;

(9) The killings in East Timor should be fully investigated and the individuals responsible brought to justice;

(10) Access to East Timor by international human rights monitors and humanitarian organizations is limited, and members of the press have been threatened;

(11) The presence of members of the United Nations Assistance Mission in East Timor has already resulted in an improved security environment in the East Timorese capital of Dili;

(12) A robust international observer mission and police force throughout East Timor is critical to creating a stable and secure environment necessary for a free and fair ballot;

(13) The Administration should be commended for its support for the United Nations Assistance Mission in East Timor which will provide monitoring and support for the ballot and include international civilian police, military liaison officers and election monitors;

(b) POLICY.—(1) The President, Secretary of State, Secretary of Defense, and the Secretary of the Treasury (acting through the United States executive directors to international financial institutions) should immediately intensify their efforts to prevail upon the Indonesian Government and military to—

(A) disarm and disband anti-independence militias;

(B) grant full access to East Timor by international human rights monitors, humanitarian organizations, and the press;

(C) allow Timorese who have been living in exile to return to East Timor to participate in the ballot; and

(2) the President should submit a report to the Congress not later than 21 days after passage of this Act, containing a description of the Administration's efforts and his assessment of steps taken by the Indonesian Government and military to ensure a stable and secure environment in East Timor, including those steps described in paragraph (1).

MOYNIHAN AMENDMENT NO. 716

Mr. HELMS (for Mr. MOYNIHAN) proposed an amendment to the bill, S. 886, supra; as follows:

On page 12, line 6, strike ''$7,000,000'' and insert ''$5,000,000''.

On page 12, between lines 19 and 20, insert the following:

(c) MUSKIE FELLOWSHIP DOCTORAL GRADUATE STUDIES FOR NATIONALS OF THE INDEPENDENT STATES OF THE FORMER SOVIET UNION.—

(1) ALLOCATION OF FUNDS.—Of the amounts authorized to be appropriated under subsection (a)(1)(B), not less than $2,000,000 for fiscal year 2000, and not less than $2,000,000 for fiscal year 2001, shall be made available to provide scholarships for doctoral graduate study in the social sciences to nationals of the independent states of the former Soviet Union under the Edmund S. Muskie Fellowship Program authorized by section 227 of the Foreign Relations Authorization Act, Fiscal Years 1992 and 1993 (22 U.S.C. 2452 note).

(2) REQUIREMENTS.—

(A) NON-FEDERAL SUPPORT.—Not less than 20 percent of the costs of each student's doctoral study supported under paragraph (1) shall be provided from non-Federal sources.

(B) HOME COUNTRY RESIDENCE REQUIREMENT.—

(i) AGREEMENT FOR SERVICE IN HOME COUNTRY.—Before an individual may receive scholarship assistance under paragraph (1), the individual shall enter into a written agreement with the Department of State under which the individual agrees that after completing all degree requirements, or terminating his or her studies, whichever occurs first, the individual will return to the country of the individual's nationality, or country of last habitual residence, within the independent states of the former Soviet Union (as defined in section 3 of the FREEDOM Support Act (22 U.S.C. 5801)), to reside and remain physically present there for an aggregate of at least one year for each year of study supported under paragraph (1).

(ii) DENIAL OF ENTRY INTO THE UNITED STATES FOR NONCOMPLIANCE.—Any individual who has entered into an agreement under clause (i) and who has not completed the period of home country residence and presence required by that agreement shall be ineligible for a visa and inadmissible to the United States.

On page 12, line 20, strike ''(c)'' and insert ''(d)''.

REID AMENDMENT NO. 717

Mr. HELMS (for Mr. REID) proposed an amendment to the bill, S. 886, supra; as follows:

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

SEC. . MIKEY KALE PASSPORT NOTIFICATION ACT OF 1999

(a) Not later than 180 days after the enactment of this Act, the Secretary of State shall issue regulations that—

(1) provide that, in the issuance of a passport to minors under the age of 18 years, both parents, a guardian, or a person in loco parentis have—

(A) executed the application; and

(B) provided documentary evidence demonstrating that they are the parents, guardian, or person in loco parentis; and

(2) provide that, in the issuance of a passport to minors under the age of 18 years, in those cases where both parents have not executed the passport application, the person executing the application has provided documentary evidence that such person—

(A) has sole custody of the child; or

(B) the other parent has provided consent to the issuance of the passport.

The requirement of this paragraph shall not apply to guardians or persons in loco parentis.

(b) The regulations required to be issued by this section may provide for exceptions in exigent circumstances involving the health or welfare of the child.

BINGAMAN AMENDMENT NO. 718

Mr. HELMS (for Mr. BINGAMAN) proposed an amendment to the bill, S. 886, supra; as follows:

On page 35, between lines 7 and 8, insert the following new section:

SEC. 302. SCIENCE AND TECHNOLOGY ADVISER TO SECRETARY OF STATE.

(a) ESTABLISHMENT OF POSITION.—Section 1 of the State Department Basic Authorities Act of 1956 (22 U.S.C. 2651a) is amended by adding at the end the following new subsection:

''(g) SCIENCE AND TECHNOLOGY ADVISER.—

''(1) IN GENERAL.—There shall be within the Department of State a Science and Technology Adviser (in this paragraph referred to as the 'Adviser'). The Adviser shall report to the Secretary of State through the Under Secretary of State for Global Affairs.

''(2) DUTIES.—The Adviser shall—

''(A) advise the Secretary of State, through the Under Secretary of State for Global Affairs, on international science and technology matters affecting the foreign policy of the United States; and

''(B) perform such duties, exercise such powers, and have such rank and status as the Secretary of State shall prescribe.''.

(b) REPORT.—Not later than six months after receipt by the Secretary of State of the report by the National Research Council of the National Academy of Sciences with respect to the contributions that science, technology, and health matters can make to the foreign policy of the United States, the Secretary of State, acting through the Under Secretary of State for Global Affairs, shall submit a report to Congress setting forth the Secretary of State's plans for implementation, as appropriate, of the recommendations of the report.

THOMAS AMENDMENT NO. 719

Mr. HELMS (for Mr. THOMAS) proposed an amendment to the bill, S. 886, supra; as follows:

At the appropriate place in the bill, insert the following new section and renumber the remaining sections accordingly:

SEC. ___. PROHIBITION ON THE RETURN OF VETERANS MEMORIAL OBJECTS TO FOREIGN NATIONS WITHOUT SPECIFIC AUTHORIZATION IN LAW.

(a) PROHIBITION.—Notwithstanding section 2572 of title 10, United States Code, or any other provision of law, the President may not transfer a veterans memorial object to a foreign country or entity controlled by a foreign government, or otherwise transfer or convey such object to any person or entity for purposes of the ultimate transfer or conveyance of such object to a foreign country or entity controlled by a foreign government, unless specifically authorized by law.

(b) DEFINITIONS.—In this section:

(1) ENTITY CONTROLLED BY A FOREIGN GOVERNMENT.—The term ''entity controlled by a foreign government'' has the meaning given that term in section 2536(c)(1) of title 10, United States Code.

(2) VETERANS MEMORIAL OBJECT.—The term ''veterans memorial object'' means any object, including a physical structure or portion thereof that—

(A) is located at a cemetery of the National Cemetery System, war memorial, or military installation in the United States;

(B) is dedicated to, or otherwise memorializes, the death in combat or combat-related duties of members of the United States Armed Forces; and

(C) was brought to the United States from abroad as a memorial of combat abroad.

BIDEN (AND ROTH) AMENDMENT NO. 720

Mr. HELMS (for Mr. BIDEN (for himself and Mr. ROTH)) proposed an amendment to the bill, S. 886, supra; as follows:

On page 115, after line 18, insert the following new section:

SEC. ___. SUPPORT FOR THE PEACE PROCESS IN SUDAN.

(a) FINDINGS.—Congress finds that—

(1) the civil war in Sudan has continued unabated for 16 years and raged intermittently for 40 years;

(2) an estimated 1,900,000 Sudanese people have died as a result of war-related causes and famine;

(3) an estimated 4,000,000 people are currently in need of emergency food assistance in different areas of Sudan;

(4) approximately 4,000,000 people are internally displaced in Sudan;

(5) the continuation of war has led to human rights abuses by all parties to the conflict, including the killing of civilians, slavery, rape, and torture on the part of government forces and paramilitary forces; and

(6) it is in the interest of all the people of Sudan for the parties to the conflict to seek a negotiated settlement of hostilities and the establishment of a lasting peace in Sudan.

(b) SENSE OF CONGRESS.—(1) Congress—

(A) acknowledges the renewed vigor in facilitating and assisting the Inter-Governmental Authority for Development (IGAD) peace process in Sudan; and

(B) urges continued and sustained engagement by the Department of State in the IGAD peace process and the IGAD Partners' Forum.

(2) It is the sense of Congress that the President should—

(A) appoint a special envoy—

(i) to serve as a point of contact for the Inter-Governmental Authority for Development peace process;

(ii) to coordinate with the Inter-Governmental Authority for Development Partners Forum as the Forum works to support the peace process in Sudan; and

(iii) to coordinate United States humanitarian assistance to southern Sudan.

(B) provide increased financial and technical support for the IGAD Peace Process and especially the IGAD Secretariat in Nairobi, Kenya; and

(C) instruct the United States Permanent Representative to the United Nations to call on the United Nations Secretary General to consider the appointment of a special envoy for Sudan.

LUGAR AMENDMENTS NOS. 721–722

Mr. HELMS (for Mr. LUGAR) proposed two amendments to the bill S. 886, supra; as follows:

AMENDMENT NO. 721

On page 96, after line 21, add the following new section:

SEC. 645. STUDY ON LICENSING PROCESS UNDER THE ARMS EXPORT CONTROL ACT.

