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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].

The PRESIDENT pro tempore. Today's prayer will be offered by Father Chad Hatfield, All Saints Orthodox Church, Salina, KS.

PRAYER

The guest Chaplain, Father Chad Hatfield, offered the following prayer:

Let us pray to the Lord.

O Lord, grant to the Members of this Senate peace in the coming day, helping them do all things in accordance with Your holy will. In every hour of this day, reveal Your will to them. Bless their dealings with one another. Teach them to treat all that comes to them throughout the day with peace of soul and the firm conviction that Your will governs all. In all their deeds and words, guide their thoughts and their feelings. In unforeseen events, let them not forget that all are sent by You. Teach every Member of this solemn assembly to act firmly and wisely without embittering and embarrassing others. Give them strength to bear the fatigue of the coming day with all that it shall bring. Direct them, teaching them to pray. And, Yourself, pray in all of us. Amen.

PLEDGE OF ALLEGIANCE

The Honorable SAM BROWNBACK, a Senator from the State of Kansas, led the Pledge of Allegiance as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

RECOGNITION OF THE ACTING MAJORITY LEADER

The PRESIDING OFFICER (Mr. CRAPO). The Senator from Alaska.

Mr. STEVENS. I thank the Chair.

Before making opening remarks, I yield to Senator BROWNBACK for such remarks he wishes to make.

Mr. BROWNBACK. I thank the Senator.

FATHER CHAD HATFIELD

Mr. BROWNBACK. I rise to thank Father Chad Hatfield of the All Saints Orthodox Church, Salina, KS, for his encouraging words. Today, it is appropriate to honor this man of God by describing his service to the people of Kansas.

Father Hatfield has served faithfully in the ministry for over 20 years and is presently the senior pastor of an Eastern Orthodox congregation. Before settling in Kansas, he lived in several places including South Africa during far more difficult days. His duties included ministering as well as editing a South African theological journal. He became an ordained Orthodox priest in January 1994, after several years in the Episcopal Church.

He is a respected theologian, as well as a man of deep faith whose talent lies in pointing people to a relationship with God. He is known for his special events for those exploring Christian Orthodoxy, and many in his congregation are new converts because of his witness.

I hope my words capture his strength and wisdom. This is a man who has dedicated himself to the people of his parish, not because it was his job but because they are his flock. His is the work of opening Godly mysteries, while serving the needs of those in his community. He is a servant to those in trouble involving the persecuted church overseas, youth violence at home, reducing teen pregnancy, preserving marriages, and helping promote such projects as Faith Works of Kansas which links needy families with churches to help people get back on their feet. His is the work of a true shepherd, and it is work which surely will remain.

The Bible says in Psalm 119:105, ''Thy word is a lamp to my feet and a light to my path.'' Mr. President, I hope you join me in thanking Father Hatfield for his prayer and lighting our path for this day.

I thank the Chair and I yield the floor.

SCHEDULE

Mr. STEVENS. Mr. President, on behalf of the majority leader, I wish to announce that today the Senate will debate the Defense appropriations conference report for 1 hour. By previous consent, that vote will be postponed to occur at 4 p.m. this afternoon. For the remainder of the day, the Senate will debate the campaign finance reform bill with amendments expected to be offered. Senators who intend to offer amendments are encouraged to work with the bill managers to schedule a time for debate on their amendments. Further, Senators can expect votes throughout the day. The Senate may also consider any other conference reports available for action.

The distinguished majority leader thanks all Senators for their cooperation on this day. It will be a difficult day.

RESERVATION OF LEADER TIME

The PRESIDING OFFICER. Under the previous order, leadership time is reserved.

DEPARTMENT OF DEFENSE APPROPRIATIONS ACT, 2000—CONFERENCE REPORT

The PRESIDING OFFICER. The Senate will now proceed to the consideration of the conference report accompanying H.R. 2561, which the clerk will report.

The bill clerk read as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill, H.R. 2561, have agreed to recommend and do

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

recommend to their respective Houses this report, signed by a majority of the conferees.

The PRESIDING OFFICER. Without objection, the Senate will proceed to the consideration of the conference report.

(The conference report is printed in the House proceedings of the RECORD of October 8, 1999.)

The PRESIDING OFFICER. Under the previous order, there will now be 50 minutes of debate equally divided, with an additional 10 minutes under the control of the Senator from Arizona, Mr. MCCAIN.

The Senator from Alaska.

Mr. STEVENS. Mr. President, yesterday the House passed the conference report which is before the Senate which accompanies H.R. 2561, which is the fiscal year 2000 Department of Defense Appropriations Act. It passed by a vote of 372–55. All 17 Senate conferees signed this conference report which Senator INOUYE and I present to the Senate today.

This conference report reflects nearly 4 weeks of discussions and negotiations with the House committee. The conference report before the Senate is consistent with the bill passed by the Senate in June and the armed services conference report passed recently and signed by the President.

In most areas, we established a compromise figure between the House and Senate levels.

The excellent work undertaken by the Armed Services Committee provided an essential roadmap and guide for the work of our conference on most major programs.

The first priority of our conference was to ensure adequate funding for military personnel, including the 4.8-percent pay raise for the fiscal year 2000. Funding was also provided to implement the restoration of full retirement benefits for military personnel and new retention and enlistment bonuses to attract and retain military personnel.

The conferees worked to increase needed spending for military readiness and quality of life priorities. More than $1 billion has been added to the President's request for operation and maintenance in the Department of Defense to make certain the Armed Forces are prepared to meet any challenge to our Nation's security.

The conferees faced wide gaps between modernization programs advocated by the House and Senate. This is the first year of many years we have had such major disagreements.

The Senate sustained the Department's request for several multiyear procurement initiatives which included the Apache, the Javelin, the F–18, C–17, and the M–1 tank. I am pleased to report each of these are included in the conference report before the Senate today. Those multiyear contracts, in our opinion, do give us better procurement at a lower cost.

The Senate included funds to meet the Marine Corps commandant's foremost priority, the LHD–8 amphibious assault ship. There is $375 million provided for that vessel at the authorized level.

Considerable media attention was focused on the action by the House to delete all procurement funding for the F–22. Consistent with the decision in the defense authorization bill, Senate conferees insisted that adequate funding be appropriated for the F–22.

Also, legislative authority was provided to execute the existing fixed-price contract for the first eight preproduction aircraft.

The conference outcome provides funds to sustain the F–22 program at the proposed production rates, with full advanced procurement for the 10 aircraft planned for the fiscal year 2001.

Legislative restrictions on those funds do mandate that during the fiscal year 2000, the Department meet its planned review thresholds. We are confident that will take place.

Language concerning the fiscal year 2001 contract awards by necessity will have to be reconsidered as part of the fiscal year 2001 bill, as this act does not govern appropriations after September 30 of next year.

The most important research and development program supported in this act is the national missile defense effort. The successful intercept test last week validates the work since 1983 to build and deploy an effective national missile defense system.

This conference report before the Senate allocates an additional $117 million from the 1999 omnibus bill to keep this program on track and to accelerate deployment as soon as practical.

The bill also provides funding for the Third Arrow Battery to assist our ally, Israel, in meeting its security needs. When the committee reported the defense bill to the Senate in May, Congress had just passed an $11 billion supplemental bill to meet the costs of the conflict in Kosovo.

As a result of the exceptional performance of our air and naval forces during that campaign, hostilities ended months earlier than projected in the supplemental bill. That effort afforded the Senate the option to apply those funds from the supplemental bill appropriated for Kosovo to meet the fiscal year 2000 defense needs. This bill utilized $3.1 billion in Kosovo carryover funds as it left the Senate. Based on extensive consultation with the Department of Defense, the conferees agreed to apply $1.6 billion of that sum to meet vital readiness and munitions needs for the fiscal year 2000.

Finally, the bill includes two new general provisions that place new maximum averages on defense contract payments. These provisions do not reduce in any way the amount the Department will pay to meet its obligations but does change the maximum number of days by which such payments must be made.

The Department must remain fully compliant with the Prompt Payment Act, and nothing was done in this act to extend payments beyond current legal limits.

As I have observed over the past 5 years, the work of presenting this bill and the conference report now before the Senate reflects a total partnership between myself and my great friend, the distinguished Senator from Hawaii. His wisdom, perseverance, and steadfast determination to work for the welfare of the men and women of our Armed Forces and the military preparedness of our Nation assured the nonpartisan result of this conference.

This bill also contains a provision to commence the formation of a commission to find a suitable national memorial to our former President, the distinguished general of the Army, President Eisenhower. I urge all Members become familiar with that process. It very much follows the commission that was established for a similar memorial to President Franklin Delano Roosevelt.

Following the statement of my good friend from Hawaii, to whom I now yield, I shall urge adoption of the conference report.

The PRESIDING OFFICER. The Senator from Hawaii.

Mr. INOUYE. Mr. President, I rise this morning to add my support to H.R. 2561, the Department of Defense Appropriations Act for fiscal year 2000. I believe the conference report presents an agreement that is very much in keeping with the bill that passed the Senate and I would encourage all my colleagues to support it.

This was a tough conference. That is an understatement. The recommendations of the House and the Senate were different in many areas. Both sides felt strongly about their respective views. As noted by my chairman, nowhere was this more evident than in the case of the F–22. For that reason, and because of the importance of this program, I would like to spend a few minutes discussing the situation facing the conferees and the final outcome.

For 16 years, the Air Force has been researching and developing a new generation air superiority aircraft, called the F–22. The administration's budget request called for the aircraft to enter production in fiscal year 2000.

The House was divided in its view on this matter. The Defense authorization bill, as passed by the House and the conference agreement which followed, supported the program without adjustment. The House Appropriations Committee took a different view.

The committee recommended, and the House concurred in the Defense appropriations bill, that production should be ''paused'' for at least 1 year to allow for additional testing. The House eliminated all production funding for the program—an amount in excess of $1.8 billion—and reallocated these funds to other programs. Many of these were very meritorious, but they were lower priority in the view of the Defense Department.

The Senate fully supported the F–22 as requested and authorized. In conference, the House was adamant that production should not begin this year. The Senate understood the House's desire for additional testing on the program, but pointed out repeatedly that there was nothing in the initial phases of this program that would warrant slowing it down to await additional testing. In addition, the Senate voted that a pause would be very costly. Contracts would have to be renegotiated. Subcontractors expecting to begin production would have to stop work on the project. Restarting it would be costly even if the pause were only to last 1 year.

The F–22 is a highly sophisticated new aircraft with revolutionary capabilities. Those facts are not in dispute. But, these capabilities make it a very expensive program. The Senate conferees were concerned additional costs caused by delays would be so large as to force the Defense Department to cut or even cancel the program. It is ironic that after 16 years just when we are ready to begin production that some would now argue it was time to slow down the program. The differences between the two bodies were so strongly felt that it was extremely difficult to reach an agreement.

Finally, our chairman, acting with the advice of the leadership of the Defense Department, crafted a compromise that all parties embraced. The compromise provides $1.3 billion for the F–22. I for one would like to have seen more provided for this program, but that was the maximum to which the House would agree.

We have been told by the Air Force that this sum is sufficient to allow for the program to stay on track in the coming year. The conferees understand that the funds will be merged with other research and development funding to allow the Air Force to purchase another six F–22 aircraft as planned. It will also allow the Air Force to buy materials to produce 10 additional aircraft in fiscal year 2001.

There is language in the agreement that requires the Air Force to get approval from the Defense Acquisition Board before proceeding to purchase these aircraft. There is also language that would require the Air Force to complete certain testing before it purchases aircraft in 2001. However, that language, as noted by our chairman, would not have any effect until after the expiration of this act.

The conferees believe the Air Force should conduct adequate testing of the aircraft before it goes into full rate production. The precise level of that testing is an issue to be reexamined at a later date.

The Senate owes a debt of gratitude—a great debt of gratitude—to our chairman, Senator STEVENS. This was a tough conference. Our chairman was up to the task of defending the positions of the Senate. At the same time, he was most respectful of the views of the House. He worked tirelessly to try to reach an accommodation on this, as well as hundreds of other items.

A second matter that requires clarification is the overall spending in this bill. The Senate bill provided $264.7 billion in budget authority, with the estimated outlays of $255.4 billion. The House bill was nearly $4 billion higher.

In conference, the Senate agreed to increase the spending by $3.1 billion in budget authority and $200 million in outlays. The conferees also agreed to label $7.2 billion in budget authority as emergency spending. In so doing, the committee was able to reallocate $4.1 billion more than the original Senate allocation and $8.1 billion more than the House allocation for other discretionary domestic programs.

Many have stated that this bill is more than $17 billion above the amount recommended in fiscal year 1999. However, it should be noted that the Congress added $16.6 billion for Kosovo, Bosnia, and other emergency requirements in fiscal year 1999 that are not included in that calculation.

In comparing ''apples to apples,'' this bill is a little over $1 billion more than provided in fiscal year 1999. I, for one, would argue that this increase is very modest for the coming year. Especially when one realizes we have provided funding for an expanded pay raise, an enhanced retirement system, and additional target pay increases for many members of the military, this increase is very modest, indeed.

This is a good conference report. While one can find one or two things one might not support, on balance I believe it is a good compromise package. So I most respectfully urge all my colleagues to support it.

In closing, I would like to give a word of commendation for two members who are not Members of the Senate, but we think they are members of our family: Steve Cortese and, this man, Charlie Houy. So, Mr. President, with the help of these two special staff members, we were able to craft this agreement we present today.

I yield the floor.

Mr. MCCAIN addressed the Chair.

The PRESIDING OFFICER. The Senator from Arizona.

Mr. MCCAIN. I understand under the unanimous-consent agreement I have 10 minutes.

The PRESIDING OFFICER. The Senator is correct.

Mr. MCCAIN. Mr. President, I voted in support of the Defense authorization bill for the fiscal year that began earlier this month. I would have liked to have been able to similarly support the Defense appropriations bill. Unfortunately, the unconscionable and noncredible budgeting procedures that are used in this bill are too pervasive, the level of wasteful spending of taxpayer dollars is too irresponsible for me to acquiesce in passage of this legislation.

I look at this bill that is larded with earmarks and set-asides for powerful defense contractors, influential local groups and officials, and with other parochial interests. One can understand the distrust with which the average citizen views the Federal government. The use of gimmicks and budgetary subterfuge simply deepens the gulf that exists between those of us who toil within the confines of the Beltway, and Americans across the Nation who see large portions of their paychecks diverted by Congress for purposes they often do not support.

What kind of message are we sending American business men and women, especially the small businesses most affected by telling the Department of Defense to purposely delay paying its bills? When the Department of Defense fails to pay contractors on time, those contractors often have to tell their suppliers, subcontractors, and employees that they will have to wait for their check. The trickle-down effect is felt most by the employees and their families whose budgets often can't absorb a delay of a week in getting a paycheck, much less the 29-day delay mandated by this bill.

This provision simply pushes off until the next fiscal year the bills that come due in the last month of this fiscal year. Does anyone in this body believe that it will be any easier next year to live within the budget caps? It will be more difficult because, by approving this gimmick, we are spending $2 billion of next year's available funding. In fact, we already pushed another $6 billion into the next fiscal year by ''forward funding'' programs in the Labor-HHS Appropriations bill. In total, we will have already spent $8 billion out of next year's budget cap before taking up a single fiscal year 2001 appropriations bill.

And how can we explain the categorization of $2.7 billion for normal, predictable operations, training, and maintenance funding as ''emergency'' spending? Obviously, ongoing operations around the world cost money, as does necessary training as well as maintaining the admittedly bloated infrastructure of the Department of Defense. None of this should come as a surprise to the appropriators, and thus, in my view, cannot be justified as ''emergency'' spending, other than as a clear manifestation of an effort to evade budget caps.

This $7.2 billion will come straight out of the budget surplus that the Congress promised just a few months ago to return to the American taxpayers. Together with the ever-increasing $8.7 billion in ''emergency'' farm aid—some of which is admittedly justifiable—we will have already spent the entire non-Social Security surplus, and even a few billion of the Social Security Trust Fund. How can we vote—not once but four times—to put a ''lockbox'' on the Social Security surplus and then turn right around and spend it without blinking an eye?

At the same time, we are funding ships and aircraft and research programs that were not requested by the

military, and in fact do not even appear on the ever-expanding Unfunded Requirements Lists, the integrity of which have been thoroughly undermined by pressures from this body.

Mr. President, this bill includes $6.4 billion in low-priority, wasteful spending not subject to the kind of deliberative, competitive process that we should demand of all items in spending bills. Six billion dollars—more than ever before in any defense bill in the 13 years I have been in this body.

Argue all you want about the merits of individual programs that were added at the request of interested Members. At the end of the day, there is over $6 billion worth of pork in a defense spending bill at the same time we are struggling with myriad readiness and modernization problems. No credible budget process can withstand such abuse indefinitely and still retain the level of legitimacy needed to properly represent the interests of the Nation as a whole.

The ingenuity of the appropriators never ceases to amaze me. In this defense bill, we are spending money on unrequested research and development projects like the $3 million for advanced food service technology and on activities totally unrelated to national defense, such as the $8 million in the budget for Puget Sound Naval Shipyard Resource Preservation.

These items are representative of the bulk of the pork-barrel spending that is inserted into spending bills for parochial reasons: hundreds of small items or activities totaling hundreds of millions of dollars. Combine them with the big-ticket items in the bill—like the 11 Blackhawk helicopters at a cost of over $100 million; the $375 million in long-lead funding for another amphibious assault ship; and the $275 million for F–15 aircraft above the $263 million in the budget request—and you have a major investment in special interest goodwill at the expense of broader national security considerations. Two of these programs, the amphibious assault ship and the Blackhawk helicopters, are specifically mentioned in the Secretary of Defense's letter to the chairmen of the Senate and House Appropriations Committees as diverting funds from ''Much higher priority needs * * *''

How long are we going to continue to acquiesce in the forced acquisition of security locks just because they are manufactured in the state that was represented by a very powerful former member of this body? Making a bad situation worse, we have extended the requirement that one particular company's product be purchased for government-owned facilities to also include the contractors that serve them, and earmarked another $10 million for that purpose. What's next? Are we going to mandate that these locks be used for the bicycles of children of defense contractors?

Another distasteful budget sleight of hand was the addition of 15 military construction projects totaling $92 million that were neither requested nor authorized. The Appropriations Conference took care of that, however. These projects are both authorized and fully funded in the Conference Report, calling into question the relevance of the defense authorizing committees in the House of Representatives and the Senate.

As someone who is concerned that the Navy, by design, will lack the means of supporting ground forces ashore with high-volume, high-impact naval gunfire for at least another 10 years, I am more than a little taken aback that the California delegation has placed a higher priority on accumulating tourist dollars than on preserving one of the last two battleships in the fleet. The $3 million earmarked for relocating the U.S.S. *Iowa* represents a particularly pernicious episode of giving higher priority to bringing home the bacon than to national security interests. Simplistic platitudes regarding the age of these ships aside, no one can deny that they continue to represent one of the most capable non-nuclear platforms in the arsenal. But, yes, they do make fine museums.

Also discouraging is the growing use of domestic source restrictions on the acquisition of defense items. The Defense Appropriations Conference Report is replete with so-called ''Buy American'' restrictions, every one of which serves solely to protect businesses from competition. The use of protectionist legislation to insulate domestic industry from competition not only deprives the American consumer of the best product at the lowest price, it deprives the American taxpayer of the best value for his or her tax dollar. It undermines alliance relations while we are encouraging friendly countries to ''buy American.'' As Secretary Cohen stated, such restrictions ''undermine DoD's ability to procure the best systems at the least cost and to advance highly beneficial armaments cooperation with our allies.''

Mr. President, our military personnel will not fail to notice that, while we are spending inordinate amounts of money on programs and activities not requested by the armed forces, we rejected a proposal to get 12,000 military families off food stamps. That is not a message with which I wish to be associated. This bill appropriates $2.5 million, at the insistence of the opposition of the House, not one penny to get the children of military personnel currently on food stamps off of them. The cost of the provision I sponsored in the defense authorization bill was $6 million per year to permanently remove 10,000 military families from the food stamp rolls. Yet those who fought hard to defeat that measure have no problem finding hundreds of millions of dollars to take care of businesses important to their districts and campaigns.

This conference report represents everything those of us in the majority were supposed to be against. We weren't supposed to be the party that, when it came to power, would abuse the Congressional power of the purse because we couldn't restrain ourselves from bowing to the special interests that ask us to spend billions of dollars on projects that benefit them, not the nation as a whole.

We were supposed to be the pro-defense party, the party that gave highest priority to ensuring our national security and the readiness of our Armed Forces. We weren't supposed to be the party that wastes $6.4 billion on low-priority, wasteful, and unnecessary spending of scarce defense resources.

Our Armed Forces are the best in the world, but there is much that must be done to complete their restructuring, retraining, and re-equipping to meet the challenges of the future. I support a larger defense budget but I know that, if we eliminate pork-barrel spending from the defense budget, we can modernize our military without adding to the overall budget. Every year, Congress earmarks about $4 to 6 billion for wasteful, unnecessary, and low-priority projects that do little or nothing to support our military. Because Congress refuses to allow unneeded bases to be closed, the Pentagon wastes another $7 billion per year to maintain this excess infrastructure. If we privatized or consolidated support and depot maintenance activities, we could save $2 billion every year. And if we eliminated the anti-competitive ''Buy America'' provisions from law, we could save another $5.5 billion every year on defense contracts. Altogether, these commonsense proposals would free up over $20 billion every year in the defense budget that could be used to provide adequate pay and ensure appropriate quality of life for our military personnel and their families; pay for needed training and modern equipment for our forces; and pay for other high-priority defense needs, like an effective national missile defense system.

Instead, the Congress continues to squander scarce defense dollars, while nearly 12,000 of the men and women who protect our nation's security, and their families, must subsist on food stamps. It is a national disgrace.

Moral indignation serves little practical purpose in the Halls of Congress. In the end, we are what we are: politicians more concerned with parochial matters than with broader considerations of national security and fiscal responsibility. I do not like voting against the bill that funds the Department of Defense, not while we have pilots patrolling the skies over Iraq and troops enforcing the peace on the Korean peninsula and in such places as Bosnia, Kosovo and even East Timor.

However, I cannot support this defense bill. It is so full of wasteful spending and smoke and mirrors gimmickry that what good lies within is overwhelmed by the bad. It wastes billions of dollars on unnecessary programs, while revitalizing discredited budgeting practices. Those of us in the

majority correctly rejected the Administration's ill-considered attempt to incrementally fund military construction projects—but now we are proceeding to institutionalize budgeting practices that warrant even greater contempt.

I strongly urge my colleagues to vote against this bill.

Mr. President, the list of add-ons, increases, and earmarks that total $6.4 billion, can be found on my web site.

I yield the remainder of my time.

Mr. STEVENS addressed the Chair.

The PRESIDING OFFICER (Mr. FRIST). The Senator from Alaska.

Mr. STEVENS. Mr. President, I know of nothing in this bill that deals with the food stamp issue. I don't understand the remarks of the Senator from Arizona. There is a 4.8 percent pay raise in this bill. We did exceed the President's request for the purpose of trying to make certain that all members of the armed services have sufficient funds with which to live. I know of no issue in this bill that deals with food stamps for service people. There are people in the service who are eligible for food stamps because of their own economic circumstances. That is very unfortunate. We are trying to work out a system whereby that will not happen. One of the ways to do that is to continue to increase the pay so they are comparable with people in the private sector and the jobs that they perform.

Mr. INOUYE addressed the Chair.

The PRESIDING OFFICER. The Senator from Hawaii.

Mr. INOUYE. Mr. President, I yield time to the Senator from Florida, Mr. GRAHAM.

The PRESIDING OFFICER. The Senator from Florida is recognized.

Mr. GRAHAM. I thank the Chair.

Mr. President, I rise to speak, as I did yesterday, on the latest appropriations conference report. Yesterday I expressed my concern about the Agriculture conference report, which contained within it $8.7 billion of designated emergency spending. Adding that $8.7 billion to $7 billion, which has previously been designated as an emergency, we have now spent almost $16 billion of the $21 billion that was originally estimated to be available as the non-Social Security surplus.

We are clearly on the path of exhausting the non-Social Security surplus in a series of incremental decisions, without focusing on how we might use this opportunity of significant surplus for fundamental national policy issues. This legislation contains an additional expenditure of emergency funds in the amount of $7.2 billion. With the adoption of this conference report, we will have fully exhausted the non-Social Security surplus and probably will also begin to lap into the Social Security surplus.

Mr. President, there was an interesting quotation in the press within the last 2 weeks by a leading figure in the German Government in 1991. He talked about missed opportunities and said that Germany, in 1991, as part of reunification, had a national opportunity to deal with some of their fundamental problems which would have built a stronger nation for the 21st century. But he went on to say: We promised the nation we could do reunification without pain; therefore, we were unable or unwilling to ask the country to take those steps that would have built a stronger Germany for the 21st century.

I regretfully say that I believe we are ''in 1991''; we are not in Germany, we are in the United States of America, and we are missing a similar opportunity to take some important steps that will strengthen our Nation, for precisely the same reason: We are unwilling to tell the American people the truth of what we are about, what the consequences are in terms of missed opportunities, and we are attempting to hide all of this under a cascading number of gimmicks and unique accounting. In my judgment, this Defense appropriations conference report adds to that book another significant chapter which will make it more difficult for us to deal with Social Security solvency, Medicare reform, and debt reduction—three priority issues challenging America.

What are some of the items in this Defense appropriations bill that raise those concerns? I have mentioned $7.2 billion listed as an emergency. What are the emergencies? Things such as routine operation and maintenance. Since the Bush administration, we have operated under a definition of what an emergency is which states that an emergency shall be ''spending which is necessary, sudden, urgent, unforeseen, and not permanent.'' Those five standards were developed by President Bush, not the current administration. Those are the five standards to which this Congress has adhered. How can anyone declare that operation and maintenance in the Department of Defense is not permanent, is unforeseen, and is a sudden and urgent condition?

Beyond that, we are also slowing payments to contractors in order to move $1.2 billion of those costs out of the fiscal year in which we are currently operating into fiscal year 2001. We are advance appropriating $1.8 billion for the same purpose. We are offsetting $2.6 billion of this bill's cost by assuming the same level of proceeds from spectrum auction sales. This bill relies upon a direction that has been given to CBO to change the manner in which CBO estimates outlays so that $10.5 billion will occur after fiscal year 2000.

I am about to leave for a meeting of the Finance Committee, and there is going to be an effort made there to overturn a congressional statute by directing the administration, through the Department of Health and Human Services, to change the method by which Medicare providers are compensated in order to increase spending to those providers by an excess of $5 billion—a violation of congressional statute, a timidity of Congress to deal with changing that statute, with the consequence that we are going to take over $5 billion off budget but directly out of Social Security surplus.

So I regret, as my colleague from Arizona did, I will have to vote ''no'' on this legislation. But while recognizing the extreme importance of the national defense that is funded through this legislation, I believe it is also important that we exercise fiscal discipline and that we not commit ourselves to a pattern of accounting and budgetary devices which obscures the reality of what we are doing, which denies us the opportunity to use this rare opportunity of surplus to build a stronger America for the 21st century, and which I think fails to face the reality of what our long-term commitments are going to have to be to secure our national defense.

So I regret my inability to support this legislation. I hope this will be a brief period in our American fiscal policy history and that before we complete the calendar year 1999, we will have an opportunity to revisit these issues with that higher standard of directness to the American people and a greater sense of importance of our protecting this rare period of fiscal strength and surplus, and we have to assure that America deals with its priorities as we enter the 21st century.

The PRESIDING OFFICER. The Senator from Alaska is recognized.

Mr. STEVENS. While the Senator from Florida is here, I want to point out that we did use the spectrum concept in this bill. It was the administration that recommended that approach to the Congress, and we decided to use it in this bill.

Regarding the comments made both by the Senator from Florida and the Senator from Arizona about the payment schedule set forth in this bill, Congress had previously required the Department of Defense to pay sooner than required by the Prompt Payment Act. We have not reduced the amount of payments to be made to defense contractors; we have not changed, in any way, the contracts between those contractors and the United States. All we have said is the Department of Defense does not have to pay earlier than required by the Prompt Payment Act. It was the mandate to pay earlier that was causing a scoring problem, as far as the Department of Defense activities are concerned.

As a practical matter, what this does is deal with the average number of days within which payments are required under defense contracts. There is no reduction in the amount of money that would be spent, and there is no acceleration or deceleration of the rate at which it is to be spent; there is just no mandate that they have to pay sooner than is required by the Prompt Payment Act. Under the circumstances, we have not varied the

amount of money that would be spent for these contracts within fiscal year 2000; we have just not mandated that they be spent sooner than would otherwise be required by normal, sound business practices.

Having done so, we are dealing with the scoring mechanisms that apply to this bill, not how the payments are made to contractors. I do believe that the comments that have been made concerning the scoring mechanisms under this bill do not recognize the fact that it is extremely necessary for us to pursue ways in which we can assure the moneys are available to the Department of Defense, notwithstanding the extraordinary burdens we faced in this subcommittee on defense coming from the increased activities in South Korea, increased activities in the Persian Gulf, permanent personnel stationed in both Kuwait and Saudi Arabia, from the activities in Bosnia—and we still have forces in Bosnia, and now in Kosovo; we have permanent forces now in Kosovo. All of those forces and activities have required enormous funding. We still have forces in Haiti.

Under the circumstances, all of these extraordinary burdens on the Department of Defense require us to find ways in which we can assure money is there for modernization, maintenance, for increased pay to our people, and for assuring that we will continue with the research and development necessary to assure that this Nation will have a viable Department of Defense in the next century.

I do not deny that there are things in here with which people could disagree. I only wish they had tried to understand them. I would be perfectly willing to have any of them visit with us any time if they can show us that we have underfunded the Department of Defense. We have adequately funded the Department of Defense, and that was our intention. It was our intention to use every possible legal mechanism available to us to assure that there is more money available for the Department of Defense in the coming year in view of the strains that we have on the whole system because of these contingencies that we have financed in the past 3 to 4 years.

This has been an extraordinary period for the Department of Defense. I can think of only one instance where we received a request from the administration to budget for those extraordinary expenses. We have had to find the money, we found the money, and we have kept the Department of Defense funded.

I, for one, want to thank my good friend from Hawaii for his extraordinary friendship and capability in helping on that job. I say without any fear of being challenged on this, I would challenge any other two Members of the Senate to find ways to do this better than the two of us have done it.

I, without any question, recommend this bill to the Senate. Those who wish to vote against it, of course, have the right to do so. But a vote against this bill is a vote to not fund the Department of Defense properly in the coming year. If you want to nitpick this bill, you can.

The process of putting it together was the most extraordinary process I have gone through in 31 years. I don't want to go through a conference like that again. And I assure the Senate that we will not.

COMMERCIAL SATELLITE IMAGERY AND GROUND STATIONS TO THE U.S. MILITARY

Mr. BURNS. Can the Senator from Michigan discuss the importance of this bill regarding commercial satellite imagery and ground stations to U.S. military?

Mr. ABRAHAM. The funding provided in this bill for Eagle Vision mobile ground stations enables reception of additional commercial high-resolution satellite imagery sources and is critical to supporting our military forces in peace time and in war. The currently deployed system has proven its worth in U.S. military activities in Bosnia and Kosovo. It has helped our pilots better prepare for critical missions, while providing an extra measure of safety and security for our fighting men and women as they head into harm's way.

Mr. BURNS. I have heard that the National Reconnaissance Office has recently completed an improved mobile ground station. I believe that it was built for receiving high-resolution commercial satellite imagery, such as the recently launched Ikonos satellite that is owned by Space Imaging. Is that correct?

Mr. ABRAHAM. Yes. The most recently deployed Eagle Vision II mobile ground station has been fielded by the National Reconnaissance Office for use by the U.S. Army. It is a much improved system with even greater capability than the original Eagle Vision System built in 1995. Its enhanced mobility ensures rapid deployment and survivability, which is critical in meeting the current threats facing our military around the world. I am proud that a company from my state (ERIM International) has been the leader in developing and building this Eagle Vision mobile ground station capability.

The funding in this bill has been sought and provided to ensure that additional Eagle Vision systems will be built with state-of-the art mobile capabilities to meet the critical imagery needs of our warfighters in the future. This is an outstanding example of how American firms can effectively work in partnership with the U.S. military to provide state-of-the-art technology to protect our men and women in uniform.

Mr. BURNS. I thank the Senator from Michigan.

SECTION 8160

Mr. WARNER. Mr. President, I want to congratulate my dear friend, Chairman STEVENS, and the ranking member of the Appropriations Committee, Senator BYRD, for bringing to the floor a conference report that I know was reached through very difficult negotiations.

There is no doubt that the conference on the Fiscal Year 2000 Defense Appropriations Bill was the most contentious in recent history. As the Chairman of the Armed Services Committee, I am aware of the difficult decisions that had to be made to reach a consensus with the House, and I will vote in favor of the conference report.

Despite my over all support of this conference report, I must point out one provision in the bill that is fraught with danger. That provision is section 8160 which states: ''Not withstanding any other provision of law, all military construction projects for which funds were appropriated in Public Law 106–52 are hereby authorized.'' As all my colleagues are aware the Armed Services Committee has original jurisdiction for military construction and authorizes for appropriations each military construction project. In fact, the law requires that each military construction and military family housing construction project be both authorized and appropriated. The projects authorized in this conference report were not authorized in either the Senate or House Authorization Bills. The act of authorizing military construction projects in this conference report has a profound impact on the legislative process.

Senator STEVENS and I work closely in developing our respective bills. We have directed our staffs to share information and resolve differences in the bills before the Senate considers them. In fact, Chairman STEVENS commented in his floor statement on the Fiscal Year 2000 Defense Appropriations Bill that his bill mirrors closely the actions of the Armed Services Committee. This conference report is not consistent with that cooperation. It usurps the jurisdiction of the Armed Services Committee and may set a terrible precedent.

While the rules of the Senate do not allow us to correct this in this bill, I trust that Chairman STEVENS will acknowledge the jurisdiction of the Armed Services Committee over these matters and provide us his assurance that this conference report does not set a precedent and that military construction and military family housing projects will not be authorized in future appropriations bills.

Mr. STEVENS. Mr. President, I understand Senator WARNER's concerns and appreciate his support for the conference report. As the distinguished Chairman of the Armed Services Committee indicated, this was a very difficult conference. In order to assure the Senate's position on the most important national security issues, we agreed to other provisions that the Senate conferees would normally oppose. I assure my colleague that I respect the jurisdiction of the Armed Services Committee in these matters. I agreed to authorize the military construction projects only because it was

necessary to reach a final agreement. In my view, these actions do not set any precedent for future actions on appropriations bills. It is my hope and intention that this will not happen again in the future.

Mr. WARNER. I appreciate the assurance of my colleague and thank him for addressing this matter.

SECTION 8008

Ms. SNOWE. Mr. President, the National Defense Authorization Act for FY 2000 contains a provision allowing the Navy to apply up to $190 million in FY 2000 advanced procurement funding to the DDG–51 multiyear procurement contracts renewed by Section 122 of the same legislation.

Are my colleagues, the Chairman of the Appropriations Committee, the Majority Leader, and the senior Senator from Mississippi, aware of any provision of the FY 2000 Defense Appropriations Conference Report that conflicts with Section 122 of the FY 2000 National Defense Authorization Act?

Mr. STEVENS. Mr. President, I can tell the senior Senator from Maine that no provisions of the FY 2000 Defense Appropriations Conference Report conflict with the DDG–51 multiyear procurement contracts extension or the $190 million DDG–51 FY 2000 advance procurement provisions of Section 122 of the National Defense Authorization Act.

Mr. LOTT. Mr. President, I appreciate the efforts of the senior Senator from Maine initiating this colloquy, and I concur with the statement of the Chairman of the Appropriations Committee.

Mr. COCHRAN. Mr. President, I fully support the interpretation of my colleagues from Maine, Alaska, and Mississippi. The Navy has cost-effectively produced the DDG–51 destroyer program under a very successful multiyear procurement, and no provision of the Conference Report conflicts with Section 122 of the National Defense Authorization Act for Fiscal Year 2000.

Ms. SNOWE. I thank my colleagues for joining me in clarifying this critical shipbuilding matter.

INDIA/PAKISTAN SANCTIONS WAIVER

Mr. ROBERTS. Mr. President, I take this opportunity to thank Chairman STEVENS for his outstanding leadership during the long hours of debate leading to passage of the FY 2000 Defense appropriations bill. I especially thank the chairman for supporting Title IX of the act which permanently grants the President waiver authority over sanctions imposed on India and Pakistan. American business, workers, and farmers appreciate your efforts on this important economic and foreign policy provision.

Mr. STEVENS. Mr. President, I am very pleased this conference report provides the President permanent, comprehensive authority to waive, with respect to India and Pakistan, the application of any sanction contained in section 101 or 102 of the arms Export Control Act, section 2(b)(4) of the Export-Import Bank Act of 1945, or Section 620E(e) of the Foreign Assistance Act of 1961, as amended. This authority provides needed tools for the United States to be in a position to waive sanctions as developments may warrant in the coming months and years.

DIGITAL MAMMOGRAPHY

Mr. BENNETT. Mr. President, I commend Senator STEVENS for his work on the Defense Appropriations bill, and will support the passage of this legislation. Before the final vote, I would like to get some clarification on the Defense Health Science program that is funded in this bill. In the conference report, the Secretary of Defense in conjunction with the Surgeons General is to establish a process to select medical research projects. I see that a number of possibilities are listed in the bill. Is it the Senator's intent that the Secretary of Defense and the service Surgeons General will consider the programs listed in the conference report?

Mr. STEVENS. The Senator is correct.

Mr. BENNETT. One of the projects listed is digital mammography technology development. Advancing second generation imaging technology has the potential of increasing efficiency, reliability and lower costs, but would not be considered basic research. However, it seems appropriate that this type of project be reviewed. Is it the intent of the committee that this type of research and development program be included in the selection process?

Mr. STEVENS. Since the Secretary and Surgeons General are charged with setting up a peer reviewed process, it is up to them to determine the specifics of the selection process. However, the Senator is correct that many health benefits are a result from technology development. I expect adjustments in the peer review process could be made, as appropriate, to delineate between basic research or technology development programs to account for differences as long as projects are in keeping with the ''clear scientific merit and relevance to military health'' requirement set forth in the report.

Mr. BENNETT. I thank the chairman for the clarification, and for his efforts to address military health issues.

Mr. CLELAND. Mr. President, I will vote for the Defense Appropriations Conference Report because there is much in it that I strongly support, especially including funding for the essential pay and benefit improvements for our service men and women which had been created by the Defense Authorization bill. I will also cast an affirmative vote as a measure of my admiration and respect for the fine work done by the Senate conferees, who were ably led by the distinguished senior Senator from Alaska and the distinguished senior Senator from Hawaii. Without the hard work of Senator STEVENS and Senator INOUYE I would likely have had to oppose the final product of the conference.

The reason for my concern, and for my reluctant support for the Defense Appropriations Conference Report, is that, because of the adamant position of the House conferees, the conference report, in my judgment, seriously hampers the rational and cost-effective development and production of the Pentagon's highest-priority new weapons system, the F–22 aircraft. The slowdown in production will undoubtedly result in increased costs and the House conferees indeed have indicated that the final production level will likely have to be reduced to well below the currently planned 339 aircraft which would precipitously drive up the unit costs. The F–22, which has been under development for 16 years and has received close and ongoing testing and Congressional oversight, is absolutely critical to maintaining our air superiority into the 21st Century.

Once again, I would like to thank Senators STEVENS and INOUYE for producing the best result for the F–22 that could be obtained, given the position of the House. While the compromise is an impediment to the F–22 program, it is not fatal, and with some extra effort, plus some shifting of Air Force funding, the delays and higher costs can be minimized. Nonetheless, I think all Members of the Senate, especially the 56 other Senators who joined with Senator COVERDELL and me in writing to the conferees in support of the Senate's position on the F–22, must be on notice that we will face another, and perhaps even tougher, fight on the future of the F–22 next year and beyond.

In closing, I want to note that the work on this Defense Appropriations bill, and the preceding Defense Authorization bill has been marked by bipartisanship and pragmatism, resulting in the kind of national consensus and resolve which is perhaps the single biggest factor undergirding a nation's security. Unfortunately, this stands in stark contrast to what we saw yesterday, with the near-party line vote rejecting the Comprehensive Test Ban. I believe both parties bear some of the blame for that most unfortunate outcome. What I want to say today is that, beyond the Test Ban Treaty, beyond any specific dispute in national security policy, we in this body, as well as those in the House, and in the Executive Branch must, I repeat must, work to repair the partisan breach, and begin to recreate a bipartisan consensus on national security policy. I have some ideas along those lines which I will be sharing with my colleagues in the days ahead, but I think we can all take a lesson from the cooperative efforts of Senators STEVENS and INOUYE who have achieved that objective in the critical area of Defense Appropriations.

Mrs. BOXER. Mr. President, I oppose the large increase in defense spending called for under the fiscal year 2000 Department of Defense Appropriations bill. The final conference report increases defense spending by $17.3 billion over last year's bill—$7.2 billion of

which is declared as emergency spending and will come straight out of the surplus. At a time when Congress is slashing many important domestic programs, I cannot support an increase of this magnitude.

I do, however, want to express my strong support for the many good provisions that were included in this legislation. This bill includes funding for a needed pay raise of 4.8 percent for our military men and women and targeted bonuses to enhance recruitment and retention efforts. I was also pleased to see that the bill restores full retirement benefits for our personnel.

Nevertheless, I think it would have been possible to include these important provisions without substantially increasing the defense budget. The Department of Defense need only to look within to find these savings.

In January, the General Accounting Office found that auditors could not match about $22 billion in signed checks with corresponding obligations; $9 billion in known military materials and supplies were unaccounted for; and contractors received $19 million in overpayments. In April, a GAO study found that the Navy does not effectively control its in-transit inventory and has placed enormous amounts of inventory at risk of undetected theft or misplacement. For fiscal years 1996–98, the Navy reported that it had lost over $3 billion in in-transit inventory, including some classified and sensitive items such as aircraft guided missile launchers, night-vision devices, and communications equipment.

This bill also includes many unneeded items. In an effort to provide some fiscal responsibility to the defense budget, I offered an amendment to this bill that would have denied the Air Force the ability to lease six leather-seated Gulfstream executive jets for the regional commanders in chief (CINCs). Even though the military has hundreds of operational support aircraft, the main argument against my amendment was that leasing the Gulfstream jets would be cheaper than purchasing the jet favored by the CINC's—the more expensive Boeing 737s.

However, the final conference report not only includes the authority to lease Gulfstream jets, it also includes a $63 million Boeing 737 for the CINC of the Central Command. A recent article in Defense Week provides the details on how this unrequested jet was added to the bill.

Mr. President, I ask unanimous consent that this article be printed in the RECORD.

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

(See Exhibit 1.)

Mrs. BOXER. Mr. President, our men and women in the armed forces do a great job. From Kosovo to Korea, they prove that they are the best fighting force in the world. They deserve the pay raise and other important benefits that they have earned.

However, I cannot support the irresponsible spending that is included in this legislation and it is with regret that I must vote against it.

EXHIBIT 1

SIDESTEPPING BOSSES, FOUR STAR GENERAL LOBBIED FOR JETLINER

(By John Donnelly)

The U.S. commander in the Middle East recently went over the heads of his Pentagon bosses by persuading a key lawmaker to buy the military a $63 million jetliner which the Pentagon not only didn't request but explicitly opposed, Defense Week has learned.

On several occasions over the last year, Marine Corps Gen. Anthony Zinni told Rep. John Murtha (D–Pa.) how U.S. Central Command needs a new, bigger aircraft to replace the aging EC–135 that now ferries Zinni and his staff between their Tampa, Fla., headquarters and places such as Saudi Arabia and Pakistan, according to Murtha's spokesman and several congressional aides.

As a result, Murtha—the top Democrat on the House Appropriations Committee's defense panel and, like Zinni, a Marine—made sure money for a new Boeing 737–300 ER was inserted in the fiscal 2000 funding bill the House passed last July, Murtha's spokesman, Brad Clemenson, confirmed.

A four-star's advocacy of his command's needs, and a congressman's generosity, may not be scandalous. In fact, Zinni will have retired before the new plane arrives; and the aircraft arguably may be needed. But the incident illustrates one way the Pentagon's budget bloats: a general personally lobbying for money—in this case one of the biggest boosts to this year's Air Force procurement request—to buy a jet his employers had already said costs too much.

No 737 for any commander was in the Senate-passed appropriations bill or either the House- or Senate-passed authorization bills. This month, a House-Senate conference is scheduled to reconcile the two appropriations measures and decide whether to buy the 737.

Zinni's spokesman said the general did not ask for the 737, but only recounted his requirements in response to congressional queries. But that picture of a passive Zinni contrasts with those painted by numerous House officials, including Clemenson, Murtha's spokesman.

''Zinni did ask for the help, and Mr. Murtha was supportive of the request . . .,'' Clemenson said. ''I don't know if he asked specifically for [a 737–300 ER], but he asked for help.''

In the form of a bigger support aircraft? ''Yes.''

By sharp contrast, last March, Deputy Secretary of Defense John Hamre and Vice Chairman of the Joint Chiefs of Staff Air Force Gen. Joseph Ralston, in a study for Congress, said a Gulfstream V executive jet, not a 737, is ''the single aircraft most capable of performing the CINC [Commander in Chief of unified combatant commands] support role at significantly reduced costs. . . .''

The Joint Staff study conceded that Boeing 737–300 ERs alone meet all the commanders' payload requirements, as the chiefs themselves state them. But the report advocated the Gulfstream V, designated C–37A, because the 737s cost twice as much.

''However,'' the study said, ''on a one-for-one basis, the estimated 20-year total ownership cost . . . for the 737–300 ER is about double that of the C–37A.''

If a commander needs a bigger airplane, the Joint Staff said, then one can be provided from ''other DoD resources.''

What's more, the Pentagon's Hamre told Defense Week last May how, in internal budget battles, he had fought hard to overcome the regional commanders' desire for jets larger than Gulfstreams to replace their aging fleet of nine aircraft, mostly Boeing 707s. Hamre said he had to convince the 10 generals and admirals (including the boss of the U.N. command in Korea) that the Gulfstream Vs were adequate.

''The CINCs aren't happy they have to live with a 12-passenger aircraft,'' Hamre said of the Gulfstream Vs. Most of the 707s the CINCs now fly seat 45. By comparison, the 737–300 can fit up to 128 passengers, depending on the configuration.

''I'll be honest,'' Hamre said. ''It was hard pulling this off. We said [of the Gulfstream, or G–V]: 'That's good enough: It can get you to the theater, it can get you back and you'll be in constant communication with your battle staff.' So we sent up a report this spring saying the right answer is a G–V.''

Having lost the battle inside the Pentagon, Zinni appears to have sought to win it on Murtha's House panel. If Zinni made a similar case to the other three defense committees, he wasn't successful. If other commanders waged a similar campaign on Capitol Hill, no word of it has emerged.

RESPONSE TO QUERY

Lt. Cdr. Ernest Duplessis, a spokesman for the U.S. Central Command chief, or CINCCENT, said: ''Gen. Zinni never made a request for a 737 or any specific aircraft. Nor did he ask to have his own individually assigned aircraft. Rather, he provided his requirements when asked. . . .

''Gen Zinni has said he would accept the Gulfstream V with noted reservations about the suitability of the plane to the CINCCENT mission,'' Duplessis said. ''His shortfalls were identified in response to questions from the House Appropriations Committee.'' Duplessis declined to name any lawmakers involved.

However, several congressional aides said that, if Murtha asked Zinni questions, they were likely to have originated as broad queries about overall needs, not questions about CINC-support aircraft. They said Murtha almost certainly didn't ask Zinni out of the blue if Zinni would like a new airplane.

According to Clemenson, last Christmas Eve Murtha and Zinni discussed U.S. Central Command's purported need for a larger support aircraft with Secretary of Defense William Cohen during a flight home from Saudi Arabia. In addition, aides said Zinni and Murtha also talked about it last February during a ''courtesy call'' Zinni paid to Murtha's office just prior to the general's annual testimony before the House defense-spending panel.

''It's something that's been talked about in a number of contexts for a number of years here,'' Clemenson said.

Regardless of how the subject first came up, Zinni's portrait of the shortfalls of the Gulfstream Vs and the advantages of a larger aircraft ran counter to the Pentagon's hard-fought policy favoring Gulfstream Vs for the commanders, whatever their personal misgivings.

NOT A STATED PRIORITY

The Joint Staff recommendation in favor of Gulfstreams came after the fiscal 2000 budget request went to Congress in February. The request contained no Gulfstreams, let alone 737s.

Nor were Gulfstreams or 737s included on any of this year's lists of ''unfunded requirements,'' sometimes called wish lists—programs not in the budget request but ones that the service chiefs consider important.

Both the budget request and the wish lists are supposed to include the top requirements of chiefs such as Zinni, though some say the lists don't always include all key needs.

Nonetheless, Zinni and Murtha believe the U.S. Central Command chief, based at

MacDill AFB, Fla., has a unique requirement for a large aircraft to replace the current EC–135, which is a 1962 airplane. The CINCENT must travel 8,000 miles to his conflict-ridden theater and must have the communications gear, staff and combat equipment to be able to perform a ''full contingency operation,'' Duplessis said. To avoid delays, the aircraft must be able to make it that distance without landing to refuel.

The Senate-passed defense-appropriations bill, though it did not fund Gulfstreams or 737s, did give the Air Force legislative authority to lease, not buy, support aircraft, which the Air Force has said means six Gulfstreams.

However, even the plan to lease the smaller, cheaper Gulfstreams triggered a controversy on Capitol Hill.

Several lawmakers have criticized the purchase or lease of luxury jets for four-stars while, at the same time, many in uniform subsist on food stamps, aircraft are short on spare parts and other needs go unmet.

In addition, some in Congress point out that the military already has hundreds of domestic ''operational support aircraft,'' which the General Accounting Office in 1995 said exceed actual needs. In addition to the CINC fleet, the Air Force alone has 11 Gulfstreams, three 727–100s, two 747s, four 757s and 70 Learjets. The other services have their own, smaller fleets. The GAO said the services do not share these assets effectively.

Rep. Peter DeFazio (D–Ore.) believes some of these stateside aircraft, if not needed domestically, should be provided to the CINCs. If a plane's range is not sufficient for intercontinental flight, he says, it should be sold to corporate executives to finance the purchase of any new, larger jets for the four-stars.

Sen. Tom Harkin (D–Iowa), a member of the Senate Appropriations Committee's defense panel, told Defense Week recently that the need for the existing fleet must be demonstrated before Congress signs up for new aircraft, whether Gulfstreams or 737s.

''Before buying these jets, Congress needs to get a lot more information as to the military's requirements for executive aircraft,'' he said.

Mr. FEINGOLD. Mr. President, I rise today to voice my strong opposition to the fiscal year 2000 Department of Defense Appropriations conference report.

Back in June, I lamented the Senate's unwillingness to scrutinize the Pentagon's profligate spending. During the Senate's debate of the DoD appropriations bill, we had exactly two amendments worthy of extensive debate. Two amendments, Mr. President. Here we have a defense policy that perpetuates a cold war mentality into the 21st century, and the Senate gave the Defense Department a pass.

Now we come to the conference report. I took some satisfaction from the F–22 drama that played out in conference, but the final act was rather predictable. Other than the F–22 program, however, did anyone question the Pentagon's continuing failure to adapt its priorities to the post-cold-war era? Clearly not.

And who is left to pay for this $268 billion debacle? Who else but the American taxpayers.

The Senate debated recently the wisdom of using across-the-board spending cuts as a budget tool.

This conference report is the best argument against that strategy. We need look no further than this bill to find billions of dollars in wasteful spending that could be cut to avoid reductions in programs that are truly justified—including Defense Department programs.

As we did last year, we are again in danger of breaking the spending caps agreed to in 1997, and as the distinguished Chairman of the Appropriations Committee was reported to have said, military spending will be the force that breaks them.

This bloated bill contains billions of dollars in spending that is simply unjustified. It spends even more than was requested by the Pentagon, a level that was already too high.

Let me take just one example—the tactical aircraft programs.

My opinion on the Navy's F/A–18E/F program is well known. I have not been shy about highlighting the program's myriad flaws, not least of which are its inflated cost with respect to its capabilities.

I have to admit, though, that the Super Hornet program can claim to build on a solid foundation, in the form of the reliable, cost-effective Hornet. The Air Force's F–22 program, on the other hand, is a brand new program. It is the most expensive fighter aircraft in the history of the world and arguably the most complex, yet it completed just 4 percent, or about 183 hours, of its flight test program before the Pentagon approved $651 million in production money. The completed flight test hours were about a quarter of the Air Force's own guidelines. In comparison, the F–15 flew for 975 hours before a production contract award; the F–16 for 1,115 hours; and even the much-flawed Super Hornet had 779 flight test hours before a production contract was awarded. Let me remind my colleagues that the flight test program hasn't even tested the aircraft's much-touted stealth or its electronics capabilities.

My primary concern with this program is its cost. This cold war anachronism will cost about $200 million a copy. Add this program's cost to the E/F and the Joint Strike Fighter, and we have a $340 billion fiscal nightmare on our hands. We cannot afford this. CBO knows it; GAO knows it; the CATO Institute knows it; the Brookings Institution knows it. The Congress, however, cannot seem to figure it out.

I know that some folks will talk about how this conference report puts the program under greater scrutiny and that it delays the aircraft's production, but let's be honest. Barring the discovery, and admission, of some enormous flaw, this conference report holds off the inevitable for just a year. This report postpones production of the Air Force's F–22 fighter plane until April 2001, but refrains from eliminating the program, as was done by the House.

The report provides $1.9 billion to purchase up to six planes, under the scope of research and development and testing and evaluation. It even spends $277 for advanced procurement. That is something. The program is supposed to be under a microscope, but we still put up more than a quarter of a billion dollars for advanced procurement. If that is not a clear indication of the plane's future, I do not know what is. And just to cover both ends, the report establishes a $300 million reserve fund to cover any liabilities the Air Force might incur as a result of terminating the program's contracts. That's an awfully generous insurance policy given the trouble we're going through to fund other important programs, like veterans health care and education.

As long as we are talking about money, I would like to take this opportunity to Call the Bankroll on the money that has poured into the coffers of candidates and political party committees from the defense contractors who have mounted a huge campaign to keep the F–22 alive.

First, we have defense contracting giant Lockheed Martin, the primary developer of the F–22. Lockheed Martin gave nearly $300,000 in soft money and more than $1 million in PAC money in the last election cycle.

During that same period, Boeing, one of the chief developers and producers of the F–22's airframe, gave more than $335,000 in soft money to the parties and more than $850,000 in PAC money to candidates.

Then there are the subcontractors for the F–22, who account for more than half the total dollar value of the project.

Four of the most important subcontractors, according to the F–22's own literature, are TRW, Raytheon, Hughes Electronics and Northrop Grumman.

And I guess it should come as little surprise to us to find that these major subcontractors also happened to be major political donors in the last election cycle.

Raytheon tops this list with nearly $220,000 in soft money and more than $465,000 in PAC money.

Northrop Grumman gave more than $100,000 in soft money to the parties and more than $450,000 in PAC money to candidates.

Hughes gave nearly $145,000 in PAC money during 1997 and 1998, and last but not least, TRW gave close to $200,000 in soft money and more than $235,000 in PAC money.

The F–22 program, and TacAir in general, highlights the Defense Department's flawed weapons modernization strategy. And today I Call the Bankroll to highlight how the corrupt campaign finance system encourages that flawed strategy—by creating an endless money chase that asks this body to put the interests of a few wealthy donors ahead of the best interests of our national defense.

The flawed strategy makes it impossible to buy enough new weapons to replace all the old weapons on a timely basis, even though forces are much smaller than they were during the cold

war and modernization budgets are projected to return to cold war levels. Consequently, the ratio of old weapons to new weapons in our active inventories will grow to unprecedented levels over the next decade.

Subsequently, that modernization strategy is driving up the operating budgets needed to maintain adequate readiness, even though the size of our forces is now smaller than it was during the cold war. Each new generation of high complexity weapons costs much more to operate than its predecessor, and the low rate of replacement forces the longer retention and use of older weapons. Thus, as weapons get older, they become more expensive to operate, maintain, and supply.

Supporting the Defense Department's misguided spending priorities is not synonymous with supporting the military.

Mr. ROBB. Mr. President, I fully support a significant increase in defense spending, and I support the core of the defense appropriations bill we're considering today. Indeed, it includes many critical provisions—including pay and benefits changes—that I and my colleagues on the Senate Armed Services Committee worked hard to pass in the defense authorization bill. For that matter, this bill includes many projects important to the Commonwealth of Virginia that were included in the authorization bill. But this is simply not the way we should legislate. Tacking extraneous provisions onto necessary legislation is exactly what fuels the cynicism of the American people.

I have regularly supported Congressional increases to the defense budget. But this legislation is a perfect example of what's wrong with the Congress. And it reinforces the need for a line-item veto. The bill contains the usual billions of dollars of congressional spending not requested by the Department of Defense. My colleague from Arizona, Senator MCCAIN, observed earlier this morning that some $6 billion in unrequested pork are part of this bill—perhaps the largest amount of unrequested pork ever. This is money that could have gone toward desperately needed improvements in our national defense, including more training, more spares and ammunition, more maintenance, and better quality of life for our soldiers, sailors, airmen and marines.

But beyond spending on unneeded projects, the bill employs some budget gimmicks that make a mockery of fiscal discipline. The bill designates—arbitrarily—$7.2 billion as emergency spending just to avoid the pain of dealing with the budget caps. I believe we ought to make the tough decisions to keep our spending under control. But if the Congress cannot discipline its spending, it ought to be forthright and acknowledge what it is doing. Avoiding hard choices with smoke and mirrors, however, is not responsible governing.

The bill authorizes 15 military construction projects that the Armed Services Committee decided not to authorize in its conference report. The authorization of military construction projects is the responsibility of the Senate Armed Services Committee. As a member of the Armed Services Committee, I serve as the Ranking Member on the Readiness Subcommittee, where military construction matters are considered. We have been successful in limiting military construction spending to projects that meet certain strict criteria—including whether the military plans to build these facilities at some point in their future years defense plan. The appropriations bill added 15 projects, of which at least half were not even on the Pentagon's books for eventual construction. Only the Armed Services Committee, with its longer-term, policy-oriented focus, can avoid this kind of spending that does little to improve the capabilities of our armed forces.

For these reasons, I will reluctantly vote against this bill knowing it will pass overwhelmingly. Since I know the bill will pass, my vote will not jeopardize national security. It will not preclude the Department of Defense from spending the additional funds included in the bill to provide more pay and benefits, more spare parts, increased training, and better maintenance. As I said before, I have fought long and hard to see those increases in the defense authorization bill. And if my protest vote would determine the outcome, I would act differently. But voting against this bill is one of the few means I have available to register my protest forcefully. I simply cannot acquiesce to a process which misdirects funds crucial to our national security to those who are seemingly more interested in their political security. No one should doubt my commitment to a strong national defense, but no one should doubt my commitment to fiscal responsibility as well. We cannot continue to squander so much of our scarce resources on unnecessary pet projects when our needs for improved readiness are so great. And as I stated when I voted against the pork-laden Kosovo supplemental earlier this year, just because we have troops in harm's way does not give us an excuse to go on a spending binge.

Hope springs eternal. Hopefully next year we can stem the pork, avoid the gimmicks, and respect long-standing committee jurisdictions.

Mr. LAUTENBERG. Mr. President, as a member of the Defense Appropriations subcommittee and the conference committee which produced this bill, I am prepared to join with most of my colleagues in voting for its adoption.

However, I feel I have a responsibility to raise several serious concerns and reservations about this conference report.

First, I am concerned that we as a nation are not allocating our defense dollars as effectively and efficiently as we could to meet future needs.

Defense programs sometimes seem to take on lives of their own. They are sustained and even expanded year after year, even if we would not include them in a truly zero-based budget designed to address our top priorities.

The Pentagon, and we in Congress, need to ensure that we are giving due priority to real national security needs, particularly opportunities to reduce the risk of conflict, the growing scourge of terrorism, and emerging threats like chemical and biological weapons and cyberwarfare.

We need to ask the tough questions, like whether it makes sense to devote billions to accelerating multiple missile defense programs which can be circumvented.

My second concern is what I can only describe as budget sleight of hand.

This bill is within its allocations, but it would not be if the Congressional Budget Office was simply allowed to do its job. But the political maneuvering forced arbitrary changes to paint a prettier, but fictional picture. The Budget Committees simply directed CBO to revise the numbers downward. This is far more than a minor accounting issue.

CBO indicates that its estimates include a $2.6 billion reduction in Budget Authority—the adjustment for spectrum sales—and reductions totaling $13 billion in outlays at the forced direction of the Budget Committees' leadership. We should not fool the public about whether that $13 billion will actually be spent this fiscal year—it will be!

We should not be blind-sided by these or other gimmicks through which the majority will claim not to be spending the social security surplus.

Earlier this year, many of my colleagues questioned whether certain funding has properly been declared ''emergency'' spending, which means it's a unique expenditure not subject to the budget caps that are supposed to control our spending. How do these cynics feel about the $7.2 billion in Operations and Maintenance funds which this conference report would declare an emergency?

This year's Budget Resolution adopted by the majority party which is now in charge even included a requirement that any emergency spending be fully justified in the accompanying report. But the conference report before us simply ignores that requirement. Can anyone with a straight face answer the questions the Budget Resolution would pose? Would they say it in front of a group of accountants or financial analysts? Would they tell their sons or daughters to run their finances that way?

Is this Operations and Maintenance spending, much of it requested by the President and funded in prior years, ''sudden, quickly coming into being, and not building up over time''? Is it ''unforeseen, unpredictable, and unanticipated''?

An emergency designation such as this in another appropriations bill would be subject to review by the Senate which could only be waived with 60

votes. However, the majority apparently anticipated this emergency because they exempted defense spending from the point of order.

My third major concern is what we call the top-line, though most Americans would call it the bottom line. This bill weighs in at $263 billion in new budget authority. That is over $3 billion more than the Defense Appropriations bill passed by the Senate and over $17 billion more than we spent on defense last year. These numbers come straight out of the conference report.

I would not deny that we need to address readiness concerns and modernize our armed forces. We live in an uncertain world, a world which has become more dangerous through this body's rejection of the Comprehensive Test Ban Treaty last night.

Can the dramatic increase in defense spending stand at this level while we starve other pressing needs in education, crime prevention, health care, and so many other areas?

I am not sure we can. So while I am prepared to vote for this bill today, I would urge President Clinton not to sign it into law until and unless other appropriations bills have reached his desk with sufficient funding levels to meet America's needs.

If this can be accomplished without simply resorting to more budgetary sleight-of-hand—and I sincerely hope we can do this—then I hope this bill will become law.

Mr. STEVENS. Mr. President, to my knowledge, there is no further Senator seeking time on the bill. I ask that we have a quorum call for a slight period to confirm the report that there are no other Senators wishing to speak. But if there are none within the next 5 or 6 minutes, I will ask the Senate to defer this matter according to the previous order. I will do that at 10:30, unless someone seeks time.

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

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

Mr. STEVENS. Mr. President, I want to join my good friend from Hawaii in thanking our staff. Again, I can't remember in the time that I have served on the Appropriations Committee a more difficult period in terms of getting this bill to where it is in order to send it to the President. We fully expect it to be signed.

Without Steven Cortese and Charlie Houy and the people who work with them, both Republican and Democratic staffs on our committee, this would not have been possible. They have worked weekends. They have worked into the night. They have been on call at the oddest hours I think we have ever had in terms of dealing with this bill.

I sincerely want to thank them all and tell the Senate that this staff is primarily responsible for this bill being before the Senate today because of their hard work and their determination to make it come out right.

I thank them all.

I am now told that it has been confirmed there are no requests for time; therefore, I ask unanimous consent that there be no further time on this bill until the matter is called up for a vote by the leader according to the previous order.

The PRESIDING OFFICER. Without objection, the time is yielded.

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

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

BIPARTISAN CAMPAIGN REFORM ACT OF 1999—Resumed

The PRESIDING OFFICER. All time on H.R. 2561 having been yielded back, the Senate will now return to the pending business, which the clerk will report.

The legislative assistant read as follows:

A bill (S. 1593) to amend the Federal Election Campaign Act of 1971 to provide bipartisan campaign finance reform.

Mr. MCCAIN. Mr. President, we now begin debate again on an issue which is important to the American people. Before I begin my opening statement, it is my understanding that the Senator from Kentucky will manage on his side and I will manage on this side, along with the Senator from Wisconsin; is that correct?

Mr. REID. What is the request? Our side will be managed by the ranking member of the Rules Committee.

Mr. MCCAIN. In support or opposition?

Mr. REID. We have the bill up and we are going to be managing for the minority, the ranking member of the Rules Committee.

Mr. MCCAIN. Mr. President, it is customary with a piece of legislation when the sponsors of the bill are on the floor they manage the conduct of the legislation and the opposition manages the other. If the Senator from Nevada has other desires, I guess we can worry about it later on, but that is the way it has been in this debate.

Before I begin my remarks, I recognize a very unusual, incredible and great American, a true patriot, an incredible woman who is 89 years of age, named Doris Haddock.

Doris, known to all of us, and now millions of Americans, as ''Granny D,'' began her walk months ago, beginning in the State of California. She has now arrived in the State of Tennessee. I believe she represents all that is good in America. She, at the age of 89, has taken up this struggle to clean up American politics. We are honored by her presence. She is in the gallery today, and we thank her for her commitment to open, honest government of which the American people can be proud.

So, ''Granny D,'' you exceed any small, modest contributions those of us who have labored in the vineyards of reform have made to this Earth. We are grateful for you. We ask you not to give up this struggle because we know that we will prevail.

Mr. President, on December 6, 1904, Theodore Roosevelt, addressing the people of the United States, said:

The power of the government to protect the integrity of the elections of its own officials is inherent and has been recognized and affirmed by repeated declarations of the Supreme Court. There is no enemy of free government more dangerous and none so insidious as the corruption of the electorate. No one defends or excuses corruption, and it would seem to follow that none would oppose vigorous measures to eradicate it. The details of such law may be safely left to the wise discretion of the Congress.

So said President Theodore Roosevelt in his fourth annual message delivered from the White House on December 6, 1904.

On August 31, 1910, Theodore Roosevelt said:

Now this means that our government, national and State, must be freed from the sinister influence or control of special interests. Exactly as the special interests of cotton and slavery threatened our political integrity before the Civil War, so now the great special business interests too often control and corrupt the men and methods of government for their own profit. We must drive the special interests out of politics.

That is one of our tasks today.

And he goes on.

Some things obviously never change, such as the cycles of American politics. In 1907, thanks to the efforts of Theodore Roosevelt, a law was passed in Congress that banned corporate contributions to American political campaigns. I do not pretend to be as eloquent as Theodore Roosevelt was in that campaign against the influences of special interests on American politics. Suffice it to say, he succeeded. He succeeded in getting through Congress a law, which still remains on the statutes, that outlaws corporate contributions to American political campaigns.

In 1947, the Republican-controlled Congress of the United States outlawed union contributions to American political campaigns. And after the Watergate scandal of 1974, further limitations were placed on the influence of special interests in American political campaigns.

It is now legal in America for a People's Liberation Army-owned corporation in China, with a subsidiary in the United States of America, to give unlimited amounts of money to an American political campaign. That is wrong. It is wrong and it needs to be fixed.

The pending legislation is very simple. It does only two things: first, it bans Federal soft money and, second, it

codifies the Beck decision. Soft money is the unlimited 6- and 7-figure contributions that now go into American political campaigns.

In the past, my colleague from Wisconsin and I have offered comprehensive campaign finance legislation. That measure was widely debated and many on this side of the aisle expressed criticism of certain provisions in the bill. As a result, we have taken a new approach, a simpler approach. We only seek to ban soft money, those big checks of ten thousand, one hundred thousand, and even one million dollars that powerful special interests use like clubs to make their narrow voices heard so loudly in the great chamber, and to codify the Beck decision. We leave all other issues off the table and instead would hope such matters could be dealt with in the amending process. And as such I implore my colleagues to come down to the floor, debate and offer amendments, and let us move forward on this simple, common sense and urgently needed reform.

I want to express my sincere hope that before this debate is over that we will have either passed this measure or will have come to agreement on how to move forward constructively on this very important subject.

Before I go on, I want to assure the Senator from Kentucky that I respect his opposition. I neither question his motives nor his integrity. He is a man who is willing to stand up and fight for what he believes in. The conduct of the debate in previous years has been characterized by mutual respect for the ideas and proposals of either side. I know I speak for the Senator from Wisconsin. I think it is important we maintain this debate on that level. I know we will do so as we have in the past.

Mr. President, will the banning of soft money clean up our elections completely? Of course not. But it is an important first step. Should more be done? Absolutely. For that reason, I hope we can engage in a constructive debate that addresses the concerns of senators from both parties who are sincerely interested in achieving genuine reform. We have an obligation—a duty—to at least close the most politically pernicious loophole in campaign finance law.

Let me stress at the outset, before reform opponents falsely charge proponents with an assault on the first amendment, that this legislation does not ban political speech, it is in truth about saving it. I want to protect the hard earned $100 contribution given by the small town business owner or union machinist to his or her Congressman. I want to protect the contribution of the local supporter, the little guy. The hard earned contribution given to a candidate by a voter, with a firm handshake and an honest look right in the eye and the expectation of good government, not a special corporate tax loophole or million dollar IOU to a union boss.

What this fight is all about is taking the $100,000 check out of American politics for good. It's about putting the little guy back in charge, and freeing our system from the corrupting power of the special interests bottomless wallet. It's about forcing our government to pay attention to the little guy, those people who actually cast votes to elect us, and not just to the richest in corporate America or the powerful union bosses.

We are blessed to be Americans, not just in times of prosperity, but at all times. We are a part of something noble; a great experiment to prove to the world that democracy is not only the most effective form of government, but the only moral government. And, at least in years past, we felt more than lucky to be Americans. We felt proud.

But, today , we confront a very serious challenge to our political system, as dangerous in its debasing effect on our democracy as war and depression have been in the past. And it will take the best efforts of every public-spirited American to defeat it.

The threat that concerns me is the pervasive public cynicism that is debilitating our democracy. When the people come to believe that government is so corrupt that it no longer serves their ends, basic civil consensus will deteriorate as people seek substitutes for the unifying values of patriotism.

A poll taken this July found that more than twice a many Americans—64 percent—feel disconnected from government as compared to those who feel connected to it. More than half of Americans—55 percent—refer to ''the government'' rather than ''our government.'' Mr. President, as elected officials, we should find this trend alarming.

We are a prosperous country, but many Americans, particularly the young, can't see beyond the veil of their cynicism and indifference to imagine themselves as part of a cause greater than their self-interest. This cynicism in younger Americans is particularly acute. Among younger Americans—those 18–34—69 percent feel disconnected from the government with one in three of that 69 percent feeling ''very disconnected.''

This country has survived many difficult challenges: a civil war, world war, depression, the civil rights struggle, a cold war. All were just causes. They were good fights. They were patriotic challenges.

We have a new patriotic challenge for a new century: declaring war on the cynicism that threatens our public institutions, our culture, and, ultimately, our private happiness. It is a great and just cause, worthy of our best service. It should not, and neither I nor my friend from Wisconsin will allow it to, be casually dismissed with parliamentary tactics.

Those of us privileged to hold public office have ourselves to blame for the sickness in American public life today. It is we who have squandered the public trust. We who have, time and again, in full public view placed our personal and partisan interests before the national interest, earning the public's contempt for our poll-driven policies, our phony posturing, the lies we call spin and the damage control we substitute for progress. It is we who are the defenders of a campaign finance system that is nothing less than an elaborate influence peddling scheme in which both parties conspire to stay in office by selling the country to the highest bidder.

All of us are tainted by this system, myself included. I do not make any claims of piety. I have personally experienced the pull from campaign staff alerting me to a call from a large donor. I do not believe that any of us privileged enough to serve in this body would ever automatically do the bidding of those who give. I do not believe that contributions are corrupting in that manner. But I do believe they buy access. I do believe they distort the system. And I do believe, as I noted, that all of us, including myself, have been affected by this system.

The opponents of campaign finance reform will tell you the voters do not care. They are wrong. Most Americans care very much that it is now legal for a subsidiary of a corporation owned by the Chinese Army to give unlimited amounts of money to American political campaigns. Most Americans care very much when the Lincoln bedroom is rented out to the highest bidder. Most Americans care very much when impoverished Indian tribes must pay large sums of money to have their voice heard in Washington. If their outrage seems muted, it is only because they have resigned themselves to the sad conclusion that this cancer on the body politic is incurable.

I think most Americans understand that soft money—the enormous sums of money given to both parties by just about every special interest in the country—corrupts both politics and government whether it comes from big business or from labor bosses and trial lawyers. It seizes the attention of elected officials who then neglect problems that directly affect the lives of every American. That is something about which each of us should care deeply.

Americans care deeply about reforming our Tax Code, improving education, reducing the size of Government, about improving our national security, and many other pressing national issues. But, fundamental reform is not possible when soft money and special interests demand a higher return on their political investments.

Most Americans believe we conspire to hold on to every political advantage we have, lest we jeopardize our incumbency by a single lost vote. Most Americans believe we would pay any price, bear any burden to ensure the success of our personal ambitions—no matter

how injurious the effect might be to the national interest. And who can blame them when the wealthiest Americans and richest organized interests can make six figure donations to political parties and gain the special access to power such generosity confers on the donor.

The special interests will tell you that the fight to limit soft money is an attack on the first amendment. They are wrong. They are entirely wrong. The courts have long held that Congress may constitutionally limit contributions to campaigns and political parties.

In the 1976 Supreme Court case Buckley versus Valeo the Justices affirmed Congress' right to uphold contribution limits in the name of preventing, and I quote, ''corruption and the appearance of corruption spawned by the real or imagined coercive influence of large financial contributions on candidates' positions and their actions.''

The Roger Tamrazes of the world, big tobacco, the labor unions, the trial lawyers, the corporate giants, and the endless number of special interests that grease their agenda with soft money know precisely what the court was saying.

Stopping corruption and the appearance of corruption was why in 1907, under the leadership of Republican President Teddy Roosevelt, corporations were barred from giving directly to political campaigns. Labor unions were similarly bound in 1947. Both of these bans have survived all court challenges and remain the law of the land—which is why claims that corporate and labor soft money is constitutionally protected are so absurd.

Stopping corruption and the appearance of corruption was why, in 1974, individual political action committee donations were limited. Should these amounts—and those limits on individual donors—be raised 25 years after they were enacted? Yes, they probably should. But that is reason for us not to engage in filibuster and obstruction and instead engage in constructive dialogue and the normal amendment process.

Stopping corruption and the appearance of corruption is why we must now close the loophole that allows unlimited amounts of soft money to overflow political coffers. Without the big dollar ''quid'' of soft money in the electoral process, there can be no legislative ''pro quo'' that neglects the national interest in favor of big donors. That is precisely what the Supreme Court had in mind in Buckley versus Valeo.

Some of my fellow Republicans have criticized my campaign finance reform proposals because they believe it leaves unaddressed the problem of union dues being used for political purposes against the wish of individual workers. I agree this is a problem that should be addressed, just as we should address the issue of corporate money being used for political purposes against the wish of stockholders. This legislation does seek to address that issue. First, as I have noted, the legislation codifies the Beck decision. And second, when we ban soft money, we are also banning union soft money. Let me emphasize this point. When we ban soft money, we are also banning union soft money spending which will have a dramatic effect on union influence in elections. Unions spend a great deal of soft money, most of it directed to elect Democrats and defeat Republicans. This bill will reduce that spending.

I have advocated codifying the Supreme Court's landmark Beck decision in which the court affirmed the right of nonunion workers to bar union dues they are forced to pay from being used for political purposes and to have that money returned to them. The Clinton administration has issued regulations that emasculate this rule. I believe it should be codified and enforced.

What could be more un-American, what could be more antithetical to the tenets of free political speech, than forcing workers to pay dues for election and political activities they oppose. The Beck decision should be codified, enforced, and even expanded. I would strongly support a commonsense expansion of Beck. And at the same time, we should find some mechanism to ensure that corporate contributions reflect the wishes of individual stockholders in a manner that mirrors what we do for unions.

If we can come to an agreement regarding the consideration of campaign finance reform in a fair manner, I am confident we could do much more to address the problems associated with labor union involvement in the political process.

If my colleagues believe more needs to be done, I would be pleased to entertain any legitimate ideas. However, to be clear, I will oppose any ideas that are meant merely to poison—or kill—any real possibility of enacting into law election reforms.

The sponsors of this legislation claim no exclusive right to propose campaign finance reform. We have offered good, fair, necessary reform but certainly not a perfect remedy. We welcome good faith amendments intended to improve the legislation.

But I beg my colleagues not to propose amendments designed to kill this bill by provoking a filibuster from one party or the other. If we cannot agree on every aspect of reform; if we have differences about what constitutes genuine reform, and we hold those differences honestly—so be it. Let us try to come to terms with those differences fairly. Let us find common ground and work together to adopt those basic reforms we can all agree on. That is what the sponsors of this legislation have attempted to do, and we welcome anyone's help to improve upon our proposal as long as that help is sincere and intended to reach the common goal of genuine campaign finance reform.

In closing, I reiterate that I believe we can work together. I believe the majority of the Members of this body realize that reform is necessary. I think we now have an opportunity to amend, to debate, and to come together. I hope we can achieve that goal.

In closing, I again thank my friend from the State of Wisconsin. My friend from the State of Wisconsin recently has felt a certain sense of loneliness because he has attempted to move this process forward in a fair, equitable, and reasonable fashion. The Senator from Wisconsin has shown his political courage. It has been a great honor and privilege for me to have the opportunity of working with him, and many others, in the cause of campaign reform.

Mr. President, I yield the floor.

Mr. FEINGOLD addressed the Chair.

The PRESIDING OFFICER (Mr. ALLARD). The Senator from Wisconsin.

Mr. FEINGOLD. Mr. President, I am very pleased the Senate is once again going to consider campaign finance reform.

I thank the senior Senator from Arizona. We have been at this effort now for almost 5 years. He has done so much, particularly in the last year, to raise this issue, not only within this body but throughout America. It has made an incredible difference in terms of the public's understanding, particularly of the problem soft money causes.

I also take note of one other Senator. There are many who have worked so hard on this, but I simply have to note the extreme dedication, hard work, and effectiveness of the Senator from Maine, SUSAN COLLINS, who has devoted herself to this cause as well.

This is not only a crucial issue to the health and future of the Congress but also for our democracy itself. My colleagues know it is my strong belief that this issue affects virtually everything we do in this Chamber.

I have spoken about the need for reform numerous times this year—15 times. Today is the 16th—on the Department of Defense appropriations bill. I call this the ''calling of the bankroll'' on specific campaign contributors with an interest in the bills we have considered.

Now the Senate has finally a chance to act. I am hopeful, as we begin this debate, that we can reach a consensus during the next few days and pass a campaign finance reform bill the House can accept and the President can sign.

This debate will undoubtedly be difficult and unpredictable. Unlike in past years, though, I hope this will not be a scripted debate where everyone basically knows the outcome in advance. We do not know exactly what is going to happen. We apparently are going to have the opportunity to offer and vote on amendments. We are going to legislate, not just make speeches for a couple of days and use parliamentary tactics to block reform. We are going to actually try to pass a bill.

I urge my colleagues, on both sides of the aisle, to keep an open mind and remember that what we are doing here

will affect all Americans. Every one of our constituents, every citizen in this country, has an interest in the health of our democracy. We have a great responsibility here, and I hope we are up to it.

There are many things wrong with our current campaign financing system. I hope this body will grapple with that system in a comprehensive way at some point—sooner rather than later.

For me—and I do not speak for anyone else—I believe ultimately we should move to a system of public financing of elections to free candidates from the demands of fundraising and free the legislative process from the influence of special interests.

I favor giving candidates more access to the airwaves at reduced cost so they can get their messages out to the public without having to spend all this time raising money. I believe the groups that run ads that attack candidates within a month or even a few days of an election should have to report their contributors and their expenditures, just as a campaign committee has to do.

This is the key point: It is clear that this Senate—I emphasize, this Senate—will not pass a comprehensive bill to deal with all or even most of the problems with the current system. We have known this for some time. In fact, the bill we considered in the last Congress was even significantly narrower than the comprehensive bill Senator MCCAIN and I first introduced in 1995. But during our 5-year effort, it has become more and more clear that soft money is the biggest loophole in this system and perhaps the most corrupting aspect of the system.

Soft money has exploded during those 5 years to the point where many Americans believe—and I share their belief—that the loophole has swallowed the election laws. In fact, the best statement I have heard on this was by the third cosponsor of the original McCain-Feingold bill, the Senator from Tennessee, the chairman of the Governmental Affairs Committee, FRED THOMPSON, who said plainly, without any legal jargon and all the other language we tend to use out here: Mr. President, we really don't have a campaign finance system anymore. That said it all. That captured the impact of soft money on our system.

So the bill that Senator MCCAIN and I have introduced and that we consider today essentially asks a very simple question: Will the Senate ban political party soft money or not? It is that simple.

This bill is a soft money ban, pure and simple. At this point it says nothing—nothing—about issue ads, nothing about disclosure or even enforcement. It does codify the Beck decision on union dues. It has minor changes with regard to certain aggregate limits on hard money contributions. But otherwise it leaves the status quo intact, except for one simple and crucial reform: This bill prohibits the political parties from accepting unlimited contributions from corporations, unions, and wealthy individuals.

This is what it says to the political parties: Stop the charade. Forget about the loophole that has swallowed the law. Live under the law Congress passed in 1974. Raise your money primarily from individuals, not corporations or unions, in amounts of $20,000 per year or less.

It is soft money that brought us the scandals of 1996—the selling of access and influence in the White House and the Congress, the use of the Lincoln Bedroom and Air Force One to reward contributors, the White House coffees. All of this came from soft money because, without soft money, the parties would not have been tempted to come up with ever more enticing offers to get the big contributors to open their checkbooks. It just would not be worth it to do all of that under the hard money limits. It is only the unlimited opportunity for the unlimited check that creates that kind of a temptation.

But today, both parties aggressively engage in this big money auction. It is an arms race where the losers are the American people. Soft money causes Americans, time and time again, to question the integrity and impartiality of the legislative process. Everything we do is under scrutiny and subject to suspicion because major industries and labor organizations are giving our political parties such big piles of money. Whether it is the telecommunications legislation, Y2K liability, the bankruptcy bill, defense spending, or health care, someone out there is telling the public, often with justification, in my view, that the Congress cannot be trusted to do what is best for the public interest because the major affected industries are giving us money while those bills are pending in committee or debated on the floor. I have tried, over the past few months, to highlight the influence of money on the legislative process through the calling of the bankroll. Time and time again, I have found that increasingly, the really big money, the money that many believe now has the biggest influence here, is soft money.

We have to clean our campaign finance house, and the best way to start is to get rid of soft money. Let us make rules that protect the people again in this country. With soft money, there are essentially no rules and no limits. With this bill, we can begin to restore some sanity to our campaign finance system.

To be candid—I don't like to admit it—when I came to the Senate, I wasn't even sure what soft money was, or at least I didn't know everything that could be done with it. After a tough race in 1992 against a well-financed incumbent opponent who spent twice as much as I did, I was mostly concerned with the difficulties of people who are not wealthy in running for office. My commitment to campaign finance reform was honestly forged from that experience.

But something has happened since I got here. Soft money has exploded, with far-reaching consequences for our elections and the functioning of Congress. I truly believe—and I didn't necessarily feel this way 3 or 4 years ago—if we can do nothing else on campaign finance reform in this Congress, we must stop the cancerous growth of soft money before it consumes us and ultimately the remaining credibility of our system.

I want to take a few minutes to describe to my colleagues in concrete terms, instead of talking about large sums of money in general, the growth of soft money over the past 6 years, all since I first came to the Senate not so long ago. It is a frightening story. I hope my colleagues, staff, and people watching will listen to these numbers because they are staggering.

As this chart shows, soft money first arrived on the scene of our national elections in the 1980 election, after a 1978 FEC ruling opened the door for parties to accept contributions from corporations and unions that are barred from contributing to Federal elections. The best available estimate is that parties raised, in that 1980 cycle, that first cycle, under $20 million in soft money. By the 1992 election, the year I was elected to this body, soft money fundraising by the parties had gone from under $20 million to $86 million.

Obviously, $86 million already was a lot of money. It was nearly as much as the $110 million the two Presidential candidates were given in 1992 in public financing from the U.S. Treasury. There was already real concern about how that money was spent. Despite the FEC decision that soft money could be used for activities such as get-out-the-vote and voter registration campaigns without violating the Federal election law's prohibition on corporate and union contributions in connection with Federal elections, the parties sent much of their soft money to be spent in States where the Presidential election between George Bush and Bill Clinton was close or where there were key contested Senate races, not necessarily connected to the purposes for which that money was supposedly allowed to be used.

Still, soft money, in 1992, was far from the central issue in our debate over campaign finance reform in 1993 and 1994. Then in 1995, when Senator MCCAIN and I first introduced the McCain-Feingold bill, our bill did include a ban on soft money, but it wasn't even close to being the most controversial or important provision of our bill. As far as we knew, no one paid any attention to it. I have my own original summary of our first bill. It is numbered 9 out of 12 items. We mentioned all other kinds of things first. It is just above ''ban on personal use of campaign funds,'' which was already essentially required by the FEC anyway. I am saying, I didn't realize, when I introduced this bill with Senator MCCAIN, what was about to happen.

Indeed, the Republican campaign finance bill introduced in the Senate in 1993, cosponsored by the Senator from Kentucky and many other opponents of reform on the Republican side, actually contained a ban on soft money. In 1993, they were very comfortable with the implications, constitutional issues and others, connected with stopping soft money. Apparently not today.

Then came the 1996 election and the enormous explosion of soft money fueled by the parties' decision to use the money on phony issue ads supporting their Presidential candidates. Remember those ads that everybody thought were Clinton and Dole ads but were really run by the parties? I remember seeing them for the first time in the Cloakroom. That was the moment when soft money began to achieve its full corrupting potential on the national scene.

As you can see on this chart, again, total soft money fundraising skyrocketed as a result. Three times as much soft money was raised in 1996 as in 1992. Let me say that again. Soft money tripled in one Presidential election cycle. What was the effect of this explosion of soft money, other than millions of dollars available for ads supporting Presidential candidates who had agreed to run their campaign on equal and limited grants from Federal taxpayers? The total dollars raised, as shown on this chart, don't tell the whole story. This talks about the total amounts. This talks about the campaign side of this problem of soft money. There is a whole other story, and that is the impact of these contributions on what we do here.

Soft money is raised primarily from corporate interests that have a legislative ax to grind. So the explosion of soft money brought another explosion—an explosion of influence and access in this Congress and in this administration. Consider these statistics on this chart. I hope people will note these figures. They amaze me. As long as I have been involved with this issue, they have amazed me.

In 1992, there were a total of 52 donors who gave over a total of $200,000 to political parties. In 1996, just 4 years later, 219 donors gave that much soft money. Over 20 donors gave over $300,000 in soft money contributions during the 1992 cycle. But in 1996, 120 donors gave contributions totaling $300,000 or more. What about over 400,000? In 1992, 13 donors gave that much soft money. But in 1996, it was all the way up to 79 donors giving $400,000 per person or interest. Whereas only 9 donors in 1992 gave $500,000—a half million dollars, Mr. President; people giving a half million dollars—by 1996, 50 donors gave a half million dollars.

Does anyone think those donors expect nothing for this act of generosity? Does anyone think those donors get nothing for their generosity? Does anyone think the principle of one person/one vote means anything to anyone anymore if somebody can give a half million dollars?

Here is another amazing statistic: This is even worse, to me. In 1992, only 7 companies gave over $150,000 to each of the political parties—double givers, we call them, who made contributions to both parties. In 1996, the number of these double givers was up to 43: Forty-three companies or associations gave $150,000 or more to both the Democrat and the Republican Party. I would suggest there is no ideological motive. This is not about their passion for good government. These donors are playing both sides of the fence. They don't care about who is in power. They want to get their hooks into whoever is controlling the legislative agenda.

Here are some of the companies in this rather exclusive group. We know they have a big interest in what Congress does: Philip Morris, Joseph Seagram & Sons, RJR Nabisco, Walt Disney, Atlantic Richfield, AT&T, Federal Express, MCI, the Association of Trial Lawyers, the National Education Association, Lazard Freres & Co., Anheuser Busch, Eli Lilly, Time Warner, Chevron Corp., Archer Daniel's Midland, NYNEX, Textron Inc., Northwest Airlines. Mr. President, it is a who's who of corporate America. These are the big investors in the U.S. Congress, and no one can convince the American people that these companies get no return on their investment. So we have an ever-increasing number of companies that are participating in this system, trying to make sure their interests are protected and their lobbyists' calls returned.

There is another effect of this explosion of soft money, and that is the increasing participation of Members of this body in raising it.

I do not know how many of my colleagues are actually picking up the phones across the street in our party committee headquarters to ask corporate CEOs for soft money contributions. But no one here can deny that our parties are asking us to do this. It is now simply expected that United States Senators will be soft money fundraisers.

Consider the soft money raised in recent off-year elections. In 1994, the parties raised a total of $101.7 million dollars. Only about $18.5 million of that amount was raised by the congressional and senatorial campaign committees. In 1998, the most recent election, soft money fundraising more than doubled to $224.4 million. And $107 million of that total was raised by the congressional and senatorial campaign committees. That's nearly half of the total soft money raised by the parties.

Half the soft money that the parties raised in the last election went to the several party campaign committees for members of Congress, as opposed to the national party committees.

When you hear all this talk about how the parties need this money generally, that is why they need soft money, and an awful of lot is not going to the parties generally. And I and many of my colleagues know from painful experience that much of that money ended up being spent on phony issue ads in Senate races. The direct contribution of corporate money to federal candidates has been banned in federal elections since 1907, but that money is now being raised by Senators as soft money and spent to try to influence the election of Senators. It is spent to try to influence the election of Senators. To me, this is a complete obliteration of the spirit of the law. It is wrong. It must be stopped.

The growth of soft money has made a mockery of our campaign finance laws. It has turned Senators into panhandlers for huge contributions from corporate patrons. And it has multiplied the number of corporate interests that have a claim on the attention of members and the work of this institution.

Mr. President, there is broad and bipartisan support for banning soft money. Former Presidents Bush, Carter, and Ford believe that soft money must be eliminated, as does a large and distinguished bipartisan group of former Members of Congress, organized last year by former Senator and Vice President Walter Mondale, a Democrat, and former Senator Nancy Kassebaum Baker, a Republican. Their effort has been joined at last count by 216 former members of the House and Senate. Senators Mondale and Kassebaum published an opinion piece in the Washington Post that eloquently spells out the rationale and the critical need to enact this reform.

They state that a ban on soft money would ''restore a sound principle long held to be essential. That bedrock principle, developed step by step through measures signed into law by presidents from Theodore Roosevelt to Gerald Ford, is that federal elections campaigns should be financed by limited contributions from individuals and not by either corporate or union treasuries. Neither candidates for federal office, nor the national political party committees whose primary mission is to elect them, should be dependent on the treasuries of corporations or unions that have strong economic interests in the decisions of the federal government.''

Mr. President, I ask unanimous consent that the full article by these two very distinguished former members of this body be printed in the RECORD at the conclusion of my statement.

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

(See Exhibit 1.)

Mr. FEINGOLD. As I mentioned, Mr. President, Senators Mondale and Kassebaum Baker put together a group of former members 216 strong who want to end soft money. One of those is former Senator Bill Brock, who also served as Chairman of the Republican Party. In an op-ed last year, Senator Brock dispelled the myth that the parties cannot survive without soft money. He stated: ''In truth, the parties were stronger and closer to their

roots before the advent of this loophole than they are today.'' He adds: ''Far from reinvigorating the parties themselves, soft money has simply strengthened certain specific candidates and the few donors who can make huge contributions while distracting parties from traditional grassroots work.''

Those are not just my sentiments; they are the sentiments of former Senator Brock, and he has it exactly right.

Our national political parties should be the engines of democracy, the organizers of individual donors and volunteers who care about big ideas and are willing to work for them. Instead they have become fundraising behemoths, obsessed with extorting the biggest chunks of cash that they can from corporate and wealthy donors. This is not what the two great political parties should be about Mr. President. Soft money has changed our politics for the worse Mr. President. And I think everyone in this body knows that.

Mr. President, I ask unanimous consent that a statement from Senators Mondale and Kassebaum-Baker that contains excerpts from a number of articles written by former Members of Congress on the topic of banning soft money be printed in the RECORD at the conclusion of my statement.

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

(See Exhibit 2.)

Mr. FEINGOLD. Mr. President, the bill the Senate is now considering accomplishes a ban on soft money in four simple ways. First, and most important, it prohibits the national political parties from raising or spending money that is not subject to the limits of the federal election laws. Second, it prohibits federal officeholders and candidates from raising money that is not subject to the election laws, except for appearing as a speaker at a fundraising event sponsored by a state or local political party. Third, to prevent soft money from being laundered through state parties and making its way back into federal elections, it requires state and local parties that spend money on certain federal election activities to use only money that is subject to the federal election laws. And finally, it prohibits the parties from soliciting money for or contributing money to outside organizations.

The amendment also makes some changes in the contribution limits of current law in a recognition of the new difficulties that parties may face as they are forced to go ''cold turkey'' in giving up soft money. It increases the amount that individuals can legally give to state party committees from $5,000 per year to $10,000 per year. And it increases the amount that an individual can give to all parties, PACs, and candidates combined in a year from $25,000 to $30,000.

This provision is tough, but it is fair. It allows federal candidates to continue to help raise money for their state parties by appearing at fundraisers. It permits the state parties until four months before an election to use non-federal money to conduct voter registration drives that will obviously benefit federal candidates as well.

Mr. President, I truly believe that we must do much more than ban soft money to fix our campaign finance system. But if there is one thing more than any other that must be done now it is to ban soft money. Otherwise the soft money loophole will completely obliterate the Presidential public funding system, and lead to scandals that will make what we saw in 1996 seem quaint. And the number of investors in this body will continue to skyrocket, with untold consequences on the work of this body and the confidence of the American people in their government.

Mr. President, we have some momentum. I was delighted this week to have us get another cosponsor on this bill, the Senator from Kansas, SAM BROWNBACK, and to also have the endorsement of one of the leaders from the other body, Congressman ASA HUTCHINSON. So we have had good momentum this week. I am pleased with that. I especially felt the momentum when last Friday I had a chance to go to Nashville, Tennessee, and I had the good fortune to meet an extraordinary woman, who is in Washington today. I'm speaking of Doris Haddock, from Dublin, New Hampshire. Doris has become known to many people throughout the country and around the world as ''Granny D.''

She is 89 years old. On January 1st of this year, she set out to walk across this country to call attention to the need for campaign finance reform and call on this body to pass the McCain-Feingold bill. As she said last week, voting for McCain-Feingold is something our mothers and grandmothers would want us to do. And coming from Granny D, this is not just a polite request—it is a challenge and a demand from one of the toughest and bravest advocates of reform I have ever had the pleasure to know.

I joined Granny D on the road last week, and as we walked together through the streets of Nashville, shouts of ''Go Granny Go'' came from every corner—from drivers in their cars, pedestrians on the sidewalk and construction workers on the job.

The response she got that day, and the support she gets every day on her walk across America, speak volumes about where the American people stand on this issue. They are fed up with a campaign finance system so clogged with cash that it has essentially ceased to function; they are frustrated by a Congress that has stood by and watched our democracy deteriorate; and today they are demanding that the U.S. Senate join Granny D on the road to reform by passing the McCain-Feingold bill.

Granny D and countless Americans like her are demanding, here and now, that this body act to ban soft money and begin to clean up our campaign finance mess. Granny has been walking across this country for more than nine months now—from California to Tennessee, in the sweltering heat and now in the growing cold, over mountains and across a desert. At age 89, she has braved all of this. And all she is asking U.S. Senators to do in return one simple thing.

What she's asking is not anywhere near as strenuous, and it won't take anywhere near as much time as what she has endured.

All she is asking the members of this body to do is lift their arm to cast one vote—a vote to ban soft money.

That's what she's asking, and I urge my colleagues not let her down. The time has past for the excuses, equivocations and evasions that members of this body have employed time and again to avoid passing campaign finance reform legislation. The time has come to put partisanship aside, to put our own ideal reform bills aside and finally put our democracy first—let's join Granny D on the road to reform.

I yield the floor.

EXHIBIT 1

[From the Washington Post, Aug. 17, 1998]

CAMPAIGN REFORM: FINISH THE JOB

(By Nancy Kassebaum Baker and Walter F. Mondale)

The House's finest moment of this Congress will soon become the Senate's great opportunity. The House's action on campaign finance reform is a demonstration of courage, conviction and bipartisanship. It shows that clear majorities of both houses, when permitted to vote, want to remove the blight of soft money from our national politics. Now it's up to the Senate to complete the job.

Soft money, the flood of corporate and union treasury funds and unlimited donations from individuals to national political committees that swamped the 1991 elections with a quarter-billion dollars, undermines protections built by the Congress over the course of a century. Each major safeguard skirted by soft money, beginning with the 1907 ban on corporate treasury donations, resulted from efforts to protect the integrity of American elections.

No less is at stake now. The significant House vote cannot be allowed to become just a gesture. The Senate's task—supported by principle and an appreciation of experience, priority and responsibility, is to ensure that this singular achievement of the House becomes a large stride toward enactment of campaign finance reform in this Congress.

Principle. A ban on soft money would not introduce any new principle into the law. It would, instead, restore sound principle, long held to be essential. That bedrock principle, developed step by step through measures signed into law by presidents from Theodore Roosevelt to Gerald Ford, is that federal election campaigns should be financed by limited contributions from individuals and not by either corporate or union treasuries. Neither candidates for federal office nor the national political party committees whose primary mission is to elect them, should be dependent on the treasuries of corporations or unions that have strong economic interests in the decisions of the federal government. As for individuals, who should always be the center piece of our national politics, the law should encourage the broadest participation possible, while establishing reasonable limits to avoid disproportionate power by those who can write the biggest checks.

Experience. Nearly every major controversy and excess of the last election was related to soft money. If earlier Congresses were unaware of the full consequences of the soft-money loophole, our experience in 1996 and the investigations by this Congress have removed ignorance as a defense for inaction. Legislators are often challenged by the uncertainty of future developments. But to see the future of American elections, one only needs to look at the present and multiply. Soft money in the first year after the 1996 election was raised at twice the rate it was raised four years ago. We are on the way to a half-billion dollars or more in soft money in the 2000 elections.

Priority. The urgency of action is clear. Congress should use the shrinking window of time this year to safeguard the next presidential election. In response to the trauma of a president's fall in Watergate, this country struck a bargain with its presidential candidates. Accept public funding in the general election and forgo private fund-raising. Three presidential elections—in 1976, 1980 and 1984—were faithful to that bargain. Now the American taxpayer provides public funding while presidential candidates and their parties engage in an unlimited soft-money arms race. No matter who wins, the country will be diminished if this continues to be the way our presidents are elected.

Responsibility. Without authorization by Congress, the Federal Election Commission cracked open the door through which corporate, union and unlimited individual soft-money contributions have poured. But Congress can no longer avoid the responsibility for making the fundamental choice about the basic rules that should govern the financing of federal election campaigns. It should vote to either approve the soft-money system or end it. Either way, to borrow Harry Truman's phrase, Congress must know that the public understands that the buck, literally, stops on Capitol Hill.

In sum, this is a time for the Senate to recognize the force of the observation of one of its noted leaders, Everett McKinley Dirksen, who opened the path to enactment of the Civil Rights Act of 1964 by reminding senators of the strength of an idea whose time has come. The time has come—as former presidents Ford, Carter and Bush, hundreds of former members of both parties and majorities in both Houses firmly believe—for Congress to protect the integrity of our national elections. Our common purpose should be no less than to allow the nation to look forward with pride to the character of the new century's first presidential election.

EXHIBIT 2

CAMPAIGN FINANCE REFORM—A STATEMENT BY NANCY KASSEBAUM BAKER AND WALTER MONDALE

June 15, 1998

A year ago, we released an open letter to the President and Congress calling on the Executive and Legislative Branches to debate and act on meaningful campaign finance reform. We included in the open letter our initial recommendation for several reforms—beginning with an end to ''soft money'' contributions to the national parties and their campaign organizations—on which agreement, in our view, could be attained.

Now, thanks to the extraordinary efforts of supporters of reform within and outside of the Congress, the House stands at the threshold of an important opportunity. And no one should underestimate how important and urgent its task is.

The issue of reform goes to the very heart of American democracy—to the trust and respect citizens can have in elections. Removing soft money will help restore the letter and spirit of existing campaign laws and reassure voters that they can again be the most important participants in elections.

Without action by this Congress on soft money, at the current fundraising rate, the 2000 presidential election will have more than a half billion dollars in soft money, double the amount of 1996.

Since our June 1997 open letter, we have been joined by hundreds of distinguished Americans who have helped to bring us all to this juncture. Foremost among them are former Presidents Bush, Carter and Ford, and also the 216 former Members of Congress who have signed a joint statement calling for reform.

Beyond lending their names to this effort, the former Presidents and former Members, in letters, guest editorials, and statements, have convincingly set forth the urgency and case for reform. The following brings together some of the main ideas that we and others have shared over the last year.

THE PRIMACY OF INDIVIDUAL VOTERS AND THEIR CONFIDENCE IN GOVERNMENT

As we wrote in the Los Angeles Times (September 22, 1997), ''Progress on reform is perhaps the most important step that can be taken to restore voter confidence in the ability of all citizens, regardless of wealth, to participate fully in elections. The failure of Congress to act will only deepen voter despair about politics.''

In a letter last June, former President Bush said, ''We must encourage the broadest possible participation by individuals in financing elections.'' Former Presidents Carter and Ford, in a joint article in The Washington Post (October 5, 1997) said, ''We must redouble our efforts to assure voters that public policy is determined by the checks on their ballots, rather than the checks from powerful interests.''

Former Senator and Republican National Committee Chairman Bill Brock underscored that point in a guest editorial in the Hill (April 29, 1998). ''The basic intent of the campaign finance laws that Congress enacted in the past is quite clear,'' he wrote, ''It is that campaigns should be funded by individuals (not corporations and unions). . . . Because Americans have long believed in individual responsibility as the best antidote to the threats of excesses of wealth and institutional power.'' And, as former Republican Senator Mark Hatfield wrote in the Washington Times (March 26, 1998). ''These prohibitions on corporate and union contributions reflect a basic idea: Individuals should be the dominant force in our political process.''

Writing in the Chicago Sun-Times (March 24, 1998), former House Republican Leader Bob Michel and former Representative, Judge, and White House Counsel Abner Mikya, made the point that ''[t]he cost to confidence in government of this breakdown in campaign finance regulation is high.'' Raising soft money, they explained, ''requires the sustained effort of elected and party officials, often one-on-one with donors, to raise—indeed, wrest—the large sums involved in soft money contributions. The entities and people from whom soft money is sought often have enormous economic stakes in government decisions. Corporate and other soft money donors frankly say they feel shaken down.''

Former Presidents Ford and Carter forcefully noted that soft money ''is one of the most corrupting influences in modern elections because there is no limit on the size of donations—thus giving disproportionate influence to those with the deepest pockets.''

IMPACT ON THE PRESIDENCY

As former Presidents Gerald Ford and Jimmy Carter expressed, it is vital for Congress ''to seize this opportunity for reform now so it can improve the next presidential election.''

Writing last week in the San Francisco Chronicle (June 3, 1998), former Representative and White House Chief of Staff Leon Panetta described the bargain the nation struck with its presidential candidates in 1974: in return for public financing of presidential elections, candidates would forego fundraising in general elections. ''. . . the elections of 1976, 1980 and 1984 elections showed that national elections could be run with fidelity to that bargain.''

Time is of the essence. As Leon Panetta observed, ''As difficult as the chances may seem, this Congress remains the best hope for enabling the nation to begin the new century with a presidential election of which it can be proud.''

As former Reps. Bob Michel and Abner Mikva observed about the coming House debate, ''Either [the House] will act to end the scourge of soft money'' or it ''will do nothing about letting the next presidential election become the biggest auction the country ever has know.''

RESTORING CONGRESSIONAL INTENT

''Congress never authorized soft money. ''Bill Brock wrote as he called on Congress to ''restore the spirit and the letter of election laws dating back decades,'' Reps. Michel and Mikva said, ''Congress never agreed to the creation of soft money. The loophole is a product of exceptions allowed by the Federal Election Commission that were expanded by aggressive fund-raising by both parties.''

Congress should decide whether it supports reforms dating back to the beginning of the Century. ''It's time for lawmakers to say whether soft money is good or bad for the system,'' Brock said.

STRENGTHENING PARTIES

Bill Brock, writing from the perspective of a former party chairman, dispelled the myth that soft money strengthens parties. ''In truth, parties were strongest and closer to their roots before the advent of this loophole than they are today.'' Far from reinvigorating the parties themselves,'' he observed, ''soft money has simply strengthened certain specific candidates and the few donors who can make huge contributions, while distracting parties from traditional grassroots work.''

Or, as we wrote in Roll Call (February 26, 1998), ''no one can seriously say more people vote or participate because of soft money. In fact, as soft money has skyrocketed, voter turnout has continued to decline.''

''Without soft money,'' we continued, ''the parties will have to work harder to raise money. But the benefits gained—by increasing the public's faith in democracy and reducing the arms race for cash—will far outweigh the cost.''

FOCUSING ON PRIORITIES

A consistent theme of our efforts, together with the former Presidents and other former Members, is that it is essential to take a first step toward reform, even while recognizing that further steps will need to be taken in the years ahead. Thus, as we wrote last July in The Washington Post (July 18, 1997), Congress ''should not delay action on those measures that can pass now.'' Or, as former Senator Al Simpson wrote in The Boston Globe (February 24, 1998), ''[Banning soft money] won't solve all the problems, but it sure will be a start, and it may even provide a sensible and responsible foundation on which many additional thoughtful reforms can be built. . . .''

And as the statement of more than 200 former members elaborates, ''we believe it is time to test the merits of different or competing ideas through debate and votes, but

that any disagreement over further reforms should not delay enactment of essential measures, beginning with a ban on soft money, where agreement is within reach.''

The PRESIDING OFFICER. The Senator from Kentucky.

Mr. MCCONNELL. Mr. President, here we are again. I think it is appropriate to say that campaign finance is a clinical term for ''constitutional freedom.''

Make no mistake, the essence of this debate is indeed freedom—fundamental first amendment freedom of speech and association guaranteed to every American, citizen group, candidate, and party. That is the view of the U.S. Supreme Court, the view of the American Civil Liberties Union, and the view of most Republicans. Soft money, issue advocacy, express advocacy, PACs, and all the rest are nothing more than euphemisms for first-amendment-protected political speech and association means of amplifying one's voice in this vast Nation of 270 million people.

It is important to remember that Dan Rather and Peter Jennings have a lot of speech, and the editorial page of the New York Times has a big audience. But the typical American citizen and the typical candidate, unless he or she can amass the resources to project their voices to a larger audience, just simply doesn't have as much speech as the press. So the means to amplify one's voice in this vast Nation of 270 million people is critical and constitutionally protected. It is no more complicated than that and no less vital to our democracy than the freedom of the press, which has taken a great interest in this issue.

Just thinking of the New York Times editorial page, for example, I think they have had 113 editorials on this subject since the beginning of 1997. That is an average of about one every nine days—issue advocacy, if you will, paid for by corporate soft money, expressing their view, which they have a right to do, on this important issue before us.

But as we look at this long odyssey of campaign finance reform, we have come a long way in the last decade, those of us who see through the reform patina—from the push 10 years ago for taxpayer financing of congressional campaigns and spending limits, and even such lunacy as taxpayer-financed entitlement programs for candidates to counteract independent expenditures, a truly bizarre scheme long gone from the congressional proposals but now echoed, interestingly enough, in the campaign reform platform of Presidential candidate Bill Bradley, who advocates a 100-percent tax—a 100-percent tax on issue advocacy. So if you were so audacious as to go out and want to express yourself on an issue, the Government would levy a 100-percent tax on your expression and give the money to whoever the Government thought was entitled to respond to it—a truly loony idea.

That was actually in the campaign finance bills we used to debate in the late 1980s and early 1990s and now is in the platform of one of the candidates for President of the United States, believe it or not.

So it was just 2 years ago that spending limits were thrown overboard from the McCain-Feingold bill and that the PAC and bundling bans were thrown overboard as well. Now the focus becomes solely directed at citizens groups and parties, which is the form McCain-Feingold took last year. Now, this month, the McCain-Feingold odyssey has arrived at the point that if it were whittled down any further, only the effective date would remain. As it is, McCain-Feingold now amounts to an effective date on an ineffectual provision.

Obviously, it is not surprising that that is my view. But it is also the view of the League of Women Voters, which opposes the current version of McCain-Feingold.

To achieve what proponents of this legislation profess to want to achieve—a reduction of special interest influence—if you want to do that, I think that is not a good idea at all, it is blatantly unconstitutional and the wrong thing to do. But if you wanted to do it, you would certainly have to deal with all the avenues of participation, not just political parties. Nonparty soft money as well as party soft money, independent expenditures, candidate spending—all of the gimmicks advanced through the years in the guise of reform—all would have to be treated, if you truly wanted to quiet the voices of all of these citizens, which is what the reformers initially sought to do.

The latest and leanest version of McCain-Feingold falls far short of that which would be needed if you were inclined to want to do this sort of thing to limit special interest influence. As the League of Women Voters contends—mind you, there is the first time I have ever agreed with them on anything—as they contend, you would have to treat all of the special interests if you were truly interested in quieting the voices of all of these Americans who belong to groups.

It could not be more clear that this sort of McCain-Feingold-light that is currently before us is designed only to penalize the parties and to shift the influence to other avenues. That is precisely what it would do. It could not be more clear. Prohibiting only party soft money accomplishes absolutely nothing. It is only fodder for press releases and would make the present system worse and not better.

That is quite aside from the matter of unconstitutionality and whether the parties have less first amendment rights to engage in soft money activities than other groups. If this were to be enacted, that issue would surely be settled by the Supreme Court, which is, of course, the Catch-22 of the reformers. The choice is between the ineffectual unconstitutional and the comprehensively unconstitutional. A younger generation would call that a choice between ''dumb and dumber.''

For reality ever to square with reformer rhetoric, the Constitution would have to be amended and political speech specifically carved out of the first amendment scope of protection.

There are those in this body who have actually proposed amending the Constitution. We had that debate in March of 1997. And, believe it or not, 38 Senators out of 100 voted to do just that—to amend the first amendment for the first time in 200 years to give the Government the power to restrict all spending, and in support of or in opposition to candidates. The ACLU calls that a ''recipe for repression.'' But that got 38 votes. You could at least give those people credit for honesty. They understand that in order to do what the reformers seek to do, you really would have to change the first amendment for the first time in 200 years.

So what the McCain-Feingold saga comes down to is an effort to have the Government control all spending by, in support of, or in opposition to candidates, with a little loophole carving out the media's own spending, of course.

That this effort is allowed to be advanced as reform is one of the tragedies of our time. Fortunately, enough Senators on this side of the aisle have had the courage to forestall this assault on freedom for the past decade and have proven by example that there is a constituency for protecting constitutional freedom.

Let me just say there is an excellent letter from the American Civil Liberties Union—a group that is an equal opportunity defender for an awful lot of Americans but is truly America's experts on the first amendment—to me, which I just got yesterday, which I ask unanimous consent to be printed in the RECORD.

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

AMERICAN CIVIL LIBERTIES UNION,
Washington, DC.

Hon. MITCH MCCONNELL,
Senate Office Building, Washington, DC.

DEAR SENATOR MCCONNELL: The ACLU is writing to express its opposition to the new, seemingly watered-down McCain-Feingold bill. While it is true that the most obvious direct legislative attacks on issue advocacy have been removed from this bill, S. 1593 continues to abridge the First Amendment rights of those who want to support party issue advocacy. The soft money restrictions proposed in S. 1593 are just another, less direct way to restrain issue advocacy and should therefore be opposed.

CONCERNS ABOUT SOFT MONEY RESTRICTIONS IN S. 1593

Soft money is funding that does not support express advocacy of the election or defeat of federal candidates, even though it may exert an attenuated influence on the outcome of a federal election. In other words, everything that is not hard money (express advocacy dollars) is soft money. Thus, soft money includes party funds and issue advocacy dollars.

Party soft money sustains primary political activity such as candidate recruitment,

get-out-the-vote drives and issue advertising. While candidate-focused contributions and expenditures and ''express advocacy'' can be subject to various restrictions or regulations, the Supreme Court in Buckley v. Valeo, 424 U.S. 1 (1976) held that all speech which does not ''in express terms advocate the election or defeat of a clearly identified candidate'' shall remain free from the same regulations that apply to hard money. ''So long as persons and groups eschew expenditures that in express terms advocate the election or defeat of a clearly identified candidate, they are free to spend as much as they want to promote the candidate and his views.'' 424 U.S. at 45 (emphasis supplied).

Indeed, the unrestricted use of soft money by political parties and non-party organizations like labor unions has been invited by Buckley and acknowledged by the Supreme Court. In Colorado Republican Federal Campaign Committee v. Federal Election Commission, 116 S.Ct. 2309 (1996), the Court upheld unlimited ''hard money'' independent expenditures by political parties on behalf of their candidates.

In Colorado, the Brennan Center provided the Court extensive charts and graphs detailing large individual and corporate soft money contributions to the two major parties that they asserted threatened the integrity of the FECA's federal contribution restrictions. (Brief, p. 8) Notwithstanding this ''evidence,'' the Court stated:

''We recognize that FECA permits individuals to contribute more money ($20,000) to a party than to a candidate ($1,000) or to other political committees ($5,000). . . . We also recognize that FECA permits unregulated ''soft money'' contributions to a party for certain activities, such as electing candidates for state office . . . or for voter registration and ''get out the vote'' drives. . . . But the opportunity for corruption posed by these greater opportunities for contributions is, at best, attenuated.'' Id. at 2316.

Restricting soft money contributions alone will only force more dollars into other forms of speech beyond the reach of campaign finance laws. Soft money restrictions also give even more power to the media to influence voters' choices and to characterize candidate records. If S. 1593 is adopted, less money will be available to parties to assert the platform embraced by candidates and non-candidate party members. A soft money ban will not solve the problem that candidates now have, which is the dearth of hard dollars available to run competitive campaigns. Because contribution limits have remained unchanged since the 1970's it is no wonder that other avenues (party soft money and issue advocacy soft money) have been exploited to influence the outcome of elections.

Te goal of the Common Cause-type reform advocates is to find all sources of money that may conceivably influence the outcome of elections and place them under the control of the Federal Election Commission. It is not possible within our constitutional framework to limit and regulate all forms of political speech. Further, it seems rather arrogant that some members of Congress believe that the candidates and the press alone should have unlimited power to characterize the candidates and their records. The rest of us must be silent bystanders denied our First Amendment rights to have our voices amplified by funding issue and party speech. Disclosure, rather than limitation, of large soft money contributions of political parties, is the more appropriate and less restrictive alternative.

Rather than assess how the limit driven approach caused our current campaign finance woes, we are asked to believe the fiction that the incremental limits approach in S. 1593 is the solution. The ACLU is forced to agree with the League of Women Voters who wisely withdrew their support for this legislation (albeit for different reasons) and asserted, ''. . . the overall system may actually be made worse by this bill.''

CONCERNS ABOUT POTENTIAL AMENDMENTS

Issue advocacy restrictions

Because issue ads generated from party and non-party sources have provoked the consternation of many members of Congress and so-called reform groups, it is likely that Senators will have the opportunity to vote on amendments that restrict issue advocacy. We urge the Senate to reject restrictions on issue advocacy because they violate the Constitution.

The Supreme Court in Buckley v. Valeo well understood the risks that overly broad campaign finance regulations could pose to electoral democracy. The Court said, ''[discussion of public issues and debate on the qualifications of candidates are integral to the operation of the system of government established by our Constitution.'' 424 U.S. at 14. The Court recognized that ''the distinction between discussion of issues and candidates and advocacy of election or defeat of candidates may often dissolve in practical application. Candidates, especially incumbents, are intimately tied to public issues involving legislative proposals and governmental actions. Not only do candidates campaign on the basis of their positions on various public issues, but campaigns themselves generate issues of public interest.'' 424 U.S. at 43. If any discussion of a candidate in the context of discussion of an issue rendered the speaker subject to campaign finance controls, the consequences for free discussion would be intolerable and speakers would be compelled ''to hedge and trim,'' Id., quoting Thomas v. Collins, 323 U.S. 516, 535 (1945).

The Court fashioned the express advocacy doctrine to safeguard issue advocacy from campaign finance controls, even though such discussion might influence the outcome of an election. The doctrine provides a hard, bright-line, objective test that protects political speech and association by focusing solely on the content of the speaker's words, not the motive in the speaker's mind or the impact of the speaker's opinions, or the proximity to an election, or the phase of the moon. The doctrine marks the boundary of permissible regulation and frees issue advocacy from any permissible restraint.

The Buckley Court could not have been more clear about the need for that bright line test which focuses solely on the speaker's words and which is now an integral part of settled First Amendment doctrine. It was designed to protect issue discussion and advocacy by allowing independent groups of citizens to comment on and criticize the performance of elected officials without becoming ensnared in the federal campaign finance laws. And it permits issue discussion to go forward at the time that it is most vital in a democracy: during an election season.

Although not as sweeping as other proposals, we believe that the Snowe-Jeffords amendment restricting issue advocacy should be opposed for the reasons stated above.

Specific Problems with the Shays-Meehan Substitute

It is our understanding the Sen. Tom Daschle (D, SD) and Sen. Robert Torricelli (D, NJ) will offer the House passed version of Shays-Meehan, H.R. 417. We urge Senators to vote against this measure. Shays-Meehan has a chilling affect on issue group speech that is essential in a democracy. H.R. 417 contains the harshest and most unconstitutional controls on issue advocacy groups.

This bill contains a permanent year-round restriction on issue advocacy achieved through redefining express advocacy in an unconstitutionally vague and over-broad manner. The Supreme Court has held that only express advocacy, narrowly defined, can be subject to campaign finance controls. The key to the existing definition of express advocacy is the inclusion of an explicit directive to vote for or vote against a candidate. Minus the explicit directive or so-called ''bright-line'' test, what will constitute express advocacy will be in the eye of the beholder, in this case the Federal Election Commission (FEC). Few non-profit issue groups will want to risk their tax status or incur legal expenses to engage in speech that could be interpreted by the FEC to have an influence on the outcome of an election.

It requires a two-month black-out on all television and radio issue advertising before the primary and general elections. The bill's statutory limitations on issue advocacy would force groups that now engage in issue advocacy—501(c)(3)s and 501(c)(4)s—to create new institutional entities—PACs—in order to ''legally'' speak within 60 days before an election. Groups would also be forced to disclose or identify all contributors to the new PAC. For organizations like the ACLU, this will mean individuals will stop contributing rather than risk publicity about their gift. The opportunities that donors now have to contribute anonymously to our efforts to highlight issues during elections would be eliminated. (This is a special concern for groups that advocate unpopular or divisive causes. See NAACP v. Alabama 357 U.S. 449(1958).) For many non-profits, being forced to establish PACs entails a significant and costly burden, one that can change the very character of the organization. Separate accounting procedures, new legal compliance costs and separate administrative processes would be imposed on these groups—a high price to exercise their First Amendment rights to comment on candidate records. It is very likely that some groups will remain silent rather than risk violating this new requirement or absorbing the attendant cost of compliance. The only entities that will be able to characterize a candidate's record on radio and television during this 60-day period will be the candidates, PACs and the media. Yet, the period when non-PAC issue groups are locked out is the very time when everyone is paying attention! Further, members of Congress need only wait until the last 60 days before an election (as it often does now) to vote for legislation or engage in controversial behavior, so that their actions are beyond the reach of public comment and, therefore, effectively immune from citizen criticism.

Shays-Meehan contains a misleading exception for candidate voting records. The voting records that would be permitted under this new statute would be stripped of any advocacy-like commentary. For example, depending on its wording, the ACLU might be banned from distributing a voting guide that highlights members of Congress who have a 100 percent ACLU voting records as members of an ''ACLU Honor Role.'' Unless the ACLU chose to create a PAC to publish such guides, we would be barred by this statute even though we do not expressly advocate the election or defeat of a candidate. Courts have clearly held that such a result is an unacceptable or unconstitutional restraint on issue-oriented speech.

It redefines ''expenditure,'' ''contribution'' and ''coordination with a candidate'' so that heretofore legal and constitutionally protected activities of issue advocacy groups would become illegal. Let's say, for example, that the ACLU decided to place an ad

lauding, by name, Representatives or Senators for the effective advocacy of constitutional campaign finance reform. That ad would be counted as express advocacy on behalf of the named Congresspersons under H.R. 417 and would be effectively prohibited. If the ACLU checked with key congressional offices to determine when this reform measure was coming to the floor so the placement of the ad would be timely—that would be an ''expenditure'' counted as a ''contribution'' to the named officials and it would be deemed ''coordinated with the candidate.'' An expanded definition of coordination chills legal and appropriate issue group-candidate discussion.

If these very same restrictions outlined above were imposed on the media, we would have a national First Amendment crisis of huge proportions. Yet, newspapers such as the Washington Post, the New York Times, the Los Angeles Times and other media outlets relentlessly editorialize in favor of Shays-Meehan—a proposal that blatantly chills free speech rights of others, but not their own. Let's suppose Congress constrained editorial boards in a similar fashion. Any time news outlets ran an editorial—60 days before an election or otherwise—mentioned the name of a candidate, the law now required them to disclose the author of the editorial, the amount of money spent to distribute the editorial and the names of the owners of the newspaper of the FEC, or risk prosecution. The media powerhouses would engage in a frenzy of protest, and you could count on the ACLU challenging such restraints on free speech. Yet, the press has as much if not more influence on the outcome of elections as all issue advocacy groups combined. Some voters are more likely go to the polls with their newspaper's candidate endorsements wrapped under their arm than carrying other issue group literature into the voting booth.

The Shays-Meehan bill contains misguided and unconstitutional restrictions on issue group speech and only works to further empower the media to influence the outcome of elections. None of the proposals seek to regulate the ability of the media—print, electronic, broadcast or cable—to exercise its enormous power to direct news coverage and editorialize in favor or against candidates. This would be clearly unconstitutional. It is equally unconstitutional to effectively chill and eliminate citizen group advocacy. It is scandalous that Congress would muzzle issue groups in such a fashion.

Finally, the ACLU has to be especially watchful of the Federal Elections Commission because it is a federal agency whose primary purpose is to monitor political speech. If Congress gives the FEC the authority to decide what constitutes ''true'' issue advocacy versus ''sham'' issue advocacy, the FEC is then empowered to become ''Big Brother'' of the worst Kind. Already, it has been, far too often, an agency in the business of investigating and prosecuting political speech. The FEC would have to develop a huge apparatus that would be in the full-time business of determining which communications are considered unlawful ''electioneering'' by citizens and non-profit groups. Further, Shays-Meehan contains harsh penalties for failure to comply with the new laws.

Restrictions on the First Amendment Rights of Legal Permanent Residents (LPRs)

Lawful permanent residents are stakeholders in our society. They send their children to our schools, pay taxes on their worldwide income, and like citizens, must register for the draft and serve if the draft is re-instituted. In fact, nearly 20,000 lawful permanent residents now serve voluntarily in the military. By no stretch of the imagination is their money ''foreign money.'' Lawful permanent residents must reside in the U.S. or they forfeit their green cards and right to remain. Moreover, the courts have repeatedly held that non-citizens in the United States have First Amendment rights, and this should include the right to make campaign contributions.

The Shays-Meehan campaign finance bill was amended to bar campaign contributions and expenditures from lawful permanent residents. It virtually guarantees that candidates and their campaign organizations will discriminate against new Americans because it threatens them with substantial penalties if they accept a donation they ''should have known'' came from a non-citizen. We urge you to reject any amendment to the McCain-Feingold bill that would bar such contributions.

Internet Political Speech Restrictions

We urge the Senate to support an amendment by Senator Robert Bennett (R, UT) that would prohibit the FEC from imposing restrictions on Internet commentary on candidates and their positions on issues. Attached is an ACLU press release that illustrates the draconian nature of FEC restrictions on free expression on the Internet.

Our Proposed Solutions

The ACLU believes that there is a less drastic and constitutionally offensive way to achieve reform: public financing.

If you believe that the public policy process is distorted by candidates' growing dependence on large contributions then you should help qualified candidates mount competitive campaigns—especially if they lack personal wealth or cannot privately raise large sums of money. Difficult questions have to be resolved about how to deal with soft money and independent expenditures. Some of these outcomes are constrained by constitutionally based court decisions.

But notwithstanding the nay-sayers who say public financing is dead on arrival, we should remember that we once had a system where private citizens and political parties printed their own ballots. It later became clear that to protect the integrity of the electoral process ballots had to be printed and paid for by the government. For the same reason the public treasury pays for voting machines, polling booths and registrars and the salaries of elected officials. In conclusion, we take it as a fundamental premise that elections are a public not a private process—a process at the very heart of democracy. If we are fed up with a system that allows too much private influence and personal and corporate wealth to prevail then we should complete the task by making public elections publicly financed.

Sincerely

LAURA W. MURPHY,
Director, Washington Office.
JOEL GORA,
Professor of Law, Brooklyn Law School and Counsel to the ACLU.
GREGORY NOJEIM,
Legislative Counsel.

Mr. MCCONNELL. Let me read some of the letter.

The AFL-CIO is writing to express its opposition to the new seemingly watered down McCain-Feingold bill. While it is true that the most obvious direct legislative attacks on issue advocacy have been removed from the bill, S. 1593 continues to abridge the first amendment rights of those who want to support party issue advocacy. The soft money restrictions proposed in S. 1593 are just another less direct way to restrain issue advocacy and therefore should be opposed.

I think that, plus the balance of the letter, sums up the constitutional arguments against the latest version of McCain-Feingold.

Earlier it had been my hope there would be an amendment offered by the other side. Seeing that is not the case, I am prepared to move forward and lay down the first amendment of this debate in which we are engaged.

AMENDMENT NO. 2293

(Purpose: To require Senators to report credible information of corruption to the Select Committee on Ethics and amend title 18, United States Code, to provide for mandatory minimum bribery penalties for public officials)

Mr. MCCONNELL. I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

A Senator from Kentucky [Mr. MCCONNELL] proposes an amendment numbered 2293.

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

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

The amendment is as follows:

At the appropriate place, insert the following:

SEC. ___. REQUIRING SENATORS TO REPORT CREDIBLE INFORMATION OF CORRUPTION.

The Standing Rules of the Senate are amended by adding at the end the following:

''RULE XLIV

''REQUIRING SENATORS TO REPORT CREDIBLE INFORMATION OF CORRUPTION

''(a) A Senator shall report to the Select Committee on Ethics any credible information available to him or her that indicates that any Senator may have—

''(1) violated the Senate Code of Office Conduct;

''(2) violated a law; or

''(3) violated any rule or regulation of the Senate relating to the conduct of individuals in the performance of their duties as Senators.

''(b) Information may be reported under subsection (a) to the Chairman, the Vice Chairman, a Committee member, or the staff director of the Select Committee on Ethics.''.

SEC. ___. BRIBERY PENALTIES FOR PUBLIC OFFICIALS.

Section 201(b) of title 18, United States Code, is amended by inserting before the period at the end the following: '', except that, with respect to a person who violates paragraph (2), the amount of the fine under this subsection shall be not less than $100,000, the term of imprisonment shall be not less than 1 year, and such person shall be disqualified from holding any office of honor, trust, or profit under the United States''.

Mr. MCCONNELL. Mr. President, the Senator from Wisconsin is here. We want to talk a little bit in the course of this debate on the amendment that I sent to the desk about the issue of corruption. There have been a lot of charges of corruption both on and off the floor. I think these are very serious charges and I think they warrant some discussion, not only for our colleagues but for the members of the public who are interested in this issue.

My colleague from Arizona gave a moving speech in Bedford, NH, a few months ago to kick off his Presidential campaign. In that speech, my friend from Arizona laid out his vision of America with strong, and I must say, compelling statements about what he firmly believes to be corruption in American politics. If there is one thing that is often said about our colleague from Arizona, it is that he is a straight shooter and that he calls it as he sees it. I certainly wouldn't argue with that.

Based on the Senator's speech in New Hampshire and his remarks about his legislation, I assume I am correct in inferring that the Senator from Arizona believes the legislative process has been corrupted. I think he said that in the Wall Street Journal today. I don't believe I am misquoting him. I hope I am not. I see his staffer on the floor. I don't want to be talking about your boss in his absence, and I hope I am not misquoting him. I certainly hope he will come back to the floor for this debate.

What I will do is run through a few of the recent statements of the Senator from Arizona about corruption to be sure that the Senate fully understands his strongly held views on this subject.

Again, I encourage my friend from Arizona to come back to the floor because I certainly don't want to be talking about him in his absence, although I will say these quotes are quite precise and I assure him that I am not misquoting his observations in any way.

The Senator from Arizona, in discussing the subject of campaign finance reform in Bedford, NH, on June 30 of this year said:

> I think most Republicans understand that soft money, the enormous sums of money given to both parties by just about every special interest in the country, corrupts our political ideals, whether it comes from big business or from labor bosses and trial lawyers.

Quoting further from my friend from Arizona, he says:

> In truth, we are all shortchanged by soft money, liberal and conservative alike. All of our ideals are sacrificed. We are all corrupted. I know this is a harsh judgment, [says Senator MCCAIN] but it is, I'm sorry to say, a fair one.

So the principal quote from my friend from Arizona is that ''We are all corrupted.''

He goes on to say:

> Pork barrel spending is a direct result of unlimited contributions from special interests.

My friend from Arizona, also on CNN Early Edition, July 1 of this year, said:

> We have seen debasement of the institutions of government, including the corruption of Congress because of the influence of special interests.

Further, my friend from Arizona said:

> Soft money is corrupting the process.

Then on Fox News, Sunday, on June 27 of this year, my friend from Arizona said:

> I talked to Republicans all over America, including up here in New Hampshire, and when I tell them about the corruption that exists they nod their heads.

My friend from Arizona goes on:

> I think that Americans don't hold us in the esteem and with the respect that the profession deserves and that's because the profession has become permeated with special interests, which have caused corruption, which have then caused them to lose confidence in government.

And the Senator from Arizona went on:

> I'm trying to eliminate the soft money which has corrupted our legislative process, and I think soft money has permeated American politics. It has corrupted the process and it has to be eliminated.

And then in New Hampshire on July 3:

> Young people think politicians are corrupt. Know what? We are [said the Senator from Arizona] all corrupt.

Then on This Week on ABC, October 3, 1999, George Will said to the Senator from Arizona:

> Have you ever been or can you name a Republican who has ever been corrupted by the Republican National Committee?

The Senator from Arizona said:

> Not by the Republican National Committee, but all of us have been corrupted by the process where big money and big influence—and you can include me in the list where big money has bought access which has bought influence. Anybody who glances at the so-called 1996 Telecommunications Reform Act and then looks at the results—which is an increase in cable rates, phone rates, mergers, and lack of competition—clearly knows that the special interests are protected in Washington at the public. And the public interest is submerged.

George Will said:

> This is soft money to parties, that itself leads to corruption of Republicans?

And the Senator from Arizona says:

> Of course it does, George, and you work there and you see it.

Now my colleague from Arizona, on the Telecommunications Act of 1996, said:

> During hearings for the 1996 Telecommunications Act, every company affected by the legislation had purchased a seat at the table with soft money.

Now that was in a Bedford, NH, speech of June 30 of this year.

Referring now to the web site of my colleague from Arizona, there are charts that list accusations and lists of projects. Let me quote from the web site:

> In the last several years while Republicans have controlled Congress, special interest earmarks in appropriations bills have dramatically increased. The rise in pork barrel spending is directly related to the rise of soft money, as Republicans and Democrats scramble to reward major donors to our campaigns.

Straight from the web site, ''It's Your Country.'' And then there are projects listed as examples of projects presumably inserted into bills as a result of soft money contributions.

There is $26 million to compensate fishermen, fish processors, and fishing crews negatively affected by restrictions on fishing in Glacier Bay National Park, and $70 million for expanding a livestock assistance program to include reindeer, both those projects in Alaska, projects which—I assume the allegation is—were inserted in a bill as a result of a soft money contribution, which, as we all know, can only go to political parties.

In the State of Utah, the site lists $2.2 million for sewer infrastructure associated with the 2002 winter games in Utah as an example of an appropriations insertion, presumably as a result of some soft money contribution to a political party.

Then it lists the State of Washington, $1.3 million for the WTO Ministerial Meeting in Seattle, WA, and an exemption for the Crown Jewel Mine, in Washington, to deposit mining waste on land adjacent to the mine.

Further, on September 26, 1999, the Daily Outrage from the web site says:

> The largest producer of ethanol, Archer-Daniels-Midland Corporation, who gave lavishly to both political parties—for their contribution, ADM recently received an extension of ethanol subsidies totaling $75 million. It also suggested that ADM also benefits from sugar support programs that keep the price of corn syrup artificially high. This sweetheart deal gets ADM another $200 million a year.

Then today in the Wall Street Journal, the Senator from Arizona says:

> In the past several years, while Republicans controlled Congress, earmarks in appropriations bills have dramatically increased. The reason for this pork barrel spending is that Republicans and Democrats are scrambling to reward major donors to their campaigns.

The Senator from Arizona, I see, is on the floor. I am just interested in engaging in some discussion here about what specifically—which specific Senators he believes have been engaged in corruption.

I know he said from time to time the process is corrupted. But I think it is important to note, for there to be corruption, someone must be corrupt. Someone must be corrupt for there to be corruption.

So I just ask my friend from Arizona what he has in mind here, in suggesting that corruption is permeating our body and listing these projects for the benefit of several States as examples.

Mr. MCCAIN. Does the Senator yield the floor?

The PRESIDING OFFICER (Mr. ROBERTS). The Senator from Arizona.

Mr. MCCAIN. Recently there was a book written by Elizabeth Drew called ''The Corruption of American Politics.'' I commend it to the reading of the Senator from Kentucky. In chapter 4 titled ''The Money Culture,'' she says:

> Indisputably, the greatest change in Washington over the past twenty-five years—in its culture, in the way it does business, and the ever-burgeoning amount of business transactions that go on here—has been in the preoccupation with money.

Striving for and obtaining money has become the predominant activity—and not just in electoral politics—and its effects are pernicious. The culture of money dominates Washington as never before; money now rivals or even exceeds power as the preeminent goal. It affects the issues raised and their outcome; it has changed employment patterns in Washington; it has transformed politics; and it has subverted values. It has led good people to do things that are morally questionable, if not reprehensible. It has cut a deep gash, if not inflicted a mortal wound, in the concept of public service.

That is basically what Elizabeth Drew, who has been around this town for many years, said in her book. She states:

Private interests have tried to influence legislative and administrative outcomes through the use of money for a long time. The great Daniel Webster was on retainer from the Bank of the United States and at the same time was one of its greatest defenders in the Congress. But never before in the modern age has political money played the pervasive role that it does now. By comparison, the Watergate period seems almost quaint.

There was a time when people came to Washington out of a spirit of public service and idealism. Engendering this spirit was one of John F. Kennedy's most important contributions. Then Richard Nixon, picking up from George Wallace, and then Ronald Reagan, in particular, derided ''federal bureaucrats.'' The spirit of public service was stepped on, but not entirely extinguished.

But more than ever, Washington has become a place where people come or remain in order to benefit financially from their government service. (A similar thing could be said of journalists—and nonjournalists fresh out of government service—who package themselves as writers, television performers, and highly paid speakers at conventions.)

I have for many years had a set of criteria indicating that which I have said we cannot, should not, abide. Perhaps a lot of it is because I am a member of authorizing committees. I took the floor here just a couple of hours ago to talk about $6.4 billion that was added to the Defense appropriations bill. I will have to get the statement again to refresh myself with the specific numbers, but $92 million was for military construction projects which had not been authorized—no hearing, nothing whatsoever that had to do with the authorizing followed by the appropriating process.

I worked with a number of organizations: Citizens Against Government Waste, Citizens For A Sound Economy, and other organizations in Washington that are watchdog organizations. We developed a set of criteria. Those criteria have to do with: Whether it was requested in the President's budget, whether there was an authorization, whether there was a hearing, et cetera. There are a number. They are on their way over, the criteria I have used for many years.

Because when you bypass the authorizing and appropriating process, you obviously do not, No. 1, abide by the prescribed way we are supposed to do business around here; but then it opens up to improper procedures.

We have 12,000 enlisted families on food stamps. Yet we will spend $92 million, and other funds, on programs that the Secretary of Defense says specifically are not of the priority on which to be spending money:

I have said for 10 years I have reviewed annual appropriations bills to determine whether they contain items that are low priority, unnecessary, or wasteful spending. In this process I have used five objective criteria to identify programs and projects that have not been appropriately reviewed in the normal merit-based prioritization process.

These criteria are: Unauthorized appropriations, unrequested locality-specific earmarks, research-facility-specific earmarks, and other earmarks that would circumvent the formal competitive award process, budget add-ons that would be subject to a budget point of order, transfer or disposal of Federal property or items under terms that circumvent existing law, and new items that were added in conference that were never considered in either bill in either House.

The web site goes on to say:

Senator MCCAIN's criteria are not intended to reflect a judgment on the merits of an item. They are designed to identify projects that have not been considered in an appropriate merit-based prioritization process.

I do not intend to let this debate, which is about banning soft money, get into some kind of personal discussion here. I simply will not do it, except to say that Elizabeth Drew has it right. Many other people who judge this town have it right. The fact is, there is a pernicious effect of money on the legislative process.

I refuse to, and would not in any way, say that any individual or person is guilty of corruption in a specific way, nor identify them, because that would defeat—

Mr. MCCONNELL. Will the Senator yield for a question?

Mr. MCCAIN. I would like to finish.

That would defeat the purpose because, as I have said many times before, this system makes good people do bad things. It makes good people do bad things. That is to go around the process which is prescribed for the Senate—the Congress of the United States—to operate under.

When I go to San Diego and I meet enlisted people who are on active duty who are required to stand in line for food, for charity, and we are spending money on projects and programs that are unwarranted, unnecessary, and unauthorized, I will tell my friend from Kentucky, I get angry.

I do not know much about the background of the Senator from Kentucky or his priorities, but I have mine. One is that I am not going to stand by without getting very upset when young Americans who are serving this country are on food stamps while we are wasting $6.4 billion in pork barrel projects.

All I can say to the Senator from Kentucky, if he wants to engage in this kind of debate, I think it will be a waste of our 5 days of time. But I believe, as Elizabeth Drew has said, this system is wrong, it needs to be fixed, and the influence of special interests has a pernicious effect on the legislative process.

The Senator from Kentucky is entitled to his view that he does not agree with that, or obviously the Senator from Utah. That is my considered opinion. But I will state to the Senator from Kentucky now, I am not in the business of identifying individuals or attacking individuals. I am attacking a system. I am attacking a system that has to be fixed and that has caused 69 percent of young Americans between 18 and 35 to say they are disconnected from their Government, that caused in the 1998 election the lowest voter turnout in history of 18- to 26-year-olds. Those 18- to 26-year-olds were asked: Why didn't you vote? And they said they believe we do not represent them anymore, because they have lost confidence. They say they will not run for public office, that they believe we are corrupt.

It is the appearance of corruption that is causing young Americans to divorce themselves from the political process, refuse to run for public office, and there is poll after poll and data that will so reflect.

Mr. MCCONNELL. Will the Senator yield for a question?

Mr. MCCAIN. I will be glad to yield for question.

Mr. MCCONNELL. By the way, I only quoted the Senator's comments and everything was quoted accurately. I raised the Senator's own words in the debate, words he has used as a justification for this bill that is currently before us.

I ask the Senator from Arizona, how can it be corruption if no one is corrupt? That is like saying the gang is corrupt but none of the gangsters are. If there is corruption, someone must be corrupt.

On the Senator's web site, he names some projects that he specifically says are in these bills as a result of soft money contributions which, of course, as we all know, cannot be received by anybody who votes anyway; they are given to a party.

I repeat my question to the Senator from Arizona: Who is corrupt?

Mr. MCCAIN. First of all, I have already responded to the Senator that I will not get into people's names. I will, indeed, repeat, again, to the Senator from the web site from which he is quoting. Here it is:

For 10 years, Senator MCCAIN has reviewed the annual appropriations bills to determine whether they contain items that are low priority, unnecessary, or wasteful spending. In this process, he has used five objective criteria.

And I go on to list them. That is why——

Mr. MCCONNELL. Does that equal corruption though?

Mr. MCCAIN. If the Senator from Kentucky will not accept that answer, there is no point in me continuing to answer. I have already answered.

Mr. MCCONNELL. I heard the answer, but the answer, I gather, deleted the word ''corruption.'' The suggestion is that these were inserted as a result

of some corrupt act by someone; is that right?

Mr. MCCAIN. No, that is not right. It is a system. It is a system that has violated the process and has therefore caused the American people to lose confidence and trust in the Government.

Mr. MCCONNELL. The Senator agrees ''corruption'' may not be appropriate. If there is no individual he can name who is corrupt, then ''corruption'' may not be the appropriate word; would the Senator agree?

Mr. MCCAIN. I would not, I say to the Senator from Kentucky. He is entitled to his views, his opinions, and his conclusions. I am entitled to mine.

Mr. MCCONNELL. I see the Senator from Utah.

Mr. BENNETT. I ask if the Senator from Arizona will yield further for a question?

Mr. MCCAIN. Yes, I will be glad to.

Mr. BENNETT. I am holding a copy of the web site in which the Senator from Arizona is quoted as follows:

In the last several years, while Republicans controlled Congress, special interest earmarks in appropriations bills have dramatically increased. The rise in pork barrel spending is directly related to the rise of soft money, as Republicans and Democrats scramble to reward major donors to our campaigns.

Immediately adjacent to that statement, as an example which ''will give you an idea of what laced this most recent trichinosis attack,'' again a direct quote from the web site:

. . . $2.2 million for sewer infrastructure needs associated with the 2002 Winter Olympics in Utah.

I plead guilty. I am the Senator who approached the Appropriations Committee to ask for that earmark.

I ask the Senator from Arizona if he can identify for me from the words he has used in the web site, ''the rise of soft money'' that came to me that caused me to approach the Appropriations Committee to ask for that money; specifically, I am going to ask the Senator from Arizona to identify the source of the money, the amount of the money, the recipient of the money that produced that which he describes on his web site as a direct result of, presumably, the money that was received.

Mr. MCCAIN. I will be glad to respond to the Senator from Utah. In September 19, 1997, I wrote a letter to the Senator from Utah. I never received an answer. A year later, I came to the Senator from Utah and handed him a copy of the letter. The Senator from Utah never answered.

Let me read parts from the letter to the Senator from Utah to remind him because he never answered the letter:

September 19, 1997, Honorable Robert F. Bennett, United States Senate, Washington, DC.

Dear Bob: I am writing about the recent efforts to add funds to appropriations measure for the 2002 Winter Olympics in Salt Lake City. By my count, the Senate has approved earmarks in three of the appropriations bills, earmarking $14.8 million for next year alone to fund various activities related to planning and preparation for the Utah Olympics. These funds were not included in the FY 1998 budget request, and many were not considered during the Appropriations Committee's review of the bills.

Bob, you are aware of my long history of opposing location-specific earmarks of taxpayer dollars. We discussed several of these amendments when they were offered, and I explained why I was particularly opposed to earmarking funds for the Olympics.

I have to say that I am disappointed with the approach being taken to earmark funding for the Utah Olympics. In light of the Republicans' long-fought efforts to balance the budget and provide relief to American taxpayers, and with all of the concerns about lack of federal resources to ensure that our children and less fortunate citizens are not unduly harmed as we reduce government spending, I am surprised that you would earmark millions of dollars for a sporting event. And I fear this is just the beginning—

And those fears in 1997 were well justified.

—if the experience of the Atlanta Olympics is any indication.

Of course, I understand your desire, and that of your constituents, to ensure that transportation, security, communications, and other support for the 2002 Olympics is completed in an efficient and cost-effective manner. However, I find it disturbing that adding money for the Olympics would be your highest priority, at least according to your staff.

Randomly adding millions of dollars to the appropriations bills, without benefit of appropriate Administration or Congressional review, is not the way business is done in the Senate, nor is it an appropriate way to ensure we spend the taxpayers' dollars wisely. That is why I have opposed unauthorized and location-specific earmarks in an appropriations bill, whether for the Olympics or for any other defense or domestic expenditure.

If this process, to which I am unalterably opposed, continues and these funds do not go through the normal authorizing and appropriating process, then I will have to use whatever parliamentary means are available to me to prevent further unauthorized expenditures of taxpayer dollars, for whatever purposes.

Again, Bob, I recognize that proper preparation for the Olympics is vital to the success of the games. It seems to me, though, that the best course of action would be to require the U.S. Olympic Committee, in coordination with the Administration and Congress, to prepare and submit a comprehensive plan detailing, in particular, the funding anticipated to be required from the taxpayers for this event. As you may know, the Commerce Committee, which I chair, has jurisdiction over the activities of the U.S. Olympic Committee. I am willing to work with you, the Administration, and the Olympic Committee to devise such a plan, and I will hold hearings in the Committee as expeditiously as possible to review the plan and provide appropriate authorization for appropriations in support of an approved plan.

Please call me so that we can start work immediately to establish some predictability and rationality in the process of preparing for Olympics events in our country.

Sincerely,

JOHN MCCAIN.

That was written to you in September of 1997, a little over 2 years ago. Since I received no response whatsoever, a year later I handed you a copy of this letter asking for a response. I know how busy you are, but I never got an answer.

But what I did see was exactly what I was warning about in 1997; that is, these unauthorized, unappropriated moneys going into an enterprise—which since then we have found out has maybe had some other problems associated with it, which my committee is going to have hearings about.

So my answer to you, sir, is that even in light of the fact that I wrote you a letter and then personally handed you a copy and beseeched you to go through the normal process of authorization and appropriation as prescribed by the rules of the Congress of the United States, you refused to do so; therefore, I identified it on my web site as not meeting the criteria that I mentioned before.

Now, I will repeat again what Elizabeth Drew wrote in her book that this process of money has done great damage to all of us and has had a pernicious and corrupting effect on the process.

But for you to say that this clearly unauthorized, unacceptable procedure, at least as far as my taxpayers are concerned, because the people of Arizona would at least like to have a hearing before their tax dollars go to the State of Utah—this is, in my view, something that we have to obviously fix.

I do not know if we will ever stop this practice of earmarking and pork barreling, but I will never stop resisting it. And I will never stop trying to see that the taxpayers of America receive an open and fair hearing before—I have forgotten. We will total it up for the RECORD later on how much you stuffed into the appropriations bills without a single hearing. We will total it up. In fact, I think it was—oh, yes, the GAO estimates that the Federal funding and support plan for the 2002 Olympics and Paralympics in Salt Lake City totals more than $1.9 billion in Federal funding.

I am on the oversight committee. We have never had a hearing on that oversight because it has never been requested. It has been stuffed into an appropriations bill, sometimes even in a conference report. I would think that the Senator from Utah might think that is not a good way to do business in the Congress of the United States, and it then gives rise—then gives rise—to the suspicion that young Americans have about the way we do business and whether they are well represented.

I go to schools in Arizona. I say to the schoolchildren, Do you know that $1.9 billion of your money and your parents' money is going to support the 2002 Olympics and Paralympics, without a hearing, without a decision as to whether it is needed or not, without any kind of scrutiny; that there is a Senator who goes through the appropriations process, puts it in an appropriations bill, and it is a line item that we read about?

Then maybe you can understand a little better why there is this suspicion, I would say to the Senator from

Utah. In fact, I would hope the Senator from Utah would, as a result of this dialogue, understand why people to whom I talk all over America are so upset about the way we are doing business here in Washington.

Mr. BENNETT. May I respond?