Not later than 120 days after the date of enactment of this Act, the Secretary of State shall submit to the chairman of the Committee on Foreign Relations of the Senate and the chairman of the Committee on International Relations of the House of Representatives a study on the performance of the licensing process pursuant to the Arms Export Control Act, with recommendations on how to improve that performance. The study shall include:

(1) An analysis of the typology of licenses on which action was completed in 1999. The analysis should provide information on major categories of license requests, including—

(A) the number for nonautomatic small arms, automatic small arms, technical data, parts and components, and other weapons;

(B) the percentage of each category staffed to other agencies;

(C) the average and median time taken for the processing cycle for each category when staffed and not staffed;

(D) the average time taken by White House or National Security Council review or scrutiny; and

(E) the average time each spent at the Department of State after a decision had been taken on the license but before a contractor was notified of the decision. For each category the study should provide a breakdown of licenses by country. The analysis also should identify each country that has been identified in the past three years pursuant to section 3(e) of the Arms Export Control Act (22 U.S.C. 2753(e)).

(2) A review of the current computer capabilities of the Department of State relevant to the processing of licenses and its ability to communicate electronically with other agencies and contractors, and what improvements could be made that would speed the process, including the cost for such improvements.

(3) An analysis of the work load and salary structure for export licensing officers of the Office of Defense Trade Control of the Department of State as compared to comparable jobs at the Department of Commerce and the Department of Defense.

(4) Any suggestions of the Department of State relating to resources and regulations, and any relevant statutory changes that might expedite the licensing process while furthering the objectives of the Arms Export Control Act.

AMENDMENT NO. 722

At the appropriate place, insert:

RUSSIAN BUSINESS MANAGEMENT EDUCATION

SECTION 1. PURPOSE.

The purpose of this section is to establish a training program in Russia for nationals of Russia to obtain skills in business administration, accounting, and marketing, with special emphasis on instruction in business ethics and in the basic terminology; techniques, and practices of those disciplines, to achieve international standards of quality, transparency, and competiveness.

SEC. 2. DEFINITIONS.

(1) BOARD.—The term ''Board'' means the United States-Russia Business Management Training Board established under section 5(a).

(2) DISTANCE LEARNING.—The term ''distance learning'' means training through computers, interactive videos, teleconferencing, and videoconferencing between and among students and teachers.

(3) ELIGIBLE ENTERPRISE.—The term ''eligible enterprise'' means—

(A) a business concern operating in Russia that employs Russian nationals; and

(B) a private enterprise that is being formed or operated by former officers of the Russian armed forces in Russia.

(4) SECRETARY.—The term ''Secretary'' means the Secretary of State.

SEC. 3. AUTHORIZATION FOR TRAINING PROGRAM AND INTERNSHIPS.

(a) TRAINING PROGRAM.—

(1) IN GENERAL.—The Secretary of State, acting through the Under Secretary of State for Public Diplomacy, and taking into account the general policies recommended by the United States-Russia Business Management Training Board established under section 5(a), is authorized to establish a program of technical assistance (in this Act referred to as the ''program'') to provide the training described in section 1 to eligible enterprises.

(2) IMPLEMENTATION.—Training shall be carried out by United States nationals having expertise in business administration, accounting, and marketing or by Russian nationals who have been trained under the program or by those who meet criteria established by the Board. Such training may be carried out—

(A) in the offices of eligible enterprises, at business schools or institutes, or at other locations in Russia, including facilities of the armed forces of Russia, educational institutions, or in the offices of trade or industry associations, with special consideration given to locations where similar training opportunities are limited or nonexistent; or

(B) by ''distance learning'' programs originating in the United States or in European branches of United States institutions.

(b) INTERNSHIPS WITH UNITED STATES DOMESTIC BUSINESS CONCERNS.—The Secretary, acting through the Under Secretary of State for Public Diplomacy, is authorized to pay the travel expenses and appropriate in-country business English language training, if needed, of certain Russian nationals who have completed training under the program to undertake short-term internships with business concerns in the United States upon the recommendation of the Board.

SEC. 4. APPLICATIONS FOR TECHNICAL ASSISTANCE.

(a) PROCEDURES.—

(1) IN GENERAL.—Each eligible enterprise that desires to receive training for its employees and managers under this Act shall submit an application to the clearinghouse established by subsection (d), at such time, in such manner, and accompanied by such additional information as the Secretary may reasonably require.

(2) JOINT APPLICATIONS.—A consortium of eligible enterprises may file a joint application under the provisions of paragraph (1).

(b) CONTENTS.—The Secretary shall approve an application under subsection (a) only if the application—

(1) is for an individual or individuals employed in an eligible enterprise or enterprises applying under the program;

(2) describes the level of training for which assistance under this Act is sought;

(3) provides evidence that the eligible enterprise meets the general policies adopted by the Secretary for the administration of this Act;

(4) provides assurances that the eligible enterprise will pay a share of the costs of the training, which share may include in-kind contributions; and

(5) provides such additional assurances as the Secretary determines to be essential to ensure compliance with the requirements of this Act.

(c) COMPLIANCE WITH BOARD POLICIES.—The Secretary shall approve applications for technical assistance under the program after taking into account the recommendations of the Board.

(d) CLEARINGHOUSE.—There is established a clearinghouse in Russia to manage and execute the program. The clearinghouse shall screen applications, provide information regarding training and teachers, monitor performance of the program, and coordinate appropriate post-program follow-on activities.

SEC. 5. UNITED STATES-RUSSIAN BUSINESS MANAGEMENT TRAINING BOARD.

(a) ESTABLISHMENT.—There is established within the Department of State a United States-Russian Business Management Training Board.

(b) COMPOSITION.—The Board established pursuant to subsection (a) shall be composed of 12 members as follows:

(1) The Under Secretary of State for Public Diplomacy.

(2) The Administrator of the Agency for International Development.

(3) The Secretary of Commerce.

(4) The Secretary of Education.

(5) Six individuals from the private sector having expertise in business administration, accounting, and marketing, who shall be appointed by the Secretary of State, as follows:

(A) Two individuals employed by graduate schools of management offering accredited degrees.

(B) Two individuals employed by eligible enterprises.

(C) Two individuals from nongovernmental organizations involved in promoting free market economy practices in Russia.

(6) Two nationals of Russia having experience in business administration, accounting, or marketing, who shall be appointed by the Secretary of State upon the recommendation of the Government of Russia, and who shall serve as nonvoting members.

(c) GENERAL POLICIES.—The Board shall make recommendations to the Secretary with respect to general policies for the administration of this Act, including—

(1) guidelines for the administration of the program under this Act;

(2) criteria for determining the qualifications of applicants under the program;

(3) the appointment of panels of business leaders in the United States and Russia for the purpose of nominating trainees; and

(4) such other matters with respect to which the Secretary may request recommendations.

(d) CHAIRPERSON.—The Chairperson of the Board shall be designated by the President from among the voting members of the Board. Except as provided in subsection (e)(2), a majority of the voting members of the Board shall constitute a quorum.

(e) MEETINGS.—The Board shall meet at the call of the Chairperson, except that—

(1) the Board shall meet not less than 4 times each year; and

(2) the Board shall meet whenever one-third of the voting members request a meeting in writing, in which event 7 of the voting members shall constitute a quorum.

(f) COMPENSATION.—Members of the Board who are not in the regular full-time employ of the United States shall receive, while engaged in the business of the Board, compensation for service at a rate to be fixed by the President, except that such rate shall not exceed the rate specified at the time of such service for level V of the Executive Schedule under section 5316 of title 5, United States Code, including traveltime, and, while so serving away from their homes or regular places of business, they may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5703 of title 5, United States Code, for persons employed intermittently in Government service.

SEC. 6. RESTRICTIONS NOT APPLICABLE.

Prohibitions on the use of foreign assistance funds for assistance for the Russian Federation shall not apply with respect to the funds made available to carry out this Act.

SEC. 7. AUTHORIZATION OF APPROPRIATIONS.

(a) IN GENERAL.—There is authorized to be appropriated $10,000,000 for each of fiscal years 2000 and 2001 to carry out this Act.

(b) AVAILABILITY OF FUNDS.—Amounts appropriated under subsection (a) are authorized to remain available until expended.

SEC. 8. EFFECTIVE DATE.

This Act shall take effect on October 1, 1999.

McCAIN AMENDMENT NO. 723

Mr. HELMS (for Mr. MCCAIN) proposed an amendment to the bill, S. 886, supra; as follows:

At the appropriate place in the bill, insert the following:

Notwithstanding any other provision of law, the Inspector General of the Agency for International Development shall serve as the Inspector General of the Inter-American Foundation and the African Development Foundation and shall have all the authorities and responsibilities with respect to the Inter-American Foundation and the Africa Development Foundation as the Inspector General has with respect to the Agency for International Development.

SCHUMER (AND BROWNBACK) AMENDMENT NO. 724

Mr. HELMS (for Mr. SCHUMER (for himself and Mr. BROWNBACK)) proposed an amendment to the bill, S. 886, supra; as follows:

At the appropriate place, insert:

It is the sense of the Congress that:

Ten percent of the citizens of the Islamic Republic of Iran are members of religious minority groups;

According to the State Department and internationally recognized human rights organizations, such as Human Rights Watch and Amnesty International, religious minorities in the Islamic Republic of Iran—including Sunni Muslims, Baha'is, Christians, and Jews—have been the victims of human rights violations solely because of their status as religious minorities;

The 55th session of the United Nations Commission on Human Rights passed Resolution 1999/13, which expresses the concern of the international community over 'continued discrimination against religious minorities' in the Islamic Republic of Iran, and calls on that country to moderate its policy on religious minorities until they are 'completely emancipated';

More than half the Jews in Iran have been forced to flee that country since the Islamic Revolution of 1979 because of religious persecution, and many of them now reside in the United States;

The Iranian Jewish community, with a 2,500-year history and currently numbering some 30,000 people, is the oldest Jewish community living in the Diaspora;

Five Jews have been executed by the Iranian government in the past five years without having been tried;

There has been a noticeable increase recently in anti-Semitic propaganda in the government-controlled Iranian press;

On the eve of the Jewish holiday of Passover 1999, thirteen or more Jews, including community and religious leaders in the city of Shiraz, were arrested by the authorities of the Islamic Republic of Iran; and

In keeping with its dismal record on providing accused prisoners with due process and fair treatment, the Islamic Republic of Iran failed to charge the detained Jews with any specific crime or allow visitation by relatives of the detained for more than two months: Now, therefore, it is the sense of the Congress that the United States should—

(1) continue to work through the United Nations to assure that the Islamic Republic of Iran implements the recommendations of Resolution 1999/13;

(2) condemn, in the strongest possible terms,the recent arrest of members of Iran's Jewish minority and urge their immediate release;

(3) urge all nations having relations with the Islamic Republic of Iran to condemn the treatment of religious minorities in Iran and call for the release of all prisoners held on the basis of their religious beliefs; and

(4) maintain the current United States policy toward the Islamic Republic of Iran unless and until that country moderates its treatment of religious minorities.