Mr. MCCAIN. I yield the floor.

Mr. BENNETT addressed the Chair.

The PRESIDING OFFICER. The Senator from Utah is recognized.

Mr. BENNETT. At some future point, Mr. President, I shall be happy to debate the appropriateness of Olympic appropriations with the Senator from Arizona. That was not my question.

The Senator from Arizona has not answered my question. And Elizabeth Drew is not capable of answering my question because Elizabeth Drew did not make the accusation.

The accusation is made on the web site ''It's YOUR Country.com'': ''The rise in pork barrel spending is directly related to the rise of soft money.'' And one example of that is the $2.2 million appropriation for sewer and infrastructure associated with the Winter Olympics.

My question to the Senator from Arizona was—and remains—not, is the appropriation for the Olympics appropriate or not? My question for the Senator from Arizona is, who gave the soft money? How much was it? And where did it go that resulted in my actions being taken?

Now, let me point out that it is possible to answer those questions with respect to corruption. I sat as a member of the Governmental Affairs Committee that examined what happened in the 1996 election.

I will give you three examples that I want to apply to this context. Then if the Senator from Arizona will give me an answer, I will yield to him for an answer to my question.

Example No. 1: Who gave the money? is the question. The answer is: Roger Tamraz, a fugitive from justice from many countries in the world.

Second question: How much? $300,000.

Third question: To whom? The Democratic National Committee.

Fourth question: What did he get for it? The answer is he got invited to the White House, a dinner with the President and a conversation with the President, that which is facetiously referred to as ''face time,'' despite the fact that the National Security Council told the White House that Roger Tamraz should not be allowed in the White House because of his background.

There are the four elements: Who gave the money? How much was it? Where did it go? And what was the quid pro quo? All four are identifiable. I would be willing to say that constitutes corruption.

Roger Tamraz gave $300,000 to the Democratic National Committee to earn entry into the White House and ''face time'' with the President, in spite of the warning by the National Security Council that he should not do that.

Example No. 2. The Riady family. Who gave the money? The Riady family. They were the largest single contributor to the Clinton campaign in the 1992 election. How much? I don't have that total. It was in the millions. To whom was it given? Soft money. It went to the Democratic National Committee.

What was the quid pro quo? The quid pro quo was the placing of John Huang in the Commerce Department where he could become, in the words of the Riadys—of James Riady—''My man in the U.S. Government.''

There are the four elements: Who gave the money? The Riadys. How much was it? In the millions. Where did it go? The Democratic National Committee. And what did they get? An appointment of their individual buried inside the administration.

No. 3, not quite as clear, but nonetheless the four elements are there. The Indian tribe that was approached by the Democratic National Committee, an Indian tribe that was one of the most impoverished in the United States.

What did they want? They wanted the return of what they considered to be ancestral lands. They were told, if they gave hundreds of thousands of dollars to the Democratic National Committee, they would receive the lands that had been taken away from them decades prior. They raised the money.

Where did the money come from? It came from the Indian tribes. How much was it? It was in the hundreds of thousands of dollars. Where did it go? It went to the Democratic National Committee. What did they get for it? In fact, they got nothing because the administration was unable to return the lands. That was the case of a scam, in my opinion, that is corrupt.

So I come back to this question to the Senator from Arizona, or anyone else who can answer it: With respect to the $2 million that was appropriated for sewer infrastructure in Utah, I want to know, who gave the money? How much was it? Where did it go? And where was the quid pro quo that I delivered on?

I am unaware of any money that was given by anybody in any amounts that influenced my action here. But I have been accused on a web site, for the entire world to see, of caving into soft money. I have been accused of being corrupt. I have been accused of doing something in this body solely because—and I quote—''The rise in pork barrel spending is directly related to the rise of soft money.'' As I say, I will engage in a debate over the wisdom of Federal support for the Olympics in another time and in another venue. The issue has nothing to do with that question. The issue is whether or not a Member of the Senate, when he is accused of corruption, has a right to know the details of the corruption; whether a Member of the Senate has the right to know, when his young people are told by one of his colleagues that he is corrupt and, therefore, the young people in his State may be discouraged from running for public office or may feel ill about the system, because they are told their Senator is corrupt, he has the right to know the details of that corruption accusation. I believe that is a fundamental right of every Member of this body.

I am asking the Senator from Arizona to answer those questions: Who gave the money? How much was it? Where did it go? How did it affect my actions with respect to the Appropriations Committee?

I am prepared to yield to the Senator from Arizona for an answer to that, if he wants to do it now, or I will give him a chance to research it, if he prefers. It has nothing to do, in my view, with Elizabeth Drew or with actions within the Appropriations Committee so much as it has to do with the accusation that has been made about me personally, to which I take personal offense.

Mr. MCCONNELL. If the Senator will yield for one observation before Senator MCCAIN responds, Senate rule XLIII seems to be the rule that applies here. It says: The decision to provide assistance may not be made on the basis of contributions or services, or on promises of contributions or services, to the Member's political campaigns or to other organizations in which the Member has a political, personal, or financial interest. That is Senate rule XLIII relating to constituent service, which appears to be the applicable Senate rule in this situation.

Mr. BENNETT. Mr. President, I am prepared to yield to the Senator from Arizona to respond if he wishes.

Mr. SCHUMER. Will the Senator from Utah yield for a question?

Mr. BENNETT. I am happy to yield to the Senator from New York.

Mr. SCHUMER. I thank the Senator from Utah for yielding and I understand his anger and anguish about this specific allegation. I do not wish to comment on the details other than to say I have complete respect for the integrity of the Senator from Utah and have witnessed it in my time here.

My question is this: Given all of the examples he has mentioned, some of which he thinks are conclusive cases—first I think it was three, and then he said the fourth was maybe a little less conclusive

Mr. BENNETT. Two and then three.

Mr. SCHUMER. Excuse me. The two he said were conclusive and the third possibly conclusive. The allegations that he feels, at least in my judgment, correctly, wounded about, don't all of these questions and particularly the cases that the Senator has laid out—and I am not commenting on whether I agree with his cause and effect—make as strong a case as we have seen for passing some campaign finance reform? Doesn't it importune the gentleman from Utah, and so many others in this Chamber, that we pass something because all of these allegations fly

around? And in fairness to the Senator from Arizona, when I heard his response, he was talking about appearances as opposed to realities, but appearances that are damaging to the body politic, whether there is reality or not.

My question to the good Senator from Utah is, once again, don't the instances that he has outlined, the ones not referring to himself but the ones he believes fervently about the Democratic National Committee, motivate him to fight very hard that we pass something, not allow a filibuster to prevent us from passing it, and do something good for campaign finance reform? It seems to me the logic is sort of inexorable, as inexorable as the logic of the Senator's piercing questions about his specific case.

I thank the Senator for yielding and ask him to respond.

Mr. BENNETT. I am happy to respond. If I were convinced the legislation before us would achieve the result that is claimed for it, I would vote for it happily. My concern with the legislation before us is that it, in fact, would make things worse rather than better. We can discuss that and those details at an appropriate point in the debate.

I don't want to dodge it because I think the point the Senator from New York is making is a legitimate one, and his logic is, indeed, inexorable. The one hole I see in it is his assumption that this bill before us would work. My conviction, after reading it carefully, is that it not only would not work but would do serious damage to our first amendment rights.

I come back to the fundamental question we are dealing with in terms of the spirit of this debate and the spirit in which it is cast. This debate is being cast in the national press and over the Internet and, indeed, in the Presidential campaign as a debate between the incorrupt and the corrupt. I have been labeled as being on the side of the corrupt, and I don't like it.

If I am, I want to be identified in such a way that makes it clear that I am, instead of in a broad brush kind of way. One of the things we all try to avoid is tarring people with broad brushes. This is not a broad brush. This is a specific charge that then is drawn over into the broad brush of ''we are all corrupt.'' I want to know from whom did the money come, how much was it, and to what organization did it go that caused me to take the action I took.

In the absence of being able to produce those statistics, I think the charge that I am corrupt should be withdrawn. That is what I am saying. That is what I am going to continue to say as a matter of personal privilege until we get this thing resolved. It has nothing whatever to do with the merits or demerits of funding for the Olympics on the Federal level. It is a question of my position, of personal integrity, that, in my view, has been impugned on a web site available to the entire country.

Mr. MCCAIN. Does the Senator yield the floor?

Mr. BENNETT. I will yield for a response to my question. If it means yielding the floor, I am happy to yield the floor.

The PRESIDING OFFICER. The Senator from Kentucky.

Mr. MCCONNELL. I don't want to keep the Senator from Arizona from responding, if he is ready to.

Mr. MCCAIN. I would like the floor to respond.

Mr. MCCONNELL. I yield the floor.

The PRESIDING OFFICER. The Senator from Arizona.

Mr. MCCAIN. Mr. President, first of all, the Senator is incorrect. I did not accuse him of being corrupt. No apology or withdrawal is warranted.

Secondly, the Senator engaged in a continuous practice of violating the rules of the Senate, which require authorization and then appropriation, for several years now. I hope that the Senator, as a product of this debate, will seek an authorization for the $1.9 billion which the GAO has identified as going to the Olympics. The Olympics have had a lot of problems in addition to that. I hope the Senator will address those as well.

The third point is, indeed, banks and securities gave $14 million in soft money. They got, in the last tax cut, $38 billion in tax breaks.

Restaurants and hotels gave $3 million in soft money; they got $14 billion in tax breaks.

The oil and gas industry gave $19 million in soft money; they got $5 billion in tax breaks.

Between 1991 and 1997, the chemical, iron, and steel manufacturing industries gave $22.2 million in soft money to the political parties. The 1999 tax bill included a provision to eliminate the alternative minimum tax, which will allow these industries to completely eliminate their tax liability in any one year. If the bill had not been vetoed, this single change would have saved these industries $7.9 billion over an 8-year period or almost $1 billion a year.

Over the last decade, the oil industry has given $22 million in soft money donations to the political parties. What did they get? The 1999 tax bill included a provision to remove the current limit of 35 percent on Federal tax credits that oil companies can take for taxes they pay to foreign countries. If the bill had not been vetoed, the provision would have allowed oil companies to take much larger credits against their tax liability, saving them $800 million a year; return on investment, 3,600 percent.

Between 1995 and 1998, the restaurant and hotel industry gave $4.3 million in soft money to the political parties.

The 1999 tax bill included a provision to increase tax deductibility of business meals to 60 percent, although the industry wanted 100 percent. If the bill had not been vetoed, this provision reviving the three-martini power lunch would have cost taxpayers $4 billion over the next 10 years. The list goes on and on, I say to the Senator from Utah.

Now, the specific language says in the appropriations bill:

> Special interests unlimited campaign contributions were a key ingredient in the pork stew that is choking the American people.

They were a key ingredient in all of these that I described. Perhaps they were not in the case of the Senator from Utah. Perhaps the Senator from Utah just decided to violate the rules of the Senate, and he is free to do that, although I will do everything in my power to see that this $1.9 billion is restrained.

Now, I finally want to mention an incident. I was in the Republican caucus when a certain Senator stood up and said it was OK for you not to vote against the tobacco bill because the tobacco companies will run ads in our favor.

I yield the floor.

The PRESIDING OFFICER. The Senator from Kentucky is recognized.

Mr. MCCONNELL. Mr. President, the Senator from Arizona has not named the Senators who were allegedly responsible for inserting all of the provisions that he listed in various and assorted bills, which he suggests were inserted as a result of soft money contributions to political parties.

So the question remains: Who were the Senators?

There was, however, at the end of his remarks, a not-so-veiled reference to this Senator, to which I would like to respond. Senator MCCAIN suggested, I assume, as I heard him correctly a few moments ago, that as a result of the tobacco debate last year—and I might mention to my colleagues I have 45,000 tobacco growers; before the Clinton administration, I had 60,000 tobacco growers, and they are falling daily. These are the hard-working farmers engaged in producing a legal crop that representatives of Kentucky, regardless of party, seek to defend.

In any event, Senator MCCAIN brought up the way the tobacco debate ended last year, and there were allegations in the paper that this Senator, the Senator from Kentucky, had said to everyone: Don't worry about defeating the tobacco bill, the tobacco companies will be out there doing issue ads.

As a result of that assertion, there was a complaint filed against me, and I want to refer to a letter from the Justice Department of January 29, 1999, to Chairman ORRIN HATCH:

> I am writing in further response to your letter of September 8, 1998, regarding the complaint filed with the Federal Election Commission by the National Center For Tobacco-Free Kids. Consistent with the Department's longstanding practice, we deferred any inquiry until issues arising under the Federal election laws have been reviewed by the FEC. We did, however, agree to review the portions of that complaint related to 18 U.S.C. 201 [which is a criminal statute]. After careful examination, the criminal division has concluded that there is insufficient

evidence to warrant a criminal investigation.

So the suggestion that the Senator from Arizona was making was that I, representing 45,000 tobacco growers, was somehow trying to defeat a tobacco bill because of some alleged assistance by the tobacco industry to political parties. I might say to the Senator from Arizona, I am deeply offended by that. I don't know who are the most important and largest number of constituents in Arizona that he works for, but I try to help the 45,000 tobacco growers in my State. I try to defeat tobacco bills when they come before the body, as did Wendell Ford of the Democratic Party when he was here all those years. I don't need any contribution from anybody to myself, to the National Republican Senatorial Committee, any of our parties, or anybody, to stand up and defend the 45,000 tobacco growers from my State.

So I repeat to the Senator from Arizona, the question before us is not reading a list of what he considers to be inappropriate projects. That is not the issue. The issue is, where is the corruption? You cannot have corruption unless somebody is corrupt. There is not corruption without somebody being corrupt. You can't say the gang is corrupt and none of the gangsters are. If the Senator from Arizona believes there is corruption, he has an obligation, under the Senate rules and the Federal bribery statute, to name the people. Who is being corrupt? Who are the people putting all of these items in these bills? What was their impetus for doing it? Who made the contribution, as the Senator from Utah said, and to whom? Where is the corruption?

Mr. MCCAIN. Does the Senator yield the floor?

Mr. MCCONNELL. Yes.

Mr. MCCAIN. Mr. President, I have responded. It is time to move on. If the Senator from Kentucky has an amendment concerning this issue, I will be glad to address it. I have responded, and I will continue to respond. I am trying to change a system that corrupts all of us. I believe there is ample evidence, as I have cited, of this system's pernicious effect, in my view, and in the view of most objective observers. I am not going to let this debate, in the few days we have, get bogged down on this issue. It is time we move on with the amending process. I have responded. I have said to the Senator from Utah and the Senator from Kentucky that I am fighting a system here. I will continue to fight that system, with its pernicious effects on the American people.

Mr. President, I yield the floor.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Chair observes that the priority of recognition is determined, first, by Senator LOTT, the majority leader; second, the distinguished Democratic leader; third, by the manager of the bill; and also the designee of the minority leader; or by service on the committee of jurisdiction in order of seniority.

In that regard, I recognize the Senator from Kentucky.

Mr. MCCONNELL. I thank the Chair.

Mr. President, we are not bogged down; we are just getting started. We just took the bill up a few moments ago. At the heart of this whole debate—elevated now to a Presidential campaign—are allegations of corruption.

All I am asking is a very simple question: Where is the corruption? The Senator from Utah is trying to get an answer to his question, and I haven't heard it yet. I know the State of Washington is also listed on the web site. I wonder if the Senator from Washington would also like to take the floor. I ask my colleague from Washington if he has also noted the web site that we were discussing earlier, in which a couple of projects from Washington are referred to.

Mr. WELLSTONE. Mr. President, may I make an inquiry?

Mr. MCCONNELL. I believe I have the floor.

Mr. WELLSTONE. I have a question; that is all it is.

I ask my colleague from Kentucky, for those of us who want to debate this larger question, how long will you continue with this attack of Senator MCCAIN on the floor? How much longer is that going to happen?

Mr. MCCONNELL. Mr. President, I thank my friend from Minnesota for his question.

I now turn to the Senator from Washington and ask him if he noted on the web site the suggestion about $1.3 million for the World Trade Organization's ministerial meeting in Seattle, WA, the Senator's State, and an exemption for the Crown Jewel mine in Washington State to deposit mining waste on additional land adjacent to the mine. Listed on the web site of Senator MCCAIN are examples of ''pork barrel spending is a direct result of unlimited contributions from special interests.''

Mr. GORTON. The Senator from Kentucky is correct. There are quotations from Senator MCCAIN's web site. There are two that I thought particularly bizarre coming from one of my closest friends in the Senate.

The first of those two is——

Mr. FEINGOLD. Mr. President, I ask the Chair, who has the floor?

The PRESIDING OFFICER. The Senator from Kentucky has the floor.

Mr. FEINGOLD. I wonder how a Senator can ask another Senator to yield the floor.

Mr. MCCONNELL. Mr. President, as I understand it, seniority is a factor in the floor recognition. If I yield the floor, the Senator from Washington would be the senior Senator on the floor to be recognized first.

Mr. FEINGOLD. I don't believe one Senator can ever yield the floor to another Senator.

The PRESIDING OFFICER. If the Senator yields the floor, it is the judgment of the Chair to recognize whichever Senator would rise to his feet and be recognized.

Mr. MCCONNELL. I believe I have the floor.

The PRESIDING OFFICER. The Senator from Kentucky has the floor.

Mr. MCCONNELL. I believe the Senator from Washington would surely——

Mr. GORTON. I ask the Senator from Kentucky to yield for a question.

Mr. MCCONNELL. I yield to the Senator from Washington for a question.

Mr. GORTON. In the web site to which the Senator from Kentucky has referred, there is the statement by the primary sponsor of this bill that ''pork barrel spending is a direct result of unlimited contributions from special interests.''

The first example in the——

Mr. MCCAIN. The Senator is incorrect. Will the Senator yield? The Senator is incorrect. He is incorrect in his statement. The statement says ''a key ingredient''—the ''key ingredient.'' It doesn't say that it is the cause of it. So I hope the Senator will at least quote my web site accurately.

Mr. GORTON. I am reading from what I believe is the web site. I think one sentence in the paragraph that doesn't have——

The PRESIDING OFFICER. The Senator will suspend. The Senator from Kentucky has the floor, and the Senator is posing a question to the Senator from Kentucky.

Mr. GORTON. I pose a question to the Senator from Kentucky.

Mr. MCCONNELL. I yielded to the Senator from Washington for a question. Is that permissible?

The PRESIDING OFFICER. The Senator is correct.

Mr. GORTON. To the best of my knowledge, I say to the Senator from Kentucky, I am reading from a web site of the Senator from Arizona, which includes the sentence that says, and I quote, ''Pork barrel spending is a direct result of unlimited contributions from special interests.''

In this particular list, entitled ''The List Goes On and On,'' the very first example is a $1.3 million earmark for the World Trade Organization ministerial meeting to be held in Seattle, WA.

Just what pork barrel spending is and just how that spending is a result of unlimited contributions from special interests is a matter that the Senator from Washington fails totally and completely to understand.

I say to the Senator from Kentucky that the appropriation was the result of a request made by the U.S. Trade Representative in what I believe is a Democratic administration to the two Senators from Washington for assistance in financing a governmental operation—a U.S. governmental operation—the U.S. Trade Representative's participation in that World Trade Organization meeting to be held in Seattle.

I ask the Senator from Kentucky, since the Senator from Arizona has refused to answer these questions of him,

or similar questions from the Senator from Utah, how in the world can an appropriation to a unit of the U.S. Government to conduct trade negotiations be either pork barrel spending or the result of unlimited contributions from special interests? Can the Senator from Kentucky enlighten me on an answer to that question?

Mr. MCCONNELL. I say to my friend from Washington that I am mystified. I do not recall a situation where you have corporate contributions to the government that might then—it is a mysterious thing to think that kind of a proposal could be a result of soft money. It is important to remember that candidates for office can't receive soft money anyway. The contribution is to a party, and parties don't vote. I am astonished by the allegation. I am not sure I can answer the question because it is a mystery.

Mr. GORTON. A second question: There is a second accusation on another portion of the web site: The part that ''This 'Pork Delight' took the form of the 1999 emergency supplemental appropriations bill. Special interest unlimited campaign contributions were a key ingredient in the pork stew that is choking the American people.''

One of those is, ''An exemption for the Crown Jewel mine in Washington State to deposit mining waste on additional land surrounding the mine, even though other mines were denied similar permission.''

First, I ask the Senator from Kentucky, I don't see any appropriations or any use of the taxpayers' money in that connection. I have checked with the mining company in question that tells me they have never made a soft money contribution to any party or any group whatsoever.

I have letters from the county commissioners of the county in question praising this action—in fact, from a labor union that is usually not a supporter of the Senator from Washington on the same account—because this is one of the most poverty-stricken counties in the State of Washington, the Federal Government having closed almost all the timber harvests on public lands, other organizations having bought up other timberlands to prevent their harvest, and the administration being in the process of cutting off irrigation water to farmers. After 7 years of study and $80 million in complying with every single environmental law in the State of Washington, or for that matter the Federal Government, this company was denied its permit after a 100-year policy by a single bureaucrat.

I ask the Senator from Kentucky, in the absence of an answer from the Senator from Arizona, isn't this what we are supposed to do, represent our constituents? What soft money contribution could possibly have influenced this? One may certainly disagree with the policy.

Mr. MCCONNELL. I say to my friend from Washington that it is inconceivable to me how a soft money contribution to a political party would have anything to do with a project for a Senator's home State. I am mystified by the connection. It is astonishing.

We have here rampant charges of corruption and yet no names are named, no transactions are named. You know it is not unusual for the newspapers looking to sell copies or talking heads looking for air time to point to an alignment of interests among member parties, issue groups, and contributors and speculators maybe even going so far as to infer that official actions were taken in exchange for campaign support.

Mr. GORTON. Will the Senator yield for a question?

Mr. MCCONNELL. I yield for another question.

Mr. GORTON. The Senator from Arizona said he wants to get back to the issues involved. I assume the Senator from Kentucky would agree with me that reasonable Members can differ on questions of high public policy, on the way in which we finance political campaigns, on how the Constitution of the United States with its unequivocal demand that Congress shall pass no law respecting the freedom of speech should be interpreted; that all of these are appropriate matters for debate, but that they are far better debated upon the merits, and, in general, accusations of a corrupt system, and rather specific examples pointed at individual Members without the slightest degree of proof, without evidence at all that they were related in any respect whatsoever to this matter—that these are separate questions but they are related questions when the proposition——

Mr. WELLSTONE. Mr. President, I call for regular order.

Mr. GORTON. Should result from—

The PRESIDING OFFICER. The Senator from Kentucky has the floor and has yielded for a question.

Mr. GORTON. These unproven allegations.

Does the Senator from Kentucky agree that these are separate but highly related and relevant questions?

Mr. MCCONNELL. I agree completely with the Senator from Washington. What we have here suggests that there can be corruption but no one is corrupt.

How can there be corruption unless someone is engaging in corrupt activity? I say to my friend from Washington, as I said earlier in this debate, that is similar to saying the gang is corrupt but none of the gangsters is.

It is shocking to have these allegations when there are no specifics.

Mr. BENNETT. Will the Senator yield for a question?

Mr. MCCONNELL. Yes.

Mr. BENNETT. In response to my comment, the Senator from Arizona said I was violating the rules of the Senate in terms of what I was doing. He said he had not accused me of corruption. The Senator from Kentucky has been in the Senate longer than I and been on the Appropriations Committee longer than I. I ask, have my actions been violative of the rules of the Senate?

Mr. MCCONNELL. I say to my friend from Utah, no rule of which I am aware.

What we really are talking about in this particular debate on this particular amendment, which I will describe in a moment and have not described yet, is the whole notion that there is corruption. Yet no one is named. Somebody is alluded to, as the Senator from Utah and the Senator from Washington were, yet there is no proof.

Mr. BENNETT. If I could ask an additional question, is the appropriations process, as it has been followed in this Congress and previous Congresses under Republican leadership and democratic leadership, in and of itself, demonstrative of corruption if there is an appropriations action that is not authorized?

The Senator is the chairman of the Ethics Committee, and I see the other member of the Ethics Committee leadership on the floor in the form of Senator REID. I ask, is this process, as it is being practiced and handled, virtually on a routine basis, violative of the rules of the Senate?

Mr. MCCONNELL. If to appropriate an unauthorized sum of funds were a violation of Senate rules, there would be a lot of Senators in trouble around here. We try to do it through the authorization and then appropriations process, but to suggest that it is somehow unsavory or inappropriate behavior for there to be an appropriation without an authorization I think is stretching the matter quite a distance. There is certainly nothing improper about it.

We can have a policy argument about whether every single item ought to be authorized—and most of them are—but it certainly would not be appropriate to cast aspersions on the integrity of a Member of the Senate for trying to deliver something for his or her home State that might have at some point not been authorized by an authorizing committee.

What is new is Senators who serve here, walking these Halls every day, who meet with their fellow Senators every day, who watch their fellow Members take official actions every day, go before the American people and declare openly and with great conviction that votes are being bought in the Halls of the U.S. Capitol. When Senators make those kinds of allegations about their colleagues, I think we are suggesting they ought to back it up. They ought to back it up.

There are specific rules in the Senate that prevent taking an official action in order to reward somebody for a contribution. In addition to that, we have bribery statutes involving public officials:

Any public official who ''directly or indirectly,'' corruptly, demands, seeks, receives,

accepts, or agrees to receive or accept anything of value personally or for any other person or entity, in return for . . . being influenced in the performance of any official act . . . shall be fined under this title . . . or imprisoned for not more than 15 years, or both, and may be disqualified from holding any office of honor, trust, or profit under the United States.

We have suggestions of violations not only of Senate rules but of Federal bribery statutes, without specifics. That is unfair to the Members of this body who are doing their very best to represent their constituents who are honest, hard-working, and good citizens. It is unfair to the Members of the Senate to have these aspersions cast on their honor and the honor of this institution.

There is an amendment at the desk which is the subject of this debate. Let me describe what it would do. It is an amendment that would amend the Senate Code of Conduct to create an affirmative duty for all Senators who report any credible information of corruption directly to the Ethics Committee. As a former chairman of the Ethics Committee, I am familiar with Ethics Committee rule 3 that requires every member of the Ethics Committee to report credible information of corruption to the committee.

The charges of corruption that are being made in this body require Members to extend the Ethics Committee rule to the full Senate. In the past, there has been an affirmative duty on the part of members of the Ethics Committee to report information about corruption directly to the committee. I think that now should be extended to the whole Senate because we have a number—at least two Members of the Senate—who have been alleging corruption. They have an affirmative duty, if this amendment passes, to report that corruption to the Ethics Committee so we can all get to the bottom of it because these allegations demean the entire Senate.

The message of this amendment is simple. If any Member of this body knows of corruption, he or she must formally report it to the Ethics Committee. In addition, the amendment also amends the Federal Criminal Code to establish mandatory minimum penalties for public officials who engage in corruption.

Our criminal law is full of mandatory minimum penalties already. We have imposed them for a variety of different offenses over the years. For example, arson on Federal property requires a mandatory minimum penalty of 5 years in prison; special immigration attorneys disclosing classified information requires a mandatory minimum penalty of 10 years imprisonment; bribery involving meat inspectors requires a minimum of 3 years imprisonment; bribery involving harbor employees requires a minimum of 6 months imprisonment.

We have mandatory minimum penalties for bribery involving harbor employees and meat inspectors. Surely it is not too much to ask we establish mandatory minimum penalties for bribery involving public officials.

My amendment establishes that a conviction involving bribery of public officials as set forth in 18 USC 201 triggers a mandatory minimum penalty of $100,000, 1 year imprisonment, and disqualification from holding any office of honor, trust, or profit under the United States.

As Henry Clay once stated, ''Government is a trust and the officers of the government are trustees.'' I believe that principle to be true. These amendments firmly establish the principle in our Senate Code of Conduct in our criminal law.

Before we pass laws that restrict the free speech rights of every American citizen, we should restrict ourselves. Let's regulate the 100 men and women who cast votes in this great body before we regulate the speech of more than 250 million Americans.

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

The PRESIDING OFFICER. Is there objection?

Mr. MCCONNELL. I object.

The PRESIDING OFFICER. Objection is heard.

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

The PRESIDING OFFICER. Is there objection?

Mr. MCCONNELL. I object.

The PRESIDING OFFICER. Objection is heard.

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

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

The Senator from Wisconsin.

Mr. FEINGOLD. Mr. President, I thank the Senator from Kentucky.

Mr. MCCAIN. Will the Senator yield for one question?

Mr. FEINGOLD. Yes.

Mr. MCCAIN. I know the Senator is aware, but for clarification, on my web site I state the general proposition that soft money creates pork barrel spending. I then identify a recent appropriations bill as an example of how big the problem of pork barrel spending is. Nowhere should it be interpreted that every single one of those pork barrel projects are as a result of soft money. But they are a result of a violation of criteria that I have held for 10 years, which the Senator from Utah seems to think is OK, which bypasses the authorizing process. I am sure the Senator from Wisconsin appreciates it.

Who is corrupted by this system? All of us are corrupted by it because money buys access and access is influence. The object is not to get into a vendetta about who is corrupted and who is not because the system is what needs to be fixed. We would never fix the system if I got into a business of finger pointing, name calling. For 10 years I have identified pork barrel spending which violates a process and criteria set up, not by me, but by the Citizens Against Government Waste, Citizens For a Sound Economy, National Taxpayers Union, and other objective and respected watchdog organizations.

Finally, I would say I hope the Senator from Wisconsin will ask the Senator—I am ready to accept his amendment by voice vote. I hope the Senator from Kentucky appreciates the fact that we entered into this agreement and did not hold up the Senate so we could have an amending process going back and forth on both sides of this issue. I hope that is what will be adhered to.

I also would say it is customary in this body to recognize one Member on this side of the aisle and another Member on the other side of the aisle, with the exception of the distinguished majority leader and Democrat leader. So I hope we could get some comity in this process, as we had intended to do at the beginning as part of the agreement.

I ask my friend from Wisconsin if he agrees with that?

Mr. FEINGOLD. I thank the Senator from Arizona for his question. I certainly do agree with it. I appreciate the way he said it.

I think we all agreed early on we would easily accept an amendment such as this. I want to make a couple of comments before we go forward with it.

I think a serious omission has been made in this conversation about what the standard is with regard to corruption. The Supreme Court in Buckley v. Valeo did not just speak of corruption, which is the standard the Senator from Kentucky insists on. It also clearly refers to the appearance of corruption. So any suggestion that we have to demonstrate in this case or that case that there is actual corruption flies directly in the face of what the law of the land is under Buckley v. Valeo. So there is not a problem with the amendment itself. I question how much it has to do with the debate before us. I think it is irrelevant unless the Senator from Kentucky believes we do not have bribery laws, but I don't see any problem with it.

Mr. BENNETT. Will the Senator yield for a question?

Mr. FEINGOLD. I will in a moment. I want to make a few comments because it was very difficult to get the floor, given the method of recognition used this morning.

But the irony of this amendment, even though it certainly is acceptable, is that the corruption that is so evident is evident as a moral matter; it is a matter of governance. It is not recognized by the current law—except perhaps in cases I don't know about—as

actual legal violation or a crime. The corruption our bill seeks to ban now is perfectly legal. That is the point. It is perfectly legal and it would not be reached as a legal matter by this amendment. This amendment would not reach the kind of soft money contribution we are talking about.

The Senator from Kentucky knows this very well and almost revels in the loophole that would swallow the law. It is very important to recognize because I hope someday this gets before the U.S. Supreme Court.

The Senator from New York said: Well, we already have a record of at least the appearance of corruption as provided by the Senator from Utah.

Remember, our bill doesn't just affect congressional soft money; it also affects money used in Presidential elections, and thanks to the Senator from Utah, we now have on the record for the Justices to examine, his conclusion—which I believe is a fair statement—that you at least believe there was an appearance of corruption with regard to the Mr. Tamraz situation and the Indian tribe situation.

I have to tell you, when I saw the TV show about the contributions with regard to the Indian tribe, it was one of the saddest things I have ever seen. Just as a citizen of this country, not as a Senator, if that didn't have the appearance of corruption, I don't know what would.

To suggest there is a connection between soft money and an appearance of corruption is very legitimate, and I thank the Senator from Utah for putting on the record three examples of what I think easily qualify as appearances of corruption. Certainly, the American people regard it as the appearance of corruption. That is the standard. The standard is not what the Senator from Kentucky is trying to make the standard, that we have to walk in here with documented corruption that is tantamount to bribery. There are laws on the books for that. The whole point is these practices are perfectly legal and nobody should be in trouble under the law for doing something that is perfectly legal.

Let me read from Buckley v. Valeo because this is the central confusion on this whole debate this morning, that somehow the standard is that Senator MCCAIN or I or somebody else has to walk in here with evidence of corruption. In fact, it would probably be a violation of rule XIX of the Senate if we did. But that is not even our point. It doesn't have to do with individual Members of the Senate; certainly not anything I have tried to do. Let me read from what the Court said. The Court specifically pointed out that you don't have to prove bribery in order to have a justification for some kind of limits on campaign contributions. The Court said:

> Laws making criminal the giving and taking of bribes deal with only the most blatant and specific attempts of those with money to influence governmental action. And while disclosure requirements serve the many salutary purposes discussed elsewhere in this opinion, Congress was surely entitled to conclude that disclosure was only a partial measure and that contribution ceilings were a necessary legislative concomitant to deal with the reality or the appearance of corruption inherent in a system permitting unlimited financial contributions, even when the identities of the contributors and the amounts of their contributions are fully disclosed.

This is where the Senator from Kentucky is not properly stating what the Court asked for. The Court does not say it must be only the reality of corruption. The Court says it may be the appearance of corruption, and that is often going to be in the eyes of the beholder. And Senators can disagree about what is the appearance of corruption and can amass evidence for the record of what may be the appearance of corruption, and that is what I have done by my calling of the bankroll and nobody objected for 14 times when I pointed out what appears to be a corrupting influence of multihundred-thousand-dollar contributions. It is not only the appearance of corruption, but that this is inherent, according to the Supreme Court, it is of the nature of large contributions. So this bar that the opponents of reform raise for us, that somehow we have to come in here with a pile of evidence of what everybody knows is true; that is, that soft money has a very inappropriate influence on our legislative process—I reiterate, not an illegal influence. That is why we need a law. That is why we are here. We need to make these kinds of unlimited contributions clearly illegal once again.

Mr. President, I certainly have no problem with accepting the amendment, having had the opportunity to express my view that this debate, thus far, was not directly related to the issue of soft money. But I will be happy to yield for a question from the Senator from Utah.

Mr. BENNETT. Mr. President, I appreciate the comments made by my friend, and I ask him if, in his opinion, the appropriation of funds that are not authorized is an automatic appearance of corruption.

Mr. FEINGOLD. What is it again? I did not hear the question.

Mr. BENNETT. The question is, When the Appropriations Committee appropriates money that has not been previously authorized, is that prima facie an appearance of corruption?

Mr. FEINGOLD. I do not think it is possible for anyone to determine for everyone else what an appearance of corruption is. It is our responsibility as a legislative body to look at the total record of what is going on in our campaign finance system and to determine whether the American people believe the various things we do have an appearance of corruption and whether there is a remedy for it.

I do not think it has anything to do with any particular part of the process. I think any part of the process can be perfectly clean at any point, but if there is an abuse at some point, a very large contribution at the wrong time, it is not about whether technically it is legal. It is about whether a large body of the American people would consider—for example, a $200,000 contribution given 2 days after the House marked up a bankruptcy bill by MBNA. OK, it is not illegal. Conceded. Maybe it is not even corrupt, but it certainly has an appearance of corruption to me and I think to many people. That would be a concrete example of where the appearance of corruption may occur.

Mr. BENNETT. I thank the Senator for that example because he named a name, the source, and he named an amount, the $200,000. He did not name the recipient. Was it to the Republican National Committee?

Mr. FEINGOLD. I believe it was the Republican Senate campaign committee——

Mr. BENNETT. National Republican Senatorial Committee?

Mr. FEINGOLD. Yes. On the 16 occasions I came to the floor and read out these contributions, I was careful to identify both sides. In my opening statement, I identified not only groups that would be more likely to support Republicans but Democrats, and in every instance I am referring to an appearance of corruption that the American people may see in looking at this. I am not making any allegation of illegality. But the issue here is the appearance of corruption under Buckley v. Valeo.

Mr. BENNETT. I thank the Senator for that because, as I say, he has responded with things I have requested with respect to the allegations that I was under the appearance of corruption which I have not yet received.

Mr. FEINGOLD. Will the Senator yield for a question?

Mr. BENNETT. The Senator has the floor.

Mr. FEINGOLD. Let me ask, in response, when you became aware of the allegation against yourself?

Mr. BENNETT. It was several days ago when my attention was called to it on the web site. I wrote to the Senator from Arizona and told him I was going to raise this on the floor because I did not want him to be blindsided by it. I wanted to be as courteous as possible. But in my letter to the Senator from Arizona, I told him I was disturbed, indeed offended, by this and intended to raise it. Therefore, I have kept my word to the Senator from Arizona.

My question still goes to the response that I have had which is that the appearance of corruption comes from appropriations that are unauthorized. I want my friend to address this directly because he has been the outspoken advocate of this appearance of corruption question.

Mr. FEINGOLD. As I said earlier, it is perfectly possible on an occasion that the kind of procedure the Senator has talked about could give rise to an

appearance of corruption. It is not something one can sort of determine by a series of court rulings. The question is, Do we as legislators find that our constituents see that sort of thing as appearing corrupt and, therefore, do we legislate a response to it? That is the standard for legislatures, not the standard for the court which is trying to convict someone of a crime.

Mr. BENNETT. But the standard I am trying to understand that has been raised in this debate today is that any time a Senator achieves an appropriations—as I say, I plead guilty. I make no attempt to hide this. I plead guilty as having been the Senator who approached the Appropriations Committee in request of this particular item.

It has been raised here that by virtue of the fact that I did that on an item for which there was not a previous appropriation, that in and of itself is an appearance of corruption, and I am asking the Senator if he agrees with that characterization.

Mr. FEINGOLD. I simply cannot say for the general public on that particular example how they would react. That is not my role. My job as a representative is to react to what people respond to when you point out various things that have been done. I do not know what the response would be to the particular incident.

Some people might, obviously, as you say, think you were successful in doing something for your constituents. I know from my own experience as a Senator that you have to be very careful about the appearance as you move forward with something, not for purposes of our debate but for purposes of how it might look to your constituents. So you look to your constituents and you look to your sense of what people are feeling about the system for an answer to your question.

In answer to your question, there is no automatic connection between every time a Senator does something for an interest and corruption—of course not—or the appearance of corruption. But the question is, How do the American people feel about the process?

What I am saying is, what this debate is about, because we got into the issue of soft money, is whether there is a level of contribution, whether the dollars get so high that the Supreme Court's language of it being inherently appearing corrupt comes into play. I suggest when you get into high numbers of contributions, you cannot avoid the appearance of corruption. You may avoid actual corruption, but you cannot avoid the appearance of corruption when we increasingly have the reality of people giving $500,000 apiece.

Mr. BENNETT. If I can ask the Senator an additional question—and I appreciate his comments; I think we are getting somewhere—will the Senator agree that the appearance of corruption would be much lower if there were no contribution identified at all, which is the case in the circumstance that I have raised? There has been no contribution identified from anyone connected with this in any form. Does the Senator not agree, therefore, that the appearance of corruption here would be pretty low?

Mr. FEINGOLD. Again, I do not know the specifics of the case the Senator is discussing. Obviously, given the issue we are raising about soft money, the strongest case is made if you demonstrate large soft money contributions. That is most likely to lead to an appearance of corruption.

Mr. MCCAIN. Will the Senator yield for another question?

Mr. FEINGOLD. Yes.

Mr. MCCAIN. Is the Senator aware this is a straw man because what I said, and I repeat for about the tenth time:

Special interests and unlimited contributions were a key ingredient—

And then I listed a whole bunch. I have listed for 10 years on my web site unauthorized appropriations to which I have taken great offense. I have argued that they are wrong. I will continue to argue they are wrong, and if the Senator from Utah wants to somehow interpret the fact that soft money is a key element or is not a key element in his particular appropriation, that is fine. I am telling the Senator from Utah that I listed a lot of projects. Some fall into the category of unauthorized appropriations.

I have said it now about five times, and I hope we can move forward. We only have 5 days of debate. I hope we can move forward with various amendments and allow other Members to make statements; otherwise, we rapidly approach the appearance of a filibuster which was not the agreement that Senator FEINGOLD and I entered into with the majority leader when we began. There are Senators who have been waiting to give statements. There are Senators who have been waiting to give speeches. And we have massaged this issue rather significantly.

Again, I ask the Senator from Wisconsin if he agrees with me, the way we usually function in the consideration of legislation is proponents of the legislation have an amendment and then opponents have an opportunity to propose an amendment. We had understood that would be the way we would proceed.

Is that the perception of the Senator from Wisconsin of this agreement, which was really a gentleman's agreement?

Mr. FEINGOLD. Mr. President, I certainly agree with the Senator's suggestion of how we are going to proceed. And to reiterate, when I started on the floor on May 20, 1999 and talked about various changes in the mining law that were prevented under the emergency supplemental appropriations conference report, as the Senate suggested, I was not talking about a particular contribution to any particular Member. It was a process with many factors. One of the factors was the $10.6 million the mining interests gave over a 6-year period. To me, that is of such a high level that it raises an appearance of corruption.

I think that is exactly what the Senator from Arizona is getting at, and exactly what he was trying to do in the case before us.

Mr. President, I yield the floor.

Mr. MCCONNELL. I believe we are ready to vote.

Mr. REID. Mr. President, if I could ask my friend from Kentucky a question as to how we are going to proceed. I think the discussion has been important, but it has taken several hours. I do not know when we started on this, but I think it was at 10:30 or a quarter of 11. It is now 1:30. I have a list of nine Senators on the Democratic side who wish to give statements on the general bill.

Mr. MCCONNELL. I say to my friend from Nevada, I wanted to start last night and no one wanted to stay past 7:30. Many of us believe this is a very important amendment. We have spent a couple of hours on it. But it is important. We are now ready to vote.

I agree with the suggestions that have been made that we go back and forth. As you know, this is not a straight party-line issue. So I think back and forth means people who are generally in sympathy with this legislation offer an amendment; people who are not do not offer an amendment. The people who are not just offered one, which we are about to approve on a voice vote. My view is, you are next.

Mr. REID. I say to my friend from Kentucky, we will be happy to give every consideration to alternating amendments. That seems to be a thoughtful suggestion. However, prior to our offering any amendments, we want to be able to speak on the underlying bill. That is the normal procedure.

Mr. MCCONNELL. That is fine.

Mr. REID. We have people who have requested time from 5 minutes to 30 minutes, reasonable requests for time.

Mr. MCCONNELL. Sure.

Mr. REID. We agree with the Senator from Kentucky, this is an important issue. But people have been waiting over here for a long time to discuss the issue.

So we are ready to vote on this matter at this time. It is going to be, I understand, by voice; is that true?

The PRESIDING OFFICER. The question is on agreeing to amendment No. 2293.

The amendment (No. 2293) was agreed to.

Mr. MCCONNELL. I move to reconsider the vote.

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

The motion to lay on the table was agreed to.

Mr. MCCONNELL addressed the Chair.

The PRESIDING OFFICER. The Senator from Kentucky.

Mr. MCCONNELL. I am going to take a couple minutes, and then I will yield the floor. I know the Senator from New York has been waiting patiently.

The debate we just had has been an effort—toward the end of it—to shift it in a different direction. We are going to come back to this over and over again for the next 3 or 4 days.

We are not just talking about the appearance of corruption. What the Senator from Arizona has repeatedly said is things such as, ''corrupts our political ideals,'' ''we are all corrupted,'' ''the corruption of Congress,'' ''soft money is corrupting the process.''

These have been allegations of corruption, which is a violation of Senate rules and a violation of Federal bribery statutes.

I would suggest to all of our colleagues, in our exuberance to pursue our different points of view on this issue, do not suggest corruption unless you have evidence of corruption. It demeans the Senate, and in the instances of Senators BENNETT and GORTON, it demeans a specific Senator. It is clear from this debate, there is no evidence—none whatsoever—of corruption.

Mr. President, I yield the floor.

Mr. SCHUMER addressed the Chair.

The PRESIDING OFFICER. The Senator from New York.

Mr. SCHUMER. I ask to address the Senate for 10 minutes.

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

Mr. SCHUMER. I thank the Chair and all of my colleagues.

Before I get into the substance of the bill, I think many of my colleagues on the other side of the aisle, in this last debate, are missing the forest for the trees. In fact, in my judgment, the Senators from Kentucky and Utah and Washington have helped make the case for the bill, not only in the specifics that I talked about with the Senator from Utah before, but everyone in this Chamber, all three, in my judgment, all three have felt compelled, in a certain sense, to explain themselves. All three are very honorable people. I tend to be sympathetic. If I were listed, I would feel the same way.

But there is a cloud hanging over the Senate. There is a cloud hanging over this Capitol Dome and all of Washington. In good part, it has been caused by the way we finance campaigns.

So even when Senators have the purest of motives, they are called into question. The good Senator from Utah felt his integrity was questioned. The Senator from Washington felt his integrity was questioned. The Senator from Kentucky was defending the honor of his colleagues.

Why was that necessary? It is necessary because with the system we use today, there is such mistrust that no action—no action—no matter how purely done, is perceived that way.

Obviously, there are many gradations. Pick Senator A and Senator B; Senator A is a lifelong believer in the pro-life movement and receives money from a pro-life PAC. Nobody questions that—or pro-choice.

But how about if Senator C believes strongly that a certain facility or company needs dollars to bring jobs to his area and receives contributions closely related to that? Everyone doubts it.

I would argue to you that those two cases, at least on a factual basis, are not distinguishable. But every—every—move we make in Washington is now under a cloud. It is under a cloud because of the system by which we finance campaigns. We must change it.

This is the most important vote we are facing in this whole year of Congress, period. I know we have had important ones. But the very roots, the foundations of this democracy, are being eaten away by public cynicism. In good part, that public cynicism is caused by our system of financing campaigns.

The great debates we have had this year—whether it be on impeachment or guns or Patients' Bill of Rights—over every one of them, the cloud of how we finance campaigns hung over it. The debate is vitiating by that cloud, and because of this system people feel further and further away from the Government that is theirs.

So those who argue for the status quo, saying nothing is wrong, or other issues that predominate, sort of befuddle me. I am surprised at the advocacy of the first amendment by some on the issue of financing campaigns, when that advocacy on other issues—freedom of artistic expression—does not seem to be there. I find that befuddling.

But, to me, there is no higher value that we can create than trust between the people and their Government. If that trust continues to decline, I don't know if this system of Government survives. So to argue whether the Senator from Utah or the Senator from Washington was maligned in a specific and wrong way, misses the point. To argue that every Senator is maligned fairly or unfairly by a system that the public perceives—and their perception is not out of cloud 9; their perception has many bases in reality—is making that Government further and further removed from their reach, that is what we are talking about.

This proposal is a minor proposal in the broad scheme of what we must do. It is, to me, a disappointment. I would have liked to have gone a lot further. I do not hold my colleagues from Arizona and Wisconsin responsible for that. They are trying to go as far as this body will let them go.

One thing I believe we cannot do—one thing we try to do too often—is let the perfect be the enemy of the good. The McCain-Feingold proposal will make some good, positive changes. Will it advantage one party or the other? I don't know. I don't think any of us can predict. Will it advantage one race, one person in a political race over another? Maybe yes; maybe no. We know one thing. We know it will begin that first step of rebuilding trust between the people and their Government. It will begin the first step so the kind of debate that occurred on the floor a few minutes ago won't be necessary, because the public will have the kind of faith they had in their elected officials in decades and centuries past.

We must move forward. Can we improve on the proposal before us? Yes. I am going to offer a proposal, most likely with the Senator from Nebraska, Mr. HAGEL, to say that when there are independent expenditures and when there are independent committees, the financing there must be disclosed. That will help a little bit more without vitiating the chances of passing this bill. I hope my colleagues will support that. We will be talking about it.

The bottom line is, we have a tremendously serious problem. We have a poison that is in the roots of this great tree of democracy. It is spreading day by day, week by week, and month by month. That poison is cynicism. That poison is a view of the average citizen, rightly or wrongly—and in many cases, it is right—that the average person doesn't have the influence of a person or a company or a group of great wealth. We have to begin to change it. In a complicated world, where decisions are not so clear and not so black and white, we cannot afford to have every decision, difficult as they are on the merits, be held in askance or even contempt by average citizenry because they don't think they have a fair shot at influencing their legislator.

I ran for office at the age of 23, right out of law school. It is because I believed in our system of government. There were tens of thousands of young men and women, Republicans and Democrats, who threw themselves into government because they believed. We had seen good things happen in terms of World War II, getting out of the Depression, the prosperity of the 1950s, the civil rights movement, and the protests, angry at times, that changed our course in Vietnam. People believed.

My guess is that there are far fewer 23-year-olds today who are making the sacrifices it takes to go into government because of the cynicism, because of the mistrust, because of the problems of financing their own campaigns. If we can no longer get our best young people going into government, whether it be elected or appointed, and if we can no longer have the citizens believe, when this body debates an issue, that the debates are being divided by firmly held beliefs rather than by who is manipulating, controlling, or contributing to whom, then we can't survive as a democracy. That fatal distance between people and their government will get larger and larger and larger. We will wake up one morning and say: We don't have the kind of democracy that the Jeffersons and the Madisons and the Washingtons and the Jays believed in and put together for us.

This is not a trivial debate. The bill is smaller than many of us would like. But it is a debate that goes to the core

of whether this Government will ultimately survive.

I urge my colleagues on both sides of the aisle not to look at the specific details of ''this provision is in'' and ''that provision is out,'' but to look at the broad, in general, anger, hostility, cynicism, skepticism, and impotence that the public believes they have in relation to their government; then ask what can be done about it.

My guess is, one of the few things we actually can do as Senators is pass the bill the Senators from Arizona and Wisconsin have put together. It is an important debate. I am glad we are getting to debate it on the floor. I hope and pray that at the end of the day we will not walk out of this Chamber emptyhanded and end up being worse off than we were before the debate started, as the public will believe this Government has finally pulled totally out of their reach and influence.

I yield back the remainder of my time.

The PRESIDING OFFICER. The Senator from Minnesota.

Mr. WELLSTONE. My colleague, Senator DURBIN, is in order. I ask unanimous consent that he be allowed to speak now. I have the floor, but I don't want to jump ahead of him.

The PRESIDING OFFICER. There is no order.

Mr. WELLSTONE. I yield the floor.

The PRESIDING OFFICER. The Senator from Illinois.

Mr. DURBIN. I thank the Chair.

This debate on campaign finance reform is certainly not a new topic for any Member of this Chamber. I start by saluting my colleague, Senator JOHN MCCAIN of Arizona. He has been my friend since we served together in the House of Representatives many years ago. We have differed from time to time, which is not unusual in politics, but I have the greatest respect and admiration for the leadership he has shown on this and so many important issues, such as tobacco and others, that are near and dear to my heart. I thank him. I know that sometimes it is a lonely task to be a leader on an issue. I respect him very much for what he has done.

My colleague, Senator RUSS FEINGOLD, deserves similar accolades, and more, for the leadership role he has taken on this issue. Senator FEINGOLD, in his race for reelection in the State of Wisconsin, demonstrated rare political courage when he said he would live by the standards he preached when it came to campaign finance reform. It is a real test for every one of us in public life to be held to that standard. I am glad the people of the State of Wisconsin not only respected his decision but said they wanted him to continue as their spokesman in the Senate. I am happy to count him as a colleague and a friend.

I find this debate to be absolutely critical when it comes to the future of our Nation. I don't think what is at stake in this debate is just a question of money and where it comes from. It is about much more. What is at stake in this debate is the future of this democracy. We expect politicians to be hyperbolic, to say things that sound so sweeping, they can't be true. But in my heart, I really believe what I have said is true. I am honestly, genuinely, and personally concerned, as a Member of the Senate, a former Member of the House of Representatives, and as a person who, for better or worse, has devoted his adult live to public service, about the fact that the people I represent and we represent are losing interest in their Government. The clearest indication of that loss of interest is in their declining participation in elections.

Why is it, at this moment in the history of the United States of America, in the closing days of 1999, as we anticipate a new century and a new millennium, as we see the end of the so-called American century, when we swell with pride when hearing our national anthem and seeing our flag and appreciating what this country is all about, when we watch as leaders from around the world in burgeoning democracies come here to the United States to validate their pursuit of democratic ideals—why is it now that the people of the United States of America have decided they are basically not going to be involved in the most critical single decision any citizen can make, which is the decision to vote for the man or woman of their choice for public office?

I have tried to analyze this, and I have to say it is interesting that this problem, in my mind, relates to this debate on the floor. This is a debate about political campaigns, money, and voters.

I have a bar graph I would like to display which shows in fairly graphic terms what I think this debate is all about. If you look at this, you will notice that, in 1960, in the Presidential election campaign, both candidates spent the relatively meager sum of $175 million. And then, if you will fast forward to the estimated expenditures of the 1996 campaign—a span of 36 years—it went from $175 million to $4 billion.

What happened in between to cause this dramatic increase in spending on campaigns? Certainly inflation was part of it, but this is more than inflation. What happened is that candidates—myself included, and virtually every Member of the Senate—decided that to win a vote or entice a voter, they had to spend money in record amounts—on television, on radio, direct mail, bumper stickers, pocket combs.

I carry a comb in my pocket given to me by a friend named Craig Lovett who ran for Congress and lost. About the only thing remembered of Craig's campaign is these wonderful combs, which I have carried around for over 20 years. He was a great fellow, and he has passed away. Sometimes that is all that is left of a campaign. We spend money on things such as that, as candidates, in trying to reach the voters, touch the voters, convince them we are worth voting for. If you look at them, you have to ask, as we plow more money into our political system of elections, is it working? The honest answer is that it is not.

There is another part of this graph that is worth noting, too. The statistics here indicate voter turnout in Presidential elections. Look at what is happening. When we spent $175 million in 1960, 63.1 percent of the eligible voters turned out. Then we started piling on big time all the money we could find and raise legally in the system. And what happened? There was a steady decline in voter interest and participation to 49.1 percent in 1996. We have lost 14 percent of the eligible electorate as we have plowed massive amounts of money into the system.

Some people on the other side of this debate have argued that the weakness in the American political system is not enough money. If we can just jam this blue bar up in the next campaign to $5 billion, $6 billion, and beyond, they will tell you, in their way of thinking, that is how democracy works. I have heard political spokesmen such as George Will talk about money being free speech, and if we had more free speech—that is, more money—then we would be living up to our constitutional ideal, and that is what we should be all about. But the facts don't bear that out. The more money we plow into it, the fewer people turn out to vote. I think that is significant because I think something is happening here that really is worth our observation.

Look at what happened on November 5, 1996—or perhaps what didn't happen. I think it represented the single most dangerous and tragic threat to our democracy, the outcome of that election campaign—not the candidates, but from the voters' point of view. One need not look beyond the voter turnout in the last Presidential election to recognize the degree of public disillusionment in America. It is perplexing that this very same election cycle that spawned skyrocketing revenues and outlays in campaign dollars generated only a 49.08-percent turnout at the polls.

The 1996 Presidential campaign had the lowest national average turnout for a Presidential election in 72 years. The money was there; the voters weren't. If one accounts for the flood of new voters in 1924 with the passage of women's suffrage, it may have been the lowest percentage turnout of eligible voters to vote for President since mass popular balloting was introduced in America in the 1830s, in the 160-year history of the United States. And by 1996, the voters of the United States said: None of the above; we don't care; a majority will stay home.

The average voter participation rate in Presidential elections between 1948 and 1968 was 60.4 percent. This dropped to a 53.2-percent average turnout from 1972 to 1992. Campaigns are too long,

too expensive, too negative, and a majority of self-respecting people have said: We don't want to sully our hands by even voting. And they vote with their feet; they stay home.

The decline in the exercise of the basic right of citizenship is a grave concern. More than 100 million Americans of voting age don't participate. I don't think this is an accident. Despite the fact that we tend to register more voters—an increase of some 8 million eligible voters, resulting in 4 million being registered—fewer Americans cast their ballots in the most recent election, the 1998 mid-term, than in 1994's similar election, plunging voter turnout to the lowest level in over 50 years.

I think the message here is clear. Americans have watched this electoral process, and an estimated 119 million of them have decided to avoid the ballot box like a root canal. That is the largest number in American history. If you look at the United States in terms of other countries around the world and all the things we point to with pride in this country, we cannot point to voter participation with pride.

According to data compiled by IDEA, the United States ranked 114 out of 140 countries the voter turnout of which has been assessed since 1945. Despite all the money, we don't see the participation we have come to expect.

The life of a Senator is a wonderful life in many respects. I am so honored to represent a great State such as Illinois and to be able to stand in this Chamber and use my best judgment on my votes to try to help them. But the path to the Senate, for someone who is not independently wealthy, is a path that takes you to many small offices, many desks, many telephones, and many telephone calls to perfect strangers, begging for money.

When I was a Member of the House of Representatives running for the Senate, I used to take off during the course of a day, drive about a block away to a little cubicle I had rented, where I could sit and legally make fundraising calls. I would take every available minute to do it. When I received my beeper notification, I would race back to the floor of the House of Representatives to cast a vote and then back to make more phone calls and raise more money. Of course, it is going to have an impact on your private life, and it had an impact on my public life, too. I can remember, to this minute, the day I left to race over and make a vote on the floor of the House. As I cast my vote, I looked up and thought of the list of potential contributors I was now about to call. But there were two or three of them I could not call. I just voted against them. You know, when that becomes part of the calculation, it takes something away from your judgment.

I don't point the finger of blame to any of my colleagues in this Chamber. I think they are, by and large, to my knowledge, some of the most honorable people I have come to know in life, and they are really conscientious in the job they do. But the system as it is currently constructed is a system that, frankly, is going to lead all of us to make conclusions and make decisions which may not be the right ones.

The argument on the other side against Senator MCCAIN and Senator FEINGOLD is the suggestion that more money into this system is going to make it better. This is not a new argument. We have seen it in several other iterations.

I can recall the debate over guns in America. The National Rifle Association is for a concealed carry law. What does it mean? It means all of us would be able to carry a gun around in our pockets or, for women, in their purses, taking them into shopping malls, restaurants, churches, and high school basketball games. It is their belief that this proliferation of guns in America will make us safer.

Yesterday, we had a vote on a nuclear test ban treaty. Many of us believe that we have all the nuclear weapons in the world we will ever need and that we should have passed that treaty to reduce the number of nuclear weapons in those countries that possess them. The treaty was defeated. Those who wanted fewer nuclear weapons lost. Those who believe we shouldn't have a limit on testing and, therefore, the development of nuclear weapons around the world prevailed. They believe, obviously, that more nuclear weapons around the world make us safer. I don't share that belief.

But a similar argument is at hand. There are those who argue that more money going into the political system will somehow result in better men and women being elected to Congress and to other offices. I don't believe that is the case.

In 1996, the Republicans raised $548 million; the Democrats raised $332 million. The Republicans outraised us 65 percent more than we did in 1996. In 1992, both parties had only raised $507 million. So you can see the numbers going up dramatically.

Part of the resistance to campaign finance reform reflects the reality that the incumbent Republican leadership in the House of Representatives and in the Senate does not want to put an end to a good thing. I can understand that. It makes sense to me as a political person that some might take that position, with notable exceptions such as Congressman SHAYS from Connecticut, the Republican who supports campaign finance reform, and others on the Republican side.

Centuries ago, Machiavelli wrote his famous book, ''The Prince,'' and outlined some ideas and principles of politics. I have always said that if he did not have a chapter in his book on the subject, he should, and it should be entitled ''If you have the power, for God's sake, don't give it away.'' The power now is in the money. And many on the Republican side of the aisle who are capable of raising more money than we do on the Democratic side of the aisle do not want to surrender that advantage.

It is similar to handing a weapon to your enemy, as they see it. That is an understandable conclusion by some. But thank goodness for Senator MCCAIN and others who have risen above it and said it is an empty victory to continue the status quo, the current system of campaign fundraising, if in fact we are losing credibility and losing the respect of the American people. What good does it do for us to be elected and supposedly lead this country when the American people do not give us the respect for the office or the job we do? It has a lot to do with the campaign finance system.

This bill in its particulars addresses many issues, and one of them primarily in the focus of this debate is on the question of soft money. In 1996, the Republican national party committees tallied soft money receipts of $141 million; in 1998, an off year, $131.6 million. That was the dramatic increase over the prior off-year election. The Democratic side raised $122 million in soft money in 1996 and, in 1998, $92.8 million. That was a 89-percent increase over the summer election cycle just a few years before.

Much time and energy has been spent in the aftermath of the 1996 Federal election cycle, launching accusations about questionable practices that occurred. I sat through Senator THOMPSON's hearings investigating the Presidential campaign for a year. There were certainly irregularities and embarrassments involved in that campaign. I am certain as I stand here that similar irregularities and embarrassments happen on both sides—Democrat and Republican.

You cannot deal with these massive sums of money from people whom you don't know as well as you might a member of your family and not run into embarrassing circumstances. I have. There have been times when I have received checks in my campaign and have taken a hard look at them and said, ''Send them back.'' It just raises too big a question as to whether my values and principles are being compromised. Think about a national party raising millions of dollars under similar circumstances and wondering if any single check is tainted or raises questions about your honesty.

What we learned from investigating the Presidential campaigns is that some of the most reprehensible and unseemly tactics are perfectly legal under the law today. Several loopholes in the law allow funds to be raised and spent in ways that do not violate the letter, although they might violate the spirit, of the law. Chief among them is soft money donations.

It is an arcane world for the average American to try to figure out the difference between hard money and soft money, caps on spending, and the like. I can tell you, there are certain things that can basically differentiate them.

Hard money is limited as to how much you can raise with each individual. You are limited as to the sources and individuals as well as PACs. You are limited in how much they can give, and everything is disclosed.

Hard money is a reform that really tried to clean up the system by saying, if we limit those who can give while staying away from corporations, for example, and we limit how much people can give, and then we have full disclosure, we will have a more honest system. I think the premise was sound.

Soft money violates basically all these rules. Soft money doesn't live by these limitations. The sources, the amounts, and the disclosures in many cases just aren't there.

That is what this debate is about. Senators MCCAIN and FEINGOLD have said put an end to this soft money and the problems it creates for our electoral system.

There are several items and issues that will come up, I am sure, later in the debate. I am going to hold back from going into some of them. One of them has to do with issue ads. I am looking forward to that because I think my greatest fear is that if we ban soft money, we will create vehicles for more and more independent so-called ''independent organizations'' to appear and become part of this process.

Let me close by saying this: I have supported the McCain-Feingold bill as originally written. It embodied a number of reforms that I think are essential to restore confidence in this electoral process. I have been disappointed by some sponsors. I understand their political realities. But I have been disappointed in the fact that we have over time lost some of the major reform provisions in the bill and we are now focusing on just one—the abolition of soft money. There are many other parts of that bill which deserve to be enacted into law if we are going to have real reform.

I will close on this note. I hope this Congress—particularly this Senate—can muster the political courage to vote for this reform. I hope that will happen. I am skeptical as to whether that will be the outcome.

We have seen demonstrated in American political history time and time again that it takes a major overwhelming scandal for this Congress to act to enact real reform. The Watergate scandal is one example, and others have shown up in our history. We are not dealing with such a scandal today in specifics, but we are dealing with a scandalous system, a system which really troubles me the most, that so many Americans have given up on us. We can't allow that to happen. We can't afford it.

For those who argue that we have to allow the very wealthiest in America to be articulate in our political process by writing checks for thousands—$10,000, $20,000, $50,000, or $100,000—I think on its face is laughable. To think we would give up on working people, average families, and businesses making modest amounts and disclosing contributions and instead turn this process over to the wealthiest in America is to give up on the very basis of this democracy. It will continue to push away from the average American that interest they should have in this most fundamental system of representative democracy.

I rise in support of McCain-Feingold.

I yield the floor.

Mr. WELLSTONE. Mr. President, I think we will alternate sides.

I ask my colleague from Tennessee, if we are going to rotate, could I ask unanimous consent I be allowed to follow the Senator from Tennessee?

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

The Senator from Tennessee.

Mr. THOMPSON. Mr. President, I rise in support of the McCain-Feingold legislation as amended. I do so based upon the premise that it is our responsibility in this body, it is our responsibility as a Congress, to address the issues concerning the election of Federal officials. I can think of nothing more appropriate to address than how we elect Federal officials and the way in which we elect them. It is not up to the Federal Election Commission to do this for Congress. It is not up to the Attorney General to do this for Congress, nor the lower courts. It is for Congress to state precisely what kind of system we want—or no system, if we don't want a system—to state that clearly and be willing to stand up and make a case.

This is a balancing process, one that has been endorsed by the Supreme Court of the United States. I think the purists on both sides of this issue probably have missed the boat. It clearly does cost more now to run campaigns than it used to cost. In my opinion, the $1,000 limitation, for example, is clearly too low. It needs to be adjusted for inflation. On the other hand, those who say there is not enough money in politics and that we should be able to donate unlimited amounts of money to parties for the benefit of those who are running for office I think miss the boat, also. Surely, we can strike some kind of a balance wherein we can address the legitimate costs of running for office and the fact that we are not going to be able to eliminate money from politics on the one hand with certain reasonable limitations that do not cause public cynicism and do not cause questions to be raised concerning the motivations of those who write the laws in this country.

Both history and common sense demonstrate beyond any purview of a doubt there is something inherently problematic with giving large amounts of money to people who write the laws, especially when donors of that money are affected by the laws that are being written. That is not a novel concept. That is something historians back in the 19th century were talking about. They were talking about the downfall of the Roman Empire, something that the Venetians addressed seven centuries ago when they placed strict limits on what could be given to elect the officials. Under their system, if one was going to ask elected officials for any favors, one couldn't contribute to them at all.

We have recognized that in this body. Senator Barry Goldwater, who is one of my heroes, has been called Mr. Republican; he has been called Mr. Conservative over the years. He is the conscience of the conservatives. It is one of the things that caused me to want to get into politics. I admired his courage. I also admired what was on his mind. He was always a man of integrity and always willing to look a little bit further than the end of his nose, look a little bit further than things that affected him.

He said in 1983 about big money:

> It eats at the heart of the democratic process. It feeds the growth of special interest groups created solely to channel money into political campaigns. It creates the impression that every candidate is bought and owned by the biggest givers, and it causes elected officials to devote more time to raising money than to their public duties. If the present trends continue, voter participation will drop off significantly—

I might ask parenthetically if that sounds familiar—

> public respect will fall to an all-time low—

I ask the same question—

> and political campaigns will be controlled by slick packaging artists, and neglect of public duties by absentee officials will undermine government praises.

That was Barry Goldwater in 1983. I am disappointed some of my colleagues on the Senate floor did not have an opportunity to question him and interrogate him and try to get him to name names as to those who are corrupt. That is what Barry Goldwater said in 1983.

It is not just statements made here that recognize this inherent problem to which there is no one answer—I might add, an inherent obvious problem—and has been with us over the centuries. It is based on human nature. In response to that, we do such things as pass a gift ban. If there is no problem with the giving of things to public officials and to candidates for office, why have we passed the gift ban rule? But we did. So we have the rather curious situation now where an individual cannot buy a Member dinner, but he can give a Member $1,000 for his campaign. Or he can bundle $100,000 for you. Or if he is rich enough, he can give $1 million to your party for your benefit, but he cannot buy you dinner.

We recognize this basic question in the laws that we pass. In 1907, we banned corporate contributions. In 1943, we banned union corporations. In 1974, we passed limits on amounts of money that could be given to individual candidates. We passed limits on amounts of money that could be given to political parties. We set up a system

of partially funding Presidential campaigns—the idea being if the taxpayers funded the Presidential campaigns, the Presidential candidates would not have to go out and raise private money.

Why were we concerned about that if it is the same old answer—the things we have been talking about for the last few minutes. We set up that system. I might say, since that was passed and has been in effect since 1976, until the last Presidential campaign, we have had no real problems in terms of scandals. The Presidential candidates each spent about the same amount of money; sometimes Republicans won, sometimes Democrats, sometimes incumbents, sometimes challengers. That is what we had until recently.

This balance that was struck—not impeding first amendment rights but recognizing this inherent question, this inherent historical century-old problem—the balance that was struck was upheld by the Supreme Court. The Supreme Court acknowledged we were placing limitations on individuals, perhaps involving the first amendment in some ways, but the Supreme Court said in striking a balance between that legitimate concern on the one hand and the concern over the corruption or appearance of corruption on the other hand was a decent one to strike and was permissible to strike. So we set up a system of limitations and disclosures.

This is not a personal matter. This does not have to do with individual Members. It is not about Members as individuals as we consider this in the Senate and the Congress. We haven't been here for very long when considering the course of history, and none will be here very much longer. What we are supposed to do is look past that and do what is necessary and beneficial for the country.

I have been distressed in watching this morning, that all of the concern supposedly has not been on the merits of campaign finance but attacks on the Senator from Arizona because he has raised these questions—the same ones that Barry Goldwater raised. Hopefully, we will be able to get back and debate the issues as to whether or not our current situation is a good one.

I was thumbing through some material. I haven't been able to catch up on my reading lately. I suggest we direct our attention to what people are saying—not the Senator from Arizona, not Common Cause, not the ACLU, not the advocates we all are on the issues.

Congressional Daily was put out by the National Journal on October 7. This journal is primarily a discussion of the legislative issues, what is happening and what is going to happen. In this article written by Bruce Stokes, I was struck by this passage that probably didn't raise any eyebrows because it is so common nowadays. This man wrote:

More importantly, the China WTO issue may loom large in some congressional primaries not because voters will care but because candidates on both sides of the issue will use it to raise money from business and labor, a milk cow Members of Congress may be reluctant to cut off by actually voting on the issue.

That is not something I would say. I do not know that to be true at all. But this is what people writing for the National Journal are saying. I suggest we ought to be concerned about that. We ought to be a little bit more concerned about the message and not so much concerned about the messenger. So maybe we can get back to the issue, as we proceed these next few days, as to whether or not we have a good situation in this country today.

I suggest it is not about the total amount of money in politics. People argue there is too much money in politics; there is not enough money in politics. How long is a piece of string? I am not here to say there is too much or too little money in politics per se. People point out Procter & Gamble spends more on advertising soap than we spend on politics. But I would say a couple of things about this.

No. 1, I draw a distinction between what we do and soap making. I hope it would be fairly obvious but perhaps not.

Second, the problem, again, is the age-old question: What do we do about the necessity for money in politics and political campaigns on the one hand and the inherent problem of giving large sums of money to individual politicians, to individual legislators, or to individual parties which will inure to the benefit of those legislators? Procter & Gamble has nothing to do with that. The advertisers who place those ads, the people who run those ads, do not conduct public policy in this country, but we do.

So why are we here today? Why does this keep coming back? Because, as I have said, we have not addressed this legislatively. The answer is, we are going to have to strike a new balance. We are going to have to readdress what we have done in this country on campaign finance and what we have learned over the last few years because having set up a system that, for better or for worse, whether you agree with it or not, struck that balance in terms of letting money in, letting people have enough money to run but not being overwhelmed by money so it looks as if your vote is based on something other than the merits—that has been totally done away with, basically. We do not have that system anymore.

You say: When did Congress change it? Congress did not. Congress really did not do anything to change that system. That system was changed by, basically, the Federal Election Commission and by interpretations of the Attorney General. Now soft money can, in large measure, do what hard money used to do. The gates have been opened. Presumably, after learning the lessons of the last Presidential campaign and the interpretations that the highest law enforcement officer in the country has placed on it, which presumably is the law which presumably is going to be the pattern candidates for both parties are going to be following, a candidate can now go out and raise millions of dollars of soft money, run it through the State parties, coordinate its expenditures, and run television ads, as long as he doesn't say, ''Vote for me.'' That is basically the system we have today.

The system we have now is not what we want. It is not what we ever voted for before. It is not the system we have had before. But because of FEC interpretations and the Attorney General, that is the system we have now.

As we often have to do in this body, we have to readdress fundamental issues. You seldom fix anything for the duration of eternity. Sometimes you can do pretty well for a couple of decades, as we did in 1974. People say it didn't work. I think it worked pretty well in most respects. Certainly, in the Presidential campaigns it has worked well. It has now been proven the hard money limits are too low. That is one of the things we have learned. What do we do? Throw the whole thing out or do we raise the hard money limits? I think we ought to raise the hard money limits in light of the reality we have learned since the last time we addressed this issue.

We have a system now where basically there are no practical limitations on any amount of money anybody wants to give to effect political campaigns. If that is what we want, an argument can be made that is a good thing. It has never been made as far as I know. It has never been voted on in this body. Do we want that? If we do not want that, we ought to say so. If we do, we ought to say so.

How did we get into a situation where, without this body lifting a finger, we went from a system where people were mightily concerned about the $5,000 PAC check, by the $1,000 individual check—from that system, that is the last time we addressed it, to a system whereby now you are not a player unless you are giving $100,000?

It started in 1978, the FEC rule that parties could send certain moneys to the State parties; the Federal party could send to the State parties for party-building activity. Then in 1991, they said they could fund certain voter drive costs with soft money, up to a percentage: It is 35 percent in a nonelection year, 40 percent in an election year. In 1995, for the first time the FEC said you can use soft money for television. Then, Mr. Morris over at the White House showed the President how he could take the matching money, certify that he wouldn't raise any money himself, go out and raise all of this additional $44 million in soft money, while being able to say, ''I am not raising this money for my campaign; I am raising it for the party.''

So the President raises all this additional money, the President sits in the Oval Office and coordinates all of it,

tells what kind of ads to put on, where to put them on, how much, and how much money to spend. That is the procedure that Attorney General Reno put her stamp of approval on. Until some court or somebody—or this body—says otherwise, that is the way it is.

Now a President or a Presidential candidate, and if so, a congressional candidate, can raise unlimited amounts of soft money, run it through the proper party, coordinate the ads, and have ads run as long as they qualify as issue ads.

I am not even arguing the merits of that now. I am saying that is what we have today, and I do not think a lot of people realize it. We did not realize it until recently. The problem we have is that we want to castigate the President for opening up the floodgates. But instead of leaving it at that, we want to do it, too, because the system we have now has been the one that has been developed by the FEC, Mr. Morris, the President, and the Attorney General. Those are the standards we are now operating under. Those are the standards which Members of this body are fighting to preserve.