MACK (AND LIEBERMAN) AMENDMENT NO. 725

Mr. HELMS (for Mr. MACK (for himself and Mr. LIEBERMAN) proposed an amendment to the bill, S. 886, supra; as follows:

On page 115, after line 18, insert the following new section:

SEC. 730. REPORTING REQUIREMENTS UNDER PLO COMMITMENTS COMPLIANCE ACT OF 1989.

(a) FINDINGS.—Congress makes the following findings:

(1) The PLO Commitments Compliance Act of 1989 (title VIII of Public Law 101–246) requires the President to submit reports to the Speaker of the House of Representatives and the chairman of the Committee on Foreign Relations of the Senate every 180 days, on Palestinian compliance with the Geneva commitments of 1988, the commitments contained in the letter of September 9, 1993 to the Prime Minister of Israel, and the letter of September 9, 1993 to the Foreign Minister of Norway.

(2) The reporting requirements of the PLO Commitments Compliance Act of 1989 have remained in force from enactment until the present.

(3) Modification and amendment to the PLO Commitments Compliance Act of 1989, and the expiration of the Middle East Peace Facilitation Act (Public Law 104–107) did not alter the reporting requirements.

(4) According to the official records of the Committee on Foreign Relations of the Senate, the last report under the PLO Commitments Compliance Act of 1989 was submitted and received on December 27, 1997.

(b) REPORTING REQUIREMENTS.—The PLO Commitments Compliance Act of 1989 is amended—

(1) in section 804(b), by striking ''In conjunction with each written policy justification required under section 604(b)(1) of the Middle East Peace Facilitation Act of 1995 or every'' and inserting ''Every'';

(2) in section 804(b)—

(A) by striking ''and'' at the end of paragraph (9);

(B) by striking the period at the end of paragraph (10); and

(C) by adding at the end the following new paragraphs:

''(11) a statement on the effectiveness of end-use monitoring of international or United States aid being provided to the Palestinian Authority, Palestinian Liberation Organization, or the Palestinian Legislative Council, or to any other agent or instrumentality of the Palestinian Authority, on Palestinian efforts to comply with international accountig standards and on enforcement of anti-corruption measures; and

''(12) a statement on compliance by the Palestian Authority with the democratic reforms with specific details regarding the separation of powers called for between the executive and Legislative Council, the status of legislation passed by the Legislative Council and sent to the executive, the support of the executive for local and municipal elections, the status of freedom of the press, and of the ability of the press to broadcast debate from within the Legislative Council and about the activities of the Legislative Council.''.

GRAMS (AND WELLSTONE) AMENDMENT NO. 726

Mr. HELMS (for Mr. GRAMS (for himself and Mr. WELLSTONE)) proposed an amendment to the bill, S. 886, supra; as follows:

On page 129, between lines 5 and 6, insert the following new section:

SEC. ___. AUTHORIZATION OF APPROPRIATIONS FOR CONTRIBUTIONS TO THE UNITED NATIONS VOLUNTARY FUND FOR VICTIMS OF TORTURE.

There are authorized to be appropriated to the President $5,000,000 for each of the fiscal years 2000 and 2001 for payment of contributions to the United Nations Voluntary Fund for Victims of Torture.

DODD AMENDMENT NO. 727

Mr. HELMS (for Mr. DODD) proposed an amendment to the bill, S. 886, supra; as follows:

On page 52, between lines 19 and 20, insert the following new section:

SEC. 337. STATE DEPARTMENT INSPECTOR GENERAL AND PERSONNEL INVESTIGATIONS.

(a) AMENDMENT OF THE FOREIGN SERVICE ACT OF 1980.—Section 209(c) of the Foreign Service Act of 1980 (22 U.S.C. 3929(c)) is amended by adding at the end the following:

''(5) INVESTIGATIONS.—

''(A) CONDUCT OF INVESTIGATIONS.—In conducting investigations of potential violations of Federal criminal law or Federal regulations, the Inspector General shall—

''(i) abide by professional standards applicable to Federal law enforcement agencies; and

''(ii) permit each subject of an investigation an opportunity to provide exculpatory information.

''(B) REPORTS OF INVESTIGATIONS.—In order to ensure that reports of investigations are thorough and accurate, the Inspector General shall—

''(i) make every reasonable effort to ensure that any person named in a report of investigation has been afforded an opportunity to refute any allegation or assertion made regarding that person's actions;

''(ii) include in every report of investigation any exculpatory information, as well as any inculpatory information, that has been discovered in the course of the investigation.''.

(b) ANNUAL REPORT.—Section 209(d)(2) of the Foreign Service Act of 1980 (22 U.S.C. 3929(d)(2)) is amended—

(1) by striking ''and'' at the end of subparagraph (D);

(2) by striking the period at the end of subparagraph (E) and inserting ''; and''; and

(3) by inserting after subparagraph (E) the following new subparagraph:

''(F) a description, which may be included, if necessary, in the classified portion of the report, of any instance in a case that was closed during the period covered by the report when the Inspector General decided not to afford an individual the opportunity described in subsection (c)(5)(B)(i) to refute any allegation or assertion, and the rationale for denying such individual that opportunity.''.

(c) STATUTORY CONSTRUCTION.—Nothing in the amendments made by this section may be construed to modify—

(1) section 209(d)(4) of the Foreign Service Act of 1980 (22 U.S.C. 3929(d)(4));

(2) section 7(b) of the Inspector General Act of 1978 (5 U.S.C. app.);

(3) the Privacy Act of 1974 (5 U.S.C. 552a); or

(4) the provisions of section 2302(b)(8) of title 5 (relating to whistleblower protection).

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to cases opened on or after the date of the enactment of this Act.

ASHCROFT (AND OTHERS) AMENDMENT NO. 728

Mr. HELMS (for Mr. ASHCROFT (for himself, Mr. SCHUMER, Mr. BURNS, and Mr. SPECTER)) proposed an amendment to the bill, S. 886, supra; as follows:

On page 115, after line 18, insert the following new section:

SEC. 730. REPORT ON TERRORIST ACTIVITY IN WHICH UNITED STATES CITIZENS WERE KILLED AND RELATED MATTERS.

(a) IN GENERAL.—Not later than six months after the date of enactment of this legislation and every 6 months thereafter, the Secretary of State shall prepare and submit a report, with a classified annex as necessary, to the appropriate congressional committees regarding terrorist attacks in Israel, in territory administered by Israel, and in territory administered by the Palestinian Authority. The report shall contain the following information:

(1) A list of formal commitments the Palestinian Authority has made to combat terrorism.

(2) A list of terrorist attacks, occurring between September 13, 1993 and the date of the report, against United States citizens in Israel, in territory administered by Israel, or in territory administered by the Palestinian Authority, including—

(A) a list of all citizens of the United States killed or injured in such attacks;

(B) the date of each attack, the total number of people killed or injured in each attack;

(C) the person or group claiming responsibility for the attack and where such person or group has found refuge or support;

(D) a list of suspects implicated in each attack and the nationality of each suspect, including information on—

(i) which suspects are in the custody of the Palestinian Authority and which suspects are in the custody of Israel;

(ii) which suspects are still at large in areas controlled by the Palestinian Authority or Israel; and

(iii) the whereabouts (or suspected whereabouts) of suspects implicated in each attack.

(3) Of the suspects implicated in the attacks described in paragraph (2) and detained

by Palestinian or Israeli authorities, information on—

(A) the date each suspect was incarcerated;

(B) whether any suspects have been released, the date of such release, and whether any released suspect was implicated in subsequent acts of terrorism; and

(C) the status of each case pending against a suspect, including information on whether the suspect has been indicted, prosecuted, or convicted by the Palestinian Authority or Israel.

(4) The policy of the Department of State with respect to offering rewards for information on terrorist suspects, including any information on whether a reward has been posted for suspects involved in terrorist attacks listed in the report.

(5) A list of each request by the United States for assistance in investigating terrorist attacks listed in the report, a list of each request by the United States for the transfer of terrorist suspects from the Palestinian Authority and Israel since September 13, 1993 and the response to each request from the Palestinian Authority and Israel.

(6) A description of efforts made by United States officials since September 13, 1993 to bring to justice perpetrators of terrorist acts against U.S. citizens as listed in the report.

(7) A list of any terrorist suspects in these cases who are members of Palestinian police or security forces, the Palestine Liberation Organization, or any Palestinian governing body.

(8) A list of all United States citizens killed or injured in terrorist attacks in Israel or in territory administered by Israel between 1950 and September 13, 1993, to include in each case, where such information is available, any stated claim or responsibility and the resolution or disposition of each case, including information as to the whereabouts of the perpetrators of the acts, further provided that this list shall be submitted only once with the initial report required under this section, unless additional relevant information on these cases becomes available.

(9) The amount of compensation the United States has requested for United States citizens, or their families, injured or killed in attacks by terrorists in Israel, in territory administered by Israel, or in territory administered by the Palestinian Authority since September 13, 1993, and, if no compensation has been requested, an explanation of why such requests have not been made.

(b) CONSULTATION WITH OTHER DEPARTMENTS.—The Secretary of State shall, in preparing the report required by this section, consult and coordinate with all other Government officials who have information necessary to complete the report. Nothing contained in this section shall require the disclosure, on a classified or unclassified basis, of information that would jeopardize sensitive sources and methods or other vital national security interests or jeopardize ongoing criminal investigations or proceedings.

(c) INITIAL REPORT.—Except as provided in subsection (a)(8), the initial report filed under this section shall cover the period between September 13, 1993 and the date of the report.

(d) APPROPRIATE CONGRESSIONAL COMMITTEES.—For purposes of this section, the term ''appropriate congressional Committee'' means the Committees on Foreign Relations of the Senate and the Committee on International Relations of the House of Representatives.

HARKIN (AND OTHERS) AMENDMENT NO. 729

Mr. HELMS (for Mr. HARKIN (for himself, Mr. WELLSTONE, Mr. KOHL, Mr. LAUTENBERG, Mr. KENNEDY, Mr. TORRICELLI, Mr. DODD, Mr. FEINGOLD, and Mr. WYDEN)) proposed an amendment to the bill, S. 886, supra; as follows:

On page 115, after line 18, insert the following new section:

SEC. 730. SENSE OF SENATE REGARDING CHILD LABOR.

(a) FINDINGS.—The Senate makes the following findings:

(1) The International Labor Organization (in this resolution referred to as the ''ILO'') estimates that at least 250,000,000 children under the age of 15 are working around the world, many of them in dangerous jobs that prevent them from pursuing an education and damage their physical and moral well-being.

(2) Children are the most vulnerable element of society and are often abused physically and mentally in the work place.

(3) Making children work endangers their education, health, and normal development.

(4) UNICEF estimates that by the year 2000, over 1,000,000,000 adults will be unable to read or write on even a basic level because they had to work as children and were not educated.

(5) Nearly 41 percent of the children in Africa, 22 percent in Asia, and 17 percent in Latin America go to work without ever having seen the inside of a classroom.

(6) The President, in his State of the Union address, called abusive child labor ''the most intolerable labor practice of all,'' and called upon other countries to join in the fight against abusive and exploitative child labor.

(7) The Department of Labor has conducted 5 detailed studies that document the growing trend of child labor in the global economy, including a study that shows children as young as 4 are making assorted products that are traded in the global marketplace.

(8) The prevalence of child labor in many developing countries is rooted in widespread poverty that is attributable to unemployment and underemployment among adults, low living standards, and insufficient education and training opportunities among adult workers and children.

(9) The ILO has unanimously reported a new Convention on the Worst Forms of Child Labor.

(10) The United States negotiators played a leading role in the negotiations leading up to the successful conclusion of the new ILO Convention on the Worst Forms of Child Labor.

(11) On September 23, 1993, the United States Senate unanimously adopted a resolution stating its opposition to the importation of products made by abusive and exploitative child labor and the exploitation of children for commercial gain.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that—

(1) abusive and exploitative child labor should not be tolerated anywhere it occurs;

(2) ILO member States should be commended for their efforts in negotiating this historic convention;

(3) it should be the policy of the United States to continue to work with all foreign nations and international organizations to promote an end to abusive and exploitative child labor; and

(4) the Senate looks forward to the prompt submission by the President of the new ILO convention on the worst forms of child labor.

FEINGOLD AMENDMENT NO. 730

Mr. HELMS (for Mr. FEINGOLD) proposed an amendment to the bill, S. 886, supra; as follows:

At the appropriate place in the Bill, insert the following:

SEC. . (a) FINDINGS.—The Congress finds as follows:

The International Criminal Tribunal for Rwanda (ICTR) was established to prosecute individuals responsible for genocide and other serious violations of international humanitarian law committed in the territory of Rwanda;

(2) A separate tribunal, the International Criminal Tribunal for the Former Yugoslavia (ICTY), was created with a similar purpose for crimes committed in the territory of the former Yugoslavia;

(3) The acts of genocide and crimes against humanity that have been perpetrated against civilians in the Great Lake region of Africa equal in horror the acts committed in the territory of the former Yugoslavia;

(4) The ICTR has succeeded in issuing at least 28 indictments against 48 individuals, and currently has in custody 38 individuals presumed to have led and directed the 1994 genocide;

(5) The ICTR issued the first conviction ever by an international court for the crime of genocide against Jean-Paul Akayesu, the former mayor of Taba, who was sentenced to life in prison;

(6) The mandate of the ICTR is limited to acts committed only during calendar year 1994, yet the mandate of the ICTY covers serious violations of international humanitarian law since 1991 through the present;

(7) There has been well substantial allegations of major crimes against humanity and war crimes that have taken place in the Great Lakes region of Africa that fall outside of the current mandate of the Tribunal in terms of either the dates when, or geographical areas where, such crimes took place;

(8) The attention accorded the ICTY and the indictments that have been made as a result of the ICTY's broad mandate continue to play an important role in current U.S. policy in the Balkans;

The International community must send an unmistakable signal that genocide and other crimes against humanity cannot be committed with impunity;

(b) It is the sense of the Congress that,

The President should instruct the United States U.N. Representative to advocate to the Security Council to direct the Office of Internal Oversight Services (OIOS) to re-evaluate the conduct and operation of the ICTR. Particularly, the OIOS should assess the progress made by the Tribunal in implementing the recommendations of the Report of the U.N. Secretary-General on the Activities of the Office of Internal Oversight Services, A/52/784, of 6 February, 1998. The OIOS should also include an evaluation of the potential impact of expanding the original mandate of the ICTR.

(c) REPORT.—90 days after enactment of this Act, the Secretary of State shall report to Congress on the effectiveness and progress of the ICTR. The report shall include an assessment of the ICTR's ability to meet its current mandate and an evaluation of the potential impact of expanding that mandate to include crimes committed after calendar year 1994.

FEINSTEIN (AND OTHERS) AMENDMENT NO. 731

Mr. HELMS (for Mrs. FEINSTEIN (for herself, Mr. FEINGOLD, and Mr. LEVIN)) proposed an amendment to the bill, S. 886, supra; as follows:

On page 115, after line 18, add the following new section:

SEC. ___. REPORTING REQUIREMENT ON WORLDWIDE CIRCULATION OF SMALL ARMS AND LIGHT WEAPONS.

(a) FINDINGS.—Congress makes the following findings:

(1) In numerous regional conflicts, the presence of vast numbers of small arms and light weapons has prolonged and exacerbated conflict and frustrated attempts by the international community to secure lasting peace. The sheer volume of available weaponry has been a major factor in the devastation witnessed in recent conflicts in Angola, Cambodia, Liberia, Mozambique, Rwanda, Sierra Leone, Somalia, Sri Lanka, and Afghanistan, among others, and has contributed to the violence endemic to narcotrafficking in Colombia and Mexico.

(2) Increased access by terrorists, guerrilla groups, criminals, and others to small arms and light weapons poses a real threat to United States participants in peacekeeping operations and United States forces based overseas, as well as to United States citizens traveling overseas.

(3) In accordance with the reorganization of the Department of State made by the Foreign Affairs Reform and Restructuring Act of 1998, effective March 28, 1999, all functions and authorities of the Arms Control and Disarmament Agency were transferred to the Secretary of State. One of the stated goals of that Act is to integrate the Arms Control and Disarmament Agency into the Department of State ''to give new emphasis to a broad range of efforts to curb proliferation of dangerous weapons and delivery systems''.

(b) REPORT.—Not later than 180 days after the date of enactment of this Act, the Secretary of State shall submit to the appropriate congressional committees a report containing—

(1) an assessment of whether the export of small arms poses any proliferation problems including—

(A) estimates of the numbers and sources of licit and illicit small arms and light arms in circulation and their origins;

(B) the challenges associated with monitoring small arms; and

(C) the political, economic, and security dimensions of this issue, and the threats posed, if any, by these weapons to United States interests, including national security interests;

(2) an assessment of whether the export of small arms of the type sold commercially in the United States should be considered a foreign policy or proliferation issue;

(3) a description of current Department of State activities to monitor and, to the extent possible ensure adequate control of, both the licit and illicit manufacture, transfer, and proliferation of small arms and light weapons, including efforts to survey and assess this matter with respect to Africa and to survey and assess the scope and scale of the issue, including stockpile security and destruction of excess inventory, in NATO and Partnership for Peace countries;

(4) a description of the impact of the reorganization of the Department of State made by the Foreign Affairs Reform and Restructuring Act of 1998 on the transfer of functions relating to monitoring, licensing, analysis, and policy on small arms and light weapons, including—

(A) the integration of and the functions relating to small arms and light weapons of the United States Arms Control and Disarmament Agency with those of the Department of State;

(B) the functions of the Bureau of Arms Control, the Bureau of Nonproliferation, the Bureau of Political-Military Affairs, the Bureau of International Narcotics and Law Enforcement, regional bureaus, and any other relevant bureau or office of the Department of State, including the allocation of personnel and funds, as they pertain to small arms and light weapons;

(C) the functions of the regional bureaus of the Department of State in providing information and policy coordination in bilateral and multilateral settings on small arms and light weapons;

(D) the functions of the Under Secretary of State for Arms Control and International Security pertaining to small arms and light weapons; and

(E) the functions of the scientific and policy advisory board on arms control, nonproliferation, and disarmament pertaining to small arms and light weapons; and

(5) an assessment of whether foreign governments are enforcing their own laws concerning small arms and light weapons import and sale, including commitments under the Inter-American Convention Against the Illicit Manufacturing of and Trafficking in Firearms, Ammunition, Explosives, and Other Related Materials or other relevant international agreements.

NOTICE OF HEARING

COMMITTEE ON RULES AND ADMINISTRATION

Mr. MCCONNELL. Mr. President, I wish to announce that the Committee on Rules and Administration will meet on Wednesday, June 30, 1999 at 9:30 a.m., in room SR–301 Russell Senate Office Building, to receive testimony on the operations of the Architect of the Capitol.

For further information concerning this meeting, please contact Tamara Somerville at the Rules Committee on 4–6352.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS

Mr. JEFFORDS. Mr. President, I ask unanimous consent that the Committee on Banking, Housing, and Urban Affairs be authorized to meet during the session of the Senate on Tuesday, June 22, 1999, to conduct a hearing with respect to the nomination of Lawrence H. Summers, to be Secretary of the Treasury.

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

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. JEFFORDS. Mr. President, I ask unanimous consent that the Committee on Energy and Natural Resources be granted permission to meet during the session of the Senate on Tuesday, June 22, for purposes of conducting a joint committee hearing with the Committee on Armed Services, the Committee on Governmental Affairs, and the Select Committee on Intelligence, which is scheduled to begin at 9:30 a.m. The purpose of this oversight hearing is to receive testimony from the President's Foreign Intelligence Advisory Board regarding its report to the President: Science at its Best, Security at its Worst: A Report on Security Problems at the U.S. Department of Energy.