Not only have we discovered it because a few years ago soft money did not play much of a role at all, and what was there went for party-building activities, not for what we see now—not only have we discovered it, or the President discovered it for us, we discovered it, we like it, it now has constitutional protection, and we would have political disaster if we did not have it anymore. We haven't had it very long, but now that we have it, it would be absolute political disaster if we had to do away with it.

Back in 1990, for a 2-year cycle, both parties raised $25 million in soft money. In 1996, under Mr. Morris and the President and their new plan—their Plan B, they called it—they raised $261 million. That is from $25 million at the beginning of the decade to $261 million. For the first 6 months of 1999, the parties have raised $55 million and the predictions are, by those who do this sort of thing and have been correct in the past, that by November of 2000 we will have raised $525 million of soft money, which is more than double 1996. The year 1996 was the high-water mark because that is when it was discovered; that is when it was perfected; that is when the doors were opened.

By November of next year, the predictions are we will double that. The question is, How long will this go on? How long should it go on?

I suggest that we are in need of a new balance. We need to drastically cut back or eliminate soft money, but we need to raise the hard money limits to comport with inflation.

It is true—and the promoters of reform need to understand this—that we are developing a system whereby only the rich or the professional politician can participate anymore because those limits are so low. They have not kept up with inflation. If $5,000 were indexed for inflation today, it would be, what, $32,000, or something of that nature. The costs are much more. It is becoming much more time consuming. We need to raise those hard dollar limits across the board, and then we would not need that soft money as much, for one thing, and a lot of that soft money, I think, would come into the hard money system.

That would be consistent with our long history of concern on this matter and our long history of legislating on this matter.

What are the arguments? I would have hoped by now we would have heard a little bit more about the merits and the arguments of this case instead of the personalities. But as I understand the arguments, No. 1, all this soft money—it is true that the floodgates have been opened. It is true that in every election cycle, we will be doubling the amount of money next time. We will be up there with good old Procter & Gamble before long.

The answer is, this just goes to parties; it does not go to candidates, so it cannot have a corrupting influence. I am wondering, if that is the case, why are we spending so much time raising it. I am wondering why President Clinton spent so much time raising it in the White House? Did he really enjoy having coffee with all that many people because the money was going to the Democratic National Committee? And yet he continued to raise it.

Do the national committees have no relationship at all to the members? I do not think we want to try to convince the American people of that. Roger Tamraz met with Don Fowler when he was chairman of the Democratic National Committee. Tamraz agreed to contribute $300,000 to the DNC. He had an oil pipeline he wanted to build in the Caspian Sea region.

To make a very long story short, he was able to set up a meeting with the Vice President. To the Vice President's credit, he canceled that meeting. He kept working. He got Mr. Fowler to call the National Security Council for him. He got Mr. Fowler to call the CIA for him. Tamraz attended six events with President Clinton in 9 months. Sullivan over at the Democratic National Committee prepared two memos summarizing Tamraz's hundreds of thousands of dollars in contributions to various Democratic institutions. Four days later, he attended a coffee with the President, talked about the pipeline with Mr. McCarty, and McCarty later enlisted Energy Department officials to lobby for the pipeline, officials who were aware of Mr. Tamraz's contributions to the DNC.

I do not think anyone would contend that Mr. Fowler, who was chairman of the DNC at that time, had no influence with regard to the members of his own party and the members of this administration. Some people say Mr. Tamraz did not get what he wanted. Is that cause for great comfort to find out in a situation such as this, a pitiful situation such as this, that this individual did not in this instance get what he wanted? Besides, I raise the question, if there had not been a courageous young woman by the name of Ms. Heslin at the National Security Council who was raising red flags about all of this, I do not know whether or not Mr. Tamraz's luck would have been different.

The same principles are involved with soft money contributions as they are with hard money contributions. This is not an easy thing to discuss. This is not something where anybody wants to be holier than thou. We all raise money. We all know we have to raise money. We all try to strike a balance in terms of amounts, in terms of appearances, but if we really are trying to strike a proper balance to come up with something that may not necessarily be the best in the world for us as an individual politician but really is something the country is going to have to move toward, if we really do our jobs, we are going to have to do that.

Let's not kid ourselves: We are not casting aspersions on any individual. It is not enough for us to stand up and say: OK, who here is a crook? I see no hands; therefore, there is no problem. Let's go home.

We are talking about something that is supposed to pertain for all time and something that, hopefully, will deal with appearances as well as reality, appearances that the Supreme Court recognizes as a valid concern and has been recognized as a valid concern throughout history.

Mr. MCCAIN. Will the Senator yield to me for one question?

Mr. THOMPSON. Yes.

Mr. MCCAIN. Mr. President, in response to the Senator from Utah, the argument I made both on my web site and today is that I believe that part of the problem—indeed, a key ingredient of wasteful spending and special interest tax breaks—is the effect of soft money on the legislative process. Not that every bit of pork that Members secure is caused by soft money, but in the aggregate, wasteful spending is caused by, among other things, soft money.

Let me offer my colleagues a definition of ''corruption'' from Webster's dictionary. Corruption: The impairment of integrity, virtue, or moral principle.

Note, this definition does not say that corruption occurs only when laws are broken. I have already cited, as has the Senator from Wisconsin, the large amount of soft money given to both parties by various industries and the aggregate amount of tax breaks those industries receive. I believe, even if some of my colleagues do not, that these amounts have impaired our integrity. I believe that as strongly as I believe anything. Unlimited amounts of money given to political campaigns have impaired our integrity as political parties and as a legislative institution.

As the Senator from Wisconsin has noted, we are not accusing Members of

violating Federal bribery statutes. No, we are here because there no longer is a law controlling the vast amounts of money that I believe are impairing our integrity. In the immortal words of the Vice President: ''There is no controlling legal authority.''

I watched very closely as the 1996 telecommunications deregulation bill became everything but deregulatory and led to far less competition than it was intended to engender and the consequent increase in cable rates, telephone rates, et cetera. I believe soft money played some role in that; again, not in a way that fits within a legal definition of ''bribery,'' but in a way the vast majority of Americans believe is an impairment of our integrity, and I include myself in that indictment.

That is the problem I am trying to address in this legislation and no attack, no amount of head-in-the-sand pretense that soft money does not affect legislation will cause me to desist in my efforts.

I will close with one observation. If special interests did not believe their millions of dollars in donations buy them special consideration in the legislative process, then those special interests that have a fiduciary responsibility to their stockholders would not give us that money, would they?

Those interests enjoy greater influence here than the working men and women who cannot buy our attention but are sometimes affected adversely by the laws we pass.

To me that seems to be a good working definition of the impairment of our integrity which, as I noted, is Webster's definition of ''corruption.''

My question to the Senator from Tennessee is, indeed, is there anything that would be a violation of law that we do in any way in our pursuit of money today?

Mr. THOMPSON. Is there any way you can violate the law under our current system today? Yes, I can think of ways. A clear quid pro quo would be a violation of the law. But you have to prove a quid pro quo, which is a very high standard. That is under the bribery statutes.

But under the campaign part of it, as long as you disclosed it, raising unlimited amounts, I see no effective limitation.

There is even a controversy as to whether or not foreign soft money contributions are now legal. A lower court held they were legal. I had a discussion with Attorney General Reno in one of our hearings, when she was trying to excuse what was going on over in the White House and the fact that the President was sitting over there coordinating millions of dollars of soft money for his personal ads to benefit his campaign, and she said: Well, soft money is not regulated.

I said: Soft money is not regulated. What about soft money that came from China or Indonesia or somewhere?

She said: Well, that would be illegal.

I said: Logically, it wouldn't be. If soft money is soft money, it doesn't say anything about a source.

Sure enough, a Federal judge agreed with my analysis. Now the court of appeals has overturned that lower court. So goodness knows where we are. But the whole question of foreign soft money is at issue now.

Mr. MCCONNELL. Would the Senator yield for a question?

Mr. THOMPSON. Certainly.

Mr. MCCONNELL. I listened carefully to the statement of my friend from Arizona. I am still trying to understand it. I know the Senator from Tennessee has the floor, so I don't know if I should pose this question to him or the Senator from Arizona.

Mr. THOMPSON. I will take it and pose it to him.

Mr. MCCONNELL. OK. Is the Senator from Arizona saying, then, it is possible to have corruption and that no one is corrupt? You can have corruption and yet there isn't anybody actually responsible for it?

Mr. MCCAIN. May I answer?

Mr. THOMPSON. Yes.

Mr. MCCAIN. I say to my friend from Kentucky, either the Senator from Kentucky did not listen to what I said or doesn't care about what I said.

Mr. MCCONNELL. Would you say it again?

Mr. MCCAIN. I repeat again, the definition of ''corruption'' from Webster's dictionary: The impairment of integrity, virtue, or moral principle.

I repeat again, we have impaired our integrity when we convey to the American people the impression that soft money distorts the legislative process, such as it did, in my view, in the 1996 Telecommunications Deregulation Act, with the protection of special interests, which caused increases in cable rates, phone rates, and led to mergers rather than competition in the industry.

So this system has impaired our integrity. That does not mean bribery laws were broken necessarily. They may have been. I don't know. But I do know that our integrity has been impaired. And whether that is the view of the Senator from Kentucky or the view of the Senator from Utah or my view, it is the view of the American people. That is substantiated by polling data and personal experience.

Mr. MCCONNELL. So let me get this right. All of our integrity is now impaired—all of us.

Mr. MCCAIN. I will repeat again. I believe that a system of unlimited soft money in the American political process has impaired our integrity because we are now held in such low esteem by Americans because they believe we no longer respond to their hopes and dreams and aspirations.

Mr. THOMPSON. Let me reclaim the floor, if I can. I won't be very much longer.

But listening to the discussion, it looks as if we need to take a step back and look at it as others have from the outside.

What makes me angry is reading things such as the article in the National Journal. To me—this is my view; you know what I think about the system—I think things such as this article in the National Journal and others portray a situation that is worse than it is. But it is portrayed that way because so many people believe that.

Our problem is this—this is no aspersion on anyone, but I am not going to shrink from it because you ask me to name names—our problem is this: When big bills come up and major industries are affected—whether it be telecommunications, whether it be banking, whether it be health care, or anything else—and the tremendous hard money contributions start coming into our respective parties, Democrat and Republican, I think people take a look at that and think there is a connection.

Do they think that we are necessarily being bribed? I would hope not. Because I know that not to be the case. But it is, at a minimum, an appearance problem that has been with us historically. We have always recognized there is this tradeoff we are having to deal with. What we are trying to do is strike a proper balance.

Mr. MCCONNELL. Would the Senator yield for a further question?

Mr. THOMPSON. I will. But I would also like—now or later—to pose this: I was looking through this list, and in the first 6 months of this year, 37 companies, corporations, gave $50,000 or more to both parties—both parties. I would ask the Senator why he thinks they did that.

Mr. MCCONNELL. I am grateful they did because it gave us an opportunity to compete with the newspapers and the special interest groups that have a constitutional right to participate in the political process. I am extraordinarily grateful that all of these disclosed contributions—and this is why my friend from Tennessee knows who contributed—extraordinarily grateful that these companies are giving us the opportunity to engage in vote buying, engage in getting out the vote, engage in issue advocacy, and the other things that benefit our parties.

I am extremely grateful they do that. And anybody who wants to make an issue out of it, it is fully disclosed, which is why my friend from Tennessee has the list.

Mr. THOMPSON. Most of these things we are talking about are disclosed, and that does allow us to have the debate.

But to follow up on that for a moment, conceding, for a moment, we are using the money for noble purposes.

Mr. MCCONNELL. I assure you we are. Winning elections is a noble purpose for a political party.

Mr. THOMPSON. We are talking about motivations. The Senator brought this up. It caused me to think about this. Again, I ask you, why do you think these corporations and unions contributed that much money to both parties?

Mr. MCCONNELL. I don't know of any labor unions contributing to my

party. But I assume the reason they are contributing is they believe in the principles that you stand for, which they have a constitutional right to do.

Mr. THOMPSON. Principles of both parties simultaneously?

Mr. MCCONNELL. I think you have the right to be duplicitous in this country if you want to. I think it is not uncommon for people to contribute to both sides.

May I ask the Senator a question?

The Senator from Arizona was talking—again, I am trying to understand what he said and you said, I say to Senator THOMPSON—that the appearance is the problem and not the reality. I guess the argument then is, based on appearance, we should enact legislation. Appearance we can only ascertain by looking at polls, so let me——

Mr. THOMPSON. Partially the basis of Buckley v. Valeo, you would agree.

Mr. MCCONNELL. Let me give you poll data of how people feel about newspapers and see if the Senator thinks we ought to legislate based on the appearance there to restrict the activities of newspapers.

A poll taken in September of 1997 indicated that 86 percent of the American people believe newspapers should be required to provide equal coverage of congressional candidates; 80 percent want restrictions placed on the way newspapers cover political campaigns; 68 percent believe newspaper editorials are more influential than a $1,000 contribution; 70 percent believe reporter bias influences the coverage of politics; 61 percent believe the candidate preferred by a reporter will beat the candidate with more money; and 42 percent believe newspaper editorial boards should be required to have both Republicans and Democrats.

This is the public's perception of the newspapers, which operate under the first amendment, just as American citizens and parties do.

If the argument is that we should pass legislation restricting first amendment rights based upon perception, I am wondering if the Senators also believe we ought to eliminate the newspaper exemption from the Federal Election Campaign Act and react to the public perception that newspapers need a bit of this Government regulation of speech as well?

Mr. MCCAIN. Could I just——

Mr. THOMPSON. If I may, in the first place, the perception of potential corruption is one of the bases for Buckley v. Valeo. The Supreme Court took a look at that and they said that is a valid reason for legislating in this area. And because of that, because of that decision, what we are talking about today is not a restriction on anybody's first amendment rights.

I think in times past Senators had a decent point with some provisions. What we are talking about today does not impinge on the first amendment because it in some way restricts somebody to spend some money somewhere. Because they are limited in donations does not impinge on the first amendment. Buckley v. Valeo holds that also.

In answer to my friend, I am aware of erroneous public perceptions as well. They don't trust used car dealers much. My father was one for 50 years in the same little town. I know about all that. But I answer that when newspapers start voting, when they are sent up here and trust and confidence is placed in them to come up here and vote for the American people on these issues, then they subject themselves to the same limitations the Supreme Court says can be placed on us.

Mr. MCCAIN. Is the Senator aware that, at least in the words of the Senator from Utah, it isn't just the appearance of corruption. The Senator from Utah pointed out three cases—I can recall two: Mr. Tamraz and the Indians. Mr. Tamraz said: Next time I am going to pay $600,000—where, at least if I understood the comments of the Senator from Utah, there were actual acts of corruption.

Mr. MCCONNELL. Isn't that against the law now?

Mr. MCCAIN. As far as I know, it is not against the law.

Mr. THOMPSON. There are lots of things we used to think were against the law.

Mr. MCCONNELL. It should be against the law.

Mr. MCCAIN. It should be against the law. The point is, apparently it is not because Mr. Tamraz was not prosecuted, at least under this Justice Department.

Mr. MCCONNELL. That might say something about the prosecutor.

Mr. MCCAIN. It is not just the fact that there is the appearance of corruption. I think most Americans believe that there was actual corruption in that case and the Indian case. What we are fighting against here in the soft money is not only against allegations but also reality. Those examples the Senator from Utah pointed out are how terrible the situation can become. When a poor, impoverished Indian tribe is asked to give money in order to have their voice heard in Washington, I hope that would compel the Senator from Kentucky to rethink his position concerning soft money.

Mr. MCCONNELL. That should be illegal, should it not? That is against the law now, isn't it?

Mr. THOMPSON. The real question is, if you prove a quid pro quo, which reminds me of some of the old corruption laws we have had on the books for many years, under which there has never been a prosecution, you have to prove the high standard of a quid pro quo, which is very difficult. I think we can all agree that it is improper, whether or not it is illegal.

I think it raises a further question, the basic question, which is kind of the converse of the well-stated point I think the Senator from Kentucky made. The converse of that is, do appearances matter at all? Suppose we know we are trying to do the right thing, but we are seeing this tremendous influx of money at times from industries with which we are dealing on legislation. Should we be concerned about that? Perhaps we should go out and explain to the American people how that is unrelated, how the patriotic spirit of these companies and unions just happened to peak at certain times coincidentally. I am not saying that appearances should rule, but I do ask the question whether or not they should matter.

I yield for the purpose of an answer to the Senator from Utah.

Mr. BENNETT. I ask unanimous consent that I may make a comment without the Senator losing his right to the floor.

Mr. WELLSTONE. Mr. President, reserving the right to object, I don't think I will, but I have been here since early this morning. It depends upon how long my colleague from Utah wants to respond.

Mr. BENNETT. I shall respond within 2 minutes or less.

Mr. WELLSTONE. I do not object.

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

Mr. BENNETT. My only response to my chairman, when I served as a member of his committee, we talked about Roger Tamraz, the Riadys, and the Indian tribes not being illegal. It has the appearance of impropriety. I think it is only not illegal in the opinion of the current Attorney General. I think there are others for whom it clearly would be considered illegal and that indictments might be brought. The current Attorney General has decided in her wisdom that it is not illegal.

I want to be clearly on record as disagreeing with her on that and believing that indictments should have been brought and that this is, in fact, a violation of existing law. Being unburdened with a legal education, I think perhaps I can make that kind of comment without having to back it up. Nonetheless, it is my opinion with respect to her opinion on these particular cases.

Mr. THOMPSON. I couldn't agree more with my colleague from Utah on that point. It points out another difficulty for those who would try to sit down and apply some kind of commonsense analysis to this and think about what it ought to be, maybe 10 years after we have left this body, something we can be proud of. We sat there, the Senator from Utah and I, for almost a year and saw the most egregious violations of propriety, ethics, what ought to be illegal—some clearly was illegal. And many of our colleagues who are now calling the loudest for reform were definitely silent on those occasions. It really grieves me. I think it is extremely unfortunate that so many of us have lost our ability to take the high ground on this issue because of that.

Now we see a succession of semiprosecutions where nobody gets any jail time. Everybody gets a slap on

the wrist. Nobody is forced to testify against anybody else. The Attorney General gives her stamp of approval on something that nobody in their wildest imaginations thought would have been legal a few years ago. That is kind of a sidebar.

What I am trying to do is not let my anger over that and having watched that and gotten damn little cooperation during it cause me not to be able to try to figure out what would be best for us as a system as we go forward.

Briefly—I have taken too long—on the constitutional issue, I do not believe the constitutional concerns that have been expressed heretofore are with us now. We do limit hard money. Under prior law, 1974, we limited hard money to both individuals and to parties in this country. We actually prohibit unions and corporations from contributing in this country. That has been upheld as constitutional. It would not make any sense to me to say that we can limit a $1,000 contribution in hard money but we cannot limit or do anything with a million-dollar contribution in soft money when it is going for the same purpose. I think the constitutional points that were made previously no longer apply.

In summary, allusion has been made to perception. My concern on that is not what a public opinion poll one day or the next might say but a consistent trend of objective analysis—the Pew Research people are some that come to mind—that shows that in this time of prosperity, this time of peace, we have increasingly cynical views toward our elected officials in this country and toward our institutions. This is especially true with regard to the young people.

This is a generation of young people who did not experience Watergate, who did not experience Vietnam, who did not experience the assassinations we all went through as a nation. What reason do they have to be cynical? They are more prosperous than young people have ever been before. Yet the numbers indicate they are more cynical about us and what we are doing than ever before. That is what concerns me, not these petty personality disputes we have around here.

In 1968, 8 percent of the American people contributed to elections of any kind—Federal, State, national, local. By 1992, it had dropped to 4 percent. I don't know what it is today. But talking about contributions, that is 4 percent of the American people. So as the soft money doubles, the amount of people contributing is halved; voter turnout declines.

Thomas Paine, the famed agitator for the American Revolution and author of Common Sense, said this: A long habit of not thinking a thing wrong gives it a superficial appearance of being right and raises at first a formidable cry in defense of custom.

Let's not lock ourselves into the defense of this custom. Let us look beyond ourselves for a moment and ask ourselves: Is what we are doing going to make for a stronger country? Will it engender respect for our institutions and for this body? Will it give the average citizen more or less confidence in the integrity of his or her government? I think we know the answers to those questions.

I yield the floor.

The PRESIDING OFFICER. Under the previous order, the Senator from Minnesota is recognized.

Mr. WELLSTONE. Before the Senator from Tennessee leaves, I want to say I don't think he was on the floor too long, and I think his comments were very important. I appreciate what he had to say.

Mr. President, I ask unanimous consent, as we go back and forth, that on the Democratic side Senator BOXER be allowed to speak when it comes back to our side, followed by Senator CLELAND.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mr. WELLSTONE. Mr. President, I have some prepared remarks. I don't know how much I will pay attention to it because I have been listening to the debate about corruption. Let me try a different definition, which my colleague from Kentucky, who is very skillful, may want to challenge. But this is at least the way I look at this question.

The kind of corruption I think we are talking about is actually much more serious than the wrongdoing of an individual office holder. That is not what I will focus on. I gather that is what some of my colleagues have focused on and questioned. I say it is much more serious. I say it is a systemic corruption, and it is a systemic corruption when there is a huge imbalance between too few people with so much wealth, so much power, so much access, and so much say, and the vast majority of people in the country who don't make the big contributions, aren't the heavy hitters, aren't the investors, and who believe that if you don't pay, you don't play: I think that is the corruption.

I think the corruption is that the standard of a representative democracy that says each person should count as one, and no more than one, is violated. If any Senator—Democrat or Republican—should go into any cafe in Minnesota, or around the country, and try to make the argument that, as a matter of fact, because of this system we have—which I think is really a failure when it comes to any standard of representative democracy—if we were to try to argue, no, it is not true that people who are the investors and make these big contributions don't have too much access and too much say, I think 99 percent of the people in the country would say you are not credible. Of course, that is what is going on. Of course, people make contributions for a variety of different reasons, one of which is to have access and a say.

I say to my colleague from Utah, I think it is a bipartisan problem. We don't need to talk about individual cases. And I understand the comments he has tried to make. I see it on both sides of the aisle. Look, both parties will talk about special gatherings we will have with the business community here, or the high-tech community there, or the labor community there. We will have gatherings where big contributors come. That is what is done. We have big dinners, and we are told to come to the dinners. What is the purpose of those dinners? These dinners are with the big contributors. We are told to come, to be there. It seems as though, if you don't come, you have no interest.

Both parties give these lectures at caucuses to all of us. And we go. The reason we go is, we believe, given the system we have, people have to raise money, and if you don't come and you are not up for reelection, you believe, when you are up—you hope, given this rotten system we have—there is enough money raised for you, so now you go to help other people.

But the truth of the matter is that the vast majority of people in the country don't come to these dinners. The vast majority of people aren't invited to special gatherings and special sessions. The people who are invited by both parties are the big contributors. They are the investors.

Come on. You are not going to try to argue on the floor of the Senate that we don't have a problem with systemic corruption, where we have just too few people who make these big contributions, who, as a result, perhaps have too much access and too much say.

Let me go out on a limb. It is not just a question of perception. The vast majority of people in our country today believe their concerns about themselves and their families and their communities are of little concern in the corridors of power or the Halls of the Congress in Washington, DC. Do you know what. We have given them entirely too much justification for having that point of view. They are not necessarily wrong.

I am not going to have somebody, all of a sudden, ask me to yield for a question and take my head off because it looks as if I am making an individual accusation. I am not going to do that. But I will tell you something right now. I am fully prepared, as a Senator from Minnesota and a political scientist, to tell you I see certain people, who also happen to be the big contributors, who have way too much access here. I don't know whom we think we are kidding.

When we debated the telecommunications bill, the anteroom outside the Chamber was packed with people. I could not find truth, beauty, and justice anywhere. Everybody was representing billions of dollars here and billions of dollars there. And when we had a debate about the welfare bill—whatever you think about the welfare bill—where were the poor mothers and children? Where was their powerful lobby? They were nowhere to be found.

When we decide where we are going to make deficit reduction and make the cuts, and when we do tax policy, and when we do a lot of other policy, it just so happens that certain folks and certain interests seem to be much better represented than others. I think that is true. I think we can make it better. I think we can do a lot better job of reaching the standard that each person should count as one and no more than one.

Certainly, we have corruption, but it is not the wrongdoing of any individual office holder that I know of; it is systemic. When you have this frightening imbalance of power between the elites, the few who make the big contributions and are so well connected, and the majority of the people who basically feel locked out—and they have every reason to feel locked out—that is the problem.

I smile at the proposal, which may be one of the amendments to this bill, to raise the contribution limits. I think it is about two-tenths of 1 percent of the top population, or less, who can afford to make a contribution of $1,000 or more. I am not supposed to look up in the galleries, and I certainly do not invite comment from people in the galleries—that would go against the rules—but I bet most of the people in the galleries observing our debate would probably think to themselves: We don't make $1,000 contributions.

The fact is, two-tenths of 1 percent are able to make those kinds of contributions. Some people want to now raise it to $3,000. If you want to further skew the imbalance of power, where some people are counted on even more to make the big contributions and most regular people feel left out, then pass that kind of amendment. We will look like fools to people in the country. They will say: My God, the Senate took up reform and today passed an amendment that raised the individual contribution from $1,000 to $3,000—actually from $2,000 to $6,000 through the primary and general election. Most people will scratch their heads and ask: This is the Senate's definition of reform? I don't know, but I think people are being foolish if they don't think that campaign finance reform is an idea—with apologies to Victor Hugo—whose time has long passed.

We have seven Republicans supporting this piece of legislation, the McCain-Feingold legislation. It will take only eight Republicans more to assure that we can pass a bill and to stop this effort to block all reform. I hope there will at least be eight Republicans, if not more, who will find the courage to basically vote for reform, who will find the courage to no longer be a part of this effort to block reform, to expand democracy.

I want to say to my colleagues, Senator MCCAIN and Senator FEINGOLD, in the spirit of friendship and honesty, this bill, in its present form, is a mere shadow of its former self. I don't think it lights up people around the country. I don't think it is going to bring people to the reform barricade. I don't think it is going to galvanize people or cause people to rise up and really put the pressure on Senators. I wish it were more comprehensive. That is what I am saying. I wish it were much more comprehensive.

I think we would be much better off talking about clean money and clean elections and getting as much of this interested big money out of politics and bringing as many people back into politics as possible. I think issue advocacy ads are phony.

While I have the floor of the Senate to talk about my experience, especially in 1996, I worry about the ways in which money will shift from one source to the other. I think we can do better, although I will tell you that if we could ban the soft money, the unregulated money, the under-the-table money, the money where there is essentially no accountability in this system, we would still be taking an important step forward.

I want to express my fear, and then I want to express my hope.

Fear: What could happen is that none of the amendments to strengthen this bill will pass. But there will be a number of amendments to what is a very water-downed version, a very almost timid piece of legislation, but it represents a step forward. I would be proud to support it. But you will get some additional amendments raising the amount of money people can contribute. Gosh knows what else. Then we in the Senate will announce that we did campaign reform for the new millennium, and let's go forward with our special interest parties.

I am going to worry that we may end up getting a bill that will have some fine sounding acronyms, such as ''PEOPLE,'' or something like that, which actually won't represent hardly any step forward at all.

On the other hand, we have this bill right now, and if we can just deal with the soft money ban, we would be making a real step forward.

I want to speak a little bit to this whole question of freedom because it has come up a lot and is raised by a number of colleagues. I want to simply draw from an important book by Eric Foner called, ''The Story of American Freedom.'' He talks about what freedom has meant to people in our country over the years. Freedom is way beyond the kind of definition that we have been given of it. Freedom means the ability to participate. Freedom means to have a place at the table. The definition of freedom of speech is larger than the absence of a regulation that would say we are going to try to put up some kind of framework that doesn't undercut representative democracy.

If you think about it, union organizers in the 1930s and working people were talking about freedom to be more involved in the economic decisions that affected their lives. That was the kind of freedom on which they were focused.

Then we had a fight for political freedom which began with our own American Revolution. Also, an important part of our history was the emancipation of slaves during the Civil War, then the passage of the 13th, 14th, and 15th amendments—again, a broad definition of freedom; in the 1950s and 1960s, freedom which had to do with desegregating our schools and the Civil Rights Act of 1964 and 1965. Each time the kind of freedom we were talking about was the freedom to participate in the political life of our country, or the economic life of our country, or the community life of our country.

Let me share with you the words of Dr. Gwendolyn Patton at a recent conference at Howard University sponsored by the National Voting Rights Institute. She said:

> We thought we had scored a people's victory when we ushered in the 1965 Voting Rights Act. Our movement of great numbers of ''street heat'' feet wrought a structural change that fundamentally expanded democracy. But we know now that it wasn't enough. Ridding the system of private, special interest money is the unfinished business of the voting rights movement. This movement, like that one, is a revolutionary movement—it is not just a tactical question. It is an ideological struggle, not only for black folks, but for all Americans. We are engaged, to borrow Lincoln's words, in ''a great civil war.''

She goes on to say, that while much was achieved through voter registration of African Americans, Latinos, and others.

> As a result of these victories we entered the political arena by the millions—but as passive voters. Soon we began to realize that we had to become active participants by running for office if we were going to enact laws and implements policies that would make a change for the better in our lifetime. That's when we discovered another barrier, and while it's not as directly life threatening, it's certainly as formidable as any we have faced before. That's the barrier of money.

Dr. Gwendolyn Patton is talking about basically what we have right now, which is a wealth primary. What we are really saying is the very question of who gets to run, the very question of who is likely to get elected, the very question of what issues quite often get considered, the very question of what legislation we are able to pass, the very question of who has access to the political process and who doesn't, is all too often determined by money. The vote is undermined by the dollar. Our elections have become auctions.

Some of my colleagues want to talk about raising the contribution limits. Let me just give you some figures.

This is a picture of those who contribute the vast majority of money to candidates under the current contribution limits. Believe me, this is a picture that is not a broad slice of America. It is overwhelmingly white, it is overwhelmingly male, and it is overwhelmingly wealthy. These are people who have contributed over $200, and some colleagues want to go from $1,000 to $3,000.

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

Mr. WELLSTONE. I would be pleased to yield for a question.

Mr. MCCAIN. The Senator from Minnesota, in his opening statement, used the word ''systemic corruption'' associated with the present campaign finance system. Since I have been challenged on comments such as that, would the Senator mind defining what he is saying there?

Mr. WELLSTONE. I say to my colleague from Arizona, I thank him for his question. I would be pleased to be challenged by anybody on the floor on this comment. I made a comment that I think is quite similar to what the Senator from Arizona has been trying to say, that we have a systemic corruption that is, unfortunately, far more serious than the wrongdoing of individual office holders—far more serious. It is a corruption when you have a huge imbalance of power between too few people who have so much wealth and money, who make these large contributions, and who have so much more access and influence, versus the majority of people who have concluded that either you pay, and therefore you can play; but if you do not pay, you don't play. They feel locked out. They feel left out. They are disillusioned. They do not believe the political process belongs to them.

That is a fundamental corruption of representative democracy. And I say to my colleague it violates the most important principle—that in a representative democracy each person should count as one and no more than one. That is being undermined.

Mr. MCCAIN. Will the Senator respond to an additional question?

Mr. WELLSTONE. I would be pleased to.

Mr. MCCAIN. I thank the Senator for his eloquent answer.

Secondly, would the Senator be willing to name names as to examples of that corruption?

Mr. WELLSTONE. Mr. President, I would not want to name names, and I don't need to name names because the kind of corruption that I am talking about goes way beyond any one officeholder. It is systemic; it is endemic; it is structural; and it is very serious. The fact is big money has hijacked representative democracy. It undercuts representative democracy, and it violates the very principle that each person should count as one and no more than one.

Therefore, I would be proud to be included in the ranks of my colleague from Arizona as a Senator who is not naming names.

Let me go forward and just present some figures.

A study conducted of donors in the 1996 election found the following characteristics of such donors.

Ninety-five percent—these are people who contributed over $200—were white; 80 percent were male; 50 percent were over 60 years of age; 81 percent had annual incomes of over $100,000.

The population at large in the United States had the following characteristics:

Seventeen percent were nonwhite; 51 percent were women; 12.8 percent were over 60; and 4.8 percent had incomes over $100,000.

Eighty percent of the people who make contributions of over $200 have incomes over $100,000. And that represents exactly 4.8 percent of the population. If the hard money contributions are increased, as some of my colleagues have suggested, then the picture is going to become even more skewed.

If money equals speech, as some have suggested, we can clearly see who is doing all the talking. If money equals speech, then we can clearly see who is doing all the talking. At least those folks are being listened to. The hopes and the dreams and the concerns of the vast majority of the American people are going unheard because the bullhorn of the $1,000 contribution drowns them out.

For those who want to raise the limits, why make the bullhorn bigger and louder? Why give greater access and more control to those people who already have too much access and too much control?

Again I issue this challenge in anticipation of what might happen. If what we do on the floor of the Senate in a couple of days is raise the contribution level from $1,000 to $3,000—even given the sometimes too low opinion they have of the Senate—people in the country will become even more disillusioned; they won't believe it. I certainly hope we don't do that.

I want to talk about the distrust and the dissatisfaction. Mr. President, 92 percent of all Americans believe special interest contributions buy votes of Members of Congress—92 percent; 88 percent believe those who make large contributions get special favors from politicians; 67 percent think their own representatives in Congress would listen to the views of outsiders who made large political contributions before they would listen to their own constituents' views; nearly half of the registered voters in our country believe lobbyists and special interests control the Congress.

I will go out on a limb and not antagonize, but perhaps prompt, some response from colleagues. All politicians love children, but we do precious little for them. One of the reasons we have done so little for or about poor children in America—who, by the way, constitute the largest group of poor citizens in our country—might be that they and their parent or parents don't contribute much by way of big contributions and don't have much access.

One of the reasons we have done very little to close the gulf between the rich and the poor, one of the reasons we have done so little to combat homelessness, and one of the reasons we have done so little to respond to the concerns of hard-pressed Americans even in these flush economic times is that these are the people who don't pay and don't play.

Perhaps the same argument can be made why we have been so generous in providing special breaks for oil companies; we have been so generous in making sure the tobacco industry continues to rule; we have been so generous in making sure we dare not take on the pharmaceutical companies, we dare not take on the insurance industry.

With all due respect, I don't know who is kidding whom, but I call this a very serious kind of corruption. I will keep using the word. It is not the wrongdoing of individual office holders, but we have developed a severe, serious imbalance of power in a representative democracy so that the very few in the country dominate the political process and all too often have their way and get exactly what they want and what they need, and the vast majority of people think their voice is not heard.

Mr. MCCAIN. Will the Senator yield for a question?

Mr. WELLSTONE. I yield.

Mr. MCCAIN. Is the Senator familiar with the tax bill of $792 billion that passed through the Senate, and then there was going to be a tidal wave of public opinion that would force the President of the United States to sign it?

Does the Senator remember there were a number of special tax breaks in that bill—one for a corporation that turns chicken litter into energy and another for oil and gas, and even for people who make tackle boxes?

Does the Senator remember that those tax breaks would take effect immediately upon the signature of the President of the United States and that there were provisions to repeal the marriage penalty and others that would help average working Americans who don't make big political contributions, yet those tax breaks would not kick in until well into the next century?

Is the Senator familiar with those provisions of the tax bill, and, if so, what conclusions does he draw?

Mr. WELLSTONE. Mr. President, I will not draw one-on-one conclusions about each and every one of those provisions, and I will not make the assumptions that Senators vote one way or the other each and every time because of campaign contributions that a particular Senator may receive, but the overall bias is so much in favor of those large interests that are able to control and invest so much of the money in the political process. That is the problem.

One can allow on any one vote for Senators to honestly disagree, and we can't each time say it is because of money, but overall, I don't know anybody in the world who could argue that we don't have a serious problem.

Mr. MCCAIN. Did the Senator dare to use the word ''corruption''?

Mr. WELLSTONE. I have deliberately used the word ''corruption''

about 10 times because I think that is exactly what we are talking about: systemic corruption, not the wrongdoing of individual officeholders but the kind of corruption that exists when there is such a huge imbalance and few people have too much wealth and power and the majority of the people are left out of the picture.

Let me conclude in two different ways. One, I make a political science point; and, two, I want to make a personal point. I think what we are talking about, in the words of my hero journalist, Bill Moyers, is the soul of democracy. My premise is that political democracy—and I am pleased to be challenged on this if my colleagues choose—has several basic requirements.

First, we need to have free and fair elections. It is very hard to say we have them now. That is why people stay at home on election day. That is why they don't participate in the process. Incumbents outspend challengers 8 or 10 to 1 on average. Millionaires spend their personal fortunes to buy access to the airwaves, and special interests buy access to the Congress, all of which warps and distorts our democratic process.

That is what is going on. A millionaire can run and spend their own money—and many do, and there are millionaire Senators who are great Senators. Again, it is not a personal point I am making. However, most people ought to be able to run for office even if they are not a millionaire. If you are an incumbent—and I certainly hope this debate is not, in the last analysis, a debate between ins and outs—if you are an incumbent and you are an ''in,'' this system is wired for incumbents. We can go out and raise a lot of money. It is much harder for challengers to raise that money. This is a system that warps and distorts the democratic process, and we do not have free and fair elections.

The second criterion: A representative democracy requires the consent of the people. The people of this country, not special interests-big money, should be the source of political power. Government must remain the domain of the general citizenry, not a narrow elite.

We have two-tenths of 1 percent of the population that makes contributions of $1,000 or more. I don't know what percentage that is of the overall money we raise—60 percent? I could be wrong, but it is really skewed.

Let me put it this way. When I was teaching a class about the Congress, I remember I would talk about the Senate. I did not know people, and I have had a million pleasant surprises. In another speech, another debate, I will talk about all the pleasant surprises. But I made the argument: If you look at who the people are in the Senate, by background characteristics, by their income, by who they are, they certainly are not truly representative of the American population. But the more serious problem is, if you then look at the people back home, the constituents who are the relevant constituents, who can most affect our tenure or our lack of tenure, they are the people with the money. They are the people who can make the contributions so we can then put the ads on television in these hugely expensive, capital-intensive campaigns. The vast majority of people in the country know that and they feel left out. We should hate it.

I hope it is OK to say this about my conversation with my colleague from California. Jump up if I am wrong. We were talking about this. I think all of us should hate this system. We should all hate it. On the one hand, I say to myself: I get this. I know why a lot of colleagues do not want any reform, even this modest step of this legislation, which gets at a lot of the unregulated money, the soft money. I say to myself: I can figure this out because it is wired for incumbents. This is not a debate about Democrats versus Republicans, although all the Democrats are going to support this bill, and I hope we will have enough Republicans to pass it and stop the people who are blocking it. Maybe this is a debate between ins and outs and the ins don't want to change it. They don't want to change it because it is wired for us.

But then I think to myself: This cannot be because it is degrading getting on the phone calling strangers, people you do not even know. I don't know what is worse, I say to my colleague from California. I don't know what is worse.

I am having a little fun on the floor right now. I am on a roll, so I have to talk a little longer.

I don't know what is worse, when I call someone up, a perfect stranger, and I call them five times and they never return the call, or I call them up and they say no—I don't know whether that is worse, or if it is worse when they make a contribution, but I don't know them and they don't know me and I don't know why they made a contribution. I am not sure which is worse.

The only thing I know is it is torture. It is torture to have to get on this phone and beg and beg and beg for money. It is degrading.

Mr. MCCAIN. Will the Senator yield for a question?

Mr. WELLSTONE. I will be pleased. Can I make one brilliant point before I take my colleague's question?

On this ins versus outs, I think all of us ins should be supporting the McCain-Feingold legislation and more, for one other reason. The other reason is, when we are up and it is our cycle, we can't do a good job of representing people because every day we have to spend 2 and 3 hours on the phone. We miss debate that we should be involved in; we miss committee work we should be involved in; we miss a lot of work that we should be doing, representing the people of our States. We should want to change this for that reason as well.

I will be pleased to yield for a question.

Mr. MCCAIN. Does the Senator think if he had a more pleasing personality and shaved his beard he would get a more positive response?

Mrs. BOXER. They can't see the beard on the phone, though.

Mr. WELLSTONE. Mr. President, I am speechless. That doesn't happen that often.

Mr. President, I want to finish up. I said that three times. I will finish up.

The last criterion is political equality. Everybody ought to have an equal opportunity to participate in the process. That means the values and preferences of citizens, not just those who get our attention through the large contributions, should be considered in the debate. One person, one vote; no more, no less; one person, same influence. Each person counts as one, no more than one. That is the standard. That is what it is all about. That precious principle, that precious standard of representative democracy, is being violated.

I have spoken about why I am going to oppose with all my might efforts to raise the limits on contributions. I want to speak about one amendment that I will introduce, which I think is a good amendment, I say to my colleague from Arizona. It is a States rights amendment. It holds harmless—no State certainly could go below the standards we have in Federal campaign finance law, but it would allow States which want to move toward clean money, clean elections, to do so. Arizona has done that; Massachusetts has done that; Maine has done that; Vermont has done that. There are going to be other votes in other States. It would say to those States: If you want to get much of the interested money out and you want to have clean money and clean elections and the people in your State vote for it, you should be able to apply it in Federal elections.

If we are not at the point yet where we have the political will so that we can pass more far-reaching reform, I say people in our States, if they are willing to apply this to Federal elections, should be allowed to do so. There is a lot of steam and there is a lot of momentum and a lot of enthusiasm for the clean money/clean election option. I think it is a very important one.

Finally, I have to say this because I forgot to mention this earlier. This is the part of the McCain-Feingold legislation that I think is perhaps most important. I remember the 1996 election. I think these issue advocacy ads are a nightmare. I think all of us should hate them. I very much would like to apply this to independent expenditures as well. I want to be clear about it. But in Minnesota, it was a barrage of these phony issue advocacy ads, where they do not tell you to vote for or against; they just bash you and then they say: Call Senator So-and-so.

They are soft money contributions with no limits on how much money is

raised, no limits on how the money is raised. It could be in $100,000 contributions, $200,000 contributions, and make no mistake about it, this is in both parties. These big soft money contributors have a tremendous amount of access and way too much influence in both parties.

So with one stroke, it would be a wonderful marriage. We could get some of this poison politics off television. We could get some of these phony ads off television. We could build more accountability, and we would make both political parties, I think, more accountable to the public.

This debate is about whether or not something we all value and love, which is our representative democracy, is going to continue to be able to function. It is the most important debate we are going to have. That is the core question, the core issue, the core problem. I hope there will be a vote for McCain-Feingold. I hope we can strengthen it. I hope those who oppose reform and continue to block efforts will not be successful. I think people in our country are counting on us to vote for democracy.

I yield the floor.

The PRESIDING OFFICER. The Senator from Arizona.

AMENDMENT NO. 2294

(Purpose: To increase reporting and disclosure requirements)

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

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Arizona [Mr. MCCAIN] proposes an amendment numbered 2294.

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

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

The amendment is as follows:

At the end of the bill, add the following:

SEC. __. DISCLOSURE REQUIREMENTS FOR CERTAIN MONEY EXPENDITURES OF POLITICAL PARTIES.

(a) TRANSFERS OF FUNDS BY NATIONAL POLITICAL PARTIES.—Section 304(b)(4) of the Federal Election Campaign Act of 1971 (2 U.S.C. 434(b)(4)) is amended—

(1) by striking ''and'' at the end of subparagraph (H);

(2) by adding ''and'' at the end of subparagraph (I); and

(3) by adding at the end the following new subparagraph:

''(J) in the case of a political committee of a national political party, all funds transferred to any political committee of a State or local political party, without regard to whether or not the funds are otherwise treated as contributions or expenditures under this title;''.

(b) DISCLOSURE BY STATE AND LOCAL POLITICAL PARTIES OF INFORMATION REPORTED UNDER STATE LAW.—Section 304 of Federal Election Campaign Act of 1971 (2 U.S.C. 434), as amended by section 4, is amended by adding at the end the following:

''(e) If a political committee of a State or local political party is required under a State or local law to submit a report to an entity of State or local government regarding its disbursements, the committee shall file a copy of the report with the Commission at the same time it submits the report to such entity.''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to elections occurring after January 2001.

SEC. __. PROMOTING EXPEDITED AVAILABILITY OF FEC REPORTS.

(a) MANDATORY ELECTRONIC FILING.—Section 304(a)(11)(A) of the Federal Election Campaign Act of 1971 (2 U.S.C. 434(a)(11)(A)) is amended by striking ''permit reports required by'' and inserting ''require reports under''.

(b) REQUIRING REPORTS FOR ALL CONTRIBUTIONS MADE TO ANY POLITICAL COMMITTEE WITHIN 90 DAYS OF ELECTION; REQUIRING REPORTS TO BE MADE WITHIN 24 HOURS.—Section 304(a)(6) of Federal Election Campaign Act of 1971 (2 U.S.C. 434(a)(6)) is amended to read as follows:

''(6)(A) Each political committee shall notify the Secretary or the Commission, and the Secretary of State, as appropriate, in writing, of any contribution received by the committee during the period which begins on the 90th day before an election and ends at the time the polls close for such election. This notification shall be made within 24 hours (or, if earlier, by midnight of the day on which the contribution is deposited) after the receipt of such contribution and shall include the name of the candidate involved (as appropriate) and the office sought by the candidate, the identification of the contributor, and the date of receipt and amount of the contribution.

''(B) The notification required under this paragraph shall be in addition to all other reporting requirements under this Act.''.

(c) INCREASING ELECTRONIC DISCLOSURE.—Section 304 of Federal Election Campaign Act of 1971 (2 U.S.C. 434(a)), as amended by section 6(b), is amended by adding at the end the following:

''(f) The Commission shall make the information contained in the reports submitted under this section available on the Internet and publicly available at the offices of the Commission as soon as practicable (but in no case later than 24 hours) after the information is received by the Commission.''.

(d) EFFECTIVE DATE.—The amendment made by this section shall apply with respect to reports for periods beginning on or after January 1, 2001.

Mr. MCCAIN. Mr. President, I will say to my colleague from California I will be very brief on my statement on the amendment. I know she has been waiting a long time and has shown patience. I will be brief on this amendment because I know she wants to speak on this important issue. I will take about 2 minutes to explain the amendment.

Mr. President, the amendment is simple. It simply calls for greater disclosure of campaign funds. I begin this discussion by noting this is not an original idea. It is language borrowed directly from legislation offered in the House of Representatives by our colleague, Congressman DOOLITTLE.

Specifically, this amendment requires campaign contribution disclosures made by political committees under State or local law to also be submitted to the FEC. Additionally, all campaign contributions made to political committees within 90 days of an election must be reported within 24 hours of receipt and the campaign contribution reports then be made available on the Internet by the FEC.

These provisions ensure the public knows who is contributing to campaigns in the closing days of an election and how much is being contributed. These added protections will allow the voting public to decide for themselves whether a campaign or an election is being unduly influenced by special interests.

I do not think these disclosure provisions will pose any unnecessary hardship on political parties or committees. This amendment provides simply for additional information about State and local elections to be made available quickly through the Internet and by the FEC. It ensures a common data bank of information about contributions so that interested voters can get updated information in one place and, as an election draws near, with close to realtime disclosures.

I firmly believe the public has a right to know, and tighter disclosure requirements will provide important information to the voters which will allow each voter to draw his or her conclusion about whether the effect of the contribution is—dare I say it? —corruption. But unlike the Doolittle bill, I believe these provisions add to the underlying bill and should not be considered a substitute. The amendment makes the bill better, and I hope my colleagues will support it.

In summary, the Internet has done enormously beneficial things. As far as the political process is concerned, it has provided a tremendous way for us to receive on-time information. We can, hopefully, utilize this incredible technological marvel to allow Americans who are interested to know literally within 24 hours of a contribution whom it was from and the amount of it.

I also believe we can do the same thing at a later time on expenditures as well because the Internet has provided us a great opportunity. Knowledge and information is obviously power and will help our voters understand the issues to make a more informed judgment.

I yield the floor.

Several Senators addressed the Chair.

The PRESIDING OFFICER. Under the previous order, a Democrat should be recognized. The Senator from California.

Mrs. BOXER. I thank the Chair.

Mr. President, I assure my friend from Utah, I will not be long. I was looking at my statement, and even if I get enthusiastic and go off it, I think he is looking at 10 or 15 minutes.

Mr. BENNETT. Mr. President, if I may, I thank the Senator from California. I was under the impression it would be by position rather than by party, but I am more than happy to listen to her for 10 to 15 minutes because I am making notes.

Mrs. BOXER. I appreciate that, and I am sure my friend will find added comments after he listens to mine.

Mr. President, I want to start off by thanking Senators MCCAIN and FEINGOLD for their leadership on this issue. It is nice to see this cooperation across the aisle. I like it. It is healthy for the system, it is good for the system, and we gain more respect as an institution when we work together as opposed to constantly being on opposite sides. People get suspicious; they say: Why is it they always are fighting each other? This is good, and the subject is so important and gets right to the heart and soul of who we are as a people.

I also point out that it is very difficult around here to challenge the status quo. Some of us saw Senator MCCAIN getting fairly well grilled this morning. It is every Senator's right to grill another Senator. But it is very lonely sometimes to take on the status quo.

I have noticed in all my years in politics—and it has been a long time—what a legislature likes to do most is nothing, because it is easy, because if you keep it the same, you do not make waves, you do not disturb anybody, and it is comfortable. Certainly campaign finance reform is comfortable for many of us who have been in this for a long time.

Ever since I have been in politics, I have been supporting reforms in campaign finance. I have been in politics, in elected office, for 23 years. That is most of my adult working life. I started in local politics. It was an issue then. Then I went to the House in 1983. It was an issue then, and it has been an issue in the Senate during the 7 years I have served.

It is fair to ask: Why is Senator BOXER in favor of the most far-reaching campaign finance reform we can get? I can sum it up with three main reasons. Maybe there are 10 or 12, but I want to give the Senate the three main reasons.

First of all, the system is bad for ordinary people; and I will expand on that. Secondly, the system has the appearance of corruption; and I will expand on that. And thirdly, the system is stealing precious time from public officials who are elected to do a job; and I will expand on that.

First, the system is bad for ordinary people. Let me tell you why. Ordinary people feel disenfranchised. Ordinary people who cannot afford to make contributions to campaigns feel left out. Even if they were wrong on that—and I would tell people in my State, regardless of whether they make a campaign contribution or not, they are important to me. We all say that, and we mean that. They do have the vote. They are important to us. They do not believe it. They do not believe they count. They believe the people who count are the people who give $100, $500, $1,000—soft money contributions.

How do we know they feel this way? They have shut us out. They do not believe us when we talk. They believe we are motivated by people who give us the big dollars, and, sad to say, they are not voting. I look at the turnout of voters, and it is sad when we see in many elections 25 percent of the electorate votes, 40 percent of the electorate votes, and there are people all over the world literally dying to stand in line to vote in countries that are struggling to get the franchise. Ordinary people feel left out. That is a danger.

Secondly, the system has the appearance of corruption. Let me talk about the fight I waged on oil royalties. I do not know anyone who stood up in that debate who did not believe big oil companies were not paying their fair share of royalties.

Everyone agreed; even the key opponent of my perspective that we ought to do something about it said it is true, they are not paying their royalties. I know it to be the case when the person who stands up on this floor, whoever that might be—and in another case it could be me; in this case it was another Senator—and fights for the status quo for one particular industry and the newspapers write a story that that individual got more money from that industry than anyone else; even if the motives were as pure as the driven snow—and I have no reason to believe otherwise—people lose faith. They do not want to believe us if we stand up and fight for an industry and we are the biggest recipient of the industry's funds.

We are not talking about a thousand bucks; we are talking about big bucks. The appearance of corruption, if I may use the word, is out there.

I don't care what Senator, on either side of the aisle, stands up and stamps his or her foot and says: That's a terrible word. Don't use it; the appearance of corruption is out there. Maybe you don't think so, but ordinary people think so. We know it. It is another reason they are turned off. It is another reason they do not vote.

And the third reason: The system is stealing precious time from elected officials. Look, let's be honest. A person who comes from California, who takes the oath of office, would have to raise $10,000 a day, 7 days a week, for 6 years, in order to have the resources to run for reelection.

Let me repeat that—for 6 years, $10,000 a day, 7 days a week, in order to have the assets that are needed to run for reelection in California, where there are 33 million people and the highest TV rates in the country.

How do you think that happens? Do you think that individual in the Senate can possibly do all that and still do the best job that she can do? It is impossible.

Let me make a confession on the floor of the Senate. Having run for the Senate twice from that great State, I did every single thing I could to raise as much money as I could within the law. I don't want anyone to think I am holier than thou because I am not. If I was, I would have said: I'm not going to take the PAC money. I'm not going to ask people for soft money. I'm going to demand they take the issues ads off when they help me.

I am not holier than thou. I am a user of the system, and the system is wrong. I think the Senators from California who know what it is like to do this in some ways have more credibility than Senators from small States to talk about the evils of this system. The system is broken, and we have to clean up our act. It is very simple.

I am willing to do it in a baby step, which is what I consider this stripped-down bill to be, or I am willing to do a much larger step, which I think Shays-Meehan is in the House. I like it better. I will do what it takes to get something out of this Senate that speaks to reform.

Soft money, unlimited dollars, it does not matter what it is. It could be any amount going to the parties. Did it help me? Oh, yes. It helped me a lot. In some ways, I was in a better position than my opponent. He spent a fortune. I was able to raise more.

Why am I standing here? I know how to work the system. I have been at it a long time. It is in my benefit to keep it the way it is. Even a well-heeled opponent that I had and I faced, with all the support of the Republican Party, could not go toe to toe with me because I know how to work the system. But the system is broken, and we have to clean up our act. We have a chance to do it.

I hope people in this Senate who know this system inside out will do what they can to change it. Doing away with soft money is a step in the right direction. Do we need other steps? You bet we do.

We need to expand disclosure requirements, and I am going to read Senator MCCAIN's amendment with great interest. It seems to me we can do that in this bill because many times the special interests will wait until the last minute to dump big money into their candidate's campaign, hoping it will not be found out until after election day. With the computers the way we have them today, we ought to be able to know it pretty much on a real-time basis.

We need to ensure that these issue ads become a thing of the past. What a phony deal that is. That is as much an ad as the ad I put on for myself. How is this for an issue ad? ''Senator X has just cast a vote against a particular bill. It is a disaster for our country. Call Senator X and tell her she is wrong.'' That is an issue ad? No. That is a personal attack.

''Senator Y has supported a bill that is going to hurt our country's economy. Call Senator Y. Here are the three reasons he is wrong on that,'' and you mention the Senator's name over and over. By the way, you can even show the Senator's face.

That is not an issue ad. That is a direct attack ad. Was it done against my opponent? Yes, it was. Was it done against me? Yes, it was. It is uncontrolled. It brings in other issues that

the two candidates themselves do not even want to talk about. It unbalances the whole debate in the campaign. It has to be a thing of the past.

''Free speech,'' my colleagues say on the other side. I will tell you, I never heard anyone more eloquent on the point than the Senator from Kentucky. The Supreme Court was divided 5 to 4 on the issue of free speech. I tell you, they are wrong because when you say money equals speech, you are demeaning the Constitution; you are demeaning this democracy.

How is it free speech if candidate A is a billionaire and can buy up every inch of time on the TV and the radio and the other candidate, candidate Y, is a poor candidate and has to go raise money? By the time he gets the money, he goes to the TV stations and the radio stations, and they say: Oh, sorry, candidate Y. There is no time left for you to buy. That is an infringement on his speech.

I had an interesting situation at the end of my last campaign. A lot of money came in toward the end of my campaign. I sent it over to the TV stations. I just got it back with a big refund. By the time we got it over there, there was no more time.

So how do you say that money equals speech if one candidate has it; the other one has a harder time getting it, and they cannot get the prime time? This speech argument is a debasement of everything that I believe in. I believe that our Founders would roll over in their graves if they knew that when they fought and died for free speech, it now means money, and you cannot tell a wealthy candidate you can only put X into your campaign, because it is a violation of free speech. But what about the poor candidate? He does not have the money. What about his speech?

So this argument on speech, to me, is nonsensical. I am one of these people who believe the Supreme Court ought to take another look at that Buckley v. Valeo because I think it is off the wall.

So here I am standing in front of my colleagues admitting that I have used this system to the ultimate, that I have benefited from it because I understand it, that I am good at it. I have had, in the course of my campaigns, thousands and thousands and thousands of contributors. There is not a day that goes by that I do not thank them for their support because I would not be here; I could not have gotten my message out. But they understand, in their heart of hearts, and one of the reasons they wanted me to be here, I will stand up and fight against this system.

So I am doing it again in the hopes that maybe this time, with this stripped-down bill, we can pick up enough votes from the other side of the aisle to ensure that we will have some reform.

I beg my colleagues—we have had some bitter debates, very partisan debates, and it has not been a pretty thing to watch—maybe we can make this a pretty thing to watch. So far it has been kind of contentious.

In the end, if we can get the 60 bipartisan votes to shut off debate, maybe we will get a bill, maybe we can be proud of something we did in this Congress. They did it in the House.

I urge my colleagues, let us follow the lead of Senators MCCAIN and FEINGOLD. Let us reach across the aisle, do something right for the people, restore their faith in this system. Maybe they will start voting again and feel good about who we are and, frankly, about this country, if they think we are moving toward a truer democracy. We have a chance to do it. I hope we will.

I thank the Chair, and I yield the floor.

The PRESIDING OFFICER. Under the previous order, a Republican is to be recognized at this time. The Senator from Alabama is recognized.

Mr. SESSIONS. Mr. President, I appreciate the remarks of the distinguished Senator from California. I know there has been a lot of frustration about campaigns, campaign financing and having to run for office and ask for money. I am not good at it and don't like to do it. It is a humbling experience. Sometimes people won't give you money. If enough people won't give you money to run your campaign, it may be an indication you are not as good a candidate as you think you are. But if you have a message and people care about it and want to give to it, that is what happens in this country.

I guess what I want to say is, there are frustrations. Part of it, for those who wish this system weren't the way it is, is the first amendment to the Constitution. It provides for free speech. In the primary, when I ran in Alabama in 1996, for the Senate—I have only been here since then—there were two individual candidates who ran against me in that primary who personally put in over $1 million of their own money into that race. I spent $1 million in my race and raised it by every way I could. I had two kids in college and was living on a government salary. I didn't have a million dollars, but I won the race. And there are instances of people spending tens of millions and losing.

The Supreme Court has said you cannot deny, under the free speech clause of the Constitution, an individual citizen the right to go on television and say, I have a dream for America or Alabama and I want to carry it out and listen to me. You can't prohibit that. That is free speech. I wish it wasn't so. They have things such as, well, you can do it except for the last 60 days before the election. They said that one time. I suspect we will have an amendment a little later on on this bill that goes back to that, saying you can have free speech, but not for 60 days before the election. That dog won't hunt, as they say. When do you want to speak most intently, if it isn't during the election cycle?

We have a serious problem, when we try to contain by Federal law the right of individual Americans to come together to put money in a pot and to campaign for or against a no-good or a great candidate for the Senate or the Congress or anything else. That is what we are talking about. We are saying people can't get together and actively challenge and fight, with every ounce they have, for the beliefs that they share.

Two years ago, when I got here, I couldn't believe what was happening. The Chair is an attorney, and he will understand this. We actually had an amendment offered in 1997 in this body to amend the first amendment to the Constitution, the right of free speech and press. Thirty-eight Senators out of 100 voted for it. It would have been the greatest retrenchment of American democracy since the founding of this country. I was shocked at it. I guess they are not embarrassed. They have not offered it again. They haven't come back with that amendment. I have it right here.

This was the amendment. Thirty-eight Senators proposed to amend it by saying that Congress shall be able to set limits on contributions in campaigns.

I will say one thing about those people, they were honest about it. They were direct about it. They knew that being able to speak out and raise money and buy time on television is part and parcel of free speech, and they were willing to pass a constitutional amendment so it could be done. We have problems when we start telling people they can't raise money.

As the Senator from Kentucky says, to speak, to carry your message, what you are doing is, these politicians, we politicians are going to get around here and say who can speak and who can't speak. We are going to tend to say the ones who can't speak are the ones who are attacking us and don't agree with us. American democracy is a great, great thing. Some say, our government is terrible but it is better than all others. I suppose that is what we are talking about fundamentally. We have learned over the years that the right of Americans to speak and debate and contend for their beliefs is ultimately better than passing laws to control it. That is the fundamental choice with which we are dealing.

McCain-Feingold originally, as it came forward, was going to stop all kinds of activity within days of the election. It was going to do a lot of different things on issue advocacy, that sort of thing.

Mr. President, I believe I will need unanimous consent to retain the floor following the vote at 4 on the DOD conference report. I ask for that at this time.

The PRESIDING OFFICER. Is there objection?

Mr. CHAFEE. Mr. President, we are going to vote at 4, is my understanding.

The PRESIDING OFFICER. The Senator is correct.

Mr. CHAFEE. Does this unanimous consent request change that?

The PRESIDING OFFICER. It does not.

Mr. CHAFEE. So we will still vote at 4 on DOD?

The PRESIDING OFFICER. This request does not change that.

Mr. CHAFEE. I thank the Chair.

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

Mr. SESSIONS. Mr. President, the vote is scheduled for 4? We will be voting at 4?

The PRESIDING OFFICER. Yes.

Mr. SESSIONS. I will simply wrap up by saying there is not an easy way around this. The original McCain-Feingold attempted to contain all collections of money outside a political campaign in a lot of different ways. The effect of that was to say that a pro-choice group, a pro-life group could not raise funds and speak out on issues, even as it related to a particular candidate or campaign. When it became clear, I submit, that would not meet constitutional muster, we now have McCain-Feingold lite, as they say. It simply says you can't give but a limited amount of money to a political committee, Republican or Democratic committee or Republican or Democratic congressional campaign committee and, I suppose, some other party, if they have that much strength and qualify, but basically, political parties can't receive moneys except under the limited powers given. They have had to abandon the goal of prohibiting independent political action groups from receiving money and spending it.

I had groups against me that had spent money that I am not sure who they were. They were basically fly-by-night groups. I have heard other Senators talk about waking up and turning on the television and being attacked by some citizens for the environment or citizens for this or that. People put their money into those groups. They run ads, and they call your name. That is not covered by this bill. All it says is you can't give to a political party who may be involved in the election and you are limited in how much money you could give to them. But a political party is better than these fly-by-night groups. A political party has to be there the next election. If they cheat and lie and misrepresent, you can hold them accountable, and it probably will hurt them in the next election. They have people whose reputations are committed to those parties.

If we are going to control anything, we ought to do these other groups, rather than political parties, because they have an incentive to maintain credibility, and this bill would not do anything except for political organizations.

I thank the Chair and yield the floor.

DEPARTMENT OF DEFENSE APPROPRIATIONS, 2000—CONFERENCE REPORT—Continued

The PRESIDING OFFICER. Under the previous order, the hour of 4 p.m. having arrived, the Senate will now proceed to vote on the conference report accompanying H.R. 2561, which the clerk will report.

The legislative assistant read as follows:

Conference report accompanying H.R. 2561, making appropriations for the Department of Defense for the fiscal year ending September 30, 2000, and for other purposes.

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

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the conference report. The yeas and nays have been ordered.

The clerk will call the roll.

The legislative assistant called the roll.

Mr. REID. I announce that the Senator from Massachusetts (Mr. KENNEDY) and the Senator from Massachusetts (Mr. KERRY) are necessarily absent.

I further announce that if present and voting the Senator from Massachusetts (Mr. KENNEDY) would vote ''aye.''

The result was announced—yeas 87, nays 11, as follows:

[Rollcall Vote No. 326 Leg.]

YEAS—87

Abraham	Durbin	Lugar
Akaka	Edwards	Mack
Allard	Enzi	McConnell
Ashcroft	Feinstein	Mikulski
Baucus	Frist	Moynihan
Bennett	Gorton	Murkowski
Biden	Gramm	Murray
Bingaman	Grams	Nickles
Bond	Grassley	Reed
Breaux	Gregg	Reid
Brownback	Hagel	Roberts
Bryan	Hatch	Rockefeller
Bunning	Helms	Roth
Burns	Hollings	Santorum
Byrd	Hutchinson	Sarbanes
Campbell	Hutchison	Schumer
Chafee	Inhofe	Sessions
Cleland	Inouye	Shelby
Cochran	Jeffords	Smith (NH)
Collins	Johnson	Smith (OR)
Conrad	Kerrey	Snowe
Coverdell	Kyl	Specter
Craig	Landrieu	Stevens
Crapo	Lautenberg	Thomas
Daschle	Leahy	Thompson
DeWine	Levin	Thurmond
Dodd	Lieberman	Torricelli
Domenici	Lincoln	Warner
Dorgan	Lott	Wyden

NAYS—11

Bayh	Graham	Robb
Boxer	Harkin	Voinovich
Feingold	Kohl	Wellstone
Fitzgerald	McCain	

NOT VOTING—2

Kennedy	Kerry

The conference report was agreed to.

Ms. COLLINS. I move to reconsider the vote.

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

The motion to lay on the table was agreed to.

BIPARTISAN CAMPAIGN REFORM ACT OF 1999—Continued

The PRESIDING OFFICER. Under the previous order, the Senator from Alabama is recognized.

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

Mr. President, there is a difficulty in a free country, one that guarantees the right of free speech and the press, to tell a group of citizens they cannot raise money and speak out at any time they choose to carry forth the message they believe in deeply. We are not talking about a game here. It is nice to sit around and say: How can we do something about this money in campaigns? It is such a burden to raise money. People try to buy influence. It is true people do try to ingratiate themselves to Members of Congress. How do you stop it? How do you do it, consistent with the great democracy of which we are a part?

This bill as it is written, the ''McCain-Feingold lite''—the final version that has been altered, as we have gone by—is a feeble, sad attempt, really, to control spending in a way that is not going to be at all effective. In fact, it is going to be counterproductive and unwise, at the same time undermining the great first amendment of our Constitution.

This bill would fundamentally only ban contributions of soft money; that is, contributions of money of certain amounts that are limited in the statute. If you give more than that to a party, then that becomes soft money. It would ban these contributions to parties or party organizations.

Parties are good things. A lot of fine political scientists have been concerned over a number of years that parties have begun to lose their strength. But they go out to educate the public. People can call them to get information. They help young, inexperienced candidates get into the political fray. They help them fill out their forms right and make sure they comply with the campaign laws and the other laws involved in these elections. They serve good purposes. They are, at their foundation, a group of American citizens who share a general view of government who desire to come together to further those ends through their organization. So we are banning money to them. Who does not get soft money or money over the $1,000 contribution limits? Parties cannot get it. At the same time, there would be no ban on contributions to organizations that are not historic, that will not continue to exist from election to election. They will go away.

In Alabama, in 1996, the ad that was voted the worst ad in America was run in our supreme court race. It was a skunk ad, and it was a despicable ad. It was done by money that apparently was given by a trial lawyers' association to an organization. I think the title of it was the ''Good Government Association.'' They raised this money and put it into this thing. It had one

purpose. It didn't register voters, didn't answer the phone, didn't produce literature—it ran attack ads against a good and decent candidate for the supreme court of the State of Alabama. This bill would not stop that kind of thing. That could still go on.

That is why I believe it would do nothing to deal with that fundamental problem. When people care about an election, they are going to speak out. These fly-by-night groups that come together, they have no integrity to defend over the years as a political party does. Their leaders oftentimes are people you will never hear from again. But a chairman of a political party, the candidates and members of that party, Republican or Democrat, have a vested interest in trying to maintain the integrity of their party. I think, in truth, there are going to be fewer abuses by a political party, frankly, than another kind of institution. I will just say these would be legal under this bill. It would not deal with the fundamental question with which we are most concerned.

We know one of the union labor leaders has promised to spend $46 million in 35 congressional races to defeat Republican candidates and take over the House of Representatives. He has announced that: Over $1 million per race. This bill would provide no control over that.

What if you are a candidate in Alabama and all of a sudden you wake up and you have been targeted and they are spending $2 million—it could be $2 million, maybe $3 million—against you, running attack ads daily? You go around to ask people to raise money to help you and they cannot give but $1,000 and you cannot get your message out because you have been overwhelmed. That is not fairness. It would not control that kind of immense funding in any way. That is not fair. That is all I am saying. That is not fair. We do not need to do that thing, in my view.

If there is a problem in campaign finance and funding, one of the most amazing and aggravating things to me is that a union member who favors me or someone else, another candidate, may have his money taken or her money taken and spent for the person they oppose. They have no choice in it whatsoever. They have to work, they have to pay union dues, and the money is spent. This bill throws up a figleaf and says, if you are not a union member, then you can object, if they are taking your union dues, and maybe get a little bit of it back if you protest and demand it back. But as far as dealing fundamentally with the freedom of working Americans to decide who their money is spent on, it would do nothing. That is a wrong, if you want to know what is wrong in this country.

I submit this bill is a shell, a pretend bill. It will not stop soft money. That is so obvious as to be indisputable. It is going to continue. It is just going to go through organizations other than political parties. It will not stop unions from spending $46 million on a few targeted races. It is not going to stop political action committees with special interests from raising funds, involving themselves in elections. Indeed, how can it? Should it be able to? Probably not. How can we stop people from doing that?

I don't like it. I don't like people running ads against me and I have had them run against me saying: Call JEFF SESSIONS and tell him you don't like what he is doing. It is basically an attack ad. It is not going to change.

What can we do? I can suggest a few things. Let's raise the 1974 spending limits. That is way out of date. It is time to bring those up to date. Then a person who cares about an election, if he gives $2,000 or $3,000, may not believe he needs to carry on by giving money to a special committee to argue the case further. He may be satisfied with that. That would be natural and normal. It would reduce the pressure for soft money.

I believe we need more prompt disclosure. People need to know who is giving this money. It would have been helpful for the voters of Alabama to have known that a skunk ad came from defense lawyers, plaintiff lawyers, and business interests on one side of that debate. They would be more understanding of what it means and may be able to hold somebody accountable in a way they would not otherwise.

Frankly, we ought to start enforcing the law. I spent 15 years as a Federal prosecutor. We are not doing a very good job, in my view, of finding people who violate existing laws and seeing that people are held accountable. There are going to be mistakes, and I am not talking about witch hunts and trying to disturb honest and decent candidates who have done their best to comply with many regulations, but we really need to watch those cases where we have serious enforcement problems.

The Senator from Utah talked about Mr. Tamraz who gave $300,000 to the Democratic Party to meet with the President, and the State Department people said he is a bad character and they should not see him. But he was invited to the White House and the President saw him anyway. That is helpful and may not be an absolute violation of the law, but that is the kind of thing we ought to know about and stand up against. But this is freedom fundamentally to speak out.

My time is up. Our cure, I am afraid, is more dangerous than the disease. We have a lot of problems in elections and because of them people get upset. But fundamentally in America, today you can campaign and get your message out, and the American people accept the results of those elections. We do not have riots when one candidate wins and another one does not. It is because people feel they have an adequate opportunity to have their say.

This legislation clearly, in my opinion, would weaken the first amendment right to free press and freedom of speech. It would be dangerous because the incumbents will be setting the rules. As Members of this body, we are going to set rules which protect and resist activities that we as incumbent politicians do not like. Every now and then, it might be healthy for somebody who wants to raise a bunch of money and run against some of us. It might be good for us. One can make an issue of it if they think it is unfair, but how can we say they cannot do that? Many of the rules we are talking about cannot be enforced. They will not be enforced or do not even attempt to avoid certain loopholes which we close in a little gate and then the whole fence is down when we allow this money to go through other political groups and just barring parties from spending the money.

This plan will not work. It will not achieve the goal of the parties submitting it. It will not do that. It encroaches on the first amendment and is not good public policy.

I thank the Chair for the opportunity to speak and yield the floor.

The PRESIDING OFFICER. Under the previous order, the Senator from Georgia is recognized.

Mr. CLELAND. I thank the Chair.

Mr. President, campaign finance reform was the first issue on which I chose to speak when I was duly elected to the Senate almost 3 years ago. I occupied this desk and talked about my understanding of the state of campaign financing in America. I had just gone through one of the most expensive Senate races in the history of the United States where I was outspent some 3½ to 1. I am lucky to be here.

The current status of campaign financing in America is a moral swamp; it is full of skunks; it is full of special interests out to buy their way into the heart of the American Government. Those of us in this Senate, 100 selected, want to make sure the public interest prevails, not special interests. I tip my hand and my hat to two fine Members of this body who day in and day out, year in and year out, have fought the good fight in cleaning up this moral swamp of campaign financing.

My dear friend and fellow Vietnam veteran, Senator JOHN MCCAIN, and my seatmate, Senator FEINGOLD, have put together an effort which I believe has a reasonable chance of succeeding.

I can remember sitting here a couple years ago after a whole year of sitting on the Governmental Affairs Committee and listening to one horror story after another about problems of campaign financing in America, and a majority of our Governmental Affairs Committee decided we needed campaign financing; we needed the McCain-Feingold bill. I was an original cosponsor of it and a majority of the Senate supported it, but we could not get 60 votes.

Senator MCCAIN, in those days, said something like: It is a question of time. This Senate will pass campaign finance reform. It is just a matter of

when, and it will be whether or not we are here.

I am glad the issue of campaign finance reform is back before this distinguished body, and it is none too late. In 1998, the last general election in this country, we had higher spending, more negativity, greater public cynicism, and not coincidentally, lower voter turnout than at any time in this century. We are at a turning point. I thank Senator JOHN MCCAIN and Senator RUSS FEINGOLD for offering to us, again, a chance to clean up this moral swamp.

My dear colleague from Arizona and I were in the Vietnam war. We have been shot at before. We have been attacked before. We have been criticized before. But his integrity is still intact. He is incorruptible, he is unbought and unbossed, and I am honored to serve with him today.

Over the years, opponents of McCain-Feingold have continued to concentrate their spoken criticisms on its alleged violations of free speech, though that is, in my opinion, a flawed equation of money with speech.

I look back at the 1976 decision by the Supreme Court which, in effect, equated the ability to spend money with free speech. In the campaign finance hearings a couple of years ago, I asked the simple question: If you do not have any money in this country, does that mean you do not have any speech? Of course not. The problem is we have equated money with speech and the ability to get on the air with 30- and 60-second spots which make us want to throw up.