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

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. JEFFORDS. Mr. President, I ask unanimous consent that the Committee on Energy and Natural Resources be granted permission to meet during the session of the Senate on Tuesday, June 22, for purposes of conducting a full committee hearing which is scheduled to begin at 2:30 p.m. The purpose of this oversight hearing is to explore the effectiveness of existing federal and industry efforts to promote distributed generating technologies, including solar, wind, fuel cells, and microturbines, as well as regulatory and other barriers to their widespread use.

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

COMMITTEE ON FINANCE

Mr. JEFFORDS. Mr. President, I ask unanimous consent that the Committee on Finance be permitted to meet Tuesday, June 22, 1999 beginning at 10:00 a.m., in room SD–215, to conduct a markup.

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

COMMITTEE ON FOREIGN RELATIONS

Mr. JEFFORDS. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Tuesday, June 22, 1999 immediately following the 10:00 a.m. hearing to hold a hearing.

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

COMMITTEE ON FOREIGN RELOCATIONS

Mr. JEFFORDS. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Tuesday, June 22, 1999 at 2:30 p.m. to hold a hearing.

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

COMMITTEE ON HEALTH, EDUCATION, LABOR, AND PENSIONS

Mr. JEFFORDS. Mr. President, I ask unanimous consent that the Committee on Health, Education, Labor, and Pensions be authorized to meet for a hearing on ''ESEA: Professional Development'' during the session of the Senate on Tuesday, June 22, 1999, at 9:30 a.m.

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

COMMITTEE ON THE JUDICIARY

Mr. JEFFORDS. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet for a hearing re S. 952, Stadium Financing and Franchise Relocation Act of 1999, during the session of the Senate on Tuesday, June 22, 1999, at 11:00 a.m., in SD226.

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

SELECT COMMITTEE ON INTELLIGENCE

Mr. JEFFORDS. Mr. President, I ask unanimous consent that the Select Committee on Intelligence be authorized to meet during the session of the Senate on Tuesday, June 22, 1999 at 9:30

a.m. to hold an open joint hearing on the PFIAB DOE.

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

SUBCOMMITTEE ON AGING

Mr. JEFFORDS. Mr. President, I ask unanimous consent that the Committee on Health, Education, Labor, and Pensions, Subcommittee on Aging, be authorized to meet for a hearing on Older Americans during the session of the Senate on Tuesday, June 22, 1999, at 2:30 p.m.

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

SUBCOMMITTEE ON WESTERN HEMISPHERE, PEACE CORPS, NARCOTICS AND TERRORISM

Mr. JEFFORDS. Mr. President, I ask unanimous consent that the Subcommittee on Western Hemisphere, Peace Corps, Narcotics and Terrorism be authorized to meet during the session of the Senate on Tuesday, June 22, 1999 at 10:00 a.m. to hold a hearing.

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

ADDITIONAL STATEMENTS

TRIBUTE TO MARY ELIZABETH MONTAGUE

● Mr. DODD. Mr. President, sadly, on January 24th of this year, the state of Connecticut lost a resident of upstanding character who had dedicated her career to public service. Mary Elizabeth Montague led an accomplished life for 87 years and our state owes her many thanks for all of her extraordinary contributions.

Born in Middletown, Connecticut, Mary Elizabeth established a distinguished record as a public servant. While in Middletown, she worked as a social service investigator for the Family Welfare Association and went on to become the first woman president of the local Parent-Teachers Association. She eventually became the PTA's state district director.

Mary Elizabeth's diverse accomplishments led to her appointment as a congressional liaison to the Small Business Administration during the Kennedy Administration.

Then, in 1965, she joined Vice President Hubert Humphrey's Capitol Hill staff handling such issues as cities, the arts, and the economy.

Upon leaving Vice President Humphrey's office, Mary Elizabeth launched her own public relations firm in 1968. She published numerous editions of ''A Woman's Guide to Washington, D.C.'' and created and published ''On the Hill,'' a monthly magazine about Capitol Hill that was distributed to all congressional offices.

In March of 1998, Mary Elizabeth was presented with the Key to Norwalk, Connecticut, her most recent home, for her 30 years of service as a communications consultant. This was only one of the 14 different keys she had received from cities and towns around the state. In addition, Mary Elizabeth was awarded numerous commendations and citations for her dedicated community service.

My Connecticut office shared a relationship with Mary Elizabeth for the past 6 years as she tirelessly continued to better the lives of those around her. Her life and work were committed to serving the public good and are testaments to how one person can touch so many people in a positive way.

Mary Elizabeth Montague is survived by her three children, Louis, William, and Miriam, four grandchildren, and one great-granddaughter. I offer each of them my heartfelt condolences.

I ask to have printed in the RECORD the full text of the eulogy offered by Mary Elizabeth's daughter, Miriam. I believe her words have truly captured the remarkable spirit of her mother and the outstanding life that she led.

The eulogy follows:

THE PASSING OF A GREAT COMMUNICATOR AND A GREAT CONTRIBUTOR TO LIFE—MARY ELIZABETH MONTAGUE

Her life was and is a story, each chapter better than the next. She was the central figure in many lives—a daughter, a mother, an advisor, a friend, teacher, a companion, a politician, a writer and a coordinator of events that surrounded her life and all those she touched. She was a woman ahead of her time managing political campaigns, speaking out for the rights of children, concerned for the people instituted by the system, promoting reading and literacy, all in the 50's when women were supposed to be quiet—she spoke. Never shy to give her opinion or back down from her beliefs, she taught us to be strong, independent, and to think for ourselves.

As a single parent, she sacrificed and made choices to improve her children's lives and off to Washington we went. There she continued her political endeavors as an administrator, coordinator, and writer. Along the way, she showed us that richness comes in the quality of life you live and in the people you meet along the way. And, oh, the people we met—Presidents, Congressmen, Congresswomen, Senators, Ambassadors, Governors, key figures in national and international politics, actors and actresses, writers and so many more. But all the while, she showed us that even these people were all the same, some with more power or wealth, but none better than the man next door.

Most of all, she wanted us to believe in ourselves—that God gave us talents, personality, wit and a mind to grow and share. She taught us laughter and wit with a twinkle in her eye and laughter in her heart.

Mary Elizabeth's story has not ended for she will remain in our hearts, our lives, and our souls forever.●

● Mr. GORTON. Mr. President, just a few short weeks ago, on the anniversary of the filing of the government's antitrust suit against Microsoft, I took to the floor of the U.S. Senate to detail the rapidly changing nature of the information technology industry over that twelve-month period of time. I noted that, just one year ago that day, AOL and Netscape were two large successful companies. A year later, they were a gigantic conglomerate, teamed with Sun and ready to compete in the next frontier of the information technology industry. MCI Communications and WorldCom were two separate companies, as were Excite and @Home. Yahoo hadn't yet bought GeoCities and Broadcast.com. AT&T was a long distance company. A year later, AT&T could have influence over 60% of cable systems in the United States. The stock market had risen dramatically over that year, fueling our unprecedented economic boom.

What difference a year makes, I said at that time.

Now, last week, we were joined by some of the most brilliant and visionary minds in the world as they testified before the Joint Economic Committee High-Technology Summit. Two of the most brilliant, even among that gathering, Federal Reserve Chairman Alan Greenspan and Microsoft Chairman Bill Gates, reinforced the notion of an extraordinarily dynamic industry, and painted a future promising more dramatic change than we have already seen.

As the two men who arguably have had more to do with our extended economic expansion than any other in the world—one for his contributions in creating the high-tech boom that has driven the economy, the other for judiciously guiding that economy—we would do well to listen to Mr. Gates and Mr. Greenspan when they offer their thoughts about America's next century. I was struck by the similarity of their views this week as they testified on the future of the information-technology industry, the profound benefits it has bestowed on the U.S. and world economies, and the role government has and should continue to play in sustaining this dynamic and literally world-changing force.

To begin with, both Mr. Gates and Chairman Greenspan point to the momentous changes in the way the world operates as a result of this industry's influence. Its innovations are not confined merely to IT products, but to the repercussions of how those products are used. According to Chairman Greenspan, ''innovations in information technology so-called IT have begun to alter the manner in which we do business and create value, often in ways that were not readily foreseeable even five years ago. As this century comes to an end, that defining characteristic of the current wave of technology is the role of information.''

Mr. Gates underscored that sentiment and gave us a glimpse of an even more information-defined vision of the future in which, ''there will be a proliferation of smart, connected devices, from palm-sized digital assistants and tablet personal computers to smart TVS and Web-enabled cell phones. All of your files,'' he told us, ''schedule, address book and everything else you will need will automatically be available on each of these. When you're traveling you'll be able to call up your itinerary, book an appointment or view your stock portfolio using the device you have in hand. It will know the information you need, and when and where you need it. Wherever you are,

you'll be able to access your own digital dashboard—your personal portal to your own secure office desktop on any PC.''

Where will this information revolution lead us? If the past five years are any indication of the future, it looks bright, indeed.

According to Mr. Gates, ''The continuing rapid growth in the Internet will help power this information revolution, just as the proliferation of new devices will help make the Internet more useful and accessible to everyone. Five years ago. who would have imagined that people would now be shopping for automobiles, home loans, airline tickets or clothing on the Web? Electronic commerce has increased tenfold in the last few years, making it convenient for people to purchase almost anything, anytime, from anywhere. By 2002, nearly 50 million Americans will be shopping online, spending almost half a trillion dollars on the Web. There is endless speculation about which companies will be successful. The big winner will be consumers. They will see better prices, more choice, more opportunities to do the things they want to do.''

Chairman Greenspan agreed with Mr. Gates' sentiment that consumers have been, and will continue to be, the main beneficiaries of the IT revolution. ''Every new innovation,'' he told us, ''has suggested further possibilities to profitably meet increasingly sophisticated consumer demands. Many ventures fail. But the few that prosper enhance consumer choice.''

Both men pointed to the enormous economic benefit that has accrued from the IT industry's success.

''The unexpectedly strong economic growth this country is experiencing can, in large measure,'' noted Mr. Gates, ''be traced to the vibrant, competitive and fast-growing computer technology industry. This sector has created more new jobs than any other part of the economy. In fact, we can predict today that by the year 2000, the software industry's contribution to the U.S. economy will be greater than the contribution of any other manufacturing industry in America, an extraordinary achievement for an industry that is less than 30 years old.''

Chairman Greenspan underscored just how strong that contribution has been already by stating flatly that, ''An economy that twenty years ago seemed to have seen its better days, is displaying a remarkable run of economic growth that appears to have its roots in ongoing advances in technology. Nor, have the benefits been limited to just our country. All else equal, the enhanced competition in tradable goods enables excess capacity previously bottled up in one country to augment worldwide supply and exert restraint on prices in all countries' markets.''

Chairman Greenspan offered a note of caution, though, as it is his job to do, and as he has done so brilliantly to our economic benefit in the last few years. ''The rate of growth of productivity cannot increase indefinitely,'' he warned us, adding, ''experience advises caution.''

We would do well to heed the Chairman's admonition, Mr. President. The IT industry has indeed been a vibrant enterprise, but as Mr. Gates accurately noted, ''the incredible success of this industry in the United States owes a lot to the light hand of government in the technology area, the fact that people can take incredible risks and if they're successful they can have incredible rewards.''

Mr. President, Alan Greenspan and Bill Gates are precisely correct. We must not take for granted the unprecedented success of this industry and the bounty it has conferred upon our country and, indeed, upon the rest of the world.

The United States government must refrain from yielding to the temptation to pick winners and losers in the marketplace according to arcane and discredited economic theories that are rooted in ''what if'' wishes rather than ''what is'' actualities. The freedom to innovate and provide quality products that will continue to improve lives is only possible when government does not dictate how young, vibrant, entrepreneurial companies can compete.

Again, Chairman Greenspan stated the case lucidly: ''at this stage,'' he told us, ''one lesson seems reasonably clear. As we contemplate the appropriate public policies for an economy experiencing rapid technological advancement, we should strive to maintain the flexibility of our labor and capital markets that has spurred the continuous replacement of capital facilities embodying older technologies with facilities reflecting the newest innovations. Further reducing regulatory impediments to competition, will, of course, add to this process. The newer technologies have widened the potential for economic well-being. Governments should seek to foster that potential.''

Mr. President, I could not agree more. We should be fostering the growth of the dynamic Information Technology industry, not engineering its deterioration into the bureaucratic morass that is government's specialty.

Unfortunately, there are some in the Clinton administration who do not share this view. They short-sightedly seek to impose the heavy hand of government on the IT industry to ensure that certain competitors, not consumers, are the ultimate beneficiaries of this economic revolution. Their current project is the break-up of the most dynamic and successful company of the last 25 years—perhaps in U.S. history—the Microsoft Corporation.

As I pointed out those few weeks ago, in the presence of a company exerting real monopoly power, competitors would be stifled, prices would rise, choices would be curtailed, consumers would be harmed. In fact, in the last twelve months the real world for consumers has improved by all of these measures. Competition in the technology industry is alive and well and nipping at the heels of Microsoft. Prices are down, choices are up, innovation is rampant—all great news for consumers.

And, as these two luminaries of the current golden economic firmament told us this week, the free-market conditions that will allow this great news to continue must prevail: government must keep its hands off of this industry.

I would ask that copies of both Chairman Greenspan's and Mr. Gates' testimony be printed in their entirety in the CONGRESSIONAL RECORD. I would urge my colleagues to read and study their remarks, and then to join me in pursuing policies that will ensure that the Gates and Greenspan view of a future IT industry be allowed to unfold, unimpeded by government's misdirected and deleterious hectoring.

The material follows:

PREPARED TESTIMONY FROM ALAN GREENSPAN, CHAIRMAN, BOARD OF GOVERNORS OF THE FEDERAL RESERVE—JUNE 14, 1999

Something special has happened to the American economy in recent years.

An economy that twenty years ago seemed to have seen its better days, is displaying a remarkable run of economic growth that appears to have its roots in ongoing advances in technology.

I have hypothesized on a number of occasions that the synergies that have developed, especially among the microprocessor, the laser, fiber-optics, and satellite technologies, have dramatically raised the potential rates of return on all types of equipment that embody or utilize these newer technologies. But beyond that, innovations in information technology—so called IT—have begun to alter the manner in which we do business and create value, often in ways that were not readily foreseeable even five years ago. As this century comes to an end, the defining characteristic of the current wave of technology is the role of information. Prior to this IT revolution most of twentieth century business decisionmaking had been hampered by limited information. Owing to the paucity of timely knowledge of customers' needs and of the location of inventories and materials flows throughout complex production systems, businesses required substantial programmed redundancies to function effectively.

Doubling up on materials and people was essential as backup to the inevitable misjudgments of the real-time state of play in a company. Decisions were made from information that was hours, days, or even weeks old. Accordingly, production planning required costly inventory safety stocks and backup teams of people to maintain quality control and to respond to the unanticipated and the misjudged. Large remnants of information void, of course, still persist, and forecasts of future events on which all business decisions ultimately depend are still unavoidably uncertain. But the recent years' remarkable surge in the availability of real-time information has enabled business management to remove large swaths of inventory safety stocks and worker redundancies, and has armed firms with detailed data to fine-tune product specifications to most individual customer needs.

Moreover, information access in real-time—resulting, for example, from such

processes as checkout counter bar code scanning and satellite location of trucks—has fostered marked reductions in delivery lead-times on all sorts of goods, from books to capital equipment. This, in turn, has reduced the relative size of the overall capital structure required to turn out our goods and services.

Intermediate production and distribution processes, so essential when information and quality control were poor, are being bypassed and eventually eliminated. The increasing ubiquitousness of Internet web sites is promising to significantly alter the way large parts of our distribution system are managed.

The process of innovation goes beyond the factory floor or distribution channels. Design times have fallen dramatically as computer modeling has eliminated the need, for example, of the large staff of architectural specification drafters previously required for building projects. Medical diagnoses are more thorough, accurate, and far faster, with access to heretofore unavailable information. Treatment is accordingly hastened, and hours of procedures eliminated. In addition, the dramatic advances in biotechnology are significantly increasing a broad range of productivity-expanding efforts in areas from agriculture to medicine.

Economists endeavor to describe the influence of technological change on activity by matching economic output against measurable economic inputs: quality adjusted labor and all forms of capital. They attribute the fact that economic growth has persistently outpaced the contributions to growth from labor and capital inputs to such things as technological innovation and increased efficiencies of organizations that are made possible through newer technologies. For example, since 1995 output per labor workhour in the nonfarm business sector—our standard measure of productivity—has grown at an annual rate of about 2 percent. Approximately one-third of that expansion appears to be attributable to output growth in excess of the combined growth of inputs.

Of course, it often takes time before a specific innovation manifests itself as an increase in measured productivity. Although some new technologies can be implemented quickly and have an immediate payoff, others may take years or even decades before achieving their full influence on productivity as new capital is put in place that can take advantage of these creations and their spillovers. Hence, the productivity growth seen in recent years likely represents the benefits of the ongoing diffusion and implementation of a succession of technological advances; likewise, the innovative breakthroughs of today will continue to bear fruit in the future.

The evident acceleration of the process of ''creative destruction,'' which has accompanied these expanding innovations and which has been reflected in the shifting of capital from failing technologies into those technologies at the cutting edge, has been remarkable. Owing to advancing information capabilities and the resulting emergence of more accurate price signals and less costly price discovery, market participants have been able to detect and to respond to finely calibrated nuances in consumer demand. The process of capital reallocation has been assisted through a significant unbundling of risks made possible by the development of innovative financial products, not previously available. Every new innovation has suggested further possibilities to profitably meet increasingly sophisticated consumer demands. Many ventures fail. But the few that prosper enhance consumer choice.

The newer technologies, as I indicated earlier, have facilitated a dramatic foreshortening of the lead-times on the delivery of capital equipment over the past decade. When lead times for capital equipment are long, firms must undertake capital spending that is adequate to deal with the plausible range of business needs likely to occur after these goods are delivered and installed. In essence, those capital investments must be sufficient to provide insurance against uncertain future demands. As lead times have declined, a consequence of newer technologies, firms' forecasts of future requirements have become somewhat less clouded, and the desired amount of lead-time insurance in the form of a reserve stock of capital has been reduced.

In addition to shortening lead-times, technology has increased the flexibility of capital goods and production processes to meet changes in the demand for product characteristics and the composition of output.

This flexibility allows firms to deal more effectively with evolving market conditions with less physical capital than had been necessary in the past.

Taken together, reductions in the amount of spare capital and increases in capital flexibility result in a saving of resources that, in the aggregate, is reflected in higher levels of productivity. The newer technologies and foreshortened lead-times have, thus, apparently made capital investment distinctly more profitable, enabling firms to substitute capital for labor and other inputs far more productively than they could have a decade or two ago. Capital, as economists like to say, has deepened significantly since 1995.

The surge in investment not only has restrained costs, it has also increased industrial capacity faster than the rise in factory output. The resulting slack in product markets has put greater competitive pressure on businesses to hold down prices.

Technology is also damping upward price pressures through its effect on international trade, where technological developments and a move to a less constrained world trading order have progressively broken down barriers to cross-border trade. All else equal, the enhanced competition in tradeable goods enables excess capacity previously bottled up in one country to augment worldwide supply and exert restraint on prices in all countries' markets.

Because neither business firms nor their competitors can currently count any longer on a general inflationary tendency to validate decisions to raise their own prices, each company feels compelled to concentrate on efforts to hold down costs. The availability of new technology to each company and its rivals affords both the opportunity and the competitive necessity of taking steps to boost productivity. This contrasts with our experiences through the 1970s and 1980s, when firms apparently found it easier and more profitable to seek relief from rising nominal labor costs through price increases than through cost-reducing capital investments.

The rate of growth of productivity cannot increase indefinitely. While there appears to be considerable expectation in the business community, and possibly Wall Street, that the productivity acceleration has not yet peaked, experience advises caution. As I have noted in previous testimony, history is strewn with projections of technology that have fallen wide of the mark. With the innumerable potential permutations and combinations of various synergies, forecasting technology has been a daunting exercise. There is little reason to believe that we are going to be any better at this in the future than in the past. Hence, despite the remarkable progress witnessed to date, we have to be quite modest about our ability to project the future of technology and its implications for productivity growth and for the broader economy.

A key question that we need to answer in order to appropriately evaluate the connection between technological innovations and productivity growth is why have not the same available technologies allowed productivity in Europe and Japan to catch up to U.S. levels. While productivity in some foreign industrial countries appears to have accelerated in recent years, a significant gap between U.S. productivity and that abroad persists.