I share the concern of the distinguished Senator from Alabama, Mr. SESSIONS, about these negative attack ads that come from out of State and seem to originate from God knows where. They come in and assassinate someone's character. That is not the country for which Senator MCCAIN and I fought. That is not the kind of democracy we intend to serve. That is one reason why I have bonded with him in such a close way: to support cleaning up this incredible process.

Right now we have a system where every millionaire in America can expect to run for public office. The rest of us will have to take a back seat.

I would say there is little doubt about the commitment of James Madison, father of the Constitution, an architect of the Bill of Rights, and President of the United States, to the great cause of free speech. Madison was the author of the first 10 amendments to the Constitution, the Bill of Rights. In The Federalist Papers, Madison put the challenge of governing this way. He said:

> But what is government itself, but the greatest of all reflections on human nature? If men were angels, no government would be necessary. In framing a government which is to be administered by men over men, the great difficulty lies in this: you must first enable the government to control the governed; and in the next place oblige it to control itself.

We have to control this campaign finance system or it will eat us alive. Our system of elections is fast becoming a system of auctions. While Madison was certainly both a revolutionary and a visionary, he never allowed himself to stray too far from the practical realities of the world in which he lived. To him, the lack of human perfection was thus the basis for government and a factor which must be taken into account in providing a government with sufficient powers to accomplish its necessary functions.

The last time the Senate debated McCain-Feingold, back in 1997, Senator FRED THOMPSON, the chairman of the Governmental Affairs Committee, delivered a very fine statement on the Senate floor about campaign finance reform and free speech in which he pointed out that, in the real world, the debate about campaign finance reform and free speech is not one of absolutes, as some would have it. There is not a choice between a system of unfettered free speech and government regulation, for our current system recognizes many instances in which there is a legitimate and constitutional public interest in regulating speech, from slander laws, to prohibitions on the disclosure of the identities of American intelligence agents, to the campaign arena itself, with a longstanding ban on corporate contributions and quarter-century and older limits on other forms of contributions and disclosure requirements.

So the debate isn't really over whether or not there will be government regulation of campaigns but on what form that regulation will take. In the words of Dr. Norm Ornstein, a noted political scientist and a witness in the Governmental Affairs hearings, the question is whether or not we will erect some ''fences'' to prevent the worst abuses from recurring.

As I have told anyone who has asked me, I love being a Senator. I cherish this body. As does Senator BYRD, I cherish its traditions. Having the privilege of representing my State in this body, where such giants as Clay and Webster and Calhoun and Norris and LaFollette and Dirksen and Russell and Senator BYRD have served with great distinction, is the greatest honor of my life. But, my fellow Members of the Senate, I was not honored by the process that I and every other candidate for the Senate had to undergo in order to get here.

We have to spend years in raising millions of dollars just to defend ourselves out there in the marketplace. I have not felt privileged sitting here day by day, with evidence continually mounting in congressional hearings, in newspaper reports, of campaign abuses, or public opinion surveys chronicling the loss of public trust in the political process, or the ongoing massive fundraising which takes place all the time in this, the Nation's Capital. The current system is broken, and it cries out for reform.

We have heard a lot of talk, and we will hear more talk, about these abuses, and about the general topic of campaign finance reform. But the time is coming when we must take action. Certainly the revised McCain-Feingold package is not perfect; it is not all that I think needs to be done to remedy our problem, but it is an essential first step, aimed at dealing with the worst of the abuses which currently plague our campaign system.

It is fascinating how the term ''soft money'' has grown up. It is really not soft money; it is hard money with soft laws. It is now time to correct that abuse. The revised bipartisan campaign finance reform proposal does not contain spending limits. I wish it did. Unfortunately, the Supreme Court has declared that unconstitutional. It does not contain limits on PACs. The current law does. It does not provide free discounted broadcast air time for Federal candidates. I think we ought to have that. And the bill does not place any limitations on sham issue ads, which we need very badly. We need to place some limitations on that, especially 60 days out from an election.

But what the proposal does do is this:

One, it bans soft money contributions to and spending by national political parties and candidates for Federal office. That, in and of itself, is an achievement.

Two, it curbs soft money contributions to and spending by State parties when such activities are related to Federal elections.

And three, it strictly codifies the Beck decision concerning the right of nonunion members to have a refund of any union fees used for political purposes to which they object.

There are certainly areas where I believe this package should be strengthened, but we must not let the pursuit of a politically unattainable ideal prevent us from adopting the very useful and important provisions in this package.

Let us remember that it was soft money which was at the heart of most of the egregious campaign abuses uncovered by the Governmental Affairs Committee's investigation of the 1996 campaign. I sat through a whole year of listening to those horror stories, and it convinced me it is long since time that we act.

The country is watching what we do on campaign finance reform. Make no mistake about that. They are understandably skeptical that we will take action to reform the very system under which we all were elected, and, shall we say, expectations are extremely low. Unfortunately, based on our behavior to date, those expectations are being fulfilled.

But this is a real opportunity, the best we will have in this Congress to show we can take the hard but necessary steps to help begin to restore the public's faith in the workings of our great experiment in democracy.

Earlier this year, by an overwhelming bipartisan majority, the

House of Representatives approved the Shays-Meehan bill, which goes far beyond the measure currently before the Senate. The President of the United States stands prepared to sign any reasonable version of either of the bills into law. Now the ball is clearly in our court.

As we consider the McCain-Feingold legislation, I hope we will at long last be allowed to engage in the normal amendment process whereby the Senate can truly work its will and seek to improve the pending legislation. There are a number of areas in which I think the existing bill can and should be improved. For my part, I will be offering a series of amendments related to enforcement of existing laws by strengthening the Federal Elections Commission and campaign disclosure requirements. The FEC is the referee in this ballgame. It is time we gave the referee some strength.

One of the most glaring deficiencies in our current Federal campaign system is the ineffectiveness of this referee. The FEC, whether by design or through circumstance, has been beset by partisan gridlock, uncertain and insufficient resources, and lengthy proceedings which offer no hope of timely resolution of charges of campaign violations. It is similar to a referee in a football game blowing a whistle and 9 months later throwing the flag.

Thus, the first major element of my amendments is to strengthen the ability of the Federal Election Commission to be an effective and impartial enforcer of Federal campaign laws.

I will be offering amendments to do several things:

One, alter the Commission structure to remove the possibility of partisan gridlock by adding a seventh member, who would serve as Chairman and would be appointed by the President —with the advice and consent of the Senate—from among 10 nominees recommended by the Supreme Court.

Two, require electronic filing of reports to the FEC; authorize the FEC to conduct random audits; give the FEC independent litigating authority, including before the Supreme Court; and establish a right of private civil action to seek court enforcement in cases where the FEC fails to act, all of which should dramatically improve the prospects for timely enforcement of our campaign finance laws.

Three, provide sufficient funding of the FEC from a source independent of congressional intervention by the imposition of filing fees on Federal candidates, with such fees being adequate to meet the needs of the Commission.

There is another area to be addressed by my amendments. The area I would like to address is to enhance the effectiveness of campaign contribution disclosure requirements.

I have to admit, of all the laws, of all the requirements I have seen at the State level and the Federal level, over the years in which I have been dealing with the question of campaign finance reform—and I was the State official in Georgia for 12 years who was the State elections officer, and I pushed for campaign finance reform then, and now I am pushing for it as a Senator. Of all the requirements I have seen, of all the laws and the rules and regulations, I think the most effective brake on abuse in the campaign finance system is disclosure. As Justice Brandeis once observed: Publicity is justly commended as a remedy for social and industrial diseases. Sunlight is said to be the best of disinfectants.

This is certainly true in the realm of campaign finance. Let there be more sunlight. Perhaps the most enduring legacy of the Watergate reforms of a quarter century ago is the expanded campaign and financial disclosure requirements which emerged from that tragedy. By and large, those increased disclosure requirements have served us well, but as with everything else, they need to be periodically reviewed and updated in the light of experience.

Therefore, based in part on testimony I heard during the last session's Governmental Affairs Committee investigation and in part on the FEC's own recommendations for improved disclosure, my amendments would make several changes in current disclosure requirements.

Specifically, I am recommending a reform which will make it more difficult for contributors and campaigns alike to turn a blind eye to current disclosure requirements by requiring those who contribute $200 or more to provide a signed certification that their contribution is not from a foreign national and is not the result of a contribution in the name of another person.

In addition, I will offer amendments embodying a number of disclosure recommendations made by the FEC in its reports to the Congress and by other campaign finance experts, including, among others: One, requiring all reports to be filed by the due date of the report; two, requiring all authorized candidate committee reports to be filed on a campaign-to-date basis rather than on a calendar-year cycle; three, mandating monthly reporting for multicandidate committees which have raised or spent or anticipate raising or spending in excess of $100,000 in the current election cycle; again, clarifying that reports of last-minute independent expenditures must be received at the FEC within 24 hours of when the expenditure is made; and, finally, requiring that noncandidate political committees which have raised or received in excess of $100,000 be subjected to the same last-minute contribution reporting requirements as candidate committees.

It is so easy to be pessimistic about campaign finance reform efforts. The public and the media are certainly expecting this Congress and this Senate to fail to take significant action in cleaning up this swamp. The scandalous campaign system, though, under which we all now suffer must be changed.

I suggest we cannot afford the luxury of complacency. We may think we will be able to win the next election or reelection because the level of outrage and the awareness of the extent of the vulnerability of our political system have perhaps not yet reached critical mass. I am confident it is only a matter of time, as Senator MCCAIN has said, and perhaps the next election cycle, which will undoubtedly feature more unaccountable soft money, more sham issue ads, more circumvention of the spirit and, in some cases, the letter of current campaign finance laws, before the scales are decisively tilted in favor of reform.

We will have campaign finance reform, Mr. President. The only question is whether or not this Congress and this Senate step up to the plate and fulfill their responsibility to the American public and give them a system in which they can have confidence.

I yield the floor.

Mr. REID addressed the Chair.

The PRESIDING OFFICER (Mr. SMITH of Oregon). The Senator from Nevada.

Mr. REID. Mr. President, for the information of Members, the manager of the bill and the minority are trying to work out a time. We expect there will be a vote at 6 on the underlying amendment. All Members should keep that in mind. We don't have it yet, where we can enter a unanimous consent request, but we are very close to it.

The PRESIDING OFFICER. The Senator from Vermont.

Mr. JEFFORDS. Mr. President, I rise today as we begin the debate on campaign finance reform to discuss my thoughts and hopes on the actions the Senate will be taking in the coming days.

First, let me thank the sponsors of the legislation, Senators MCCAIN and FEINGOLD, for their tireless perseverance to enact campaign finance reform. Without their hard work and vast knowledge, we would not be at this important point. I would also like to thank the majority leader, Senator LOTT, for working with Senators MCCAIN and FEINGOLD to schedule this time for what I hope will be a full and open debate on this important issue. I look forward to hearing and debating the many ideas of my colleagues and believe the Senate should strive over the next couple of days to show why we are considered the greatest deliberative body in the world.

Mr. President, I was first elected to Congress following the Watergate scandal, right around the time Congress last enacted comprehensive reform of our campaign finance system. I have watched with growing dismay over my almost 25 years in Congress as the number of troubling examples of problems in our current campaign finance system have increased. These problems have led to a perception by the public that a disconnect exists between themselves and the people that they have

elected. I believe that this perception is a pivotal factor behind the disturbingly low voter turnouts that have plagued national elections in recent years.

While some may point to surveys that list campaign finance reform as a low priority for the electorate, I believe that the public actually strongly supports Congress debating and enacting comprehensive reform this year. It is important to reverse the trend of shrinking voter turnout by reestablishing the connection between the public and us, their elected representatives, by passing comprehensive campaign finance reform.

As I said earlier, I look forward to a full and open debate on the issue of campaign finance reform including the amendments that will be offered. At the end of this debate, the Senate should be able to pass comprehensive campaign finance reform. That to me is the most important aspect of any bill the Senate may pass, it must be comprehensive. If we fail to address the problems facing our campaign finance system with a comprehensive balanced package we will ultimately fail in our mission of reforming the system. Closing one loophole, without addressing the others in a systematic way, will not do enough to correct current deficiencies, and may in fact create new and unintended consequences.

Mr. President, we have all seen firsthand the problems with the current state of the law as it relates to sham issue advertisements. I have focused much time and effort on developing a legislative solution on this topic with my colleague Senator OLYMPIA SNOWE, and was pleased that this solution was adopted by the Senate during the last debate on campaign finance reform. I was also proud to cosponsor the comprehensive campaign finance bill Senators MCCAIN and FEINGOLD introduced earlier this year that included this legislative solution.

While I understand the rationale my colleagues used in crafting the base legislation that we are debating, I feel strongly that the legislation the Senate must ultimately vote on include some kind of changes to the current law concerning sham issue advertisements. I feel that we have crafted a reasonable, constitutional approach to this problem and will be offering it as an amendment during this debate.

That does not mean, though, that we will stop working with our colleagues to craft additional, and perhaps different, ideas to address the problems with the current law on sham issue advertisements. My ultimate goal is to create a comprehensive campaign finance bill that will garner the support of at least 59 of my other colleagues, and hopefully more.

Mr. President, I look forward to the upcoming full and open debate on this important issue, and pledge to continue working with my colleagues to enact comprehensive campaign finance reform into law this year.

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

The PRESIDING OFFICER. The clerk will call the roll.

The legislative assistant proceeded to call the roll.

Mr. REID. 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. REID. Mr. President, I ask unanimous consent that the vote on the underlying amendment occur at 6 o'clock this evening, and that the time be divided equally between the respective parties prior to that time.

The PRESIDING OFFICER. Is there objection?

Mr. MCCAIN. Would the Senator repeat the unanimous consent request?

Mr. REID. It is that the vote on the underlying amendment would occur at 6 o'clock, there would be no second-degree amendments in order, and that the time between now and 6 o'clock be divided between the proponents and opponents of the amendment.

Mr. MCCAIN. I don't object.

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

Mr. REID. Mr. President, I am also informed—and I believe it is the case—that after the vote at 6 o'clock, there will be 20 minutes on the VA-HUD Appropriations bill.

That is for the information of Senators. It hasn't been determined by the leaders for sure, but that is what I expect will happen.

Mr. MCCONNELL. Mr. President, let me second what the assistant Democratic leader has said. That is the anticipation with regard to the VA-HUD.

Mr. President, seeing no one on the floor at the moment, I thought I might make a few observations about the debate in which we are currently engaged.

One of the commonly stated myths that we have heard throughout the day is that soft money in our current campaign finance system is the cause of unprecedented public cynicism about, and distrust of, government. The truth is, according to a study published by Oxford Press in 1999, which was coordinated by the faculty of the Kennedy school and which benefited from the participation of scholars from the University of Michigan, the University of Arizona, and the University of Illinois, public trust in government and cynicism about government predates not only soft money but also the events that prompted the original Federal Election Campaign Act. According to this study, public trust in the Federal Government has suffered a fairly steady decline since 1958, when 75 percent of the American people trusted the Federal Government most of the time.

By the end of the Carter administration, this number had dropped to approximately 25 percent. This trend was temporarily reversed during the Reagan administration, but during the subsequent administrations, it again declined to near pre-Reagan levels of distrust. The fact that our campaign finance system and soft money have not caused a precipitous drop in public trust and an unprecedented increase in cynicism is confirmed by an even more recent study by two Harvard professors, which is going to press at the Princeton University Press. This study shows that trust in government did not precipitously decline during the scandal-ridden 1996 Presidential campaign.

These studies show that, according to most recent data available to these distinguished scholars, levels of public trust in government are currently no higher than they were in 1994 or at the end of the Carter administration in 1980. Simply put, the best and most recent scholarship establishes that public distrust of government predates our current campaign finance system and soft money, and the advent of our current campaign finance system and soft money have not accelerated the relatively steady decline in public trust that began in 1958. So it is clear that this debate we are having has absolutely nothing to do with the steady decline of confidence in our government.

Now, the prescription for this steady decline that has been offered by a variety of so-called reformers around here has been tried in some other democracies.

Let's look at Canada, for example. Our neighbors to the north already have passed many of the types of regulations supported by the proponents of the various reforms that are before the Senate or have been before the Senate in recent years. Canada has adopted the following regulations of political speech: spending limits that all national candidates must abide by to be eligible to receive taxpayer matching funds. Candidates can spend $2 per voter for the first 15,000 votes they get, $1 per voter for all the votes up to 25,000, and 50 cents per voter beyond 25,000.

Canada also has spending limits on parties that restrict parties to spending the product of a multiple used to account for cost of living times the number of registered voters in each electoral district in which the party has a candidate running for office. Right now, it comes out to about a dollar a voter.

Canada also has indirect funding via media subsidies. The Canadian Government requires that radio and television networks provide all parties with a specified amount of free air time during the month prior to an election. The government also provides subsidies to defray the costs of political publishing and gives tax credits to individuals and corporations which donate to candidates and/or parties.

That is the prescription in Canada. It is not all that dissimilar to the ones that have been promoted here in recent years, up to and including the bill we currently have before us.

Let's look at the attitude about government in Canada after all of these reforms. The most recent political science studies of Canada demonstrate that, despite all of this regulation of political speech by candidates and parties, the number of Canadians who feel ''the government doesn't care what people like me think'' has grown from roughly 45 percent to 67 percent. Confidence in the national legislature, after the enactment of all of these speech controls, has dropped from 49 percent to 21 percent. The number of Canadians satisfied with their system of government has declined from 51 percent to 34 percent.

Let's take a look at Japan. According to the Congressional Research Service:

> Japanese election campaigns, including campaign financing, are governed by a set of comprehensive laws that are the most restrictive among democratic nations.

After forming a seven-party coalition government in August 1993, Prime Minister Hosokawa placed campaign finance reform at the top of his agenda. He asserted that his reforms would restore democracy in Japan. In November 1994, his reform legislation passed. After this legislation, the Japanese Government imposed the following restrictions on political speech:

Candidates are forbidden from donating to their own campaigns. Any corporation that is a party to a government contract, grant, loan, or subsidy is prohibited from making or receiving any political contributions for 1 year after they receive such a contract, grant, loan, or subsidy.

There are strict limits on what corporations and unions and individuals may give to candidates and parties. There are limits on how much candidates may spend on their own campaigns.

Candidates are prohibited from buying any advertising in magazines and newspapers beyond the five print media ads of a specified length that the government purchases for each candidate.

Parties are allotted a specified number of government-purchased ads of a specified length. The number of ads a party gets is based on the number of candidates they have running. It is illegal for these party ads to discuss individual candidates.

In Japan, candidates and parties spend nothing on media advertising because not only are they prohibited from purchasing print media ads, but they are also prohibited from buying time on television or radio.

The government requires TV stations to permit parties and each candidate a set number of television and radio ads during the 12 days prior to the election.

Each candidate gets one government-subsidized televised broadcast.

The government's election management committee provides each candidate with a set number of signboards and posters that subscribe to the standard government-mandated format.

The Election Management Committee also designates the places and times candidates may give speeches.

The government says when candidates may speak, and where they may speak.

You may ask: What happened after these exacting regulations on political speech that amount to a reformer's wish list were imposed in Japan? Did cynicism decline? Did trust in government increase? Not so, as you notice.

Following the imposition of these regulations, the number of Japanese saying they had no confidence in legislators rose to 70 percent.

Following these regulations, only 12 percent of Japanese believe the government is responsive to the people's opinions and wishes.

The percentage of Japanese satisfied with the Nation's political system fell to 5 percent.

Voter turnout continued to decline.

Let's take a look at France.

In France, there is significant regulation of political speech with government funding of candidates, government funding of parties, free radio and television time, reimbursement for printing posters, and for campaign-related transportation.

In France, they ban contributions to candidates by any entity except parties to PACs.

Individual contributions to parties are limited.

Strict expenditure limits are set for each electoral district in place.

Every single candidate's finances are audited by the Commission Nationale, generally known as CCFP, to ensure compliance with the rules.

Despite all of these regulations on political speech in France, the latest studies indicate the French people's confidence in their government and political institutions has continued to decline. Voter turnout has continued to decline.

Let's look at Sweden.

Sweden imposed the following regulations on political speech: There is no fundraising for spending for individual candidates at all. Citizens merely vote for parties which assign seats on the proportion of votes they receive.

The government subsidizes print ads by the parties.

Despite the fact that Sweden allows no fundraising or spending for individual candidates, since these requirements have been in force the number of Swedes disagreeing with the statement that ''parties are only interested in people's votes, not in their opinions'' has declined from 51 percent to 28 percent.

The number of people expressing confidence in the Swedish Parliament has declined from 51 percent to 19 percent.

So it is clear that many assertions made by the proponents of additional campaign finance regarding the causal link between the campaign finance system or soft money, and voter turnout, public cynicism, national pride, and the health of our democracy are not supported but actually contradicted by the best and most recent scholarship and empirical data available from prestigious academics at institutions such as the Kennedy School at Harvard and the University of California System's Center for the Study of Democracy, and contrary to the experience of the other industrialized democracies that have passed the type of measures desired by proponents of more regulation of political speech.

The rationale for all of this has been that we need to clean up the system, squeezing out all of these private interests so everybody will have more confidence in the government.

That didn't work anywhere overseas. So let's take a look at the United States.

Voter turnout at home: In the end, we don't even have to look at other countries to see that speech controls do not increase confidence, nor do they increase voter turnout. In 1974, as we all know, the Federal Election Campaign Act was expanded to limit the amount of money that Presidential candidates could raise and spend. That is the system under which the current candidates for President operate.

So if the reformers premise that limiting speech increases turnout is true, then surely voting in American Presidential elections would have increased over the last 25 years. Let's look at the statistics.

In the 1950s and 1960s, before the passage of the Federal Election Campaign Act, the average voter turnout was consistently at 60 percent or higher.

So post-1974 must have been higher, right? After all, we passed the Federal Election Campaign Act. After all, the Congress supposedly gave us ''comprehensive reform'' for the Presidential system in 1974.

But the numbers show the emptiness of the reformers' rhetoric. The voter turnout for every Presidential election postreform has never reached 60 percent. In fact, the postreform high was 1992 when voter turnout reached 55 percent.

Even if one accepts the reformers' notion that voter turnout and voter confidence are problems in America, banning issue speech by political parties is clearly not the solution. Having less speech, less debate, and less discussion is clearly not going to have a positive impact on voter turnout, and there are simply no statistics—none whatsoever—to substantiate the claim that passing the kind of legislation which is before us today, or the kind that has been before us seemingly annually for the last 10 or 12 years, would have any impact whatsoever on reducing cynicism or raising turnout.

I yield the floor.

The PRESIDING OFFICER. The Senator from Washington.

Mr. GORTON. Mr. President, we start from the most fundamental of all propositions, the first amendment to the Constitution of the United States. That amendment reads as it affects this debate, ''Congress shall make no law abridging the freedom of speech or of the press''—''no law abridging the freedom of speech or of the press.''

The Supreme Court of the United States quite properly has determined that meaningful freedom of speech requires the expenditure of money and has been loathe to accept any restrictions upon the use of money to broadcast one's ideas about political propositions in the United States.

At least several speeches that I have heard during the course of the day—most notably earlier this afternoon by the junior Senator from California—quarreled with that fundamental proposition in the first amendment. About 30 of the Members of this body a year or so ago were courageous enough to vote for a constitutional amendment that would have limited first amendment rights. They were wrong, in my view, but they were highly principled to do so. Any meaningful limitation on political speech, in the view of this Senator, will require an amendment to the Constitution of the United States.

Mr. MCCAIN. Will the Senator yield?

Mr. GORTON. I yield.

Mr. MCCAIN. Parliamentary inquiry: Will the Chair illuminate me on whose time is being used at this time and whose time is remaining so I might understand the parliamentary situation?

The PRESIDING OFFICER. The Senator from Kentucky spoke in opposition to the amendment and used 5 minutes 40 seconds.

Mr. MCCAIN. The Senator from Washington is speaking.

The PRESIDING OFFICER. The Senator from Washington is speaking on the time of the proponents.

Mr. MCCAIN. I am sorry to interrupt the Senator from Washington, but I don't quite understand.

Mr. GORTON. The Senator from Washington is speaking on the same side as the Senator from Kentucky.

The PRESIDING OFFICER. The time will be adjusted accordingly.

Mr. MCCAIN. I thank the Chair, and I thank the Senator from Washington.

Mr. GORTON. The quarrel of the general proponents of these ideas is with the Constitution of the United States and most expressly with the first amendment. The drafters of that amendment did not say that the Congress could attempt to equalize the rights of speech of each individual citizen of the United States. They simply said that political speech was open and could not be restricted in any way by the Congress of the United States.

If unlimited or, rather, if the right of some people to communicate more widely than others could be restricted, presumably we could treat as soft money the money spent by the New York Times to editorialize on this issue or that of a television network. Obviously, the editorial director of the New York Times has a stronger voice heard by more people than the average citizen. And so, of course, does a group or a corporation, for that matter, whose rights and money is at risk in debate here in Congress.

Those who feel at risk with respect to the policies that we adopt have an absolute right to speak out in that connection. It is a right that the proponents of this bill in general terms don't want to restrict. Few of them, however, have proposed constitutional amendments or limits on free speech in the arts or in literature or with respect to pornography. We are faced with the paradox in this debate that the proponents think the only kind of speech that ought to be limited is political speech, the kind of speech the first amendment drafters had in mind when they wrote the first amendment.

In a narrow phase of this bill as it appears before the Senate, the only evil organizations whose activities are to be controlled or whose contributions are to be not limited or banned of a certain kind are the two major political parties and their organizations. This bill at this time has no limitation on the contribution of soft money to other organizations that have political agendas. It cannot constitutionally limit issue advocacy. It can't even limit individual express advocacy as long as that advocacy is disclosed.

I suppose I find it most paradoxical the proposition that we base these controls on corruption or the appearance of corruption when the appearance of corruption is primarily created by those who want these limitations. Presumably, whenever they say that a particular act carries with it the appearance of corruption, that means it is the case and that the limits they propose on political speech are, therefore, valid.

That simply is not the case. Political controversy in the United States from the time of the first Congress in 1789 and the passage of the first amendment has often been disorderly; it has involved a number of outrageous charges as well as careful political thought; it has benefited those who want to put the greatest amount of time and money and effort and press into expressing their ideas. It has not been regulated by the Congress of the United States and somehow or another we have been successful.

The idea that cynicism or opting out of the political process is going to be improved by passing laws is a triumph of hope over experience. It hasn't happened in connection with any such law here or in any other State at any time in the past. We have gotten this far in the history of the United States with its most successful free government by prohibiting the control of political speech on the part of the Government of the United States. We will survive the next 200 years far better without any such prohibitions than if we grant them.

Congress shall make no law abridging the freedom of speech. That is our command. This is an attempt to cause such an abridgement.

The PRESIDING OFFICER. The Senator from Arizona

Mr. MCCAIN. Mr. President, I wish to take a minute before my colleague from Wisconsin speaks for the purpose of asking unanimous consent to have printed in the RECORD a letter from the American Bar Association and a letter from the League of Women Voters. I so ask.

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

AMERICAN BAR ASSOCIATION,
GOVERNMENTAL AFFAIRS OFFICE,
Washington, DC, October 8, 1999.

Hon. JOHN MCCAIN,
U.S. Senate,
Washington, DC.

DEAR SENATOR MCCAIN: As the Senate begins consideration of campaign finance reform legislation, I write on behalf of the American Bar Association to urge you to support reform that will strengthen the electoral process; reduce the influence of special interests; allow members and candidates to devote more time to substantive issues, rather than fundraising; and preserve the First Amendment rights of eligible individuals to participate in political campaigns.

The American Bar Association (ABA) has long been concerned with campaign finance and electoral issues. In 1973, the ABA created its Standing Committee on Election Law with the purpose of developing and examining ways to improve the federal electoral process. The overriding premise of these efforts has been to support candidate and citizen participation in the electoral process, and to increase public confidence through accountability and disclosure.

As you know, campaign finance laws have not been substantially revised by Congress for over twenty years. Changes in campaign finance mechanisms, the infusion of ''soft money'' into the system, the burgeoning use of electronic media, and the emergence of issue advertisements have literally transformed the ways in which campaigns are financed and run. Yet, our laws and regulations have not kept pace with the innovations in campaign activities. The statutory and regulatory framework for campaign finance regulation needs to be modified to address these changing trends in order to ensure the integrity of the campaign finance system.

The American Bar Association believes the following principles should be included as part of any campaign finance legislation:

Full Disclosure. Disclosure is a vital and necessary component to maintaining the integrity of the campaign finance system. The ABA supports full and timely disclosure of campaign contributions and expenditures in excess of minimal amounts. All contributions to and expenditures by state and federal party committees should be reported publicly and electronically. In addition, the Federal Election Commission should be required to maintain a central clearinghouse with respect to data concerning both contribution and expenditure reports.

Reasonable Contribution Limits, Adjusted and Indexed for Inflation. Campaign contributions to candidates and political parties should be limited to reasonable amounts. The current contribution limit was set in 1974, and has not been adjusted to take into account inflation, increases in the size of the electorate and the dramatic rise in campaign costs. Raising the individual contribution limit would allow candidates to spend less time fundraising and more time discussing substantive issues, help level the playing field between incumbents and challengers, and channel money currently being contributed outside the federal system (soft money) back into the regulated process. Therefore, the ABA believes that current individual campaign contribution limits should be adjusted for inflation and indexed thereafter.

Soft Money. The ABA opposes the solicitation and use in presidential and congressional campaigns of ''soft money'', i.e., contributions to political party committees in unlimited amounts by corporations, labor unions and individuals, and supports the effort to prohibit such contributions. Soft money has been used as a method by which contribution limits and prohibitions under the Federal Election Campaign Act have been successfully circumvented and has created at least the appearance, if not the reality, of corruption in the political system. This issue must be addressed in order to help restore public confidence in the electoral process.

Public Participation—Legal Permanent Residents. Campaign finance laws should not discourage the participation of individuals, political parties, and organized political groups in all aspects of the electoral process. Of particular concern are efforts to restrict the political activities of legal permanent residents. The fundamental rights of free speech and association are an integral part of this nation's democratic process and are not restricted only to citizens. Legal permanent residents, who bear most of the same civic responsibilities as citizens, including paying taxes and registering for the draft, must not be prevented from exercising their constitutional right to participate in the political process. The ABA therefore opposes any diminution of the existing rights of legal permanent residents to make campaign contributions and expenditures to the same extent as U.S. citizens.

Public Financing. The ABA supports partial public financing of congressional and presidential elections as a desirable means of providing a floor for campaign funds, promoting and ensuring an effective and competitive electoral process, and minimizing the importance of wealth and the need for large contributions.

Reforming campaign finance laws to reflect the foregoing principles will help ensure increased citizen and candidate participation and restored public confidence in the electoral process. We urge you to keep these principles in mind as the Senate debates campaign finance reform legislation.

If you would like further information, please do not hesitate to contact either me or Kristi Gaines in the ABA Governmental Affairs Office.

Sincerely,

ROBERT D. EVANS,
Director.

THE LEAGUE OF WOMEN VOTERS®
OF THE UNITED STATES,
Washington, DC, September 28, 1999.

Re Campaign finance reform.

To: Members of the U.S. Senate
From: Carolyn Jefferson-Jenkins, Ph.D., President

The League of Women Voters urges you not to support the modified version of the McCain-Feingold campaign finance reform legislation, S. 1593.

The decision to remove the ''sham issue ad'' provisions from the original bill, S. 26, means that the current system that allows large, undisclosed contributions from corporate and union treasuries and from wealthy individuals to go toward elections advertising will go unchecked. We believe that real reform legislation must address this growing problem rather than ignore it.

Proponents of the modified legislation argue that it ''bans'' soft money. This is simply not the case because sham issue ads are a form of soft money. Soft money consists of corporate and union treasury money and funds from wealthy individuals that operate outside the current regulatory regime. Sham issue ads are clearly part of this problem. Because the modified legislation fails to deal with sham issue ads, it fails to fully address the soft money crisis.

In fact, the modified bill will drive soft money into sham issue ads, expanding the current loophole. To avoid the provisions of the bill, corporations, unions and wealthy individuals can simply reconstitute their contributions into sham issue ads designed to elect or defeat candidates. In addition, because contributions to sham issue ads are undisclosed while traditional soft money contributions are disclosed, the overall system may actually be made worse by the modified bill. It will transform disclosed contributions into undisclosed campaign money.

Sham issue advocacy—campaign ads designed to elect or defeat clearly identified candidates by masquerading as issue advocacy—provides a useful conduit for those with large amounts of money to influence federal elections without leaving any fingerprints.

Unlimited, undisclosed money is overwhelming the election system. By running ads immediately preceding an election that savage a candidate's opponent, special interests can provide something of great value to the candidate they support, while avoiding disclosure requirements and contribution limits.

In addition, candidates are losing control of their own campaigns. Representative government depends on elected officials being responsible to their constituencies. Unless the sham issue ad loophole is closed, outcomes of elections will more and more be determined by the irresponsible actions of outsiders, unfettered by the need to represent the interests of the citizens of a state or district.

Even more troubling is the possibility that foreign donors will exploit sham issue advocacy to influence U.S. elections and public policy. The sham issue advocacy loophole provides a perfect—and perfectly legal—route for domestic or foreign interests to influence our elections and add a corrupting influence to public policy debates.

Given current expenditures on issue advocacy, the potential for abuse is enormous. The Annenberg Public Policy Center at the University of Pennsylvania estimates the amount of issue advocacy advertising during the 1996 election season at $150 million, over one-third of the $400 million spent on advertising by all candidates for President and Congress combined. For the 1998 election, the Annenberg Center estimates that $275 to $340 million was spent on issue ads, double what was spent in 1996.

The Annenberg studies also demonstrate that issue ads frequently bear more than a passing resemblance to campaign ads. Although issue ads ostensibly have the primary purpose of promoting a sponsor's ideas or policies, fewer than one in five ads from the 1996 campaign directly advocated the sponsor's own position! In addition, nearly nine in ten issue ads referred to a clearly identified candidate for office. Less than five percent advocated support or opposition to a piece of legislation. In the 1998 election cycle, 80 percent of issue ads in the last two months mentioned candidates for office by name.

We are strong proponents of closing the ''soft money'' loophole and for campaign finance reform generally. By excluding the provisions developed by Senators Snowe and Jeffords to ensure that funding for sham issue ads is effectively covered by election rules, the modified bill falls too short.

The League of Women Voters believes strongly that the Snowe-Jeffords Amendment, or other similar language designed to ensure that funding for ''sham issue ads'' is effectively covered by election rules, is an essential part of campaign finance reform.

Mr. MCCAIN. Mr. President, the letter is from Mr. Robert Evans, of the American Bar Association:

I write on behalf of the American Bar Association to urge you to support reform that will strengthen the electoral process; reduce the influence of special interests; allow members and candidates to devote more time to substantive issues. . . .

They support full disclosure, reasonable contribution limits, adjusted and indexed for inflation. The ABA opposes campaigns of soft money, and also public participation of legal permanent residents.

Also, the League of Women Voters, referred to earlier by the Senator from Kentucky, says that Senator MCCONNELL's statement on the floor suggested the League of Women Voters is in support of his position. On the contrary. The League's position is opposite that of Senator MCCONNELL, who in their words ''opposes any meaningful campaign finance reform.''

They support comprehensive campaign finance reform. In fairness, the League of Women Voters thinks the Senator from Wisconsin and I are now too weak in our approach.

To assume somehow that as one may have in listening to the statement of the Senator from Kentucky this morning that the League of Women Voters was in agreement with this position is not the fact as demonstrated in this letter.

Mr. REID. Will the Senator yield for a question?

Mr. MCCAIN. I am happy to yield to the Senator.

Mr. REID. Does the Senator from Arizona have an estimate, a guess, an observation of how much this Senator and my opponent spent in the last general election I was involved in in Nevada.

We spent about an equal amount of money. Does the Senator have a guess, estimate, or observation?

Mr. MCCAIN. I say to my friend from Nevada, I am from a neighboring State and I paid a lot of attention to that race. It was a very close and hard-fought race—I mean this in all due respect—in what is a relatively small State, population-wise, although dynamically growing. I think percentage-wise, it is the fastest growing State in America.

I believe—I may be wrong—it was about $10 million each.

Mr. REID. The State of Nevada had less than 2 million people at that time. The Senator is absolutely right; the two of us spent with State party soft money, plus our hard money accounts, over $20 million. That does not count the independent expenditures, and we really don't know how much they are because they are hard to track.

Mr. MCCAIN. Could I ask my friend, some of the estimates I heard on the independent campaign expenditures were as high as the $20 million spent by both you and your opponent?

Mr. REID. Probably not; I guess another $3 million.

In a small State such as Nevada, is the Senator surprised that $23 million was spent?

Mr. MCCAIN. I say to my friend from Nevada, it is a compelling argument for reform. I have a lot of friends who live in your State. In all due respect to the quality of the commercials that were run during that campaign, I heard many friends of mine who live in Nevada say they had enough, considering they were inundated—for how long? The campaign went on for a year and a half?

Mr. REID. The campaign went on for a long time. The television money was spent, of course, in a relatively short period of time.

I do not know if my colleague is aware that my opponent, John Ensign, and I talked on several occasions. Even though there was that much money spent on the campaign, we never campaigned against each other. There were all these outside interests. We never had a chance to campaign for ourselves.

So I would say if there is no other example given on the floor of the Senate regarding campaign finance reform, all you have to do is look at the relatively sparsely populated State of Nevada and there is a compelling reason we need to do something about the present campaign system in America.

Mr. MCCAIN. Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from Wisconsin.

Mr. FEINGOLD. Mr. President, it has only been the first day of debate on this issue. I do note a marked shift in the strategy of our opponents. They are not talking so much about how the first amendment to the United States Constitution Bill of Rights would be violated by our version of the bill, the soft money prohibition. There have been a few comments, but this has not been the main thrust.

There is a good reason for it. That is because there is not a credible case that can be made that banning soft money contributions to the political parties is unconstitutional. I think it is useful at this time to lay out a few of the reasons why this is the case, so no one can be confused by the desperate attempt that has been made to label any attempt at campaign finance reform, regardless of what its provisions might be, as unconstitutional. It has become a mantra, a standard line, but it does not hold water regarding the bill before us.

The first proposition is very straightforward and that is that Congress can prohibit corporate and labor contributions. Congress prohibited the contributions by corporations in 1907 in the Tillman Act, and then in 1947 it prohibited the same kinds of contributions by unions under the Taft-Hartley Act. The courts have recognized that corporate treasury money can amount to an undue influence or an unfair advantage. That is why in a couple of key cases the courts have so ruled.

In Massachusetts, Citizen For Life v. FEC, 1984, for example, they stated:

> Direct corporate spending on political activity raises the prospect that resources amassed in the economic marketplace may be used to provide an unfair advantage in the political marketplace. Political ''free trade'' does not necessarily require that all who participate in the political marketplace do so with exactly equal resources.
>
> Relative availability of funds is after all a rough barometer of public support. The resources in the treasury of a business corporation, however, are not an indication of popular support for the corporation's political ideas. They reflect instead [the court said] the economically motivated decisions of investors and customers. The availability of these resources may make a corporation a formidable political presence, even though the power of the corporation may be no reflection of the power of its ideas.

Then, after making that very clear with regard to the ability of restricting direct corporate contributions, the Austin case made it clear and affirmed this decision, saying:

> We therefore have recognized that ''the compelling governmental interest in preventing corruption support[s] the restriction of the influence of political war chests funneled through the corporate form.''

It is clear law, indisputable law, that Congress can prohibit corporate and labor direct contributions to candidates or to the political parties.

Furthermore, so there is no confusion because there was a lot of talk today about somehow we have to demonstrate actual corruption in each instance before we can do something about it, that is not the law with regard to our ability to limit individual contributions. The Court has been clear that we can limit individual contributions either in the case of actual corruption, the reality of corruption, or the appearance of corruption. This is the system that was validated in the most significant ruling of many decades in the area of campaign finance reform, Buckley v. Valeo, 1974. Let me put some of the language in the RECORD from that decision that supports that. The court said:

> By contrast with a limitation upon expenditures for political expression, a limitation upon the amount that any one person or group may contribute to a candidate or political committee entails only a marginal restriction upon the contributors' ability to engage in free communication. A contribution serves as a general expression of support for the candidate and his views, but [the court said, that it] does not communicate the underlying basis for the support. The quantity of communication by the contributor does not increase perceptibly with the size of his contribution, since the expression rests solely on the undifferentiated, symbolic act of contributing.

Later in the decision the court continued:

> It is unnecessary to look beyond the Act's primary purpose to limit the actuality and appearance of corruption regarding from large financial contributions—in order to find a constitutionally sufficient justification for the $1,000 contribution limitation.

The Court then said:

> To the extent large contributions are given to security political quid pro quo's from current and potential office holders, the integrity of our system of representative democracy is undermined.

That had to do with the quid pro quos. And then the Court continued:

> Of almost equal concern as the danger of actual quid pro quo arrangements is the impact of the appearance of corruption stemming from public awareness of the opportunities for abuse inherent in a regime of large individual financial contributions.

The Buckley case makes it clear you can limit the individual contributions. The Court said:

> We find that, under the rigorous standard review established by our prior decisions, the weighty interests served by restricting the size of financial contributions to political candidates are sufficient to justify the limited effect upon First Amendment freedoms caused by the $1,000 contribution ceiling.

So these are the court cases. If you do not believe my word on it alone, I suggest one take a look at the letter we have from 126 legal scholars, constitutional scholars around the country who say specifically that it is entirely constitutional to ban soft money given to the parties.

These scholars wrote as a group in a letter:

> We believe that such restrictions are constitutional. The soft money loophole has raised the specter of corruption stemming from large contributions (and those from prohibited sources) that led Congress to enact the federal contribution limits in the first place. In Buckley v. Valeo, the Supreme Court held that the government has a compelling interest in combating the appearance and reality of corruption, an interest that justifies restricting large campaign contributions in Federal elections. . . . Significantly, the Court upheld the $25,000 annual limit on an individual's total contributions in connection with federal elections.

And so on.

Mr. President, 126 constitutional scholars have backed up this almost obvious notion we can ban the soft money given to the political parties.

I might add, since the Senator from Kentucky is fond of quoting the ACLU as one of his allies on this issue, in fact, every living former president, executive director, and legal director of the ACLU all think that it is perfectly constitutional to ban soft money.

Finally, if you do not believe any of those folks, I hope you would believe the Senator from Washington, one of the strongest opponents of our bill. Senator GORTON, on this floor, in a candid moment, said:

> In fact, with my own views on where the constitutional line is likely to be drawn, McCain-Feingold restrictions on money to political parties might well be upheld, probably would be upheld, at least in part. It is possible that they would be upheld in their entirety.

So even one of our most learned and effective opponents on this issue, Senator GORTON, has said on this floor that it is perfectly constitutional to ban soft money. That is why you are not hearing much about the constitutional problems in this bill, as you did last

year. I think some of those arguments weren't too strong, but they certainly were stronger.

This bill would pass constitutional muster quite easily. I believe there is no legitimate authority to contradict that. I believe it is important to have this in the RECORD. Perhaps this will be returned to later on, as an argument. I have noticed a strong diminution in the reliance on the constitutional argument. There are other arguments being made: That somehow this is a dagger to the heart of one party or another; the attempt to have Senator MCCAIN answer very specific questions about comments he made in his Presidential campaign. The opposition seems very diffused on this point on a number of issues, but the constitutional question is not being very effectively or seriously raised.

Mr. President, I suggest that is because there is no legitimate constitutional argument against what we are trying to do.

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

The PRESIDING OFFICER. All time remaining is on the side of the proponents.

Mr. MCCONNELL. Mr. President, how much time remains?

The PRESIDING OFFICER. The time remaining is 8 minutes 41 seconds.

Mr. MCCONNELL. Mr. President, there has been a lot of talk about where the so-called constitutional scholars are on the constitutionality of this measure and its other incarnations we have had before us in the last few years.

One of the scholars cited by the proponents of this legislation, Professor Robert W. Benson of Loyola Law School, wrote an article before NAFTA was enacted called, ''Free Trade as an Extremist Ideology.'' The article, to put it mildly, is critical of the North American Free Trade Agreement.

In it, Benson states:

> Ideological extremism . . . is pushing an agenda of radical risk taking in the form of the North American Free Trade Agreement and the General Agreement on Tariffs.

He says free trade is ''a classic extremist ideology, just as, until recently, Marxism and Leninism was.''

He says the idea of free trade fits ''two criteria that characterize extremist ideologies . . . [its] adherents are oblivious to cognitive dissonance contradicting their analyses, and (2) . . . [they] are willing to plunge themselves and others into great risks in the name of ideology.''

He argued that enacting NAFTA would ''erode Democratic government in the United States.''

This is one of the so-called constitutional scholars on this lengthy list being quoted.

He also wrote an article that purported to be about legal theory entitled, ''Deconstruction's Critics, the TV Scramble Effect and the Fajita Pita Syndrome.''

Among academics, he is considered an expert on international law. He is not a constitutional law professor.

Many in favor of campaign finance reform and relying on Professor Benson's view of campaign finance reform disregarded Professor Benson's warnings about the North American Free Trade Agreement, an issue within his area of expertise. These Members, of course, include a number of the proponents of this legislation.

Another one of the constitutional scholars quoted by the other side is Professor Daan Braveman of Syracuse University College of Law. This outstanding scholar wrote an article discussing the first amendment——

Mr. FEINGOLD addressed the Chair.

The PRESIDING OFFICER. If the Senator will suspend.

Mr. MCCONNELL. I believe I have the floor.

Mr. FEINGOLD. I understand the opponents' time is gone.

The PRESIDING OFFICER. All the time remaining is for the proponents.

Mr. FEINGOLD. I will be happy to yield time to the Senator from Kentucky.

Mr. MCCONNELL. Since I support the amendment, wouldn't that qualify me?

The PRESIDING OFFICER. If the Senator is a proponent of the amendment.

Mr. MCCONNELL. I am indeed.

Mr. FEINGOLD. Can a Senator speak as both a proponent and opponent of an amendment?

Mr. MCCONNELL. I am not aware of any opponents to this amendment.

Mr. FEINGOLD. I believe the Senator from Kentucky previously was counted, with regard to time, as an opponent in this process.

The PRESIDING OFFICER. If the Senator is a proponent——

Mr. MCCONNELL. I ask unanimous consent that I be allowed to speak for 5 minutes.

Mr. FEINGOLD. Reserving the right to object, I ask unanimous consent that our time be restored to what it was prior to the remarks of the Senator from Kentucky and that we have our full measure of time. I have no objection to his having additional time.

Mr. MCCONNELL. I don't want to delay the vote. I will be happy to make my remarks later with regard to the outstanding qualifications of a number of the constitutional scholars cited by my friend from Wisconsin. I look forward to going into some of their interesting writings. I am happy to yield the floor, and the vote will occur at 6 o'clock.

Mr. FEINGOLD. How much time remains?

The PRESIDING OFFICER. Four minutes 40 seconds.

Mr. FEINGOLD. I certainly want the Record to note I had no objection to the Senator from Kentucky speaking, as long as it did not come out of our time. In fact, I was happy to give additional time.

I want to make a comment or two about what he is talking about because he is launching, apparently, an attack on people who signed the letter, 127 constitutional scholars. Apparently there is a problem. One of the men who wrote an article about NAFTA—I do not know what it has to do with his ability to comment on this.

I am surprised to hear Senator MCCONNELL say some of this. Back when we presented this letter, he said he could easily come up with 127 scholars on his own who would say banning soft money is unconstitutional. He has not done that, and it has been a long time since that time, and I frankly doubt he ever will.

Anyone who knows anything about the law and the legal academy would agree that instead of picking individual people out of this list and attacking them personally, they would have to concede that many of the people on the list are very distinguished law professors. Professor Erwin Chemerinsky of the University of Southern California Law Center, Professor Jack Balkin of Yale Law School, Professor Frank Michelman of Harvard Law School, and Professor Norman Dorsen of NYU Law School know something about the law. In fact, they know more than just about anybody in this body.

The executive director and the legal director of the ACLU says a ban on soft money is constitutional. Of course, the ultimate arbiter, the Supreme Court, said in the Buckley case that individual contributions can be limited and, in the Austin case, that corporate contributions can be prohibited.

If Senator MCCONNELL does not believe these authorities, he should, again, consult with the Senator from Washington, Mr. GORTON, one of his strongest supporters on the floor in opposing reform, who has essentially conceded that banning party soft money would likely be found constitutional.

This notion that the Senator from Kentucky could easily come up with his list of constitutional scholars which we have never seen is a ploy that I, frankly, do not understand. Where is the list? Instead, he wants to pick apart one or two people on the list. I question that. These folks gave it their best shot and indicated what everybody concludes with any credibility on this subject, and that is that it is perfectly constitutional to ban soft money.

Mr. President, I reserve the remainder of my time, and I suggest the absence of a quorum.

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

The bill clerk proceeded to call the roll.

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

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

Under the previous order, the Senate will now proceed to vote on the amendment.

Mr. DOMENICI. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to Amendment No. 2294. The yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

Mr. NICKLES. I announce that the Senator from Rhode Island (Mr. CHAFEE) is necessarily absent.

Mr. REID. I announce that the Senator from Massachusetts (Mr. KENNEDY) and the Senator from Massachusetts (Mr. KERRY) are necessarily absent.

The result was announced—yeas 77, nays 20, as follows:

[Rollcall Vote No. 327 Leg.]

YEAS—77

Abraham	Durbin	Lugar
Akaka	Edwards	Mack
Allard	Feingold	McCain
Ashcroft	Feinstein	McConnell
Baucus	Fitzgerald	Mikulski
Bayh	Frist	Moynihan
Bennett	Gorton	Murray
Biden	Graham	Reed
Bingaman	Grams	Reid
Boxer	Grassley	Robb
Breaux	Harkin	Roberts
Brownback	Hatch	Rockefeller
Bryan	Helms	Roth
Bunning	Hollings	Santorum
Burns	Hutchison	Sarbanes
Byrd	Inouye	Schumer
Campbell	Jeffords	Sessions
Cleland	Johnson	Shelby
Conrad	Kerrey	Smith (OR)
Craig	Kohl	Specter
Crapo	Landrieu	Thomas
Daschle	Lautenberg	Torricelli
DeWine	Leahy	Warner
Dodd	Levin	Wellstone
Domenici	Lieberman	Wyden
Dorgan	Lincoln	

NAYS—20

Bond	Hagel	Smith (NH)
Cochran	Hutchinson	Snowe
Collins	Inhofe	Stevens
Coverdell	Kyl	Thompson
Enzi	Lott	Thurmond
Gramm	Murkowski	Voinovich
Gregg	Nickles	

NOT VOTING—3

Chafee	Kennedy	Kerry

The amendment (No. 2294) was agreed to.

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

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

The motion to lay on the table was agreed to.

DEPARTMENT OF VETERANS AFFAIRS AND HOUSING AND URBAN DEVELOPMENT, AND INDEPENDENT AGENCIES APPROPRIATIONS ACT, 2000—CONFERENCE REPORT

Mr. LOTT. Mr. President, I ask unanimous consent that the Senate now proceed to consider the conference report to accompany the VA–HUD appropriations bill, it be considered as having been read, and there be 20 minutes equally divided for debate between the two managers; I further ask unanimous consent there be an additional 5 minutes under the control of Senator MCCAIN, and 30 minutes under the control of Senator WELLSTONE, with the vote occurring on adoption at 9:15 a.m. on Friday, October 15, with paragraph 4 of rule XII being waived.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mr. LOTT. I thank my colleagues. I yield the floor.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The committee on conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill, H.R. 2684, having met have agreed to recommend and do recommend to their respective Houses this report, signed by a majority of the conferees.

The Senate proceeded to consider the conference report.

(The conference report is printed in the House proceedings of the RECORD of October 13, 1999.)

The PRESIDING OFFICER. The Senator from Missouri.

Mr. BOND. Mr. President, I appreciate the generosity of the majority and minority leaders for allowing us to proceed on the consideration of the Senate conference report to accompany H.R. 2684.

I ask that the Chair advise me when 5 minutes have been utilized. I want to save some of my time and be able to yield to my distinguished colleague from Maryland.

This has been a very difficult bill, not unlike, as someone suggested, riding a tilt-a-whirl at the county fair. I am glad to say the ride is over. It was fun while it lasted. We are finally on solid ground with this conference report.

We have a bill that meets many priorities of the Members and I think addresses fairly a number of concerns of the administration without totally satisfying everyone.

First, my sincerest thanks to Senators STEVENS and BYRD for helping us to reach an adequate allocation. Without their help, this bill would still be a work in progress, and we would not be able to complete it.

A very special thanks once again to Senator MIKULSKI, who worked with us to find a good balance in making some very difficult funding decisions. It was a pleasure as always to have her good guidance and sound judgment.

I believe she will join me in saying a special thanks to the new Chair and ranking member in the House, Chairman WALSH, and Congressman MOLLOHAN, who were a tremendous pleasure to work with. We appreciate their assistance.

My thanks to staff on the minority side: Paul Carliner Jeannie Schroeder, and Sean Smith; on my side, a very special thanks to Jon Kamarck, Julie Dammann, Carolyn Apostolou, and Cheh Kim.

I believe the bill before the Senate is a very good bill with funds allocated to the most pressing needs we face. Total spending is $72 billion in budget authority and $82.6 billion in outlays. It is roughly the same as the President's overall request for the VA-HUD subcommittee, plus FEMA emergency funds.

Unlike the President's budget, the highest priority is the recommendation before the Senate for VA medical care, which has increased $1.7 billion above the President's request as directed by this body, and it is fully paid for in the bill. We have also included significant new funds for 60,000 incremental vouchers, additional funds above the President's request for public housing, capital and operating funds, as well as the President's request for NSF, and an additional $75 million for NASA.

All of these funding levels have been fully offset. In addition, there has been $2.5 billion in emergency FEMA funding for the victims of Hurricane Floyd, to whom our hearts go out.

As I noted, the conference agreement provides $44.3 billion for veterans funding, which includes a full $1.7 billion for medical care. This is the largest increase ever for VA medical care—clearly the highest priority of this body.

I point out that the vouchers we have provided do not create additional housing. There was discussion on this floor that we desperately need to increase the production of affordable low-income housing. In many areas, such as St. Louis in my State, housing is not available for the vouchers that are there. We have had to use budget gimmicks suggested by the administration, deferring $4.2 billion of section 8 funding for fiscal year 2000 expiring section 8 contracts until fiscal year 2001. That will create an additional $8 million funding requirement, or some $14 billion in BA needed in fiscal year 2000 if we intend to renew all expiring section 8 contracts.

To be clear, this means we will go into next year's appropriation cycle with a funding shortfall of over $8 billion. We emphasized our concern to the administration for their failure to work with Members on dealing with this funding crisis. Last year they promised to help, but the only thing we got this year was a deferral of $4.2 billion. This year, in discussions and negotiations, we reached agreement with Jack Lew, the Director of OMB, who has personally promised they will work with Members to address the funding shortfall in BA in the section 8 account. We expect Mr. Lew and the administration to live up to that commitment. Nevertheless, we cannot keep writing blank checks on an empty account. The outyear projections we have from OMB are for flat funding, which means 1.3 million families kicked out of section 8 housing.

To reiterate:

Many of us have been hearing from veterans in our state for some time about their concerns with VA's budget. They have been hearing that their local VA hospital may lose numerous employees, terminate critical services, increase waiting times for appointments, may even shut down altogether.

The additional $1.7 billion above the President will ensure none of these things happen. VA will be above to expand services and care to thousands of additional veterans. VA will be able to accommodate increased costs associated with pharmaceuticals, prosthetics, and pay raises.

At the same time, we strongly support continued improvements and reforms to the VA health care system to ensure VA medical care dollars go to health care for vets, not maintaining buildings and the status quo.

Other increases in VA's budget include VA research, the state cemetery grant program, the state nursing home construction grant program, and the Veterans Benefits Administration. These are all critical programs and very high priorities.

EPA funding totals $7.6 billion, the same as FY99 and $383 million above the President's request. Funding increase were provided for the state revolving funds—which the President had proposed cutting by $550 million. We have accommodated administration concerns in such areas as the Montreal Protocol.

We were forced to make some tough choices and eliminate or reduce lower priority, lower risk programs in order to accommodate higher priorities. The appropriation protects core EPA programs such as NPDES permitting, RCRA corrective action, and pesticides registration and re-registration.

FEMA funding totals $870 million, an increase of $44 million over FY99. This includes an increase of $10 million for the emergency food and shelter grant program, $25 million for the Project Impact grant program, $5 million in start-up funds for the flood map modernization initiative, and increases in critical programs such as anti-terrorism training. In addition, we have included $2.5 billion in emergency disaster assistance—funding which is truly needed.

We have funded the Department of Housing and Urban Development at $27.16 billion, which is some $2.5 billion over last year's level and which will allow us to put HUD on some very solid ground. Because of the priority needs for our veterans, we had to make some tough choices, and in HUD's case, that meant not funding any of HUD's 19 new programs and initiatives. Instead, we have focused on funding HUD's core programs, such as public housing, CDBG, HOME, Drug Elimination grants, and Homeless Assistance and Section 202 Housing for the elderly. These are the key housing and community development programs that make a critical difference in people's lives, and they are programs with a proven track record.

Also, we funded 60,000 new incremental vouchers. I continue to have major concerns about this program—vouchers do not produce or assist in the financing of any new housing and we desperately need to increase the production of affordable, low-income housing. In addition, in many areas of the country, including areas in my state such as St. Louis, vouchers are very difficult to use—the housing which is affordable under the voucher program is just not available. In addition, against my better judgment but because we do not have the funds in our allocation to meet the funding needs of our key programs, we have used the Administration's budget gimmick of deferring $4.2 billion of section 8 funding for fiscal year 2000 expiring contracts until fiscal year 2001. This will create an additional $8 billion funding requirement for a total of some $14 billion in BA needed in fiscal year 2001 if we intend to renew all expiring section 8 contracts—to be clear, this means we already have a funding shortfall in the VA/HUD appropriations bill for fiscal year 2001 of over $8 billion.

I want to emphasize my concern with the Administration's past failure to address this section 8 funding crisis; the Administration has created this hole and up to now has not acted responsibly in meeting these funding requirements. And I have gone to the top. In this year's negotiations on the VA/HUD appropriations bill, Jack Lew, the Director of OMB, personally has promised to address the funding shortfall in the section 8 account. I expect Mr. Lew and the Administration to live up to this commitment. Nevertheless, this is the same song and dance we heard from HUD last year when the Secretary of HUD personally promised to address section 8 costs and them responded by pushing much of the section 8 costs into FY 2001 and the outyears. Writing blank checks on an empty account is unacceptable, and under the Administration's outyear budget projections, section 8 contract renewal funding will be flat funded at $11.5 billion which means over the next 10 years some 1.3 million section families will lose their housing. This is wrong and I do not plan to sit by and let it happen.

I also want to emphasize several issues of particular importance to me. First, I introduced the ''Save My Home Act of 1999'' earlier this year to require HUD to renew expiring below-market section 8 contracts at a market rate for elderly and disabled projects and in circumstances where the housing is located in a low vacancy area, such as a rural area or high cost area.

The bill also provides new authority for section 8 enhanced or ''sticky'' vouchers to ensure that families in housing for which owners do not renew their section 8 contracts will be able to continue to live in their homes with the Federal government picking up the additional rental costs of the units. It is important to preserve this housing, and these provisions are included in the VA/HUD appropriations bill as well as other important elderly housing reforms.

With respect to NASA, the bill funds the National Aeronautics and Space Administration at $75 million above the President's request of $13.6 billion, including needed funding for the International Space Station and the Shuttle. I know NASA funding was a huge concern for many Members because of the House reductions of some $900 million.

For the National Science Foundation, the bill includes over $3.9 billion, which approximates the Administration's request. NSF's allocation is over $240 million more than last year's enacted level—about a 6 percent increase. This increase in funds continues our commitment and support for the Nation's basic research and education needs.

Some of the major highlights of this allocation include $126 million in additional funds for computer and information science and engineering activities; $60 million for the important Plant Genome Program; and $50 million for the Administration's ''Biocomplexity'' initiative.

Ms. MIKULSKI. Mr. President, I thank my colleague, Senator BOND, for working with me and producing what I think is an outstanding conference that we bring to our colleagues. We could not have done this without the help of Senator BYRD and Senator STEVENS, who got the committee over some very significant fiscal humps, and also our House colleagues who operated in a spirit of bicameral cooperation. I believe also the White House played a very constructive role in suggesting offsets to meet key national priorities. We think we come with a very good bill, and we are going to urge all of our colleagues to support it.

We got started on this bill in the spring. We got started a little bit late because of impeachment. Everyone wondered how would the Senate proceed after we had been through such a wrenching constitutional crisis. I can say in the VA-HUD subcommittee we did just fine. We moved with a quick step. I believe we probed the fiscal situations of the agencies as to what their needs were and, at the same time, how could we meet national priorities within the discipline of the thinking of a balanced budget.

I believe we do that. I believe today what we present takes care of national interests and national needs. I am confident this bill will be signed by the President. I am pleased what we were able to do it to meet our obligations to veterans. Promises made are promises kept to the people who saved Western civilization. This conference report also serves core constituencies, invests in our neighborhoods and communities, and creates opportunities for people and advances in science and technology. I believe that is an outstanding accomplishment.

I am very pleased we were able to provide a significant increase in funding for veterans' health care, $1.7 billion over the President's request, and not only providing health care as we know it but breaking new ground in creating primary care opportunities out in communities so that our rural

veterans do not have to drive hundreds of miles for their care. We have also increased the funding for VA medical research, with special emphasis on geriatric care, orthopedic research, and prostate cancer. At the same time, we are looking at new and innovative ways to begin to fund the compelling need for long-term care, increasing the funds from what we call the State Veterans Homes, Federal and State partnerships.

We are also taking care of America's working families in this bill. We fund the housing programs that help lives. We are going to have $11 billion in all section 8 housing vouchers, including 60,000 additional vouchers to enable people to have affordable, decent, and safe housing. We also maintained core HUD programs, we increased housing for the elderly by $50 million over the President's request, and increased funding so that more disabled Americans can find housing.

We didn't forget about the homeless. This will now be funded at over $1 billion. We wanted to make sure local communities have a major say in what is going to happen to them, and that of course occurs in the community development block grant which will be funded at $4.8 billion.

Whether it is improving the funding for community development financial institutions or empowerment zones, we were able to create more opportunity and yet meet taxpayer obligations.

In addition to that, we also wanted to look at where we were heading with our science and our technology. I am pleased our bill fully funds NASA and restores the severe cuts made to NASA in the House bill. This will save 2,000 jobs at Goddard Flight Center in Maryland, as well as the Wallops Flight Facility on the Eastern Shore. This legislation will fund NASA $13.6 billion. This means we will be looking at Earth science, we will be looking at how to fund the new generation of space telescopes, and at the same time we are going to upgrade the safety of the space shuttle. That means we are going to invest $25 million in the upgrading of the space shuttle while we maintain our commitment to the international space station.

We also fully fund the National Science Foundation, where I believe there will be new intellectual breakthroughs, particularly in information technology research. We also fund the National Service at $433 million, which is close to the President's request. This means that 100,000 members and participants across the country right now are engaging in community service programs at AmeriCorps, Learn and Serve America. We believe that every right has a responsibility, every opportunity has an obligation, and this is what National Service does; it rekindles the habits of the heart.

With regard to our EPA bill, this provides $7.5 billion in funding. This is $384 million over the President's request. At the same time, we declare an emergency and do $2.5 billion in emergency disaster assistance for all of the damage created by Hurricane Floyd. It is not true when they say: A billion here, a billion there, and that is the way Congress works.

We focused on how we can meet compelling human need; how, in the last appropriations of this century, we wanted to make sure we had veterans' health care for the people who, five different times, answered the call of duty to be able to uphold our national interests around the world; to make work worth it by making sure if you are out there and you are working, perhaps at the minimum wage, we are willing to subsidize housing and therefore subsidize work so we could create a true, real safety net for those affected by welfare reform.

We also know America's genius is in its science and technology. As this century closes, we know we not only planted our flag at Iwo Jima and honor our veterans who did that, but we planted our flag on the Moon, which shows the United States of America continues to be a nation of pioneers. We do not seek to conquer other nations. We seek to win wars against cancer. We seek to win the battles of the mind in which we create new ideas, where we win Nobel prizes and then go on to win new markets.

This is what the VA–HUD bill is all about. I am very pleased to bring this to the Democrats. I thank my colleague, Senator BOND, for all of his courtesies and collegiality.

I thank John Kamarck, Carolyn Apostolou, Cheh Kim, and Julie Dammann on his staff for working so close with my staff. I want to especially thank Paul Carliner, Sean Smith, and Jeannie Schroeder, and most of all I thank the Senate for all its cooperation in moving our bill.

I yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. WELLSTONE. I ask my colleague, Senator MCCAIN—I am actually going to take about 15 minutes at the most—if he wants to precede me?

Mr. MCCAIN. Mr. President, I yield my time.

The PRESIDING OFFICER. Then we go to Senator WELLSTONE for 30 minutes. But the Senator from Missouri reserved 5 minutes of his time.

Mr. MCCAIN. The unanimous consent agreement said I had 5 minutes. I yielded those 5 minutes.

The PRESIDING OFFICER. The Senator from Arizona has yielded his 5 minutes.

Does the Senator from Missouri yield the remainder of his time?

The Chair understands the Senator from Missouri had 10 minutes and he specifically asked to be notified when 5 minutes were up.

Mr. BOND. Do I understand the Senator from Arizona is not going to take 5 minutes? He yielded that time?

He is not speaking.

I reserve the remainder of my time and turn to the Senator from Minnesota.

The PRESIDING OFFICER. The Senator from Minnesota.

Ms. MIKULSKI. If my colleague from Minnesota will wait 1 minute, can I seek clarification from the Senator from Arizona on one point? The Senator from Arizona, did he yield his time or did he just yield his place?

Mr. MCCAIN. I yielded my time. I do not wish to speak on the pending legislation.

Ms. MIKULSKI. I thank the Senator from Arizona.

Mr. BOND. As do I.

Ms. MIKULSKI. I thank the Senator from Minnesota for his patience.

The PRESIDING OFFICER. The Senator from Minnesota.

Mr. WELLSTONE. Under the unanimous consent agreement, I have up to 30 minutes. I do not think I will need to take that time. I want to comment on the conference report. I thank the Senator from Missouri and the Senator from Maryland for their work. I am going to vote for this conference report.

Given the constraints they have been working under, and the framework they had to work within, they did a yeoman job, and I thank them.

I want to make three comments and I think I can be brief. First of all, on the veterans' health care budget, it is true; we went up by $1.7 billion above the President's request. But if you look at the last 3 or 4 or 5 years of flatline budgets, which means really the veterans' health care budget was not even keeping up with inflation, we are essentially still not very far ahead. I believe the veterans organizations, AMVETS and VFW and Paralyzed Veterans of America and Disabled American Veterans, were right in their independent budget, which called for us to bump up the President's request, which was inadequate, by $3 billion.

We had a sense-of-the-Senate vote on that, where every single Senator voted for that recommendation. I think we are going to have to do much better next year. I think this was progress. I thank my colleagues for their fine work, but it is my honest to goodness judgment this is underfunded; there are some real gaps. In particular, we have the challenge of a veterans community that is growing older. How are we going to provide the care for this community? We still have the challenge of too long a waiting list and too long a distance for people to drive.

I believe we had an amendment on the floor, with Senator JOHNSON, to go up $3 billion. I wish we had because I think there are still going to be some unmet needs. That was my first point.

The second point is one about which I feel very strongly. Senator MIKULSKI, in particular, has been very helpful. But it is the same moving picture shown over and over again, this time just on a sense-of-the-Senate amendment.

For about 5 or 6 years, I have been talking about the importance of getting some compensation for atomic

veterans. These are veterans who went to States such as Utah and Nevada. They went to ground zero. Our Government asked them to be there. Our Government never told them they were in harm's way, didn't give them any protective gear. It is horrible what has happened to them. The incidence of cancer is quite understandable. The incidence of illness and disease, not just for these veterans but for their children and even their grandchildren, is frightening. It is scary. You cannot do dose reconstruction. There is no way they can prove their case.

I cannot understand why the Senate and the House of Representatives cannot find it in its collective heart a way to provide some compensation for these veterans just as we did with Agent Orange with the Vietnam vets. We were never able to prove one way or the other the connection between Agent Orange and lung cancer. We said we are going to make this a presumptive disease. We are going to argue the presumption is this was caused by Agent Orange.

I have had amendments passed and then they have been taken out in conference committee. This time I wanted to get a good vote on a sense-of-the-Senate amendment because I could not legislate on this appropriations bill. I got 75 or 76 votes which said, at the very minimum, we would include three diseases: lung cancer, colon cancer, and tumors of the brain and the central nervous system.

There are several thousand of these veterans. They are older. They feel so betrayed. This is the classic example of our Government having lied to these veterans. I cannot understand, for the life of me, why a sense-of-the-Senate amendment that is all it was—should have been taken out in conference committee.

I thank my colleagues, Democrats and Republicans, for their support. But I want to say on the floor of the Senate, next year—I think I can get the support from Senator MIKULSKI and Senator BOND and I hope everybody here—we will be ready. One way or another, we are going to get this through. It has been 6 or 7 years. I do not think we can say to these veterans we do not have the resources; we cannot give you any compensation. If we say that, we are just going to say: We don't care what happened to you. We don't care what happened to you. We don't care what happened to you. It has been going on year after year after year. I wanted to express my outrage that we cannot do better.

I will be back next year. Hopefully, we can get better support and get this done in authorization and appropriations. It is a matter of justice. It has been a shameful history. What we have done to these people is a shameful chapter in the history of our country. I hope we in the Senate and the House can find it in our hearts to provide them with compensation. It will mean a great deal to these veterans and their families.

Finally, I thank both colleagues. I do not think they could do any better with these appropriations bills, given the context. But the other issue, because this is VA housing, is, for example, the vouchers in a State such as Minnesota. It does not help at all. We have no vacancies. The fact is, with the limits on what a family would be eligible for, right now the housing is so high that what housing is there is above what the voucher plan will cover. It just doesn't help us at all.

I thank my colleagues because they are trying to do everything they can, everything humanly possible. But I am predicting there are going to be a lot of articles over this next year about housing prices. I hope they will be front page stories because for so many families, they just cannot find any affordable housing. It is just not there. The vouchers don't help because it is not there.

I will give one example and then finish up. Sheila and I do a lot of work with women who have been victims of family violence, domestic violence. They go to shelters. That is the first courageous step, to get out of that home. It is a dangerous place.

Then they are in the shelters. Then where else do they go? There is no affordable housing. In fact, a lot of the battered women's shelters cannot even take some of the battered women because other women and children who cannot afford housing and are homeless actually call shelters and say they have been battered because they are looking for shelter.

I understand the importance of the vouchers, but in many of the communities in Minnesota and around the country, it is not going to help at all. There is no housing. It is not available, so the voucher does not help. Housing has become so high that the voucher, which covers the difference between the fair market value and 25 or 30 percent of their monthly income, will not do any good because the fair market value is above the value of what the vouchers will cover.

We have a real crisis. Both my colleagues know this. It is unbelievable how expensive housing is. The lack of affordable housing for families in our country is a huge issue and not just in the cities, but also in the suburbs and in rural areas as well.

Next year, we are going to get ourselves out of the straitjacket and the framework and make more of the investment.

Senator BOND and Senator MIKULSKI did a yeoman job. They did exceptional work. I thank them. I wanted to lay out these three points. I yield the floor.

ENVIRONMENTAL DATA MANAGEMENT

Mr. LAUTENBERG. Mr. President, Chairman BOND, in the Senate report on the Department of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 2000, the committee instructs EPA to ''establish procedures to engage the public in the development, maintenance and modification of information products it offers to the public.'' It is my understanding that the committee does not necessarily intend for this process to consume the time or resources that would be involved in a rule-making.

I also understand that, in general, the committee intends that EPA's obligation to honor the public's right to know and to disseminate to the public information about issues affecting human health and the environment should be balanced against the expectations discussed in the ''Environmental Data Management'' section of the report.

Mr. BOND. The Senator is correct in his understanding.

CLARIFICATION ON STATE FUNDING BY EPA FOR THE REGIONAL HAZE RULE

Mr. BURNS. Mr. President, I rise today to engage the senior Senator from Missouri, who is also the chairman of the Departments of Veterans Affairs and Housing and Urban Development and Independent Agencies Subcommittee responsible for the fiscal year 2000 appropriations bill, in a colloquy. This colloquy is to clarify the committee's position on the Environmental Protection Agency (EPA)'s funding in fiscal year 2000 to implement the regional haze rule. I have concerns about how the EPA may distribute fiscal year 2000 funding provided for this rule.

Mr. BOND. I am pleased to enter into a colloquy with the distinguished Senator from Montana, who also serves on the Departments of Veterans Affairs and Housing and Urban Development and Independent Agencies Appropriation Subcommittee. Clarifying the committee's position on how EPA should distribute fiscal year 2000 funding to the states to implement the new regional haze rule is an important matter to me.

Mr. BURNS. I understand that in the conference report to the fiscal year 2000 Departments of Veterans Affairs and Housing and Urban Development and independent agencies appropriations bill, $5,000,000 is provided to help the states and recognized regional partnerships implement the new EPA regional haze rule. Of this total, an unspecified amount will be provided directly to the Western Regional Air Partnership (WRAP) and the remaining portion will be allocated among the states and other recognized regional partnerships. My concern is, given that 10 states are part of the WRAP, EPA may distribute a major share of the $5,000,000 to the WRAP and not provide any funding to these 10 states since they are involved with the WRAP. In essence, EPA could assume that funding for the WRAP constituted funding for these 10 states. This is not what I believe this report language intended. Thus, I believe that we need to ensure that EPA understands that funding for the states includes those states working in the WRAP.

Mr. CRAIG. I join with my friend from the State of Montana in supporting this expectation that the states within the WRAP should not be precluded from any distribution of the $5,000,000 provided in this fiscal year 2000 appropriation bill. The State of Idaho has new requirements and responsibilities based upon this new regional haze rule. These new requirements require Idaho to develop new emissions data and programs which the state doesn't have now. So the State of Idaho must develop new internal capabilities to meet the new regulatory deadlines. The WRAP can assist the states in developing some of these capabilities, however, the states have their own unique roles and responsibilities beyond those of the WRAP. Thus, all states need additional funding beyond that provided to the WRAP.

Mr. BURNS. The purpose for this conference report language to directly fund the WRAP was based upon Congressional concerns with delayed funding in fiscal year 1999 to the WRAP. As of the end of fiscal year 1999, no funds from EPA had been allocated to the WRAP as had been appropriated. This delay in funding has jeopardized the program and progress of the WRAP to assist the states in addressing new regulatory requirements and deadlines of the regional haze rule. This delay also seems a bit ironic since EPA encourages states to form regional partnerships to implement this new law. Since the WRAP is faced with an October 2000 deadline to develop target levels for sulfur dioxide emissions and a contingent Market Trading Program for this new rule, direct funding in fiscal year 2000 is the most effective way to ensure the states meet this new rule.

Mr. BOND. Funds are to be allocated to the WRAP and all states in an equitable manner.

Mr. BURNS. I thank the Chairman for this clarification. I trust that the Environmental Protection Agency will follow these guidelines in developing the distribution of the $5,000,000 to the states in fiscal year 2000.

Mr. CRAIG. I thank the Chairman also for this clarification.

SECTION 425

Mr. LAUTENBERG. Chairman BOND, I understand that section 425 of the Department of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 2000 is not intended to impede federal grantees or contractors from implementing responsibilities permitted under grant agreements.

OMB Circular A–122, Cost Principles of Non-Profit Organizations, makes clear that federal funds cannot be used to lobby Congress or initiate litigation against the U.S. government unless specifically authorized by statute to do so. Similar language exists in other cost principles, as well as Federal Acquisition Regulations affecting contractors. Section 425 is intended to be consistent with these prohibitions.

When an organization endorses the terms and conditions of a grant or contract, that organization also certifies its compliance with the lobbying and litigation prohibitions in the cost principles. Section 425 makes clear that the signatory agreeing to the grant, contract, or other award is to be that of a chief executive officer (CEO) and will serve as meeting the requirements of section 425. Once a CEO (or his or her delegate) signs the grant, contract or other award, the terms and conditions become binding when an audit is conducted to verify that no funds have been used to lobby Congress or initiate litigation against the U.S. government unless specifically authorized otherwise.

Additionally, it is my understanding that the language in section 425 prohibiting the use of federal funds awarded to grantees and contractors from being used for lobbying and litigating on adjudicatory matters is consistent with current rules that restrict the use of these funds for such purposes. This section is not intended to supercede any statute that specifically authorizes the use of federal funds to compensate parties for legal expenses such as the Equal Access to Justice law that allows small businesses and others that sue federal agencies for violating the law to recover their legal expenses when the agency's action is judged to be unfounded.

Section 425 also does not change current practices where federal grantees may be representing low-income or disadvantaged tenants or other individuals, such as veterans, in adjudicatory proceedings. For example, under the Housing Counseling program, HUD reimburses federal grantees for representing tenants. This is something that Congress strongly supports and section 425 is not intended to limit or restrict such programs.

Finally, section 425 is not intended to add new restrictions on membership fees or contributions that an individual whose sole income comes from federal benefits appropriated under this bill gives to organizations that may use a portion of the fee or contribution for lobbying, representing individuals in adjudicatory proceedings, or litigating. For example, the membership fee that a veteran, who has no other source of income other than federal support through this bill, gives to a veterans service organization should not restrict the VSO from representing the veteran in a manner that is any different than current rules.

Let me restate that nothing in section 425 precludes affected entities from enforcing rights under federal law, including, but not necessarily limited to the Administrative Procedure Act and the Constitution of the United States. Its intent is limited to ensuring that current grant and contract prohibitions are followed, not to impede participation in administrative actions.

Mr. BOND. The Senator is correct in his understanding of section 425.

CLIMATE CHANGE LANGUAGE

Mr. BYRD. Mr. President, the Fiscal Year 2000 VA/HUD Conference Report (106–161) contains bill language regarding implementation of the Kyoto Protocol. This bill language is identical to bill language included in the Fiscal Year 1999 VA/HUD Conference Report (105–769). I would like to ask the distinguished Chairman and Ranking Member of the VA/HUD Subcommittee two questions to clarify their understanding of this provision.

I note that last year, the conferees carefully crafted bill and report language that clearly addressed the concern that the Administration does not implement the Kyoto Protocol through domestic regulatory action before the Senate gave its advice and consent to the Protocol. At the same time, the conferees clarified that they did not intend to jeopardize ongoing, voluntary programs. These voluntary programs have numerous benefits and are consistent with our treaty commitments under the U.N. Framework Convention on Climate Change, ratified by the U.S. in 1992.

In the Fiscal Year 2000 VA/HUD Appropriations bill (S. 1596), the Senate included bill and report language that remains consistent with last year's bill and report language. By doing so, the Senate believes that this language provides the necessary consistency and prohibits only funding for proposing or issuing federal regulatory action called for solely to implement the Kyoto Protocol. These programs have long had the support within both the public and private sectors, and thus it makes both economic and environmental sense that we take this course.

It is, therefore, my understanding that, like last year, the provision in question is not intended to restrict ongoing, voluntary programs or activities that, in their entirety, help to improve air quality standards, increase energy efficiency, develop cutting-edge technologies, and reduce global greenhouse gas emissions. Is my understanding correct?

As you also know, the Senate has clearly expressed its bipartisan view regarding the Kyoto Protocol in S. Res. 98, adopted unanimously by the Senate on July 25, 1997. That resolution calls on the Administration to achieve commitments from developing countries, especially the largest emitters, as well as protect U.S. economic interests by emphasizing market-based mechanisms and the use of energy efficient technologies. Is my understanding correct that this provision would not prohibit the Administration from working to achieve S. Res. 98?

Mr. BOND. I thank the distinguished Senator from West Virginia for his questions. Your understanding is correct. The provision is not intended to restrict ongoing, voluntary programs and initiatives such as you have described or to limit efforts to meet the conditions of S. Res. 98. Rather, it is intended to prevent the Administration

from proposing or issuing administrative rules, regulations, decrees, or orders for the sole purpose of implementation of the Kyoto Protocol prior to its consideration by the Senate.

Ms. MIKULSKI. The Senator's understanding is correct. The language is not intended to prohibit the United States from supporting ongoing, voluntary programs or activities that are consistent with our treaty commitments under the Framework Convention on Climate Change ratified in 1992, have had broad bipartisan support in both the public and private sectors, and are consistent with the objectives of S. Res. 98.

Mr. CRAIG. Mr. President, I want to express my appreciation to the chairman of the Appropriations Subcommittee on VA, HUD, and Independent Agencies for his leadership in steering this bill and its many, diverse provisions successfully through the Senate and conference.

One item is noteworthy both for its importance and its ready acceptance on both sides of the aisle and in both Houses. This is the language prohibiting EPA from spending funds to implement the Kyoto Protocol on global climate change, prior to ratification and Senate consent. The bill language on this subject is the same as last year's reiterating a strong congressional position.

Also important is this year's Senate report language requiring greater accountability in the Administration's climate change proposals and initiatives. This language renews and reiterates directives in the managers' statement in last year's conference report. It also expresses disappointment in the late filing, earlier this year, of agency reports explaining the administration's programs, objectives, and performance measures.

I would ask the Chairman if it is fair to say the committee's intent is to put the administration on notice that we fully expect such reports to be included, on a timely basis, as part of the President's fiscal year 2001 budget submission next year?

Mr. BOND. The Senator's understanding is correct. The clear intent of this year's Senate report is to carry last year's directives forward for another year. If Congress, and the authorizing and appropriations committees, in particular, are to make a full and fair assessment of the Administration's programs and proposals, then submission of agency climate change reports with the President's FY 2001 budget is both necessary and expected.

EDI SPECIAL PURPOSE GRANTS

Ms. MIKULSKI. Mr. President, I would like to engage in a colloquy with the distinguished chairman of the VA-HUD Appropriations Subcommittee.

Mr. President, regrettably, the FY2000 conference report contains a typographical error that was made during the final drafting of this conference report. Contrary to the intent of the managers and conferees, a $1,000,000 earmark for the New Jersey Community Development Corporation's Transportation Opportunity Center and a $750,000 earmark for South Dakota State University's performing arts center were accidently deleted from the list of EDI Special Purpose Grants due to a computer malfunction.

Unfortunately, we are not able to amend this conference report at this point, but I wanted to ask the distinguished chairman, Senator BOND, if he will work with me, Senator BYRD, and Senator STEVENS to ensure that these typographical errors are corrected in another appropriations bill before this session of Congress ends?

Mr. BOND. Absolutely. First, I totally agree with distinguished ranking member of the VA–HUD subcommittee's account of how this typographical error transpired. Second, I agree that this error is typographical in nature and contrary to the intent of the conferees. Finally, I will work with Senators MIKULSKI, BYRD, and STEVENS to ensure that this typographical error will be corrected in another appropriations measure before this session of Congress ends.

Ms. MIKULSKI. I thank the distinguished Chairman.

The PRESIDING OFFICER (Mr. SESSIONS). The Senator from Missouri.

Mr. BOND. Mr. President, I thank my colleague from Minnesota for his comments on the lack of available housing. We have been talking about the lack of available housing. Over the years prior to the time my ranking member and I were leading this committee, we stopped issuing long-term, 15-year section 8 vouchers. Those long-term vouchers were sufficient to generate new housing. The 1-year vouchers we now issue generally under the section 8 program do not create any new housing.

As I said in my opening remarks, half the vouchers issued in St. Louis County have already been used. We have programs such as the HOME program, the CDBG program, the section 202 elderly, the section 811, disabled, the hop-up program and HOPE VI programs which do provide housing.

We also provided additional assistance to maintain the public housing stock that is in danger of falling into disuse and becoming HOPE VI housing. That having been said, part of our discussions with the administration and with the authorizing committee will be the need to look at how we are going to assure there is adequate housing stock. This is a question not just in the appropriations process where we are putting in money where we can to create new housing; it is something we have to work on with the Finance Committee to make sure low-income housing credits exist.

This is a problem that simply adding some incremental section 8 vouchers is not going to solve; that and the budget authority problem for section 8 we will have to deal with next year.

The Senator also laid out a good argument for authorizing the committee to consider expanding veterans' benefits and programs. Again, we are happy to work with the authorizing committee when it gets beyond the appropriations measures and attempts to improve the programs in addition to just funding them.

Again, my very special thanks to the distinguished Senator from Maryland whose guidance, and not just assistance, but guidance and good humor, made this ride on the tilt-a-whirl an enjoyable one, even though somewhat too exciting at times. I thank her. Her help and her persuasion, and that of the administration, helped us achieve passage of this bill.

I reiterate my thanks particularly to Paul Carliner on that side and the great John Kamarck on our side, as well as the other staffers.

I yield the floor and yield back my time.

Ms. MIKULSKI. Mr. President, I, too, thank Senator BOND and his staff, as well as my own. At times, the atmosphere in this institution can be quite prickly and quite partisan. If only we would focus on the national interests the way we have in this bill. Through good will, good offsets, and focusing on national priorities we were able to move this legislation through.

I believe Senator BOND is a leader. This legislation would not have moved forward had it not been for his willingness to engage in a dialog with the White House on what their priorities were, insisting, of course, on the Senate's prerogatives.

Again, I thank him, and I yield the floor.

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

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

MORNING BUSINESS

Mr. SANTORUM. Mr. President, I ask unanimous consent that the Senate now proceed to a period for morning business, with Senators permitted to speak therein for up to 10 minutes each.

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

THE DEATH OF AMBASSADOR E. WILLIAM CROTTY

Mr. DASCHLE. Mr. President, I take this opportunity to express my regret at the loss of Ambassador E. William Crotty, U.S. Ambassador to Barbados. Bill assumed his position as ambassador in November 1998, so he had only begun his fine work representing the United States in Barbados and six other eastern Caribbean island nations. I am confident, however, that his contributions in service to his country would have continued and multiplied.

I had the great fortune of knowing Bill over the years, and I saw firsthand his deep affection for his family and friends, and his fine work for his community, his party and his country. I am very sorry he will no longer be with us, and I send my condolences to his wife, Valerie, seven children and 14 grandchildren.

Bill Crotty was an American success story. He was born in a small town during the Great Depression to a loving family. This set of experiences instilled in him a work ethic and a love of family and community that guided his life. Bill graduated from college and law school, succeeded in the business world and spent years giving back to his community and country.

I would like to take a moment to cite some examples of Bill Crotty's work in his community that demonstrate the value of his contributions. He was chair of the Capital Fund Drive for Bethune-Cookman College. He was a member of the Board of Counselors of Bethune-Cookman College. He was chair of the membership drive for the Volusia County Society for Mentally Retarded Children. He was a member of the Board of Directors of the United Fund of Volusia County and of the Richard Moore Community Center, Inc. He was a charter member of W.O.R.C., an organization dedicated to the rehabilitation of the disabled.

I could cite more examples, but these help provide a flavor of the kind of person Bill Crotty was. I feel privileged to have known him over the years. As a husband, father and grandfather, as a friend and as a public servant, Bill Crotty will be sorely missed.

Mr. GRAHAM. Mr. President, I rise to offer a tribute to a great Floridian and a great American: Mr. E. William ''Bill'' Crotty of Florida, the United States Ambassador to Barbados and the Eastern Caribbean.

Bill Crotty died Sunday, October 10, 1999, at Shands Teaching Hospital in Gainesville, Florida. Funeral mass and burial will take place today in Bill's hometown of Daytona Beach, Florida.

Among Bill Crotty's many friends in this world, some of his closest friends are members of this body. On behalf of them and the United States Senate, we offer our heart-felt sympathy to Bill's wife, Valerie, and to his large and loving family.

During his rich and full life, Bill Crotty was many things: a five-sport athlete, lawyer, proud parent of seven children, successful businessman, Irish story-teller and political and civic activist. Above all, Bill Crotty was an ambassador. His smile, his laugh, his easy manner and his sense of humor were lifelong gifts to the countless individuals he encountered during his 68 years on this earth.

Bill Crotty was an ambassador for his alma mater—Dartmouth College in his native New England. He was an ambassador for his adopted home of Daytona Beach, and its Bethune-Cookman College and International Speedway. The local Chamber of Commerce declared him Citizen of the Year in 1992.

Late in life, Bill Crotty was officially certified as an ambassador. Last year, after Senate confirmation, he reported to our embassy in Barbados. He and Valerie have done an outstanding job representing the people of the United States in this important neighboring region. One of their efforts has been to help restore the historic home in Barbados where young George Washington once lived with his older brother.

Like me, Bill Crotty was born during the Great Depression. Demographers note that America's birth rate declined during the Depression, prompting some social commentators to remark that the parents of those born during this troubled era were passionate or crazy or both.

Bill was born with few material possessions. His strong family, his sharp mind, and agile body propelled him to top educational institutions and success in life.

Most importantly, Bill Crotty was my friend. I fondly recall repeat visits to his home in Daytona Beach, and his tradition of preparing bountiful breakfasts to start the day. In addition to his cooking skills, Bill was rightfully proud of his agility on the tennis court.

Mr. President, we mourn the loss of our friend, Ambassador Crotty, while recognizing and celebrating his many achievements in Daytona Beach, in Florida, in America, and throughout our hemisphere.

HISPANIC HERITAGE MONTH 1999

Mr. DOMENICI. Mr. President, as I attend dinners and events to celebrate Hispanic Heritage Month, I have been impressed with the energy that the Latino people are adding to our nation. They are having an impact in the work place, the market place, in politics and in our culture. Hispanics will surpass blacks as our nation's largest minority by the year 2005.

For my colleagues who do not understand my own link to the Hispanic people, I would like to remind you, I grew up in an immigrant household. My father spoke and wrote Italian. He was fluent in Spanish and English, but did not write English. His customers and employees were Hispanics, mainly in the Albuquerque area. He spoke Spanish at home and at work.

In the downtown area of Albuquerque, where I grew up, my Hispanic friends spent hours at our family home, and I spent hours in their homes. Personally I understand more Spanish than I speak, despite all the credit I get for being Spanish-speaking. My wife and I are enchanted by the Spanish masses in New Mexico. The guitars and singing add a beautiful and clearly Hispanic dimension to a worship service.

In my twenty-six years as a Senator from New Mexico, I have only grown in my appreciation for the Spanish influence in my home state. Although New Mexico is surpassed in absolute numbers of Hispanics by states like California, Texas, Illinois, New York, and Florida, no other state has a higher percentage of Hispanic people than New Mexico. Forty percent, or about 680,000 New Mexicans are of Hispanic origin.

Because of our unique history, Hispanics in New Mexico are influential in all areas of life. There are well educated Hispanics in our national laboratories, our universities, in the legal and medical professions, and in virtually every business, including ranching and farming. Spanish architecture and culture add a significant depth to life in New Mexico.

It is clear to me that Hispanics in every state, not just New Mexico, want to be part of the American mainstream. They want to get ahead and succeed. Hispanics want to own businesses and buy their own homes, and they want their children to get a good education. Recent national surveys confirm that Hispanics want what most Americans want. They want the American Dream. They want to earn good money, buy their own homes, drive nice cars, send their children to safe schools, provide for a college education for their children, and invest in the future.

The great majority of Hispanics are working class Americans who work hard. For most Hispanics, the American dream is a reality or approaching reality. About one in four Hispanics remains in poverty, twice the national poverty rate. Recent studies show slight declines in the Latino poverty rates. This is good news, but it could be better, as I will discuss soon.

Latinos are forming their own businesses at the highest rates in the nation. The United States Small Business Administration (SBA) reports that the 1.4 million Latino businesses in 1997 represent a 232 percent increase over 1987.

Two years later, in 1999, there are more than 1.5 million Latino businesses in the United States, with projections for reaching 3 million businesses by the year 2010. Hispanics were a major force in the California economic recovery, where it is now estimated that 400,000 Latino businesses are established and growing. The most common name of home buyers in Los Angeles is Garcia, followed by Gonzales, Rodriguez, Hernandez, Lopez, and more Spanish names. Los Angeles has 6 million Latinos, more than the total population of most states.

In 1997, national Hispanic business receipts were estimated at $184 billion or 417 percent higher than 1987, and employment in these businesses was up 464 percent over 1987.

The first Hispanic business in America exceeded one billion dollars in annual revenues this year. This important milestone was accomplished by MasTec Inc of Miami, a large construction firm headed by Jorge Mas Jr. whose father was a Cuban exile leader.

As a Time magazine article about Hispanics concluded a few years ago, ''Hispanics are coming and they come bearing gifts.'' In July, of this year Adweek observed in a paraphrase of the Time comment, ''Hispanics are here and they come bearing profits.''

Besides becoming home owners as fast as they can and starting businesses faster than any other ethnic group, Hispanic consumers are also a growing market force.

The impact of Latinos in our domestic and international markets is huge. Alert executives have welcomed these new markets and profits by serving the needs of Latino consumers right here in the United States. Adweek recently made this observation about this growing market force, ''Many of the top American companies are already courting the market intelligently and aggressively. Procter & Gamble, Sears & Roebuck, Western Union, Colgate-Palmolive, McDonalds, Allstate and many more are already profiting from the Hispanic market. It's because Hispanics are smart consumers who are loyal to the brands that serve them best and to manufacturers who ask for the order.''

Recent headlines report the impact of Latino activities on the mainstream culture. Major magazines this year have has such headlines such as: ''Young Hispanics Are Changing America'' and ''Latino Power Brokers are Making America Sizzle.''

This month, the Albuquerque Tribune had a story with the headline, ''Hispanic Influence, Power on the Rise.'' Sammy Sosa's home runs are featured in sports headlines, and Ricky Martin and ''La Vida Loca'' win Grammy awards while Latin music is a $12.2 billion industry.

There are other major indicators of the growing Hispanic or ''Latino'' influence in our markets, our labor force, and in our schools. Some of these indicators are:

—31 million Hispanics now live in America. This is nine million more than the 22.2 million Hispanics reported in the 1990 census.

—Latinos account for over 11% of our national population—one in nine Americans is Latino. It is predicted that one in four Americans will be Latino by the year 2050.

—Hispanic buying power in America has increased 65% since 1990 to almost $350 billion today, more than the entire GNP of Mexico.

—4.3 million Hispanics voted in 1996 and 5.5 million are expected to vote in the year 2000 elections. Over 12 million Latinos are eligible to vote.

—Spanish-speaking America is already the world's fifth largest Hispanic nation. In ten years, only Mexico will have a larger Hispanic population.

—Spanish-speaking America is already the world's fifth largest Hispanic nation. There are 400 million Hispanics in the western hemisphere.

—There are proportionally more Medal of Honor winners among Hispanics than any other ethnic group in America.

It is no wonder that George W. Bush and Al Gore are speaking their best Spanish to Latino audiences. Some are even asking, ''Who is assimilating whom?

Some say we need ''English Only'' as a protection from the growing numbers of Spanish speakers. I say we need to apply ''English Plus'' other languages like Spanish. Our nation will be better prepared for the future by adding Spanish, Italian, German, Japanese, and other languages to our national strengths. I will oppose movements like ''English Only'' that are so brazenly aimed at Hispanics and Hispanic culture. ''English Plus'' is a much more healthy approach to our economic and cultural future.

Hispanics are proud to remind us that they are represented among Medal of Honor winners more than any other ethnic group in our country. Names like Lopez, Jimenez, Martinez, Rodriguez, Valdez, Gonzales, and Gomez are among the recipients of our nation's highest military honor. Many are New Mexico Hispanics who were over-represented in the infamous Bataan Death March of World War II.

Having surveyed the major indicators of Hispanic growth and economic potential over the past decade and the important prospects for further growth and influence, I must now stress to my colleagues that Hispanic people in America today still face two major obstacles that I see.

First, capital is the key to growing business in our great country, and Hispanics do not have sufficient access to capital that their numbers and ideas might indicate. Second, and even more important for our future, the drop-out rate of Hispanics is unacceptably high. Let me elaborate.

As Hector D. Cantu observed in his Hispanic Business Column (July 1, 1999) for Knight Ridder News, ''Put Latino entrepreneurs in any room and they soon start talking about capital. Or rather, the lack of it. So many business plans, they might say, and so few banks willing to lend them money.''

The Federal Reserve Bank of Chicago, in a June 22, 1999, study of small business finance in two Chicago minority neighborhoods, found that ''Black and Hispanic owners start their businesses with less funding than owners in the other ethnic groups. Black and Hispanic owners also depend on personal savings for a higher proportion of their start-up funding and are more likely to use personal savings as their only source of start-up funding.''

This study also noted that with the following baseline characteristics: ''eating/drinking place, high school education, proficient in English, no previous experience as an owner, aged 37 years, male, and business started 12 years ago,'' ''A White owner . . . starts with 167 percent more funding ($54,564) than a comparable Hispanic ($20,414); and Asian owner starts with 32 percent more ($26,921); and an owner in the Other category starts with 49 percent more ($30,479).'' A Black owner in this study started with ''an estimated 46 percent smaller pool of funds ($11,104) than a comparable Hispanic.''

To help remedy situations like this all around the country, the U.S. Small Business Administration (SBA) gave us some good news last month about business loans to Hispanics throughout the nation. They reported that SBA-backed loans (bank loans guaranteed by SBA) have more than doubled from $286 million in FY 1992 to about $635 million in FY 1999. This represents more than 21,000 loans worth about $3.7 billion in loans to Hispanic-owned businesses in this seven year period.

Even with these impressive improvements in SBA participation and growth rates of 232% in Hispanic-owned businesses in the last decade, Hispanics still own only about 5 percent of the businesses in the United States.

As Hispanic influence is felt in our markets, I will encourage continued SBA support for improving bank lending. I would like to note for my colleagues that, on the private sector side of the ledger, Merrill Lynch is reportedly seeking more Hispanic mortgage lending, economic empowerment initiatives, and small business lending.

Merrill Lynch has launched a $77 million pilot called the Southern California Partnership for Economic Achievement. In his article about this on April 8, 1999, Hector D. Cantu (Knight Ridder) noted that a vice president of Merrill Lynch in California made this observation about his company: ''The history of Merrill Lynch has been a company that has prided itself on being one step ahead of the competition and positioning itself where great wealth is being created.'' He noted that after World War II, ''We saw great wealth being created in the suburbs. In the 1980s, we saw worldwide economic explosions. We went to Japan and Europe to be positioned globally as we saw capitalism breaking out.''

''To this list, Merrill Lynch is now adding the U.S. Hispanic market.'' ''It's not a trend that started last year. It's something that has been decades in the making. We see it reaching critical mass in very specific ways. In small business creation. In home ownership. In pure demographics.''

With this kind of economic future and solid demographics to back the Hispanic markets, there is still a disturbing weakness in the underbelly of these numbers and hopes.

As many have noted during Hispanic Heritage Month, education is key to Hispanic success in America. I feel that the break-down in our public education system affects minorities and Hispanics more than others.

Federal programs that reach our public schools and universities account for about 7 percent of all their resources. A disproportionate share of these federal resources reaches minority students in such programs as Title I of the Elementary and Secondary Education Act (ESEA). Yet, the effectiveness of this federal investment is still questionable for many reasons, mainly significant and continuing lags in educational attainment and drop outs. Clearly, these are related.

Bilingual education is most often funded with federal support, even though two-thirds of Spanish-speaking Latinos in our country are educated in English only classrooms. The federally funded TRIO programs help to identify and tutor minority students bound for college, and federally subsidized student loans help to keep students in college.

In an era when we face competition from countries all around the world like Mexico and China, we need to do all we can to keep our national competitive advantage, especially in the scientific and technical fields. There is no question that the required formal education is now higher for these fields, and it is disheartening to see so many Latinos dropping out of high school.

I will personally be looking more closely at successful programs like ''Cada Cabeza Es Un Mundo'' (''Each Mind Is A World'') in California and Aspectos Culturales (Cultural Aspects) of Santa Fe, New Mexico. As we debate ESEA reauthorization, I will encourage more locally based efforts to include parents and other role models to participate in improving the educational environment for all students, especially those most likely to drop out.

Dropout rates among newer Latino immigrants are the highest among all ethnic groups with the exception of American Indians, who make up less than one percent of our population. Current reports by the Congressional Research Service (CRS) place the drop-out rate for Hispanics who are born outside the U.S. at 38.6%.

For first generation Hispanics the drop-out rate is 15.4%. For Hispanics beyond the first generation in America, the drop-out rate is slightly higher at 17.7%. Overall, including foreign born Latinos, the Hispanic drop-out rate is 25.3% compared to 7.6% for whites and 13.4% for blacks.

We cannot tolerate drop-out rates like these.

As our economy demands higher education, and jobs are not being filled for lack of education or experience, the critical value of achievement in education becomes an issue for all of us in the Congress to note. The Hispanic Association of Colleges and Universities (HACU) released an important report documenting the strong link between education and employment for Hispanics. It is entitled, ''Education=Success: Empowering Hispanic Youth and Adults.''

We have federal programs that address virtually every aspect of education, from Headstart to advanced degrees in science. Yet too many Latinos are being left behind at a time when we pride ourselves in an economy that is surging ahead. We need to make our great American advancements in mathematics, science, and engineering more available to all striving students, especially Latino students who drop out more often than most students.

Bill Gates recognized this problem. He recently announced his recent billion dollar donation to minority education, much of which will go to Latino children. He saw the importance of reaching and inspiring Latinos, Blacks, and other minorities to attain higher degrees in science and mathematics. He put his foundation money behind this idea.

It is time to refocus and re-energize our federal efforts to help Latinos and others in need of educational assistance. This is not a time to see more and more Latinos falling behind in school just when more formal education is essential to job market participation.

When we celebrate National Hispanic Heritage Month in the year 2000, I hope to be able to report more progress in private lending to Hispanic businesses and better federal support for Hispanic education. Now that Hispanic Americans have become a new economic, cultural, and political force among us, we need to recommit our efforts to see that our financial institutions treat them fairly and that Hispanics are suitably educated for a future we will all live and prosper in together.

Mrs. FEINSTEIN. Mr. President, I rise to pay tribute to the Hispanic community. As we commemorate Hispanic Heritage Month, I want to recognize the contributions made by millions of Latinos in our nation. California is truly a multi-cultural state and I am honored to help represent this community in the United States Senate.

This month we celebrate a community that shares the common goals of other Americans of freedom, opportunity and a chance to build a better life. In pursuing these aspirations, they have made important contributions to life in the United States in the fields of business, politics, science, culture, sports, and entertainment. Latinos have served in the armed services with bravery and courage and many have made the ultimate sacrifice in giving their lives for the common good of our country.

Today, I honor these brave Americans and their families. I also honor Latino heroes and heroines like the late Julia de Burgos, Arturo Alphonso Schomburg, Roberto Clemente, and Cesar Chavez. These teachers, advocates, athletes, and activists have brought pride to their community, enriched our country, and provided role models for all of us to emulate.

Indeed, Latinos are changing the way America looks at itself. Today there are 31 million Hispanics in the U.S. By 2050, the population is projected to hit 96 million—an increase of more than 200 percent. Latinos are making their mark, Sammy Sosa leading the great American home-run derby. Ricky Martin, Jennifer Lopez, and Carlos Santana topping the pop music charts. Salma Hayek, Jimmy Smits, Andy Garcia, Edward James Olmos, and Rita Moreno are making great contributions to the entertainment industry.

I commend the Latino community for its courage and persistence and want to warmly acknowledge the contributions and vitality this community brings to our nation. I thank the leaders of this community for leading by example and for promoting a national policy agenda which highlights basic human necessities that should be the right of every American.

Between 1984 and 1998, Latino voting jumped nationwide in midterm elections by 27 percent, even as overall voter turnout declined by 13 percent. In my own state of California, Latinos are participating and contributing to civic life. For the first time in the California State Legislature's history, two of its three highest offices are occupied by Latinos, Lt. Governor Cruz Bustamante and Speaker of the Assembly Antonio Villaraigosa.

A democratic and prosperous society should not step back from a national commitment to provide assistance to those who strive to achieve the American dream, despite the odds. In particular, I want to emphasize the importance of a quality education for the success of Latino children. Our Latino young people are a great source of strength and hope for the future of this nation and they should be able to participate fully in the American experience.

I am proud to honor California's Hispanic community and to have the opportunity to ensure that Latino contributions and sacrifices do not go unnoticed.

COMPREHENSIVE NUCLEAR TEST BAN TREATY

Mr. CLELAND. Mr. President, there are many important Constitutional responsibilities of United States Senators, but none is more important than providing ''Advice and Consent'' for treaties with other nations. And among treaties, those involving control of nuclear arms, which continue to be the only instruments capable of threatening the physical survival of the United States, must top the list of our concerns.

Since the landmark Limited Test Ban Treaty of 1963, every American president, no matter his party affiliation, has recognized the value of responsible and verifiable arms control agreements in making the arms race less dangerous and the American people more secure. And each time an American president has entered into negotiations, concluded a treaty and then sought ratification by the United States Senate, the debate in the Senate and in the country has been remarkably similar. For example, when President Kennedy announced the signing of the Limited Test Ban Treaty on July 16, 1963, he responded to the concerns and criticisms then being directed at that proposed first step in the effort to control nuclear weapons:

Secret violations are possible and secret preparations for a sudden withdrawal are

possible, and thus our own vigilance and strength must be maintained, as we remain ready to withdraw and to resume all forms of testing if we must. But it would be a mistake to assume that this treaty will be quickly broken. The gains of illegal testing are obviously slight compared to their cost and the hazard of discovery, and the nations which have initialed and will sign this treaty prefer it, in my judgment, to unrestricted testing as a matter of their own self-interest. For these nations, too, and all nations have a stake in limiting the arms race, in holding the spread of nuclear weapons and in breathing air that is not radioactive. While it may be theoretically possible to demonstrate the risks inherent in any treaty—and such risks in this treaty are small—the far greater risks to our security are the risks of unrestricted testing, the risk of a nuclear arms race, the risk of new nuclear powers, nuclear pollution and nuclear war.

Now, thirty-six years later, the United States Senate is being asked to give its advice and consent on the Comprehensive Test Ban Treaty, a goal first formulated in the Eisenhower Administration. The Treaty itself was approved by the United Nations General Assembly in September of 1996 by a vote of 158 to 3, and signed by President Clinton later that same month. As of today, 153 nations have signed the treaty, with 47 of those formally ratifying it.

Today, in spite of the long history of the treaty's development, in spite of the fact that we now have over a third of a century of experience in negotiating, implementing and monitoring arms control agreements, in spite of the long list of current and former military leaders have endorsed the treaty and in spite of the treaty's widespread support among the American people and other nations, we still confront the same doubts and fears that President Kennedy sought to address so long ago.

While I have heard legitimate concerns voiced about certain aspects of the treaty, I reject the notion that the test this proposal must pass is one of perfection. Rather, in this world of imperfect men and women and laws, the test must be a less absolute one—Will the people of the United States, on balance, be better off if this treaty enters into force than if it doesn't? In other words, is it an acceptable risk, realizing that no possible course is risk free?

In my opinion, this agreement appears to be very much in the best interests of the United States and its ratification will inhibit nuclear proliferation, enhance our ability to monitor and verify suspicious activities by other nations, assure the sufficiency of our existing nuclear deterrent, and inhibit a renewal of the nuclear arms race.

Speaking on behalf of the unanimous view of the Joint Chiefs of Staff, General Henry Shelton, Chairman of the Joint Chiefs, told us on the Senate Armed Services Committee last week that:

The Joint Chiefs support ratification of the CTBT with a safeguards package. This treaty provides one means of dealing with a very serious security challenge, and that is nuclear proliferation. The CTBT will help limit the development of more advanced and destructive weapons and inhibit the ability of more countries to acquire nuclear weapons. In short, the world will be a safer place with the Treaty than without it, and it is in our national security interests to ratify the CTBT Treaty.

In other words, what the Joint Chiefs are telling us is that the fewer fingers on the nuclear trigger, the better.

As reported in an October 8, 1999 New York Times article about a recent conference organized by the United Nations on the CTBT:

Several delegates seemed mystified that hawkish Republicans oppose the treaty. It was negotiated by a Republican president, and polls show that 82 percent of Americans support it. It would freeze the arms race while the United States enjoys a huge lead. And instead of paying 100 percent of the cost of the world's second-most-sophisticated nuclear-test detection system (the current American one), they said, the United States would pay only 25 percent for the world's most sophisticated one, with sensors deep inside Russia, China, Iran and other nations where the United States is not normally encouraged to gather data.

Most of this debate has centered on questions like these, related to the risks of ratifying the treaty, and has been concerned about the verifiability of the proposal, and its impact on the credibility of the U.S. nuclear deterrent. These are indeed important questions, and I stand with the large majority of the American people, of our military leadership, and of our allies in concluding that, on balance, the CTBT is a net plus for our security.

But when weighing the risks involved in the Senate's action on this treaty, we must also examine the risks involved in rejecting the treaty. The leaders of three of our major allies who have already ratified the CTBT, Great Britain, France and Germany—who also represent two of the world's seven recognized countries which have successfully tested nuclear weapons—recently sent an unprecedented joint communication to the United States Senate which concluded:

Rejection of the treaty in the Senate would remove the pressure from other states still hesitating about whether to ratify it. Rejection would give great encouragement to proliferators. Rejection would also expose a fundamental divergence within NATO. The United States and its allies have worked side by side for a Comprehensive Test Ban Treaty since the days of President Eisenhower. This goal is now within our grasp. Our security is involved, as well as America's. For the security of the world we will leave to our children, we urge the United States Senate to ratify the treaty.

The consensus assessment of what will happen if the Senate rejects the treaty is that none of the other nuclear powers—Russia, China, India and Pakistan—will ratify the agreement while all are likely to do so if we ratify.

In May of 1998, in an irresponsible show of strength, both India and Pakistan detonated nuclear devices to demonstrate to the world, but, more importantly each other, their formal initiation in the ranks of nuclear powers. Yesterday's disturbing news that the democratically elected government of Pakistan had fallen victim to a military coup stresses just how important the CTBT is to both the subcontinent and to global security. These events coupled with the recent elections in India which returned Prime Minister Vajpayee's Bharatiya Janata Party (BJP)—the party which chose to ignite the nuclear arms race on the subcontinent—further underscore the need for sensibility when it comes to testing nuclear weapons. Both India and Pakistan have indicated their unwillingness to consider ending their nuclear arms race and sign the CTBT only if the United States has ratified the treaty. The national security of the United States and, in fact, the security of everyone on the planet, will be enhanced when countries such as India and Pakistan decide to stop testing nuclear weapons.

The United States stands today as the unchallenged military superpower, with by far the largest, most reliable and most versatile nuclear arsenal, as well as the strongest conventional arsenal. Indeed, the trends of the last decade, where the demise of the Soviet Union has led to an ongoing and inexorable decline in the capacity of what had been the only comparable strategic nuclear force and a continuing ''technology and investment gap'' has led to a circumstance where our conventional forces are vastly more capable than those of even our closest allies as evidenced by the recent war against Serbia, have placed us in the strongest relative military posture we have perhaps ever experienced as a Nation. As such, we are certainly more secure than when John F. Kennedy sought ratification of the Limited Test Ban Treaty in 1963, more secure than when Ronald Reagan sought approval of the Intermediate Nuclear Forces Treaty in 1988, and more secure than when President Bush submitted the START I Treaty for Senate ratification in 1992.

While no course of human action is ever risk free, of all nations in the world, we have the most to gain from slowing the development of more capable weapons by others and the spread of nuclear weapons to additional countries, even if we cannot expect to prevent such developments altogether. In addition, the Treaty cannot enter into force unless and until all 44 nuclear-capable states, including China, India, Iran, North Korea and Pakistan, have ratified it. Should any one of these nations refuse to accept the treaty and its conditions all bets are off. Finally, even if all of the required countries ratify, we will still have the right to unilaterally withdraw from the treaty if we determine that our supreme national interests have been jeopardized.

After debating concerns about verification and the impact on our nuclear arsenal on September 22, 1963, the United States Senate, on a bipartisan

basis ratified the Limited Test Ban Treaty by a vote of 80 to 19. On October 7th of that year, President Kennedy signed the instruments of ratification in the Treaty Room at the White House. He said:

> In its first two decades, the Age of Nuclear Energy has been full of fear, yet never empty of hope. Today the fear is a little less and the hope a little greater. For the first time we have been able to reach an agreement which can limit the dangers of this age. The agreement itself is limited, but its message of hope has been heard and understood not only by the peoples of the three original nations but by the peoples and governments of the hundred other countries that have signed * * * What the future will bring, no one of us can know. This first fruit of hope may not be followed by larger harvests. Even this limited treaty, great as it is with promise, can survive only if it has from others the determined support in letter and in spirit which I hereby pledge on behalf of the United States. If this treaty fails, and it need not fail, we shall not regret that we have made this clear and national commitment to the cause of man's survival. For under this treaty we can and must still keep our vigil in defense of freedom.

Mr. ABRAHAM. Mr. President, I oppose the Comprehensive Test Ban Treaty, (CTBT). I do so because this accord is, in my view, fatally flawed. While I share the almost universal goal of nuclear nonproliferation, it seems clear to me that this Treaty, as written, will weaken America's national security. I have been strongly influenced in my examination of this issue by the fact that this treaty is opposed by 6 past Secretaries of Defense, 2 past Chairmen of the Joint Chiefs of Staff, 5 past Directors of the Central Intelligence Agency, Former Secretary of State Henry Kissinger, former National Security Advisor Brent Scowcroft, former Ambassador to the United Nations Jeanne Kirkpatrick and a host of other experts in the field.

I took seriously the objection raised by these experts and public servants. And I have come to the conclusion that the CTBT would be dangerous to America, and to the American people. CTBT is not verifiable. It would erode our confidence in the safety and reliability of our own nuclear deterrent. And, perhaps most damning, it would utterly fail to halt the proliferation of nuclear weapons.

Let me explain my reasoning.

First, this treaty is not verifiable. The United States simply does not have the technical means to detect violations of the Treaty at this time. Nor are such technical means currently in development. Thus, it would be entirely feasible for an adversary to conduct significant military testing with little or no risk of detection.

With our current capability, we could not detect, with any significant degree of confidence, any nuclear testing producing yields of less than 1 kiloton. Yet testing that is of real, military significance does not require a 1 kiloton yield. If we are to have effective verification, we must have high and rationally based confidence that we can detect militarily significant cheating.

To make matter worse, potential adversaries can employ evasion techniques of varying complexity that would make nuclear tests with yields as large as 10 kilotons extremely difficult to detect and identify with any confidence. In addition, we should not forget that a country determined to develop a nuclear arsenal could do so without any testing whatsoever. The resulting nuclear capability might be unreliable. But it would be no less dangerous for that fact.

Throughout the last several decades of test ban negotiations it has consistently been United States policy that our nation would not sign any treaty unless it were effectively verifiable. This position has been based on solid reasoning: any adversary that covertly tests—while the United States foregoes testing—could gain significant military advantage over us. Based on this fault alone, I would recommend against ratification of CTBT.

But there are other serious flaws in this treaty that, in my view, dictate its rejection. Among these is the simple fact that reliability requires testing. Our nation's national security strategy is based on the policy of deterrence. CTBT will jeopardize our policy of nuclear deterrence by undermining the reliability of our nuclear weapons and by foreclosing the addition of advanced safety measures to our warheads.

Mr. President, for deterrence to be effective, the nuclear stockpile must be safe and reliable. By banning testing, the CTBT would permanently deny the US the only proven means we have for ensuring the safety and reliability of our nuclear deterrent.

The Administration is pursuing various new experimental techniques as part of its Stockpile Stewardship Program (SSP) to replace actual nuclear testing with sophisticated computer modeling and simulations. However, these new techniques are not yet proven and there is no way to confirm that even the best models will be able to predict, with adequate precision, the condition of weapons systems.

In fact, Dr. James Schlesinger, the former Secretary of both Defense and Energy, has testified before the Senate that ''it will be many, many years before we can assess adequately the degree of success of the Stewardship Program and the degree to which it may mitigate the decline of confidence in the reliability of the stockpile.'' It would be irresponsible for us to bet something as critical to national security as the safety and reliability of our nuclear weapons on unproven technology. We have no right to take such a leap of faith where the safety and very survival of the American people are involved. We must keep open the option of future testing.

Finally, the CTBT will neither stop nor slow nuclear proliferation. As I have mentioned, nuclear testing is not a prerequisite to acquiring a workable arsenal. Simple nuclear weapons can be designed with high confidence without nuclear testing. For example, South Africa designed and developed nuclear weapons without testing. The CTBT will not create a significant or meaningful obstacle to nuclear proliferation. A nation that attempts to build complex nuclear weapons will encounter problems with reliability. But it is entirely feasible for a nation to design, build, and stockpile effective nuclear weapons without nuclear testing.

CTBT, as its name implies, is simply a ban on nuclear explosions of any yield exceeding zero. It is not a treaty by which states which currently have nuclear weapons agree to give them up, reduce their numbers, even stop their development or agree not to give them to others. It simply would not provide any added safety in our dangerous world. Indeed, by reducing the reliability of our own nuclear deterrent and encouraging the secret development of nuclear weapons, it would significantly reduce the level of safety currently enjoyed by citizens of the United States, and of the world.

I am convinced that it would be a tragic disservice to the American people for this body to approve the Comprehensive Test Ban Treaty. I urge my colleagues to vote for safety by voting against this treaty.

Ms. LANDRIEU. Mr. President, I came across a quote from a Senate treaty debate, and I thought it was important to restate it for my colleagues. The quote reads:

> I am as anxious as any human being can be to have the United States render every possible service to the civilization and the peace of mankind. But I am certain that we can do it best by not putting ourselves in leading strings, or subjecting our policies and our sovereignty to other nations.

It struck me how familiar the passage sounded. It is similar in tone and substance to the remarks made during the debate on the Comprehensive Test Ban Treaty these last few days. However, the quote is almost exactly 80 years old, because it was nearly 80 years ago today, that this body took its first steps towards rejecting the Treaty of Versailles, and preventing our entry into the League of Nations.

The statement is from the distinguished Republican Majority Leader, Henry Cabot Lodge. Senator Lodge had a very real distaste for the President at the time. He, and a small minority of Senators used this treaty to send a political message to then President Wilson. The President had worked very hard to establish the League of Nations, he was very popular with the American people, and so was this treaty. However, through red herring arguments, and political arm twisting, Senator Lodge was able to block ratification. He thought he had embarrassed the President; he thought he had outmaneuvered the Democratic party; he thought he was laying the groundwork for the Presidential election of 1920. But Senator Lodge did not beat President Wilson that day, he beat America. Senator Lodge did not believe America

needed to lead. In his view, America could withdraw across the Atlantic, and the world events would take care of themselves.

Detractors of this world view called its adherents ''little Americans.'' In other words, the proponents of isolation and withdrawal, saw the United States as a country with no particular place in history, and with no important place in world events. Twenty years later, millions around the world would pay the price for Senator Lodge's short-sightedness. The United States never did join the League, and that fact undermined its credibility from the word go. First, neighboring states in the western hemisphere withdrew from the League: Brazil, Honduras, Costa Rica and a host of others. The trend continued until finally Germany and Japan left the organization. Having abandoned our place at the table, the power vacuum was filled by other forces, in this case the ultra-nationalist and fascist regimes of Germany, Italy and Japan.

To put that mistake into a little greater perspective, about 7 million soldiers lost their lives in World War I. That was a shocking figure at the time, it was greater than the combined total of all the wars in Europe for the previous 100 years. However, the horrors of World War I, were completely overshadowed by what came next. The U.S. withdrew into isolation, the League of Nations failed, and World War II was the direct result. World War I was the worst disaster humanity had known in 1919, the loses in World War II were three times worse. This is a very high price to pay for a little presidential politics, and the false security of isolationism.

Mr. President, we have an often repeated axiom in the Senate, that politics stops at the waters edge. The axiom is there to remind us of exactly the kind of mistake this body made 80 years ago. To play politics with international agreements is to invite disaster. The headlines were the same all over last night, the Senate handed the President a major defeat last night by rejecting the Comprehensive Test Ban Treaty. There is no defeating the President, he will be out of office in 18 months, his legacy will not rise or fall with the passage of this treaty. However, the members of this body can undermine America's standing in the world, and last night they did just that.

As a member of the Armed Services Committee, I sat through several hearings, listened to testimony on the CTBT, and weighed the merits of the agreement. I understood the perspective of my Chairman, Senator WARNER and others with respect to this agreement. There were legitimate concerns expressed by the directors of our national laboratories, there were serious questions about our ability to monitor this agreement, and I understand how reasonable minds can disagree about the merits of the treaty. However, what occurred last night was willful disregard for the leadership role that this nation plays in the world. That vote need not have occurred. We could have waited for a stronger consensus on the science of the stockpile stewardship program. Had we delayed consideration, we would have benefitted from the revised national intelligence estimate. We might also have negotiated with the Russians and Chinese to address some of the more difficult treaty monitoring questions. However, all such potential benefits of time are lost to us. All of this despite the fact that a clear majority of Senators would have preferred to delay consideration of the treaty. Sadly, I must conclude that the drive to bring this treaty to a vote was not a question of merit, it was a political exercise.

We have numerous treaties sitting before the Senate Foreign Relations Committee that might be brought up, and dealt with the same way. I'll give just one example—the Convention on the Elimination of all forms of Discrimination Against Women or CEDAW. There are many in this body who oppose particular provisions of this treaty, and I am not certain that if we brought it to the floor, there would be sufficient votes to ratify it. The reason we do not bring it to the floor, is because the United States is not going to send a message to the world that the United States tacitly endorses discrimination, by actively rejecting this treaty. However, on something as important as nuclear proliferation, the majority felt compelled to do exactly that.

Mr. President, I believe that a small group of the members of this body took aim at our President with last night's vote. Unfortunately, like Senator Lodge before them, they missed the President and hit the American people. President Wilson was fond of saying that American power, was moral power. He was right. The United States does not, and cannot rely on its nuclear weapons to convince the nations of the world to follow our example. The only real weapon that we have to combat nuclear proliferation is our world leadership and the power of American moral authority. With last night's vote, I am afraid that we unilaterally disarmed.

SKILLED NURSING FACILITIES

Mr. DOMENICI. Mr. President, I want to speak for a moment about a crisis going on in our nursing home industry. Today, a very large nursing home with headquarters in my home State of New Mexico filed for Chapter 11, that is bankruptcy protection but it is bankruptcy nonetheless. This is the second nursing home chain to file for bankruptcy in the last 2 months. These two nursing home chains own hundreds of facilities over the country, across it from north to south and east to west. So every Senator should be concerned about what is happening in this industry.

Frankly, we could have avoided this crisis if the administration had been more willing to acknowledge and address the problem. We wrote a bipartisan letter to Secretary Shalala in May, signed by 64 Senators, urging her to work with us to address the problem administratively. We have yet to get a response. Now I am here to tell you unless something very dramatic is done, this crisis is not over. We are going to see more bankruptcies and ultimately disruptions in the care for our senior citizens unless we fix this problem.

Clearly, one of the major reasons for these failures is the new payment system through the Medicare program for skilled nursing facilities and some of the services they give to their patients. Everyone, including the Health Care Financing Administration, acknowledges that this payment system does not adequately reimburse nursing homes for so-called nontherapy ancillary services; that is, drugs, oxygen, and other costs incurred, which are a very large part of the expenses of taking care of our seniors in nursing homes.

To address this problem, I joined with Senator HATCH and others in introducing S. 1500. That would fix the new payment system and it is fiscally responsible.

Unfortunately, the package of Medicare provisions released by the Chairman and Ranking Member of the Finance Committee yesterday is woefully inadequate.

Hatch-Domenici increased the payment rates in the 15 categories of reimbursement that clearly underpay for those patients with high non-therapy ancillary costs.

The Finance Committee package, however, only includes two of these 15 categories.

I am told that this is the position that HCFA supports, perhaps based on a contractor's analysis of the problem.

But I am also told that the same contractor indicates right up front in the report that patients with high nontherapy ancillary costs are likely to appear in the patient categories covered by the Hatch-Domenici bill.

But, it seems to me that there is no higher priority in Medicare than fixing this problem, which is on the verge of disrupting care for millions of seniors in every state.

The Finance Committee is working on a bill to help in this area and some others. I have seen the bill as of yesterday. It is totally inadequate to take care of this problem, this crisis across this land. In my State, if this company goes bankrupt, totally bankrupt, it will not only hurt seniors across this land but we will have 700 to 800 people who will lose their jobs. They have been working in this industry for years.

I ask the Finance Committee to reconsider what they contemplated yesterday. I will begin working with some of them, with specifics. But I guarantee those who are contemplating a bill to

do some justice and fairness in this area, we are not going to get by with the provisions that were in the bill as of yesterday.

THE VERY BAD DEBT BOXSCORE

Mr. HELMS. Mr. President, at the close of business yesterday, Wednesday, October 13, 1999, the Federal debt stood at $5,662,720,361,489.64 (Five trillion, six hundred sixty-two billion, seven hundred twenty million, three hundred sixty-one thousand, four hundred eighty-nine dollars and sixty-four cents).

One year ago, October 13, 1998, the Federal debt stood at $5,537,721,000,000 (Five trillion, five hundred thirty-seven billion, seven hundred twenty-one million).

Five years ago, October 13, 1994, the Federal debt stood at $4,690,874,000,000 (Four trillion, six hundred ninety billion, eight hundred seventy-four million).

Ten years ago, October 13, 1989, the Federal debt stood at $2,869,041,000,000 (Two trillion, eight hundred sixty-nine billion, forty-one million) which reflects a doubling of the debt—an increase of almost $3 trillion—$2,793,679,361,489.64 (Two trillion, seven hundred ninety-three billion, six hundred seventy-nine million, three hundred sixty-one thousand, four hundred eighty-nine dollars and sixty-four cents) during the past 10 years.

MESSAGE FROM THE PRESIDENT

A message from the President of the United States was communicated to the Senate by Mr. Williams, one of his secretaries.

EXECUTIVE MESSAGE REFERRED

As in executive session the Presiding Officer laid before the Senate a message from the President of the United States submitting a nomination which was referred to the Committee on Finance.

(The nomination received today is printed at the end of the Senate proceedings.)

MESSAGE FROM THE HOUSE

At 12:15 p.m., a message from the House of Representatives, delivered by Ms. Niland, one of its reading clerks, announced that the House has passed the following bill, in which it requests the concurrence of the Senate:

H.R. 1993. An act to reauthorize the Overseas Private Investment Corporation and the Trade and Development Agency, and for other purposes.

The message also announced that the House has agreed to the following concurrent resolution, in which it requests the concurrence of the Senate:

H. Con. Res. 141. Concurrent resolution celebrating One America.

The message further announced that the House has agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill, H.R. 2684, making appropriations for the Departments of Veterans Affairs Housing and Urban Development, and for sundry independent agencies, boards, commissions, corporations, and offices for the fiscal year ending September 30, 2000, and for other purposes.

ENROLLED BILL SIGNED

At 6:09 p.m., a message from the House of Representatives, delivered by Ms. Niland, one of its reading clerks, announced that the Speaker has signed the following enrolled bill:

H.R. 2561. An act making appropriations for the Department of Defense for the fiscal year ending September 30, 2000, and for other purposes.

The enrolled bill was signed subsequently by the President pro tempore (Mr. THURMOND).

At 6:22 p.m., a message from the House of Representatives, delivered by Ms. Niland, one of its reading clerks, announced that the House has passed the following bill, in which it requests the concurrence of the Senate:

H.R. 2990. An Act to amend the Internal Revenue Code of 1986 to allow individuals greater access to health insurance through a health care tax deduction, a long-term care deduction, and other health-related tax incentives, to amend the Employee Retirement Income Security Act of 1974 to provide access to and choice in health care through association health plans to amend the Public Health Service Act to create new pooling opportunities for small employers to obtain greater access to health coverage through HealthMarts; to amend title I of the Employee Retirement Income Security Act of 1974, title XXVII of the Public Health Service Act, and the Internal Revenue Code of 1986 to protect consumers in managed care plans and other health coverage; and for other purposes.

At 6:37 p.m., a message from the House of Representatives, delivered by Ms. Niland, one of its reading clerks, announced that the House has passed the following bill, in which it requests the concurrence of the Senate:

H.R. 3064. An act making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against revenues of said District for the fiscal year ending September 30, 2000, and for other purposes.

MEASURE REFERRED

The following concurrent resolution was read and referred as indicated:

H. Con. Res. 141. Concurrent resolution celebrating One America; to the Committee on the Judiciary.

MEASURES PLACED ON THE CALENDAR

The following bills were read twice and placed on the calendar:

H.R. 1993. An act to reauthorize the Overseas Private Investment Corporation and the Trade and Development Agency, and for other purposes.

H.R. 3064. An act making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against revenues of said District for the fiscal year ending September 30, 2000, and for other purposes.

ENROLLED BILLS PRESENTED

The Secretary of the Senate reported that on October 14, 1999, he had presented to the President of the United States, the following enrolled bills:

S. 322. An act to amend title 4, United States Code, to add the Martin Luther King Jr. holiday to the list of days on which the flag should especially be displayed.

S. 800. An act to promote and enhance public safety through the use of 9–1–1 as the universal emergency assistance number, further deployment of wireless 9–1–1 service, support of States in upgrading 9–1–1 capabilities and related functions, encouragement of construction and operation of seamless, ubiquitous, and reliable networks for personal wireless services, and for other purposes.

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–5614. A communication from the Deputy Assistant Administrator for Fisheries, Office of Sustainable Fisheries, National Marine Fisheries Service, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled ''Endangered and Threatened Species; Threatened Status for Two Chinook Salmon; Evolutionarily Significant Units (ESUs) in California'' (RIN0648–AM54), received October 7, 1999; to the Committee on Commerce, Science, and Transportation.

EC–5615. A communication from the Director, Office of Regulatory Management and Information, Office of Policy, Planning and Evaluation, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled ''Approval and Promulgation of Air Quality Implementation Plans; District of Columbia; Stage II Gasoline Vapor Recovery and RACT Requirements for Major Sources of VOC'' (FRL #6457–1), received October 8, 1999; to the Committee on Environment and Public Works.

EC–5616. A communication from the Director, Office of Regulatory Management and Information, Office of Policy, Planning and Evaluation, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled ''Approval and Promulgation of State Air Quality Plans for Designated Facilities and Pollutants; Maryland; Revision to Section 111(d) Plan Controlling Total Reduced Sulfur Emissions from Existing Kraft Pulp Mills'' (FRL #6456–6), received October 8, 1999; to the Committee on Environment and Public Works.

EC–5617. A communication from the Director, Office of Regulatory Management and Information, Office of Policy, Planning and Evaluation, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled ''Approval and Promulgation of State Air Quality Plans for Designated Facilities and Pollutants; Pennsylvania; Control of Total Reduced Sulfur Emissions from Existing Kraft Pulp Mills'' (FRL #6456–4), received October 8, 1999; to the Committee on Environment and Public Works.

EC–5618. A communication from the Director, Office of Regulatory Management and Information, Office of Policy, Planning and

Evaluation, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled ''Vermont: Final Authorization of State Hazardous Waste Management Program Revision'' (FRL #6456–8), received October 8, 1999; to the Committee on Environment and Public Works.

EC–5619. A communication from the Director, Office of Regulatory Management and Information, Office of Policy, Planning and Evaluation, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled ''Acid Rain Program—Nitrogen Oxides Emission Reduction Program, Rule Revision in Response to Court Remand'' (FRL #6455–4), received October 7, 1999; to the Committee on Environment and Public Works.

EC–5620. A communication from the Director, Office of Regulatory Management and Information, Office of Policy, Planning and Evaluation, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled ''Approval and Promulgation of Air Quality Implementation Plans; Delaware; 15 Percent Rate of Progress Plan'' (FRL #6453–5), received October 6, 1999; to the Committee on Environment and Public Works.

EC–5621. A communication from the Director, Office of Regulatory Management and Information, Office of Policy, Planning and Evaluation, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled ''Approval and Promulgation of Air Quality Implementation Plans; Texas: Redesignation Request and Maintenance Plan for the Collin County Lead Nonattainment Area'' (FRL #6449–5), received October 6, 1999; to the Committee on Environment and Public Works.

EC–5622. A communication from the Director, Office of Regulatory Management and Information, Office of Policy, Planning and Evaluation, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled ''Approval and Promulgation of Implementation Plans; Approval of Revisions to the North Carolina State Implementation Plan'' (FRL #6453–8), received October 6, 1999; to the Committee on Environment and Public Works.

EC–5623. A communication from the Director, Office of Regulatory Management and Information, Office of Policy, Planning and Evaluation, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled ''Massachusetts: Final Authorization of State Hazardous Waste Management Program Revision'' (FRL #6454–1), received October 6, 1999; to the Committee on Environment and Public Works.

EC–5624. A communication from the Director, Office of Regulatory Management and Information, Office of Policy, Planning and Evaluation, Environmental Protection Agency, transmitting two reports entitled ''Guidance on Calculating the Economic Benefit of Noncompliance by Federal Agencies,'' and ''The Yellow Book: Guide to Environment Enforcement and Compliance at Federal Facilities''; to the Committee on Environment and Public Works.

EC–5625. A communication from the Director, Office of Congressional Affairs, Nuclear Regulatory Commission, transmitting, pursuant to law, the report of a rule entitled ''Standard Review Plan on Foreign Ownership, Control, or Domination,'' received October 12, 1999; to the Committee on Environment and Public Works.

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–366. A joint resolution adopted by the Legislature of the State of California relative to space-related commerce; to the Committee on Finance.

ASSEMBLY JOINT RESOLUTION NO. 33

Whereas, As we approach the next millennium an unprecedented surge in space technology and commercial enterprise is creating a new space services era; and

Whereas, Over 40 countries are vigorously competing to participate in this rapidly expanding industry; and

Whereas, At a time of increasing foreign launch competition, the United States Air Force has stated that it intends to encourage private development and become a customer of launch facilities in lieu of its current role as developer, operator, and maintainer of United States space launch complexes; and

Whereas, The recently completed Cox Commission report concludes that it is in the national security interest of the United States to expand our domestic launch capability; and

Whereas, It is in the best interest of California's economy to encourage the development of a robust commercial launch industry so that the state can continue its role as an international space ''center of excellence'' in the rapidly growing commercial space market; and

Whereas, California's educational institutions, aerospace industries, and highly skilled work force have historically played a dominant role in space education, research, technology, manufacturing, services, and transportation, now, therefore, be it

Resolved by the Assembly and Senate of the State of California, jointly, That the Legislature of the State of California respectfully memorializes the President and the Congress of the United States to recognize the driving force of space-related commerce in our economy and support Sen. No. 1239 and H.R. No. 2289, federal legislation to classify spaceports as exempt facilities and enable state and local entities to sell bonds for private or public development of spaceport infrastructure; and be it further

Resolved, That the Chief Clerk of the Assembly transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, to the Majority Leader of the Senate of the United States, and to each Senator and Representative from California in the Congress of the United States.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. MURKOWSKI, from the Committee on Energy and Natural Resources, with amendments:

S. 710. A bill to authorize the feasibility study on the preservation of certain Civil War battlefields along the Vicksburg Campaign Trail (Rept. No. 106–184).

By Mr. MURKOWSKI, from the Committee on Energy and Natural Resources, with amendments and an amendment to the title:

S. 905. A bill to establish the Lackawanna Valley American Heritage Area (Rept. No. 106–185).

By Mr. MURKOWSKI, from the Committee on Energy and Natural Resources, with amendments:

S. 1117. A bill to establish the Corinth Unit of Shiloh National Military Park, in the vicinity of the city of Corinth, Mississippi, and in the State of Tennessee, and for other purposes (Rept. No. 106–186).

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

S. 1324. A bill to expand the boundaries of the Gettysburg National Military Park to include Wills House, and for other purposes (Rept. No. 106–187).

By Mr. CHAFEE, from the Committee on Environment and Public Works, with amendments and an amendment to the title:

H.R. 2454. A bill to assure the long-term conservation of mid-continent light geese and the biological diversity of the ecosystem upon which many North American migratory birds depend, by directing the Secretary of the Interior to implement rules to reduce the overabundant population of mid-continent light geese (Rept. No. 106–188).

By Mr. CHAFEE, from the Committee on Environment and Public Works, with an amendment:

S. 835. A bill to encourage the restoration of estuary habitat through more efficient project financing and enhanced coordination of Federal and non-Federal restoration programs, and for other purposes (Rept. No. 106–189).

By Mr. CHAFEE, from the Committee on Environment and Public Works, without amendment:

S. 1730. An original bill to amend the Federal Water Pollution Control Act to provide that certain environmental reports shall continue to be required to be submitted (Rept. No. 106–190).

S. 1731. An original bill to amend the Clean Air Act to provide that certain environmental reports shall continue to be required to be submitted (Rept. No. 106–191).

By Mr. CAMPBELL, from the Committee on Indian Affairs, with an amendment in the nature of a substitute:

S. 225. A bill to provide housing assistance to Native Hawaiians (Rept. No. 106–192).

EXECUTIVE REPORTS OF COMMITTEE

The following executive reports of a committee were submitted:

By Mr. HATCH, for the Committee on the Judiciary:

Barbara M. Lynn, of Texas, to be United States District Judge for the Northern District of Texas.

William Joseph Haynes, Jr., of Tennessee, to be United States District Judge for the Middle District of Tennessee.

Ronald A. Guzman, of Illinois, to be United States District Judge for the Northern District of Illinois.

(The above nominations were reported with the recommendation that they be confirmed.)

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

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

By Mr. JEFFORDS:

S. 1725. A bill to amend title XVIII of the Social Security Act to modernize medicare supplemental policies so that outpatient prescription drugs are affordable and accessible for medicare beneficiaries; to the Committee on Finance.

By Mr. MCCAIN (for himself, Mr. CAMPBELL, and Mr. INOUYE):

S. 1726. A bill to amend the Internal Revenue Code of 1986 to treat for unemployment compensation purposes Indian tribal governments the same as State or local units of government or as nonprofit organizations; to the Committee on Finance.

By Mr. DOMENICI:

S. 1727. A bill to authorize for the expansion annex of the historic Palace of the Governors, a public history museum located, and relating to the history of Hispanic and Native American culture, in the Southwest and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. VOINOVICH (for himself and Mr. DEWINE):

S. 1728. A bill to amend title XIX of the Social Security Act to remove the limit on amount of medicaid disproportionate share hospital payment for hospitals in Ohio; to the Committee on Finance.

By Mr. CAMPBELL (for himself and Mr. ALLARD):

S. 1729. A bill to amend the National Trails System Act to clarify Federal authority relating to land acquisition from willing sellers for the majority of the trails, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. CHAFEE:

S. 1730. An original bill to amend the Federal Water Pollution Control Act to provide that certain environmental reports shall continue to be required to be submitted; from the Committee on Environment and Public Works; placed on the calendar.

S. 1731. An original bill to amend the Clean Air Act to provide that certain environmental reports shall continue to be required to be submitted; from the Committee on Environment and Public Works; placed on the calendar.

By Mr. BREAUX (for himself, Mr. JEFFORDS, Mr. GRASSLEY, Mr. KERREY, and Mr. HATCH):

S. 1732. A bill to amend the Internal Revenue Code of 1986 to prohibit certain allocations of S corporation stock held by an employee stock ownership plan; to the Committee on Finance.

By Mr. FITZGERALD (for himself, Mr. LEAHY, Mr. LUGAR, Mr. HARKIN, and Mr. CRAIG):

S. 1733. A bill to amend the Food Stamp Act of 1977 to provide for a national standard of interoperability and portability applicable to electronic food stamp benefit transactions; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. DURBIN (for himself and Mr. FITZGERALD):

S. 1734. A bill to authorize the Secretary of the Interior to contribute funds for the establishment of an interpretative center on the life and contributions of President Abraham Lincoln; to the Committee on Energy and Natural Resources.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

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

By Mr. LOTT (for himself and Mr. DASCHLE):

S. Res. 203. A resolution to authorize document production, testimony, and representation of Senate employees, in a matter before the Grand Jury in the Western District of Pennsylvania; considered and agreed to.

By Mr. SMITH of New Hampshire (for himself, Mr. BROWNBACK, and Mr. HELMS):

S. Con. Res. 59. A concurrent resolution urging the President to negotiate a new base rights agreement with the Government of Panama in order for United States Armed Forces to be stationed in Panama after December 31, 1999; to the Committee on Foreign Relations.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. JEFFORDS:

S. 1725. A bill to amend title XVIII of the Social Security Act to modernize Medicare supplemental policies so that outpatient prescription drugs are affordable and accessible for medicare beneficiaries; to the Committee on Finance.

THE DRUGGAP INSURANCE FOR SENIORS ACT OF 1999

Mr. JEFFORDS. Mr. President, I come to the floor today to introduce the DrugGap Insurance for Seniors Act of 1999, which will provide much-needed insurance coverage for medicines for low-income seniors, and will allow all other seniors, for the first time, to purchase an affordable, drug-only insurance policy to protect them against the runaway cost of drugs.

Mr. President, we are all aware that prescription drug costs continue to grow at an alarming rate. Seniors are being forced to spend greater and greater portions of their fixed incomes on prescription drugs that they need to live. Research and development of prescription drugs have come a long way since Medicare was originally enacted in 1965. Today, drugs are just as important, and in many cases more important, than hospital visits. It does not make sense for Medicare to reimburse hospitals for surgery, but not provide coverage for the drugs that might prevent surgery. That is why I am committed to modernizing the Medicare program so that it does not go bankrupt in the next 10 to 15 years. In addition, we must ensure that any Medicare reform proposal we consider includes a prescription drug benefit that helps all seniors.

This is a basic coverage problem that we must address as we modernize the Medicare program, and it is one of my top priorities. Ideally, it should be part of broad Medicare reform. Even if we are not able to achieve broad reform in the Medicare program this year, we must at least do something to address this basic need for seniors.

Today, I am introducing a bill that will target the most needy seniors. Currently, Medicare beneficiaries can purchase private insurance plans, called Medigap plans, to pay certain health care expenses that are not covered by Medicare. The law allows Medigap insurers to offer ten standardized plans to beneficiaries. However, only the three most expensive Medigap plans cover prescription drugs.

My plan calls for three new Medigap insurance plans to be developed that will cover only prescription drugs. The federal government will use a small portion of the budget surplus to purchase these new ''DrugGap'' policies for low-income Medicare beneficiaries who do not already have prescription drug coverage under Medicaid or through an employer sponsored plan. This bill provides all seniors the option of purchasing affordable, comprehensive coverage for prescription drugs even if they do not qualify for the federal government purchase plan. The bill also includes reforms to the Medigap system to give seniors more choice, and to keep Medigap premiums affordable.

Mr. President, this bill offers several significant advantages to Medicare beneficiaries who need coverage for prescription drugs. First, nothing will change for those Medicare beneficiaries who like their current Medigap plans. This bill will offer more choices for Medicare beneficiaries, but will not make seniors change coverage that they like.

Second, this plan does not mandate prescription drug benefits on the current standardized plans, which some critics have argued will raise premiums. Indeed, one of the goals of this legislation is to make Medigap more affordable, and to seek solutions to the problem of the spiraling cost of Medigap premiums. This bill offers a way to accomplish this goal.

This bill also gives DrugGap policy holders access to the deep discounts on drugs that HMOs get, even if the beneficiary has not met the policy's deductible, and makes it clear that insurance companies can issue drug discount cares to Medigap policy holders even if the policy doesn't cover prescription drugs.

Finally, this bill will provide federal grants to the states for counseling for seniors regarding this new benefit.

Mr. President, this bill is not a substitute for the much-needed Medicare reform and Medicare drug benefit, but it is a positive step that we can take right now to protect Medicare beneficiaries until Medicare reform can be achieved, and a broad drug benefit is implemented. I hope my colleagues will support this moderate approach to helping Medicare beneficiaries deal with the runaway costs of prescription drugs.

Mr. President, I ask unanimous consent that the text of the bill and a brief summary of the bill be printed in the RECORD.

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

S. 1725

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

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the ''DrugGap Insurance for Seniors Act of 1999''.

(b) TABLE OF CONTENTS.—The table of contents of this Act is as follows:

SEC. 2. FINDINGS AND PURPOSES.

(a) FINDINGS.—Congress finds the following:

(1) Coverage of outpatient prescription drugs is the most important aspect of medical care not currently provided under the medicare program under title XVIII of the Social Security Act.

(2) The medicare program needs to be reformed, and should include provisions that provide access to outpatient prescription drugs for all medicare beneficiaries.

(3) Comprehensive medicare reform will require extensive time and effort, but Congress must act now to provide outpatient prescription drug coverage to the most vulnerable medicare beneficiaries until such time as the medicare program is reformed.

(4) Low-income medicare beneficiaries are the most vulnerable to the high cost of outpatient prescription drugs, since they are often not eligible to receive benefits under medicaid, yet have incomes too low to afford medicare supplemental policies that include coverage for outpatient prescription drugs.

(5) Medicare beneficiaries deserve meaningful choices among medicare supplemental policies, including the option of purchasing affordable outpatient prescription drug-only medicare supplemental policies.

(6) Premiums for medicare supplemental policies have risen dramatically in recent years, and steps must be taken to keep premiums from rising out of the reach of medicare beneficiaries.

(7) Increased use of medicare supplemental policies does not represent sufficient structural medicare reform.

(b) PURPOSES.—The purposes of this Act are as follows:

(1) To provide medicare supplemental policies covering outpatient prescription drugs to low-income medicare beneficiaries at no cost.

(2) To provide expanded choice to all medicare beneficiaries by creating affordable drug-only medicare supplemental policies.

(3) To ensure that medicare supplemental policies are modernized in a manner that promotes competition and preserves affordability for all medicare beneficiaries.

SEC. 3. MODERNIZATION OF MEDICARE SUPPLEMENTAL BENEFIT PACKAGES.

(a) ADDITION OF DRUGGAP POLICIES AND MODIFICATION OF EXISTING MEDIGAP POLICIES.—Section 1882 of the Social Security Act (42 U.S.C. 1395ss) is amended by adding at the end the following:

''(v) MODERNIZED BENEFIT PACKAGES FOR MEDICARE SUPPLEMENTAL POLICIES.—

''(1) PROMULGATION OF MODEL REGULATION.—

''(A) NAIC MODEL REGULATION.—If, within 9 months after the date of enactment of the DrugGap Insurance for Seniors Act of 1999, the National Association of Insurance Commissioners (in this subsection referred to as the ''NAIC'') changes the 1991 NAIC Model Regulation (described in subsection (p)) to incorporate—

''(i) limitations on the benefit packages that may be offered under a medicare supplemental policy consistent with paragraphs (2) and (3) of this subsection;

''(ii) an appropriate range of coverage options for outpatient prescription drugs, including at least a minimal level of coverage under each benefit package;

''(iii) a deductible for outpatient prescription drugs that is uniform across each benefit package;

''(iv) uniform language and definitions to be used with respect to such benefits;

''(v) uniform format to be used in the policy with respect to such benefits; and

''(vi) other standards to meet the additional requirements imposed by the amendments made by the DrugGap Insurance for Seniors Act of 1999;

subsection (g)(2)(A) shall be applied in each State, effective for policies issued to policy holders on and after the date specified in subparagraph (C), as if the reference to the Model Regulation adopted on June 6, 1979, were a reference to the 1991 NAIC Model Regulation as changed under this subparagraph (such changed regulation referred to in this section as the '2000 NAIC Model Regulation').

''(B) REGULATION BY THE SECRETARY.—If the NAIC does not make the changes in the 1991 NAIC Model Regulation within the 9-month period specified in subparagraph (A), the Secretary shall promulgate, not later than 9 months after the end of such period, a regulation and subsection (g)(2)(A) shall be applied in each State, effective for policies issued to policy holders on and after the date specified in subparagraph (C), as if the reference to the Model Regulation adopted on June 6, 1979, were a reference to the 1991 NAIC Model Regulation as changed by the Secretary under this subparagraph (such changed regulation referred to in this section as the '2000 Federal Regulation').