One hypothesis is that a necessary condition for information technology to increase output per hour is a willingness to discharge or retrain workers that the newer technologies have rendered redundant. Countries with less flexible labor markets than the United States enjoys may have been inhibited in this regard.

Another hypothesis is that regulations, systems of corporate governance, trade restrictions, and government subsidies have prevented competition from being sufficiently keen to induce firms in Europe and Japan to take full advantage of the efficiencies offered by the latest advances in information technology and other innovations.

Further investigation will be necessary to evaluate the importance of these possible influences. But at this stage, one lesson seems reasonably clear. As we contemplate the appropriate public policies for an economy experiencing rapid technology advancement, we should strive to maintain the flexibility of our labor and capital markets that has spurred the continuous replacement of capital facilities embodying older technologies with facilities reflecting the newest innovations. Further reducing regulatory impediments to competition, will, of course, add to this process. The newer technologies have widened the potential for economic well-being. Governments should seek to foster that potential.

Prepared Testimony From Bill Gates of Microsoft

(Testimony from June 15, 1999)

Thank you Mr. Chairman and Members of Congress. It is an honor to be here. Mr. Chairman, I know that we are joined today by a number of students. I'd like to extend my greetings to them—and also to note how different things are today than when I was in school. Today, students have access to powerful personal computing devices and a sea of information through the Internet that I could only dream of when I was a teenager. We truly live in an amazing time. The information age is an era of new possibilities for us, for our children, and for the entire nation.

It is the greatest time of innovation and change in history. In less than 25 years we have seen the personal computer evolve from a hobbyists' toy to a tool many Americans can't imagine being without. We have seen its power double every 18 months, its price fall and its importance grow at home, at school and in every office. I know that many of you on this Committee are technology enthusiasts and appreciate this significance of this change.

As we learn more about how the information age is affecting us, the more we understand its central role in creating the remarkable new prosperity in this country today, and in accelerating economic development throughout the world. We are creating a new digital economy for this new information age.

Mr. Chairman, I know that yesterday Chairman Greenspan appeared before this Committee. Last month, he made a very important observation that I'd like to read

very briefly. He said: ''The newest innovations, which we label information technologies, have begun to alter the manner in which we do business and create value, often in ways not readily foreseeable even five years ago . . . The breadth of technological advance and its application has engendered a major upward revaluation of business assets, both real and intangible.''

I'd like to reinforce Chairman Greenspan's points by telling you about the findings of a major new study of the digital economy carried out by the Business Software Alliance, an organization representing most of the nation's largest software developers. The study will be released tomorrow, and I will ask that, when it is released, its entire contents be entered into the record of this committee.

The results of the BSA study once again confirm that the unexpectedly strong economic growth this country is experiencing can, in large measure, be traced to the vibrant, competitive and fast-growing computer technology industry. This sector has created more new jobs than any other part of the economy. In fact, we can predict today that by the year 2000, the software industry's contribution to the U.S. economy will be greater than the contribution of any other manufacturing industry in America—an extraordinary achievement for an industry that is less than 30 years old.

Today, America not only sells more cars than Japan. We also lead the world—by a wide margin—in software development. Last year this sector grew more than 15%, and is growing at nearly four times the rate of the economy as a whole. The software industry contributed more than a $13 billion surplus to the U.S. balance of trade, and this will rise to roughly $20 billion next year. A strong technology sector has spurred the renewal of industries old and new across America.

Moreover, new technology companies are being created every day, and are generating incredible valuations overnight. The slew of recent mergers reminds us just how quickly the landscape of the high tech marketplace is changing. That change will continue. In this industry in particular, the free market is working, and working well.

Mr. Chairman, I believe that in Washington, DC., there is a term for people who are incredibly interested in public policy. They are known as policy wonks. Well, in my industry, these people are called computer geeks, and I'd have to say that I am one. If you will indulge me for a few moments longer, I'd like to share some of my enthusiasm for what technology will mean for us in the future. I am very optimistic about what computer technology will mean for all of us—and for the students who are joining us to day via satellite.

As technologies change, so does our mission at Microsoft. For the past 20 years our vision was of a PC on every desktop and in every home—a toll that anyone could use to get things done. And today, a majority of American businesses and more than half of U.S. households have a PC. Now we are moving into a new era. The merging of telecommunications, computer technologies and consumer electronics with the world of the Internet will create a new universe of intelligent PCs and complimentary devices that will deliver the power of the information age to anyone, anywhere, and anytime.

What this means is that there will be a proliferation of smart, connected devices, from palm-sized digital assistants and ''tablet' personal computers to smart TVs and Web-enabled cellphones. All of your files, schedule, address book and everything else you need will automatically be available on each of these. When you're traveling you'll be able to call up your itinerary, book an appointment or view your stock portfolio using the device you have in hand. It will know the information you need, and when and where you need it. Wherever you are, you'll be able to access your own ''digital dashboard''—your personal portal to your own secure office desktop—on any PC.

We are working hard to develop software that makes computers even easier to use—next year we aim to spend some $3 billion on research and development. And one day in the not too distant future, computers will be able to see, listen and speak. At home or in the office, you'll be able to control your PC by talking to it. It will automatically back up your information, update its own software and synchronize itself with your devices on your home network. You'll even have a notepad on your refrigerator that will be up to date and allow you to coordinate with other information at home, at your office or at your children's school.

When Congress is in session, a wireless network will keep you in touch with your office. I don't need to tell the members of this committee how important mobility is as you move between your state or district and the nation's capital. As technology becomes more flexible and more powerful, it can be a tremendous tool in terms of creating efficiency and instant communication.

The PC also holds the potential to make government more efficient and more responsive. We already see the beginning of this with government web sites that offer people a wealth of information and resources. As government increasingly incorporates technology into its operations it will make information flow even more open and efficient. At Microsoft, our use of technology has all but eliminated paper flow, and I can tell you from first-hand experience that's a wonderful thing. Technology also offers an opportunity to get the public more involved and, some day, perhaps, to engage people in a two-way dialogue on the important issues and challenges we face. The continuing rapid growth in the Internet will help power this information revolution, just as the proliferation of new devices will help make the Internet more useful and accessible to everyone.

Five years ago, who would have imagined that people would now be shopping for automobiles, home loans, airline tickets or clothing on the Web? Electronic commerce has increased tenfold in the last few years, making it convenient for people to purchase almost anything, anytime, from anywhere. By 2002, nearly 50 million Americans will be shopping online, spending almost half a trillion dollars on the Web. There is endless speculation about which companies will be successful. The big winner will be consumers.

They will see better prices, more choices, more opportunities to do the things they want to do. As Chairman Greenspan made clear, companies have already seen enormous benefits from computer technology—benefits that are now being multiplied by online commerce. But there is much more to be done. Like helping companies integrate their computing systems and create digital processes to perceive and react to competitive challenges and consumer needs. By doing this, they will be able to extend the gains in productivity that are helping fuel our economic strength today.

But turning this vision of the future into a reality will take another important investment in America investment in education. We cannot fill all of the jobs being created if we don't make technology a key part of every child's education.

Education in the digital age will offer tremendous promise. Learning will be more student-centered. Teachers, parents and students will work collaboratively, and students will be prepared for a technology workplace with the opportunity to engage in lifelong learning, At Microsoft we call this approach the Connected Learning Community. Taking education into the digital age is a challenge for all of us. Government at all levels, public-private partnerships and philanthropic institutions will play critical roles in preparing today's students for tomorrow's workplace.

Only 14% of teachers currently use the Internet as part of their instruction. We need to make much more progress here. At first, people believed that the Internet was suitable only for quizzes or just learning about technology itself. Today, the educational community knows that the Internet can be a resource for allowing curious minds to learn in new ways—about math, physics, philosophy, in fact about anything. A New York school superintendent attending one of educational conferences we hold at Microsoft recently explained that the PC and the Internet are encouraging students to do more writing, more reading and less TV watching. As a result, ''I don't know'' is fast becoming ''I don't know yet.''

Exciting projects are underway to give students the latest tools for learning. At Microsoft, we are working on a pilot project at 500 schools to provide laptops to each student. The results to date have been amazing in terms of increased learning. Many other companies and organizations are involved in similar efforts, whether providing the latest technology for learning or providing scholarships for math and science excellence.

I've had an opportunity to learn a little about how Birmingham Seaholm High School and Pittsburgh Super Computing Center College are using PC technology. Juniors at Birmingham Seaholm are using computers in a very entrepreneurial fashion—they have built a cookie factory and next year plan to develop a micro robot that will take cookies off the cooling rack. Students in Pittsburgh are doing great work on improving high speed networking performance and capabilities. These schools are to be commended for the work they've done to use technology as an important tool in improving education. I look forward to talking with some of the students who have been working with PCs. Unlike their parents, most of whom learned about computers in adulthood, the information age is the only age these students have known. Their success will depend on how well we teach them.

When you look at the phenomenal economic growth produced by technology, and the huge increase in demand for highly skilled knowledge workers, it is clear that our ability to continue benefiting from technology will largely depend on how well we educate the next generation to take advantage of this new era.

In closing, let sum up why I'm excited to be here today and to be part of this hi-tech summit. At Microsoft we make software. We make software for a simple reason—we want to provide tools to make people's lives better. At Microsoft we're excited about the future—we're excited about the tremendous economic benefits of our industry, but we're more excited about helping every individual—in business, in schools and in the home—lead more productive lives. Thank you.●

KATHERINE DUNHAM CELEBRATES HER NINETIETH BIRTHDAY

● Mr. DURBIN. Mr. President, I rise today to share with my colleagues a story about a most remarkable woman who is celebrating her ninetieth birthday. Her heroic existence embodies every element of a true American.

Katherine Dunham is a studied anthropologist, a brilliant social worker, an inspiring dancer and a historic activist. She started her first dance school in Chicago in 1931, and later became dance director for the Works Progress Administration's Chicago theater project. In 1967 she founded a performing arts center for inner-city youths in East St. Louis, Ill.