''(C) DATE SPECIFIED.—

''(i) IN GENERAL.—Subject to clause (ii), the date specified in this subparagraph for a State is the date the State adopts the 2000 NAIC Model Regulation or 2000 Federal Regulation or 1 year after the date the NAIC or the Secretary first adopts such standards, whichever is earlier.

''(ii) STATES REQUIRING REVISIONS TO STATE LAW.—In the case of a State which the Secretary identifies, in consultation with the NAIC, as—

''(I) requiring State legislation (other than legislation appropriating funds) in order for medicare supplemental policies to meet the 2000 NAIC Model Regulation or 2000 Federal Regulation; but

''(II) having a legislature which is not scheduled to meet in 2001 in a legislative session in which such legislation may be considered;

the date specified in this subparagraph is the first day of the first calendar quarter beginning after the close of the first legislative session of the State legislature that begins on or after January 1, 2000. For purposes of the previous sentence, in the case of a State that has a 2-year legislative session, each year of such session shall be deemed to be a separate regular session of the State legislature.

''(D) CONSULTATION WITH WORKING GROUP.—In promulgating standards under this paragraph, the NAIC or Secretary shall consult with a working group composed of representatives of issuers of medicare supplemental policies, consumer groups, medicare beneficiaries, and other qualified individuals. Such representatives shall be selected in a manner so as to assure balanced representation among the interested groups.

''(E) MODIFICATION OF STANDARDS IF MEDICARE BENEFITS CHANGE.—If benefits (including deductibles and coinsurance) under this title are changed and the Secretary determines, in consultation with the NAIC, that changes in the 2000 NAIC Model Regulation or 2000 Federal Regulation are needed to reflect such changes, the preceding provisions of this paragraph shall apply to the modification of standards previously established in the same manner as they applied to the original establishment of such standards.

''(2) CORE GROUP OF BENEFITS AND NUMBER OF BENEFIT PACKAGES.—The benefits under the 2000 NAIC Model Regulation or 2000 Federal Regulation shall provide—

''(A) for such groups or packages of benefits as may be appropriate taking into account the considerations specified in paragraph (3) and the requirements of the succeeding subparagraphs;

''(B) for identification of a core group of basic benefits common to all policies other than the medicare supplemental policies described in paragraph (12)(B); and

''(C) that, subject to paragraph (4)(B), the total number of different benefit packages (counting the core group of basic benefits described in subparagraph (B) and each other combination of benefits that may be offered as a separate benefit package) that may be established in all the States and by all issuers shall not exceed 10 plus the 2 benefit packages described in paragraph (11) and the 3 policies described in paragraph (12)(B).

''(3) BALANCE OF OBJECTIVES.—The benefits under paragraph (2) shall, to the extent possible, balance the objectives of—

''(A) ensuring that medicare supplemental policies are affordable for beneficiaries under this title, and that the policies modernized under this subsection do not have premiums higher than the medicare supplemental policies available on the date of enactment of the DrugGap Insurance for Seniors Act of 1999;

''(B) facilitating comparisons among policies;

''(C) avoiding adverse selection;

''(D) providing consumer choice;

''(E) providing market stability;

''(F) promoting competition;

''(G) including some drug coverage, however limited, in each of the 10 benefit packages described in paragraph (2)(C); and

''(H) ensuring that beneficiaries under this title receive the benefit of prices for outpatient prescription drugs negotiated by issuers of medicare supplemental policies under this section.

''(4) STATES MAY OFFER NEW OR INNOVATIVE SUPPLEMENTAL BENEFITS.—

''(A) COMPLIANCE WITH APPLICABLE 2000 NAIC MODEL REGULATION OR 2000 FEDERAL REGULATION REQUIRED.—

''(i) STATES.—Except as provided in subparagraph (B) or paragraph (6), no State with a regulatory program approved under subsection (b)(1) may provide for or permit the grouping of benefits (or language or format with respect to such benefits) under a medicare supplemental policy unless such grouping meets the applicable 2000 NAIC Model Regulation or 2000 Federal Regulation.

''(ii) FEDERAL GOVERNMENT.—Except as provided in subparagraph (B), the Secretary may not provide for or permit the grouping of benefits (or language or format with respect to such benefits) under a medicare supplemental policy seeking approval by the Secretary unless such grouping meets the applicable 2000 NAIC Model Regulation or 2000 Federal Regulation.

''(B) ADDITIONAL BENEFITS.—The issuer of a medicare supplemental policy may offer the benefits described in subsection (p)(3)(B) under the circumstances described in such subsection as if each reference to '1991' were a reference to '2000'.

''(5) STATES MAY NOT RESTRICT CORE BENEFITS.—

''(A) MEDICARE SUPPLEMENTAL POLICIES SUBJECT TO STATE REGULATION.—Except as provided in subparagraph (B), this subsection shall not be construed as preventing a State from restricting the groups of benefits that may be offered in medicare supplemental policies in the State.

''(B) MUST MAKE CORE BENEFITS AVAILABLE.—A State with a regulatory program approved under subsection (b)(1) may not restrict under subparagraph (A) the offering of a medicare supplemental policy consisting only of the core group of benefits described in paragraph (2)(B).

''(6) STATE ALTERNATIVE SIMPLIFICATION PROGRAMS.—The Secretary may waive the application of standards described in clauses (i) through (vi) of paragraph (1)(A) in those States that on the date of enactment of the DrugGap Insurance for Seniors Act of 1999

had in place an alternative simplification program.

''(7) DISCOUNTS FOR ITEMS AND SERVICES NOT COVERED UNDER MEDICARE SUPPLEMENTAL POLICIES.—This subsection shall not be construed as preventing an issuer of a medicare supplemental policy who otherwise meets the requirements of this section from providing, through an arrangement with a vendor, for discounts from that vendor to policy holders or certificate holders for the purchase of items or services not covered under its medicare supplemental policies or under this title, including the issuance of drug discount cards.

''(8) CIVIL PENALTY FOR VIOLATION OF THE MODEL REGULATION.—Except as provided in paragraph (10), any person who sells or issues a medicare supplemental policy, on and after the effective date specified in paragraph (1)(C), in violation of the applicable 2000 NAIC Model Regulation or 2000 Federal Regulation insofar as such regulation relates to the requirements of subsection (o) or (q) or clauses (i) through (vi) of paragraph (1)(A) is subject to a civil money penalty of not to exceed $25,000 (or $15,000 in the case of a seller who is not an issuer of a policy) for each such violation. The provisions of section 1128A (other than the first sentence of subsection (a) and other than subsection (b)) shall apply to a civil money penalty under the previous sentence in the same manner as such provisions apply to a penalty or proceeding under section 1128A(a).

''(9) REQUIREMENTS OF SELLERS.—

''(A) CORE BENEFIT PACKAGE.—Anyone who sells a medicare supplemental policy to an individual shall make available for sale to the individual a medicare supplemental policy with only the core group of basic benefits (described in paragraph (2)(B)).

''(B) OUTLINE OF COVERAGE.—Anyone who sells a medicare supplemental policy to an individual shall provide the individual, before the sale of the policy, an outline of coverage which describes the benefits under the policy. Such outline shall be on a standard form approved by the State regulatory program or the Secretary (as the case may be) consistent with the 2000 NAIC Model Regulation or 2000 Federal Regulation under this subsection.

''(C) PENALTIES.—Whoever sells a medicare supplemental policy in violation of this paragraph is subject to a civil money penalty of not to exceed $25,000 (or $15,000 in the case of a seller who is not the issuer of the policy) for each such violation. The provisions of section 1128A (other than the first sentence of subsection (a) and other than subsection (b)) shall apply to a civil money penalty under the previous sentence in the same manner as such provisions apply to a penalty or proceeding under section 1128A(a).

''(D) EFFECTIVE DATE.—Subject to paragraph (10), this paragraph shall apply to sales of policies occurring on or after the effective date specified in paragraph (1)(C).

''(10) SAFE HARBOR FOR SELLERS.—No penalty may be imposed under paragraph (8) or (9) in the case of a seller who is not the issuer of a policy until the Secretary has published a list of the groups of benefit packages that may be sold or issued consistent with paragraph (1)(A)(i).

''(11) ADDITION OF HIGH DEDUCTIBLE MEDICARE SUPPLEMENTAL POLICIES.—For purposes of paragraph (2), the benefit packages described in this paragraph are the benefit packages modernized under this subsection that the Secretary determines are most comparable to the benefit packages described in subsection (p)(11).

''(12) DRUGGAP MEDICARE SUPPLEMENTAL POLICIES.—

''(A) ESTABLISHMENT OF DRUG-ONLY MEDICARE SUPPLEMENTAL POLICIES.—

''(i) IN GENERAL.—There are established 3 benefit packages, consistent with the benefit packages described in subparagraph (B), that—

''(I) consist of only outpatient prescription drug benefits;

''(II) may be designed to incorporate the utilization management techniques described in subparagraph (C);

''(III) do not include benefits for prescription drugs otherwise available under part A or B; and

''(IV) do not include benefits for any prescription drug excluded by the State in which the medicare supplemental policy is issued or sold under section 1927(d).

''(ii) DEFINITION.—In this section, the term 'DrugGap medicare supplemental policy' means a medicare supplemental policy (as defined in subsection (g)(1)) that has 1 of the benefit packages described in subparagraph (B).

''(B) BENEFIT PACKAGES DESCRIBED.—The benefit packages for DrugGap medicare supplemental policies described in this paragraph are as follows:

''(i) STANDARD DRUGGAP BENEFIT PACKAGES.—

''(I) STANDARD DRUGGAP.—A Standard DrugGap medicare supplemental policy that provides a deductible not to exceed $250, coinsurance not to exceed 20 percent, and a $5,000 maximum benefit.

''(II) LOW-COST STANDARD DRUGGAP.—A Low-Cost Standard DrugGap medicare supplemental policy that provides a deductible not to exceed $750, coinsurance not to exceed 30 percent, and a $5,000 maximum benefit.

''(ii) STOP-LOSS DRUGGAP BENEFIT PACKAGE.—A Stop-Loss DrugGap medicare supplemental policy that provides a stop-loss coverage benefit that limits the application of any beneficiary cost-sharing during a year after the beneficiary incurs out-of-pocket covered expenditures in excess of $5,000, or, in the case that the beneficiary owns a DrugGap medicare supplemental policy described in clause (i), such beneficiary reaches the maximum benefit under such policy.

''(iii) MAXIMUM BENEFIT DEFINED.—In this paragraph, the term 'maximum benefit' means the total amount paid for covered outpatient prescription drugs, including any amounts paid by the issuer of the DrugGap medicare supplemental policy and any cost-sharing paid by the policyholder.

''(C) USE OF UTILIZATION MANAGEMENT TECHNIQUES.—

''(i) FORMULARIES.—An issuer may use a formulary to contain costs under any benefit package established under subparagraph (A)(i) only if the issuer—

''(I) includes in the formulary at least 1 drug from each therapeutic class and provides at least 1 generic equivalent, if available; and

''(II) provides for coverage of otherwise covered nonformulary drugs when a nonformulary alternative is medically necessary and appropriate.

''(ii) OTHER UTILIZATION MANAGEMENT TECHNIQUES.—Nothing in this part shall be construed as preventing an issuer offering DrugGap medicare supplemental policies from using reasonable utilization management techniques, including generic drug substitution, consistent with applicable law.''.

(b) DRUGGAP MEDIGAP POLICIES DO NOT DUPLICATE OTHER MEDIGAP POLICIES.—Section 1882(d)(3) of the Social Security Act (42 U.S.C. 1395ss(d)(3)) is amended—

(1) in subparagraph (A), by adding at the end the following:

''(ix) Nothing in this subparagraph shall be construed as preventing the sale of a DrugGap policy to an individual, provided that the sale is of a DrugGap policy that does not duplicate any health benefits under a medicare supplemental policy owned by the individual.'';

(2) in subparagraph (B)(ii)(I), by inserting ''and one DrugGap medicare supplemental policy'' before the comma; and

(3) in subparagraph (B)(iii)—

(A) in subclause (I), by striking ''(II) and (III)'' and inserting ''(II), (III), and (IV)'';

(B) by redesignating subclause (III) as subclause (IV); and

(C) by inserting after subclause (II) the following:

''(III) If the statement required by clause (i) is obtained and indicates that the individual is enrolled in 1 or more medicare supplemental policies, the sale of a DrugGap policy is not in violation of clause (i) if such DrugGap policy does not duplicate health benefits under any policy in which the individual is enrolled.''.

(c) ENROLLMENT IN CASE OF INVOLUNTARY TERMINATIONS OF COVERAGE.—Section 1882(s)(3)(C)(i) of the Social Security Act (42 U.S.C. 1395ss(s)(3)(C)(i)) is amended by striking ''under subsection (p)(2)'' and inserting ''under subsection (v)(2), a Standard DrugGap medicare supplemental policy under the standards established under subsection (v)(12)(B)(i), and a Stop-Loss DrugGap medicare supplemental policy under the standards established under subsection (v)(12)(B)(ii)''.

(d) SPECIAL ENROLLMENT PERIOD.—Section 1882(n) of the Social Security Act (42 U.S.C. 1395ss(n)) is amended by adding at the end the following:

''(7)(A) No medicare supplemental policy of the issuer shall be deemed to meet the standards in subsection (c) unless the issuer—

''(i) provides written notice, within a 60-day period specified in the modernization of the medicare supplemental policies under subsection (v), to the policyholder or certificate holder (at the most recent available address) of the offer described in clause (ii); and

''(ii) offers the individual under the terms described in subparagraph (B), during a period of 180 days beginning on the date specified in subparagraph (C), institution of coverage effective as of the date specified in the modernization described in clause (i) for such purpose, for any policy described under subsection (v).

''(B) The terms described under this subparagraph are terms which do not—

''(i) deny or condition the issuance or effectiveness of a medicare supplemental policy described in subparagraph (A)(ii) that is offered and is available for issuance to new enrollees by such issuer;

''(ii) discriminate in the pricing of such policy, because of health status, claims experience, receipt of health care, or medical condition; or

''(iii) impose an exclusion of benefits based on a preexisting condition under such policy.

''(C) The date specified in this subparagraph for a policy issued in a State is such date as the Secretary, in consultation with the NAIC, specifies (taking into account the method used under paragraph (4) for establishing a date under this subsection).''.

(e) CONFORMING AMENDMENTS.—Section 1882 of the Social Security Act (42 U.S.C. 1395ss) is amended—

(1) in subsection (a)(2)—

(A) in the matter preceding subparagraph (A), by striking ''(p)'' and inserting ''(v)'';

(B) in subparagraph (A)—

(i) by striking ''1991'' each place it appears and inserting ''2000''; and

(ii) by striking ''(p)'' and inserting ''(v)''; and

(C) in the matter following subparagraph (B), by striking ''(p)'' and inserting ''(v)'';

(2) in subsection (o)—

(A) in paragraph (1), by striking ''(p)'' and inserting ''(v)''; and

(B) in paragraph (2), by striking ''(p)'' and inserting ''(v)''; and

(3) in subsection (r)—

(A) in paragraph (1)—

(i) in the matter preceding subparagraph (A), by striking ''(p)'' and inserting ''(v)''; and

(ii) in the matter following subparagraph (B), by striking ''(p)'' and inserting ''(v)''; and

(B) in paragraph (2)(A)—

(i) by striking ''(p)'' and inserting ''(v)''; and

(ii) by striking ''the date specified in section 171(m)(4) of the Social Security Act Amendments of 1994'' and inserting ''the date of enactment of the DrugGap Insurance for Seniors Act of 1999''.

SEC. 4. ASSISTANCE TO QUALIFIED LOW-INCOME MEDICARE BENEFICIARIES.

(a) IN GENERAL.—Part B of title XVIII of the Social Security Act (42 U.S.C. 1395j et seq.) is amended by adding at the end the following:

''SEC. 1849. ASSISTANCE TO QUALIFIED LOW-INCOME MEDICARE BENEFICIARIES.

''(a) QUALIFIED LOW-INCOME MEDICARE BENEFICIARY DEFINED.—For purposes of this part, the term 'qualified low-income medicare beneficiary' means an individual—

''(1) who is—

''(A) entitled to benefits under part A;

''(B) enrolled under this part; and

''(C) who does not have coverage for outpatient prescription drugs through enrollment in a Medicare+Choice plan offered by a Medicare+Choice organization under part C or in a group health plan;

''(2) who would be eligible for medical assistance under title XIX but for the fact that the individual's income exceeds the income level (expressed as a percentage of the poverty line) established by the State for eligibility for medical assistance under such title, including at least the care and services listed in paragraphs (1) through (5), (17), and (21) of section 1905(a), but does not exceed the lesser of—

''(A) 50 percentage points above such income level; or

''(B) 200 percent of the poverty line; and

''(3) who is enrolled in—

''(A) a Standard DrugGap medicare supplemental policy and a Stop-Loss DrugGap medicare supplemental policy as such policies are described in clauses (i)(I) and (ii) of section 1882(v)(12)(B), respectively; or

''(B) a Low-Cost Standard DrugGap medicare supplemental policy and a Stop-Loss DrugGap medicare supplemental policy as such policies are described in clauses (i)(II) and (ii) of section 1882(v)(12)(B), respectively.

''(b) PROGRAM ADMINISTERED BY THE STATES.—

''(1) IN GENERAL.—The Secretary shall establish an arrangement with each State (as defined under section 1861(x)) under which the State performs the functions described in paragraphs (2) through (4).

''(2) ANNUAL ELIGIBILITY.—The State shall determine whether a beneficiary under this title in the State is a qualified low-income medicare beneficiary. A determination that such an individual is a qualified low-income medicare beneficiary shall remain valid for a period of 12 months but is conditioned upon continuing enrollment in medicare supplemental policies described in subsection (a)(4).

''(3) COMPUTATION OF STATE WEIGHTED AVERAGE PREMIUM FOR STANDARD DRUGGAP AND STOP-LOSS DRUGGAP MEDICARE SUPPLEMENTAL POLICIES.—For each year, the State shall compute a State weighted average premium equal to the weighted average of the premiums for medicare supplemental policies described in clause (i)(I) of section 1882(v)(12)(B) and the medicare supplemental policies described in clause (ii) of such section for the State, with the weight for each medicare supplemental policy being equal to the average number of beneficiaries under this title enrolled under such policy in the previous year. In the initial year that such medicare supplemental policies are available, the State shall estimate the State weighted average premium for each type of policy.

''(4) PAYMENT BY STATES ON BEHALF OF QUALIFIED LOW-INCOME MEDICARE BENEFICIARIES.—The State shall provide for payment to the appropriate entity on behalf of a qualified low-income medicare beneficiary for a year in an amount equal to—

''(A) for the medicare supplemental policy described under clause (i) of section 1882(v)(12)(B) in which such beneficiary is enrolled, the lesser of—

''(i) the amount of the State weighted average premium (as computed under paragraph (3)) for the policies described under subclause (I) of such clause; or

''(ii) the full quoted premium for the policy;

''(B) for the medicare supplemental policy described under clause (ii) of section 1882(v)(12)(B) in which such beneficiary is enrolled, the lesser of—

''(i) the amount of the State weighted average premium (as computed under paragraph (3)) for the policies described under such clause; or

''(ii) the full quoted premium for the policy; and

''(C) such beneficiary out-of-pocket expenses related to the supplemental benefits provided under the policies described in subparagraphs (A) and (B) as the State determines is appropriate.

''(c) PAYMENTS TO STATES.—

''(1) REIMBURSEMENT FROM FEDERAL SUPPLEMENTARY MEDICAL INSURANCE TRUST FUND.—Each calendar quarter in a fiscal year, the Secretary shall pay to each State from the Federal Supplementary Medical Insurance Trust Fund under section 1841 an amount equal to the amount paid by the State under subsection (b)(4).

''(2) EXCLUSION OF ADDITIONAL PART B COSTS FROM DETERMINATION OF PART B PREMIUM.—In estimating the benefits and administrative costs that will be payable from the Federal Supplementary Medical Insurance Trust Fund for a year for purposes of determining the monthly premium rate under section 1839(a)(3), the Secretary shall exclude an estimate of any benefits and administrative costs attributable to the application of this section.

''(3) CONSTRUCTION RELATIVE TO OTHER BENEFITS.—Nothing in this section shall be construed as requiring a State, under its plan under title XIX, to be responsible for any portion of the subsidy or beneficiary cost-sharing provided under this section to qualified low-income medicare beneficiaries.

''(d) MAINTENANCE OF STATE EFFORT REQUIREMENT.—In the case of any State in which the income level (expressed as a percentage of the poverty line) established by the State for eligibility for medical assistance under title XIX (that includes at least the care and services listed in paragraphs (1) through (5), (17), and (21) of section 1905(a)) is less than 150 percent of the poverty line applicable to a family of the size involved in a calendar quarter in a fiscal year—

''(1) no payment may be made to such State under section 1849(c) for a calendar quarter in a fiscal year unless the State demonstrates to the satisfaction of the Secretary that the expenditures of the State for any State-funded prescription drug program for which individuals entitled to benefits under this section are eligible during the fiscal year is not less than the level of such expenditures for fiscal year 1999; and

''(2) payments shall not be made under this section for coverage of prescription drugs to the extent that—

''(A) payment is made under such a program; or

''(B) the Secretary determines payment would be made under such a program as in effect on the date of enactment of the DrugGap Insurance for Seniors Act of 1999.

''(e) POVERTY LINE DEFINED.—The term 'poverty line' has the meaning given such term in section 673(2) of the Community Services Block Grant Act (42 U.S.C. 9902(2)), including any revision required by such section.''.

(b) CONFORMING AMENDMENT.—Section 1839(a)(3) of the Social Security Act (42 U.S.C. 1395r(a)(3)), as amended by section 5101(e) of the Tax and Trade Relief Extension Act of 1998 (contained in division J of Public Law 105–277), is amended by striking ''except as provided in subsection (g)'' and inserting ''except as provided in subsection (g) or section 1849(d)''.

SEC. 5. GRANDFATHERING OF CURRENT MEDIGAP ENROLLEES.

(a) IN GENERAL.—The amendments made by this Act shall take effect on the date of enactment of this Act, and shall apply to medicare supplemental policies issued or sold after the date specified in subsection (b), but shall not apply to the renewal of medicare supplemental policies that are in existence on such date.

(b) DATE SPECIFIED.—The date specified in this subsection for each State is the date specified under section 1882(n)(7)(C) of the Social Security Act (42 U.S.C. 1395ss(n)(7)(C)) (as added by section 3(d) of this Act).

SEC. 6. HEALTH INSURANCE INFORMATION, COUNSELING, AND ASSISTANCE GRANTS.

(a) IN GENERAL.—Section 4360(b)(2)(A)(ii) of the Omnibus Budget Reconciliation Act of 1990 (42 U.S.C. 1395b–4(b)(2)(A)(ii)) is amended by striking ''and information'' and inserting '', providing specific information regarding any DrugGap benefit medicare supplemental policy described under section 1882(v) of the Social Security Act (42 U.S.C. 1395ss(v)), and information''.

(b) AUTHORIZATION OF APPROPRIATIONS.—In addition to any amounts otherwise appropriated, there are authorized to be appropriated $50,000,000 for each fiscal year, beginning with the first year in which a DrugGap medicare supplemental policy described in section 1882(v)(12) is available, for the purpose of carrying out the provisions of section 4360 of the Omnibus Budget Reconciliation Act of 1990 (as amended by subsection (a)).

SEC. 7. NAIC STUDY AND REPORT.

(a) STUDY.—The Secretary of Health and Human Services shall contract with the National Association of Insurance Commissioners (referred to in this section as the ''NAIC'') to conduct a study of medicare supplemental policies offered under section 1882 of the Social Security Act (42 U.S.C. 1395ss) in order to identify—

(1) areas that are the cause of increasing medicare supplemental insurance claims costs (such as outpatient expenses) that affect the affordability of medicare supplemental policies;

(2) changes to Federal law (if any) required to address the issues identified under paragraph (1) to make medicare supplemental policies more affordable for beneficiaries under the medicare program under title XVIII of the Social Security Act (42 U.S.C. 1395 et seq.); and

(3) methods of encouraging additional issuers to offer such policies and to reduce the cost of premiums for such policies.

(b) REPORT.—Not later than November 1, 2001, the NAIC shall submit a report to the Secretary of Health and Human Services on the study conducted under subsection (a) that contains a detailed statement of the findings and conclusions of the NAIC together with recommendations for such legislation and administrative actions as the NAIC considers appropriate.

(c) TRANSMISSION TO CONGRESS.—Not later than January 1, 2002, the Secretary of Health and Human Services shall transmit the report submitted under subsection (b) to Congress together with recommendations for such legislation and administrative actions as the Secretary considers appropriate.

DRUGGAP INSURANCE FOR SENIORS ACT

PROPOSAL

The Federal government will purchase Medicare supplemental (''Medigap'') insurance policies covering prescription drugs (called ''DrugGap'' plans) for low-income seniors, which provides greater access to affordable medicines, and affordable insurance policies for all Medicare beneficiaries through modernized Medigap plans.

HOW IT WORKS

Current Coverage Continues: All beneficiaries currently enrolled in Medigap who are satisfied with their plans will keep their current policies, but those who want to take advantage of a new drug-only plan may do so.

Medigap Modernization: Under this proposal, the ten Medigap standardized plans will be reconsidered by the National Association of Insurance Commissioners (NAIC) in order to develop more efficient standardized policies that more appropriately represent today's dynamic health care system. The NAIC will use the same collaborative process outlined in OBRA '90 to modernize the ten standardized Medigap plans and determine the appropriate level of prescription drug coverage in each of the ten modernized plans. This process requires the participation of consumer groups, Medicare beneficiaries, and other representatives selected in a manner to assure balanced representation among the interested groups.

New Drug-Only ''DrugGap'' Plans: In addition to modernizing the existing ten standardized plans, NAIC would be required to develop three new standardized DrugGap plans, within the following structure:

(1) ''Standard DrugGap'' plan will have low deductible (maximum $250) and cost-sharing levels (maximum 20% copay), and a $5000 maximum benefit;

(2) ''Low-Cost Standard DrugGap'' will have somewhat higher deductible (maximum $750) and cost-sharing levels (maximum 30% copay), and $5000 maximum benefit;

(3) ''Stop-Loss DrugGap'' plan will cover any out-of-pocket prescription medicine costs after total prescription medicine costs reach $5000.

Affordability: Issuers of the new DrugGap plans will be given flexibility to employ a variety utilization management techniques to ensure affordability in these plans, including incentives to encourage appropriate generic substitution. The NAIC standards will include standards by which formularies could be developed, including requirements that all therapeutic classes of drugs will be covered, and beneficiaries will be guaranteed access to off-formulary drugs when they are necessary and appropriate. The standards will also include a mechanism to ensure appropriate utilization and to minimize incidents of adverse drug interactions, as well as mechanisms to ensure reasonable accessibility. Competition between plans will push actual deductible and coinsurance levels lower than the maximum allowable deductible and cost-sharing amounts.

Eligibility for Assistance: Any Medicare beneficiary who: (1) has income of less than 150% of the federal poverty level (in states where Medicaid eligibility is currently above 100% of poverty, the eligibility level will be 50 percentage points above the states' current Medicaid eligibility, up to 200% of the federal poverty level); (2) does not currently have employer-sponsored coverage for prescription drugs; and (3) who is not eligible to receive prescription drugs through Medicaid, is eligible to receive federal assistance. Each eligible beneficiary will receive federal assistance in purchasing a Standard DrugGap and Stop-Loss DrugGap plan.

Beneficiary Access: Any DrugGap plan may be purchased by any Medicare beneficiary regardless of whether the beneficiary is eligible for federal government assistance under this proposal.

Access to Discounts: Before the deductible has been satisfied, and after the maximum coverage amount of the DrugGap plan has been reached, plans are required to make drugs available to covered beneficiaries at the same price that is referenced by the plan in determining the plan coverage—i.e., beneficiaries purchase medications at the plan's discounted price. When providing drugs in these situations, plans may assess nominal administration/dispensing fees. This allows seniors to access the heavily discounted plan prices, which may be 20% to 25% lower than the market price for important prescription medicines.

Grants to States: This proposal will include grants to the states ($50 million) for counseling of seniors regarding this new benefit, and to help them access the new DrugGap policies.

Affordable Premiums: As a part of this Act, Congress would also instruct the NAIC to make recommendations regarding other regulatory and statutory changes which, if enacted, would reduce the cost of Medigap premiums, and would encourage more issuers to offer Medigap policies. These changes would address issues such as balance-billing and outpatient expenses.

By Mr. MCCAIN (for himself, Mr. CAMPBELL, Mr. INOUYE):

S. 1726. A bill to amend the Internal Revenue Code of 1986 to treat for unemployment compensation purposes Indian tribal governments the same as State or local units of government or as nonprofit organizations; to the Committee on Finance.

THE INDIAN TRIBAL GOVERNMENT UNEMPLOYMENT COMPENSATION ACT TAX RELIEF AMENDMENTS OF 1999

Mr. MCCAIN. Mr. President, I rise today on behalf of myself, Senator CAMPBELL and Senator INOUYE to introduce the Indian Tribal Government Unemployment Compensation Act Tax Relief Amendments of 1999.

This bill would correct a serious oversight in the way the Internal Revenue Code treats Indian tribal governments for unemployment tax purposes under the unique, State-Federal program authorized by the Federal Unemployment Tax Act (FUTA). It would clarify existing tax statutes so that tribal governments are treated just as State and local units of governments are treated for unemployment tax purposes.

It is well-settled that tribal governments are not taxable entities under the Federal Tax Code because of their governmental status. But in recent years, both the Internal Revenue service and the U.S. Department of Labor have begun to advance an interpretation of FUTA that is particularly burdensome to Indian tribal governments.

The IRS has begun to insist on collecting the Federal portion of the FUTA tax from tribal governmental employers. The IRS rationale is that because the FUTA statute expressly exempts charitable organizations and all State and local units of government from paying the Federal portion of the FUTA tax, but does not expressly mention tribal governments, it must collect the Federal portion of the tax from tribal employers.

The Labor Department, for its part, several years ago issued an opinion declaring that State unemployment funds may not treat tribal government employers like other governmental units and accord them ''reimburser'' status. The Department's rationale was that FUTA statute does not expressly authorize tribal governments to participate on a reimbursable basis, and so State Unemployment Funds were prohibited from allowing them to do so.

The Congressional Research Service conducted a study at my request in the early 1990s which revealed that FUTA was being applied to tribal government employers differently throughout our Nation. Some were allowed to participate, even as reimbursers. Others were denied participation but charged the full tax without getting any benefit whatsoever. The recent actions by the IRS and the Labor Department have only served to make the application of FUTA to tribal government employers even more confusing, contradictory, and unfair.

FUTA involves a joint Federal-State taxation system that levies two taxes on most employers: an 0.8 percent unemployment tax and a State unemployment tax ranging up to more than 9 percent of a portion of an employer's payroll. Since its enactment in the 1930s, FUTA has treated foreign, Federal, State, and local government employers differently from private commercial business employers. It exempts all foreign, Federal, State, and local government employers from the 0.8 percent Federal FUTA tax. It exempts foreign and Federal government employers from State unemployment programs and allows State and local government employers to pay lower State unemployment taxes as reimbursers. FUTA also treats income tax-exempt charitable organizations the same as State and local governments. All other private sector employers pay both the Federal and State FUTA tax rates. The FUTA statute does not expressly include tribal government employers within the definition of governmental employers.

This legislation will expressly authorize tribal governments, like State and local units of government and charitable organizations, to contribute to a State fund on a reimbursable basis for unemployment benefits actually

paid out. Private sector employers typically must pay an unemployment tax in advance. The rationale for reimburser status is that governmental employers, like tribes and States, have a far more stable employment environment than that of the private sector, and that governmental revenue should not be committed to such purposes in advance of when the obligation to pay arises.

Let me be clear, this bill would ensure that tribes participate in the unemployment compensation system. Some now do not do so. Their participation would be on the same terms as other governments. Tribal government employers would pay for every dime that is paid out in benefits to workers they lay off. But the bill would clarify the law to ensure that tribal government employers do not pay more than what is paid, a ''reimburser'' status long accorded all other governmental employers and tax-exempt organization employers.

The bill I am introducing today would permanently resolve this matter across the Nation for every Indian tribal government. Unless this problem is resolved, many former tribal government employees will continue to be denied benefits by State unemployment funds and many tribal government employers will be charged at much higher rates than are all other governmental and tax-exempt employers. I believe tribal governments should be treated no differently than all other governments under our tax code, and that Indian and non-Indian workers who are separated from tribal governmental employment should be included within our Nation's comprehensive unemployment benefit system. This bill will go a long way toward ensuring mandatory participation by tribal governments on a fair and equitable basis in the Federal-State unemployment fund system. I can think of nothing more fair than the approach clarified in this bill. I urge my colleagues to support this legislation.

Mr. President, the Joint Committee on Taxation, through the Congressional Budget Office, estimates the cost of this bill to be minimal, about ten million dollars over a ten-year period. The cost to implement these provisions in the first few years will eventually be offset over the ten-year period, resulting in a negligible effect on the Federal treasury.

I ask unanimous consent that the text of the legislation, as well as a September 27, 1999 letter from the Joint Committee on Taxation providing the revenue estimate on this bill, be printed in the RECORD.

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

S. 1726

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

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Indian Tribal Government Unemployment Compensation Act Tax Relief Amendments of 1999''.

SEC. 2. TREATMENT OF INDIAN TRIBAL GOVERNMENTS UNDER FEDERAL UNEMPLOYMENT TAX ACT.

(a) IN GENERAL.—Section 3306(c)(7) of the Internal Revenue Code of 1986 (defining employment) is amended—

(1) by inserting ''or in the employ of an Indian tribe,'' after ''service performed in the employ of a State, or any political subdivision thereof,''; and

(2) by inserting ''or Indian tribes'' after ''wholly owned by one or more States or political subdivisions''.

(b) PAYMENTS IN LIEU OF CONTRIBUTIONS.—Section 3309 of the Internal Revenue Code of 1986 (relating to State law coverage of services performed for nonprofit organizations or governmental entities) is amended—

(1) in subsection (a)(2), by inserting '', including an Indian tribe,'' after ''the State law shall provide that a governmental entity'';

(2) in subsection (b)(3)(B), by inserting '', or of an Indian tribe'' after ''of a State or political subdivision thereof'';

(3) in subsection (b)(3)(E), by inserting ''or the tribe's'' after ''the State''; and

(4) in subsection (b)(5) by inserting ''or of an Indian tribe'' after ''an agency of a State or political subdivision thereof''.

(c) STATE LAW COVERAGE.—Section 3309 of the Internal Revenue Code of 1986 (relating to State law coverage of services performed for nonprofit organizations or governmental entities) is amended by adding at the end the following:

''(d) ELECTION BY INDIAN TRIBE.—The State law shall provide that an Indian tribe may elect to make contributions for employment as if the employment is within the meaning of section 3306 or to make payments in lieu of contributions under this section, and shall provide that an Indian tribe may make separate elections for itself and each subdivision, subsidiary, or business enterprise chartered and wholly owned by such Indian tribe. State law may require an electing tribe to post a reasonable payment bond or take other reasonable measures to assure the making of payments in lieu of contributions under this section. An election under this subsection may not be made except by an Indian tribe within the meaning of section 4(e) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450b(e)).''.

(d) DEFINITIONS.—Section 3306 of the Internal Revenue Code of 1986 (relating to definitions) is amended by adding at the end the following:

''(u) INDIAN TRIBE.—For purposes of this chapter, the term 'Indian tribe' has the meaning given to such term by section 4(e) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450b(e)), and includes any subdivision, subsidiary, or business enterprise chartered and wholly owned by such an Indian tribe.''.

(e) TRANSITION RULE.—For purposes of the Federal Unemployment Tax Act, service performed in the employ of an Indian tribe (as defined in section 3306(u) of the Internal Revenue Code of 1986 (as added by this Act)) shall not be treated as employment (within the meaning of section 3306 of such Code) if—

(1) it is service which is performed before the date of enactment of this Act and with respect to which the tax imposed under the Federal Unemployment Tax Act has not been paid; and

(2) such Indian tribe reimburses a State unemployment fund for unemployment benefits paid for service attributable to such tribe for such period.

JOINT COMMITTEE ON TAXATION,
Washington, DC, September 27, 1999.

Hon. JOHN MCCAIN,
United States Senate,
Washington, DC.

DEAR SENATOR MCCAIN: This letter is in response to your request for an estimate of the revenue effects of the ''Indian Tribal Government Unemployment Compensation Act Tax Relief Amendments of 1999.''

The proposal would treat tribal governments like State governments for the purpose of defining their obligations under the Federal Unemployment Tax Act (''FUTA''). Specifically, tribal government employers would be exempt from the Federal unemployment tax and would be authorized to contribute to State unemployment funds on a reimbursement basis. The proposal is assumed to be effective for services performed on or after January 1, 2000.

Because the provision affects contributions to the FUTA trust fund, the Congressional Budget Office (''CBO'') estimates its revenue effects. CBO estimates that the provision would have the following effects for Federal fiscal year budget receipts:

Fiscal years:	*Million*
2000	−$20
2001	−11
2002	−10
2003	−9
2004	36
2000–2004	−14
2000–2009	−10

I hope this information is helpful to you. Please let me know if we can be of further assistance in this matter.

Sincerely,

LINDY L. PAULL.

Mr. CAMPBELL. Mr. President, today I am pleased to be joining Senator MCCAIN in co-sponsoring the Indian Tribal Government Unemployment Compensation Act Tax Relief Amendments of 1999. If enacted, this legislation will modify the Federal Unemployment Tax Act of 1935 (''FUTA'') to allow Indian tribal governments to receive the same unemployment compensation treatment as state and local governments.

FUTA imposes a tax on the wages paid by employers to their employees. From these tax proceeds, unemployment insurance and benefits for out-of-work citizens is provided. Under the bill introduced today, Indian tribal governments would be treated as state and local governments, and would be authorized to contribute to state unemployment funds on a reimbursable basis.

The Congressional Budget Office (CBO) estimated that this bill would have a minimal impact, $10 million over 10 years, on the Federal budget.

However, the impact that this amendment would have on Indian economic development is immeasurable. The development of strong tribal economies is fundamental for tribal self-sufficiency and self-determination.

Private enterprise is often reluctant to do business and hire Indian workers if legal, tax, and regulatory regimes they face are confusing or unfriendly. This legislation would eliminate any confusion over the applicability of the FUTA tax and would create a level playing field for tribal governments and enhance their ability to attract and retain the best skilled employees.

By providing equitable FUTA treatment to tribal government employers, this legislation will assist in the long-term growth and stability of tribal economies.

I urge my colleagues to join Senator MCCAIN and I in supporting this important legislation.

By Mr. DOMENICI:

S. 1727. A bill to authorize for the expansion annex of the historic Palace of the Governors, a public history museum located, and relating to the history of Hispanic and Native American culture, in the Southwest and for other purposes; to the Committee on Energy and Natural Resources.

THE PALACE OF THE GOVERNORS EXPANSION ACT

Mr. DOMENICI. Mr. President, in conjunction with Hispanic Heritage Month I am introducing the Palace of the Governors Expansion Act. The Palace is a symbol of Hispanic influence in the United States and truly shows the coming together of many cultures in the New World—the various Native American, Hispanic and Anglo peoples who have lived in the region for over four centuries.

It is appropriate that during Hispanic Heritage Month that a bill should be introduced to preserve a priceless collection of Spanish Colonial, Iberian Colonial paintings, artifacts, maps, books, guns, costumes, photographs. The collection includes such historically unique items as the helmets and armor worn by the Don Juan Onate expedition conquistadors who established the first capital in the United States, San Juan de los Caballeros, in July of 1598. It includes the Vara Stick, a type of yardstick used to measure land grants and other real property boundaries in Dona Ana County, New Mexico.

We have all heard of Geronimo. The Collection includes a rifle dropped by one of his men during a raid in the Black Range area of Western New Mexico.

We have all heard of Pancho Villa. His activities in the Southwest come alive when viewing some of the artifacts included in the Palace of the Governors Collection. The Columbus, New Mexico Railway Station clock was shot in the pendulum, freezing for all history the moment that Pancho Villa's raid and invasion began. It is part of the collection, but you wouldn't know it because there is no room to display it.

Brigadier General Stephen Watts Kearny was posted to New Mexico during the Mexican War. He commanded the Army of the West as they traveled from the Santa Fe trail to occupy the territories of New Mexico and California. As Kearny travelled, he carried a field desk which he used to write letters, diaries, orders and other historical documents. It is part of the collection, but you can't see it because there is no display space for it in the Palace of the Governors.

Many of us have read books by D. H. Lawrence, but none of us have seen the note from his mother that is part of the collection.

There are more than 800,000 other historic photographs, guns, costumes, maps, books and handicrafts.

Today, where are these treasures that Teddy Roosevelt wanted to make part of the Smithsonian housed now?

Where is this collection that has been designated as National Treasures by the National Trust for Historic preservation kept?

In the basement of a 400 year old building.

It is a national travesty.

This legislation would right this wrong by authorizing funds for a Palace of the Governors Expansion Annex. The entire project will cost $32 million. The legislation authorizes a $15 million federal grant if the Museum can match the grant on a 50–50 basis.

The Palace of the Governors has acquired a half block right behind the current Palace. Obtaining this valuable real estate is evidence of the ingenuity and commitment of those involved in preserving the collection. Real estate near Santa Fe's plaza is seldom for sale at any price, much less an affordable price.

Palace of the Governors has been the center of administrative and cultural activity over a vast region in the Southwest since its construction as New Mexico's second capitol in Santa Fe by Governor Pedro de Peralta in 1610. The building is the oldest continuously occupied public building in the United States. Since its creation, the Museum of New Mexico has worked to protect and promote Hispanic, Southwest and Native American arts and crafts.

I hope my colleagues will join me in supporting this important legislation saving this important collection. I ask unanimous consent that a copy of the bill be printed in the RECORD.

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

S. 1727

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

SECTION 1.

(a) SHORT TITLE.—This act may be cited as Palace of the Governors Expansion Act.

SEC. 2. CONSTRUCTION OF PALACE OF THE GOVERNORS EXPANSION.

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

(1) The United States has an enriched legacy of Hispanic influence in politics, government, economic development and cultural expression.

(2) The Palace of the Governors has been the center of administrative and cultural activity over a vast region of the Southwest since its construction as New Mexico's second capitol in Santa Fe by Governor Pedro de Peralta in 1610.

(3) The Palace of the Governors is the oldest continuously occupied public building in the United States and has been occupied for 390 years.

(4) Since its creation the Museum of New Mexico has worked to protect and promote Southwest, Hispanic and Native American arts and crafts.

(5) The Palace of the Governors is the history division of the Museum of New Mexico and was once proposed by Teddy Roosevelt to be part of the Smithsonian Museum and known as the ''Smithsonian West.''

(6) The Museum has a extensive and priceless collection of:

(A) Spanish Colonial and Iberian Colonial paintings including the Sagesser Hyde paintings on buffalo hide dating back to 1706,

(B) Pre-Columbian Art,

(C) Historic artifacts including:

(i) helmets and armor worn by the Don Juan Onate expedition conquistadors who established the first capital in the United States, San Juan de los Caballeros, in July of 1598.

(ii) The Vara Stick used to measure land grants and other real property boundaries in Dona Ana County, New Mexico.

(iii) The Columbus, New Mexico Railway Station clock that was shot, stopping the pendulum, freezing for all history the moment when Pancho Villa's raid began. It marks the beginning of the last invasion of the continental United States.

(iv) the field desk of Brigadier General Stephen Watts Kearny who was posted to New Mexico during the Mexican War and whose Army of the West traveled the Santa Fe trail to occupy the territories of New Mexico and California.

(v) more than 800,000 other historic photographs, guns, costumes, maps, books and handicrafts.

(7) The Palace of the Governors and the Sagesser Hyde paintings were designated Natural Treasures by the National Trust for Historic Preservation.

(8) The facilities both for exhibiting and storage of this irreplaceable collection are so totally inadequate and dangerously unsuitable that their existence is endangered and their preservation is in jeopardy.

(b) DEFINITIONS.—In this section:

(1) ANNEX.—The term ''Annex'' means the Palace of the Governors, Museum of New Mexico addition to be located directly behind the historic Palace of the Governors building at 110 Lincoln Avenue, Santa Fe, New Mexico.

(2) SECRETARY.—The term ''Secretary'' means the Secretary of the Interior.

(c) CONSTRUCTION OF THE ANNEX.—Subject to the availability of appropriations, the Secretary shall award a grant to New Mexico to pay for the Federal share of the costs of the final design, construction, furnishing and equipping of the Palace of the Governors Expansion Annex that will be located directly behind the historic Palace of the Governors at 110 Lincoln Avenue, Santa Fe, New Mexico.

(d) GRANT REQUIREMENTS.—(1) IN GENERAL.—In order to receive a grant awarded under subsection (c), New Mexico, acting through the Office of Cultural Affairs—

(A) shall submit to the Secretary, within 30 days of the date of enactment of this section, a copy of the architectural blueprints for the Palace of the Governors Expansion Annex.

(B) shall exercise due diligence to obtain an appropriation from the New Mexico State Legislature for at least $8 million.

(C) shall exercise due diligence to expeditiously execute a memorandum of understanding recognizing that time is of the essence for the construction for the Annex because 2010 marks the 400th anniversary of the continuous occupation and use of the Palace of the Governors.

(2) MEMORANDUM OF UNDERSTANDING.—The memorandum of understanding described in paragraph (1) shall provide—

(A) the date of completion of the construction of the Annex.

(B) that Office of Cultural Affairs shall award the contract for construction of the

Annex in accordance with the New Mexico Procurement Code; and

(C) that the contract for the construction of the Annex—

(i) shall be awarded pursuant to a competitive bidding process.

(3) FEDERAL SHARE.—The Federal share of the costs described in subsection (c) shall be 50 percent.

(4) NON-FEDERAL SHARE.—The non-Federal share of the costs described in section (c) shall be in cash or in kind fairly evaluated, including land, art and artifact collections, plant, equipment, or services. The non-Federal share shall include any contribution received by New Mexico for the design, land acquisition, library acquisition, library renovation, Palace of the Governors conservation, and construction, furnishing, equipping of the Annex, or donations of art collections to the Museum of New Mexico prior to the date of enactment of this section. The non-Federal share of the costs described in subsection (c) shall include the following:

(A) cost of the land at 110 Lincoln Avenue, Sante Fe, New Mexico,

(B) Library acquisition expenditures,

(C) Library renovation expenditures,

(D) Palace conservation expenditures,

(E) New Mexico Foundation and other endowments funds,

(F) Donations of art collections or other artifacts.

(e) USE OF FUNDS FOR CONSTRUCTION.—FURNISHING AND EQUIPMENT.—Subject to funds being appropriated, the funds received under a grant awarded under subsection (c) shall be used only for the final design, construction, management, inspection, furnishing and equipment of the Annex.

(f) AUTHORIZATION OF APPROPRIATIONS.—Subject to funds being appropriated, there is authorized to be appropriated to the Secretary to carry out this section a total of $15,000,000 for fiscal year 2001 and succeeding fiscal years. Funds appropriated pursuant to the authority of the preceding sentence shall remain available until expended but are conditioned upon the New Mexico State legislature appropriating at least $8 million between date of enactment and 2010 and other non-federal sources providing enough funds, when combined with the New Mexico State legislature appropriations, to make this federal grant based on a fifty-fifty match.

By Mr. VOINOVICH (for himself and Mr. DEWINE):

S. 1728. A bill to amend title XIX of the Social Security Act to remove the limit on amount of medicaid disproportionate share hospital payment for hospitals in Ohio; to the Committee on Finance.

MEDICAID HOSPITAL PAYMENT FOR HOSPITALS IN OHIO

Mr. VOINOVICH. Mr. President, I rise today with my good friend and colleague from Ohio, Senator MIKE DEWINE, to introduce legislation that will remove the limit on the amount of federal Medicaid disproportionate share (DSH) payments for hospitals in Ohio. In 1993, Congress passed the Omnibus Budget Reconciliation Act (OBRA) in an effort to curb the rate of growth of federal Medicaid DSH spending to hospitals. Section 1923(g) of that bill placed maximum payment caps on hospitals. Subsequently, Congress passed the Balanced Budget Act (BBA) in 1997, in which Section 1923(f) placed funding caps on states. With the implementation of the aggregate state DSH spending limits, hospital-specific caps are no longer needed to assure the financial integrity of the program.

I have often spoken on the floor of the Senate in support of federalism. When the federal government makes overly prescriptive laws and regulations, it can erode the ability of state governments to protect consumers, promote economic development, and generate the revenue streams that fund education, public safety, infrastructure and other vital services. This is especially true in the case of Medicaid. Hospitals that provide care to indigent patients provide an invaluable service to their communities, often at great expense. DSH payments are intended to help reimburse those expenses. Congress should allow individual states to administer their DSH program in a way that provides the most funding for the most hospitals as possible. Without such leeway, we are imposing what is effectively an unfunded mandate on the private sector—telling these hospitals to treat Medicaid and uninsured patients without helping them pay for it. This is not good policy.

This legislation is federalism at its best. Section 1923(g) fails to recognize that each state implements its DSH program differently, and thus fails to recognize that the hospital-specific caps adversely affect Ohio hospitals. This legislation is budget neutral, yet it gives my state the flexibility to implement the Medicaid DSH program in the fairest and most equitable manner.

Under Ohio's DSH program, the Hospital Care Assurance Program (HCAP), all necessary hospital services are provided free of charge to persons below the federal poverty line. Generally, under HCAP, hospitals are taxed and those funds are used as the state's share to draw matching federal Medicaid DSH funds. The total pool is then distributed back to hospitals based on the level of each hospital's indigent care. Ideally, the DSH dollars should follow the indigent patients. However, partly because of the hospital-specific caps that were enacted in 1993, there are many HCAP hospitals that are reimbursed far less than the amount that would actually cover their indigent care expenses. The bill will give Ohio the ability to implement a new formula to correct this inequity within Ohio's overall spending limit.

Mr. President, Ohio deserves the authority to make health care decisions that are in the best interest of her citizens and their local hospitals. Ohio is not seeking additional federal dollars, merely the flexibility to allocate reimbursement funds under the DSH program where the funds are needed most. I urge passage of this legislation that will give relief to our hospitals and allow them to continue to provide quality care to each and every citizen in my state.

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

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

S. 1728

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

SECTION 1. REMOVAL OF LIMIT ON AMOUNT OF MEDICAID DISPROPORTIONATE SHARE HOSPITAL PAYMENT FOR HOSPITALS IN OHIO.

(a) IN GENERAL.—Section 1923(g)(1) of the Social Security Act (42 U.S.C. 1396r–4(g)(1)) is amended—

(1) in subparagraph (A), by striking ''A'' and inserting ''Except as provided in subparagraph (D), a''; and

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

''(D) EXCEPTION.—The limitations in subparagraphs (A) and (C) shall not apply to payments made to hospitals (other than institutions for mental diseases or other mental health facilities) located in Ohio.''.

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall apply to payments and payment adjustments made to hospitals on or after July 1, 1999.

By Mr. CAMPBELL (for himself and Mr. ALLARD):

S. 1729. A bill to amend the National Trails System Act to clarify Federal authority relating to land acquisition from willing sellers for the majority of the trails, and for other purposes; to the Committee on Energy and Natural Resources.

THE NATIONAL TRAILS-WILLING SELLER LEGISLATION

Mr. CAMPBELL. Mr. President, today I am introducing legislation to amend the National Trails System Act to clarify federal authority relating to land acquisition from willing sellers. This bill is the companion to Congressman SCOTT MCINNIS' legislation. Congressman MCINNIS has been an advocate for this legislation for many years.

There are 20 trails in the national scenic and historic trail system. These trails are among some of the most beautiful areas in the United States and are deserving of preservation. This bill will enable the federal government to help conserve the special resources of all of these congressionally designated trails, enabling everyone to enjoy the benefit of these trails today and for future generations of Americans tomorrow.

This legislation does not appropriate any money, it only provides the federal government the authority to acquire lands from willing sellers. Once willing sellers are identified, Congress then appropriates the money so that the land can be purchased. It also will help to address the increasing development pressures that threaten the long-range continuity of the National Trails System.

Currently, the federal government only has authority to buy land along 11 of the 20 national scenic and historic trails. This bill gives authority to buy

land from willing sellers along the other nine trails to ensure that the entire trail can be preserved.

There are many unique and special historic sites along the nine affected scenic and historic trails. These sites have been voluntarily protected for several generations by responsible individual families. These families should have the right to sell these irreplaceable places of our nation's heritage to the federal government to continue their protection when and if they choose to do so.

This legislation is a vehicle to help preserve part of our natural heritage. I urge my colleagues to support passage of this bill. I ask unanimous consent that the bill be printed in the RECORD.

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

S. 1729

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 ''Trails Willing Seller Act of 1999''.

SEC. 2. FINDINGS.

Congress finds that—

(1) despite commendable efforts by the State governments (including political subdivisions) and private volunteer trail groups to develop, operate, and maintain the national scenic and national historic trails, the rate of progress toward developing and completing the trails is slower than anticipated;

(2) Congress authorized several national scenic and historic trails between 1978 and 1986, with restrictions excluding Federal authority for land acquisition;

(3) to develop and complete the authorized trails as intended by Congress, acquisition authority to secure necessary rights-of-way and historic sites and segments specifically excluding condemnation authority should be extended to the head of each Federal agency administering a trail;

(4) to address the problems involving multijurisdictional authority over the national trails system, the head of each Federal agency with jurisdiction over an individual trail—

(A) should cooperate with appropriate officials of States (including political subdivisions) and private persons with an interest in the trails to complete the development of the trails; and

(B) should be granted sufficient authority to purchase land from willing sellers that is critical to the completion of the trails; and

(5) land or interests in land for the authorized components of the National Trails System affected by this Act should only be acquired by the Federal Government only from willing sellers.

SEC. 3. ACQUISITION OF TRAILS FROM WILLING SELLERS.

(a) ACQUISITION AUTHORITY.—Section 5(a) of the National Trails System Act (16 U.S.C. 1244(a)) is amended—

(1) in the fourth sentence of paragraph (11)—

(A) by striking ''No lands or interest therein outside the exterior'' and inserting ''No land or interest in land outside of the exterior''; and

(B) by inserting before the period the following: ''without the consent of the owner of the land or interest''; and

(2) in the fourth sentence of paragraph (14)—

(A) by striking ''No lands or interests therein outside the exterior'' and inserting ''No land or interest in land outside of the exterior''; and

(B) by inserting before the period the following: ''without the consent of the owner of the land or interest''.

(b) EXPENDITURE OF FUNDS.—Section 10(c) of the National Trails System Act (16 U.S.C. 1249(c)) is amended by striking subsection (c) and all that follows through the end of paragraph (1) and inserting the following:

''(c) EXPENDITURE OF FUNDS.—

''(1) TRAILS.—

''(A) IN GENERAL.—Notwithstanding any other provision of law (including any other provision of this Act), except as provided in subparagraph (B), no funds may be expended by the Federal Government for the acquisition of any land or interest in land outside of the exterior boundaries of Federal land that, on the date of enactment of this subparagraph, comprises—

''(i) the Continental Divide National Scenic Trail;

''(ii) the North Country National Scenic Trail;

''(iii) the Ice Age National Scenic Trail;

''(iv) the Oregon National Historic Trail;

''(v) the Mormon Pioneer National Historic Trail;

''(vi) the Lewis and Clark National Historic Trail; and

''(vii) the Iditarod National Historic Trail.

''(B) CONSENT OF LANDOWNER.—The Federal Government may acquire land or an interest in land outside the exterior boundary of Federal land described in subparagraph (A) with the consent of the owner of the land or interest.

''(2) FAILURE TO MAKE PAYMENT.—If the Federal Government fails to make payment in accordance with a contract for sale of land or an interest in land under this subsection, the seller may use all remedies available under all applicable law, including electing to void the sale.''.

By Mr. BREAUX (for himself, Mr. JEFFORDS, Mr. GRASSLEY, Mr. KERRY, and Mr. HATCH):

S. 1732. A bill to amend the Internal Revenue Code of 1986 to prohibit certain allocations of S corporation stock held by an employee stock ownership plan; to the Committee on Finance.

PROHIBITED ALLOCATIONS OF S CORPORATIONS STOCK HELD BY AN ESOP

● Mr. BREAUX. Mr. President, I ask that the text of the bill be printed in the RECORD.

The bill follows:

S. 1732

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

SECTION 1. PROHIBITED ALLOCATIONS OF S CORPORATIONS STOCK HELD BY AN ESOP.

(a) IN GENERAL.—Section 409 of the Internal Revenue Code of 1986 (relating to qualifications for tax credit employee stock ownership plans) is amended by redesignating subsection (p) as subsection (q) and by inserting after subsection (o) the following new subsection:

''(p) PROHIBITED ALLOCATIONS OF SECURITIES IN AN S CORPORATION.—

''(1) IN GENERAL.—An employee stock ownership plan holding employer securities consisting of stock in an S corporation shall provide that no portion of the assets of the plan attributable to (or allocable in lieu of) such employer securities may, during a nonallocation year, accrue (or be allocated directly or indirectly under any plan of the employer meeting the requirements of section 401(a)) for the benefit of any disqualified person.

''(2) FAILURE TO MEET REQUIREMENTS.—

''(A) IN GENERAL.—If a plan fails to meet the requirements of paragraph (1), the plan shall be treated as having distributed to any disqualified person the amount allocated to the account of such person in violation of paragraph (1) at the time of such allocation.

''(B) CROSS REFERENCE.—

''For excise tax relating to violations of paragraph (1) and ownership of synthetic equity, see section 4979A.

''(3) NONALLOCATION YEAR.—For purposes of this subsection—

''(A) IN GENERAL.—The term 'nonallocation year' means any plan year of an employee stock ownership plan if, at any time during such plan year—

''(i) such plan holds employer securities consisting of stock in an S corporation, and

''(ii) disqualified persons own at least 50 percent of the number of shares of stock in the S corporation.

''(B) ATTRIBUTION RULES.—For purposes of subparagraph (A)—

''(i) IN GENERAL.—The rules of section 318(a) shall apply for purposes of determining ownership, except that—

''(I) in applying paragraph (1) thereof, the members of an individual's family shall include members of the family described in paragraph (4)(D), and

''(II) paragraph (4) thereof shall not apply.

''(ii) DEEMED-OWNED SHARES.—Notwithstanding the employee trust exception in section 318(a)(2)(B)(i), for purposes of determining whether an individual is a disqualified person, such individual shall be treated as owning deemed-owned shares.

''(4) DISQUALIFIED PERSON.—For purposes of this subsection—

''(A) IN GENERAL.—The term 'disqualified person' means any person if—

''(i) the aggregate number of deemed-owned shares of such person and the members of such person's family is at least 20 percent of the number of deemed-owned shares of stock in the S corporation, or

''(ii) in the case of a person not described in clause (i), the number of deemed-owned shares of such person is at least 10 percent of the number of deemed-owned shares of stock in such corporation.

''(B) TREATMENT OF FAMILY MEMBERS.—In the case of a disqualified person described in subparagraph (A)(i), any member of such person's family with deemed-owned shares shall be treated as a disqualified person if not otherwise treated as a disqualified person under subparagraph (A).

''(C) DEEMED-OWNED SHARES.—For purposes of this paragraph—

''(i) IN GENERAL.—The term 'deemed-owned shares' means, with respect to any person—

''(I) the stock in the S corporation constituting employer securities of an employee stock ownership plan which is allocated to such person under the plan, and

''(II) such person's share of the stock in such corporation which is held by such plan but which is not allocated under the plan to participants.

''(ii) PERSON'S SHARE OF UNALLOCATED STOCK.—For purposes of clause (i)(II), a person's share of unallocated S corporation stock held by such plan is the amount of the unallocated stock which would be allocated to such person if the unallocated stock were allocated to all participants in the same proportions as the most recent stock allocation under the plan.

''(D) MEMBER OF FAMILY.—For purposes of this paragraph, the term 'member of the family' means, with respect to any individual—

''(i) the spouse of the individual,

''(ii) an ancestor or lineal descendant of the individual or the individual's spouse,

''(iii) a brother or sister of the individual or the individual's spouse and any lineal descendant of the brother or sister, and

''(iv) the spouse of any individual described in clause (ii) or (iii).

A spouse of an individual who is legally separated from such individual under a decree of divorce or separate maintenance shall not be treated as such individual's spouse for purposes of this subparagraph.

''(5) TREATMENT OF SYNTHETIC EQUITY.—For purposes of paragraphs (3) and (4), in the case of a person who owns synthetic equity in the S corporation, except to the extent provided in regulations, the shares of stock in such corporation on which such synthetic equity is based shall be treated as outstanding stock in such corporation and deemed-owned shares of such person if such treatment of synthetic equity of 1 or more such persons results in—

''(A) the treatment of any person as a disqualified person, or

''(B) the treatment of any year as a nonallocation year.

For purposes of this paragraph, synthetic equity shall be treated as owned by a person in the same manner as stock is treated as owned by a person under the rules of paragraphs (2) and (3) of section 318(a).

''(6) DEFINITIONS.—For purposes of this subsection—

''(A) EMPLOYEE STOCK OWNERSHIP PLAN.—The term 'employee stock ownership plan' has the meaning given such term by section 4975(e)(7).

''(B) EMPLOYER SECURITIES.—The term 'employer security' has the meaning given such term by section 409(l).

''(C) SYNTHETIC EQUITY.—The term 'synthetic equity' means any stock option, warrant, restricted stock, deferred issuance stock right, or similar interest or right that gives the holder the right to acquire or receive stock of the S corporation in the future. Except to the extent provided in regulations, synthetic equity also includes a stock appreciation right, phantom stock unit, or similar right to a future cash payment based on the value of such stock or appreciation in such value.

''(7) REGULATIONS.—The Secretary shall prescribe such regulations as may be necessary to carry out the purposes of this subsection.''

(b) COORDINATION WITH SECTION 4975(e)(7).—The last sentence of section 4975(e)(7) of such Code (defining employee stock ownership plan) is amended by inserting '', section 409(p),'' after ''409(n)''.

(c) EXCISE TAX.—

(1) APPLICATION OF TAX.—Subsection (a) of section 4979A of such Code (relating to tax on certain prohibited allocations of employer securities) is amended—

(A) by striking ''or'' at the end of paragraph (1),

(B) by striking the period at the end of paragraph (2) and inserting a comma, and

(C) by striking all that follows paragraph (2) and inserting the following:

''(3) there is any allocation of employer securities which violates the provisions of section 409(p), or

''(4) any synthetic equity is owned by a disqualified person in any nonallocation year,

there is hereby imposed a tax on such allocation or ownership equal to 50 percent of the amount involved.''

(2) LIABILITY.—Section 4979A(c) of such Code (defining liability for tax) is amended to read as follows:

''(c) LIABILITY FOR TAX.—The tax imposed by this section shall be paid—

''(1) in the case of an allocation referred to in paragraph (1) or (2) of subsection (a), by—

''(A) the employer sponsoring such plan, or

''(B) the eligible worker-owned cooperative,

which made the written statement described in section 664(g)(1)(E) or in section 1042(b)(3)(B) (as the case may be), and

''(2) in the case of an allocation or ownership referred to in paragraph (3) or (4) of subsection (a), by the S corporation the stock in which was so allocated or owned.''

(3) DEFINITIONS.—Section 4979A(e) of such Code (relating to definitions) is amended to read as follows:

''(e) DEFINITIONS AND SPECIAL RULES.—For purposes of this section—

''(1) DEFINITIONS.—Except as provided in paragraph (2), terms used in this section have the same respective meanings as when used in sections 409 and 4978.

''(2) SPECIAL RULES RELATING TO TAX IMPOSED BY REASON OF PARAGRAPH (3) OR (4) OF SUBSECTION (a).—

''(A) PROHIBITED ALLOCATIONS.—The amount involved with respect to any tax imposed by reason of subsection (a)(3) is the amount allocated to the account of any person in violation of section 408(p)(1).

''(B) SYNTHETIC EQUITY.—The amount involved with respect to any tax imposed by reason of subsection (a)(4) is the value of the shares on which the synthetic equity is based.

''(C) SPECIAL RULE FOR PROHIBITED ALLOCATION DURING FIRST NONALLOCATION YEAR.—For purposes of subparagraph (A), the amount involved for the first nonallocation year of any employee stock ownership plan shall be determined by taking into account the total value of all the deemed-owned shares of all disqualified persons with respect to such plan.

''(D) STATUTE OF LIMITATIONS.—The statutory period for the assessment of any tax imposed by this section by reason of paragraph (3) or (4) of subsection (a) shall not expire before the date which is 3 years from the later of—

''(i) the allocation or ownership referred to in such paragraph giving rise to such tax, or

''(ii) the date on which the Secretary is notified of such allocation or ownership.''

(d) EFFECTIVE DATES.—

(1) IN GENERAL.—The amendments made by this section shall apply to plan years beginning after December 31, 2000.

(2) EXCEPTION FOR CERTAIN PLANS.—In the case of any—

(A) employee stock ownership plan established after July 14, 1999, or

(B) employee stock ownership plan established on or before such date if employer securities held by the plan consist of stock in a corporation with respect to which an election under section 1362(a) of the Internal Revenue Code of 1986 is not in effect on such date,

the amendments made by this section shall apply to plan years ending after July 14, 1999.●

By Mr. FITZGERALD (for himself, Mr. LEAHY, Mr. LUGAR, Mr. HARKIN, and Mr. CRAIG):

S. 1733. A bill to amend the Food Stamp Act of 1977 to provide for a national standard of interoperability and portability applicable to electronic food stamp benefit transactions; to the Committee on Agriculture, Nutrition, and Forestry.

THE ELECTRONIC BENEFIT TRANSFER INTEROPERABILITY AND PORTABILITY ACT OF 1999

Mr. FITZGERALD. Mr. President, I rise today with my Colleagues to introduce the Electronic Benefit Transfer Interoperability and Portability Act of 1999. This legislation addresses the problem of food stamp beneficiaries being unable to redeem their benefits in authorized stores that may be located outside their state of residence.

As you may know, Congress passed legislation in 1996 that required the federal government to deliver food stamp benefits electronically, rather than using the paper coupons. Most states have started the process of issuing plastic cards, very similar to ATM cards to access these benefits. The federal government termed this new process, electronic benefits transfer (EBT).

You may have noticed a separate button on the payment terminal in your local supermarket with the designation ''EBT'' or a separate standalone payment terminal to handle these new transactions.

More than half of the country has already switched from the paper coupons to this new EBT card. However, one significant issue is causing problems in the program for retailers, states and recipients. That issue is the inability for recipients to use their state-issued cards across state lines. This is especially true in communities that are near a state border.

Under the old paper system, recipients could use the coupons in any state in the country. Under the new electronic system, that is currently not the case. Customers go into a food store expecting to use their federal benefits to purchase food and when they cannot use their EBT cards, they become frustrated and dissatisfied with the food stamp program.

For example, under the old system, a food stamp recipient living in Palmyra, MO could use their food stamp coupons in their favorite grocery store in Quincy, IL just over the Illinois border. Similarly, a recipient living in Illinois could visit family in Tennessee and still purchase food for their children. Food stamp beneficiaries are not unlike the average shopper. Cross border shopping occurs for a variety of reasons. One reason is convenience; another equally important one is the cost of groceries. The supermarket industry is very competitive. Customers paying with every type of tender except EBT have the ability to shop around for the best prices. Shouldn't recipients of our nation's federal food assistance benefits be able to stretch their dollars without regard to state borders?

Another reason is convenience. While one of my constituents may live in the metro east area, they might work in St. Louis. Under the current situation, if the only grocery store between their work and their home is in Missouri, the recipient cannot purchase food without traveling out of their way.

The legislation I am introducing today would once again, provide for the portability of food assistance benefits and allow food stamp recipients the flexibility of shopping at locations that they choose.

Interoperability works well today with ATM/Debit cards, the type of cards that EBT was modeled after. Consumers and merchants are confident that when a MAC card issued by a bank in Pittsburgh is presented, authorization and settlement of that transaction will work the same as when a Star card, issued by Bank of America in California is presented. This occurs regardless of where the merchant is located.

Unfortunately, this is currently not the case with EBT cards. If every state operated their EBT program under a standard set of operating rules as this legislation requires, companies operating in multiple states could be more efficient, resolve any discrepancies in customer accounts more quickly and ultimately hold down the price of groceries for all consumers.

This legislation I am introducing is very straightforward. Specifically, the legislation:

Requires interoperability by October 1, 2002, with a few exceptions needing a waiver;

Requires USDA to ''adopt'' the national standard used by the majority of the States;

Requires USDA to pay for all interoperability costs (currently estimated by Benton International to be no more than a maximum of $500,000 annually when all states are on EBT systems or $160,000 for the current year), significantly less than the $20 million USDA pays annually to the Federal Reserve to redeem coupons;

Requires contracts entered into after the date when the national standard is adopted to use the standard, and for USDA to pay the interoperability costs;

Includes transitional funding for states currently using a national standard. Upon enactment, FNS will pay 100 percent of the costs of interoperability fees for current states using a national standard (While the interoperability pilot sponsored by NACHA is due to expire in September, this would allow those states and beneficiaries in states participating in the pilot to continue to have interoperable transactions beyond the pilot period without interruption.);

Requires current contracts that are not using the national standard to convert at the point of a new contract;

Includes a waiver process for current states with significant technological challenges to provide time to convert to the national standard (This is intended to cover current smart card states).

This legislation is more about good government than it is about food stamps. Since 1996, the transition from paper coupons to electronic benefit transfer has saved the federal government a significant amount of money. For example, while the food stamp caseload decreased 24 percent from fiscal year 1995 to 1998, food stamp production and redemption costs dropped by an impressive 39 percent. While it is estimated that the bill's implementation will cost the federal government no more than $500,000 annually, it will save at least $20 million per year when paper coupons are a thing of the past.

This legislation is sound public policy that enjoys bipartisan support. I thank my Colleagues, Senators LEAHY, LUGAR, HARKIN and CRAIG, for joining me as co-sponsors of this bill. I would stress to my fellow Senators that this legislation is vitally important to every food stamp recipient, every state food stamp program administrator and every grocery store nationwide. I ask each of you to join me as co-sponsors of this important legislation.

I ask unanimous consent that the bill be printed in the RECORD.

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

S. 1733

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 ''Electronic Benefit Transfer Interoperabilty and Portability Act of 1999''.

SEC. 2. PURPOSES.

The purposes of this Act are—

(1) to protect the integrity of the food stamp program;

(2) to ensure cost-effective portability of food stamp benefits across State borders without imposing additional administrative expenses for special equipment to address problems relating to the portability;

(3) to enhance the flow of interstate commerce involving electronic transactions involving food stamp benefits under a uniform national standard of interoperability and portability; and

(4) to eliminate the inefficiencies resulting from a patchwork of State-administered systems and regulations established to carry out the food stamp program

SEC. 3. INTEROPERABILTY AND PORTABILITY OF FOOD STAMP TRANSACTIONS.

Section 7 of the Food Stamp Act of 1977 (7 U.S.C. 2016) is amended by adding at the end the following:

''(k) INTEROPERABILTY AND PORTABILITY OF ELECTRONIC BENEFIT TRANSFER TRANSACTIONS.—

''(1) DEFINITIONS.—In this subsection:

''(A) ELECTRONIC BENEFIT TRANSFER CARD.—The term 'electronic benefit transfer card' means a card that provides benefits under this Act through an electronic benefit transfer service (as defined in subsection (i)(11)(A)).

''(B) ELECTRONIC BENEFIT TRANSFER CONTRACT.—The term 'electronic benefit transfer contract' means a contract that provides for the issuance, use, or redemption of coupons in the form of electronic benefit transfer cards.

''(C) INTEROPERABILTY.—The term 'interoperability' means a system that enables a coupon issued in the form of an electronic benefit transfer card to be redeemed in any State.

''(D) INTERSTATE TRANSACTION.—The term 'interstate transaction' means a transaction that is initiated in 1 State by the use of an electronic benefit transfer card that is issued in another State.

''(E) PORTABILITY.—The term 'portability' means a system that enables a coupon issued in the form of an electronic benefit transfer card to be used in any State by a household to purchase food at a retail food store or wholesale food concern approved under this Act.

''(F) SETTLING.—The term 'settling' means movement, and reporting such movement, of funds from an electronic benefit transfer card issuer that is located in 1 State to a retail food store, or wholesale food concern, that is located in another State, to accomplish an interstate transaction.

''(G) SMART CARD.—The term 'smart card' means an intelligent benefit card described in section 17(f).

''(H) SWITCHING.—The term 'switching' means the routing of an interstate transaction that consists of transmitting the details of a transaction electronically recorded through the use of an electronic benefit transfer card in 1 State to the issuer of the card that is in another State.

''(2) REQUIREMENT.—Not later than October 1, 2002, the Secretary shall ensure that systems that provide for the electronic issuance, use, and redemption of coupons in the form of electronic benefit transfer cards are interoperable, and food stamp benefits are portable, among all States.

''(3) COST.—The cost of achieving the interoperability and portability required under paragraph (2) shall not be imposed on any food stamp retail store, or any wholesale food concern, approved to participate in the food stamp program.

''(4) STANDARDS.—Not later than 120 days after the date of enactment of this subsection, the Secretary shall promulgate regulations that—

''(A) adopt a uniform national standard of interoperability and portability required under paragraph (2) that is based on the standard of interoperability and portability used by a majority of State agencies.

''(B) require that any electronic benefit transfer contract that is entered into 30 days or more after the regulations are promulgated, by or on behalf of a State agency, provide for the interoperability and portability required under paragraph (2) in accordance with the national standard.

''(5) EXEMPTIONS—

''(A) WAIVER.—At the request of a State agency, the Secretary may provide 1 waiver to temporarily exempt, for a period ending on or before the date specified under clause (iii), the State agency from complying with the requirements of paragraph (2), if the State agency—

''(i) establishes to the satisfaction of the Secretary that the State agency faces unusual technological barriers to achieving by October 1, 2002, the interoperability and portability required under paragraph (2);

''(ii) demonstrates that the best interest of food stamp benefit households and of the food stamp program would be served by granting the waiver with respect to the electronic benefit transfer system used by the State agency to administer the food stamp program; and

''(iii) specifies a date by which the State agency will achieve the interoperability and portability required under paragraph (2).