One of her many accomplishments came on the night of January 15, 1979, when she was presented with the Albert Schweitzer Music Award at New York's Carnegie Hall. The significance of this award was underscored as three generations of Katherine Dunham dancers and musicians offered spectacular renditions of her marvelous work. The dance and music roared, peppered with the rich flavor of American dance mixed with the anthropological roots of African American heritage.

This kind and brave woman forged a path for less fortunate children, offering the arts as an outlet to their misfortunes. She gave of herself everything and asked little in return. Katherine Dunham was and remains a stellar addition to our rich American heritage.

I hope you will join me in wishing Ms. Dunham a very happy birthday.●

A TRIBUTE TO FORREST ''WOODY'' WEBER

● Mr. KOHL. Mr. President, I rise to you today to pay tribute to one of Wisconsin's finest educators, Forrest ''Woody'' Weber. Woody recently retired after a distinguished career spanning 36 years. Focusing his talents in elementary schools, Woody proved instrumental in developing the young lives of his students.

Woody served children and their families as a guidance counselor for 21 consistent years, during which time he specialized in classroom and small group counseling. One of his most substantial accomplishments during this time was addressing the needs of students with cerebral palsy. Since many of these students use ''bliss boards'' to communicate, Woody developed a unit to be used by other students so they could understand this communication device. This act of kindness earned Woody many public accolades, leading up to his 1993 nomination for ''Educator of the Year.''

Woody's service and volunteerism permeated every aspect of his long career. Between organizing an annual slide show for graduating sixth-graders, serving on both the Menasha school board as well as the City Council, sitting on numerous other community boards, coaching local athletics, and volunteering for the Salvation Army, he served his community well. Woody's wife, Dale, worries that his new retirement will keep him away from home even more because it will allow him more time to volunteer.

Though his daily presence as an educator will be missed, we wish Woody all the best in his retirement.●

ENTRY-EXIT CONTROL SYSTEM AT CANADIAN BORDER

● Mr. LEVIN. Mr. President, as an original cosponsor of legislation to repeal Section 110 of the Illegal Immigration Reform and Immigrant Responsibility of 1996, I am pleased that this bill contains language to prevent traffic delays at the Canadian border.

Section 110, which was scheduled to go into effect on September 30, 1998, would have required the Immigration and Naturalization Service (INS) to document every alien's arrival in and departure from the United States through an automated entry-exit control system. The Omnibus appropriations act for FY1999 included a compromise provision I cosponsored to delay Section 110 for 30 months. I stated then that Section 110 should not be just delayed, but repealed, because the cost of any such entry-exit system would far exceed its benefits. The vote today replaces the requirements of Section 110 with a feasibility study to determine whether any such system could be developed without increasing congestion or border crossing delays.

Section 110, if applied to Canadian nationals would place an unnecessary burden on the hundreds of thousands of motorists who cross the border daily. In 1996, over 116 million U.S. and Canadian border crossers traveled by land to the United States. Instituting a check for each one of these border crossers would create enormous delays at the 250 points of entry, and would have an especially damaging impact on the businesses, trade, and tourism in Michigan and other northern border states. U.S. trade with Canada, our largest trading partner, generates approximately $1 billion of commerce and tourism daily. Any loss of this revenue would be devastating to my State.

This provision to repeal the Section 110 requirements at land border and sea ports is vital for Michigan communities and businesses, and I am very pleased that the Senate is addressing this important issue.●

IN RECOGNITION OF MR. FRANK M. WADE

● Mr. TORRICELLI. Mr. President, I rise today in recognition of Frank M. Wade as he celebrates his retirement as the Executive Director of the New Jersey State Building and Construction Trades Council. Frank has served in this capacity for the past ten years, and he has a long history of commitment to labor organizations in the State of New Jersey. In fact, Frank has been a cornerstone for labor rights in New Jersey. It is a pleasure for me to be able to honor his accomplishments.

Since he started as a member of the Iron Workers Local #480 in 1954, through his election as Executive Director in 1989, Frank has fought hard to protect the rights of working men and women in New Jersey. His dedication to the New Jersey State Building and Construction Trades Council, and to labor causes in general, is widely known and admired throughout the State of New Jersey.

In addition to his position with the New Jersey Building and Construction Trades Council, Frank has played a very active role in strengthening the political and economic life of New Jersey. He has served on a number of civic organizations including the New Jersey Society for Environmental, Economic Development (NJSEED), the New Jersey Employment Security Council, and on the Advisory Committee on the Prevailing Wage Act.

Frank has never lost sight of the need to serve his community. Despite his responsibilities he has still found the time for charitable causes. Deborah Hospital Foundation is just one of the organizations that has benefitted from Frank's involvement.

So it gives me great pleasure to recognize a leader of great stature in New Jersey's labor community, but also a great friend. Through all our years together, fighting for the cause of working men and women, I have always known Frank to stand on principle, loyalty, and hard work. While he may be leaving this post, I know I can always rely on him to hold true to that standard in every endeavor he undertakes.●

IN RECOGNITION OF DR. LIONEL SWAN

● Mr. LEVIN. Mr. President, I rise to honor a legendary figure in the civil rights movement in Michigan, Dr. Lionel Swan. Dr. Swan died last Wednesday at the age of 93, leaving behind a reputation as an extraordinarily effective leader in the struggle for civil rights.

Dr. Swan was a living example of the great things that can be accomplished when you combine determination, courage and dignity. Dr. Swan put himself through college and medical school by working during the day. He often related a story of an incident which strengthened his resolve to continue on this hard path to his goal of becoming a doctor. One day, a white man called Dr. Swan ''boy'' and threw a cigarette butt on a floor he had just finished mopping. Dr. Swan is said to have responded, ''Mister, I want to thank you. I've been debating whether I should leave this job for college and you just convinced me I've got to do it so the next time I see somebody like you, he can't call me boy.''

Dr. Swan was able to ignore ugly slights and concentrate on what is most important in life. Dr. Swan went on to graduate from Howard University Medical School and practice medicine in Detroit. He was elected President of the National Medical Association and the Detroit Medical Society, where he led the effort to allow African-American physicians to practice medicine at the former Harper and Grace hospitals. Dr. Swan was also a longtime, active

member of the NAACP, helping found the Detroit NAACP's Freedom Fund Dinner which raises money annually for its many worthwhile goals and is one of the largest gatherings in the country.

Mr. President, Dr. Swan was always firm in principle and gentle in demeanor. He let his actions serve as an example to others in the fight for equality and civil rights. I was a great personal fan of his. I know my Senate colleagues join me in honoring Dr. Swan on his life's many outstanding achievements.●

APPOINTMENT

The PRESIDING OFFICER. The Chair, on behalf of the Vice President, pursuant to 22 U.S.C. 276h–276k, as amended, appoints the Senator from Alabama (Mr. SESSIONS) as a member of the Senate Delegation to the Mexico-U.S. Interparliamentary Group Meeting during the First Session of the 106th Congress, to be held in Savannah, Georgia, June 25–27, 1999.

ORDERS FOR WEDNESDAY, JUNE 23, 1999

Mr. LOTT. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in adjournment until 9:30 a.m. on Wednesday, June 23. I further ask that on Wednesday, immediately following the prayer, the Journal of proceedings be approved to date, 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 resume consideration of the agriculture appropriations bill.

Mr. DASCHLE. Mr. President, reserving the right to object, and I won't object, I had an amendment that I was prepared to offer. Could I ask unanimous consent that I be recognized at 9:30 for the purpose of offering an amendment; if we could get agreement on that perhaps?

Mr. LOTT. Mr. President, I think we would be right back in the position in the morning where we are now on the agriculture appropriations bill. There will be discussions between now and then to see if there is any other way we could approach this issue. If we do not get something worked out, I believe the Senator would be entitled to get recognition to offer an amendment. I have the impression that it would be difficult for us to do that at this time.

Mr. President, so we can talk this through, 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.

Mr. DASCHLE. Mr. President, the distinguished majority leader has responded to my unanimous consent request. He and I have been consulting about how to proceed over the last hour. He has indicated to me that he is working with a number of his colleagues and with staff to attempt to fashion a way with which we might proceed on the Patients' Bill of Rights. He has indicated they will be continuing those discussions tonight.

In the interest of moving that process along and with some hope that we could reach some agreement, I will withdraw my unanimous consent request to be recognized. We will be on the bill, and we will certainly be inclined to be as supportive of reaching agreement as we can. Short of that, we may want to offer additional amendments to the agriculture appropriations bill tomorrow. We will have that discussion at another date.

In the interest of time and comity and accommodation, I will certainly defer any additional request.

The PRESIDING OFFICER. Without objection, the majority leader's request is agreed to.

Mr. LOTT. I thank the Chair. I thank Senator DASCHLE for that approach. We will be working, and we will talk in a few minutes.

PROGRAM

Mr. LOTT. Mr. President, the Senate will convene at 9:30 a.m. and immediately resume consideration of the agriculture appropriations bill. It is the hope of the majority leader that the Senate can consider agriculture-related amendments during Wednesday's session of the Senate. All Senators can, therefore, expect rollcall votes throughout the session tomorrow as the Senate makes further progress on the agriculture appropriations bill. Once that is completed, of course, other issues may be considered, but we could consult with both sides of the aisle before we move to the next bill.

Mr. DASCHLE. Mr. President, if the majority leader will yield on just another question, today the Summers nomination was reported out of the Finance Committee unanimously. There appears to be very strong bipartisan support. Is there any intention on the part of the majority leader to address that nomination sometime in the near future?

Mr. LOTT. The Finance Committee did report it out today. I did vote, along with everybody else, for the nomination. It will be on the calendar tomorrow.

I had indicated I assumed that before we went out for the Fourth of July recess, which is a week from Friday, that would be taken up. It very well could be taken up before then. But we have not gotten it on the calendar, and we have not made a definite determination as to when we will call it up.

I assume other nominations will be on the calendar tomorrow from other committees, and I hope we have the same approach as we have had this year—including three nominations last week—to move these nominations through pretty quickly after reaching the calendar, barring complications that do sometimes come up, of course.

ADJOURNMENT UNTIL 9:30 A.M. TOMORROW

Mr. LOTT. Mr. President, if there is no further business to come before the Senate, I now ask unanimous consent that the Senate stand in adjournment under the previous order.

There being no objection, the Senate, at 6:50 p.m., adjourned until Wednesday, June 23, 1999, at 9:30 a.m.