''(B) SMART CARD SYSTEMS.—The Secretary shall allow a State agency that is using smart cards for the delivery of food stamp program benefits to comply with the requirements of paragraph (2) at such time after October 1, 2002, as the Secretary determines that a practicable technological method is available for interoperability with electronic benefit transfer cards.

''(6) FUNDING.—

''(A) IN GENERAL.—In accordance with regulations promulgated by the Secretary, the Secretary shall pay 100 percent of the costs incurred by a State agency under this Act for switching and settling interstate transactions—

''(i) incurred after the date of enactment of this subsection and before October 1, 2002, if

the State agency uses the standard of interoperability and portability adopted by a majority of State agencies; and

''(ii) incurred after September 30, 2002, if the State agency uses the uniform national standard of interoperability and portability adopted under paragraph (4)(A).

''(B) LIMITATION.—The total amount paid to State agencies for each fiscal year under subparagraph (A) shall not exceed $500,000.''.

SEC. 4. STUDY OF ALTERNATIVES FOR HANDLING ELECTRONIC BENEFIT TRANSACTIONS INVOLVING FOOD STAMP BENEFITS.

Not later than 1 year after the date of enactment of this Act, the Secretary of Agriculture shall study and report to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate on alternatives for handling interstate electronic benefit transactions involving food stamp benefits provided under the Food Stamp Act of 1977 (7 U.S.C. 2011 et seq.), including the feasibility and desirability of a single hub for switching (as defined in section 7(k)(1) of that Act (as added by section 3)).

Mr. LEAHY. Mr. President, I am proud to join Senator FITZGERALD in cosponsoring the Electronic Benefit Interoperability and Portability Act of 1999.

The Food Stamp Program has been critical to diminishing hunger and improving nutrition and health throughout our country. As the country's largest source of food aid, approximately 18 million people—half of which are children—receive food stamp benefits every month. In my home State of Vermont, more than 20,000 households depend on food stamps to help feed their families.

In an effort to strengthen and streamline the Food Stamp Program, three years ago Congress mandated that every State switch to an Electronic Benefits Transfer system for distributing food stamp benefits. Operating like ATM or credit card machines at cash registers, EBT streamlines food stamps by eliminating the cumbersome paper system.

The implementation of the EBT system was left up to the States, and nearly 40 States currently have switched to this new system. EBT has already demonstrated itself to be a more efficient system for distributing food stamp benefits, and it promises to help reduce food stamp fraud.

However, three years into the implementation of EBT, a problem has arisen—some State EBT systems do not match up with neighboring State EBT systems, leaving residents of border communities unable to utilize their food stamp benefits across State lines. This Federal benefit program has always been recognized and redeemable in every State, irrespective of where the actual food stamps were issued.

For some of our more rural States, the inability to access food stamp benefits across State lines could mean the difference between traveling a few miles to a grocery store in the next State to traveling an hour or more to the closest grocery store in one's home State. Clearly, this creates quite a burden.

The bill which we are introducing today would correct this oversight by requiring the U.S. Department of Agriculture to adopt a national EBT standard, and requiring that all States be EBT interoperable by 2002.

Vermont Commissioner of Social Welfare Jane Kitchel has voiced her support for this bill, as has the New England Convenience Store Association.

Mr. President, I would like to thank Senator FITZGERALD for all of his work on this issue. I believe that this bill will help make the Food Stamp Program more streamlined and efficient, and I am proud to cosponsor this legislation.

By Mr. DURBIN (for himself and Mr. FITZGERALD):

S. 1734. A bill to authorize the Secretary of the Interior to contribute funds for the establishment of an interpretive center on the life and contributions of President Abraham Lincoln; to the Committee on Energy and Natural Resources.

ABRAHAM LINCOLN PRESIDENTIAL LIBRARY

● Mr. DURBIN. Mr. President, today I am pleased to be joined by my Illinois colleague, Senator FITZGERALD, in introducing legislation that would authorize an important Department of the Interior project—the Abraham Lincoln Presidential Library in Springfield, Illinois.

I should begin by confessing a Lincoln bias. Obviously, I'm an Illinoisan, but I hail from the same city, Springfield, that Abraham Lincoln once called home. I practiced law in an office not far from the historic Lincoln-Herndon Law Office. I also represented a district in the U.S. House of Representatives that included portions of the district Congressman Abraham Lincoln represented in the 30th Congress—1847 to 1849. My home state, the ''Land of Lincoln,'' holds the former President in very high regard.

Abraham Lincoln is considered to be one of our nation's greatest Presidents. Yet, his works and the story of his life and public service are spread over numerous historic sites, monuments, museums, and private collections of Lincoln memorabilia. The State of Illinois has a more than 42,000-item Lincoln Collection which contains national treasures such as the Gettysburg Address, the Emancipation Proclamation, and Lincoln's Second Inaugural Address. The Collection is part of the State's 12-million-item historical library, which is the nation's only public institution engaged in ongoing research on the life and legacy of Abraham Lincoln.

Currently, 13 former Presidents, including Confederate leader Jefferson Davis, have presidential libraries. Our 16th President certainly deserves such a facility so children and people from around the world can learn from the excellent examples Lincoln set during his life and his Presidency and historians can continue to discover more about the man who preserved the Union.

The Abraham Lincoln Presidential Library would serve as a state-of-the-art, interactive library, museum, and interpretative center where visitors could learn about Abraham Lincoln and the events and places that shaped his life and the history of our country. It would also serve as an academic archive and research facility for scholars to study Illinois' collection of Lincoln documents and personal effects.

The legislation we are introducing today would require that for every dollar of federal funds directed toward this project, two dollars must come for other non-federal sources. The State of Illinois and the City of Springfield have already pledged significant financial support for the Library. Also, it is important to note that the U.S. Department of the Interior is not being asked to operate or maintain the facility. The State of Illinois, through the Illinois Historic Preservation Agency, would run the day-to-day operations and handle upkeep of the Library.

Mr. President, the Illinois Congressional Delegation, Illinois Governor George Ryan, and the City of Springfield strongly support this important project and this authorizing legislation. I urge my colleagues to join me and Senator FITZGERALD in constructing a lasting legacy for Abraham Lincoln.●

ADDITIONAL COSPONSORS

S. 31

At the request of Mr. THURMOND, the name of the Senator from Wisconsin (Mr. KOHL) was added as a cosponsor of S. 31, a bill to amend title 1, United States Code, to clarify the effect and application of legislation.

S. 285

At the request of Mr. MCCAIN, the name of the Senator from South Dakota (Mr. JOHNSON) was added as a cosponsor of S. 285, a bill to amend title II of the Social Security Act to restore the link between the maximum amount of earnings by blind individuals permitted without demonstrating ability to engage in substantial gainful activity and the exempt amount permitted in determining excess earnings under the earnings test.

S. 631

At the request of Mr. DEWINE, the name of the Senator from New York (Mr. MOYNIHAN) was added as a cosponsor of S. 631, a bill to amend the Social Security Act to eliminate the time limitation on benefits for immunosuppressive drugs under the medicare program, to provide continued entitlement for such drugs for certain individuals after medicare benefits end, and to extend certain medicare secondary payer requirements.

S. 662

At the request of Mr. CHAFEE, the name of the Senator from Pennsylvania (Mr. SPECTER) 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. 777

At the request of Mr. FITZGERALD, the name of the Senator from Arkansas (Mrs. LINCOLN) was added as a cosponsor of S. 777, a bill to require the Department of Agriculture to establish an electronic filing and retrieval system to enable the public to file all required paperwork electronically with the Department and to have access to public information on farm programs, quarterly trade, economic, and production reports, and other similar information.

S. 784

At the request of Mr. ROCKEFELLER, the name of the Senator from Arkansas (Mrs. LINCOLN) was added as a cosponsor of S. 784, a bill to establish a demonstration project to study and provide coverage of routine patient care costs for medicare beneficiaries with cancer who are enrolled in an approved clinical trial program.

S. 808

At the request of Mr. JEFFORDS, the name of the Senator from Nebraska (Mr. KERREY) was added as a cosponsor of S. 808, a bill to amend the Internal Revenue Code of 1986 to provide tax incentives for land sales for conservation purposes.

S. 1133

At the request of Mr. GRAMS, the name of the Senator from Washington (Mr. GORTON) was added as a cosponsor of S. 1133, a bill to amend the Poultry Products Inspection Act to cover birds of the order Ratitae that are raised for use as human food.

S. 1187

At the request of Mr. DORGAN, the name of the Senator from Iowa (Mr. GRASSLEY) was added as a cosponsor of S. 1187, a bill to require the Secretary of the Treasury to mint coins in commemoration of the bicentennial of the Lewis and Clark Expedition, and for other purposes.

S. 1277

At the request of Mr. GRASSLEY, the name of the Senator from Kansas (Mr. ROBERTS) was added as a cosponsor of S. 1277, a bill to amend title XIX of the Social Security Act to establish a new prospective payment system for Federally-qualified health centers and rural health clinics.

S. 1291

At the request of Mr. DEWINE, the name of the Senator from Maine (Ms. SNOWE) was added as a cosponsor of S. 1291, a bill to amend the Internal Revenue Code of 1986 to allow small business employers a credit against income tax for certain expenses for long-term training of employees in highly skilled small business trades.

S. 1304

At the request of Mrs. MURRAY, the name of the Senator from Virginia (Mr. ROBB) was added as a cosponsor of S. 1304, a bill to amend the Family and Medical Leave Act of 1993 to allow employees to take school involvement leave to participate in the academic school activities of their children or to participate in literacy training, and for other purposes.

S. 1488

At the request of Mr. GORTON, the names of the Senator from Arkansas (Mrs. LINCOLN), the Senator from California (Mrs. FEINSTEIN), and the Senator from Arkansas (Mr. HUTCHINSON) were added as cosponsors of S. 1488, a bill to amend the Public Health Service Act to provide for recommendations of the Secretary of Health and Human Services regarding the placement of automatic external defibrillators in Federal buildings in order to improve survival rates of individuals who experience cardiac arrest in such buildings, and to establish protections from civil liability arising from the emergency use of the devices.

S. 1547

At the request of Mr. BURNS, the name of the Senator from Nevada (Mr. REID) was added as a cosponsor of S. 1547, a bill to amend the Communications Act of 1934 to require the Federal Communications Commission to preserve low-power television stations that provide community broadcasting, and for other purposes.

S. 1571

At the request of Mr. JEFFORDS, the name of the Senator from Mississippi (Mr. COCHRAN) was added as a cosponsor of S. 1571, A bill to amend title 38, United States Code, to provide for permanent eligibility of former members of the Selected Reserve for veterans housing loans.

S. 1590

At the request of Mr. CRAPO, the names of the Senator from Massachusetts (Mr. KERRY) and the Senator from Pennsylvania (Mr. SPECTER) were added as cosponsors of S. 1590, a bill to amend title 49, United States Code, to modify the authority of the Surface Transportation Board, and for other purposes.

S. 1623

At the request of Mr. SPECTER, the name of the Senator from Utah (Mr. HATCH) was added as a cosponsor of S. 1623, a bill to select a National Health Museum site.

S. 1666

At the request of Mr. LUGAR, the name of the Senator from Vermont (Mr. LEAHY) was added as a cosponsor of S. 1666, a bill to provide risk education assistance to agricultural producers, and for other purposes.

SENATE RESOLUTION 118

At the request of Mr. REID, the name of the Senator from South Dakota (Mr. JOHNSON) was added as a cosponsor of Senate Resolution 118, a resolution designating December 12, 1999, as ''National Children's Memorial Day.''

SENATE CONCURRENT RESOLUTION 59—URGING THE PRESIDENT TO NEGOTIATE A NEW BASE RIGHTS AGREEMENT WITH THE GOVERNMENT OF PANAMA IN ORDER FOR UNITED STATES ARMED FORCES TO BE STATIONED IN PANAMA AFTER DECEMBER 31, 1999

Mr. SMITH of New Hampshire (for himself, Mr. BROWNBACK, and Mr. HELMS) submitted the following concurrent resolution; which was referred to the Committee on Foreign Relations:

S. CON. RES. 59

Whereas the Panama Canal remains a vital economic and strategic asset to the United States, its allies, and the world;

Whereas the United States has maintained a military presence in Panama since Panama gained its independence in 1903, ensuring the protection of the Canal and its unfettered operations;

Whereas the United States Armed Forces have depended upon the Panama Canal for rapid transit in times of global conflict, including during World War II, the Korean War, the Vietnam War, the Cuban Missile Crisis, and the Persion Gulf War;

Whereas the 1977 Treaty Concerning the Permanent Neutrality and Operation of the Panama Canal provides that Panama and the United States have the joint responsibility to ensure that the Panama Canal will remain open and secure, and provides that each signatory, in accordance with their constitutional processes, shall defend the Canal against any threat to its neutrality and shall have the right to act against threats against the peaceful transit of vessels through the Canal;

Whereas the Government of Panama, in the bilateral Protocol of Exchange of instruments of ratification, agreed to consider negotiating future arrangements or agreements to maintain military forces necessary to fulfill the responsibility of both signatories to maintain the neutrality of the Canal;

Whereas the common interests of Panama and the United States have produced close relations between the two nations and a shared interest in protecting the Canal and its operations;

Whereas public opinion surveys in Panama consistently demonstrate that an estimated 70 percent of the people of Panama support a continued United States military presence in Panama;

Whereas Panama and the United States are both confronting growing problems with illegal drug trafficking, money laundering, and narcoterrorism in the Western Hemisphere, and those problems threaten peace and security in the region;

Whereas facilities now utilized by the United States Armed Forces in Panama are essential to the coordination of any counternarcotic efforts in the region;

Whereas the Revolutionary Armed Forces of Colombia (FARC), a narco-trafficking terrorist organization, is operating from Panamanian territory and poses a risk to the security of Panama and to the stability of Latin America;

Whereas the former United States Ambassador to Panama and others have protested the lack of transparency and the unorthodox bidding process in the granting of leases for the port facilities at Balboa and Cristobal in 1997 during the Administration of former Panamanian President Balladares; and

Whereas the passage of Panama Law Number 5 and the lease agreements for the port facilities at Balboa and Cristobal, because of

reputed affiliations between the leaseholder and the People's Republic of China and the People's Liberation Army, have created concern about the future security of the Canal and its continued unfettered operations and the future disposition of United States facilities in Panama: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That it is the sense of Congress that—

(1) the President should negotiate a new base rights agreement with the newly inaugurated Government of Panama—

(A) to permit stationing of United States Armed Forces in Panama beyond December 31, 1999; and

(B) to ensure that the Panama Canal remains open, secure, and neutral, consistent with the Panama Canal Treaty, the Treaty Concerning the Permanent Neutrality and Operation of the Panama Canal, and the resolutions of ratification thereto;

(2) the President should ensure that United States military facilities which could be utilized for stationing of United States Armed Forces shall be fully maintained and secured if the Government of Panama is willing to enter into good faith negotiations for a continued United States military presence; and

(3) the President should consult with Congress throughout the negotiations described in paragraph (1).

SEC. 2. The Secretary of the Senate shall transmit a copy of this concurrent resolution to the President.

AMENDMENTS SUBMITTED

BIPARTISAN CAMPAIGN REFORM ACT OF 1999

MCCONNELL AMENDMENT NO. 2293

Mr. MCCONNELL proposed an amendment to the bill (S. 1593) to amend the Federal Election Campaign Act of 1971 to provide bipartisan campaign reform; as follows:

At the appropriate place, insert the following:

SEC. . REQUIRING SENATORS TO REPORT CREDIBLE INFORMATION OF CORRUPTION.

The Standing Rules of the Senate are amended by adding at the end the following:

''RULE XLIV

''REQUIRING SENATORS TO REPORT CREDIBLE INFORMATION OF CORRUPTION

''(a) A Senator shall report to the Select Committee on Ethics any credible information available to him or her that indicates that any Senator may have—

''(1) violated the Senate Code of Office Conduct;

''(2) violated a law; or

''(3) violated any rule or regulation of the Senate relating to the conduct of individuals in the performance of their duties as Senators.

''(b) Information may be reported under subsection (a) to the Chairman, the Vice Chairman, a Committee member, or the staff director of the Select Committee on Ethics.''.

SEC. . BRIBERY PENALTIES FOR PUBLIC OFFICIALS.

Section 201(b) of title 18, United States Code, is amended by inserting before the period at the end the following: '', except that, with respect to a person who violates paragraph (2), the amount of the fine under this subsection shall be not less than $100,000, the term of imprisonment shall be not less than 1 year, and such person shall be disqualified from holding any office of honor, trust, or profit under the United States''.

MCCAIN AMENDMENT NO. 2294

Mr. MCCAIN proposed an amendment to the bill, S. 1593, supra; as follows:

At the end of the bill, add the following:

SEC. . DISCLOSURE REQUIREMENTS FOR CERTAIN MONEY EXPENDITURES OF POLITICAL PARTIES.

(a) TRANSFERS OF FUNDS BY NATIONAL POLITICAL PARTIES.—Section 304(b)(4) of the Federal Election Campaign Act of 1971 (2 U.S.C. 434(b)(4)) is amended—

(1) by striking ''and'' at the end of subparagraph (H);

(2) by adding ''and'' at the end of subparagraph (I); and

(3) by adding at the end the following new subparagraph:

''(J) in the case of a political committee of a national political party, all funds transferred to any political committee of a State or local political party, without regard to whether or not the funds are otherwise treated as contributions or expenditures under this title;''.

(b) DISCLOSURE BY STATE AND LOCAL POLITICAL PARTIES OF INFORMATION REPORTED UNDER STATE LAW.—Section 304 of Federal Election Campaign Act of 1971 (2 U.S.C. 434), as amended by section 4, is amended by adding at the end the following:

''(e) If a political committee of a State or local political party is required under a State or local law to submit a report to an entity of State or local government regarding its disbursements, the committee shall file a copy of the report with the Commission at the same time it submits the report to such entity.''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to elections occurring after January 2001.

SEC. ___. PROMOTING EXPEDITED AVAILABILITY OF FEC REPORTS.

(a) MANDATORY ELECTRONIC FILING.—Section 304(a)(11)(A) of the Federal Election Campaign Act of 1971 (2 U.S.C. 434(a)(11)(A)) is amended by striking ''permit reports required by'' and inserting ''require reports under''.

(b) REQUIRING REPORTS FOR ALL CONTRIBUTIONS MADE TO ANY POLITICAL COMMITTEE WITHIN 90 DAYS OF ELECTION; REQUIRING REPORTS TO BE MADE WITHIN 24 HOURS.—Section 304(a)(6) of Federal Election Campaign Act of 1971 (2 U.S.C. 434(a)(6)) is amended to read as follows:

''(6)(A) Each political committee shall notify the Secretary or the Commission, and the Secretary of State, as appropriate, in writing, of any contribution received by the committee during the period which begins on the 90th day before an election and ends at the time the polls close for such election. This notification shall be made within 24 hours (or, if earlier, by midnight of the day on which the contribution is deposited) after the receipt of such contribution and shall include the name of the candidate involved (as appropriate) and the office sought by the candidate, the identification of the contributor, and the date of receipt and amount of the contribution.

''(B) The notification required under this paragraph shall be in addition to all other reporting requirements under this Act.''.

(c) INCREASING ELECTRONIC DISCLOSURE.—Section 304 of Federal Election Campaign Act of 1971 (2 U.S.C. 434(a)), as amended by section 6(b), is amended by adding at the end the following:

''(f) The Commission shall make the information contained in the reports submitted under this section available on the Internet and publicly available at the offices of the Commission as soon as practicable (but in no case later than 24 hours) after the information is received by the Commission.''.

(d) EFFECTIVE DATE.—The amendment made by this section shall apply with respect to reports for periods beginning on or after January 1, 2001.

THE VALLEY FORGE MUSEUM OF THE AMERICAN REVOLUTION ACT OF 1999

MURKOWSKI AMENDMENT NO. 2295

Mr. SANTORUM (for Mr. MURKOWSKI) proposed an amendment to the bill (H.R. 659) to authorize appropriations for the protection of Paoli and Brandywine Battlefields in Pennsylvania, to direct the National Park Service to conduct a special resource study of Paoli and Brandywine Battlefields, to authorize the Valley Forge Museum of the American Revolution at Valley Forge National Historical Park, and for other purposes; as follows:

Strike all after the enacting clause and insert the following:

''SECTION 1. SHORT TITLE.

This Act may be cited as the ''Pennsylvania Battlefields Protection Act of 1999''.

TITLE I—PAOLI AND BRANDYWINE BATTLEFIELDS

SEC. 101. PAOLI BATTLEFIELD PROTECTION.

(a) PAOLI BATTLEFIELD.—The Secretary of the Interior (hereinafter referred to as the ''Secretary'') is authorized to provide funds to the borough of Malvern, Pennsylvania, for the acquisition of the area known as the ''Paoli Battlefield'', located in the borough of Malvern, Pennsylvania, as generally depicted on the map entitled ''Paoli Battlefield'' numbered 80,000 and dated April 1999 (referred to in this title as the ''Paoli Battlefield''). The map shall be on file and available for public inspection in the appropriate offices of the National Park Service.

(b) COOPERATIVE AGREEMENT AND TECHNICAL ASSISTANCE.—The Secretary shall enter into a cooperative agreement with the borough of Malvern, Pennsylvania, for the management by the borough of the Paoli Battlefield. The Secretary may provide technical assistance to the borough of Malvern to assure the preservation and interpretation of the Paoli Battlefield's resources.

(c) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated $1,250,000 to carry out this section. Such funds shall be expended in the ratio of one dollar of Federal funds for each dollar of funds contributed by non-Federal sources. Any funds provided by the Secretary shall be subject to an agreement that provides for the protection of the Paoli Battlefields's resources.

SEC. 102. BRANDYWINE BATTLEFIELD PROTECTION.

(A) BRANDYWINE BATTLEFIELD.—

(1) IN GENERAL.—The Secretary is authorized to provide funds to the Commonwealth of Pennsylvania, a political subdivision of the Commonwealth, or the Brandywine Conservancy, for the acquisition, protection, and preservation of land in an area generally known as the Meetinghouse Road Corridor, located in Chester County, Pennsylvania, as depicted on a map entitled ''Brandywine Battlefield—Meetinghouse Road Corridor'', numbered 80,000 and dated April 1999 (referred to in this title as the ''Brandywine

Battlefield''). The map shall be on file and available for public inspection in the appropriate offices of the National Park Service.

(2) WILLING SELLERS OR DONORS.—Lands and interests in land may be acquired pursuant to this section only with the consent of the owner thereof.

(b) COOPERATIVE AGREEMENT AND TECHNICAL ASSISTANCE.—The Secretary shall enter into a cooperative agreement with the same entity that is provided funds under subsection (a) for the management by the entity of the Brandywine Battlefield. The Secretary may also provide technical assistance to the entity to assure the preservation and interpretation of the Brandywine Battlefield's resources.

(c) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated $3,000,000 to carry out this section. Such funds shall be expended in the ratio of one dollar of Federal funds for each dollar of funds contributed by non-Federal sources. Any funds provided by the Secretary shall be subject to an agreement that provides for the protection of the battlefield's resources.

TITLE II—VALLEY FORGE NATIONAL HISTORICAL PARK

SEC. 201. PURPOSE.

(a) The purpose of this title is to authorize the Secretary of the Interior to enter into an agreement with the Valley Forge Historical Society (hereinafter referred to as the ''Society''), to construct and operate a museum within the boundary of Valley Forge National Historical Park in cooperation with the Secretary.

SEC. 202. VALLEY FORGE MUSEUM OF THE AMERICAN REVOLUTION AUTHORIZATION.

(a) AGREEMENT AUTHORIZED.—The Secretary of the Interior, in administering the Valley Forge National Historical Park, is authorized to enter into an agreement under appropriate terms and conditions with the Society to facilitate the planning, construction, and operation of Valley Forge Museum of the American Revolution on Federal land within the boundary of Valley Forge National Historical Park.

(b) CONTENTS AND IMPLEMENTATION OF AGREEMENT.—An agreement entered into under subsection (a) shall—

(1) authorize the Society to develop and operate the museum pursuant to plans developed by the Secretary and to provide at the museum appropriate and necessary programs and services to visitors to Valley Forge National Historical Park related to the story of Valley Forge and the American Revolution;

(2) only be carried out in a manner consistent with the General Management Plan and other plans for the preservation and interpretation of the resources and values of Valley Forge National Historical Park;

(3) authorize the Secretary to undertake at the museum activities related to the management of Valley Forge National Historical Park, including, but not limited to, provision of appropriate visitor information and interpretive facilities and programs related to Valley Forge National Historical Park;

(4) authorize the Society, acting as a private nonprofit organization, to engage in activities appropriate for operation of the museum that may include, but are not limited to, charging appropriate fees, conducting events, and selling merchandise, tickets, and food to visitors to the museum;

(5) provide that the Society's revenues from the museum's facilities and services shall be used to offset the expenses of the museum's operation; and

(6) authorize the Society to occupy the museum so constructed for the term specified in the Agreement and subject to the following terms and conditions:

(A) The conveyance by the Society to the United States of all right, title, and interest in the museum to be constructed at Valley Forge National Historical Park.

(B) The Society's right to occupy and use the museum shall be for the exhibition, preservation, and interpretation of artifacts associated with the Valley Forge story and the American Revolution, to enhance the visitor experience of Valley Forge National Historical Park, and to conduct appropriately related activities of the society consistent with its mission and with the purposes for which the Valley Forge National Historical Park was established. Such right shall not be transferred or conveyed without the express consent of the Secretary.

(C) Any other terms and conditions the Secretary determines to be necessary.

SEC. 203. PRESERVATION AND PROTECTION.

Nothing in this title authorizes the Secretary or the Society to take any actions in derogation of the preservation and protection of the values and resources of Valley Forge National Historical Park. An agreement entered into under section 203 shall be construed and implemented in light of the high public value and integrity of the Valley Forge National Historical Park and the National Park System.

Amend the title so as to read: ''An Act to authorize appropriations for the protection of Paoli and Brandywine Battlefields in Pennsylvania, to authorize the Valley Forge Museum of the American Revolution at Valley Forge National Historical Park, and for other purposes.''

FALLEN TIMBERS BATTLEFIELD AND FORT MIAMIS NATIONAL HISTORICAL SITE ACT

DEWINE AMENDMENT NO. 2296

Mr. SANTORUM (for Mr. DEWINE) proposed an amendment to the bill (S. 548) to establish the Fallen Timbers Battlefield and Fort Miamis National Historical Site in the State of Ohio; as follows:

Beginning on page 10, strike line 23 and all that follows through page 11, line 11, and insert the following:

(4) The term ''management entity'' means the Metropolitan Park District of the Toledo Area.

On page 15, line 7, strike ''use or disposal'' and insert ''use, or disposal''.

On page 15, line 13, strike ''use of disposal'' and insert ''use, or disposal''.

HAWAII VOLCANOES NATIONAL PARK ADJUSTMENT ACT OF 1999

AKAKA AMENDMENT NO. 2297

Mr. SANTORUM (for Mr. AKAKA) proposed an amendment to the bill (S. 938) to eliminate restrictions on the acquisition of certain land contiguous to Hawaii Volcanoes National Park, and for other purposes; as follows:

On page 2, after line 11, insert the following new sections:;

SEC. 3. CORRECTIONS IN DESIGNATIONS OF HAWAIIAN NATIONAL PARKS

(a) HAWAI'I VOLCANOES NATIONAL PARK.—

(1) IN GENERAL.—Public Law 87–278 (75 Stat. 577) is amended by striking ''Hawaii Volcanoes National Park'' each place it appears and inserting ''Hawai'i Volcanoes National Park''.

(2) REFERENCES.—Any reference in any law (other than this Act), regulation, document, record, map, or other paper of the United States to ''Hawaii Volcanoes National Park'' shall be considered a reference to ''Hawai'i Volcanoes National Park''.

(b) HALEAKALĀ NATIONAL PARK.—

(1) IN GENERAL.—Public Law 86–744 (74 Stat. 881) is amended by striking ''Haleakala National Park'' and inserting ''Haleakalā National Park''.

(2) REFERENCES.—Any reference in any law (other than this Act), regulation, document, record, map, or other paper of the United States to ''Haleakala National Park'' shall be considered a reference to ''Haleakalā National Park''.

(c) KALOKO-HONOKŌHAU.—

(1) IN GENERAL.—Section 505 of the National Parks and Recreation Act of 1978 (16 U.S.C. 396d) is amended—

(A) in the section heading, by striking ''HALOKO-HONOKŌHAU'' and inserting ''HALOKO-HONOKŌHAU''; and

(B) by striking ''Kaloko-Honokohau'' each place it appears and inserting ''Kaloko-Honokōhau''.

(2) REFERENCES.—Any reference in any law (other than this Act), regulation, document, record, map, or other paper of the United States to ''Kaloko-Honokohau National Historical Park'' shall be considered a reference to ''Kaloko-Honokōhau National Historical Park''.

(d) PUÙHONUA O HŌAUNAU NATIONAL HISTORICAL PARK.—

(1) IN GENERAL.—The Act of July 21, 1955 (chapter 385; 69 Stat. 376), as amended by section 305 of the National Parks and Recreation Act of 1978 (92 Stat. 3477), is amended by striking ''Puuhonua o Honaunau National Historical Park'' each place it appears and inserting ''Puùhonua o Hōnaunau National Historical Park''.

(2) REFERENCES.—Any reference in any law (other than this Act), regulation, document, record, map, or other paper of the United States to ''Puuhonua o Honaunau National Historical Park shall be considered a reference to ''Puùhonua o Hōnaunau National Historical Park''.

(e) PUÙKOHOLĀ HEIAU NATIONAL HISTORIC SITE.—

(1) IN GENERAL.—Public Law 93–388 (86 Stat. 562) is amended by striking ''Puukohola Heiau National Historic Site'' each place it appears and inserting ''Puùkoholā Heiau National Historic Site''.

(2) References.—Any reference in any law (other than this Act), regulation, document, record, map, or other paper of the United States to ''Puukohola Heiau National Historic Site'' shall be considered a reference to ''Puùkoholā Heiau National Historic Site''.

SEC. 4. CONFORMING AMENDMENTS

(a) Section 401(8) of the National Parks and Recreation Act of 1978 (Public Law 95–625; 92 Stat. 3489) is amended by striking ''Hawaii Volcanoes'' each place it appears and inserting ''Hawai'i Volcanoes''.

(b) The first section of Public Law 94–567 (90 Stat. 2692) is amended in subsection (e) by striking ''Haleakala'' each place it appears and inserting ''Haleakalā''.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY

Mr. BENNETT. Mr. President, I ask unanimous consent that the Committee on Agriculture, Nutrition, and Forestry, be allowed to meet during the session of the Senate on Thursday, October 14, 1999. The purpose of this meeting will be to discuss risk management and crop insurance.

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

COMMITTEE ON ARMED SERVICES

Mr. BENNETT. Mr. President, I ask unanimous consent that the Committee on Armed Services be authorized to meet at 9:30 a.m., on Thursday, October 14, 1999, in open session, to receive testimony on the lessons learned from the military operations conducted as part of Operation Allied Force, and associated relief operations, with respect to Kosovo.

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

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. BENNETT. 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 Thursday, October 14, for purposes of conducting a full committee hearing which is scheduled to begin at 9:30 a.m. The purpose of this hearing is to receive testimony on S. 1683, a bill to make technical changes to the Alaska Lands Conservation Act; S. 1686, a bill to provide for the conveyances of land interests to Chugach Alaska Corporation to fulfill the intent, purpose, and promise of the Alaska Native Claims Settlement Act, and for other purposes; S. 1702, a bill to amend the Alaska Native Claims Settlement Act to allow shareholder common stock to be transferred to adopted Alaska Native Children and their descendants, and for other purposes; H.R. 2841, a bill to amend the Revised Organic Act of the Virgin Islands to provide for greater fiscal autonomy consistent with other United States jurisdictions, and for other purposes; and H.R. 2368, the Bikini Resettlement and Relocation Act of 1999.

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

COMMITTEE ON THE JUDICIARY

Mr. BENNETT. Mr. President, the Committee on the Judiciary requests unanimous consent to conduct a markup on Thursday, October 14, 1999 beginning at 10 a.m. in Dirksen Room 226.

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

SELECT COMMITTEE ON INTELLIGENCE

Mr. BENNETT. Mr. President, I ask unanimous consent that the Select Committee on Intelligence be authorized to meet during the session of the Senate on Thursday, October 14, 1999 at 2 p.m. to hold a closed hearing on intelligence matters.

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

SPECIAL COMMITTEE ON THE YEAR 2000 TECHNOLOGY PROBLEM

Mr. BENNETT. Mr. President, I ask unanimous consent that the Special Committee on the Year 2000 Technology Problem be permitted to meet on October 14, 1999 at 9:30 a.m. for the purpose of conducting a hearing.

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

SUBCOMMITTEE ON CLEAN AIR, WETLANDS, PRIVATE PROPERTY, AND NUCLEAR SAFETY

Mr. BENNETT. Mr. President, I ask unanimous consent that the Subcommittee on Clean Air, Wetlands, Private Property, and Nuclear Safety be granted permission to conduct a hearing Thursday, October 14, 9 a.m., Hearing Room (SD–406), on the reauthorization of the Clean Air Act.

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

SUBCOMMITTEE ON FOREST AND PUBLIC LAND MANAGEMENT

Mr. BENNETT. Mr. President, I ask unanimous consent that the Subcommittee on Forests and Public Land Management of the Committee on Energy and Natural Resources be granted permission to meet during the session of the Senate on Thursday, October 14, for purposes of conducting a Subcommittee on Forests and Public Lands Management hearing which is scheduled to begin at 2:30 p.m. The purpose of this hearing is to receive testimony on S. 610, a bill to direct the Secretary of the Interior to convey certain land under the jurisdiction of the Bureau of Land Management in Washakie County and Big Horn County, Wyoming, to the Westside Irrigation District, Wyoming, and for other purposes; S. 1218, a bill to direct the Secretary of the interior to issue the Landusky School District, without consideration, a patent for the surface and mineral estates of certain lots, and for other purposes; S. 1343, a bill to direct the Secretary of Agriculture to convey certain National Forest land to Elko County, Nevada, for continued use as a cemetery; S. 408, a bill to direct the Secretary of the Interior to convey a former Bureau of Land Management administrative site to the City of Carson City, Nevada, for use as a senior center; S. 1629, a bill to provide for the exchange of certain land in the state of Oregon; and S. 1599, a bill to authorize the Secretary of Agriculture to sell or exchange all or part of certain administrative sites and other land in the Black Hills National Forest and to use funds derived from the sale or exchange to acquire replacement sites and to acquire or construct administrative improvements in connection with the Black Hills National Forest.

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

SUBCOMMITTEE ON INVESTIGATIONS

Mr. BENNETT. Mr. President, I ask unanimous consent that the Permanent Subcommittee on Investigations of the Governmental Affairs Committee be permitted to meet on Thursday, October 14, 1999, at 9:30 a.m., for a hearing entitled ''Conquering Diabetes: Are We Taking Full Advantage of the Scientific Opportunities For Research?.''

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

SUBCOMMITTEE ON NEAR EASTERN AND SOUTH ASIAN AFFAIRS

Mr. BENNETT. Mr. President, I ask unanimous consent that the subcommittee on near Eastern and South Asian Affairs be authorized to meet during the session of the Senate on Thursday, October 14, 1999 at 2 p.m. to hold a hearing.

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

STAR PRINT—S. 1678

Mr. SANTORUM. Mr. President, I ask unanimous consent that the S. 1678 be star printed with changes that are at the desk.

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

PENNSYLVANIA BATTLEFIELDS PROTECTION ACT OF 1999

Mr. SANTORUM. Mr. President, I ask unanimous consent that H.R. 659 be discharged from the Energy Committee, and further, the Senate proceed to its immediate consideration.

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

The clerk will report the bill by title.

The legislative assistant read as follows:

A bill (H.R. 659) to authorize appropriations for protection of Paoli and Brandywine Battlefields in Pennsylvania, to direct the National Park Service to conduct a special resource study of Paoli and Brandywine Battlefields, to authorize the Valley Forge Museum of the American Revolution at Valley Forge National Historical Park, and for other purposes.

There being no objection, the Senate proceeded to consider the bill.

AMENDMENT NO. 2295

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

The PRESIDING OFFICER. The clerk will report.

The legislative assistant read as follows:

The Senator from Pennsylvania [Mr. SANTORUM], FOR MR. MURKOWSKI, proposes an amendment numbered 2295.

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

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

The amendment is as follows:

Strike all after the enacting clause and insert the following:

''SECTION 1. SHORT TITLE.

This Act may be cited as the ''Pennsylvania Battlefields Protection Act of 1999''.

TITLE I—PAOLI AND BRANDYWINE BATTLEFIELDS

SEC. 101. PAOLI BATTLEFIELD PROTECTION.

(a) PAOLI BATTLEFIELD.—The Secretary of the Interior (hereinafter referred to as the ''Secretary'') is authorized to provide funds to the borough of Malvern, Pennsylvania, for the acquisition of the area known as the ''Paoli Battlefield'', located in the borough of Malvern, Pennsylvania, as generally depicted on the map entitled ''Paoli Battlefield'' numbered 80,000 and dated April 1999 (referred to in this title as the ''Paoli Battlefield''). The map shall be on file and available for public inspection in the appropriate offices of the National Park Service.

(b) COOPERATIVE AGREEMENT AND TECHNICAL ASSISTANCE.—The Secretary shall enter into a cooperative agreement with the borough of Malvern, Pennsylvania, for the management by the borough of the Paoli Battlefield. The Secretary may provide technical assistance to the borough of Malvern to assure the preservation and interpretation of the Paoli Battlefield's resources.

(c) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated $1,250,000 to carry out this section. Such funds shall be expended in the ratio of one dollar of Federal funds for each dollar of funds contributed by non-Federal sources. Any funds provided by the Secretary shall be subject to an agreement that provides for the protection of the Paoli Battlefields's resources.

SEC. 102. BRANDYWINE BATTLEFIELD PROTECTION.

(A) BRANDYWINE BATTLEFIELD.—

(1) IN GENERAL.—The Secretary is authorized to provide funds to the Commonwealth of Pennsylvania, a political subdivision of the Commonwealth, or the Brandywine Conservancy, for the acquisition, protection, and preservation of land in an area generally known as the Meetinghouse Road Corridor, located in Chester County, Pennsylvania, as depicted on a map entitled ''Brandywine Battlefield—Meetinghouse Road Corridor'', numbered 80,000 and dated April 1999 (referred to in this title as the ''Brandywine Battlefield''). The map shall be on file and available for public inspection in the appropriate offices of the National Park Service.

(2) WILLING SELLERS OR DONORS.—Lands and interests in land may be acquired pursuant to this section only with the consent of the owner thereof.

(b) COOPERATIVE AGREEMENT AND TECHNICAL ASSISTANCE.—The Secretary shall enter into a cooperative agreement with the same entity that is provided funds under subsection (a) for the management by the entity of the Brandywine Battlefield. The Secretary may also provide technical assistance to the entity to assure the preservation and interpretation of the Brandywine Battlefield's resources.

(c) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated $3,000,000 to carry out this section. Such funds shall be expended in the ratio of one dollar of Federal funds for each dollar of funds contributed by non-Federal sources. Any funds provided by the Secretary shall be subject to an agreement that provides for the protection of the battlefield's resources.

TITLE II—VALLEY FORGE NATIONAL HISTORICAL PARK

SEC. 201. PURPOSE.

(a) The purpose of this title is to authorize the Secretary of the Interior to enter into an agreement with the Valley Forge Historical Society (hereinafter referred to as the ''Society''), to construct and operate a museum within the boundary of Valley Forge National Historical Park in cooperation with the Secretary.

SEC. 202. VALLEY FORGE MUSEUM OF THE AMERICAN REVOLUTION AUTHORIZATION.

(a) AGREEMENT AUTHORIZED.—The Secretary of the Interior, in administering the Valley Forge National Historical Park, is authorized to enter into an agreement under appropriate terms and conditions with the Society to facilitate the planning, construction, and operation of Valley Forge Museum of the American Revolution on Federal land within the boundary of Valley Forge National Historical Park.

(b) CONTENTS AND IMPLEMENTATION OF AGREEMENT.—An agreement entered into under subsection (a) shall—

(1) authorize the Society to develop and operate the museum pursuant to plans developed by the Secretary and to provide at the museum appropriate and necessary programs and services to visitors to Valley Forge National Historical Park related to the story of Valley Forge and the American Revolution;

(2) only be carried out in a manner consistent with the General Management Plan and other plans for the preservation and interpretation of the resources and values of Valley Forge National Historical Park;

(3) authorize the Secretary to undertake at the museum activities related to the management of Valley Forge National Historical Park, including, but not limited to, provision of appropriate visitor information and interpretive facilities and programs related to Valley Forge National Historical Park;

(4) authorize the Society, acting as a private nonprofit organization, to engage in activities appropriate for operation of the museum that may include, but are not limited to, charging appropriate fees, conducting events, and selling merchandise, tickets, and food to visitors to the museum;

(5) provide that the Society's revenues from the museum's facilities and services shall be used to offset the expenses of the museum's operation; and

(6) authorize the Society to occupy the museum so constructed for the term specified in the Agreement and subject to the following terms and conditions:

(A) The conveyance by the Society to the United States of all right, title, and interest in the museum to be constructed at Valley Forge National Historical Park.

(B) The Society's right to occupy and use the museum shall be for the exhibition, preservation, and interpretation of artifacts associated with the Valley Forge story and the American Revolution, to enhance the visitor experience of Valley Forge National Historical Park, and to conduct appropriately related activities of the society consistent with its mission and with the purposes for which the Valley Forge National Historical Park was established. Such right shall not be transferred or conveyed without the express consent of the Secretary.

(C) Any other terms and conditions the Secretary determines to be necessary.

SEC. 203. PRESERVATION AND PROTECTION.

Nothing in this title authorizes the Secretary or the Society to take any actions in derogation of the preservation and protection of the values and resources of Valley Forge National Historical Park. An agreement entered into under section 203 shall be construed and implemented in light of the high public value and integrity of the Valley Forge National Historical Park and the National Park System.

Amend the title so as to read: ''An Act to authorize appropriations for the protection of Paoli and Brandywine Battlefields in Pennsylvania, to authorize the Valley Forge Museum of the American Revolution at Valley Forge National Historical Park, and for other purposes.''.

Mr. SANTORUM. Mr. President, I thank all of those who have been involved in trying to clear this piece of legislation. This is a very important piece of legislation for the preservation of the Paoli and Brandywine Battlefields. There is money in the Interior Appropriations bill to help with the State and local funds to combine to purchase a piece of the battlefield that would otherwise be sold for development. It would be a real tragedy to lose a Revolutionary War battlefield because of inaction in the Senate.

I appreciate the bipartisan support we had to clear this particular bill because the deadline is tomorrow. The development contract would have been exercised, and we would not have been able to purchase this land by clearing this bill today in time to get that done. It is very important to the people in that community.

I thank the minority leader, Senator DASCHLE, Senator BINGAMAN, Senator JOHNSON, and many others who were involved in helping to clear this issue on the Democratic side, and I certainly thank Senator MURKOWSKI for his effort in putting that together on the Republican side. Obviously, the sponsors of the bill, Senator SPECTER and myself, are appreciative of the work that was done to take this bill out of what is a very big stack of bills that I know many Members want to have moved in the Senate and to treat this specially because of the time sensitivity. At a time when comity is short because of how difficult these last few weeks have been, people have put those kinds of differences aside and recognized what is in the best interest of all involved. That speaks volumes for both sides of the aisle. So I want to commend, in a time of difficulty, and maybe even rancor, the people who put their differences aside and did do what is right. It is a heartening thing to me personally, and it is certainly something that I will long remember and appreciate.

Mr. President, I ask unanimous consent that the amendment be agreed to, the bill, as amended, be read the third time and passed, the title amendment be agreed to, and the motion to reconsider be laid upon the table.

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

The amendment (No. 2295) was agreed to.

The bill (H.R. 659), as amended, was read the third time and passed.

The bill will be printed in a future edition of the RECORD.

The title was amended so as to read: An Act to authorize appropriations for the protection of Paoli and Brandywine Battlefields in Pennsylvania, to authorize the Valley Forge Museum of the American Revolution at Valley Forge National Historical Park, and for other purposes.

THE CALENDAR

Mr. SANTORUM. Mr. President, I now ask unanimous consent that the Senate proceed en bloc to the following bills on the calendar: Calendar No. 134, S. 548; Calendar No. 174, S. 938; Calendar No. 173, S. 762.

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

Mr. SANTORUM. Mr. President, I ask unanimous consent that amendment No. 2296 to S. 548 be agreed to and amendment No. 2297 to S. 938 be agreed to.

I further ask unanimous consent that any committee amendment, if applicable, be agreed to, the bills be read a third time, passed, and the motion to reconsider be laid upon the table, and that any statements relating to any of

these bills be printed in the RECORD, with the above occurring en bloc.

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

FALLEN TIMBERS BATTLEFIELD AND FORT MIAMIS NATIONAL HISTORICAL SITE ACT

The Senate proceeded to consider the bill (S. 548) to establish the Fallen Timbers Battlefield and Fort Miamis National Historical Site in the State of Ohio, which had been reported from the Committee on Energy and Natural Resources, with an amendment to strike all after the enacting clause and inserting in lieu thereof the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Fallen Timbers Battlefield and Fort Miamis National Historic Site Act of 1999''.

SEC. 2. DEFINITIONS.

As used in this Act:

(a) DEFINITIONS.—

(1) The term ''historic site'' means the Fallen Timbers Battlefield and Monument and Fort Miamis National Historic Site established by section 4 of this Act.

(2) The term ''management plan'' means the general management plan developed pursuant to section 5(d).

(3) The term ''Secretary'' means the Secretary of the Interior.

(4) The term ''management entity'' means one representative from each of the following organizations:

(A) The Ohio Historical Society;

(B) The City of Maumee;

(C) The Maumee Valley Heritage Corridor;

(D) The Fallen Timbers Battlefield Preservation Commission;

(E) Heidelberg College;

(F) The City of Toledo;

(G) The Metropark District of the Toledo Area; and

(H) any other 2 organizations designated by the Governor of Ohio.

(5) The term ''technical assistance'' means any guidance, advice, or other aid, other than financial assistance, provided by the Secretary.

SEC. 3. FINDINGS AND PURPOSES.

(a) FINDINGS.—Congress finds the following:

(1) The 185-acre Fallen Timbers Battlefield is the site of the 1794 battle between General Anthony Wayne and a confederation of Native American tribes led by Little Turtle and Blue Jacket.

(2) Fort Miamis was occupied by General Wayne's legion from 1796 to 1798.

(3) In the spring of 1813, British troops, led by General Henry Proctor, landed at Fort Miamis and attacked the fort twice, without success.

(4) Fort Miamis and Fallen Timbers Battlefield are in Lucas County, Ohio, in the city of Maumee.

(5) The 9-acre Fallen Timbers Battlefield Monument is listed as a National Historic Landmark.

(6) Fort Miamis is listed in the National Register of Historic Places as a historic site.

(7) In 1959, the Fallen Timbers Battlefield was included in the National Survey of Historic Sites and Buildings as 1 of 22 sites representing the ''Advance of the Frontier, 1763–1830''.

(8) In 1960, the Fallen Timbers Battlefield was designated as a National Historic Landmark.

(b) PURPOSES.—The purposes of this Act are—

(1) to recognize and preserve the 185-acre Fallen Timbers Battlefield site;

(2) to recognize and preserve the Fort Miamis site;

(3) to formalize the linkage of the Fallen Timbers Battlefield and Monument to Fort Miamis;

(4) to preserve and interpret United States military history and Native American culture during the period from 1794 through 1813;

(5) to provide assistance to the State of Ohio, political subdivisions of the State, and nonprofit organizations in the State to implement the management plan and develop programs that will preserve and interpret the historical, cultural, natural, recreational and scenic resources of the historic site; and

(6) to authorize the Secretary to provide technical assistance to the State of Ohio, political subdivisions of the State, and nonprofit organizations in the State, including the Ohio Historical Society, the city of Maumee, the Maumee Valley Heritage Corridor, the Fallen Timbers Battlefield Commission, Heidelberg College, the city of Toledo, and the Metropark District of the Toledo Area, to implement the management plan.

SEC. 4. ESTABLISHMENT OF THE FALLEN TIMBERS BATTLEFIELD AND FORT MIAMIS NATIONAL HISTORIC SITE.

(a) IN GENERAL.—There is established, as an affiliated area of the National Park System, the Fallen Timbers Battlefield and Fort Miamis National Historic Site in the State of Ohio.

(b) DESCRIPTION.—The historic site is comprised of the following as generally depicted on the map entitled Fallen Timbers Battlefield and Fort Miamis National Historical Site-proposed, number NHS–FTFM, and dated May 1999:

(1) The Fallen Timbers site, comprised generally of the following:

(A) The Fallen Timbers Battlefield site, consisting of an approximately 185-acre parcel located north of U.S. 24, west of U.S. 23/I–475, south of the Norfolk and Western Railroad line, and east of Jerome Road.

(B) The approximately 9-acre Fallen Timbers Battlefield Monument, located south of U.S. 24; and

(2) The Fort Miamis Park site.

(c) MAP.—The map shall be on file and available for public inspection in the appropriate offices of the National Park Service.

SEC. 5. ADMINISTRATION OF HISTORIC SITES.

(a) APPLICABILITY OF NATIONAL PARK SYSTEM LAWS.—The historic site shall be administered in a manner consistent with this Act and all laws generally applicable to units of the National Park System, including the Act of August 25, 1916 (16 U.S.C. 1, 2–4; commonly known as the National Park Service Organic Act), and the Act of August 21, 1935 (16 U.S.C. 461 et seq.; commonly known as the Historic Sites, Buildings, and Antiquities Act).

(b) COOPERATIVE AGREEMENT.—The Secretary may enter into a cooperative agreement with the management entity to provide technical assistance to ensure the marking, research, interpretation, education and preservation of the Fallen Timbers Battlefield and Fort Miamis National Historic Site.

(c) REIMBURSEMENT.—Any payment made by the Secretary pursuant to this section shall be subject to an agreement that conversion, use or disposal of the project so assisted for purposes contrary to the purposes of this section as determined by the Secretary, shall result in a right of the United States to reimbursement of all funds made available to such project or the proportion of the increased value of the project attributable to such funds as determined at the time of such conversion, use of disposal, whichever is greater.

(d) GENERAL MANAGEMENT PLAN.—

(1) IN GENERAL.—The Secretary, in consultation with the management entity and Native American tribes whose ancestors were involved in events at these sites, shall develop a general management plan for the historic site. The plan shall be prepared in accordance with section 12(b) of Public Law 91–383 (16 U.S.C. 1a–1 et seq.; commonly known as the National Park System General Authorities Act).

(2) COMPLETION.—The plan shall be completed not later than 2 years after the date funds are made available.

(3) TRANSMITTAL.—Not later than 30 days after completion of the plan, the Secretary shall provide a copy of the plan to the Committee on Energy and Natural Resources of the Senate and the Committee on Resources of the House of Representatives.

SEC. 6. AUTHORIZATION OF APPROPRIATIONS

There is authorized to be appropriated such funds as are necessary to carry out this Act.

Amendment No. 2296 was agreed to as follows:

Beginning on page 10, strike line 23 and all that follows through page 11, line 11, and insert the following:

(4) The term ''management entity'' means the Metropolitan Park District of the Toledo Area.

On page 15, line 7, strike ''use or disposal'' and insert ''use, or disposal''.

On page 15, line 13, strike ''use or disposal'' and insert ''use, or disposal''.

The committee amendment in the nature of a substitute, as amended, was agreed to.

The bill (S. 548), as amended, was passed, as follows:

S. 548

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 ''Fallen Timbers Battlefield and Fort Miamis National Historic Site Act of 1999''.

SEC. 2. DEFINITIONS.

As used in this Act:

(a) DEFINITIONS.—

(1) The term ''historic site'' means the Fallen Timbers Battlefield and Monument and Fort Miamis National Historic Site established by section 4 of this Act.

(2) The term ''management plan'' means the general management plan developed pursuant to section 5(d).

(3) The term ''Secretary'' means the Secretary of the Interior.

(4) The term ''management entity'' means the Metropolitan Park District of the Toledo Area.

(5) The term ''technical assistance'' means any guidance, advice, or other aid, other than financial assistance, provided by the Secretary.

SEC. 3. FINDINGS AND PURPOSES.

(a) FINDINGS.—Congress finds the following:

(1) The 185-acre Fallen Timbers Battlefield is the site of the 1794 battle between General Anthony Wayne and a confederation of Native American tribes led by Little Turtle and Blue Jacket.

(2) Fort Miamis was occupied by General Wayne's legion from 1796 to 1798.

(3) In the spring of 1813, British troops, led by General Henry Proctor, landed at Fort Miamis and attacked the fort twice, without success.

(4) Fort Miamis and Fallen Timbers Battlefield are in Lucas County, Ohio, in the city of Maumee.

(5) The 9-acre Fallen Timbers Battlefield Monument is listed as a National Historic Landmark.

(6) Fort Miamis is listed in the National Register of Historic Places as a historic site.

(7) In 1959, the Fallen Timbers Battlefield was included in the National Survey of Historic Sites and Buildings as 1 of 22 sites representing the ''Advance of the Frontier, 1763–1830''.

(8) In 1960, the Fallen Timbers Battlefield was designated as a National Historic Landmark.

(b) PURPOSES.—The purposes of this Act are—

(1) to recognize and preserve the 185-acre Fallen Timbers Battlefield site;

(2) to recognize and preserve the Fort Miamis site;

(3) to formalize the linkage of the Fallen Timbers Battlefield and Monument to Fort Miamis;

(4) to preserve and interpret United States military history and Native American culture during the period from 1794 through 1813;

(5) to provide assistance to the State of Ohio, political subdivisions of the State, and nonprofit organizations in the State to implement the management plan and develop programs that will preserve and interpret the historical, cultural, natural, recreational and scenic resources of the historic site; and

(6) to authorize the Secretary to provide technical assistance to the State of Ohio, political subdivisions of the State, and nonprofit organizations in the State, including the Ohio Historical Society, the city of Maumee, the Maumee Valley Heritage Corridor, the Fallen Timbers Battlefield Commission, Heidelberg College, the city of Toledo, and the Metropark District of the Toledo Area, to implement the management plan.

SEC. 4. ESTABLISHMENT OF THE FALLEN TIMBERS BATTLEFIELD AND FORT MIAMIS NATIONAL HISTORIC SITE.

(a) IN GENERAL.—There is established, as an affiliated area of the National Park System, the Fallen Timbers Battlefield and Fort Miamis National Historic Site in the State of Ohio.

(b) DESCRIPTION.—The historic site is comprised of the following as generally depicted on the map entitled Fallen Timbers Battlefield and Fort Miamis National Historical Site-proposed, number NHS–FTFM, and dated May 1999:

(1) The Fallen Timbers site, comprised generally of the following:

(A) The Fallen Timbers Battlefield site, consisting of an approximately 185-acre parcel located north of U.S. 24, west of U.S. 23/I–475, south of the Norfolk and Western Railroad line, and east of Jerome Road.

(B) The approximately 9-acre Fallen Timbers Battlefield Monument, located south of U.S. 24; and

(2) The Fort Miamis Park site.

(c) MAP.—The map shall be on file and available for public inspection in the appropriate offices of the National Park Service.

SEC. 5. ADMINISTRATION OF HISTORIC SITES.

(a) APPLICABILITY OF NATIONAL PARK SYSTEM LAWS.—The historic site shall be administered in a manner consistent with this Act and all laws generally applicable to units of the National Park System, including the Act of August 25, 1916 (16 U.S.C. 1, 2–4; commonly known as the National Park Service Organic Act), and the Act of August 21, 1935 (16 U.S.C. 461 et seq.; commonly known as the Historic Sites, Buildings, and Antiquities Act).

(b) COOPERATIVE AGREEMENT.—The Secretary may enter into a cooperative agreement with the management entity to provide technical assistance to ensure the marking, research, interpretation, education and preservation of the Fallen Timbers Battlefield and Fort Miamis National Historic Site.

(c) REIMBURSEMENT.—Any payment made by the Secretary pursuant to this section shall be subject to an agreement that conversion, use, or disposal of the project so assisted for purposes contrary to the purposes of this section as determined by the Secretary, shall result in a right of the United States to reimbursement of all funds made available to such project or the proportion of the increased value of the project attributable to such funds as determined at the time of such conversion, use, or disposal, whichever is greater.

(d) GENERAL MANAGEMENT PLAN.—

(1) IN GENERAL.—The Secretary, in consultation with the management entity and Native American tribes whose ancestors were involved in events at these sites, shall develop a general management plan for the historic site. The plan shall be prepared in accordance with section 12(b) of Public Law 91–383 (16 U.S.C. 1a–1 et seq.; commonly known as the National Park System General Authorities Act).

(2) COMPLETION.—The plan shall be completed not later than 2 years after the date funds are made available.

(3) TRANSMITTAL.—Not later than 30 days after completion of the plan, the Secretary shall provide a copy of the plan to the Committee on Energy and Natural Resources of the Senate and the Committee on Resources of the House of Representatives.

SEC. 6. AUTHORIZATION OF APPROPRIATIONS

There is authorized to be appropriated such funds as are necessary to carry out this Act.

HAWAII VOLCANOES NATIONAL PARK ADJUSTMENT ACT OF 1999

The Senate proceeded to consider the bill (S. 938) to eliminate restrictions on the acquisition of certain land contiguous to Hawaii Volcanoes National Park, and for other purposes.

The amendment (No. 2297) was agreed to as follows:

On page 2, after line 11, insert the following new sections:

SEC. 3. CORRECTIONS IN DESIGNATIONS OF HAWAIIAN NATIONAL PARKS.

(a) HAWAI'I VOLCANOES NATIONAL PARK.—

(1) IN GENERAL.—Public Law 87–278 (75 Stat. 577) is amended by striking ''Hawai'i Volcanoes National Park'' each place it appears and inserting ''Hawai'i Volcanoes National Park''.

(2) REFERENCES.—Any reference in any law (other than this Act), regulation, document, record, map, or other paper of the United States to ''Hawaii Volcanoes National Park'' shall be considered a reference to ''Hawai'i Volcanoes National Park''.

(b) HALEAKALĀ NATIONAL PARK.—

(1) IN GENERAL.—Public Law 86–744 (74 Stat. 881) is amended by striking ''Haleakala National Park'' and inserting ''Haleakalā National Park''.

(2) REFERENCES.—Any reference in any law (other than this Act), regulation, document, record, map, or other paper of the United States to ''Haleakala National Park'' shall be considered a reference to ''Haleakalā National Park''.

(c) KALOKO-HONOKŌHAU.—

(1) IN GENERAL.—Section 505 of the National Parks and Recreation Act of 1978 (16 U.S.C. 396d) is amended—

(A) in the section heading, by striking ''KALOKO-HONOKOHAU'' and inserting ''KALOKO-HONOKŌHAU''; and

(B) by striking ''Kaloko-Honokohau'' each place it appears and inserting ''Kaloko-Honokōhau''.

(2) REFERENCES.—Any reference in any law (other than this Act), regulation, document, record, map, or other paper of the United States to ''Kaloko-Honokohau National Historical Park'' shall be considered a reference to Kaloko-Honokōhau National Historical Park''.

(d) PUUHONUA O HŌNAUNAU NATIONAL HISTORICAL PARK.—

(1) IN GENERAL.—The Act of July 21, 1955 (chapter 385; 69 Stat. 376), as amended by section 305 of the National Parks and Recreation Act of 1978 (92 Stat. 3477), is amended by striking ''Puuhonua o Honaunau National Historical Park'' each place it appears and inserting ''Puùhonua o Hōnaunau National Historical Park''.

(2) REFERENCES.—Any reference in any law (other than this Act), regulation, document, record, map, or other paper of the United States to Puuhonua o Honaunau National Historical Park shall be considered a reference to ''Puùhonua o Hōnaunau National Historical Park''.

(e) PUÙKOHOLĀ HELAU NATIONAL HISTORIC SITE.—

(1) IN GENERAL.—Public Law 92–388 (86 Stat. 562) is amended by striking ''Puukohola Heiau National Historic Site'' each place it appears and inserting ''Puùkoholā Heiau National Historic Site''.

(2) REFERENCES.—Any reference in any law (other than this Act), regulation, document, record, map, or other paper of the United States to ''Puukohola Heiau National Historic Site'' shall be considered a reference to ''Puùkoholā Heiau National Historic Site.''

SEC 4. CONFORMING AMENDMENTS.

(a) Section 401(8) of the National Parks and Recreation Act of 1978 (Public Law 95–625; 92 Stat. 3489) is amended by striking ''Hawaii Volcanoes'' each place it appears and inserting ''Hawai'i Volcanoes''.

(b) The first section of Public Law 94–567 (90 Stat. 2692) is amended in subsection (e) by striking ''Haleakala'' each place it appears and inserting ''Haleakalā''.

The bill (S. 938), as amended, was read the third time and passed.

(The bill will be printed in a future edition of the RECORD.)

INCLUSION OF MIAMI CIRCLE IN BISCAYNE NATIONAL PARK

The Senate proceeded to consider the bill (S. 762) to direct the Secretary of the Interior to conduct a feasibility study on the inclusion of the Miami Circle in Biscayne National Park, which had been reported from the Committee on Energy and Natural Resources, with an amendment to strike all after the enacting clause and inserting in lieu thereof the following:

SECTION 1. FINDINGS AND PURPOSES.

(a) FINDINGS.—Congress finds that—

(1) the Tequesta Indians were one of the earliest groups to establish permanent villages in southeast Florida;

(2) the Tequestas had one of only two North American civilizations that thrived and developed into a complex social chiefdom without an agricultural base;

(3) the Tequesta sites that remain preserved today are rare;

(4) the discovery of the Miami Circle, occupied by the Tequesta approximately 2,000 years ago, presents a valuable new opportunity to learn more about the Tequesta culture; and

(5) Biscayne National Park also contains and protects several prehistoric Tequesta sites.

(b) PURPOSE.—The purpose of this Act is to direct the Secretary to conduct a special resource study to determine the national significance of the Miami Circle site as well as the suitability and feasibility of its inclusion in the National Park System as part of Biscayne National Park.

SEC. 2. DEFINITIONS.

In this Act:

(1) MIAMI CIRCLE.—The term ''Miami Circle'' means the property in Miami-Dade County of the State of Florida consisting of the three parcels described in Exhibit A in the appendix to the summons to show cause and notice of eminent domain proceedings, filed February 18, 1999, in Miami-Dade County v. Brickell Point, Ltd., in the circuit court of the 11th judicial circuit of Florida in and for Miami-Dade County.

(2) PARK.—The term ''Park'' means Biscayne National Park in the State of Florida.

(3) SECRETARY.—The term ''Secretary'' means the Secretary of the Interior, acting through the Director of the National Park Service.

SEC. 3. SPECIAL RESOURCE STUDY.

(a) IN GENERAL.—Not later than one year after the date funds are made available, the Secretary shall conduct a special resource study as described in subsection (b). In conducting the study, the Secretary shall consult with the appropriate American Indian tribes and other interested groups and organizations.

(b) COMPONENTS.—In addition to a determination of national significance, feasibility, and suitability, the special resource study shall include the analysis and recommendations of the Secretary with respect to—

(1) which, if any, particular areas of or surrounding the Miami Circle should be included in the Park;

(2) whether any additional staff, facilities, or other resources would be necessary to administer the Miami Circle as a unit of the Park; and

(3) any impact on the local area that would result from the inclusion of Miami Circle in the Park.

(c) REPORT.—Not later than 30 days after completion of the study, the Secretary shall submit a report describing the findings and recommendations of the study to the Committee on Energy and Natural Resources of the Senate and the Committee on Resources of the United States House of Representatives.

(d) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as are necessary to carry out this Act.

Amend the title so as to read: ''A bill to direct the Secretary of the Interior to conduct a special resource study to determine the national significance of the Miami Circle site in the State of Florida as well as the suitability and feasibility of its inclusion in the National Park System as part of Biscayne National Park, and for other purposes.''.

The committee amendment in the nature of a substitute was agreed to.

The bill (S. 762), as amended, was read the third time and passed.

The title was amended so as to read:

A bill to direct the Secretary of the Interior to conduct a special resource study to determine the national significance of the Miami Circle site in the State of Florida as well as the suitability and feasibility of its inclusion in the National Park System as part of Biscayne National Park, and for other purposes.

AUTHORIZATION OF SENATE LEGAL COUNSEL

Mr. SANTORUM. Mr. President, I ask unanimous consent the Senate now proceed to the immediate consideration of S. Res. 203 submitted earlier by Senators LOTT and DASCHLE.

The PRESIDING OFFICER. The clerk will report the resolution by title.

The legislative assistant read as follows:

A resolution (S. Res. 203) to authorize document production, testimony, and representation of Senate employees in the matter before the grand jury in the Western District of Pennsylvania.

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

Mr. LOTT. Mr. President, this resolution would authorize the offices of Senator RICK SANTORUM and Senator ARLEN SPECTER to respond to subpoenas for documents sought by a grand jury convened in the Western District of Pennsylvania. The subpoenas seek documents regarding a constituent inquiry made to both Senators' offices. Both Senators are cooperating with this investigation, and this resolution would authorize the custodian of records in each office to produce any relevant documents. This resolution would also authorize testimony by employees of the Senate, except where a privilege should be asserted, with representation by the Senate Legal Counsel in the event it becomes necessary.

The U.S. Attorney's office has indicated that no Senate party is a subject of this investigation.

Mr. SANTORUM. Mr. President, I ask unanimous consent that the resolution be agreed to, the preamble be agreed to, the motion to reconsider be laid upon the table, and any statements relating to the resolution be printed in the RECORD.

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

The resolution (S. Res. 203) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, reads as follows:

S. RES. 203

Whereas, in a proceeding before a grand jury in the United States District Court of the Western District of Pennsylvania, documents have been subpoenaed from the offices of Senators Arlen Specter and Rick Santorum, and testimony from Senate employees may be requested;

Whereas, by the privileges of the Senate of the United States and Rule XI of the standing Rules of the Senate, no evidence under the control or in the possession of the Senate can, by administrative or judicial process, be taken from such control or possession but by permission of the Senate;

Whereas, when it appears that evidence under the control or in the possession of the Senate may promote the administration of justice, the Senate will take such action as will promote the ends of justice consistently with the privileges of the Senate;

Whereas, pursuant to sections 703(a) and 704(a)(2) of the Ethics in Government Act of 1978, 2 U.S.C. §§ 288b(a) and 288c(2), the Senate may direct its counsel to represent Members and employees of the Senate with respect to any subpoena, order, or request for testimony or the production of documents relating to their official responsibilities: Now, therefore be it

Resolved, That the records custodians in the offices of Senator Rick Santorum and Senator Arlen Specter, and any other employee of the Senate from whom testimony or document production may be required, are authorized to testify and produce documents in this grand jury proceeding or in any related proceeding, except concerning matters for which a privilege should be asserted.

SEC. 2. The Senate Legal Counsel is authorized to represent Senators Specter and Santorum and any employee of the Senate in connection with the document production and testimony authorized in section one of this resolution.

INTERIM CONTINUATION OF MOTOR CARRIER FUNCTIONS BY THE FEDERAL HIGHWAY ADMINISTRATION

Mr. SANTORUM. Mr. President, I ask unanimous consent the Senate now proceed to the consideration of H.R. 3036, which is at the desk.

The PRESIDING OFFICER. The clerk will report the bill by title.

The legislative clerk read as follows:

A bill (H.R. 3036) to provide for the interim continuation of motor carrier functions by the Federal Highway Administration.

There being no objection, the Senate proceeded to consider the bill.

Mr. HOLLINGS. Mr. President, I rise in support of H.R. 3036. This legislation is being considered to remedy language included in section 338 of the Department of Transportation and Related Agencies Appropriations Act, 2000. Contained in the FY 2000 DOT Conference Report was a provision that prohibits the enforcement of civil penalties against truck and commercial vehicles for safety violations until separate legislation is passed to move motor carrier safety functions out of the Federal Highway Administration (FHWA). The provision would also have the impact of eliminating authority to shut down unfit carriers who pose a serious threat to highway safety.

While it is the intent of the committee to mark up a bill this month, it does not make sense to hamstring the agency charged with regulating and enforcing safety until the legislative process has taken its course. H.R. 3036 passed the House last night under suspension of the rules and quick consideration by the Senate today will ensure that the enforcement authority for motor carriers will be restored to the DOT. As we consider authorizing legislation that will reorganize and reprioritize the functions of the Office of Motor Carriers, this legislation will enable the federal government to continue to enforce important federal truck safety rules.

This bill is fair in that it provides authority to DOT to continue to levy penalties until we finalize legislation on this matter. There are pending bills in both bodies, it would be premature to change the functions of this critical safety agency prior to the completion of properly considered legislation.

Mr. MCCAIN. Mr. President, we must take swift action to remedy a serious safety consequence which resulted upon enactment of H.R. 2084, the Fiscal Year 2000 Transportation Appropriations Bill, P.L. 106–69 .

Signed into law last Saturday, section 338 of this law prevents the Federal Highway Administration (FHWA) from expending any funds for motor carrier safety activities. Although the new law allows the Secretary to transfer the safety functions elsewhere, which has already occurred, there are some safety activities solely vested in FHWA and the Secretary is precluded

by law from permitting any other entity to carry out those duties. In particular, the Department's safety enforcement program has nearly come to a halt as a result of the Appropriators' language.

We must restore the Department's ability to fully enforce our federal motor carrier safety regulations. Specifically, we need to restore the department's authority to assess civil penalties when safety violations have been identified. Currently, the Department can continue to carry out inspections, but in most cases has no authority to require a carrier to take corrective action. This is like a police officer pulling a driver over for speeding, but not being able to write a ticket.

Last Mother's Day, 22 people lost their lives when a charter bus ran off the road and crashed. After the accident, the Federal Highway Administration imposed the maximum fine against the company that it is statutorily authorized to assess. If we do not act, the fine will be held in abeyance. How can this be justified? I hope the Appropriators are finally the full consequences of this provision which was opposed by the authorizing Committees of jurisdiction.

The DOT Inspector General has repeatedly stated that strong enforcement with meaningful sanctions is needed at the Office of Motor Carriers. As long as this provision is allowed to stand, there will be no fines assessed against violators and efforts to strengthen Federal enforcement of motor carrier safety laws will be rendered meaningless.

Mr. President, the Senate Commerce Committee has been working to improve truck safety. Many serious safety gaps have been identified and I believe we need to transfer authority for safety to a separate Motor Carrier Safety Administration. But, we need to act responsibly. We need to allow the authorization process to proceed. We need to put drivers and passengers ahead of unreviewed, unexamined quick-fix gimmicks that have resulted in very disturbing and likely unintended consequences.

Last year, a similar attempt was made by the House Appropriations Committee to strip FHWA from its authority over motor carrier safety matters. As Chairman of the Senate Committee on Commerce, Science, and Transportation, which has jurisdiction over most federal transportation safety policies, including motor carrier and passenger vehicle safety, I opposed this proposal, in part because it had never been considered by the authorizing committees of jurisdiction. The provision was ultimately not enacted and I pledged that I would work to address motor carrier safety concerns in this Congress. I have lived up to this commitment.

At my request, the Inspector General of the Department of Transportation conducted a comprehensive analysis of federal motor carrier safety activities. Serious safety gaps have been identified, and as such, the authorizing Committees of jurisdiction have been working to move legislation to improve motor carrier safety. The Commerce Committee held a hearing on my specific safety proposal and we expect to mark up that measure during the next Executive session. Indeed, we are working to move legislation through the regular legislative process.

Public safety could be seriously jeopardized if Congress does not take quick action to restore federal motor carrier safety enforcement activities. I am aware safety improvements are necessary. I am working to pass those needed improvements. But halting motor carrier enforcement activities is clearly not in the interest of truck and bus safety.

Mr. President, we cannot allow the destruction of the Federal government's motor carrier safety enforcement program. I fully support passage of H.R. 3036 to restore the Department's truck safety enforcement programs. I urge my colleague to support this much needed bill.

Mr. SANTORUM. Mr. President, I ask unanimous consent that the bill be read a third time and passed, the motion to reconsider be laid upon the table, and any statement relating to the bill be printed in the RECORD.

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

The bill (H.R. 3036) was passed.

ORDERS FOR FRIDAY, OCTOBER 15, 1999

Mr. SANTORUM. Mr. President, I ask unanimous consent that when the Senate completes its business today, it adjourn until the hour of 9:15 a.m. on Friday, October 15. I further ask unanimous consent that on Friday, immediately following the prayer, the Journal of proceedings be approved to date, the morning hour be deemed expired, the time for the two leaders be reserved for their use later in the day, and the Senate then begin the vote on the conference report to accompany the VA-HUD appropriations bill.

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

QUALITY CARE FOR THE UNINSURED ACT OF 1999

The PRESIDING OFFICER. The Chair has an announcement.

Under unanimous consent, the Chair lays before the Senate H.R. 2990. All after the enacting clause is stricken. The text of S. 1344 is inserted. The bill is read a third time, passed, and the Senate insists on its amendment and requests a conference with the House.

PROGRAM

Mr. SANTORUM. Mr. President, for the information of all Senators, the Senate will conduct a vote on the VA-HUD appropriations conference report tomorrow morning at approximately 9:15. Following the vote, the Senate will resume debate on the campaign finance reform bill, with further amendments to be expected. Senators are encouraged to work with the bill managers on a time to come to the floor to offer their amendments in a timely manner.

ADJOURNMENT UNTIL 9:15 A.M. TOMORROW

Mr. SANTORUM. 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 7:43 p.m., adjourned until Friday, October 15, 1999, at 9:15 a.m.

NOMINATIONS

Executive nominations received by the Senate October 14, 1999:

DEPARTMENT OF THE TREASURY

CHARLES L. KOLBE, OF IOWA, TO BE A MEMBER OF THE INTERNAL REVENUE SERVICE OVERSIGHT BOARD FOR A TERM OF THREE YEARS. (NEW POSITION)